ANNUAL REPORT

2020-2021

(1st April 2020 to 31st March 2021)

TATA POWER-DDL

TATA POWER DELHI DISTRIBUTION LIMITED

(A Tata Power and Delhi Government Joint Venture)

formerly North Delhi Power Limited

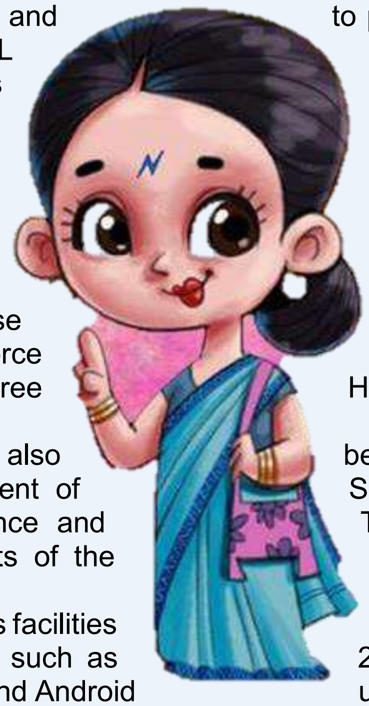
Regd. Offc. : NDPL House, Hudson Lines,
Kingsway Camp, Delhi – 110009

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 7.33% (as of March 2021) which is an unprecedented reduction of around 86% 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.

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

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 on the rooftop of its Grid Sub-stations with a total generation capacity of 1.65 MW. It also has a total net metering cumulative capacity of 40.9 MWp. The Company is now working on setting up a Smart Grid with the integration of Roof Top Solar, Energy Storage, E-charging of Electric Vehicles, Home Automation etc. in its network.

GEOGRAPHIC PRESENCE

Tata Power-DDL's change management experience, distributed leadership system, adoption of latest technology; robust competence development process and innovative & open work culture are the key strategic boosters which have helped in building and sustaining competitive advantage in the changing business scenario. A journey which began more than a decade ago for empowering the 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 20+ 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/

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

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

OUR APPS

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

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

CERTIFICATIONS

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

AWARDS AND RECOGNITIONS

Various awards and recognitions have been bestowed on the Company and its executives during the year FY 2020-21. Some of the awards and recognitions received by the Company are as under:

The Institute of Chartered Accountants of India (Setup by an Act of Parliament)	**ICAI Award 2019-20** for 'Excellence in Financial Reporting' for 2019-20
स्वच्छ सर्वेक्षण 2021	**Swachh Survekshan 2021 Award** in the 'Govt. Office' Category • **First Position:** Corporate Office Building and Cencare Building • **Third Position:** UP Samaj Building, Pitampura

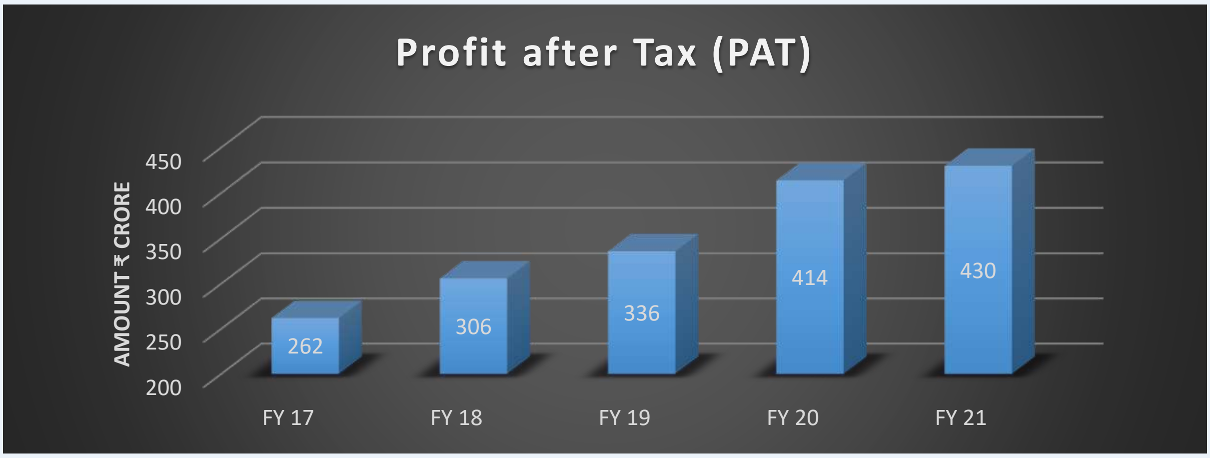
	**ISGF Smart Innovation Awards 2021:** • **Diamond Category Winner Award** for Talk Back Seal for Energy Meters • **Certificate of Merit** for Smart Prevention of Distribution Transformer Failure • **Certificate of Merit** for Self-Sensing Auto Spiking Tool
	**People First HR Excellence Award 2020** for 'Leading Practices in Employee Engagement'
	**Customer FEST Awards, 2021** for Best Digital Customer Experience Initiative
	ICC Social Impact Awards 2021: • **Winner** in the category 'Promoting Gender Equality and Women Empowerment' • **First Runner-up** in the category 'Promoting Education'
	Safety Innovation Award 2020

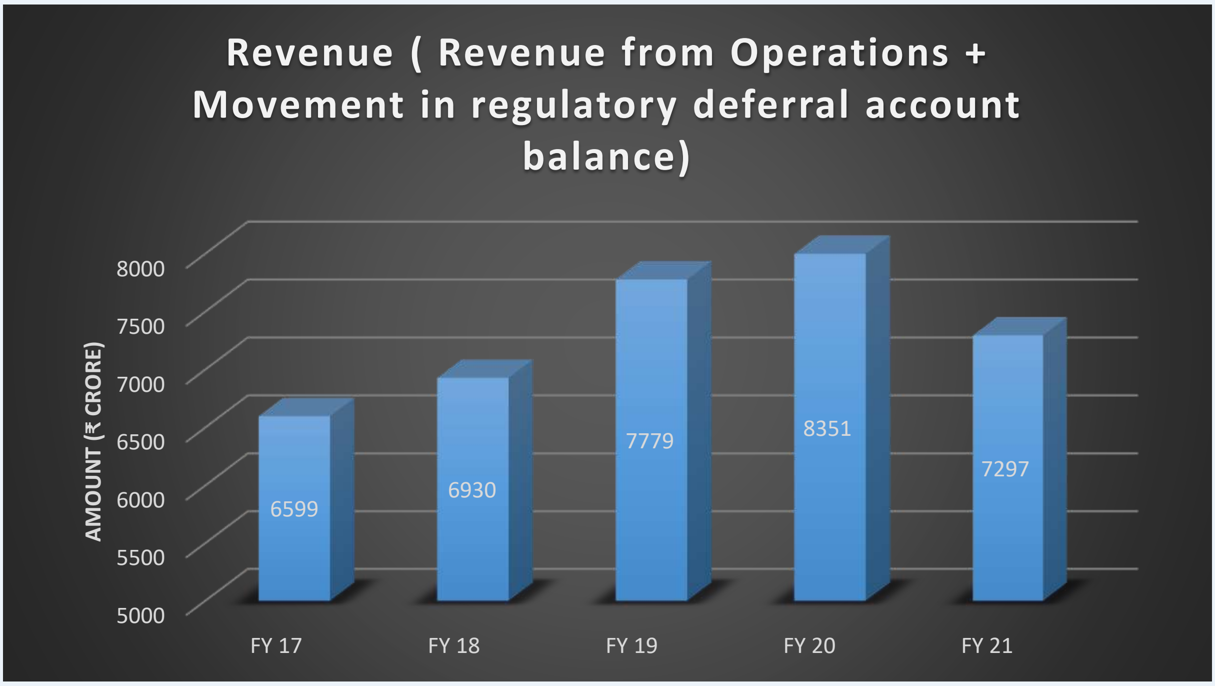
	Smart Grid Lab recognised as 'In-House R&D Unit' by Department of Scientific & Industrial Research (DSIR), Ministry of Science & Technology, Government of India
	Golden Peacock Award for Energy Efficiency 2020
	Asian Power Awards 2020 'Power Utility of the Year – India' and 'Smart Grid Project of the Year – India'
	UN Women: 1st Runner-up in the 'Community Engagement Category' and 2nd Runner-up in the Covid-19 Category'
	Open Text Award 'Building a Resilient Organization' Category
	Confederation of Indian Industry (CII) Industrial Innovation Awards 2020 'Top 25 Innovative Company' for development of BESS

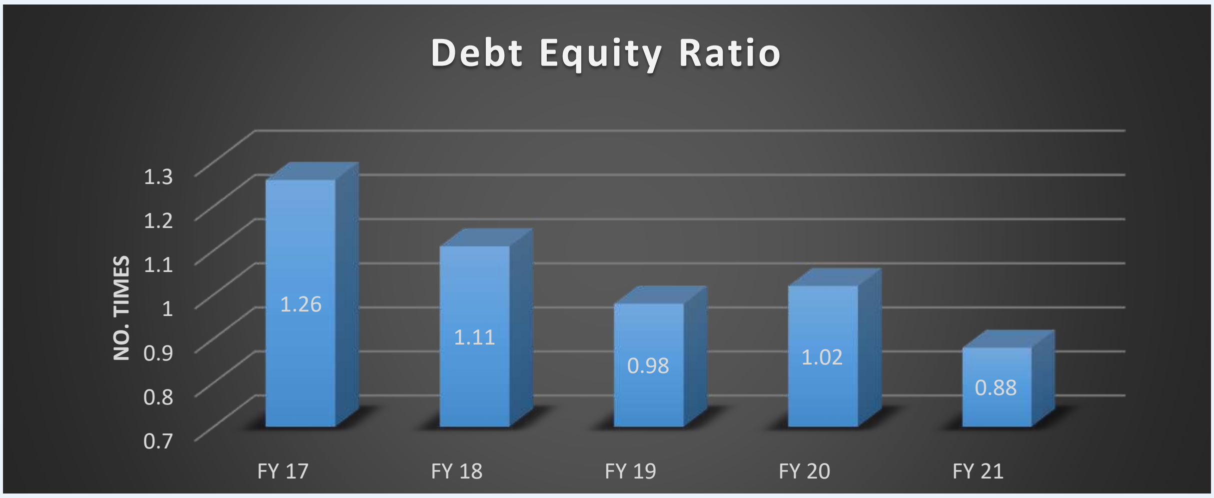
	CMO Asia: 'Dream Companies to Work For' at Asia's Best Employer Brand Awards
	Annual Facility & Property Management India Summit & Awards 2020 by Inventicon: Facility Management Excellence in Sustainability Award
	CCQC 2020 Quality Circle Forum of India: 26 Awards at National Convention on Quality Concepts (NCQC) 2020, Delhi Chapter
	ICQCC 2020 10 PLATINUM Awards at International Convention on Quality Control Circles
	**Annual National HR Circle Competition 2020** organized by Confederation of Indian Industry (CII): **Winner** under two categories, namely 'Business Continuity w.r.t People Management amidst COVID situation'; and 'Employee Relations and Employee Engagement' and **Runner-Up** in the category 'Innovation Leadership during crisis'
	Tata Power-DDL has been recognized at the **59th ABCI Annual Awards** for its in-house digital newsletter 'Surkhiyan' (2019-20) by Association of Business Communicators of India

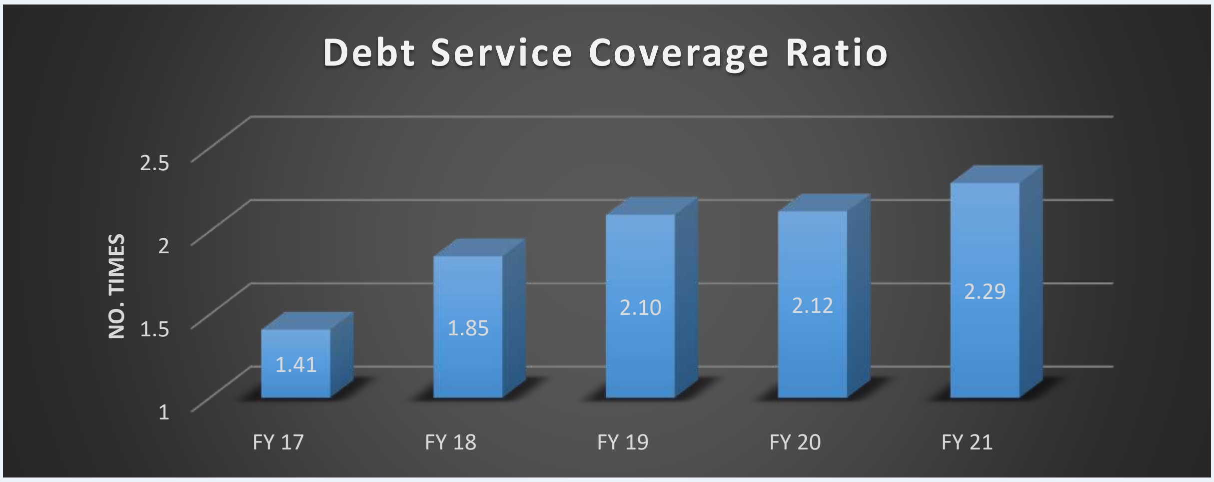
	Tata Power-DDL has won the Facility Management Excellence in Sustainability Award at the **5th Annual Facility & Property Management India Summit & Awards 2020** by Inventicon
	Tata Power-DDL has been recognized as one of the finalists in Core Process under Implemented Innovation category, from a total of 10939 projects registered at **Tata InnoVista 2020**. Mr. Nilesh Kane (Head – Urban Circle and DOSEC) and Mr. Sandip Pal (HoG – Switch Gear and FLC) have been recognized with the Serial Innovator Award

KEY PERFORMANCE INDICATORS









*Calculation doesn't includes revenue gap loans as taken to fulfil cash requirements due to regulatory assets.

Board of Directors

Dr. 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	**:**	**Monday, 21st June 2021**
Time	**:**	**3:00 p.m.**
Venue	**:**	**TPDDL Smart Grid Lab, Dr. K.N. Katju Marg, Sector - 15, Rohini, adjacent to RG-05 Grid, Delhi - 110085**

TATA POWER DELHI DISTRIBUTION LIMITED

BOARD OF DIRECTORS

Dr. Praveer Sinha	Chairman
Mr. Kesava Menon Chandrasekhar	Independent Director
Mr. Ajay Shankar	Independent Director
Mr. Amar Jit Chopra	Independent Director
Mr. Jasmine Shah	Non-Executive Director
Mr. Ajit Kumar Singh	Non-Executive Director
Mr. Naveen ND Gupta	Non-Executive Director
Ms. Rashmi Krishnan	Non-Executive Director
Mr. Sanjay Kumar Banga	Non-Executive Director
Mr. 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:

M/s Walker Chandiok & Co., LLP, Chartered Accountants (LLP Identification No. AAC-2085, ICAI Firm Registration No.- 001076N/N500013) (upto 31st March 2021)

M/s T R Chadha & Co LLP, Chartered Accountants (Firm Registration No. 006711N/N500028) (From 1st April 2021)

COST AUDITORS:

M/s Ramanath Iyer & Company, Cost Accountants (Firm Registration No. 000019) (upto 31st March 2021)

M/s Chandra Wadhwa & Co., Cost Accountants, (Firm Registration No. 000239) (From 1st April 2021)

SECRETARIAL AUDITORS:

M/s Siddiqui & Associates, Company Secretaries (upto 31st March 2021)

M/s Sanjay Grover & Associates, Company Secretaries (From 1st April 2021)

INTERNAL AUDITOR:

Mr. Piyush Kumar Jain

BANKERS:

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

TATA POWER DELHI DISTRIBUTION LIMITED

NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the members of Tata Power Delhi Distribution Limited will be held on Monday, the 21st June 2021 at 3:00 p.m. at TPDDL Smart Grid Lab, Dr. K.N. Katju Marg, Sector-15, Rohini, adjacent to RG-05 Grid, Delhi-110085, to transact the following business(es) *[Through video conferencing 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 and General Circular No. 02/2021 dated 13th January 2021, 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 2021 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 2021 together with the Reports of the Auditors thereon.

2. To declare a dividend on Equity Shares for the financial year ended 31st March 2021.

3. To appoint a Director in place of Dr. 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 Mr. Arup Ghosh (DIN: 06711047), who retires by rotation and being eligible, offers himself for re-appointment.

6. **Appointment of Statutory Auditors of the Company**

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

   "**RESOLVED** that pursuant to the provisions of Sections 139, 141 and other applicable provisions, if any, of the Companies Act 2013 ("the Act") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s T R Chadha & Co LLP, Chartered Accountants (Firm Registration No. 006711N/N500028) be and are hereby appointed as the Statutory Auditors of the Company to hold office for five years commencing from the conclusion of this, 20th Annual General Meeting (AGM) of the Company till the conclusion of the 25th AGM to be held in 2026 (i.e. from FY 2021-22 to FY 2025-26), to examine and audit the accounts of the Company, on such remuneration plus applicable taxes, travelling and out of pocket expenses on actual basis, as may be determined and recommended by the Audit Committee in consultation with the Statutory Auditors and duly approved by the Board of Directors of the Company.

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

Special Business:

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

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

"**RESOLVED** that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act 2013 (the Act) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 2,25,000/- plus applicable taxes and out of pocket expenses on actual basis incurred in connection with the audit payable to M/s Chandra Wadhwa & Co., Cost Accountants (Firm Registration No. 000239), who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the financial year 2021-22.

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

NOTES:

(1) The relative explanatory statement pursuant to subsection (1) of Section 102 of the Companies Act 2013 (the Act) and the rules made thereunder, in regard to the business set out in item no. 7 and the relevant details of the Directors of the Company seeking re-appointment as set out in item nos. 3 to 5 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") has vide its General Circular nos. 14/2020 and 17/2020 dated 8th April 2020 and 13th April 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act 2013 and the rules made thereunder on account of the threat posed by Covid-19", General Circular no. 20/2020 dated 5th May 2020 in relation to "Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" and General Circular no. 02/2021 dated 13th January 2021 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the members of the Company is being held through VC/OAVM. The deemed venue for twentieth Annual General Meeting will be TPDDL Smart Grid Lab, Dr. K.N. Katju Marg, Sector – 15, Rohini, adjacent to RG-05 Grid, Delhi – 110085.

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

(4) In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report for FY 2020-21 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 2020-21 will also be available on the Company's website https://www.tatapower-ddl.com/

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

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

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

(8) If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made in accordance with provisions of the 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) To support the 'Green Initiative', Members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses for receiving all communication including annual reports, notices, circulars, etc. from the Company electronically.

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

(15) The Company ensures that the AGM through VC/OAVM facility allows two way videoconferencing or webex for the ease of participation of the members and the participants are allowed to pose questions concurrently or given time to submit questions in advance on the e-mail address of the Company i.e. 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/OAVM, where physical attendance of members in any case has been dispensed with, there is no requirement for appointment of proxies. Accordingly, in terms of the MCA circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence, the proxy form is not annexed to this notice. However, in pursuance of 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/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=m8150e07e05bca6aef4c6083f4b0e1ef9
Password (if prompted) is: 12345

(20) Disclosures with regard to the manner in which framework available for use by the members and clear instructions on how to access and participate in the meeting are clearly mentioned in this AGM Notice. 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, 23rd April 2021
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 and 7 of the accompanying notice dated 23rd April 2021.

Item no. 6: This explanatory statement is provided though strictly not required as per Section 102 of the Act.

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. Further, appointment of auditors be done from amongst the list of C&AG empanelled auditors.

As per the directions of DERC in March 2013 and May 2018, M/s Walker Chandiok & Co. LLP, Chartered Accountants, had conducted the Statutory Audit of the Company for five years from FY 2016-2017 to FY 2020-21. Since, the second term of M/s Walker Chandiok & Co. LLP, Chartered Accountants, existing Statutory Auditors was upto the financial year ended on 31st March 2021, it was proposed to rotate the Statutory Auditors and appoint new Statutory Auditors from FY 2021-22 onwards.

The Board of Directors recommends to appoint M/s T R Chadha & Co LLP, Chartered Accountants (Firm Registration No. 006711N/N500028), as Statutory Auditors for five years to hold office from the conclusion of 20th Annual General Meeting upto the conclusion of 25th Annual General Meeting of the Company (i.e. from FY 2021-22 to FY 2025-26).

The Company has received written consent and eligibility certificate from M/s T R Chadha & Co LLP, Chartered Accountants to act as Statutory Auditors of the Company along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Act. They have vast experience in the field of Statutory Audit etc. under the provisions of the Act.

In view of the above and pursuant to the provisions of Sections 139, 141 and other applicable provisions, if any, of the Act, the appointment of M/s T R Chadha & Co LLP, Chartered Accountants as Statutory Auditors of the Company is now being placed before the members for their approval.

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

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

Item no. 7: Pursuant to the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice and the remuneration payable to the Cost Auditors is required to be ratified by the shareholders of the Company at the General Meeting. On the recommendation of Audit Committee, the Board of Directors have approved the appointment of M/s Chandra Wadhwa & Co., Cost Accountants, as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company (Generation and Distribution business) for the financial year 2021-22, at a remuneration of ₹ 2,25,000/- plus applicable taxes and out of pocket expenses on actual basis.

M/s Chandra Wadhwa & Co., Cost Accountants, have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of Cost Audit under the provisions of the Act.

The Board recommends the resolution at item no. 7 of the accompanying notice for ratification of the Cost Auditors' remuneration for FY 2021-22, by the members of the Company.

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

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

Delhi, 23rd April 2021
Corporate Identity No.
U40109DL2001PLC111526

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

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/

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

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

Name of Director	**Dr. Praveer Sinha**	**Mr. Ramesh Narayanswamy Subramanyam**	**Mr. Arup Ghosh**
DIN	01785164	02421481	06711047
Designation	Chairman	Non-Executive Director	Non-Executive Director
Date of birth Age	8th April 1962 (59 years)	27th June 1969 (51 years)	8th November 1955 (65 years)
Date of appointment	4th May 2018	16th June 2018	31st July 2015
Expertise in functional areas	Dr. Praveer Sinha is the CEO & Managing Director of The Tata Power Company Limited (TPC, Mumbai), India's largest integrated power utility. Dr. Sinha has nearly 36 years of experience in Power Generation and Distribution sector in India. Prior to his present role, he had served as the CEO&MD of Tata Power Delhi Distribution Limited (TPDDL), a Public Private Partnership with Delhi Government. He is a visiting Research Associate at Massachusetts Institute of Technology (MIT), Boston, USA and is also a distinguished Visiting Scholar at the Faculty of Engineering and Architectural Science, Ryerson University, Canada. He is a regular speaker in various forums in India and abroad including World Bank, Niti Aayog, Massachusetts Institute of Technology (MIT) and Rockefeller Foundation. He is also the Co-Chairman of the CII National Committee on Power as also on various Industry bodies.	Mr. Ramesh Narayanswamy Subramanyam 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 its Chief Financial Officer. He is also the member of core committee of power sector financing of CII.	Mr. Arup Ghosh is a power sector veteran of 43 years. He has been extensively engaged in all facets of transmission and distribution operations including restructuring and institutional strengthening of electricity utilities to enable them to cope with regulatory controls. He has worked with electricity utilities in India and Mauritius. Initially as Chief Operating Officer, he actively supported the Chief Executive Officer & Managing Director in leading the Company to script at Delhi hitherto unmatched reforms of the electricity distribution business. As Chief Technical Officer, he supported the Chief Executive Officer & Managing Director on strategic decisions and led operations, projects, engineering, business development, contracts, safety, generation, human resource, civil, vigilance, security, enforcement, information technology and health services. Prior to joining the Company, Mr. Ghosh was employed with Central Electricity Board, Mauritius; CESC Ltd., The National Insulated Cable Co. of India Ltd. and Crompton Greaves Ltd., all at Kolkata, India.
Qualifications	Qualified Electrical Engineer and Master's in Business Law from National Law University, Bangalore. He has also done his PhD. from Indian Institute of Technology, Delhi.	Graduate in Commerce from Nagpur University. Member of the Institute of Cost Accountants of India and Institute of Company Secretaries of India. He	Alumnus of Indian Institute of Technology, Kharagpur. Subsequently, Mr. Ghosh received formal training in general management at Administrative Staff

		has also passed the CPA (Certified Public Accountants) examination of the American Institute of Certified Public Accountants (AICPA).	College of India, Hyderabad (MDP), Indian Institute of Management, Kolkata (EDP) and Xavier Labour Relations Institute, Jamshedpur (EDP). He has also received training in regulatory matters from Institute of Public- Private Partnerships Inc (IP3), Washington D.C.
Terms & conditions of appointment	Appointed as Chairman, (Non-Executive) Director	Appointed as (Non-Executive) Director	Appointed as (Non-Executive) Director
Remuneration	Nil	Nil	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 Companies: 1. TP Central Odisha Distribution Limited 2. TP Western Odisha Distribution Limited 3. TP Southern Odisha Distribution Limited 4. TP Northern Odisha Distribution Limited 5. Tata Power Trading Company Limited	• 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. TP Saurya Limited	• Director of the following Companies: 1. Tata Power Jamshedpur Distribution Limited 2. TP Central Odisha Distribution Limited 3. TP Western Odisha Distribution Limited 4. TP Southern Odisha Distribution Limited
Committee positions held in other Companies	• Member of the following Committee: 1. Tata Power Renewable Energy Limited- Nomination and Remuneration Committee 2. 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 3. Tata Power Trading Company Limited- Committee of Directors/Commercial Committee 4. TP Central Odisha Distribution Limited- Nomination and Remuneration Committee	• Member of the following Committee: 1. Coastal Gujarat Power Limited- Audit Committee 2. Tata Projects Limited- Audit Committee 3. Tata Power Renewable Energy Limited- Audit Committee 4. Prayagraj Power Generation Company Limited- Audit Committee and Committee of Directors	• Member of the following Committee: 1. TP Central Odisha Distribution Limited- Audit Committee

Number of Shares held	One equity share of ₹ 10/- in the Company jointly with The Tata Power Company Limited	Nil	Nil
Number of Meetings of the Board attended during FY 2020-21	6	6	6
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	None	None

Board's Report

To the Members,

The Directors present Twentieth 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 2021. The consolidated performance of the Company and its subsidiary has been referred to wherever required.

1. FINANCIAL RESULTS

(Figures in ₹ crore)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from operations	7007	7868	7007	7873
Add: Other income	116	125	117	126
Total income	7123	7993	7124	7999
Expenditure (Excl. Depreciation, Interest & Tax)	6157	7132	6158	7134
Interest	344	345	344	345
Depreciation	354	333	354	333
Total Expenditure	6855	7810	6856	7812
Profit before tax and rate regulated activities	268	183	269	187
Net movement in regulatory deferral account balance	290	463	290	463
Profit before tax	558	646	559	650
Less: Exceptional Items: Impairment of Property, Plant and Equipment	-	-	-	-
Less: Exceptional Items: Impairment loss on assets classified as held for sale	-	-	-	-
Less: Provision for Taxes Current Income Tax (incl Prior period adjustments) Deferred income tax (including deferred tax on OCI)	 83 47	 109 123	 83 47	 110 123
Profit for the year	428	414	429	417
Other Comprehensive Income	1	-4	1	-4
Less: Statutory Appropriations				
Balance Profits available for appropriation	429	410	430	413
Add: Balance brought forward from the previous year	2329	2039	2353	2060
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	2758 132 -	2449 120 -	2783 132 -	2473 120 -
Leaving a balance to be carried forward	2626	2329	2651	2353

***** Previous year figures have been reclassified so as to make them comparable with current year figures
** Dividend Distribution Tax applicable up to FY 2019-20

2. INCREASE IN THE AUTHORISED SHARE CAPITAL AND ALLOTMENT OF BONUS SHARES

Increase in the Authorised Share Capital

The Company had increased its authorised share capital from the existing authorised share capital of ₹ 1,250,00,00,000/- (Rupees One Thousand Two Hundred and Fifty Crore only) divided into 75,00,00,000 (Seventy Five Crore) Equity Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 750,00,00,000 (Rupees Seven Hundred and Fifty Crore only) and 5,00,00,000 (Five Crore), 12% Cumulative Redeemable Preference Shares of ₹ 100/- (Rupees Hundred Only) each aggregating to ₹ 500,00,00,000 (Rupees Five Hundred Crore only) to ₹ 1,750,00,00,000/- (Rupees One Thousand Seven Hundred and Fifty Crore only) divided into 125,00,00,000 (One Hundred Twenty Five Crore) Equity Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 1,250,00,00,000 (Rupees One Thousand Two Hundred and Fifty Crore only) and 5,00,00,000 (Five Crore) 12% Cumulative Redeemable Preference Shares of ₹ 100/- (Rupees Hundred Only) each aggregating to ₹ 500,00,00,000 (Rupees Five Hundred Crore only) by creation of additional 50,00,00,000 (Fifty crore) Equity Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 500,00,00,000 (Rupees Five Hundred Crore only) ranking pari-passu with the existing equity shares of the Company.

Issue of Bonus Equity Shares

The Company had capitalized a sum of ₹ 500 crore standing to the credit of the capital redemption reserve account of the Company for the purpose of issue and allotment of 50 crore New Bonus Equity Shares of ₹ 10/- each at par, credited as fully paid-up equity shares to the holders of the existing equity shares of the Company i.e. 51% of total bonus equity shares (i.e. 25,50,00,000 Equity Shares of ₹ 10/- each at par) to The Tata Power Company Limited, which holds 51% shares in the Company and 49% of total bonus equity shares (i.e. 24,50,00,000 Equity Shares of ₹ 10/- each at par) to Delhi Power Company Limited, which holds 49% shares in the Company.

3. DIVIDEND

The Board recommended a dividend of ₹ 1.20/- per fully paid Equity Share (12%) on 1,05,20,00,000 Equity Shares of face value of ₹ 10/- each, for the year ended 31st March 2021 (Previous year 24% i.e. ₹ 2.40/- per share on 55,20,00,000 equity shares of ₹ 10/- each).

The dividend on Equity Shares is subject to the approval of the Shareholders at the Annual General Meeting ('AGM') scheduled to be held on 21st June 2021.

The dividend once approved by the Shareholders will be paid to the shareholders directly in their bank accounts through electronic mode. If approved, the dividend would result in a cash outflow of ₹ 126.24 crore. The dividend on Equity Shares is 12% of the paid-up value of each share. The total dividend pay-out works out to 29% (Previous Year: 32%) of the net profit for the standalone results.

4. STATE OF COMPANY'S AFFAIRS

- **FINANCIAL HIGHLIGHTS**

Tata Power Delhi Distribution Limited (Tata Power-DDL) had revenues from operations aggregating to ₹ 7,007 crore during the financial year 2020-21, a decline of about 11% over the previous year revenues of ₹ 7,868 crore. The Company, however, earned a profit of ₹ 268 crore in FY 2020-21 as compared to a profit of ₹ 183 crore in FY 2019-20, prior to accounting for regulatory income amounting to ₹ 290 crore in FY 2020-21 as compared to ₹ 463 crore in FY 2019-20. 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 ₹ 290 crore (₹ 463 crore regulatory income in FY 2019-20), the resultant Profit Before Tax (PBT) is ₹ 558 crore in FY 2020-21 as compared to ₹ 646 crore in FY 2019-20, reflecting a decrease of 14% over the previous year. The Profit After Tax (PAT) for FY 2020-21 is ₹ 430 crore as compared to ₹ 410 crore in FY 2019-20, thereby reflecting 5% 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 value chain and is a power distribution Company.

Power Distribution

The Distribution sector, by the virtue of being at the revenue generation end of the entire electricity value chain, is the cornerstone for the financial viability of the entire sector. The sector, despite its opening up to private sector participation in the year 1999 with privatization of Orissa Distribution Utilities, continues to be largely Government owned, having negligible private sector participation with Delhi, Mumbai, Kolkata, Ahmedabad, Surat, Odisha state and some urban centres being notable exceptions. The national average Aggregate Technical & Commercial (AT&C) (FY18-19) Losses still hover around 22.03% (*Source: - PFC Report on the Performance of State Power Utilities FY18-19)*. However, as on 31st December 2020, the AT&C losses for states covered under the UDAY scheme (data available for 32 States/UTs) stood at 23.82% (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 ₹ 40,053 crore in 2017-18 to ₹ 52,838 crore in 2018-19. The average cost of supply for distribution utilities increased from ₹ 5.38 /kwh in the year 2016-17 to ₹ 5.50 /kwh in 2017-18 and to ₹ 6.00 /kwh in 2018-19. The average revenue (with subsidy received) increased from ₹ 5.01 /kwh in the year

2016-17 to ₹ 5.20 /kwh in 2017-18 and to ₹ 5.48 /kwh in 2018-19. *(Source: PFC- Report on the Performance of State Power Utilities FY18-19).*

- **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 8950 MUs as of 31st March 2021, to ensure that the consumers are provided with 24x7 power supply.

Reliability and Other Operational Metrics

The Company sustained system reliability at 99.80% and touched the peak load at 1854 MW during the year. Further, street light functionality was 99.15%, there were 590 collection avenues, Customer delight index was 96, Billing Efficiency and Collection Efficiency were at 92.87% and 99.78% respectively, as on 31st March 2021.

Technology Implementation

The Company has collaborated with 52 partners - technology companies, institutions and funding agencies across the globe to take technology and service delivery to the next level. The Company has also moved forward in implementing the Smart Grid road map which encompasses all the key elements such as Smart Metering, Battery Energy Storage System, Distributed Energy Resource management and many others.

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 Hon'ble Delhi Electricity Regulatory Commission (DERC). DERC issues Tariff Regulations in order to determine the Retail Tariff. Tariff Regulations provide recovery of Annual Revenue Requirement 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.

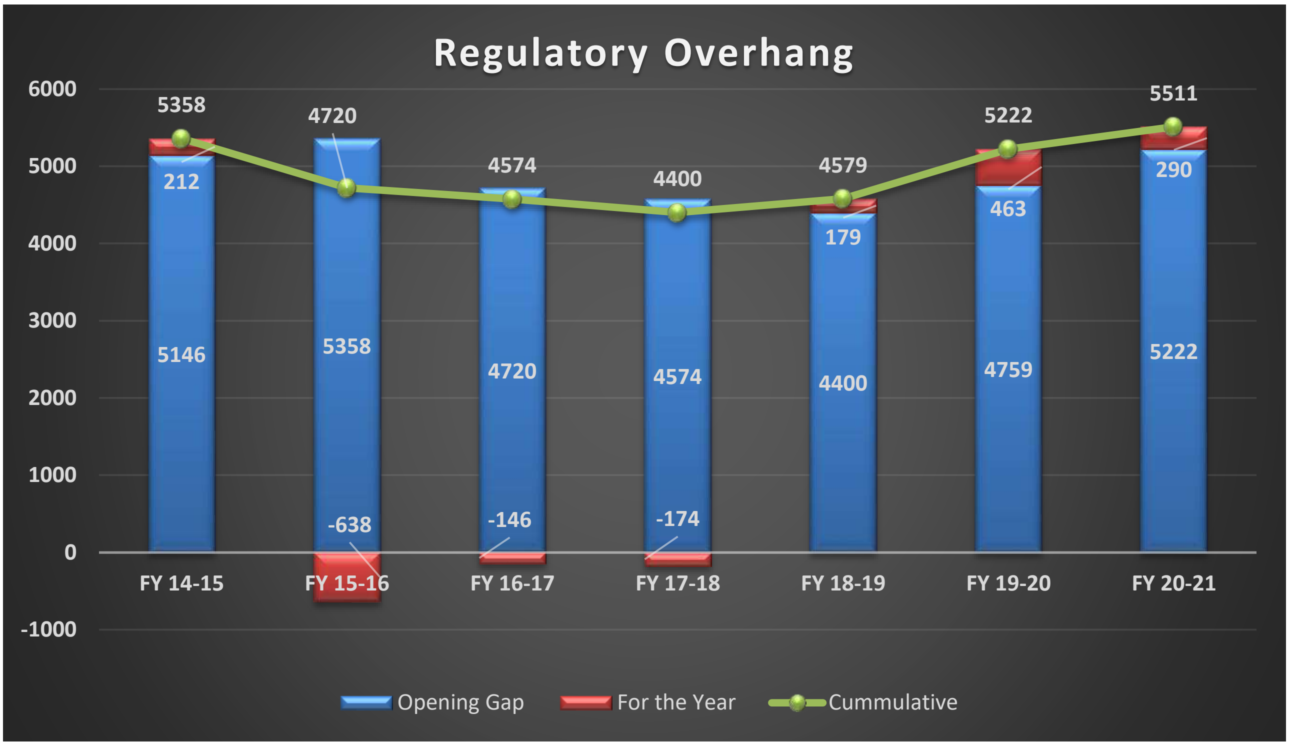
DERC on 31st January 2017 has notified the Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2017 for determination of Annual Revenue Requirement. Further, DERC has notified Business Plan Regulations, 2019 for the next control period applicable for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

Based on the aforesaid regulations, DERC had published the Tariff schedule for FY 2020-21 on 28th August 2020 and uploaded the detailed Tariff Order on its website on 19th October 2020 for true up of FY 2018-19 and ARR of FY 2020-21.

For FY 2020-21, actual Power Purchase Costs constitutes around 73% of total costs, Operation & Maintenance expenses (inclusive of Establishment Cost, Administrative & General Expenses and Repair & Maintenance Expenses) constitutes around 11% with Depreciation around 4%, Interest on Loans for capital investment around 3%, Return on Equity (RoE) deployed in the business constituting only around 2-3% of the total cost and balance towards carrying cost. The total cost needs to be recovered through retail tariff determined by the DERC and chargeable to the consumers.

During FY 2020-21, power purchase cost of the Company was ₹ 6.00/unit against the approved Power Purchase Cost of ₹ 5.42/unit. To meet out such increase in power purchase cost, Business Plan Regulations 2019 provides mechanism for charging this increased cost upto certain extent and accordingly, the Company has provisionally charged Power Purchase Cost Adjustment Charge on Retail Tariff as per the methodology provided and balance will be levied based on approval from the Regulator.

Based on an opinion pronounced by the Expert Advisory Committee (EAC) of The Institute of Chartered Accountants of India (ICAI), the Company has recognized deferred asset for deferred tax liability as a regulatory deferral account debit/credit balance. Due to lack of a tariff hike, increase in carrying cost and also above deferred tax liability, the regulatory asset has increased by ₹ 350 crore as on 31.03.2021. During the current year, revenue gap has increased by ₹ 290 crore, which is evident from the graph below and this includes ₹ 47 crore pertaining to recoverable on account of deferred tax liability created during the year.



* Closing Balance of FY 2018-19 does not include ₹ 180 crore w.r.t. adjustment of deferred tax recoverable.

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

COMMERCIAL

Key Achievements

AT&C Loss Reduction

One of the most significant measures of operational efficiency in power distribution sector is Aggregate Technical & Commercial (AT&C) Loss reduction. AT&C 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 2020-21, 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. Nevertheless, during the year inspite of very challenging conditions of the pandemic, Company's AT&C loss was at 7.33% which is much ahead of regulatory target of 8.36%.

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 2020-21 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 Commercial is 99.87 for FY 2020-21, replacement of defective meters (2.54 days against 15 days allowed by DERC), being provided in significantly lesser (faster) time than stipulated by DERC. Tata Power-DDL has also implemented new app CMG 2.0 in New Connection activities which will further help in reducing the timelines.

Customer Services

Tata Power-DDL has consistently implemented new technologies and processes to improve its customer's satisfaction. The cumulative installation of Smart Meters stood at 2.3 lakh and the TPDDL Connect App has been upgraded for Smart Meter consumers with a host of services like real-time consumption, customized alerts daily reads etc. The cumulative usage stood at 2.2 lakh approx. with monthly views of 20K users.

All services which were offline have been made online during the year under the Go Digital initiative and this had helped the Company in catering to customers 24X7 during the pandemic.

The total usage of TPDDL Connect App has gone up by 8% to 9.45 lakh (Cum download – 11.37 lakh) which was made possible by constant promotion through social media, digital "Green zones", "Synergy" with school children, RWA interactions etc.

The Samvaad portal, which gives a single screen view to customers about their individual information and enables the utility broadcast information has also been launched and has garnered viewership of 25K customers annually.

To ensure safety of customers, all physical interactions were suspended during the pandemic and all engagement activities were conducted online and 12,500 customers were touched through monthly online Resident Welfare Association, quarterly Industrial Welfare Association, Samman (meet for Senior Citizens), TVW etc.

All these measures have helped the Company improve its Customer Delight Survey Score to 96 (2 points improvement from the external survey conducted in FY 19) despite the challenges faced during the Covid – 19 lockdown during the financial year.

Capital Expenditure

Tata Power-DDL has executed distribution related capital expenditure works (CAPEX) amounting to ₹ 425 crore in FY 2020-21 (FY 2019-20: ₹ 494 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 financial year 2020-21, the total capitalization was ₹ 501 crore (FY 2019-20: ₹ 568 crore).

- **Generation Initiatives**

Rithala CCPP

As per DERC order, Rithala plant has been allowed to function till 31.03.2018, subsequent to which the Company is exploring options for disposal of plant. At its meeting held on 31st October 2017, the Board had approved to conduct sale/auction of 108 MW Rithala power plant on "as is where is and clean sweep basis".

For the costs being incurred subsequent to March 2018, your Company has approached APTEL.

An application in the matter was last listed for hearing on 23.04.2021 and matter is in process.

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 1281 cases of solar net meters have been installed till FY 2020-21 with a capacity of 40.9 MWp.

Tata Power-DDL has also installed 14 nos. of Rooftop Solar Plants on its different buildings having capacity of 1.65 MWp.

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 were done to Express and Key Customers, Educational Institutes and High Revenue Customers etc. A total of 168 leads have been generated where 12.6 MW solar load has been identified, the customers are being followed up for conversion. One case with solar load of 10 KW has been commissioned.

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 81 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

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

Tata Power-DDL and Nexcharge (a joint venture between Exide India and Leclanché) launched India's First Grid-Connected Community Energy Storage System (CESS) in Rani Bagh, New Delhi. The installation of the 150KW CESS at Ranibagh Substation will improve the supply reliability at the distribution level that is mainly at load centre to mitigate peak load on Distribution Transformers. The setup will help in providing continuous and reliable power to key consumers during any exigency.

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

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.

Tata Power-DDL embarked on this journey in 2002 and since then, drastically improved response time and enhanced the quality and efficiency of electricity distribution for its consumers across communities spanning over 510 sq kms in North and North-West Delhi and brought down its aggregate transmission & distribution losses from 53% to a record 7.33%.

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 Tata Power-DDL.

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, Home automation, EV charging station, Distribution Grid Digitization and Integrated Energy Islanding. While, these technologies cover the span of the distribution grid, the technologies that operate to sense, control and optimize to respond to grid changes such as power quality, predictive load forecasting are also showcased at the Smart Grid Lab.

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

Customer Experience area of Smart Grid Lab was developed to build a tactile space and reduce the burden of "unknown" associated with technology for our customers or general public. Various 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 conventional framework under which utilities are governed and opening up to use of new and renewable generation which would help usher distribution utilities to a new era of grid modernization across the globe.

AMI Project

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 communication technology and HES 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 & Shalimar Bagh and is working on the remaining districts. Till date, around 2,30,000 Smart Meters have been installed.

During COVID Pandemic, the billing through AMI meters has been increased from 83 % to 98% i.e. consumers are being billed through AMI, integrated process of remote connect disconnect for improving revenue cycle management, firmware updation from postpaid to prepaid and vice versa and postpaid to Net meter – Over the air implemented, consumers enable with daily consumption, every half hourly consumption & demand, unbilled consumption and customised alert for unbilled units so as to conserve the electricity.

Distribution Automation for distribution transformer with their health monitoring to avoid damage to them. Tata Power-DDL is in process of integration of Last Gasp command with ADMS, to reduce the cycle time for outage restoration. Different reports are generated for Energy Auditing to identify loading on transformer and theft identification for high loss DT's. Revenue Protection Module with different logics implemented in MDM for generating exceptional report for analysis to identify theft for inspection for AT&C reduction.

5. RESERVES

The Board of Directors have decided to retain the entire amount of profit for Financial Year 2020-21 in the statement of profit and loss.

6. SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATES

During FY 2020-21, 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.

7. 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 ("the Act"), the Nomination and Remuneration Committee ("NRC") is responsible for formulating the criteria for determining qualifications, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board a policy relating to the remuneration of 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://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. All Directors nominated by Delhi Power Company Limited on the Board draw only sitting fee 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.

During FY 2020-21, there was no change in the composition of Board of Directors of the Company. 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, Dr. Praveer Sinha (DIN: 01785164), Mr. Ramesh Narayanswamy Subramanyam (DIN: 02421481) and Mr. Arup Ghosh (DIN: 06711047), retire by rotation and are eligible for re-appointment.

Key Managerial Personnel (KMP): During FY 2020-21, there was no change in the composition of KMPs of the Company. 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 2021.

- **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.

Six meetings of the Board of Directors were held during the year 2020-21 and the gap between two meetings did not exceed 120 days. The meetings were held on 29th April 2020, 17th July 2020, 23rd October 2020, 25th November 2020, 22nd January 2021 and 19th March 2021. One separate meeting of Independent Directors was also held on 29th April 2020 which was attended by all the Independent Directors.

Nineteenth Annual General Meeting of the Company was held on 17th July 2020.

Extra-Ordinary General Meeting of the Company was held on 4th December 2020.

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 19th AGM
1.	Dr. Praveer Sinha	Chairman Non-Executive Director (Nominated by Tata Power)	6	6	Yes
2.	Mr. Kesava Menon Chandrasekhar	Independent Director	6	6	Yes
3.	Mr. Ajay Shankar	Independent Director	6	6	Yes
4.	Mr. Amar Jit Chopra	Independent Director	6	6	Yes
5.	Mr. Ramesh Narayanswamy Subramanyam	Non-Executive Director (Nominated by Tata Power)	6	6	Yes
6.	Mr. Sanjay Kumar Banga	Non-Executive Director (Nominated by Tata Power)	6	6	Yes
7.	Mr. Jasmine Shah	Non-Executive Director (Nominated by Delhi Power Company Limited)	6	6	Yes
8.	Mr. Ajit Kumar Singh	Non-Executive Director (Nominated by Delhi Power Company Limited)	6	6	Yes
9.	Ms. Rashmi Krishnan	Woman Director (Nominated by Delhi Power Company Limited)	6	6	Yes
10.	Mr. Naveen ND Gupta	Non-Executive Director (Nominated by Delhi Power Company Limited)	6	6	No
11.	Mr. Arup Ghosh	Non-Executive Director (Nominated by Tata Power)	6	6	Yes

S. No.	Name of the Directors	Business Relationship	No. of Board meetings held	No. of Board meetings attended	Attendance at the 19th AGM
12.	Ms. Satya Gupta	Woman Director (Nominated by Tata Power)	6	6	Yes

- **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 of the Company:** Based on the declaration(s) received by the Independent Directors, the Board is of the opinion that Independent Directors have integrity, expertise, experience and proficiency (to the extent applicable) as prescribed under the provisions of the 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 29th April 2020, without the presence of Non Independent Directors and other members of management. The Independent Directors reviewed the performance of Non-Independent Directors, the Chairman and the Board as a whole. They also assessed the quality and adequacy of the information between the Company's Management and the Board.

- **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. Naveen ND Gupta, Member, Non- Executive Director
5. Mr. Sanjay Kumar Banga, Member, Non- Executive Director

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

The Audit Committee met 6 times during the financial year 2020-21. These meetings were held on 29th April 2020, 22nd June 2020, 16th July 2020, 22nd October 2020, 15th December 2020 and 21st January 2021.

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	6
2.	Mr. Ajay Shankar		6
3.	Mr. Kesava Menon Chandrasekhar		6
4.	Mr. Naveen ND Gupta	Non Independent, Non-Executive	5
5.	Mr. Sanjay Kumar Banga		6

In addition to Mr. Ganesh Srinivasan, Chief Executive Officer, Mr. Hemant Goyal, Chief Financial Officer and Mr. Piyush Kumar Jain, 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.

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

(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 4 times during the financial year 2020-21. The meetings were held on 1st July 2020, 25th September 2020, 18th January 2021 and 30th March 2021.

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	4
2.	Mr. Jasmine Shah	Non Independent, Non-Executive	4
3.	Mr. Ajit Kumar Singh		4
4.	Mr. Sanjay Kumar Banga		3
5.	Mr. Arup Ghosh		4

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. Dr. Praveer Sinha, Member, Non- Executive Director
3. Mr. Ajay Shankar, Member, Independent Director
4. Ms. Rashmi Krishnan, Member, Non- Executive Director

The Committee met twice during the financial year 2020-21 on 29th April 2020 and 29th May 2020.

The number and attendance of NRC meetings is as under:

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

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. Ramesh Narayanswamy Subramanyam, Member, Non- Executive Director
3. Mr. Arup Ghosh, Member, Non- Executive Director

During the financial year 2020-21, no meeting of ORC was held.

(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
2. Dr. Praveer Sinha, Member, Non- Executive Director

(vi) Committee for Liquidation of Regulatory Assets

The Committee for Liquidation of Regulatory Assets was constituted on 17th July 2020 by the Board of Directors, to explore and advise the management on various ways to reduce the regulatory assets of the Company and to engage external industry experts and consultants, if required and such other matters as may be delegated to it by the Board of Directors from time to time.

Currently, Committee for Liquidation of Regulatory Assets, comprises of the following Directors:
1. Mr. Ajay Shankar, Chairman, Independent Director
2. Mr. Amar Jit Chopra, Member, Independent Director
3. Mr. Jasmine Shah, Member, Non- Executive Director
4. Mr. Kesava Menon Chandrasekhar, Member, Independent Director

5. Mr. Naveen ND Gupta, Member, Non- Executive Director

The Committee met 4 times during the financial year 2020-21 on 8th August 2020, 5th September 2020, 25th September 2020 and 16th February 2021.

The number and attendance of Committee for Liquidation of Regulatory Assets meetings is as under:

Sl. No.	Name of the Director	Category	No. of meeting attended
1.	Mr. Ajay Shankar	Independent, Non-Executive	4
2.	Mr. Amar Jit Chopra		3
3.	Mr. Kesava Menon Chandrasekhar		4
4.	Mr. Jasmine Shah	Non Independent, Non-Executive Director	2
5.	Mr. Naveen ND Gupta		4

The minutes of the meetings of the Committee for Liquidation of Regulatory Assets were placed before the Board.

(vii) Share Allotment Committee

The Share Allotment Committee was constituted on 25th November 2020 by the Board of Directors, for allotment of shares and to take all necessary steps, decisions required in connection with allotment of shares and such other matters as may be delegated to it by the Board of Directors from time to time.

Currently, Share Allotment Committee, comprises of the following Directors:

1. Mr. Ajit Kumar Singh, Chairman, Non- Executive Director
2. Ms. Rashmi Krishnan, Member, Non- Executive Director
3. Ms. Satya Gupta, Member, Non- Executive Director

The Committee met once during the financial year 2020-21 on 12th March 2021.

The number and attendance of Share Allotment Committee meeting is as under:

Sl. No.	Name of the Director	Category	No. of meeting attended
1.	Mr. Ajit Kumar Singh	Non Independent, Non-Executive Director	1
2.	Ms. Rashmi Krishnan		1
3.	Ms. Satya Gupta		1

The minutes of the meetings of the Share Allotment Committee were placed before the Board.

8. 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.

9. There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

10. REGULATORY & LEGAL

REGULATORY ENVIRONMENT

- **CHANGES TO LAW AND REGULATORY GUIDELINES**

I. **Electricity (Rights of Consumers) Rules, 2020-** Ministry of Power, Government of India in December 2020 notified the Electricity (Rights of Consumers) Rules, 2020. These rules serve to "empower" consumers with rights that would allow them to access continuous supply of quality, reliable electricity. The provisions make distribution companies more accountable to consumers. Now, as per law, states will have to implement these rules and discoms will be held more accountable for issues like delays in releasing connections, redressal of billing complaints and interruption in power supply. There is a mechanism introduced for paying penalties by discom to consumers in case of shortfall in service delivery. However, the Rules have been enacted under residuary Regulations making power of the Central Government under Electricity Act 2003 and seem to be conflicting with powers of SERC's under the Act.

   In Delhi, DERC has already notified the DERC (Supply Code and Performance Standards) Regulations, 2017 having provisions at par or more stringent than the above Rules and the Company is already complying those performance standards hence, there is no impact as such on Company.

II. **Amendments on Net Metering guidelines-** DERC has notified the DERC (Group Net Metering and Virtual Net Metering for Renewable Energy) (Second Amendment Guidelines) 2020. As per the new guidelines, virtual net metering framework will be applicable for consumers under domestic category, consumers like hospitals, colleges, schools, other institutions managed by charitable institutions, non-profit organisations/trust, which are not covered under the category of domestic consumers, offices of Govt./local authorities and renewable energy generators registered under Mukhya Mantri Kisaan Aay Badhotri Yojna. The purpose of this amendment is to promote installation of Roof Top solar by these institutions which is a welcome step.

III. **MOP guidelines on choice to DISCOMs/ state's for exit from PPA's /BPSA of Central Generating Stations more than 25 years in commercial operation** – The Ministry of Power released appropriate guidelines vide letter dated 22nd March 2021, after examining the comments received on the subject of 'Enabling DISCOMS to continue or exit from the PPA after its completion (beyond 25 years or the period specified in PPA) and to allow generators flexibility to sell power in any mode after state/discom exit from PPA. The first right to avail power from Central Generating Stations even beyond the term of PPA will continue to be with State/DISCOM to whom the PPA was signed. Willing State/DISCOM may relinquish their share from eligible CGS after PPA expiry. The mechanism of exit has been made subject to approval from State Commission who would ensure adequacy of power with the DISCOM to meet the electricity demand of all consumers under such DISCOM and clearance of outstanding dues to such eligible generators.

This is a welcome step taken by Ministry of Power, Government of India. The Company has initiated necessary steps by filing petition before DERC to seek exit from few generating plants that have already completed 25 years or would be completing 25 years in next one year approx.

IV. **Electricity (Late Payment Surcharge) Rules 2021 -** In exercise of the powers conferred under Sec 176 of the Electricity Act, 2003, the Central Government through the Ministry of Power published the LPS Rules 2021 which came in force from 22.2.2021. As per the 'Late Payment Surcharge Rules, 2021,' the late payment surcharge will be payable on the outstanding payment after the due date at the base rate of late payment surcharge for the first month of the default. The late payment surcharge rate for the successive months will increase by 0.5% for every month of delay. The surcharge should not be higher than 3% of the base rate at any time.

The Company is regularly making payments to power generator on respective due dates and intends to do so in future also, hence no impact is envisaged.

V. **DERC Supply Code and Performance Standards (Relaxation) Third Order, 2020 dated 18.12.2020 –** Procedure for release of electricity connection. DERC in December 2020, notified DERC Supply Code and Performance Standards (Relaxation) Third Order, 2020 providing for procedures regarding application, field inspection and energisation of new connection. Distribution licensee on receiving an application for new connection is to examine the technical feasibility of the connection applied for, from their distribution system or distribution mains, without interacting with the applicant. Further, on conducting inspection, if in case defects/ deficiencies are identified, the licensee shall give intimation to the applicant on the spot, in writing about the same.

The purpose of this amendment was to minimize the frequency of interaction between Company and new connection applicant, thereby, improving the ranking under "Ease of Doing Business". Since, Company is already following above practice in respect of connection and falls under "Ease of Doing Business" category, therefore, there is no negative impact on Company's operations.

VI. **DERC Order dated 1.01.2021 -** Applicability of enhancement, reduction and review of sanctioned load provisions to temporary connections. DERC examined the procedure for grant of temporary connection and provisions w.r.t enhancement, reduction and review of sanctioned load/ contract demand stated in DERC (Supply Code and Performance Standards) Regulations, 2017. It was identified that these provisions are applied for regular consumers and don't expressly specify temporary connections. Therefore, vide an order dated 01.01.2021, DERC has directed and clarified that the existing provisions w.r.t. enhancement, reduction and review of sanctioned load/ contract demand shall also be made applicable to temporary connections.

Considering the materiality aspect, there is no significant impact on Company's revenue. Amendment was published for removing ambiguity.

VII. **DERC order dated 22.01.2021 -** Amendment order to Procedure for verification of Captive Generating Plant (CGP) status – DERC as per its amendment order dated 22.01.2021 to Procedure for verification of Captive Generating Plant (CGP) status, has created an option for open access consumers under captive use to pay cross-subsidy surcharge and/or additional surcharge etc. on a monthly basis by submission of a Bank Guarantee or Letter of Credit or Fixed Deposit. Further, it states the Licensee's obligation to return this payment security mechanism within 30 days from establishment of captive status or 31st July of the FY, whichever is later. This amendment order is applicable from FY 2020-21 and it shall remain in force till further revision.

Earlier, it was limited to Bank Guarantee only, through this amendment, Letter of Credit and Fixed Deposit were also included as payment security mechanism(s). However, Bank Guarantee has preference and all open access consumers are submitting Bank Guarantees.

VIII. **Suo-Moto Order dated 07.04.2020-On mitigation of impact of Covid-19 on Electricity Distribution Licensees and Consumers of Delhi-** The Hon'ble Commission issued the following important directions- That LPSC is to be paid by the DISCOMs at a reduced rate of 12% p.a. for any delayed payment made to Gencos beyond 60 days. The beneficiaries of Delhi GENCOs and Delhi Transco Ltd. shall avail rebate under Regulation 138 of DERC Tariff Regulations, 2017. The DISCOMs shall restrict the LPSC charged to retail consumers to the rate, which is lower of actual cost of working capital loan or 12% per annum for the bills raised during the period starting from March 24, 2020 till June 30, 2020. The DISCOMs shall extend the due date for payment of electricity bills raised during the period starting from March 24, 2020 till June 30, 2020, by further two weeks over and above their scheduled due date without any LPSC. A moratorium on the payment of Fixed Charges for next three billing cycles beginning from March 24, 2020 was provided to the consumers covered under Public utilities, Industrial and Non-Domestic Tariff Categories. The fixed charges accumulated over the said period were to be spread over the next three billing cycles after June 30, 2020 without any LPSC.

IX. **Delhi Electricity Supply Code and Performance Standards (Relaxation) Third Order, 2020-** The Commission acknowledged the difficulties faced by the Consumer(s) and directed the distribution licensee to do provisional billing during a billing cycle, where the meter of the consumer could not be read or recorded for any reason to be specifically recorded.

Both of the above orders were notified by DERC in view of Covid-19 first wave and nationwide lockdown; recognizing event as "force majeure " and suspension of supply code and performance standards.

11. 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 an in-house web based application for risk management to register and monitor risks. 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. Amount Recoverable from DERC (Regulatory Overhang)
2. Rithala Plant disallowance of Costs
3. Under funding of opening liability towards Retiral Benefits and Medical and LTA
4. NTPC – GAIL gas related Take or Pay liability
5. Cyber Risk

Financial risk impact of CoVID-19 is given below:

Capital and Financial Resources:

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

Profitability:

The Company is primarily engaged in the business of distribution and generation of power in North and North-West of Delhi. Due to the nature of the regulatory business, the Company doesn't expect any significant financial impact of Covid 19 on 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 companies etc. The Company is taking measures to raise short term funds to be able to meet 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 and 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.

<u>Internal Financial Reporting and Control:</u>

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' 265 documented processes are configured suitably with the state-of-the-art SAP enterprise resource planning system. The access rights and segregation of duties violations are periodically monitored through SAP GRC 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.

12. SUSTAINABILITY

12.1 SAFETY – CARE FOR OUR PEOPLE

Sl. No.	Safety Parameters (Employees and contractors)	FY 2020	FY 2021
1	Fatality (Number)	0	1
2	LWDC (Lost Work Day Case)	3	1
3	LTIFR (Lost Time Injuries Frequency Rate per million man hours)	0.158	0.11
4	First Aid Cases (Number)	9	4
5	Medical Treatment Cases (MTC)	1	2

12.2 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 and engage in community development programs and initiatives" provide the necessary direction and the rationale to create an environment supporting these communities.

Tata Power-DDL has won ICC Social Impact Award under the Categories- Promoting Women Empowerment & Gender Equality and Promoting Education, Highest participation per Capita award in medium category of Tata Group Companies, Runner up in Arpan Awards 2020 in TPC under Large Operation Category, PLATINUM Award for the Empowerment of Women and The Best Country Award for Overall CSR Excellence in India at the 12th Annual Global CSR Awards 2020.

More than 2 lakh beneficiaries in Unnati, 55,000 beneficiaries in Club Energy, 4,000 in Ujjwal, 3.98 lakh in Sanjeevani, 4000 in BD CSR, 3.72 lakh in Disaster Management & unforeseen contingencies and 1600 beneficiaries in Covid 19 Response/Activities which included distribution of Digital E Tablets, New Mobile Dispensary and Support to establish Portable Mobile Clinics. A total of 10.58 lakh beneficiaries have been benefitted through CSR initiatives of Tata Power-DDL. Several new initiatives have been initiated this year like CSR Effectiveness Index, E-tablet Distribution to school students, Distribution of Aids & Appliances to the differently abled, Telemedicine, CSR support for the rural belt under the licensed area of Tata Power-DDL, Lok Bharti (NSDC) Certification, Rejuvenation of Madipur Lake, Face Mask Production units through SHG, Impact4Nutrition. Some of the existing CSR initiatives are Women Literacy Centres, ABHA, Self-help group, Vocational training centres, Mobile dispensaries, Potable RO Water plants, Energy conservation sensitization sessions and tree plantation.

Prescribed CSR expenditure of two per cent of the average net profits of the Company made during the three immediately preceding financial years was ₹ 10.01 crore and Company had spent ₹ 10.57 crore during FY 2020-21, as per the requirements of the Act and the rules made thereunder. The Annual Report on CSR Activities is provided in Annexure V.

12.3 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 Scheduled caste and Scheduled tribe communities are classified under 4Es viz. Education, Employability, Employment and Entrepreneurship. 600 students pursuing professional and other degree courses have been provided scholarship (Financial Assistance), 3200 girls have been supported under soft skills development training program at 15 schools, 600 beneficiaries are enrolled at Special training centres under Meri Pathshala and 300 students are being mentored and guided by the mentors (employees) under Mentor-Mentee Program. A new initiative – "Distribution of E-Tablets" to 1602 students across 52 government schools has been started this year under Affirmative Action program.

Tata Power-DDL has been nominated for Jury Award for 3rd time in FY 2020-21 after TAAP external assessment carried out in the first week of March 2021.

13. HUMAN RESOURCES

- **Organizational Workforce**

Tata Power-DDL recruited people from various technical and non-technical colleges at trainee level and at lateral level to cater to manpower requirements in various business development (BD) projects and to support newly acquired Discoms at Odisha. The employee strength of Tata Power-DDL for FY 2020-21 was 3564 (including 321 employees deputed at BD and its projects). It also includes 286 fixed term employees.

- **Diversity & Inclusion**

49% of females recruited under the recruitments done in FY 2020-21. 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", etc. have been implemented for women employees to promote equality and provide career development opportunities.

Recruitment done under Affirmative Action during FY 2020-21 was 13.13%.

Multiple initiatives have been undertaken during the year to promote Diversity & Inclusion like formation of a formal D&I Council, becoming a Signatory with UN Women for Women Empowerment Principles, collaborating with USAID on engendering utilities.

On the occasion of International Women's Day, celebrations were held throughout the organization. Also, new initiatives like rewarding women employees taking up front line roles, Flexi timings and reimbursement for professional certifications were launched.

- **Employee Connect & Engagement**

The Employee Grievance Redressal Index of HR Connect was 100% in FY 2020-21. In FY 2020-21, the average days to address the grievances was reduced to 2 days from 10 days. New recognition schemes like Covid Warriors, Covid Victors for BA employees, Special award for commercial employees, special R&R for IT, Commercial and other teams supporting Odisha discoms, CEO Choice, Ultimate Contributor, etc. were introduced to appreciate the employees' contribution and enhance their morale. In FY 2020-21, 83% of distinct employees have been covered under the various rewards & recognition schemes.

The last FY was a challenging year for all due to Covid 19 pandemic. To overcome the multiple challenges and support the employees in their fight against covid, multiple engagement initiatives were undertaken. Some of them are mentioned below:
1) Implementation of ROTA and Work from Home
2) Safety Measures for the employees attending Office: Self declaration, sanitization, SOPs, provision of masks, vaccination drive, awareness videos, stories of covid positive employees, etc.
3) Providing Medical Assistance
4) Virtual Programs like Muskurati Zindagi Web series with Mr. Ashish Vidyarthi, My Lockdown stories, Virtual Musical concerts, Happitude Campaign, Virtual Cafes to build employee connect with team members, etc.
5) Capturing employee voices through weekly polls, internal engagement survey, PULSE employee engagement survey through Kincentric, GPTW Best Places to work study, etc. (Tata Power-DDL is now a Great Place to work certified organization for the period April 2021 to March 2022)

- **Capability Development**

In order to increase engagement levels of employees and develop them, about 78.4% employees in Executive Cadre and 78% 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 2020-21.

Functional Competency Assessments have been done for 900+ employees in FY 2020-21 and 2400+ development needs have been identified. 80% of such competency gaps have already been addressed through Competency based trainings and Mentoring (on the job trainings).

- **Talent Development**

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

In FY 2020-21, 99% executive and 88% non-executive employees were covered in various training & development programs.

Tata Power – DDL has tied up with Skillsoft's Intelligent learnings – Percipio to provide best in class and 24*7 learning opportunity to the employees in 2019. Total Gyankosh Learning Hours in FY 2020-21 were 14,492 (3292 assignments were completed). During Covid-19 Lockdown, the organisation has utilised the platform for engaging and developing the employees through various e learning courses. To promote learning, reward categories such as 'Gyankosh Learner of the Month', 'Gyankosh Reader Rafter', 'Gyankosh Learnothon Reward' and 'Gyankosh Learning Champion' have been introduced.

Online sessions and webinars were also organised for the employees resulting in 26000+ Learning hours for almost 3000 employees. A Power Talk Series was also introduced, under which Eminent Leaders from the Industries across globe are invited to share their thoughts and experiences. Some of the Business leaders who have taken these Power Talk Sessions are Mr. Joe Liu, VP, 3M; Mr. Dilip Chenoy, Secretary General - FICCI, Ms. Poonam Barua, CEO - WILL Forum India and Mr. Kunal Shah, Founder - CRED and Mr. Sunil Mittal, MD & CEO - Siemens Limited.

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

1. 1574 employees covered in various internal and external programs focusing on Future Growth Areas like Electric Mobility and Charging Infrastructure, Distributed Energy Resources, Data Analytics, AMI, Digitization, etc.
2. Launch of "TALENT 100" program to build future leaders.
3. Tie-ups like Tata Tomorrow University, Great Learning, etc.
4. Virtual Awareness for trainee batches and Youth Power Confluence
5. Zonal reach out sessions
6. Micro Learning videos etc.

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

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

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

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

The following is a summary of sexual harassment issues raised, attended and dispensed during FY 2020-21:
No. of complaints received: 0
No. of complaints disposed of: 0
No. of cases pending: 0
No. of cases pending for more than 90 days: 0
No. of established cases of Sexual Harassment: 0
Creating awareness: In order to create an engaging and immersive e-learning experience, a micro learning video on POSH was shared with all the employees. The employees could learn at their pace and repeat the video multiple times to keep the learnings fresh.

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 Addnl. 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 Counsellor (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.

The 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.

The various initiatives which were taken in the FY 2018-19 & 2019-20 by LBE viz. JRD TATA Memorial Lecture, Strengthening Ethics in Generation Next, Ethics Master Class for all the 3-tier Ethics Management Team and Duvidha Par Charcha have continued in FY 2020-21 also. Due the constraints of Covid-19 Lockdown, no major new initiatives have been taken in FY 2020-21. However, few initiatives like publishing of Vigilance Case Study in caricature form and Ethics related messages from SLT team members through Ethics Patrika have been started in FY 2020-21.

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/images/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/images/policies/TPDDL%20Gift%20_Hospitality%20Policy%20.pdf

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

14. CREDIT RATING

Company's borrowing facilities (both fund and non-fund based) are rated by ICRA, the credit rating agency. As on 31st March, 2021, the Company had long term credit rating as AA- with stable outlook and short term rating as A1+ for bank lines, both obtained on 13th November 2020. Company also has A1+ rating for its Commercial Paper, both from ICRA (obtained on 9th November 2020) and second rating from CRISIL (obtained on 5th November 2020).

15. 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.

16. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in crore)

Particulars – Standalone	FY 2020-21	FY 2019-20
Foreign Exchange Earnings mainly on account of interest, dividend	Nil	Nil

Particulars – Standalone	FY 2020-21	FY 2019-20
Foreign Exchange Earnings mainly on account of consultancy services	*0.80*	*13.20*
Foreign Exchange Outflow mainly on account of:		
Fuel purchase	*Nil*	*Nil*
Interest on foreign currency borrowings, NRI dividends	*Nil*	*Nil*
Purchase of capital equipment, components and spares and other miscellaneous expenses	*Nil*	*Nil*
Foreign consultancy & other expenses	*0.71*	*4.50*
Foreign travelling expenses	*0.01*	*1.43*

17. 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.

18. 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 2020-21, 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.

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

NDPL Infra Limited has earned revenues of ₹ 1.49 crore during FY 2020-21, a decrease of about 76.39% over the previous year revenues of ₹ 6.31 crore from FY 2019-20. The Company has earned Profit Before Tax (PBT) of ₹ 1.07 crore for the year ended 31st March 2021 as against ₹ 3.59 crore for the year ended 31st March 2020 and total comprehensive income of ₹ 0.99 crore for the year ended 31st March 2021 as against ₹ 2.71 crore for the year ended 31st March 2020. 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.

19. AUDITORS

Statutory Audit: 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. Appointment of auditors be done from amongst the list of C&AG empanelled auditors.

As per the directions of DERC in March 2013 and May 2018, M/s Walker Chandiok & Co. LLP, Chartered Accountants, had conducted the Statutory Audit of the Company for five years from FY 2016-2017 to FY 2020-21. Since, the second term of M/s Walker Chandiok & Co. LLP, Chartered Accountants, existing Statutory Auditors was upto the financial year ended on 31st March 2021, it was proposed to rotate the Statutory Auditors and appoint new Statutory Auditors from FY 2021-22 onwards.

Based on the recommendation of Audit Committee, the Board of Directors at their meeting held on 23rd April 2021 had approved the appointment of M/s T R Chadha & Co LLP, Chartered Accountants (Firm Registration No. 006711N/N500028), as Statutory Auditors for five years to hold office from the conclusion of 20th Annual General Meeting upto the conclusion of 25th Annual General Meeting of the Company (i.e. from FY 2021-22 to FY 2025-26), subject to the approval of the shareholders of the Company. They have, pursuant to Section(s) 139, 141 of the Act and the rules made thereunder, furnished a certificate regarding their eligibility for appointment as the Statutory Auditors of the Company.

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

Secretarial Audit: M/s Siddiqui & Associates, Company Secretaries, were Secretarial Auditors of the Company for the financial year 2020-21 and Secretarial Audit for the financial year 2020-21 was conducted by them. Their current tenure was upto the financial year ended on 31st March 2021. In view of the Policy of appointment and rotation of Secretarial Auditors, it was proposed to rotate the Secretarial Auditors and appoint new Secretarial Auditors for FY 2021-22 onwards.

Based on the recommendations of the Audit Committee, the Board of Directors at their meeting held on 23rd April 2021 had approved the appointment of M/s Sanjay Grover & Associates, Company Secretaries, as the Secretarial Auditors of the Company for the financial year 2021-22. They have, pursuant to provisions of the Act and the rules made thereunder, furnished a certificate regarding their eligibility for appointment as the Secretarial Auditors of the Company.

20. 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.

21. 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.

M/s Ramanath Iyer & Company, Cost Accountants (Firm Registration No. 000019) were Cost Auditors of the Company for the financial year 2020-21 and Cost Audit for the financial year 2020-21 was conducted by them. Their current tenure was upto the financial year ended on 31st March 2021. In view of the Policy of appointment and rotation of Cost Auditors, it was proposed to rotate the Cost Auditors and appoint new Cost Auditors for FY 2021-22 onwards, subject to the ratification of remuneration by the members of the Company.

Based on the recommendation of the Audit Committee, the Board of Directors of the Company at their meeting held on 23rd April 2021 had approved the appointment of M/s Chandra Wadhwa & Co., Cost Accountants (Firm Registration No. 000239) as the Cost Auditors of the Company for the financial year 2021-22, to audit the cost accounts relating to electricity, subject to the ratification of remuneration by the members of the Company. They have, pursuant to Section 148 of the Act, furnished a certificate regarding their eligibility for appointment as the Cost Auditors of the Company. They have also certified their independence and arm's length relationship with the Company.

The Cost Audit Report of the Company for the financial year ended 31st March 2020 was filed with the Central Government, Ministry of Corporate Affairs on 6th August 2020 through Extensive Business Reporting Language (XBRL), before the due date of 30th September 2020.

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.

22. SECRETARIAL AUDIT REPORT

M/s Siddiqui & Associates, Company secretaries, were appointed as Secretarial Auditor to conduct Secretarial Audit of records and documents of the Company for FY 2020-21 and Secretarial Audit was conducted by them. The Secretarial Audit report confirms that the Company has generally complied with the provisions of the Act, rules, regulations and guidelines.

The Secretarial Audit Report is provided in Annexure-VII.

23. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

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

24. 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.

25. Annual Return

Pursuant to provisions of Section 92 (3) and Section 134(3)(a) of the Act and the rules made thereunder, as amended from time to time, the Annual Return as on 31st March 2021 in the Form MGT-7 is available on the Company's website on https://www.tatapower-ddl.com/Editor_UploadedDocuments/Content/Annual_Return_TPDDL_FY_2020-21.pdf.

26. 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.

27. 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.

28. 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.

29. Compliance with Secretarial Standards

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

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

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

31. INSOLVENCY AND BANKRUPTCY CODE, 2016

The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year: The Company has not made any application or there are no proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the financial year 2020-21.

32. VALUATION

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

33. FRAUD REPORTING

No frauds have been reported to the Audit Committee/ Board during FY 2020-21, 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.

34. 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.

35. 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, 23rd April 2021

Annexures to Board's Report

Annexure I – Conservation of Energy

(i) The steps taken or impact on conservation of energy
(ii) The steps taken by the Company for utilizing alternate sources of energy

Demand Side Management Initiatives for Conservation of Energy

Being the pioneer in the field of Demand Side Management and Energy Efficiency, 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 56 % discount offered on MRP and 5 years of comprehensive warranty -Participating consumer would be benefitted by the annual reduction of approx. ₹ 5500 in the electricity bill depending upon their usage. -All the old ACs collected under the scheme 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 – 21752 Nos -Deemed Load Reduction – 18.7 MW -Annual cumulative Energy Savings- 19.22 MUs -Annual CO2 Reduction - 6402.16 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 – 1217910 Nos b. Tube lights – 95999 Nos c. Fans – 11037 Nos Cumulative quantity:1324946 Nos *Total Deemed MW Saving: 36.88 MW* *Total MU savings: 38.56 MUs* *Total CO2 emission reduction:12423.87 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 87 MW (72.21 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.	The project was awarded in two phases. In both phases, total 1.76L LED points have been installed and are connected through 3334 Central control monitoring system yielding in to monthly billing of ₹1.65 crore.

(iii) ***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	38.56	36.88	12423.87
3	**Whole range LED Light with Crompton**	1,00,000	3.01	2.8	1,003
4	**BEE 5 star Ceiling Fan with Crompton**	60,000	5.4	1	1,798
5	**5 Star LED bulb Scheme with Crompton**	87,206	3	1	1,007
6	**Non Star AC replacement Scheme**	21,145	19.01	80.81	6,330

S. No.	DSM Program till date	Scale (Nos.)	Annual Energy Savings (MU)	Load Reduction (MW)	Annual CO2 reduction (MT)
7	**Energy efficiency Implementation project**			24.91	2,946
8	**Rooftop Solar through Net Metering of 40.88 MWp**	1283	-	-	-

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

Sd/-
Praveer Sinha
Chairman
(DIN: 01785164)

Delhi, 23rd April 2021

ANNEXURE II – TECHNOLOGY ABSORPTION

Technology absorption

1	The efforts, made towards technology absorption	i. Design of sub-stations with bare minimum foot-print like I-Type, Vertical, Spun Pole lifted, Four Pole lifted and Single Pole Sub-Stations. ii. Design of Underground and Submersible Sub-Station. iii. Design of Drain Top Sub-station iv. Design of Digital Grid Stations v. Designing of communicable seals to reduce and identify meter tempering and theft case booking. vi. Designing of Distribution Transformer Smart Metering Kit with oil level and temperature rise indicators. vii. Design of force cooling system for lower rating DTs Design of CCD 11kV Cable
2	The benefits derived like product improvement, cost reduction, product development or import substitution	i. Implementation of these sub-station were already done for nearly all designs and one or two 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 installed at IFC Narela Grid. Submersible type of sub-station can be installed under parks, parking lot or under the road to cater the vertical load growth in congested areas. One unit of this design is under execution. iii. Drain Top sub-station is extremely effective as virtually no LAN is required for this. Two of such designs have already been installed and one or two are under execution. iv. Digital Grid is one of the latest technology for Grid Stations. Digital Grid is under completion at Bawana- 6 with process bus and digital CRP. Bhalswa-2 is under execution with same technology. This will reduce the space required, increase the reliability and monitoring. v. 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 an error free identification. This is also extended in one of the BD location. vi. 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, that it will prevent DT failure due to over loading and damage due to oil theft at site. vii. Force cooling system for lower rating DTs will help to reduce the augmentation and the same DT can be utilised for nearly 10% of overload. CCD Cable is very helpful to reduce the execution time and majorly save the cost of laying as cost of HDPE pipe & it’s laying will be eliminated.

3	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): a) the details of technology imported b) the year of import c) whether the technology been fully absorbed d) if not fully absorbed, areas where absorption has not taken place and reasons thereof	(a) **Technology imported**	(b) **Year of Import**	(c) **Has technology been 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

1	Specific area in which R & D carried out by the Company	i. 100% rewinding of failed transformer. ii. 990KVA DT retro-filled with natural ester.
2	Benefits derived as a result of the above R & D	i. OPEX optimization. ii. Enhancement in fire safety at congested area.
3	Future plan of action	i. Natural ester shall be used in single phase transformers ii. Residual life assessment of old winding for rewind Transformers
4	Expenditure on R & D (in ₹ crore) a) Capital b) Recurring c) Total	a) Nil b) ₹ 0.10 crore c) ₹ 0.10 crore

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

Sd/-
Praveer Sinha
Chairman
(DIN: 01785164)

Delhi, 23rd April 2021

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– Annual Report on CSR Activities

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

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

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

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

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

   Tata Power-DDL would undertake its CSR initiatives as per the provisions of Companies Act 2013 and the rules made thereunder. Any surplus arising out of the CSR activities shall not form part of the business profit of a Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

2. **Composition of CSR Committee:**

Sl. No.	**Name of Director**	**Designation / Nature of Directorship**	**Number of meetings of CSR Committee held during the year**	**Number of meetings of CSR Committee attended during the year**
1	Mr. Ajay Shankar	Chairman-Independent Director	4	4
2	Mr. Arup Ghosh	Member-Director	4	4
3	Mr. Sanjay Kumar Banga	Member-Director	4	3

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
4	Mr. Jasmine Shah	Member-Director	4	4
5	Mr. Ajit Kumar Singh	Member-Director	4	4

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

   The Company's CSR policy 2020-21, 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

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

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

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

6. **Average net profit of the company as per section 135(5)** : **₹ 500.50 crore**

7. **a) Two percent of average net profit of the company as per section 135(5): ₹ 10.01 crore**
   b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not Applicable
   c) Amount required to be set off for the financial year, if any: Nil
   d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 10.01 crore

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

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 10.57 crore	Nil	-	-	Nil	-

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

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

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

1	2	3	4	5		6	7	8	
S. No	**Name of the CSR Project/ activity identified**	**Item from the list of activities in schedule VII to the Act**	**Local area (Yes / No)**	**Location of the Project/ Programs**		**Amount spent for the project (in ₹)**	**Mode of Implementation-Direct (Yes/No)**	**Mode of implementation - Through implementing agency.**	
				State	**District**			**Name**	**CSR Registration Number**
1	Women Literacy Centres	ii	Yes	Delhi	North, North-West Delhi	1,81,54,200	No	Virmani, Aradhya, Prayas	CSR00000337 CSR00000246 CSR00001803
2	ABHA Program	i	Yes	Delhi	North, North-West Delhi	1,74,75,900	No	Virmani Cadam Prayas	CSR00000337 CSR00004191 CSR00001803
3	Support to Disability Counselling Centre	ii	Yes	Delhi	North, North-West Delhi	4,64,000	No	VSSD	CSR00000105
4	Vocational Training cum Tutorial Program	ii	Yes	Delhi	North, North-West Delhi	1,52,91,900	No	Prayas VSSD DAV Aradhya MASS Unnati Sofia Nanak ANK Ashima SAVE	CSR00001803 CSR00000105 CSR00000241 CSR00000246 CSR00000323 CSR00001571 CSR00000251 CSR00003753 CSR00000002 CSR00003748 CSR00000214

1	2	3	4	5		6	7	8	
S. No	**Name of the CSR Project/ activity identified**	**Item from the list of activities in schedule VII to the Act**	**Local area (Yes / No)**	**Location of the Project/ Programs**		**Amount spent for the project (in ₹)**	**Mode of Implementation- Direct (Yes/No)**	**Mode of implementation - Through implementing agency.**	
				State	**District**			**Name**	**CSR Registration Number**
5	Project Bhojanam	ii	Yes	Delhi	North, North-West Delhi	90,000	No	SAVE	CSR00000214
6	Community awareness - Socio economic survey, NGO meet, ABHA session & TVW	ii	Yes	Delhi	North, North-West Delhi	5,52,000	No		
7	Career Counselling Program in Government Schools	ii	Yes	Delhi	North, North-West Delhi	14,50,000	No	Aasman Foundation	CSR00001937
8	Cheque Scholarship to SC/ST students	ii	Yes	Delhi	North, North-West Delhi	23,20,000	Yes		
9	Scholarship to SC/ST under FAEA Program	ii	Yes	Delhi	North, North-West Delhi	3,50,000	Yes		
10	Soft skill development training for girls in school- Roshni	ii	Yes	Delhi	North, North-West Delhi	8,84,000	No	Roshni	
11	Meri PathShala (Special training Centres)	ii	Yes	Delhi	North, North-West Delhi	38,74,000	Yes		
12	TAAP Assessment	ii	Yes	Delhi	North, North-West Delhi	4,08,000	Yes		
13	Mobile Dispensary	i	Yes	Delhi	North, North-West Delhi	47,47,000	No	Eduquest	CSR00000165
14	RO Water plant	i	Yes	Delhi	North, North-West Delhi	24,08,000	Yes		
15	Project Aarogya	i	Yes	Delhi	North, North-West Delhi	1,37,000	No	Eduquest	CSR00000165
16	Club energy	iv	Yes	Delhi	North, North-West Delhi	91,000	Yes		
17	Tree Plantation (No of Saplings)	iv	Yes	Delhi	North, North-West Delhi	1,70,000	Yes		
18	CSR Initiatives at Lucknow & Ranchi	ii	No	Lucknow, Uttar Pradesh Ranchi, Jharkhand	Lucknow, Uttar Pradesh Ranchi, Jharkhand	14,36,000	No	SAVE Sofia	CSR00000214 CSR00000251
19	Lake Rejuvenation Project at Madipur & Bawana Lake	iv	Yes	Delhi	North, North-West Delhi	5,88,000	Yes		
20	Rural Sports	vii	Yes	Delhi	North, North-West Delhi	4,20,000	Yes		

1	2	3	4	5		6	7	8	
S. No	**Name of the CSR Project/ activity identified**	**Item from the list of activities in schedule VII to the Act**	**Local area (Yes / No)**	**Location of the Project/ Programs**		**Amount spent for the project (in ₹)**	**Mode of Implementation- Direct (Yes/No)**	**Mode of implementation - Through implementing agency.**	
				State	**District**			**Name**	**CSR Registration Number**
21	Disaster Management/ Unforeseen contingencies	xii	Yes	Delhi	North, North-West Delhi	1,31,84,000	Yes		
22	Covid 19 Response/ Activities	xii	Yes	Delhi	North, North-West Delhi	2,12,90,000	Yes		
	Total Budget Expenditure					**10,57,85,000**			

(d)Amount spent in Administrative Overheads- Not Applicable
(e)Amount spent on Impact Assessment, if applicable- Not Applicable
(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 10.57 crore
(g)Excess amount for set off, if any: Nil

Sl. No.	**Particular**	**Amount (in ₹)**
(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

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

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

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

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

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

CSR ASSET WISE DETAILS FOR FY 2020-21					
		(a)	(b)	(c)	(d)
S. No	Asset	Date of creation/ Acquisition of capital asset (s)	Amount of CSR spent for creation or acquisition of capital asset (in ₹)	Details of the entity of Public Authority or Beneficiary under whose name such a capital asset is registered, their address etc.	Details of the capital asset (s) created or acquired (include complete address and location of the capital asset)
1.	Desktop (8 nos @ ₹ 39,058 per desktop)	09.11.2020	3,12,464	Prayas JAC society	TATA Power-DDL Sub Station Building, A-93 Wazirpur Industrial Area
2.	Desktop (6 nos @ ₹ 39,058 per desktop)	09.11.2020	2,34,348	Prayas JAC society	TATA Power-DDL 11KV Sub-Station No-2, A Block Gautam Resettlement Colony, Narela.
3.	Desktop (8 nos @ ₹ 39,058 per desktop)	09.11.2020	3,12,464	Sofia Educational & Welfare Society	TATA Power-DDL Sub Station Building, behind Chotti Masjid, Inderlok
4.	Desktop (4 nos @ ₹ 39,058 per desktop)	09.11.2020	1,56,232	Society for Advancement of Village Economy	TATA Power-DDL Sub Station Building, C-1086 G, CD Park, Sabzi Market Jahangirpuri
5.	Desktop (5 nos @ ₹ 39,058 per desktop)	09.11.2020	1,95,290	SGBS Unnati Foundation	TATA Power –DDL Sub Station Building, Furniture Block, Kirti Nagar
6.	Desktop (8 nos @ ₹ 39,058 per desktop)	09.11.2020	3,12,464	Sofia Educational & Welfare Society	TATA Power-DDL Sub Station Building, Shahabad Dairy
7.	Desktop (8 nos @ ₹ 39,058 per desktop)	09.11.2020	3,12,464	DAYA NAND ADRESH VEDIC EDUCATIONAL AND WELFARE SOCIETY	TATA Power-DDL Sub Station Building, P4 Block, Sultanpuri

CSR ASSET WISE DETAILS FOR FY 2020-21					
		(a)	(b)	(c)	(d)
S. No	**Asset**	**Date of creation/ Acquisition of capital asset (s)**	**Amount of CSR spent for creation or acquisition of capital asset (in ₹)**	**Details of the entity of Public Authority or Beneficiary under whose name such a capital asset is registered, their address etc.**	**Details of the capital asset (s) created or acquired (include complete address and location of the capital asset)**
8.	Desktop	09.11.2020	39,058	NETWORK AND ALLIANCE FOR NON-PROFIT ACTIVITIES & KNOWLEDGE (NANAK)	TATA Power-DDL Sub Station Building, Opposite Bal Sadan (MCD), Timarpur
9.	Desktop (10 nos @ ₹ 39,058 per desktop)	09.11.2020	3,90,580	NETWORK AND ALLIANCE FOR NON-PROFIT ACTIVITIES & KNOWLEDGE (NANAK)	TATA Power-DDL Sub Station Building, Tikri Khurd, Near Shiv Mandir, Narela
10.	Desktop (6 nos @ ₹ 39,058 per desktop)	09.11.2020	2,34,348	Viklang Sahara Samiti Delhi	TATA Power-DDL Sub Station Building, N Block, Mangolpuri
11.	Desktop (3 nos @ ₹ 39,058 per desktop)	09.11.2020	1,17,174	MATRIX SOCIETY FOR SOCIAL SERVICES	TATA Power-DDL Old Dispensary Building, Indra JJ Colony, Sector-3, Rohini
12.	Projector	18.01.2021	68,270	Ashima Foundation	TATA Power-DDL Sub Station Building, Near MAIT, Sector-22 Rohini
13.	Speaker System	18.01.2021	21,712	Ashima Foundation	TATA Power-DDL Sub Station Building, Near MAIT, Sector-22 Rohini
14.	Printer	12.01.2021	15,900	Ashima Foundation	TATA Power-DDL Sub Station Building, Near MAIT, Sector-22 Rohini
15.	Mobile Dispensary	31.03.2021	16,24,918	Eduquest	ROOM NO. 34/21,SECTOR-3 ROHINI,DELHI,DL-110085
16.	Portable Mobile Health Clinic	31.03.2021	47,20,000	Govt. of NCT of Delhi	DIRECTORATE GENERAL OF HEALTH SERVICES, F-17, KARKARDOOMA, DELHI- 110032
17.	Digital Classroom+ Intel Server	31.03.2021	2,37,865	Sarvodaya Kanya Vidhalaya, Pooth Khurd	Sarvodaya Kanya Vidhalaya, Pooth Khurd
18.	Digital Classroom+ Intel Server	31.03.2021	2,37,865	MCPS Girls, Bawana (Near Aditi College)	MCPS Girls, Bawana (Near Aditi College)
19.	Digital Classroom+ Intel Server	31.03.2021	2,37,865	NPBV, Bawana Old (Near Aditi College)	NPBV, Bawana Old (Near Aditi College)
20.	Digital Classroom+ Intel Server	31.03.2021	2,37,865	MCPS Co-Ed. Sangam Park (Rana Pratap Bagh)	MCPS Co-Ed. Sangam Park (Rana Pratap Bagh)

CSR ASSET WISE DETAILS FOR FY 2020-21					
		(a)	(b)	(c)	(d)
S. No	**Asset**	**Date of creation/ Acquisition of capital asset (s)**	**Amount of CSR spent for creation or acquisition of capital asset (in ₹)**	**Details of the entity of Public Authority or Beneficiary under whose name such a capital asset is registered, their address etc.**	**Details of the capital asset (s) created or acquired (include complete address and location of the capital asset)**
21.	Digital Classroom+ Intel Server	31.03.2021	2,37,865	MCD Primary School (Mohan Park) Model Town III	MCD Primary School (Mohan Park) Model Town III
22.	Digital Classroom+ Intel Server	31.03.2021	2,37,865	Sarvodaya Kanya Vidyalaya, Kamdhenu Mangolpuri	Sarvodaya Kanya Vidyalaya, Kamdhenu Mangolpuri
23.	Digital Classroom+ Intel Server	31.03.2021	2,37,865	NPV Co-Ed. Kewal Park, Azadpur	NPV Co-Ed. Kewal Park, Azadpur
24.	Digital Classroom+ Intel Server	31.03.2022	2,37,865	Govt. Girls Sr. Secondary, Pocket-5&6, Sec.A5 Narela	Govt. Girls Sr. Secondary, Pocket-5&6, Sec.A5 Narela
25.	Digital Classroom+ Intel Server	31.03.2023	2,37,865	DMC Primary Co-Ed. School, Sabji Mandi, Shaktinagar	DMC Primary Co-Ed. School, Sabji Mandi, Shaktinagar
26.	Digital Classroom+ Intel Server	31.03.2024	2,37,865	Sarvodaya Bal Vidyalaya, Burari	Sarvodaya Bal Vidyalaya, Burari
		TOTAL	**1,14,46,336**		

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** Not Applicable, Tata Power-DDL has spent CSR expenditure in accordance with Section 135 of the Companies Act 2013 and the rules made thereunder.

Sd/-
Ganesh Srinivasan
(Chief Executive Officer)
(DIN: 08208444)
Delhi, 23rd April 2021

Sd/-
Ajay Shankar
(Independent Director)
(Chairman, CSR Committee)
(DIN: 01800443)
Delhi, 23rd April 2021

Annexure VI– Related Party Transactions

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

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

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

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

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

	(a)	(b)	(c)	(d)	(e)	(f)
Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts/ arrangements/ transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Tata Power Trading Company Limited	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 of 4 paise per kWh for the energy scheduled from MPL and trading margin	These were approved by the Audit Committee	Nil

				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 2020-21 is ₹ 748.75 lakh and on account of the power scheduled from CLP in FY 2020-21 is ₹ 437.16 lakh.		

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

Sd/-
Praveer Sinha
Chairman
(DIN: 01785164)

Delhi, 23rd April 2021

ANNEXURE VII– SECRETARIAL AUDIT REPORT

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year ended 31st March 2021
[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 2021** 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 2021** 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**

We further report that, having regard to the compliance system prevailing in the Company and on the examination of relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following laws applicable specifically to the Company

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

The Company has also complied with various provisions of Labour Laws and Environment 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. There were no changes in the composition of the Board of Directors during the period under review.

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 except as under:

Increase in Authorised Share Capital of the Company and amendment in the Capital Clause of the Memorandum of Association by Capitalization of reserves of the Company through issue and allotment of New Bonus Equity Shares at par amounting to ₹ 500 crore to the existing shareholders of the Company

The Company had increased its authorized share capital from the existing authorised share capital of ₹ 1,250,00,00,000/- (Rupees One Thousand Two Hundred and Fifty Crore only) divided into 75,00,00,000 (Seventy Five Crore) Equity Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 750,00,00,000 (Rupees Seven Hundred and Fifty Crore only) and 5,00,00,000 (Five Crore), 12% Cumulative Redeemable Preference Shares of ₹ 100/- (Rupees Hundred Only) each aggregating to ₹ 500,00,00,000 (Rupees Five Hundred Crore only) to ₹ 1,750,00,00,000/- (Rupees One Thousand Seven Hundred and Fifty Crore only) divided into 125,00,00,000 (One Hundred Twenty Five Crore) Equity Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 1,250,00,00,000 (Rupees One Thousand Two Hundred and Fifty Crore only) and 5,00,00,000 (Five Crore) 12% Cumulative Redeemable Preference Shares of ₹ 100/- (Rupees Hundred Only) each aggregating to ₹ 500,00,00,000 (Rupees Five Hundred Crore only) by creation of additional 50,00,00,000 (Fifty crore) Equity Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 500,00,00,000 (Rupees Five Hundred Crore only) ranking pari-passu with the existing equity shares of the Company.

The Company had capitalized a sum of ₹ 500 crore standing to the credit of the capital redemption reserve account of the Company for the purpose of issue and allotment of New Bonus Equity Shares (50 crore of ₹ 10/- each) at par, credited as fully paid-up equity shares to the holders of the existing equity shares of the Company in consideration of their shareholding i.e. 51% of total bonus equity shares to The Tata Power Company Limited, which holds 51% shares in the Company and 49% of total bonus equity shares to Delhi Power Company Limited, which holds 49% shares in the Company.

For Siddiqui & Associates
Company Secretaries

Sd/-

Place: New Delhi **K.O.SIDDIQUI**
Date: 14th April 2021 **FCS 2229; CP 1284**
UDIN:F002229C000087041

This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

Annexure A

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

Our report of even date is to be read along with this letter.

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

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

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

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

For Siddiqui & Associates
Company Secretaries

Sd/-
K.O.SIDDIQUI
FCS 2229; CP 1284
UDIN:F002229C000087041

Place: New Delhi
Date: 14th April 2021

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

T +91 124 462 8099
F +91 124 462 8001

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 2021, 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 of the Company as at 31 March 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

The Annual Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

5. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the 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 is 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 expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

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

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

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. Based on our audit, we report that 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, based on our audit, we report, to the extent applicable, that:

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

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

    c) the standalone 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 2021 from being appointed as a director in terms of section 164(2) of the Act;

    f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 23 April 2021 as per Annexure B expressed unmodified opinion; and

    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 2021;

        ii. Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

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 2021; and

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
Partner
Membership No.: 099514

UDIN: 21099514AAAACL2112

Place: Gurugram
Date: 23 April 2021

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 2021

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, goods and 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 2021 (continued)

(b) The dues outstanding in respect of income-tax, goods and 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 during the year. The Company has no loans or borrowings payable to any financial institution or government and no dues payable to debenture-holders 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.

(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.

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 2021 (continued)

(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: 21099514AAAACL2112

Place: Gurugram
Date: 23 April 2021

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 2021

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 standalone financial statements of Tata Power Delhi Distribution Limited ("the Company") as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 internal financial controls with reference to financial statements, 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 internal financial controls with reference to financial statements 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 internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements include 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)

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 2021

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 with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that internal financial controls with reference to financial statements 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 with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal control with reference to financial statements 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

UDIN: 21099514AAAACL2112

Place: Gurugram
Date: 23 April 2021

TATA POWER DELHI DISTRIBUTION LIMITED
STANDALONE BALANCE SHEET AS AT 31 MARCH, 2021

	Notes	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	4,03,696.35	3,91,374.42
(b) Capital work-in-progress	4	19,711.18	27,339.37
(c) Right-of-use assets	5	8,756.43	9,850.99
(d) Intangible assets	4	7,891.13	6,084.89
(e) Financial assets			
(i) Investments	6	5.00	5.00
(ii) Loans	7	59.78	134.78
(iii) Other financial assets	8	25.78	54.86
(f) Income tax assets (net)	9	3,247.48	2,735.55
(g) Other non-current assets	10	2,957.41	3,229.13
Total non-current assets		**4,46,350.54**	**4,40,808.99**
(2) Current assets			
(a) Inventories	11	1,682.76	1,316.95
(b) Financial assets			
(i) Investments	12	-	8,500.19
(ii) Trade receivables	13	27,443.16	31,604.97
(iii) Cash and cash equivalents	14	4,612.64	3,853.24
(iv) Bank balances other than (iii) above	14	9,879.99	10,134.29
(v) Loans	15	597.71	311.31
(vi) Other financial assets	16	36,709.16	32,618.10
(c) Other current assets	17	15,287.36	20,717.03
Total current assets		**96,212.78**	**1,09,056.08**
Assets classified as held for sale	37.7.1	2,004.00	2,004.00
Total assets before regulatory deferral account balance		**5,44,567.32**	**5,51,869.07**
(3) Regulatory deferral account debit balances	37	5,51,170.50	5,22,185.11
Total assets		**10,95,737.82**	**10,74,054.18**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	18	1,05,200.00	55,200.00
(b) Other equity	19	2,71,809.78	2,92,112.45
Total equity		**3,77,009.78**	**3,47,312.45**
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Long-term borrowings	20	2,30,820.70	2,63,382.77
(ii) Lease liabilities	5	7,020.74	7,878.44
(iii) Other financial liabilities	21	70,280.09	68,168.83
(b) Provisions	22	5,741.27	5,661.04
(c) Deferred tax liabilities (net)	42	35,001.24	30,259.85
(d) Capital grants	23	433.68	506.66
(e) Contributions for capital works and service line charges	24	80,324.66	84,578.30
(f) Other non-current liabilities	25	32,839.06	34,229.56
Total non-current liabilities		**4,62,461.44**	**4,94,665.45**
(2) Current liabilities			
(a) Financial liabilities			
(i) Short-term borrowings	26	39,336.28	34,326.29
(ii) Trade payables	27		
- total outstanding dues of micro enterprises and small enterprises		2,511.46	1,208.26
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,15,820.96	1,09,909.68
(iii) Other financial liabilities	28	77,740.16	58,618.57
(b) Provisions	29	1,008.61	1,646.61
(c) Other current liabilities	30	19,849.13	26,366.87
Total current liabilities		**2,56,266.60**	**2,32,076.28**
Total equity and liabilities		**10,95,737.82**	**10,74,054.18**

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Neeraj Goel
Partner
Membership No.: 99514

Gurugram
23 April, 2021

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

New Delhi
23 April, 2021

TATA POWER DELHI DISTRIBUTION LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2021

		Notes	Year ended 31.03.2021 ₹/Lakhs	Year ended 31.03.2020 ₹/Lakhs
I	Revenue from operations	32	7,00,703.05	7,86,857.41
II	Other income	32	11,602.08	12,469.64
III	**Total income**		**7,12,305.13**	**7,99,327.05**
IV	**Expenses**			
	Cost of power purchased (net) (excludes own generation)	33	5,30,625.73	6,29,963.08
	Employee benefits expense (net)	34	55,712.49	50,489.90
	Finance costs	35	34,390.98	34,490.06
	Depreciation and amortisation expense	4,5	35,381.68	33,316.06
	Other expenses	36	29,426.95	32,732.59
	Total expenses		**6,85,537.83**	**7,80,991.69**
V	**Profit/(Loss) before movement in regulatory deferral account balance and tax**		**26,767.30**	**18,335.36**
	Movement in regulatory deferral account balance (net)	37	28,985.39	46,271.25
VI	**Profit/(Loss) before tax**		**55,752.69**	**64,606.61**
VII	Tax expense			
	(i) Current tax	42		
	- For the year		9,160.51	10,872.82
	- Adjustments for prior periods (refer note 42.5)		(932.03)	-
	(ii) Deferred tax	42	4,706.98	12,319.32
VIII	**Profit/(Loss) for the year**		**42,817.23**	**41,414.47**
IX	**Other comprehensive income/(expense)**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurement gain/(loss) of defined benefit plans	22.6	196.92	(595.62)
	(ii) Income tax credit/(charge) relating to items that will not be reclassified to profit or loss			
	(a) Current tax	42	(34.41)	104.07
	(b) Deferred tax	42	(34.41)	104.07
	Other comprehensive income/(expense) for the year		**128.10**	**(387.48)**
X	**Total comprehensive income for the year**		**42,945.33**	**41,026.99**
	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 (₹)		2.28	1.08
(ii)	Basic and Diluted earnings per equity share after net movement in regulatory deferral account balance (₹)		4.07	3.94

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Neeraj Goel
Partner
Membership No.: 99514

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

Gurugram
23 April, 2021

New Delhi
23 April, 2021

TATA POWER DELHI DISTRIBUTION LIMITED
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2021

A. Equity share capital

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

B. Other equity

₹/Lakhs

	Particulars	Reserves and Surplus			Total
		Capital Redemption Reserve	General Reserve	Retained Earnings	
(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**
(i)	**Balance as at 1 April, 2020**	50,000.00	9,150.00	2,32,962.45	2,92,112.45
(ii)	Profit for the year	-	-	42,817.23	42,817.23
(iii)	Other comprehensive income/(expense) for the year (net of tax)	-	-	128.10	128.10
(iv)	**Total comprehensive income {(ii)+(iii)}**	-	-	42,945.33	42,945.33
(v)	Dividend paid	-	-	(13,248.00)	(13,248.00)
(vi)	Bonus equity shares issued during the year out of capital redemption reserve (refer note 18.7)	(50,000.00)	-	-	(50,000.00)
(vii)	**Balance as at 31 March, 2021 {(i)+(iv)+(v)+(vi)}**	-	**9,150.00**	**2,62,659.78**	**2,71,809.78**

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

Gurugram
23 April, 2021

New Delhi
23 April, 2021

TATA POWER DELHI DISTRIBUTION LIMITED

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2021

		Year ended 31.03.2021 ₹/Lakhs	Year ended 31.03.2020 ₹/Lakhs
A. Cash flow from operating activities			
Profit for the year		42,817.23	41,414.47
Adjustments to reconcile profit for the year to net cash flows:			
Income tax recognised as expense in Statement of Profit and Loss		12,935.46	23,192.14
Depreciation and amortisation expense		35,381.68	33,316.06
Finance costs (net of capitalisation)		34,390.98	34,490.06
Interest income		(228.84)	(274.11)
Gain on sale/fair value of mutual fund investment measured at FVTPL		(5.50)	(21.02)
Loss on disposal of property, plant and equipment		220.56	1,909.09
Amortisation of capital grants		(72.98)	(74.83)
Amortisation of contribution for capital works and service line charges		(7,965.20)	(8,023.57)
Obsolete inventory written off/allowance for obsolete inventory		482.90	2.97
Bad debts written off/(written back)		1,505.24	400.01
Late payment surcharge		(2,480.43)	(1,938.07)
Allowance for doubtful debts		(938.77)	1,218.44
Net unrealised foreign exchange (gain) / loss		24.18	(26.41)
Operating profit before working capital changes		1,16,066.51	1,25,585.23
Working capital adjustments:			
Adjustments for (increase)/decrease in operating assets:			
Inventories		(848.71)	(12.93)
Trade receivables		3,271.07	(8,543.48)
Loans - current		(286.40)	(72.26)
Loans - non current		75.00	61.42
Other financial assets - current		(4,143.17)	2,067.59
Other financial assets - non current		29.08	34.82
Other non-current assets		(3.52)	(13.09)
Other current assets		5,429.67	4,893.23
Regulatory deferral account debit balances		(28,985.39)	(46,271.25)
Adjustments for increase/(decrease) in operating liabilities:			
Trade payables		7,214.48	(13,038.65)
Other financial liabilities - current		908.43	(2,495.84)
Other financial liabilities - non current		(6.45)	397.28
Other current liabilities		(6,517.74)	1,189.00
Other non-current liabilities		(1,390.50)	11,648.84
Provision for employee benefits - current		(638.00)	(19.51)
Provision for employee benefits - non current		277.15	1,091.06
Cash generated from operations		90,451.51	76,501.46
Taxes paid (including tax deducted at source)		(8,774.82)	(11,240.82)
Net cash from/(used in) operating activities	(A)	**81,676.69**	**65,260.64**
B. Cash flow from investing activities			
Purchase of property, plant and equipment (including capital advances)		(39,788.61)	(48,647.27)
Proceeds from sale of property, plant and equipment		1,209.35	928.30
Proceeds from bank deposits (net)		254.30	(6,553.32)
Interest received		650.27	242.81
Late payment surcharge received		2,480.43	1,938.07
Purchase of current investments		(23,400.00)	(74,500.00)
Proceeds from sale of current investments		31,905.69	66,020.83
Net cash from/(used in) investing activities	(B)	**(26,688.57)**	**(60,570.58)**
C. Cash flow from financing activities			
Finance cost paid		(34,460.29)	(35,126.99)
Payment of lease liabilities		-	(955.92)
Proceeds from short-term borrowings and working capital demand loans		4,36,900.23	5,21,042.35
Repayment of short-term borrowings and working capital demand loans		(4,37,984.43)	(4,96,372.35)
Net (repayment)/proceeds from cash credit and other credit facilities		6,094.19	(25,434.38)
Proceeds from long-term borrowings		40,000.00	1,12,791.65
Repayment of long-term borrowings		(57,434.37)	(78,247.03)
Net (refund)/proceeds from contribution for capital works		740.03	3,243.29
Proceeds from service line charges		2,602.21	2,893.97
Net (repayment)/proceeds from consumers' security deposits		2,561.71	4,881.85
Dividend paid to equity shareholders (including dividend distribution tax)		(13,248.00)	(11,978.38)
Net cash from/(used in) financing activities	(C)	**(54,228.72)**	**(3,261.94)**
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	**759.40**	**1,428.12**
Cash and cash equivalents at the beginning of the year		3,853.24	2,425.12
Cash and cash equivalents at the end of the year (refer note 14)		**4,612.64**	**3,853.24**

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

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

Gurugram
23 April, 2021

New Delhi
23 April, 2021

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.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

3.3.1 Offsetting of financial instruments

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

3.4 Financial assets

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

3.4.1 Amortised cost

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

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

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

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

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

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

On initial recognition, the 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.

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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.

3.8 **Deferred tax recoverable/payable**

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

3.9 **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 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.

3.10 **Impact of COVID-19**

Spread of Coronavirus disease (COVID-19) led to nationwide lockdown from 25 March, 2020 which was gradually lifted during the course of the year in the country. During the initial period economic activity in general was significantly impacted and remained much below normal level. Accordingly upon noticing the reduction in demand of electricity in its distribution area and delays in collection from consumers, the Company 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 taken various measures including availment of seller's side bill discounting for a major portion of power purchase and transmission supplies invoices from generating and transmission companies, reprioritized capital expenditure in immediate future and extended credit period from vendors. Gradually the demand of electricity and collection is returning back to normal level, however the Company continues to closely monitor the cash flow situation and is actively working to minimize the impact of this unprecedented situation.

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Note 4
Property, plant and equipment and intangible assets

Accounting policy

4.1 **Property, plant and equipment**

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

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

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

As per DERC (Terms & Conditions for Determination of Tariff) Regulations,2017 notified on 31 January, 2017 applicable from financial year (FY) 2017-18 onwards, DERC has changed rate of depreciation @ 5.83% up to 12 years of useful life on plant and equipment (comprising of transformers including fixed apparatus, switch gears, lighting arresters, overhead/underground cables) and balance WDV up to 90% over remaining period of useful life of assets instead of equal rate of depreciation applicable in previous regulations. The new regulations have also changed useful life of other class of property, plant and equipment. Accordingly w.e.f. 1 April, 2017 the 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. The depreciation has been calculated in a manner which has the effect of depreciating 90% of the capitalized cost of each such depreciable asset.

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

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

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

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

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

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

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

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

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4.2 **Intangible assets**

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

4.3 **Impairment of tangible and intangible assets**

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

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

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

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

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Note 4.4

₹/Lakhs

Particulars	Cost					Accumulated depreciation and amortisation				Carrying amount	
	As at 01.04.2020	Additions	Borrowing costs capitalised	Disposals	As at 31.03.2021	As at 01.04.2020	Depreciation/ amortisation expense	Eliminated on disposals	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
4.4.1 Property, plant and equipment											
(a) Buildings - Plant	30,424.91	1,676.29	3.98	-	32,105.18	10,065.09	458.79	-	10,523.88	21,581.30	20,359.82
(b) Building - Others	4,430.48	497.28	7.64	-	4,935.40	2,935.79	549.51	-	3,485.30	1,450.10	1,494.69
(c) Plant and equipment	3,05,676.82	25,741.32	127.30	3,155.41	3,28,390.03	1,30,003.45	17,715.60	2,297.15	1,45,421.90	1,82,968.13	1,75,673.37
(d) Transmission lines and cable network	3,06,858.03	17,478.51	181.42	173.89	3,24,344.07	1,18,550.31	13,631.76	112.88	1,32,069.19	1,92,274.88	1,88,307.72
(e) Furniture and fixtures	1,152.65	79.40	-	0.41	1,231.64	676.82	71.38	0.38	747.82	483.82	475.83
(f) Vehicles	3,515.41	821.86	-	732.90	3,604.37	748.90	308.79	234.26	823.43	2,780.94	2,766.51
(g) Office equipment	4,510.51	166.13	-	54.37	4,622.27	2,214.03	293.46	42.40	2,465.09	2,157.18	2,296.48
Total	**6,56,568.81**	**46,460.79**	**320.34**	**4,116.98**	**6,99,232.96**	**2,65,194.39**	**33,029.29**	**2,687.07**	**2,95,536.61**	**4,03,696.35**	**3,91,374.42**
As at 31.03.2020	(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)	
4.4.2 Intangible assets											
Computer software	13,624.42	3,357.99	-	-	16,982.41	7,539.53	1,551.75	-	9,091.28	7,891.13	6,084.89
Total	**13,624.42**	**3,357.99**	**-**	**-**	**16,982.41**	**7,539.53**	**1,551.75**	**-**	**9,091.28**	**7,891.13**	**6,084.89**
As at 31.03.2020	(13,384.52)	(239.90)	-	-	(13,624.42)	(5,978.56)	(1,560.97)	-	(7,539.53)	(6,084.89)	
Grand total	**6,70,193.23**	**49,818.78**	**320.34**	**4,116.98**	**7,16,215.37**	**2,72,733.92**	**34,581.04**	**2,687.07**	**3,04,627.89**	**4,11,587.48**	**3,97,459.31**
As at 31.03.2020	(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)	
4.4.3 Capital work-in-progress (CWIP)	**27,339.37**	**42,099.79**	**411.14**	**50,139.12**	**19,711.18**	**-**	**-**	**-**	**-**	**19,711.18**	**27,339.37**
As at 31.03.2020	(34,720.12)	(47,544.77)	(647.93)	(55,573.45)	(27,339.37)	(-)	(-)	(-)	(-)		

4.4.4 Property plant & equipment and intangible assets (movable and immovable) are hypothecated against secured borrowings of ₹ 1,90,229.17 lakhs (as at 31 March, 2020 ₹ 1,65,125.00 lakhs) {refer note 20.1(i), 26.1, 28(b)(i)}.

4.4.5 CWIP includes closing capital inventory of ₹ 7,028.28 lakhs (as at 31 March, 2020 ₹ 7,311.42 lakhs).

4.4.6 Carrying amount of capital inventory hypothecated as security for borrowings is ₹ 6,994.97 lakhs (as at 31 March, 2020 ₹ 7,278.11 lakhs) {refer note 20.1(i), 26.1, 28(b)(i)}.

4.4.7 During the year ended 31 March, 2021 the borrowing cost of ₹ 411.14 lakhs (as at 31 March, 2020 ₹ 647.93 lakhs) relating to capital work-in-progress includes ₹ 208.09 lakhs (as at 31 March, 2020 ₹ 227.32 lakhs) on account of capitalisation of interest expense on lease liability.

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

₹/Lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Depreciation on tangible assets	33,029.29	30,955.13
Add: Amortisation of right of use assets (refer note 5)	800.64	799.96
Add: Amortisation on intangible assets	1,551.75	1,560.97
Total	**35,381.68**	**33,316.06**

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4.4.9 During the year ended 31 March, 2019 the property, plant and equipment relating to Rithala Power Generation Plant had been classified as assets held for sale (refer note 37.7.1).

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

4.4.11 Figures in bracket represents previous year figures.

Note 5
Leases

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

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

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

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

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

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

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

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

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

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

₹/Lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
(a) Right-of-use assets		
Cost		
Opening balance	10,945.54	10,945.54
Add: Additions during the year	-	-
Closing balance	10,945.54	10,945.54
Accumulated depreciation and amortisation		
Opening balance	1,094.55	-
Add: Depreciation for the year	1,094.56	1,094.55
Closing balance	2,189.11	1,094.55
Net carrying amount		
Closing balance	8,756.43	9,850.99
(b) Lease liabilities		
Opening balance	8,665.70	9,621.62
Add: Interest expense accrued on lease liabilities (refer note 35)	774.97	844.61
Less: Lease liabilities paid	-	1,800.53
Closing balance	9,440.67	8,665.70
Non-current lease liabilities	7,020.74	7,878.44
Current lease liabilities	2,419.93	787.26

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₹/Lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
(a) Amount recognised in Statement of Profit & Loss		
(i) Depreciation on Right-of-use assets (classified under Depreciation and amortisation expense)	800.64	799.96
(ii) Interest on lease liabilities (classified under Finance costs)	566.88	617.29
(iii) Expenses related to short term leases (classified under Other expenses)	164.19	156.30
(b) Amount transferred to capital work-in-progress		
(i) Depreciation on Right-of-use assets	293.92	294.59
(ii) Interest on lease liabilities	208.09	227.32
(c) Amount recognised in Statement of Cash Flows		
(i) Total cash outflow of leases	158.60	1,944.12

(i) The incremental rate of borrowing as at 1 April, 2019 has been considered at 8.60% p.a.
(ii) 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 ₹ 70.09 lakhs as rental income for operating lease during the year ended March 31, 2021 (for the year ended 31 March, 2020 ₹ 65.67 lakhs).

Future minimum rentals receivable under operating leases as at 31 March, 2021 are as follows:

₹/Lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
(i) Upto 1 year	6.28	70.09
(ii) 1 to 2 years	-	6.28

Existing contract in respect to Cells on Wheel with Reliance Jio Infratel Private Limited will be effective till 30 April, 2021. Renewal of the contract is in process and new contract is likely to be effective from 01 May, 2021. The effect of new contract has not been considered in above calculations.

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Note 6
Investments - non current

Accounting policy

6.1 **Investments in subsidiary**

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

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

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

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

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

	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/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	5.00	5.00
(0.50 lakhs (as at 31 March, 2020 0.50 lakhs) equity shares of ₹ 10 each, fully paid up)		
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	59.78	134.78

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

Recoverable from SVRS Trust (refer note 31.14)	25.78	54.86

Note 9
Income tax assets (net)

Income tax	3,247.48	2,735.55
(net of provision for income tax of ₹ 1,09,366.34 lakhs (as at 31 March, 2020 net of provision of income tax ₹ 1,01,103.44 lakhs))		

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

(a) Capital advances	513.21	788.45
(b) Income tax paid under protest against demand	2,321.84	2,321.84
(c) Prepaid expenses	43.35	39.38
(d) Others	79.01	79.46
	2,957.41	3,229.13

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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 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
(a) Stores and spares	1,903.02	1,542.68
(b) Loose tools	75.58	32.93
	1,978.60	1,575.61
(c) Less: Allowance for non-moving inventories	295.84	258.66
	1,682.76	1,316.95

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)

Investments in mutual funds (unquoted)		
(a) HDFC Overnight Fund - Direct Plan - Growth Option (Nil units (as at 31 March, 2020 1.68 lakh units) at face value of ₹ 1,000 each)	-	5,000.12
(b) ICICI Prudential Overnight Fund Direct Plan Growth (Nil units (as at 31 March, 2020 32.48 lakh 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)

(a) Debtors for sale of power in licensed area (refer note 13.1 below)		
(i) Considered good - secured	7,180.82	11,009.37
(ii) Considered good - unsecured	9,428.19	11,402.24
(iii) Credit impaired	13,932.05	13,667.59
	30,541.06	36,079.20
Less: Allowance for doubtful trade receivables	13,932.05	13,667.59
	16,609.01	22,411.61
(b) Debtors for sale of power other than Tata Power-DDL licensed area		
(i) Considered good - unsecured	285.22	2,394.12
(c) Other debtors		
(i) Considered good - unsecured	10,548.93	6,799.24
(ii) Credit impaired	49.60	977.18
	10,598.53	7,776.42
Less: Allowance for doubtful trade receivables	49.60	977.18
	10,548.93	6,799.24
	27,443.16	31,604.97
13.1 Government subsidy included in note 13(a)	375.76	10.45

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. The bill raised for this purpose shall have last date of the extended period as 30 June, 2020.

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 31.03.2021	As at 31.03.2020
(a) Within the credit period	0.56%	0.57%
(b) 1-90 days past due	1.06%	1.40%
(c) 91-182 days past due	3.80%	5.11%
(d) 183 days-1 year past due	11.54%	12.33%
(e) 1-2 year past due	23.55%	23.68%
(f) 2-3 year past due	33.75%	34.82%
(g) >3 years past due	100.00%	100.00%

(ii) **Other debtors**

Particulars	**Expected Credit loss (%)** As at 31.03.2021	As at 31.03.2020
(a) Within the credit period	0.53%	0.00%
(b) 1-90 days past due	0.24%	0.00%
(c) 91-182 days past due	0.72%	0.00%
(d) 183 days-1 year past due	1.08%	0.00%
(e) 1-2 year past due	0.75%	23.12%
(f) 2-3 year past due	19.11%	18.72%
(g) >3 years past due	100.00%	100.00%

Age of receivables

₹/Lakhs

Particulars	**As at 31.03.2021**	**As at 31.03.2020**
(a) Within the credit period	7,979.69	4,007.58
(b) 1-90 days past due	8,130.00	17,194.81
(c) 91-182 days past due	2,792.55	2,650.49
(d) 183 days-1 year past due	3,545.22	4,069.76
(e) 1-3 year past due	7,743.04	7,636.01
(f) >3 years past due	11,234.31	10,691.09

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

₹/Lakhs

Particulars	**As at 31.03.2021**	**As at 31.03.2020**
Debtors for billed revenue		
Balance at beginning of the year	14,644.77	12,649.01
Additions/(reversal) in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses for the year	(77.16)	576.53
Specific allowance/ (reversal) on trade receivables for the year	(585.96)	1,419.23
Balance at end of the year (refer note 13.4.3)	13,981.65	14,644.77

13.4.3 As at 31 March, 2021, ₹ 8,092.51 lakhs (as at 31 March, 2020, ₹ 8,678.46 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 31.03.2021**	**As at 31.03.2020**
Delhi Metro Rail Corporation (DMRC)	5,770.78	5,498.60
North Delhi Municipal Corporation Limited (NDMC)	-	2,715.75
REC Power Distribution Company Ltd (RECPDCL)	5,353.43	4,846.27

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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 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
14.2 Cash and cash equivalents		
(a) Balances with banks - in current accounts	2,405.56	3,460.45
(b) Cheques, drafts on hand	2,184.49	392.79
(c) Cash on hand	22.59	-
	4,612.64	3,853.24

14.2.1 Reconciliation of liabilities from financing activities:

₹/Lakhs

Particulars	As at 31.03.2020	Cash flows		Non-cash transactions		As at 31.03.2021
		Proceeds	Repayment	Additions	Amortisation	
(a) Long-term borrowings (including current maturities)	3,10,738.07	40,000.00	(57,434.37)	-	-	2,93,303.70
(b) Lease liabilities (including current maturities)	8,665.70	-	-	774.97	-	9,440.67
(c) Short-term borrowings and working capital demand loans	31,870.00	4,36,900.23	(4,37,984.43)	-	-	30,785.80
(d) Cash credit and other credit facilities(net)	2,456.29	6,094.19	-	-	-	8,550.48
(e) Consumer contribution for:						
- capital works	66,073.50	2,789.44	(1,680.09)	-	(4,713.08)	62,469.77
- service line	18,504.80	2,602.21	-	-	(3,252.12)	17,854.89
(f) Consumer security deposits (net)	71,804.91	2,561.71	-	-	-	74,366.62
Total	**5,10,113.27**	**4,90,947.78**	**(4,97,098.89)**	**774.97**	**(7,965.20)**	**4,96,771.93**

	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
14.3 Other balances with banks		
(a) Deposits with banks with original maturity more than 3 months upto 12 months	80.90	70.68
(b) Restricted bank deposits (Earmarked pursuant to court order or contractual obligations)	9,799.09	10,063.61
	9,879.99	10,134.29

Note 15
Loans - current
(At amortised cost)

Security deposits		
(a) Considered good - unsecured	597.71	311.31

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

(a) Accruals		
Interest accrued on fixed deposits	105.78	157.89
(b) Unbilled revenue	36,534.99	32,245.22
(c) Others		
(i) Recoverable from SVRS Trust (refer note 31.14)	3.16	33.09
(ii) Other receivables (including recoverable against street light)	244.60	361.27
Less: Allowance for doubtful assets against street light	179.37	179.37
	65.23	181.90
	36,709.16	32,618.10

Note 17
Other current assets
(Unsecured and considered good)

(a) Unbilled revenue (contract asset)	1,909.50	2,320.07
(b) Prepaid insurance	769.02	2,951.61
(c) Prepaid expenses	1,218.97	1,038.49
(d) Power banking	4,135.40	3,665.60
(e) Advance to vendors	3,913.09	7,102.42
(f) Others	3,341.38	3,638.84
	15,287.36	20,717.03

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	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Note 18		
Share capital		
Authorised		
12,500 lakhs (as at 31 March, 2020 7,500 lakhs) equity shares of ₹ 10/- each with voting rights.	1,25,000.00	75,000.00
500 lakhs (as at 31 March, 2020 500 lakhs) 12% cumulative redeemable preference shares of ₹ 100/- each without voting rights.	50,000.00	50,000.00
	1,75,000.00	1,25,000.00
Issued, subscribed and paid up		
10,520 lakhs (as at 31 March, 2020 5,520 lakhs) equity shares of ₹ 10/- each fully paid up with voting rights.	1,05,200.00	55,200.00

Of the above:

18.1 5,365.20 lakhs (as at 31 March, 2020 2,815.20 lakhs) i.e. 51% (as at 31 March, 2020 51%) equity shares of ₹ 10/- each with voting rights, are held by Tata Power Company Limited, the holding company.

18.2 5,154.80 lakhs (as at 31 March, 2020 2,704.80 lakhs) i.e. 49% (as at 31 March, 2020 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 31.03.2021		As at 31.03.2020	
	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
Add: Bonus share issued during the year	5,000.00	50,000.00	-	-
Outstanding at the end of the year	**10,520.00**	**1,05,200.00**	**5,520.00**	**55,200.00**

18.5 During the current year, the Company has paid final dividend of ₹ 2.40 per share on fully paid equity shares for FY 2019-20 amounting to ₹ 13,248.00 lakhs upon approval of shareholders in Annual General Meeting dated 17 July, 2020. During the previous year ended 31 March, 2020, the Company had paid final dividend of ₹ 1.80 per share on fully paid equity shares for FY 2018-19 amounting to ₹ 11,978.38 lakhs (including dividend distribution tax thereon amounting to ₹ 2,042.38 lakhs). The Finance Act 2020 has repealed the Dividend Distribution Tax (DDT). Companies are now required to pay/distribute dividend after deducting applicable taxes.

18.6 For the year ended 31 March, 2021 the Board of Directors at its meeting held on 23 April, 2021 have proposed a final dividend of ₹ 1.20 per share to be paid on fully paid equity shares. The equity dividend is subject to approval by shareholders at the ensuing Annual General Meeting and has not been disclosed as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 12,624.00 lakhs.

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

	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Note 19		
Other equity		
19.1 **Capital redemption reserve**		
(a) Opening balance	50,000.00	50,000.00
(b) Add : Amount transferred from retained earnings (net)	-	-
(c) Less: Bonus shares issued (refer note 18.7)	50,000.00	-
(d) Closing balance	-	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	2,32,962.45	2,03,913.84
(b) Add : Additions during the year	42,945.33	41,026.99
(c) Less : Payment of dividend on equity share capital (refer note 18.5)	13,248.00	9,936.00
(d) Less : Dividend distribution tax on dividend paid on equity shares (refer note 18.5)	-	2,042.38
(e) Closing balance	2,62,659.78	2,32,962.45
	2,71,809.78	2,92,112.45

Nature and purpose of reserves:

Capital redemption reserve

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

General reserve

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

Retained earnings

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

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	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs

Note 20
Long-term borrowings

	As at 31.03.2021	As at 31.03.2020
20.1 Secured - at amortised cost		
(i) Term loans from banks		
(a) Axis Bank	4,595.00	17,230.00
(b) Bank of Baroda	6,666.67	8,750.00
(c) Canara Bank	23,680.56	33,819.44
(d) HDFC Bank	79,368.05	78,062.50
(e) Indian Bank*	43,385.42	48,020.83
(f) Punjab National Bank	16,875.00	19,375.00
(g) Punjab & Sind Bank	16,875.00	29,375.00
(h) State Bank of India	39,375.00	28,750.00
Total long-term borrowings	2,30,820.70	2,63,382.77

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

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.

20.3 **Terms of repayment**
20.3.1 **Secured - at amortised cost**

₹/Lakhs

S. No.		Name of Bank	Refer note for security	As at 31.03.2021	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27 to FY 2030-31
- Term loans from banks										
(a)	i	Axis Bank	20.7	10,703.00	6,108.00	4,595.00	-	-	-	-
	ii	Axis Bank	20.7	3,750.00	3,750.00	-	-	-	-	-
(b)	i	Bank of Baroda	20.7	8,333.33	1,666.66	1,666.67	1,666.67	1,666.67	1,666.67	-
(c)	i	Canara Bank	20.6	16,875.00	4,861.11	4,861.11	4,027.78	1,250.00	1,250.00	625.00
	ii	Canara Bank	20.7	16,666.67	5,000.00	3,333.33	3,333.33	3,333.33	1,666.67	-
(d)	i	HDFC Bank	20.6	42,604.17	4,583.33	5,833.33	5,833.33	5,833.33	5,208.33	15,312.50
	ii	HDFC Bank	20.7	33,902.78	9,555.56	9,555.56	9,000.00	4,333.33	1,458.33	-
	iii	HDFC Bank	20.7	20,000.00	3,000.00	4,000.00	4,000.00	4,000.00	4,000.00	1,000.00
(e)	i	Indian Bank (Post merger of Allahabad and Indian Bank)	20.6	20,000.00	-	2,500.00	2,500.00	2,500.00	2,500.00	10,000.00
	ii	Indian Bank (Post merger of Allahabad and Indian Bank)	20.7	16,927.08	4,791.67	4,791.67	4,010.41	1,666.67	1,666.67	-
	iii	Indian Bank	20.6	7,500.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00
	iv	Indian Bank	20.7	6,666.67	1,666.67	1,666.67	1,666.67	1,666.67	-	-
(f)	i	Punjab National Bank	20.6	19,375.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	6,875.00
(g)	i	Punjab & Sind Bank	20.6	6,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	-
	ii	Punjab & Sind Bank	20.7	20,625.00	8,750.00	8,750.00	3,125.00	-	-	-
(h)	i	State Bank of India	20.6	28,125.00	3,750.00	5,000.00	5,000.00	3,125.00	2,500.00	8,750.00
	ii	State Bank of India	20.6	15,000.00	-	-	1,875.00	1,875.00	1,875.00	9,375.00
		Total		2,93,303.70	62,483.00	61,553.34	51,038.19	36,250.00	28,791.67	53,187.50

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

20.5 The closing rate of interest for term loans from banks ranges from 7.10% to 8.20% per annum. The rate of interest for term loans from banks are subject to reset annually except the term loan from Axis Bank, HDFC Bank and SBI referred in a(ii), d(iii) and h(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.

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	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Note 21		
Other financial liabilities - non current		
(At amortised cost)		
(a) Security deposits		
(i) Consumers' security deposit	69,570.36	67,452.65
(ii) Others	479.65	415.35
(b) Retention money payable	230.08	300.83
	70,280.09	68,168.83

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 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Provision for employee benefits		
(a) Compensated absences	5,601.91	5,504.08
(b) Other employee benefits	139.36	156.96
	5,741.27	5,661.04

22.1 Other employee benefits represent 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 ₹ 4,331.77 lakhs (for the year ended 31 March, 2020 ₹ 3,467.91 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, 2021. 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 31.03.2021	**As at 31.03.2020**
(i) **Net liability arising from defined benefit obligation**	**27.16**	**564.47**
(ii) **Change in benefit obligations:**		
(a) Present value of obligations as at 1 April	4,357.23	3,455.11
(b) Current service cost	371.32	391.26
(c) Interest expense or cost	267.64	268.65
(d) Remeasurement (gains)/losses: Actuarial (gains)/losses	(226.88)	586.06
(e) Benefits Paid	604.41	343.85
Present value of defined benefit obligation as at 31 March (a+b+c+d-e)	**4,164.90**	**4,357.23**
(iii) **Change in plan assets**		
(a) Fair Value of Plan Assets as at 1 April	3,792.76	3,445.71
(b) Investment income	227.44	250.46
(c) Employer's Contribution	751.91	450.00
(d) Remeasurement (gains)/losses:		
- Return on plan assets (excluding amounts included in net interest expense)	(29.96)	(9.56)
(e) Benefits Paid	604.41	343.85
Fair value of plan asset as at 31 March (a+b+c+d-e)	**4,137.74**	**3,792.76**

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

₹/Lakhs

Particulars	Gratuity (Funded)	
	Year ended 31.03.2021	**Year ended 31.03.2020**
(a) Current service cost	371.33	391.26
(b) Net interest expense/(income)	40.20	18.18
(c) Other adjustments	(46.32)	(14.94)
Defined benefit cost recognised in the Statement of Profit and Loss (a+b+c)	**365.21**	**394.50**

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

₹/Lakhs

Particulars	Gratuity (Funded)	
	Year ended 31.03.2021	**Year ended 31.03.2020**
(a) Actuarial (gains)/losses arising from:		
- changes in demographic assumptions	79.76	5.27
- changes in financial assumptions	(197.01)	466.98
- experience adjustments	(109.63)	113.81
(b) Return on plan assets (excluding amounts included in net interest expense)	29.96	9.56
Components of defined benefit costs recognised in other comprehensive income (a+b)	**(196.92)**	**595.62**

(vi) **Principal actuarial assumptions:**

Particulars	Notes	Year ended 31.03.2021	Year ended 31.03.2020
Financial assumptions:			
(a) Discount Rate (per annum)	1.	6.75%	6.25%
(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 31.03.2021	Year ended 31.03.2020
Demographic assumptions:		
(a) Normal retirement age	60 years	60 years
(b) Mortality rate	100% of Indian Assured Lives Mortality (2012-2014)	100% of Indian Assured Lives Mortality (2012-2014)
(c) Withdrawal rate (per annum)	6%	8%

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

Particulars	As at 31.03.2021	As at 31.03.2020
Government of India Securities	79.55%	74.84%
Debt instruments	14.41%	19.01%
Equity and preference shares	5.85%	5.95%
Other deposits	0.19%	0.20%
	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 31.03.2021	As at 31.03.2020
(a) Decrease in defined benefit obligation due to 1% increase in discount rate	384.19	362.01
(b) Increase in defined benefit obligation due to 1% decrease in discount rate	449.20	419.01

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 31.03.2021	As at 31.03.2020
(a) Decrease in defined benefit obligation due to 1% decrease in expected salary growth rate	383.36	359.65
(b) Increase in defined benefit obligation due to 1% increase in expected salary growth rate	439.18	407.64

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 31.03.2021	As at 31.03.2020
(i) Weighted average duration of the defined benefit obligation	10 years	9 years
(ii) Duration of defined benefit obligation	**Amount (₹/Lakhs)**	**Amount (₹/Lakhs)**
1 year	300.26	378.52
2 year	239.88	339.37
3 year	256.06	284.84
4 year	250.57	290.87
5 year	228.23	300.78
More than 5 years	2,889.91	2,762.85
Total	**4,164.91**	**4,357.23**
(iii) Duration of defined benefit payments	**Amount (₹/Lakhs)**	**Amount (₹/Lakhs)**
1 year	300.26	378.52
2 year	273.36	383.12
3 year	311.49	341.66
4 year	325.38	370.69
5 year	316.38	407.28
More than 5 years	7,931.90	6,654.76
Total	**9,458.77**	**8,536.03**

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(c) The contribution expected to be made by the Company during the financial year 2021-22 is ₹ 387.43 lakhs.

(d) The actual return on plan assets is ₹ 197.48 lakhs (for the year ended 31 March, 2020 ₹ 240.90 lakhs).

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

(i) **Financial assumptions:**

Particulars	Notes	Year ended 31.03.2021	Year ended 31.03.2020
(a) Discount rate (per annum)	1.	6.75%	6.25%
(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 31.03.2021	Year ended 31.03.2020
(a) Normal retirement age	60 years	60 years
(b) Mortality rate	100% of Indian Assured Lives Mortality (2012-2014)	100% of Indian Assured Lives Mortality (2012-2014)
(c) Withdrawal rate (per annum)	6%	8%
(d) Rate of leave availment (per annum)	4%	4%
(e) Rate of leave encashment during employment (per annum)	4%	4%

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 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
(i) Opening balance	506.66	581.49
(ii) Add : Additions during the year	-	-
(iii) Less: Amortisation during the year	72.98	74.83
(iv) Closing balance	433.68	506.66

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

24.1 **Capital works**

(i) Opening balance	66,073.50	67,573.68
(ii) Add : Additions during the year	2,798.28	3,243.29
(iii) Less: Amortisation during the year	4,713.08	4,743.47
(iv) Less: Refund during the period/year (refer note 24.3)	1,688.93	-
(v) Closing balance	62,469.77	66,073.50

24.2 **Service line charges**

(i) Opening balance	18,504.80	18,890.93
(ii) Add : Additions during the year	2,602.21	2,893.97
(iii) Less: Amortisation during the year	3,252.12	3,280.10
(iv) Closing balance	17,854.89	18,504.80
Total contribution for capital works and service line charges	**80,324.66**	**84,578.30**

24.3 Delhi Electricity Regulatory Commission (DERC) had made an amendment in schedule of charges & the procedure under Delhi Electricity Regulatory Commission (Supply Code and Performance Standards) Regulations, 2017, dated 31 August, 2017, with respect to the Service Line cum Development (SLD) charges to be collected from unelectrified area for taking new electricity connection at LT supply for the connections upto 200KW/215 KVA. As per the amendment, SLD charges to be collected from unelectrified area for new connection has been reduced w.e.f. 1 September, 2017. The Company requires to adjust/ refund the difference amount of SLD charges already collected at the rates for un-electrified area and estimated SLD charges to be collected as per the rates for electrified area applicable as on date of application.

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	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Note 25		
Other non current liabilities		
Consumers' deposits for works and service line charges	32,839.06	34,229.56
Note 26		
Short-term borrowings		
26.1 **Secured - at amortised cost**		
From Banks		
(a) Cash credit	1,054.02	148.85
(b) Working capital demand loan		
(i) HDFC Bank	-	870.00
(ii) Punjab National Bank	2,175.00	-
(iii) Yes Bank	1,600.00	-
	3,775.00	870.00
	4,829.02	1,018.85
26.2 **Unsecured - at amortised cost**		
From Banks		
(a) Unsecured credit facilities		
(i) Axis Bank	7,496.46	2,295.99
(ii) Canara Bank	-	11.45
	7,496.46	2,307.44
(b) Short term loan		
(i) Axis Bank	-	10,000.00
(ii) HDFC Bank	10,000.00	-
	10,000.00	10,000.00
(c) Working capital demand loan		
(i) Axis Bank	17,000.00	12,000.00
(ii) IDFC First Bank	10.80	-
(iii) Canara Bank	-	9,000.00
	17,010.80	21,000.00
	34,507.26	33,307.44
Total short-term borrowings	**39,336.28**	**34,326.29**

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 7.10% to 7.90% per annum. 60% of the sanctioned cash credit limit of banks has to be first utilised as working capital demand loan in order to avail cash credit facility. These facilities are secured against first pari-passu charge on all present and future property, plant and equipment and intangible assets (movable and immovable) including stores and spares and third pari-passu charge on all present and future receivables.

The Company has availed secured Short term facility limits of ₹ 20,000 lakhs in the form of STL (₹ 10,000 lakhs) & Invoice financing (₹ 10,000 lakhs) from Deutsche Bank. STL facility has been availed at an interest rate ranging from 5.75% to 6.25% per annum during the financial year. The STL facility (which is fungible) can be utilised for any amount lower than or equal to ₹ 200 crore, for a period of mimimum 7 days upto maximum 1 year. During the financial year, the tenor for utilization of STL ranges from 7 days to 49 days. The facility is secured against first pari-passu charge on all present and future property, plant and equipment and intangible assets (movable and immovable) including stores and spares and third pari-passu charge on all present and future receivables.

26.4 **Unsecured credit facilities**

The Company has unsecured fund based credit facilities of ₹ 40,000 lakhs from Axis Bank and ₹ 15,000 lakhs from Canara Bank, presently at an interest rate of 7.35% and 7.45% per annum respectively. 60% of the sanctioned limit of banks has to be first utilised as working capital demand loan in order to avail such facility.
The Company has unsecured overdraft facilities of ₹ 200 lakhs from IDFC First Bank, presently at an interest rate of 9.30%.

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 2020-21		
			1.	2.	3.
(i)	Date of issue		30.09.2020	31.12.2020	15.02.2021
(ii)	Repayment date		29.12.2020	15.02.2021	25.03.2021
(iii)	Discount rate	% p.a	5.00	4.60	4.70
(iv)	Amount	₹/Lakhs	7,408.66	9,942.36	2,989.39
(v)	Face value	₹/Lakhs	7,500.00	10,000.00	3,000.00

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

S. no.	Name of the bank	Disbursement taken on	Repayment date	Interest Rate (% p.a.)	Amount (₹/Lakhs)
(i)	Axis Bank	11.03.2020	16.06.2020	8.05	10,000.00
(ii)	Axis Bank*	08.06.2020	07.09.2020	7.25	10,000.00
(iii)	Karnataka Bank	20.07.2020	20.01.2021	7.40	2,500.00
(iv)	Karnataka Bank	09.09.2020	20.01.2021	7.40	2,500.00
(v)	Indian Bank	20.07.2020	01.12.2020	7.45	2,500.00
(vi)	HDFC Bank	26.02.2021	25.08.2021	4.40	10,000.00

* Interest rate of 7.75% per annum for the period 08 June, 2020 to 03 August, 2020.

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	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Note 27		
Trade payables (at amortised cost)	1,18,332.42	1,11,117.94

27.1 As at 31 March, 2021 trade payables include bill discounting of ₹ 24,685.57 lakhs (as at 31 March, 2020 : Nil). To manage the expected liquidity risk due to Covid-19, the Company has availed seller's side bill discounting facility for a major portion of power purchase and transmission supplies invoices from generating and transmission companies. As per said bill discounting arrangement, bill discounting charges including interest will be borne by the Company and the Company will make payment of these bills payable on due date to the designated bank account on behalf of vendor. In case of any default/non-payment of bills on due date, suppliers are liable towards their bankers and the Company is liable towards suppliers for payment of dues.

27.2 The average credit period on purchases from long-term power purchase arrangement ranges from 30 days to 60 days. Thereafter, interest is charged which generally ranges from 1.25% per month to 1.5% per month on the unpaid amount. 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.

27.3 Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

₹/Lakhs

	Particulars	As at 31.03.2021	As at 31.03.2020
(a)	Principal amount remaining unpaid as at 31 March	2,511.46	1,208.26
(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 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Note 28		
Other financial liabilities - current		
(At amortised cost)		
(a) Security deposits		
(i) Consumers' security deposit	4,796.26	4,352.26
(ii) Others	806.64	755.02
	5,602.90	5,107.28
(b) Current maturities of long-term borrowings (refer note 20)		
Secured - at amortised cost		
(i) Term loans from banks		
(a) Axis Bank	9,858.00	8,331.00
(b) Bank of Baroda	1,666.67	1,250.00
(c) Canara Bank	9,861.11	9,583.33
(d) HDFC Bank	17,138.89	8,520.83
(e) Indian Bank	7,708.33	7,864.58
(f) Punjab National Bank	2,500.00	625.00
(g) Punjab & Sind Bank	10,000.00	8,750.00
(h) State Bank of India	3,750.00	1,875.00
(i) Union Bank of India	-	555.56
Total current maturities of long-term borrowings	62,483.00	47,355.30
(c) Interest accrued but not due on borrowings	822.07	934.87
(d) Current maturities of lease liabilities (refer note 5)	2,419.93	787.26
(e) Retention money payable	3,785.74	3,628.08
(f) Payables on purchase of property, plant and equipment	1,570.14	148.46
(g) Earnest money deposits	101.77	100.07
(h) Others	954.61	557.25
	77,740.16	58,618.57
Note 29		
Provisions - current		
Provision for employee benefits		
(a) Compensated absences (refer note 22)	963.97	1,052.43
(b) Defined benefit plans (Gratuity) (refer note 22)	27.16	564.47
(c) Other employee benefits (refer note 29.1)	17.48	29.71
	1,008.61	1,646.61

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

	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Note 30		
Other current liabilities		
(a) Income received in advance	1,347.13	1,273.93
(b) Statutory dues	7,732.97	7,503.94
(c) Advance from consumers	8,586.53	7,893.43
(d) Advance government subsidy (to be adjusted upon billing)	-	7,914.36
(e) Payable for Pension Trust Surcharge (including unbilled)	1,918.49	1,627.20
(f) Others	264.01	154.01
	19,849.13	26,366.87

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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 31.03.2021	As at 31.03.2020
Contingent liabilities*		
31.1 Claims against the Company not acknowledged as debts:		
(i) Legal cases filed by consumers, employees and others under litigation	3,578.43	3,583.26
(ii) Water charges demand raised by Delhi Jal Board (DJB)	71.69	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)	929.50	919.18
(iii) Total demand (i+ii)	2,327.11	2,316.79
(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	72.91	529.84
31.5 Claims of power suppliers, not acknowledged as expense and credits	20,947.48	16,133.09
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	450.20
31.7 Environmental compensation notice issued by Delhi Pollution Control Committee (DPCC)	50.00	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	1,413.38	1,210.71
31.9 Way leave charges demanded by North DMC on the installation and laying services carried out by the Company in North DMC periphery	1,348.23	-
*No provision is considered necessary since the Company expects favourable decisions.		
Commitments		
31.10 Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	26,917.28	34,209.33

31.11 As detailed in note 37.7 on Rithala Power Generation Plant, the Company has challenged the DERC Order dated 11 November, 2019 before APTEL for allowance of balance depreciation along with other associated claims i.e. interest on debt, return on equity (RoE) etc. which is yet to be disposed off. Based on legal opinion and internal analysis, the management is hopeful of favourable judgement.

31.12 Due to COVID-19 and lock down imposed from 25 March 2020, there has been decrease in demand and delay in collection towards the end of March, 2020 which has impacted the expected billing and collection efficiency for the financial year 2019-20. Consequently, it has impact on incentive/disincentive on overachievement /underachievement of AT&C targets as per tariff regulations for financial year 2019-20. Upon drop in demand and collection, the DERC has clarified to Discoms regarding treatment of this unprecedented calamity as 'force majeure' condition under the provision of DERC (Supply Code and Performance Standards) Regulations, 2017 and has stated that the standard of performance shall remain suspended during lockdown period. The Commission has assured that targets of billing and collection efficiency for financial year 2019-20 will be re-considered at the time of true-up of ARR for financial year 2019-20 subject to prudence check.

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 for financial year 2019-20 will be accounted for at the time of true up.

31.13 "The Code on Social Security 2020 has been notified in the Official Gazette on 29th September, 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact if any of the change will be assessed and accounted in the period in which said Code becomes effective and the rules framed thereunder are notified"

31.14 The Company had introduced a Voluntary Separation Scheme (VSS) for its employees in December 2003, in response to which initially 1,798 employees were separated. The early retirement of these employees led to a dispute between the Company and the DVB Employees Terminal Benefit Fund, 2002 ('the Trust') with respect to payout of retirement benefits that these employees were eligible for. The Trust is of the view that its liability to pay retiral benefits arises only on the employee attaining the age of superannuation or on death, whichever is earlier.

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The Company filed a writ petition with the Hon'ble Delhi High Court which pronounced its judgement on 2 July, 2007 on this issue and provided two options to the Discoms for paying retiral benefits to the Trust. The Company chose the option whereby the Discoms were required to pay to the Trust an 'Additional Contribution' on account of premature payout by the Trust which shall be computed by an Arbitral Tribunal of Actuaries to be appointed within a stipulated period. The matter was further challenged by the Trust before Hon'ble Supreme Court, however, no interim relief has been granted by the Hon'ble Supreme Court. Till date no Arbitral Tribunal of Actuaries has been appointed and therefore, no liability has been recorded based on option chosen by the Company.

While the above referred writ petition was pending, the Company had already advanced ₹ 7,774.35 lakhs to the Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 Trust (SVRS Trust) for payment of retiral dues to separated employees. In addition to the payment of retiral benefits/residual pension to the SVRS Trust, in pursuant to the order of the Hon'ble Delhi High Court dated 2 July, 2007 the Company also paid interest @ 8% per annum, ₹ 801.27 lakhs in the financial year 2008-09 thereby increasing the total contribution to the SVRS Trust to ₹ 8,575.62 lakhs recorded as recoverable from SVRS Trust. As the Company was entitled to get reimbursement against advanced retiral benefit amount on superannuation age, the Company had recovered/adjusted ₹ 8,546.68 lakhs as at 31 March, 2021 (as at 31 March, 2020 ₹ 8,487.66 lakhs), leaving a balance recoverable ₹ 28.94 lakhs as at 31 March, 2021 (as at 31 March, 2020 ₹ 87.95 lakhs) from the SVRS Trust which includes current portion of ₹ 3.16 lakhs (as at 31 March, 2020 ₹ 33.09 lakhs).

31.15 The liability stated in the opening Balance Sheet of the Company as per the Transfer Scheme as on 1 July, 2002 in respect of consumers' security deposit was ₹ 1,000 lakhs. The Company had engaged an independent agency to validate the sample data in digitized form of consumer security deposit received by the erstwhile DVB from its consumers. As per the validation report submitted by this agency the amount of security deposit received from consumers aggregated to ₹ 6,670.51 lakhs. The Company has been advised that as per the Transfer Scheme, the liability in excess of ₹ 1,000 lakhs towards refund of the opening consumer deposits and interest thereon is not to the account of the Company. Since the GNCTD was of the view that the aforesaid liability is that of the Company, the matter was referred to Delhi Electricity Regulatory Commission (DERC). During the year 2007-08, DERC vide its letter dated 23 April, 2007 conveyed its decision to the GNCTD upholding the Company's view. As GNCTD has refused to accept the DERC decision as binding on it, the Company has filed a writ petition in the Hon'ble Delhi High Court and the matter was made regular on 24 October, 2011. No stay has been granted by the High Court in the matter for refund of consumer security deposits and payment of interest thereon.

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Note 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 31.03.2021 ₹/Lakhs	Year ended 31.03.2020 ₹/Lakhs
32.4	**Revenue from operations**		
32.4.1	**Revenue from sale of power and open access**		
(a)	Sale of power	7,16,312.55	8,05,916.53
	Less: rebate availed by consumers	97.02	-
	Less: energy tax	27,642.74	30,996.15
		6,88,572.79	7,74,920.38
(b)	Income from open access charges	1,604.28	1,258.60
		6,90,177.07	7,76,178.98
32.4.2	**Other operating revenue**		
(a)	Amortisation of service line charges	3,252.12	3,280.10
(b)	Commission on		
	- DVB arrears collection	2.06	3.91
	- Energy tax collection	824.30	900.56
(c)	Maintenance charges {refer note 32.4.2(i)}	1,324.93	1,268.28
(d)	Amortisation of capital grants	72.98	74.83
(e)	Amortisation of consumer contribution for capital works	4,713.08	4,743.47
(f)	Miscellaneous operating income	336.51	407.28
		10,525.98	10,678.43
		7,00,703.05	7,86,857.41

32.4.2(i) Includes incentive on street light maintenance of ₹ 109.56 lakhs pertaining to financial year 2020-21 (for the year ended 31 March, 2020 ₹ 110.98 lakhs).

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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 31.03.2021 ₹/Lakhs	Year ended 31.03.2020 ₹/Lakhs
(a)	Late payment surcharge (refer note 38)	2,480.43	1,938.07
(b)	Interest Income	228.84	274.11
(c)	Gain on sale/fair value of mutual fund investment measured at FVTPL	5.50	21.02
(d)	Foreign exchange fluctuation gain (net)	-	7.24
(e)	Income other than energy business	8,684.18	9,570.08
(f)	Other non-operating income	203.13	659.12
		11,602.08	12,469.64

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 31.03.2021	Year ended 31.03.2020
(A) Revenue from contracts with customers		
- Based on nature of goods/services		
(I) Distribution of power		
(a) Sale of power	6,88,669.81	7,74,920.38
Less: rebate availed by consumers	97.02	-
	6,88,572.79	7,74,920.38
(b) Income from open access charges	1,604.28	1,258.60
(c) Late payment surcharge	2,480.43	1,938.07
(d) Amortisation of service line charges	3,252.12	3,280.10
(e) Commission on		
- DVB arrears collection	2.06	3.91
- Energy tax collection	824.30	900.56
(f) Maintenance charges	1,324.93	1,268.28
(g) Amortisation of consumer contribution for capital works	4,713.08	4,743.47
(h) Miscellaneous income	372.85	467.81
(II) Business Development (Project management and other consultancy services)	8,614.09	9,504.41
	7,11,760.93	**7,98,285.59**
(B) Other revenue		
(I) Distribution/generation of power		
(a) Amortisation of capital grants	72.98	74.83
(b) Interest income	228.84	274.11
(c) Others	166.79	598.59
(ii) Business Development (Project management and other consultancy services)	70.09	65.67
(iii) Others		
(a) Gain on sale/fair value of mutual fund investment measured at FVTPL	5.50	21.02
(b) Foreign exchange fluctuation gain (net)	-	7.24
	544.20	**1,041.46**
Total revenue	**7,12,305.13**	**7,99,327.05**

32.7 **Contract Balances**

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

₹/Lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
Contract assets		
Unbilled revenue other than passage of time (refer note 17(a))	1,909.50	2,320.07
Total contract assets	**1,909.50**	**2,320.07**
Contract liabilities		
Income received in advance (refer note 30(a))	1,347.13	1,273.93
Advance from consumers (refer note 30(c))	8,586.53	7,893.43
Deferred revenue from consumers -		
Consumers' deposits for works and service line charges (refer note 25)	32,839.06	34,229.56
Total contract liabilities	**42,772.72**	**43,396.92**
Receivables		
Trade receivables (gross) (refer note 13)	41,424.81	46,249.74
Unbilled revenue for passage of time (refer note 16(b))	36,534.99	32,245.22
Less : Allowances for doubtful debts (refer note 13)	13,981.65	14,644.77
Net receivables	**63,978.15**	**63,850.19**

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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 31.03.2021	As at 31.03.2020
- Unbilled revenue other than passage of time		
Opening balance as at 1 April	2,320.07	1,115.17
Add: Revenue recognised during the year apart from above	4,527.64	6,555.29
Less: Transfer from contract assets to receivables	4,938.21	5,350.39
Closing Balance	**1,909.50**	**2,320.07**

₹/Lakhs

Particulars	Contract Liabilities					
	As at 31.03.2021			As at 31.03.2020		
	Income received in advance	Advance from consumers	Deferred Revenue	Income received in advance	Advance from consumers	Deferred Revenue
Opening balance as at 1 April	1,273.93	7,893.43	34,229.56	534.49	6,243.11	22,580.72
Revenue recognised during the year from balance at the beginning of the year	(1,089.46)	(5,245.82)	-	(224.05)	(3,993.10)	-
Advance received during the year not recognised as revenue	1,162.66	5,938.92	2,321.06	963.49	5,643.42	17,786.10
Transfer from contract liabilities upon satisfaction of performance obligation	-	-	(3,711.56)	-	-	(6,137.26)
Closing Balance	**1,347.13**	**8,586.53**	**32,839.06**	**1,273.93**	**7,893.43**	**34,229.56**

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, 2021 is ₹ 19,295.33 lakhs (as at 31 March, 2020 is ₹ 21,258.06 lakhs). Out of this, the Company expects to recognise revenue of around 38.11% (as at 31 March, 2020 35.20%) 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 810.80 million units (for the year ended 31 March, 2020 504.06 million units) of power to/in favour of other utilities. The power purchase cost of ₹ 5,30,625.73 lakhs (for the year ended 31 March, 2020 ₹ 6,29,963.08 lakhs) is net of sale of power/UI receivables ₹ 24,990.12 lakhs (for the year ended 31 March, 2020 ₹ 14,546.92 lakhs), rebate on power purchase ₹ 5,932.70 lakhs (for the year ended 31 March, 2020 ₹ 6,573.02 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. The Delhi Electricity Regulatory Commission (DERC) has directed to treat the normative cost of power banking transaction at weighted average variable cost of all long term sources of power purchase of relevant year. Details of power banked during the year ended 31 March, 2021 are as follows:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
	Receivable MU's	Receivable MU's
(a) Opening balance as at 1 April	128.93	647.49
(b) Power banked (Outflow)	200.35	198.37
(c) Power due against banked	206.22	204.50
(d) Power receipt against opening	128.93	647.49
(e) Power receipt against current year transactions	58.91	75.57
(f) Balance receivable {(a)+(c)-(d)-(e)}	147.31	128.93

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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**
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 31.03.2021 ₹/Lakhs	Year ended 31.03.2020 ₹/Lakhs
(a)	Salaries, allowances and incentives	45,610.12	46,138.84
(b)	Contribution to provident and other funds (refer note 22 and note 29)	5,716.14	5,735.51
(c)	Seventh pay commission revision for previous years paid/ provided	5,901.66	-
(d)	Staff welfare expenses	2,795.85	2,636.98
(e)	Other personnel cost	1,466.10	1,632.54
		61,489.87	56,143.87
	Less: Transferred to capital work-in-progress	5,808.63	5,652.41
		55,681.24	50,491.46
(f)	Pension and other payment to VSS and other retirees (refer note 31.14)	31.25	(1.56)
		55,712.49	50,489.90

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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 31.03.2021 ₹/Lakhs	Year ended 31.03.2020 ₹/Lakhs
(a)	On borrowings - carried at amortised Cost		
	(i) Interest on term loan (gross)	22,908.08	24,425.99
	Less: Capitalised (refer note 35.1)	523.39	767.69
	Interest on term loans (net)	22,384.69	23,658.30
	(ii) Interest on cash credit accounts/short-term borrowings	5,698.08	4,038.98
(b)	Interest on lease liability (gross)	774.97	844.61
	Less: Capitalised	208.09	227.32
	Interest on lease liability (net)	566.88	617.29
(c)	Interest on consumer security deposits	5,558.75	5,985.87
(d)	Other borrowing costs	179.07	166.27
(e)	Other interest	3.51	23.35
		34,390.98	34,490.06

35.1 The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 8.01% per annum (for the year ended 31 March, 2020 8.63% 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, 2020 ₹ 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, 2020 ₹ 1,000 lakhs), the Company has provided interest expense aggregating to ₹ 5,558.75 lakhs (for the year ended 31 March, 2020 ₹ 5,985.87 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 ₹ 208.59 lakhs (for the year ended 31 March, 2020 ₹ 238.65 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.

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	Year ended 31.03.2021 ₹/Lakhs	Year ended 31.03.2020 ₹/Lakhs
Note 36		
Other expenses		
Operating and maintenance expenses		
(a) Stores and spares consumed (net of recoveries)	4,182.64	3,625.69
(b) Repairs and maintenance:		
(i) Building	522.77	522.33
(ii) Plant and equipment	9,307.37	8,224.81
(iii) Others	5,242.39	5,706.52
(c) Loss on disposal of property, plant and equipment	220.56	1,909.09
	19,475.73	19,988.44
Administrative and general expenses		
(a) Communication expenses	239.82	239.90
(b) Printing and stationery	168.43	327.49
(c) Legal and professional charges		
- Legal expenses (refer note 36.1)	1,047.65	1,319.65
- Professional charges (refer note 36.2)	457.62	794.73
(d) Travelling and conveyance	318.58	819.92
(e) Insurance	795.64	630.96
(f) Advertisement, publicity and business promotion	197.87	238.53
(g) Corporate social responsibility expenses (excluding 5% administrative expenses) (refer note 36.3)	1,057.85	811.30
(h) Rent and hire charges	115.42	128.75
(i) Rates and taxes	682.54	1,236.00
(j) Freight, handling and packing expenses	43.88	53.33
(k) Bill collection and distribution expenses	703.50	1,121.83
(l) Postage and courier charges	18.21	38.74
(m) EDP expenses	1,228.84	1,240.98
(n) Housekeeping expenses	1,019.21	982.54
(o) Foreign exchange fluctuation loss (net)	10.25	-
(p) Bad debts written off/(written back)	1,505.24	400.01
(q) Allowance for doubtful debts	(938.77)	1,218.44
(r) Miscellaneous expenses	1,279.44	1,141.05
	9,951.22	12,744.15
Total other expenses	29,426.95	32,732.59

36.1 Out of total Legal expenses of ₹ 1,047.65 lakhs, an amount of ₹ 245.00 lakhs pertains to legal expenses where the Company has challenged DERC's orders/Regulations at various forums.

36.2 **Auditors remuneration***

Professional charges include auditor's remuneration as follows:

₹/Lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
(a) For statutory audit	62.70	62.70
(b) For taxation matters	8.93	8.93
(c) For company law matters	1.00	1.00
(d) For other services	11.50	9.40
(e) For reimbursement of expenses	1.34	3.38
Total	**85.47**	**85.41**

* Exclusive of Goods & Services Tax.

36.3 **Corporate social responsibility**

As per Section 135 of the Companies Act, 2013, a company, meeting the eligibility criteria, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. Tata Power-DDL's CSR programs/projects focuses on sectors and issues as mentioned in Schedule VII read with Section 135 of Companies Act, 2013. A CSR committee has been formed by the Company as per the Act.

(a) Gross amount required to be spent by the Company during the year is ₹ 1,001.01 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	83.76	-	83.76
(ii) On purposes other than (i) above	974.09	-	974.09

36.4 **Disclosure under Clause 87 of DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 of statutory levies and taxes**

As per the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 , Clause no. 87 has defined the requirement for the disclosure of water charges, statutory levies and taxes separately. Management considers applicability of the following expenses as covered under Clause 87 :

₹/Lakhs

Particulars		Year ended 31.03.2021
(a) Statutory taxes -		
(i) Impact of GST (unaudited)		3,907.02
(b) Water charges		154.84
(c) Statutory levies -		
(i) Impact of minimum wages (unaudited)		2,426.60
(ii) Impact of 7th pay commission paid during FY 20-21 (including interim relief & past period arrears)	9,822.07	
(iii) Provisional impact of 7th pay commission on leave salary contribution & pension contribution	1,701.10	
(iv) Provisional impact of 7th Pay Commission against Non functional scale & Separated Employees	2,168.66	
Total 7th pay commission impact	13,691.83	
Less:- 10% Capitalisation	(1,369.18)	12,322.65
(v) Common effluent treatment plant charges		47.78
(vi) Property tax		198.55
(vii) Licensee fees		388.60
(viii) Land license fees		1,562.23

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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 28 August, 2020 issued on 19 October, 2020, the DERC has trued up regulatory deferral account balance up to 31 March, 2019 at ₹ 1,89,000 lakhs as against ₹ 4,57,869.26 lakhs as per financial books of accounts excluding amount recoverable towards deferred tax liabilities of ₹ 18,044.60 lakhs. There is no provision in tariff regulations for one to one allowance of deferred tax but the same is allowed in the form of actual rate of tax as and when deferred tax liability gets converted to actual tax liability. The difference in regulatory deferral account is largely due to provisional truing up of capitalisation, disallowance of de-capitalised property, plant and equipment, its corresponding impact on return on capital employed (ROCE), income tax and carrying cost. These disallowance have already been challenged in APTEL for amount disallowed upto FY 18-19. The difference in regulatory deferral account is also due to pending implementation of Rithala tariff order issued by the DERC vide order dated 11 November, 2019 and partial allowance of approved Rithala plant cost which is under challenge with APTEL and delay in execution of other previous review/APTEL appeal orders.

On the issue of provisional true up of capitalisation, DERC has shared preliminary draft report of physical verification of fixed asset for the period FY 2004-05 to 2015-16. The Company after analysing the draft report have submitted the response along with necessary documents in support of capitalisation on 29 December, 2020.

37.3 The DERC Business Plan Regulations, 2019 is applicable for the control period starting FY 2020-21 to FY 2022-23. As part of yearly tariff determination exercise, the company has filed True up petition for FY 19-20 and ARR for FY 21-22 on 22 December, 2020.

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 regulatory deferral account balance as on 31.03.2019 as per financial books of account was ₹ 4,57,869.26 lakhs which is not being liquidated for a long time excluding amount recoverable towards deferred tax liabilities of ₹ 18,044.60 lakhs. Such accumulation of regulatory deferral account has been due to non-availability of cost reflective tariff year on year. On this issue, company has filed a petition with the DERC on 08 March, 2021 to take measures to liquidate regulatory deferral account in a time bound manner, which is yet to be disposed off.

37.6 The movement in regulatory deferral account balance as at 31 March, 2021 is as follows:

₹/Lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
(a) Opening regulatory deferral account debit balance	5,22,185.11	4,75,913.86
(b) Net movement during the year		
(i) Power purchase cost	5,36,735.00	6,35,770.00
(ii) All other prudent O&M cost including ROCE, carrying cost etc.	1,88,033.00	1,88,799.00
(iii) Collection available for Annual Revenue Requirement (ARR) as per MYT order	7,00,524.00	7,90,513.00
(iv) Net movement before recovery of deferred tax {(i)+(ii)-(iii)}	**24,244.00**	**34,056.00**
(v) Deferred tax recoverable in future tariff	4,741.39	12,215.25
(c) Net movement shown in the Statement of Profit and Loss {(iv)+(v)}	**28,985.39**	**46,271.25**
(d) Closing regulatory deferral account debit balance (a+c)	**5,51,170.50**	**5,22,185.11**

37.7 **Rithala Power Generation Plant**

On 31 August, 2017 the DERC issued the Order fixing the operational norms as specified in the DERC MYT Regulations, 2007 and allowed capital cost of the plant at ₹ 19,770 lakhs against ₹ 30,239 lakhs as per financial books of accounts. Further, the DERC has recognised tariff of the plant for 6 years (project life) from the date of commercial operation (COD) in combined cycle mode upto 31 March, 2018 as against 15 years, being the life of the plant. In accordance with the Order, the Company had stopped the billing of Rithala Power Plant from 1 April, 2018, adjusted a sum of ₹ 46,986 lakhs towards Rithala billing (including carrying costs) and recorded an impairment loss of ₹ 5,564.93 lakhs till 31 March, 2019.

Further, DERC has issued Tariff Order dated 11 November, 2019 for Rithala Power Plant and allowed depreciation for 6 years only. Aggrieved by the said order of lower allowance of depreciation, the Company has challenged the order before APTEL for balance depreciation along with other associated claims i.e. interest on debt, return on equity (RoE) etc.

As required by Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" the asset has been classified under the head "Assets Held for Sale" and the remaining written down value (WDV) less fair value of plant cost of ₹ 19,770 lakhs has been shown as recoverable from future tariff on the basis of management evaluation supported by legal opinion with the condition that the net sale/scrap proceeds for Rithala Power Plant after recovering the 10% salvage value shall be offered in ARR. The Company is continuing to claim the remaining WDV in the form of annual depreciation, ROCE etc. in annual ARR filing for distribution business pending its petition with respect to allowance of the same in APTEL.

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37.7.1 **Assets classified as held for sale**

Accounting policy

Non-current assets or disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset or disposal group and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. As at each Balance Sheet date, the management reviews the appropriateness of such classification.

Non-current assets or disposal group classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The Company treats sale/distribution of the asset or disposal group to be highly probable when:
(a) the appropriate level of management is committed to a plan to sell the asset (or disposal group),
(b) an active programme to locate a buyer and complete the plan has been initiated (if applicable),
(c) the asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
(d) the sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
(e) actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible assets once classified as held for sale/distribution to owners are not depreciated or amortised.

In financial year ended 31 March, 2019 the property, plant and equipment relating to Rithala Power Generation Plant was classified as "Assets Held for Sale" pursuant to derecognition of Rithala plant as source of power with effect from 1 April, 2018 and management's intention to sell the plant. The management remains committed to the plan to dispose off the plant and therefore, continues to classify it as "Asset Held for Sale".

The assets classified as held for sale have been accounted at lower of carrying amount and fair value less costs to sell. The fair value of property, plant and equipment classified as assets held for sale as at 31 March, 2021 and 31 March, 2020 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 31.03.2021			As at 31.03.2020		
	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	2,004.00	-	2,004.00

The significant unobservable input used in the non-recurring fair value measurement categorised within Level 3 of the fair value hierarchy as at 31 March, 2021 and as at 31 March, 2020 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	31.03.2021 and 31.03.2020	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 late payment surcharge (LPSC) as "other income" instead of "other operating income". Accordingly, the comparative financial information included in these financial statements, have been restated. As an effect of restatement of financial statements, Statement of Profit and Loss for the year ended 31 March, 2020 has been restated. Accordingly, LPSC of ₹ 1,938.07 lakhs has been recognised in other income instead of other operating income.

Impact on Statement of Profit and Loss for the year ended 31 March, 2020

₹/Lakhs

	Particulars	Year ended 31.03.2020	Year ended 31.03.2020
		(Restated)	(Original)
(i)	Other operating income	10,678.43	12,616.50
(ii)	Other income	12,469.64	10,531.57

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, 2019 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 31.03.2021	Year ended 31.03.2020
Profit for the year from continuing operations	₹/Lakhs	42,817.23	41,414.47
Net movement in regulatory deferral account balance		28,985.39	46,271.25
Income-tax attributable to regulatory expenses		(10,128.65)	(16,169.03)
Net movement in regulatory deferral account balance (net of tax)	₹/Lakhs	18,856.74	30,102.22
Profit for the year from continuing operations attributable to equity shareholders before net movement in regulatory deferral account balance	₹/Lakhs	23,960.49	11,312.25
Weighted average number of equity shares (refer note 39.3)	Nos./Lakhs	10,520.00	10,520.00
Basic & Diluted earnings per equity share of ₹ 10 each	₹	2.28	1.08
Face value of equity shares	₹	10.00	10.00

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

Particulars	Units	Year ended 31.03.2021	Year ended 31.03.2020
Profit for the year from continuing operations after net movement in regulatory deferral account balance attributable to equity shareholders	₹/Lakhs	42,817.23	41,414.47
Weighted average number of equity shares (refer note 39.3)	Nos./Lakhs	10,520.00	10,520.00
Basic & Diluted earnings per equity share of ₹ 10 each	₹	4.07	3.94
Face value of equity shares	₹	10.00	10.00

39.3 **Weighted average number of equity shares**

Particulars	Units	Year ended 31.03.2021	Year ended 31.03.2020
Weighted average number of equity shares (opening) (A)	Nos./Lakhs	5,520.00	5,520.00
Bonus equity shares issued (B)	Nos./Lakhs	5,000.00	5,000.00
Weighted average number of equity shares (closing) (A+B)	Nos./Lakhs	10,520.00	10,520.00

39.4 The Company does not have any potential dilutive equity share.

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Note 40
Disclosure pursuant to DERC directive 6.10(l) specified in Tariff Order, 2020.

Category-wise billing, collection & subsidy information

40.1 **Billing**

₹/Lakhs

S.No.	Category	Year ended 31.03.2021						
		Revenue	Deficit revenue recovery surcharge	PPAC	Electricity duty	Pension trust surcharge	TOD surcharge	TOD rebate
1	Domestic	2,53,765.07	16,156.85	16,492.97	10,489.80	8,681.79	0.11	(0.15)
2	Non-Domestic	1,71,349.30	10,946.56	11,672.88	5,580.32	6,098.87	1,269.90	(1,077.17)
3	Industrial	2,58,975.99	16,453.75	17,634.02	9,624.93	9,336.47	18,137.25	(18,074.84)
4	Agriculture	963.87	61.92	65.91	15.22	34.10	0.16	(0.18)
5	Public Utilities	44,111.28	3,028.25	3,038.13	1,363.16	1,703.86	261.85	(341.31)
6	Advertisement & Hoardings	66.79	4.45	4.59	2.34	2.36	0.39	-
7	Temporary Supply	6,285.25	398.69	422.75	247.46	221.92	28.93	(31.42)
8	Staff	534.87	34.16	34.22	21.38	18.07	-	-
9	E-Rickshaw/E-Vehicle	935.99	58.87	64.45	42.92	33.81	5.41	(5.53)
10	Misuse	351.16	22.18	26.11	11.76	12.10	2.30	(1.36)
11	Enforcement	1,290.61	84.74	58.52	48.07	38.25	-	-
12	Other Adjustments	46.24	-	-	1.92	-	-	-
	Grand Total	**7,38,676.42**	**47,250.41**	**49,514.55**	**27,449.28**	**26,181.60**	**19,706.30**	**(19,531.96)**

40.2 **Collection**

₹/Lakhs

S.No.	Category	Year ended 31.03.2021				
		Revenue	Deficit revenue recovery surcharge	PPAC	Electricity duty	Pension trust surcharge
1	Domestic	2,55,805.45	16,298.09	16,710.59	10,586.07	8,733.91
2	Non-Domestic	1,75,731.49	11,245.55	11,772.76	5,761.71	6,222.53
3	Industrial	2,64,383.82	16,816.82	17,733.32	9,828.87	9,482.71
4	Agriculture	1,015.17	63.82	66.11	15.44	34.65
5	Public Utilities	44,168.66	3,051.49	3,025.93	1,122.33	1,705.25
6	Advertisement & Hoardings	81.86	5.33	5.34	2.58	2.83
7	Staff	531.16	34.00	33.69	21.30	17.92
8	E-Rickshaw/E-Vehicle	931.55	58.63	61.07	42.58	33.19
9	Enforcement	1,290.61	84.74	58.52	48.07	38.25
10	Other Adjustments	46.24	-	-	-	-
	Grand Total	**7,43,986.01**	**47,658.47**	**49,467.33**	**27,428.95**	**26,271.24**

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

₹/Lakhs

S.No.	Category	Year ended 31.03.2021
1	Agriculture	437.79
2	Domestic (including solar generation based incentive)	87,719.65
3	Non-Domestic (Lawyer Chambers)	240.22
	Grand Total	**88,397.66**

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.

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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, 2020

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 31.03.2021				
		Distribution	Generation	Business Development	Inter Segment	Total
(i)	**Segment revenue**					
	Revenue from operations	7,00,678.45	201.44	-	(176.84)	7,00,703.05
	Other income	2,910.37	2.03	8,684.18	-	11,596.58
	Movement in regulatory deferral account balance (net)	28,985.39	-	-	-	28,985.39
(a)	**Total segment revenue**	**7,32,574.21**	**203.47**	**8,684.18**	**(176.84)**	**7,41,285.02**
	Less: Segment expenses (refer note 41.5)					
	Cost of power purchased (net)	5,30,802.57	-	-	(176.84)	5,30,625.73
	Employee benefits expense (net)	52,680.53	68.22	2,963.74	-	55,712.49
	Finance costs	33,766.01	624.97	-	-	34,390.98
	Depreciation and amortisation expense	35,253.97	127.71	-	-	35,381.68
	Other expenses	26,596.75	263.54	2,556.41	-	29,416.70
(b)	**Total segment expenses**	**6,79,099.83**	**1,084.44**	**5,520.15**	**(176.84)**	**6,85,527.58**
(ii)	**Total segment results (a-b)**	**53,474.38**	**(880.97)**	**3,164.03**	-	**55,757.44**
	Add/(Less): Unallocable income/(expense)					
(c)	Gain on sale/fair value of mutual fund investment measured at FVTPL					5.50
(d)	Foreign exchange fluctuation loss (net)					(10.25)
(e)	**Profit before tax (ii+c+d)**					**55,752.69**
(f)	Less: Tax expense					12,935.46
	Profit after tax (e-f)					**42,817.23**
(iii)	**Segment assets (refer note 41.4)**					
(a)	Property, plant and equipment	4,02,594.09	1,102.26	-	-	4,03,696.35
(b)	Capital work-in-progress	19,562.61	148.57	-	-	19,711.18
(c)	Right-of-use assets	8,756.43	-	-	-	8,756.43
(d)	Intangible assets	7,891.13	-	-	-	7,891.13
(e)	Non-current financial assets	90.56	-	-	-	90.56
(f)	Other non-current assets	635.57	-	-	-	635.57
(g)	Inventories	1,659.88	22.88	-	-	1,682.76
(h)	Current financial assets					
	- Trade receivables	17,263.89	-	10,179.27	-	27,443.16
	- Unbilled revenue	36,313.08	-	221.91	-	36,534.99
	- Others	15,264.51	-	-	-	15,264.51
(i)	Other current assets					
	- Unbilled revenue (contract asset)	-	-	1,909.50	-	1,909.50
	- Others	12,164.14	1,213.72	-	-	13,377.86
(j)	Assets classified as held for sale	-	2,004.00	-	-	2,004.00
(k)	Regulatory deferral account debit balances	5,41,552.50	9,618.00	-	-	5,51,170.50
	Total segment assets	**10,63,748.39**	**14,109.43**	**12,310.68**	-	**10,90,168.50**
(l)	Unallocable assets					
	- Income tax assets (net)					3,247.48
	- Income tax paid under protest against demand					2,321.84
	Total assets					**10,95,737.82**

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₹/Lakhs

S.No.	Particulars	As at 31.03.2021 Distribution	Generation	Business Development	Inter Segment	Total
(iv)	**Segment liabilities (refer note 41.4)**					
(a)	Non-current financial liabilities	3,07,066.84	1,054.69	-	-	3,08,121.53
(b)	Capital grants	247.11	186.57	-	-	433.68
(c)	Contributions for capital works and service line charges	80,324.66	-	-	-	80,324.66
(d)	Other non-current liabilities	32,839.06	-	-	-	32,839.06
(e)	Current financial liabilities	2,34,556.99	851.87	-	-	2,35,408.86
(f)	Other current liabilities					
	- Income received in advance	-	-	1,347.13	-	1,347.13
	- Others	18,499.76	2.24	-	-	18,502.00
	Total segment liabilities	**6,73,534.42**	**2,095.37**	**1,347.13**	**-**	**6,76,976.92**
(g)	Unallocable liabilities					
	- Provisions - non current					5,741.27
	- Deferred tax liabilities (net)					35,001.24
	- Provisions - current					1,008.61
	Total liabilities					**7,18,728.04**

₹/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)	7,86,831.44	(740.62)	-	766.59	7,86,857.41
	Other income	2,863.62	7.68	9,570.08	-	12,441.38
	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**
(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**

41.3 Includes revenue reversal of ₹ 789.35 lakhs in FY 2019-20 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 ₹ 5,520.15 lakhs (for the year ended 31 March, 2020 ₹ 7,036.06 lakhs) includes allocated expenses of ₹ 605.20 lakhs (for the year ended 31 March, 2020 ₹ 1,671.21 lakhs). Balance expenses of ₹ 4,914.95 lakhs (for the year ended 31 March, 2020 ₹ 5,364.85 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 31.03.2021 ₹/Lakhs	Year ended 31.03.2020 ₹/Lakhs
Income tax expense recognised in the Statement of Profit and Loss :		
(a) Current tax (refer note 42.4)		
- For the year	14,239.23	19,196.81
- Adjustments for prior periods (refer note 42.5)	(932.03)	-
Less: MAT credit adjusted during the year	5,078.72	8,323.99
Current tax expense (net)	8,228.48	10,872.82
(b) Deferred tax expense (net) (refer note 42.4)	4,706.98	12,319.32
Total	**12,935.46**	**23,192.14**
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)	34.41	(104.07)
(d) Deferred tax		
Remeasurement of defined benefit obligation (refer note 42.4)	34.41	(104.07)
Total	**68.82**	**(208.14)**
Total income tax expense recognised during the year (a+b+c+d)	**13,004.28**	**22,984.00**

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

₹/Lakhs

Particulars	**Year ended 31.03.2021**	**Year ended 31.03.2020**
Profit before tax	55,752.69	64,606.61
Enacted income tax rate in India	34.94%	34.94%
Computed expected tax expense	19,482.22	22,576.13
Add/(Less): Tax effect on account of:		
Tax effect due to non taxable income pertaining to deferred tax recoverable	(1,656.83)	-
Expenses not considered in determining taxable profit	259.39	287.08
Adjustments for prior periods	(932.03)	-
Reversal during tax holiday period	77.04	45.78
Deduction under chapter VI-A	(31.05)	(8.16)
Adjustment for MAT credit against previous year	(4,449.73)	425.88
Others	186.45	(134.57)
Income tax expense recognised in the Statement of Profit and Loss	**12,935.46**	**23,192.14**

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, 2021 and 31 March, 2020.

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 2019-20 17.47%) of book profit for the financial year 2020-21 and 2019-20.

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, 2021 and 31 March, 2020.

42.5 Finance Act 2009 has made a retrospective amendment for adding back the provision for diminution in value of an asset while computing book profits under Section 115JB. Since the provisions of Section 115JB has been amended retrospectively, the company has made a tax provision on doubtful debts from FY 2002-03 to FY 2006-07 during FY 2009-10 (including interest liability). The said amount was also included in regulatory deferral account balance though the same is not allowed by DERC till date. During the current year, the Company has reversed the tax provision (including interest) amounting to ₹ 932.03 lakhs which mainly pertains to FY 2002-03 and FY 2004-05 owing to closure of tax assessment of the said years. Further the company has also taken the corresponding impact of the said reversal in regulatory deferral account balance. Tax provision for the remaining years is being maintained due to ongoing litigation at ITAT/High Court.

42.6 **Deferred tax**

Accounting policy

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Minimum alternative tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the tax holiday period. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the reporting period in which the liability is settled or the asset realised, based on tax rates as per the Income Tax Act, 1961 that have been enacted or substantively enacted by the end of the reporting period.

In the situations where one or more units of the Company are entitled to a tax holiday under the tax law, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned unit's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is recognised in the Statement of Profit and Loss, except when it relates to items that are recognised in Other comprehensive income or directly in equity, in which case, deferred tax is also recognised in Other Comprehensive Income or directly in equity respectively.

42.7 Deferred tax liabilities/assets (net) as at 31 March, 2021, as detailed below reflect the quantum of tax liabilities/(asset) accrued up to 31 March, 2021.

₹/Lakhs

Particulars (2020-21)	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
Deferred tax liability/(assets) on account of :				
Property plant and equipment (refer note 42.9)	66,164.63	3,754.98	-	69,919.61
Provision for doubtful debts	(3,122.62)	328.04	-	(2,794.58)
Provision for employee benefits	(2,553.59)	160.50	34.41	(2,358.68)
MAT credit	(29,979.30)	5,078.72	-	(24,900.58)
MAT credit adjustment against previous year	-	(4,449.73)	-	(4,449.73)
Others	(249.27)	(165.53)	-	(414.80)
Deferred tax liabilities/(asset) [net]	**30,259.85**	**4,706.98**	**34.41**	**35,001.24**

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	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**

42.8 As per MYT regulations for determination of tariff, tax expense shall be considered in tariff determination as and when and to the extent of income tax actually paid. Accordingly, the Company has made provision only for the amount of income tax that is actually payable and the deferred tax liability (net) as at 31 March, 2021 of ₹ 35,001.24 lakhs (as at 31 March, 2020 ₹ 30,259.85 lakhs) and deferred tax charge of ₹ 4,741.39 lakhs for the year ended 31 March, 2021 (for the year ended 31 March, 2020 ₹ 12,215.25 lakhs) has been shown as recoverable in regulatory deferral account balances.

42.9 As at 31 March, 2021 deferred tax liability of ₹ 69,919.61 lakhs (as at 31 March, 2020 ₹ 66,164.63 lakhs) on account of property, plant and equipment is net of deferred tax asset of ₹ 1,359.41 lakhs (as at 31 March, 2020 ₹ 1,683.52 lakhs) arising on assets classified as held for sale.

42.10 During the current year, the management has reassessed the recoverability of unavailed MAT credit and accordingly recognised MAT credit amounting to ₹ 29,350.31 lakhs as at 31 March, 2021 (as at 31 March, 2020 ₹ 29,979.30 lakhs).

42.11 The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the reporting period in which the liability is settled or the asset realised, based on tax rates as per the Income Tax Act, 1961 that have been enacted or substantively enacted by the end of the reporting period. The Taxation Laws (Amendment) Ordinance, 2019 (2019 Tax Ordinance) provides the Company with an option to move to a lower tax rate of 25.17% accompanied with immediate expiry of carry forward balance of Minimum Alternative Tax (MAT) credit and certain other concessional tax rate benefits enjoyed by the Company presently. The Company has reviewed the implications of 2019 Tax Ordinance on its tax liability for the year and has chosen to continue to apply tax rate of 34.94% which allows the Company to set off carry forward balance of MAT credit and avail other tax concessions.

The Company also evaluated impact of 2019 Tax Ordinance for future period and is of the view that current tax rate of 34.94% will continue to remain favourable for foreseeable future. Therefore, the Company continues to measure deferred tax liability (net) at current applicable income tax rate.

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Note 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 31.03.2021**	**As at 31.03.2020**
Long-term borrowings	2,30,820.70	2,63,382.77
Current maturities of long-term borrowings	62,483.00	47,355.30
Short-term borrowings	39,336.28	34,326.29
Total debt (a)	**3,32,639.98**	**3,45,064.36**
Less: Cash and bank balances (b)	14,492.63	13,987.53
Net debt {(c)=(a-b)}	**3,18,147.35**	**3,31,076.83**
Total equity (d)	3,77,009.78	3,47,312.45
Total equity and net debt {(e)=(c+d)}	**6,95,157.13**	**6,78,389.28**
Net debt to total equity plus net debt ratio (%) {(f)=(c)/(e)}	**45.77%**	**48.80%**

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, 2021 and 31 March, 2020.

43.2 **Categories of financial instruments**

₹/Lakhs

Particulars	**As at 31.03.2021**	**As at 31.03.2020**
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	27,443.16	31,604.97
(b) Cash and cash equivalents	4,612.64	3,853.24
(c) Bank balances other than cash and cash equivalent above	9,879.99	10,134.29
(d) Loans: Security deposits	657.49	446.09
(e) Unbilled revenue	36,534.99	32,245.22
(f) Others	199.95	427.74
Total	**79,333.22**	**87,216.74**
Financial liabilities		
(i) Measured at amortised cost		
(a) Borrowings (including current maturities)	3,32,639.98	3,45,064.36
(b) Interest accrued but not due on borrowings	822.07	934.87
(c) Lease liabilities (including current maturities)	9,440.67	8,665.70
(d) Trade and other payables	1,18,332.42	1,11,117.94
(e) Consumers' security deposit	74,366.62	71,804.91
(f) Retention money payable	4,015.82	3,928.91
(g) Others	3,912.81	1,976.15
Total	**5,43,530.39**	**5,43,492.84**

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".

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(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 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/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 31000:2018 guidelines) and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The risk management policy is approved by the Board of Directors.

The Company's focus is to ensure liquidity which is sufficient to meet Company's operational requirements, the management also monitors and manages key financial risks so as to minimize potential adverse effects on its financial performance. The management reviews and manages these risks, which are summarised below:

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, 2021 and 31 March, 2020. 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 31.03.2021		As at 31.03.2020	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on term borrowings	1,466.52	(1,466.52)	1,553.69	(1,553.69)
Effect on profit before tax	(1,466.52)	1,466.52	(1,553.69)	1,553.69

(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 31.03.2021	As at 31.03.2020
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, 2021 and 31 March, 2020. 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 31.03.2021		As at 31.03.2020	
	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.

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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 31.03.2021	As at 31.03.2020
(a) Trade receivables	27,443.16	31,604.97
(b) Unbilled revenue	36,534.99	32,245.22
(c) Loans	657.49	446.09
(d) Other financial assets	199.95	427.74
Total	**64,835.59**	**64,724.02**

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 Assets Under Management (AUM) are in excess of ₹ 1,00,00,000 lakhs and ranks in the first three of CRISIL's latest available Composite Performance Ranking (CPR) at the time of investment. As per policy, the aggregate amounts invested in debt based mutual funds and/or liquid funds with no exposure to equities and in inter-corporate deposits being in nature of investments shall not exceed ₹ 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.

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, 2021				
(a) Trade payables	1,18,332.42	-	-	1,18,332.42
(b) Short term borrowings	39,336.28	-	-	39,336.28
(c) Long term borrowings (including current maturities)	62,483.00	1,77,633.19	53,187.50	2,93,303.69
(d) Interest accrued but not due on borrowings	822.07	-	-	822.07
(e) Future interest on above long term borrowings	19,526.88	37,638.44	6,790.32	63,955.64
(f) Consumers' security deposit (see note 43.3.3a)	4,796.26	-	69,570.36	74,366.62
(g) Future interest on consumers' security deposit (refer note 43.3.3a)	4,869.93	19,479.70	24,349.63	48,699.26
(h) Lease liabilities (including current maturities)	2,419.93	4,269.98	2,750.76	9,440.67
(i) Future interest on above lease liabilities	704.53	1,978.91	373.70	3,057.14
(j) Retention money payable	3,785.74	192.91	37.17	4,015.82
(k) Other financial liabilities	3,433.16	413.41	66.24	3,912.81
	2,60,510.20	**2,41,606.54**	**1,57,125.68**	**6,59,242.42**
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 above 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**

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

Future interest on consumers' security deposit has been considered at 7.00% per annum (as at 31 March, 2020 7.75% per annum) which is the prevailing SBI 1 year MCLR rate as at 1 April, 2021. 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 31.03.2021	As at 31.03.2020
Unsecured credit facilities, reviewed annually and payable at call		
Amount used and outstanding	24,507.26	23,307.44
Amount unused	30,692.74	11,692.56
Secured bank loan facilities with various maturity dates through to 31 March, 2022 and which may be extended by mutual agreement		
Amount used and outstanding	4,829.02	1,018.85
Amount unused	29,670.98	13,481.15

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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) TP Ajmer Distribution Limited (TPADL)
(ii) TP Central Odisha Distribution Limited (TPCODL)
(iii) Tata Power International Pte. Limited (TPIPL)
(iv) TP Renewable Microgrid Limited (TPRML)
(v) Tata Power Solar Systems Limited (TPSSL)
(vi) Tata Power Southern Odisha Distribution Limited (TPSODL)
(vii) Tata Power Trading Company Limited (TPTCL)
(viii) Tata Power Western Odisha Distribution Limited (TPWODL)

F. Joint Ventures of holding company (with whom the Company has transactions)
(i) Prayagraj Power Generation Co. Ltd. (PPGCL)
(ii) Powerlinks Transmission Ltd. (PTL)

G. Associates of holding company (with whom the Company has transactions)
(i) Tata Projects Limited (TPL)

H. Subsidiaries and Jointly Controlled Entities of Promoters of Holding Company - Promoter Group (with whom the Company has transactions)
(i) Infiniti Retail Limited (IRL)
(ii) Tata Industries Limited (TIL)
(iii) Tata AIG General Insurance Company Limited (Tata AIG)
(iv) Tata Advanced Systems Limited (TASL)
(v) Tata Capital Financial Services Ltd. (TCFSL)
(vi) Tata Communications Limited (TCL)
(vii) Tata Consulting Engineers Ltd. (TCES)
(viii) Tata AIA Life Insurance Company Limited (Tata AIA)
(ix) Tata Teleservices Limited (TTSL)
(x) Tata Sky Broadband Private Limited (TSBPL)

I. Post retirement employee benefit trust
(i) North Delhi Power Limited Employees Group Gratuity Assurance Scheme (Gratuity Fund)
(ii) Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 (SVRS RTBF - 2004)

J. Key management personnel

Chief Executive Officer (CEO)
(i) Mr. Sanjay Kumar Banga (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
(ii) Mr. Nawshir H. Mirza (ceased w.e.f. 23 March, 2020)
(iii) Mr. Arup Ghosh
(iv) Mr. Amar Jit Chopra
(v) Mr. Ajay Shankar
(vi) Mr. Ramesh N. Subramanyam
(vii) Mr. Minesh Shrikrishna Dave (ceased w.e.f. 30 November, 2019)
(viii) Ms. Satya Gupta
(ix) Mr. Kesava Menon Chandrasekhar (independent director appointed w.e.f. 24 March, 2020)
(x) Mr. Sanjay Kumar Banga (appointed w.e.f. 20 January, 2020)
(xi) Mr. Jasmine Shah (appointed w.e.f. 20 January, 2020)
(xii) Mr. Ajit Kumar Singh (appointed w.e.f. 20 January, 2020)
(xiii) Ms. Rashmi Krishnan (appointed w.e.f. 20 January, 2020)
(xiv) 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 31.03.2021	Year ended 31.03.2020
A. Purchase of goods			
(i) TPTCL	Purchase of power	1,02,909.41	1,25,233.85
	Rebate on power purchase	1,984.46	2,113.32
(ii) TPSSL	Purchase of spares	-	6.17
(iii) IRL	Purchase of consumables	-	0.76
B. Purchase of property, plant and equipment			
(i) TPCL	Purchase of vehicle	1.89	-
(ii) TASL	Purchase of integrated security solutions	146.54	932.54
(iii) IRL	Purchase of office equipment	0.40	-

Transactions with related parties contd.

₹/Lakhs

Name of related party	Nature of transactions	Year ended 31.03.2021	Year ended 31.03.2020
C. Sale of property, plant and equipment			
(i) TPCL	Sale of vehicles & IT Assets	20.92	35.86
(ii) TPCODL	Sale of vehicles & IT Assets	70.29	-
(iii) TPADL	Sale of IT asset	0.28	2.70
(iv) TPTCL	Sale of vehicles & IT Assets	7.85	4.83
(v) TPWODL	Sale of vehicles & IT Assets	39.09	-
(vi) TPSODL	Sale of vehicles & IT Assets	39.35	-
(vii) TPSSL	Sale of IT asset	0.15	-
(viii) PTL	Sale of IT asset	0.52	-
D. Rendering of services			
(i) TPCL	Management contract for deputation of employees	1.29	17.71
	Management contract for consultancy services	276.77	182.61
(ii) DPCL	Commission earned	2.06	3.91
(iii) NDPLIL	Management contract for consultancy services	20.29	199.69
(iv) TPADL	Management contract for consultancy services	9.02	2.74
(v) TPCODL	Management contract for consultancy services	300.27	-
(vi) TPWODL	Management contract for consultancy services	22.27	-
(vii) TPSODL	Management contract for consultancy services	28.78	-
(viii) TPIPL	Management contract for consultancy services	21.40	201.49
(ix) Tata Sons	Revenue from training	-	0.40
(x) TPTCL	Management contract for deputation of employees	5.83	-
(xi) TPL	Revenue from training	-	7.50
(xii) TPRML	Revenue from Training	-	1.68
(xiii) PPGCL	Management contract for deputation of employees	17.74	14.65
(xiv) TCFSL	Other income	-	0.10
(xv) TCES	Revenue from consultancy	10.92	32.76
(xvi) TSBPL	Revenue from use of assets	47.47	40.15
E. Receiving of services			
(i) TPCL	Management contract for deputation of key management personnel (KMP)	199.42	212.21
	Management contract for deputation of employees	-	114.54
	Training	-	26.22
(ii) Tata Sons	Training	0.80	3.34
	Professional Charges	2.86	3.72
	Fees and subscription	-	5.31
	Corporate social responsibility expenses	3.54	-
(iii) TPSSL	Annual maintenance contract of solar plants	10.37	9.88
(iv) Tata AIG	Insurance expense	198.72	171.66
(v) TCL	Communication expenses	32.62	29.26
(vi) TTSL	Automatic meter reading expenses, call center charges etc.	219.91	238.85
	Communication expenses	7.33	7.75
(vii) Tata AIA	Insurance expense	125.81	-
(viii) TCES	Consultancy services	1.36	15.80
(ix) TTL	Corporate social responsibility expenses	23.79	20.93
(x) TPL	Corporate social responsibility expenses	16.61	2.56
F. Reimbursement of expenses (paid)/received [net]			
(i) TPCL	Travelling, training and conveyance etc.	112.46	75.92
(ii) Tata Sons	Travelling and conveyance etc.	-	0.61
(iii) NDPLIL	Travelling and conveyance, Insurance etc.	1.66	33.61
(iv) TPTCL	Miscellaneous expenses etc.	(11.71)	(8.51)
(v) TPIPL	Travelling and conveyance, Insurance etc.	13.56	9.86
(vi) TPADL	Travelling and conveyance etc.	0.08	0.31
(vii) TPWODL	Travelling and conveyance, insurance etc.	4.80	-
(viii) TPSODL	Travelling and conveyence, insurance etc.	7.64	-
(ix) TPCODL	Travelling and conveyance, Insurance etc.	8.91	-
(x) TCES	Travelling and conveyance.	-	3.74
G. Equity dividend paid			
(i) TPCL	Dividend on equity shares	6,756.48	5,067.36
(ii) DPCL	Dividend on equity shares	6,491.52	4,868.64
H. Transaction with Trust			
(i) Gratuity Fund	Contribution to trust	768.14	450.00

44.3 **Compensation of key managerial personnel**

₹/Lakhs

Name of related party	Nature of transaction	Year ended 31.03.2021	Year ended 31.03.2020
A. CEO	Deputation pay and other benefits		
	a. Mr. Sanjay Kumar Banga	-	134.41
	b. Mr. Ganesh Srinivasan	177.82	43.53
B. Non-executive directors	(i) Sitting fees*	93.75	32.78
	(ii) Consultancy fees -		
	a. Mr. Arup Ghosh (upto 31 May, 2019)**	0.49	11.99
	b. Ms. Satya Gupta (upto 12 July, 2019)	-	8.26

* Exclusive of Goods & Services Tax
** Amount paid during FY 2020-21 pertains to AT&C Incentive of FY 2019-20

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44.4 **Balance outstanding with related parties**

₹/Lakhs

Name of related party	Nature of balances	As at 31.03.2021	As at 31.03.2020
A. Investment in equity shares			
(i) NDPLIL		5.00	5.00
B. Receivables			
(i) TPCL	Trade receivables net of payables	146.03	187.58
(ii) TPIPL	Trade receivables	13.77	31.17
(iii) TPADL	Trade receivables	5.00	-
(iv) TPCODL	Trade receivables	436.90	-
(v) TPRML	Trade receivables	-	1.98
(vi) PPGCL	Trade receivables	1.78	17.29
(vii) TPWODL	Trade receivables	71.62	-
(viii) TPSODL	Trade receivables	83.36	-
(ix) PTL	Trade receivables	0.61	-
(x) TCES	Trade receivables including advances	0.51	-
(xi) TSBPL	Trade receivables	-	2.34
(xii) SVRS RTBF-2004	Other financial assets	28.94	87.95
C. Payables			
(i) Tata Sons	Trade payables net of receivables including advances	0.09	0.04
(ii) DPCL	Trade payables	301.55	346.45
(iii) TPTCL	Trade payables net of receivables	1,804.47	7,569.35
(iv) TPSSL	Trade payables net of receivables including retention money and earnest money deposit	24.58	24.62
(v) TASL	Trade payables including retention money	310.97	407.75
(vi) TCES	Security deposit net of advances and receivables	-	9.78
(vii) TCL	Trade payables including security deposit, earnest money deposit net of advances	10.35	5.60
(viii) TTSL	Trade payables including retention money and security deposit	11.85	8.07
D. Unbilled revenues			
(i) TPCL	Management contract for consultancy services/Reimbursement of expenses	3.43	2.79
(ii) NDPLIL	Management contract for consultancy services	6.53	7.66
(iii) TPCODL	Management contract for consultancy services/Reimbursement of expenses	0.09	-
(iv) TPIPL	Management contract for consultancy services	0.71	-
E. Accrued expenses			
(i) TPCL	Training expense	-	24.00
(ii) TCES	Consultancy services	4.98	3.67
(iii) TCL	Communication expenses	50.29	23.61
(iv) TTSL	Communication expenses	40.61	33.26
F. Prepaid expenses			
(i) TPTCL	Charges for letter of credit	4.29	4.25
(ii) Tata AIA	Prepaid insurance	225.25	-
(iii) Tata AIG	Prepaid insurance	112.60	38.95
(iv) TTSL	Repair and maintenance	-	12.67
G. Advance to suppliers			
(i) IRL	Advance to vendors	0.34	-
(ii) Tata AIG	Advance to vendors	20.31	19.83
(iii) Tata AIA	Advance to vendors	12.01	-
H. Other liabilities (Current & Non Current)			
(i) TPCL	Advance from consumers	1.00	-
I. Commitments made			
(i) TCL	Communication expenses	-	3.36
(ii) TCES	Consultancy services	224.41	224.41
(iii) TASL	Capital commitment: Implementation of integrated security solution	-	105.30
(iv) TTSL	Call center charges	1.62	1.23

J. Commitments made with TPTCL

Significant commitments of the Company includes commitment for trading margin with TPTCL.

The Company has entered into a long term power purchase agreement with TPTCL on 10 September, 2009 to draw power from Maithon Power Ltd. (MPL) for 30 years from the date of commissioning (COD) and on 20 January, 2009 to draw power from Jhajjar Power Ltd. (JPL) for 25 years from COD. A trading margin of 4 paise per kWh for the energy scheduled by MPL is payable by Tata Power-DDL to TPTCL. A trading margin of 2% of power purchase bill (capacity and energy charges) of JPL is payable by Tata Power-DDL to TPTCL.

Note 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, 2021 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, 2022. However, in the opinion of the Company's management, adjustments, if any, are not expected to be material.

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Note 47
Approval of financial statements

These financial statements were approved for issue by the board of directors on 23 April, 2021.

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
23 April, 2021

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

New Delhi
23 April, 2021

Walker Chandiok & Co LLP

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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'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2021, 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 of the Group, as at 31 March 2021, and their consolidated profit (including other comprehensive income), 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 are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

   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.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

The Annual Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

5. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the 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 the Board of Directors either intend 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 financial reporting process of the companies included in the Group.

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 expressing our opinion on whether the Holding Company and its subsidiary company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

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

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

- 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 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 2021 from being appointed as a director in terms of Section 164(2) of the Act;

    f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary company and the operating effectiveness of such controls, refer to our separate report in 'Annexure 2'; and

    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;

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

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 2021;

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 2021; and

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
UDIN: 21099514AAAACZ8845

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Place: Gurugram
Date: 23 April 2021

Annexure 1 to the Independent Auditor's Report of even date to the members of Tata Power Delhi Distribution Limited on the consolidated financial statement for the year ended 31 March 2021

Annexure 1

List of subsidiary company included in the consolidated financial statements

1. NDPL Infra Limited

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure 2 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 2021

Annexure 2

Independent Auditor's Report on the internal financial controls with reference to financial statements 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 2021, we have audited the internal financial controls with reference to financial statements 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 financial controls with reference to financial statements 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 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 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 the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements 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 Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, 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 internal financial controls with reference to financial statements 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 internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 internal financial controls with reference to financial statements of the Holding Company and its subsidiary company as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation

Walker Chandiok & Co LLP * Chartered Accountants

Annexure 2 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 2021 (continue)

of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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 with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements 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 issued by the ICAI.

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

Neeraj Goel

Neeraj Goel
Partner
Membership No.: 99514
UDIN: 21099514AAAACZ8845

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Place: Gurugram
Date: 23 April 2021

TATA POWER DELHI DISTRIBUTION LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2021

	Notes	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	4,03,696.35	3,91,374.42
(b) Capital work-in-progress	4	19,711.18	27,339.37
(c) Right-of-use assets	5	8,756.43	9,850.99
(d) Intangible assets	4	7,891.13	6,084.89
(e) Financial assets			
(i) Loans	6	59.78	134.78
(ii) Other financial assets	7	25.78	54.86
(f) Income tax assets (net)	8	3,292.43	2,821.95
(g) Other non-current assets	9	2,986.97	3,316.18
Total non-current assets		**4,46,420.05**	**4,40,977.44**
(2) Current assets			
(a) Inventories	10	1,682.76	1,316.95
(b) Financial assets			
(i) Investments	11	33.25	9,487.68
(ii) Trade receivables	12	27,443.16	31,604.97
(iii) Cash and cash equivalents	13	4,613.20	3,853.44
(iv) Bank balances other than (iii) above	13	9,879.99	10,134.29
(v) Loans	14	597.71	311.31
(vi) Other financial assets	15	39,100.13	33,791.10
(c) Current tax assets (net)		-	110.08
(d) Other current assets	16	15,291.20	20,717.07
Total current assets		**98,641.40**	**1,11,326.89**
Assets classified as held for sale	36.7.1	2,004.00	2,004.00
Total assets before regulatory deferral account balance		**5,47,065.45**	**5,54,308.33**
(3) Regulatory deferral account debit balances	36	5,51,170.50	5,22,185.11
Total assets		**10,98,235.95**	**10,76,493.44**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	17	1,05,200.00	55,200.00
(b) Other equity	18	2,74,299.13	2,94,502.41
Total equity attributable to equity holders of the Company		**3,79,499.13**	**3,49,702.41**
(c) Non-controlling interest		-	-
Total equity		**3,79,499.13**	**3,49,702.41**
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Long-term borrowings	19	2,30,820.70	2,63,382.77
(ii) Lease liabilities	5	7,020.74	7,878.44
(iii) Other financial liabilities	20	70,280.09	68,168.83
(b) Provisions	21	5,741.27	5,661.04
(c) Deferred tax liabilities (net)	41	35,001.28	30,302.36
(d) Capital grants	22	433.68	506.66
(e) Contributions for capital works and service line charges	23	80,324.66	84,578.30
(f) Other non-current liabilities	24	32,839.06	34,229.56
Total non-current liabilities		**4,62,461.48**	**4,94,707.96**
(2) Current liabilities			
(a) Financial liabilities			
(i) Short-term borrowings	25	39,336.28	34,326.29
(ii) Trade payables	26		
- total outstanding dues of micro enterprises and small enterprises		2,511.46	1,208.26
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,15,828.78	1,09,914.77
(iii) Other financial liabilities	27	77,740.16	58,618.57
(b) Provisions	28	1,008.61	1,646.61
(c) Other current liabilities	29	19,850.05	26,368.57
Total current liabilities		**2,56,275.34**	**2,32,083.07**
Total equity and liabilities		**10,98,235.95**	**10,76,493.44**

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Neeraj Goel
Partner
Membership No.: 99514

Gurugram
23 April, 2021

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

New Delhi
23 April, 2021

TATA POWER DELHI DISTRIBUTION LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2021

		Notes	Year ended 31.03.2021 ₹/Lakhs	Year ended 31.03.2020 ₹/Lakhs
I	Revenue from operations	31	7,00,703.05	7,87,338.46
II	Other income	31	11,746.93	12,577.26
III	**Total income**		**7,12,449.98**	**7,99,915.72**
IV	**Expenses**			
	Cost of power purchased (net) (excludes own generation)	32	5,30,625.73	6,29,963.08
	Employee benefits expense (net)	33	55,729.12	50,654.39
	Finance costs	34	34,390.98	34,490.06
	Depreciation and amortisation expense	4,5	35,381.68	33,316.06
	Other expenses	35	29,448.25	32,797.61
	Total expenses		**6,85,575.76**	**7,81,221.20**
V	**Profit/(Loss) before movement in regulatory deferral account balance and tax**		**26,874.22**	**18,694.52**
	Movement in regulatory deferral account balance (net)	36	28,985.39	46,271.25
VI	**Profit/(Loss) before tax**		**55,859.61**	**64,965.77**
VII	Tax expense			
	(i) Current tax	41		
	- For the year		9,210.51	10,959.77
	- Adjustments for prior periods (refer note 41.5)		(932.03)	-
	(ii) Deferred tax	41	4,664.51	12,321.02
VIII	**Profit/(Loss) for the year**		**42,916.62**	**41,684.98**
IX	**Other comprehensive income/(expense)**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurement gain/(loss) of defined benefit plans	21.6	196.92	(595.62)
	(ii) Income tax credit/(charge) relating to items that will not be reclassified to profit or loss			
	(a) Current tax	41	(34.41)	104.07
	(b) Deferred tax	41	(34.41)	104.07
	Other comprehensive income/(expense) for the year		**128.10**	**(387.48)**
X	**Total comprehensive income for the year**		**43,044.72**	**41,297.50**
	Profit for the year attributable to:			
	Owners of the Company		42,916.62	41,684.98
	Non-controlling interests		-	-
			42,916.62	41,684.98
	Other comprehensive income/(expense) attributable to:			
	Owners of the Company		128.10	(387.48)
	Non-controlling interests		-	-
			128.10	(387.48)
	Total comprehensive income for the year attributable to:			
	Owners of the Company		43,044.72	41,297.50
	Non-controlling interests		-	-
			43,044.72	41,297.50
	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 (₹)		2.29	1.10
(ii)	Basic and Diluted earnings per equity share after net movement in regulatory deferral account balance (₹)		4.08	3.96

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

Ajay Shankar
Director
DIN: 01800443

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

Gurugram
23 April, 2021

New Delhi
23 April, 2021

TATA POWER DELHI DISTRIBUTION LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2021

A. Equity share capital

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

B. Other equity

₹/Lakhs

	Particulars	Reserves and Surplus			Total
		Capital Redemption Reserve	General Reserve	Retained Earnings	
(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**
(i)	**Balance as at 1 April, 2020**	50,000.00	9,150.00	2,35,352.41	2,94,502.41
(ii)	Profit for the year	-	-	42,916.62	42,916.62
(iii)	Other comprehensive income/(expense) for the year (net of tax)	-	-	128.10	128.10
(iv)	**Total comprehensive income {(ii)+(iii)}**	-	-	43,044.72	43,044.72
(v)	Dividend paid	-	-	(13,248.00)	(13,248.00)
(vi)	Bonus equity shares issued during the year out of capital redemption reserve (refer note 17.7)	(50,000.00)	-	-	(50,000.00)
(vii)	**Balance as at 31 March, 2021 {(i)+(iv)+(v)+(vi)}**	-	**9,150.00**	**2,65,149.13**	**2,74,299.13**
	Other equity attributable to:				
	Owners of the Company	-	9,150.00	2,65,149.13	2,74,299.13
	Non-controlling interest	-	-	-	-
		-	**9,150.00**	**2,65,149.13**	**2,74,299.13**

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 *

Gurugram
23 April, 2021

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

New Delhi
23 April, 2021

TATA POWER DELHI DISTRIBUTION LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2021

		Year ended 31.03.2021 ₹/Lakhs	Year ended 31.03.2020 ₹/Lakhs
A. Cash flow from operating activities			
Profit for the year		42,916.62	41,684.98
Adjustments to reconcile profit for the year to net cash flows:			
Income tax recognised as expense in Statement of Profit and Loss		12,942.99	23,280.79
Depreciation and amortisation expense		35,381.68	33,316.06
Finance costs (net of capitalisation)		34,390.98	34,490.06
Interest income		(355.97)	(328.98)
Gain on sale/fair value of mutual fund investment measured at FVTPL		(26.88)	(115.89)
Loss on disposal of property, plant and equipment		220.56	1,909.09
Amortisation of capital grants		(72.98)	(74.83)
Amortisation of contribution for capital works and service line charges		(7,965.20)	(8,023.57)
Obsolete inventory written off/allowance for obsolete inventory		482.90	2.97
Bad debts written off/(written back)		1,505.24	400.01
Late payment surcharge		(2,480.43)	(1,938.07)
Allowance for doubtful debts		(938.77)	1,218.44
Net unrealised foreign exchange (gain) / loss		24.18	(26.41)
Operating profit before working capital changes		1,16,024.92	1,25,794.65
Working capital adjustments:			
Adjustments for (increase)/decrease in operating assets:			
Inventories		(848.71)	(12.93)
Trade receivables		3,271.07	(8,396.61)
Loans - current		(286.40)	(72.26)
Loans - non current		75.00	61.42
Other financial assets - current		(4,144.02)	1,988.29
Other financial assets - non current		29.08	34.82
Other non-current assets		53.97	54.78
Other current assets		5,425.87	4,941.66
Regulatory deferral account debit balances		(28,985.39)	(46,271.25)
Adjustments for increase/(decrease) in operating liabilities:			
Trade payables		7,217.21	(13,047.29)
Other financial liabilities - current		908.43	(2,495.84)
Other financial liabilities - non current		(6.45)	397.28
Other current liabilities		(6,518.52)	1,178.85
Other non-current liabilities		(1,390.50)	11,648.84
Provision for employee benefits - current		(638.00)	(19.51)
Provision for employee benefits - non current		277.15	1,091.06
Cash generated from operations		90,464.71	76,875.96
Taxes paid (including tax deducted at source)		(8,673.29)	(11,338.87)
Net cash from/(used in) operating activities	(A)	**81,791.42**	**65,537.09**
B. Cash flow from investing activities			
Purchase of property, plant and equipment (including capital advances)		(39,788.61)	(48,647.27)
Proceeds from sale of property, plant and equipment		1,209.35	928.30
Proceeds from bank deposits (net)		(954.70)	(7,693.32)
Interest received		769.28	257.79
Late payment surcharge received		2,480.43	1,938.07
Purchase of current investments		(24,894.97)	(75,319.10)
Proceeds from sale of current investments		34,376.28	67,688.54
Net cash from/(used in) investing activities	(B)	**(26,802.94)**	**(60,846.99)**
C. Cash flow from financing activities			
Finance cost paid		(34,460.29)	(35,126.99)
Payment of lease liabilities		-	(955.92)
Proceeds from short-term borrowings and working capital demand loans		4,36,900.23	5,21,042.35
Repayment of short-term borrowings and working capital demand loans		(4,37,984.43)	(4,96,372.35)
Net (repayment)/proceeds from cash credit and other credit facilities		6,094.19	(25,434.38)
Proceeds from long-term borrowings		40,000.00	1,12,791.65
Repayment of long-term borrowings		(57,434.37)	(78,247.03)
Net (refund)/proceeds from contribution for capital works		740.03	3,243.29
Proceeds from service line charges		2,602.21	2,893.97
Net (repayment)/proceeds from consumers' security deposits		2,561.71	4,881.85
Dividend paid to equity shareholders (including dividend distribution tax)		(13,248.00)	(11,978.38)
Net cash from/(used in) financing activities	(C)	**(54,228.72)**	**(3,261.94)**
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	**759.76**	**1,428.16**
Cash and cash equivalents at the beginning of the year		3,853.44	2,425.28
Cash and cash equivalents at the end of the year (refer note 13)		**4,613.20**	**3,853.44**

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Neeraj Goel
Partner
Membership No.: 99514

Gurugram
23 April, 2021

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

New Delhi
23 April, 2021

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, 2021.

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiary). Control is achieved when the Company:
- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Subsidiary is consolidated from the date control commences until the date control ceases.

The financial statements of the Subsidiary are consolidated on a line-by-line basis and intra-group balances and transactions including un-realized gain/loss from such transactions are eliminated upon consolidation. The consolidated financial statements are prepared by applying uniform policies in use at the Group.

Additional information as required by Schedule III of the Companies Act, 2013 is given below:

Name of the entity in the Group	Net assets i.e., total assets-total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹/Lakhs)	As % of consolidated profit or (loss)	Amount (₹/Lakhs)	As % of consolidated other comprehensive income	Amount (₹/Lakhs)	As % of total comprehensive income	Amount (₹/Lakhs)
Parent:	99.34%	3,77,009.78	99.77%	42,817.23	100.00%	128.10	99.77%	42,945.33
Subsidiaries (Indian):								
1. NDPL Infra Limited	0.66%	2,494.35	0.23%	99.39	-	-	0.23%	99.39
Sub Total	100.00%	3,79,504.13	100.00%	42,916.62	100.00%	128.10	100.00%	43,044.72
Adjustment arising out of consolidation		(5.00)		-		-		-
Total		3,79,499.13		42,916.62		128.10		43,044.72

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Note 3
Other significant accounting policies

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

3.1 **Foreign currencies**

These financial statements are presented in Indian rupees, which is the functional currency of the 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.

3.3.1 **Offsetting of financial instruments**

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

3.4 **Financial assets**

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

3.4.1 **Amortised cost**

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

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

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

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

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

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

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

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

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

3.4.4 **Impairment of financial asset**

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

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

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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 Derecognition of financial liabilities

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

3.6 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.

3.8 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. As per the opinion pronounced by the Expert Advisory Committee of The Institute of Chartered Accountants of India, the Group has recognised Deferred tax recoverable/ payable under regulatory deferral account debit/ credit balance.

3.9 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 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.

3.10 Impact of COVID-19

Spread of Coronavirus disease (COVID-19) led to nationwide lockdown from 25 March, 2020 which was gradually lifted during the course of the year in the country. During the initial period economic activity in general was significantly impacted and remained much below normal level. Accordingly upon noticing the reduction in demand of electricity in its distribution area and delays in collection from consumers, the Group 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 taken various measures including availment of seller's side bill discounting for a major portion of power purchase and transmission supplies invoices from generating and transmission companies, reprioritized capital expenditure in immediate future and extended credit period from vendors. Gradually the demand of electricity and collection is returning back to normal level, however the Group continues to closely monitor the cash flow situation and is actively working to minimize the impact of this unprecedented situation.

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Note 4

Property, plant and equipment and intangible assets

Accounting policy

4.1 Property, plant and equipment

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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4.2 **Intangible assets**

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

4.3 **Impairment of tangible and intangible assets**

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

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

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

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

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Note 4.4

₹/Lakhs

Particulars		Cost					Accumulated depreciation and amortisation				Carrying amount	
		As at 01.04.2020	Additions	Borrowing costs capitalised	Disposals	As at 31.03.2021	As at 01.04.2020	Depreciation/ amortisation expense	Eliminated on disposals	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
4.4.1	**Property, plant and equipment**											
(a)	Buildings - Plant	30,424.91	1,676.29	3.98	-	32,105.18	10,065.09	458.79	-	10,523.88	21,581.30	20,359.82
(b)	Building - Others	4,430.48	497.28	7.64	-	4,935.40	2,935.79	549.51	-	3,485.30	1,450.10	1,494.69
(c)	Plant and equipment	3,05,676.82	25,741.32	127.30	3,155.41	3,28,390.03	1,30,003.45	17,715.60	2,297.15	1,45,421.90	1,82,968.13	1,75,673.37
(d)	Transmission lines and cable network	3,06,858.03	17,478.51	181.42	173.89	3,24,344.07	1,18,550.31	13,631.76	112.88	1,32,069.19	1,92,274.88	1,88,307.72
(e)	Furniture and fixtures	1,152.65	79.40	-	0.41	1,231.64	676.82	71.38	0.38	747.82	483.82	475.83
(f)	Vehicles	3,515.41	821.86	-	732.90	3,604.37	748.90	308.79	234.26	823.43	2,780.94	2,766.51
(g)	Office equipment	4,510.51	166.13	-	54.37	4,622.27	2,214.03	293.46	42.40	2,465.09	2,157.18	2,296.48
	Total	**6,56,568.81**	**46,460.79**	**320.34**	**4,116.98**	**6,99,232.96**	**2,65,194.39**	**33,029.29**	**2,687.07**	**2,95,536.61**	**4,03,696.35**	**3,91,374.42**
	As at 31.03.2020	(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)	
4.4.2	**Intangible assets**											
	Computer software	13,624.42	3,357.99	-	-	16,982.41	7,539.53	1,551.75	-	9,091.28	7,891.13	6,084.89
	Total	**13,624.42**	**3,357.99**	**-**	**-**	**16,982.41**	**7,539.53**	**1,551.75**	**-**	**9,091.28**	**7,891.13**	**6,084.89**
	As at 31.03.2020	(13,384.52)	(239.90)	-	-	(13,624.42)	(5,978.56)	(1,560.97)	-	(7,539.53)	(6,084.89)	
	Grand total	**6,70,193.23**	**49,818.78**	**320.34**	**4,116.98**	**7,16,215.37**	**2,72,733.92**	**34,581.04**	**2,687.07**	**3,04,627.89**	**4,11,587.48**	**3,97,459.31**
	As at 31.03.2020	(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)	
4.4.3	**Capital work-in-progress (CWIP)**	**27,339.37**	**42,099.79**	**411.14**	**50,139.12**	**19,711.18**	-	-	-	-	**19,711.18**	**27,339.37**
	As at 31.03.2020	(34,720.12)	(47,544.77)	(647.93)	(55,573.45)	(27,339.37)	(-)	(-)	(-)	(-)		

4.4.4 Property plant & equipment and intangible assets (movable and immovable) are hypothecated against secured borrowings of ₹ 1,90,229.17 lakhs (as at 31 March, 2020 ₹ 1,65,125.00 lakhs) {refer note 19.1(i), 25.1, 27(b)(i)}.

4.4.5 CWIP includes closing capital inventory of ₹ 7,028.28 lakhs (as at 31 March, 2020 ₹ 7,311.42 lakhs).

4.4.6 Carrying amount of capital inventory hypothecated as security for borrowings is ₹ 6,994.97 lakhs (as at 31 March, 2020 ₹ 7,278.11 lakhs) {refer note 19.1(i), 25.1, 27(b)(i)}.

4.4.7 During the year ended 31 March, 2021 the borrowing cost of ₹ 411.14 lakhs (as at 31 March, 2020 ₹ 647.93 lakhs) relating to capital work-in-progress includes ₹ 208.09 lakhs (as at 31 March, 2020 ₹ 227.32 lakhs) on account of capitalisation of interest expense on lease liability.

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

₹/Lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Depreciation on tangible assets	33,029.29	30,955.13
Add: Amortisation of right of use assets (refer note 5)	800.64	799.96
Add: Amortisation on intangible assets	1,551.75	1,560.97
Total	**35,381.68**	**33,316.06**

4.4.9 During the year ended 31 March, 2019 the property, plant and equipment relating to Rithala Power Generation Plant had been classified as assets held for sale (refer note 36.7.1).

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

4.4.11 Figures in bracket represents previous year figures.

Note 5
Leases

Accounting Policy
At inception of contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the 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 entered into lease contracts for land used in its operations. Leases of land has been considered for a lease term of 10 years however, the Group's future lease payments in respect of land leases are dependent upon extension of its distribution licence. The Group may assign and sub-lease the leased assets.

₹/Lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
(a) Right-of-use assets		
Cost		
Opening balance	10,945.54	10,945.54
Add: Additions during the year	-	-
Closing balance	10,945.54	10,945.54
Accumulated depreciation and amortisation		
Opening balance	1,094.55	-
Add: Depreciation for the year	1,094.56	1,094.55
Closing balance	2,189.11	1,094.55
Net carrying amount		
Closing balance	8,756.43	9,850.99
(b) Lease liabilities		
Opening balance	8,665.70	9,621.62
Add: Interest expense accrued on lease liabilities (refer note 34)	774.97	844.61
Less: Lease liabilities paid	-	1,800.53
Closing balance	9,440.67	8,665.70
Non-current lease liabilities	7,020.74	7,878.44
Current lease liabilities	2,419.93	787.26

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₹/Lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
(a) Amount recognised in Statement of Profit & Loss		
(i) Depreciation on Right-of-use assets (classified under Depreciation and amortisation expense)	800.64	799.96
(ii) Interest on lease liabilities (classified under Finance costs)	566.88	617.29
(iii) Expenses related to short term leases (classified under Other expenses)	164.19	156.30
(b) Amount transferred to capital work-in-progress		
(i) Depreciation on Right-of-use assets	293.92	294.59
(ii) Interest on lease liabilities	208.09	227.32
(c) Amount recognised in Statement of Cash Flows		
(i) Total cash outflow of leases	158.60	1,944.12

(i) The incremental rate of borrowing as at 1 April, 2019 has been considered at 8.60% p.a.
(ii) 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 ₹ 70.09 lakhs as rental income for operating lease during the year ended March 31, 2021 (for the year ended 31 March, 2020 ₹ 65.67 lakhs).

Future minimum rentals receivable under operating leases as at March 31, 2021 are as follows:

₹/Lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
(i) Upto 1 year	6.28	70.09
(ii) 1 to 2 years	-	6.28

Existing contract in respect to Cells on Wheel with Reliance Jio Infratel Private Limited will be effective till 30 April, 2021. Renewal of the contract is in process and new contract is likely to be effective from 01 May, 2021. The effect of new contract has not been considered in above calculations.

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	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Note 6		
Loans - non current		
(At amortised cost)		
Security deposits		
(a) Considered good - unsecured	59.78	134.78
Note 7		
Other financial assets - non current		
(Unsecured and considered good, at amortised cost)		
Recoverable from SVRS Trust (refer note 30.14)	25.78	54.86
Note 8		
Income tax assets (net)		
Income tax (net of provision for income tax of ₹ 1,09,682.90 lakhs (as at 31 March, 2020 net of provision of income tax ₹ 1,01,530.24 lakhs))	3,292.43	2,821.95
Note 9		
Other non-current assets		
(Unsecured and considered good)		
(a) Capital advances	513.21	788.45
(b) Income tax paid under protest against demand	2,321.84	2,321.84
(c) Prepaid expenses	43.35	39.38
(d) Goods and services tax input credit receivable	29.51	51.55
(e) Goods and services tax refund receivable	0.05	35.50
(f) Others	79.01	79.46
	2,986.97	3,316.18

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 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
(a) Stores and spares	1,903.02	1,542.68
(b) Loose tools	75.58	32.93
	1,978.60	1,575.61
(c) Less: Allowance for non-moving inventories	295.84	258.66
	1,682.76	1,316.95

10.2 Inventories are hypothecated as security for borrowings {refer note 19.1(i), 25.1, 27(b)(i)}.

	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Note 11		
Investments - current		
(At fair value through profit or loss)		
Investments in mutual funds (unquoted)		
(a) DSP Low Duration Fund - Direct Plan - Growth (Nil units (as at 31 March, 2020 - 33.60 lakh units) at face value of ₹ 10 each)	-	500.83
(b) Sundaram Money Fund - Direct Plan - Growth (Nil units (as at 31 March, 2020 - 1.91 lakh units) at face value of ₹ 10 each)	-	79.80
(c) Invesco India Money Market Fund (Formerly Credit Opportunities Fund)- Direct Plan - Growth (Nil units (as at 31 March, 2020 - 0.16 lakh units) at face value of ₹ 1,000 each)	-	371.06
(d) HDFC Overnight Fund - Direct Plan - Growth Option (Nil units (as at 31 March, 2020 1.68 lakh units) at face value of ₹ 1,000 each)	-	5,000.12
(e) ICICI Prudential Overnight Fund Direct Plan Growth (0.11 lakh units (as at 31 March, 2020 32.81 lakh units) at face value of ₹ 100 each)	33.25	3,535.87
	33.25	9,487.68
11.1 Aggregate purchase price of unquoted investments	33.08	9,318.57
11.2 Aggregate carrying value of unquoted investments	33.25	9,487.68

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		As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/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	7,180.82	11,009.37
	(ii) Considered good - unsecured	9,428.19	11,402.24
	(iii) Credit Impaired	13,932.05	13,667.59
		30,541.06	36,079.20
	Less: Allowance for doubtful trade receivables	13,932.05	13,667.59
		16,609.01	22,411.61
(b)	Debtors for sale of power other than Tata Power-DDL licensed area		
	(i) Considered good - unsecured	285.22	2,394.12
(c)	Other debtors		
	(i) Considered good - unsecured	10,548.93	6,799.24
	(ii) Credit impaired	49.60	977.18
		10,598.53	7,776.42
	Less: Allowance for doubtful trade receivables	49.60	977.18
		10,548.93	6,799.24
		27,443.16	31,604.97
12.1	Government subsidy included in note 12(a)	375.76	10.45

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. The bill raised for this purpose shall have last date of the extended period as 30 June, 2020.

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 year 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 31.03.2021	Expected Credit loss (%) As at 31.03.2020
(a) Within the credit period	0.56%	0.57%
(b) 1-90 days past due	1.06%	1.40%
(c) 91-182 days past due	3.80%	5.11%
(d) 183 days-1 year past due	11.54%	12.33%
(e) 1-2 year past due	23.55%	23.68%
(f) 2-3 year past due	33.75%	34.82%
(g) >3 years past due	100.00%	100.00%

(ii) **Other debtors**

Particulars	Expected Credit loss (%) As at 31.03.2021	Expected Credit loss (%) As at 31.03.2020
(a) Within the credit period	0.53%	0.00%
(b) 1-90 days past due	0.24%	0.00%
(c) 91-182 days past due	0.72%	0.00%
(d) 183 days-1 year past due	1.08%	0.00%
(e) 1-2 year past due	0.75%	23.12%
(f) 2-3 year past due	19.11%	18.72%
(g) >3 years past due	100.00%	100.00%

Age of receivables

₹/Lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
(a) Within the credit period	7,979.69	4,007.58
(b) 1-90 days past due	8,130.00	17,194.81
(c) 91-182 days past due	2,792.55	2,650.49
(d) 183 days-1 year past due	3,545.22	4,069.76
(e) 1-3 year past due	7,743.04	7,636.01
(f) >3 years past due	11,234.31	10,691.09

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

₹/Lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
Debtors for billed revenue		
Balance at beginning of the year	14,644.77	12,649.01
Additions/(reversal) in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses for the year	(77.16)	576.53
Specific allowance/ (reversal) on trade receivables for the year	(585.96)	1,419.23
Balance at end of the year (refer note 12.4.3)	13,981.65	14,644.77

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12.4.3 As at 31 March, 2021, ₹ 8,092.51 lakhs (as at 31 March, 2020, ₹ 8,678.46 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 31.03.2021	As at 31.03.2020
Delhi Metro Rail Corporation (DMRC)	5,770.78	5,498.60
North Delhi Municipal Corporation Limited (NDMC)	-	2,715.75
REC Power Distribution Company Ltd (RECPDCL)	5,353.43	4,846.27

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 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
13.2 Cash and cash equivalents		
(a) Balances with banks - in current accounts	2,406.12	3,460.65
(b) Cheques, drafts on hand	2,184.49	392.79
(c) Cash on hand	22.59	-
	4,613.20	3,853.44

13.2.1 Reconciliation of liabilities from financing activities:

₹/Lakhs

Particulars	As at 31.03.2020	Cash flows		Non-cash transactions		As at 31.03.2021
		Proceeds	Repayment	Additions	Amortisation	
(a) Long-term borrowings (including current maturities)	3,10,738.07	40,000.00	(57,434.37)	-	-	2,93,303.70
(b) Lease liabilities (including current maturities)	8,665.70	-	-	774.97	-	9,440.67
(c) Short-term borrowings and working capital demand loans	31,870.00	4,36,900.23	(4,37,984.43)	-	-	30,785.80
(d) Cash credit and other credit facilities(net)	2,456.29	6,094.19	-	-	-	8,550.48
(e) Consumer contribution for:						
- capital works	66,073.50	2,789.44	(1,680.09)	-	(4,713.08)	62,469.77
- service line	18,504.80	2,602.21	-	-	(3,252.12)	17,854.89
(f) Consumer security deposits (net)	71,804.91	2,561.71	-	-	-	74,366.62
Total	**5,10,113.27**	**4,90,947.78**	**(4,97,098.89)**	**774.97**	**(7,965.20)**	**4,96,771.93**

	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
13.3 Other balances with banks		
(a) Deposits with banks with original maturity more than 3 months upto 12 months	80.90	70.68
(b) Restricted bank deposits (Earmarked pursuant to court order or contractual obligations)	9,799.09	10,063.61
	9,879.99	10,134.29

Note 14
Loans - current
(At amortised cost)

Security deposits		
(a) Considered good - unsecured	597.71	311.31

Note 15
Other financial assets - current
(Unsecured and considered good, unless otherwise stated, at amortised cost)

(a) In deposit accounts (with remaining maturity less than 12 months)	2,349.00	1,140.00
(b) Accruals		
Interest accrued on fixed deposits	153.79	197.78
(c) Unbilled revenue	36,528.95	32,238.33
(d) Others		
(i) Recoverable from SVRS Trust (refer note 30.14)	3.16	33.09
(ii) Other receivables (including recoverable against street light)	244.60	361.27
Less: Allowance for doubtful assets against street light	179.37	179.37
	65.23	181.90
	39,100.13	33,791.10

Note 16
Other current assets
(Unsecured and considered good)

(a) Unbilled revenue (contract asset)	1,909.50	2,320.07
(b) Prepaid insurance	769.02	2,951.61
(c) Prepaid expenses	1,218.97	1,038.49
(d) Power banking	4,135.40	3,665.60
(e) Advance to vendors	3,913.09	7,102.46
(f) Goods and services tax refund receivable	3.84	-
(g) Others	3,341.38	3,638.84
	15,291.20	20,717.07

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	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Note 17		
Share capital		
Authorised		
12,500 lakhs (as at 31 March, 2020 7,500 lakhs) equity shares of ₹ 10/- each with voting rights.	1,25,000.00	75,000.00
500 lakhs (as at 31 March, 2020 500 lakhs) 12% cumulative redeemable preference shares of ₹ 100/- each without voting rights.	50,000.00	50,000.00
	1,75,000.00	1,25,000.00
Issued, subscribed and paid up		
10,520 lakhs (as at 31 March, 2020 5,520 lakhs) equity shares of ₹ 10/- each fully paid up with voting rights.	1,05,200.00	55,200.00

Of the above:

17.1 5,365.20 lakhs (as at 31 March, 2020 2,815.20 lakhs) i.e. 51% (as at 31 March, 2020 51%) equity shares of ₹ 10/- each with voting rights, are held by Tata Power Company Limited, the holding Company.

17.2 5,154.80 lakhs (as at 31 March, 2020 2,704.80 lakhs) i.e. 49% (as at 31 March, 2020 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 year:

Particulars	As at 31.03.2021		As at 31.03.2020	
	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
Add: Bonus share issued during the year	5,000.00	50,000.00	-	-
Outstanding at the end of the year	**10,520.00**	**1,05,200.00**	**5,520.00**	**55,200.00**

17.5 During the current year, the Company has paid final dividend of ₹ 2.40 per share on fully paid equity shares for FY 2019-20 amounting to ₹ 13,248.00 lakhs upon approval of shareholders in Annual General Meeting dated 17 July, 2020. During the previous year ended 31 March, 2020, the Company had paid final dividend of ₹ 1.80 per share on fully paid equity shares for FY 2018-19 amounting to ₹ 11,978.38 lakhs (including dividend distribution tax thereon amounting to ₹ 2,042.38 lakhs). The Finance Act 2020 has repealed the Dividend Distribution Tax (DDT). Companies are now required to pay/distribute dividend after deducting applicable taxes.

17.6 For the year ended 31 March, 2021 the Board of Directors at its meeting held on 23 April, 2021 have proposed a final dividend of ₹ 1.20 per share to be paid on fully paid equity shares. The equity dividend is subject to approval by shareholders at the ensuing Annual General Meeting and has not been disclosed as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 12,624.00 lakhs.

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

	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Note 18		
Other equity		
18.1 Capital redemption reserve		
(a) Opening balance	50,000.00	50,000.00
(b) Add : Amount transferred from retained earnings (net)	-	-
(c) Less: Bonus shares issued (refer note 17.7)	50,000.00	-
(d) Closing balance	-	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	2,35,352.41	2,06,033.29
(b) Add : Additions during the year	43,044.72	41,297.50
(c) Less : Payment of dividend on equity share capital (refer note 17.5)	13,248.00	9,936.00
(d) Less : Dividend distribution tax on dividend paid on equity shares (refer note 17.5)	-	2,042.38
(e) Closing balance	2,65,149.13	2,35,352.41
	2,74,299.13	2,94,502.41

Nature and purpose of reserves:

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

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

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

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	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Note 19		
Long-term borrowings		
19.1 Secured - at amortised cost		
(i) Term loans from banks		
(a) Axis Bank	4,595.00	17,230.00
(b) Bank of Baroda	6,666.67	8,750.00
(c) Canara Bank	23,680.56	33,819.44
(d) HDFC Bank	79,368.05	78,062.50
(e) Indian Bank*	43,385.42	48,020.83
(f) Punjab National Bank	16,875.00	19,375.00
(g) Punjab & Sind Bank	16,875.00	29,375.00
(h) State Bank of India	39,375.00	28,750.00
Total long-term borrowings	2,30,820.70	2,63,382.77

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

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.

19.3 **Terms of repayment**

19.3.1 **Secured - at amortised cost**

₹/Lakhs

S. No.		Name of Bank	Refer note for security	As at 31.03.2021	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27 to FY 2030-31
- Term loans from banks										
(a)	i	Axis Bank	19.7	10,703.00	6,108.00	4,595.00	-	-	-	-
	ii	Axis Bank	19.7	3,750.00	3,750.00	-	-	-	-	-
(b)	i	Bank of Baroda	19.7	8,333.33	1,666.66	1,666.67	1,666.67	1,666.67	1,666.67	-
(c)	i	Canara Bank	19.6	16,875.00	4,861.11	4,861.11	4,027.78	1,250.00	1,250.00	625.00
	ii	Canara Bank	19.7	16,666.67	5,000.00	3,333.33	3,333.33	3,333.33	1,666.67	-
(d)	i	HDFC Bank	19.6	42,604.17	4,583.33	5,833.33	5,833.33	5,833.33	5,208.33	15,312.50
	ii	HDFC Bank	19.7	33,902.78	9,555.56	9,555.56	9,000.00	4,333.33	1,458.33	-
	iii	HDFC Bank	19.7	20,000.00	3,000.00	4,000.00	4,000.00	4,000.00	4,000.00	1,000.00
(e)	i	Indian Bank (Post merger of Allahabad and Indian Bank)	19.6	20,000.00	-	2,500.00	2,500.00	2,500.00	2,500.00	10,000.00
	ii	Indian Bank (Post merger of Allahabad and Indian Bank)	19.7	16,927.08	4,791.67	4,791.67	4,010.41	1,666.67	1,666.67	-
	iii	Indian Bank	19.6	7,500.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00
	iv	Indian Bank	19.7	6,666.67	1,666.67	1,666.67	1,666.67	1,666.67	-	-
(f)	i	Punjab National Bank	19.6	19,375.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	6,875.00
(g)	i	Punjab & Sind Bank	19.6	6,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	-
	ii	Punjab & Sind Bank	19.7	20,625.00	8,750.00	8,750.00	3,125.00	-	-	-
(h)	i	State Bank of India	19.6	28,125.00	3,750.00	5,000.00	5,000.00	3,125.00	2,500.00	8,750.00
	ii	State Bank of India	19.6	15,000.00	-	-	1,875.00	1,875.00	1,875.00	9,375.00
		Total		2,93,303.70	62,483.00	61,553.34	51,038.19	36,250.00	28,791.67	53,187.50

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

19.5 The closing rate of interest for term loans from banks ranges from 7.10% to 8.20% per annum. The rate of interest for term loans from banks are subject to reset annually except the term loan from Axis Bank, HDFC Bank and SBI referred in a(ii), d(iii) and h(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.

	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Note 20		
Other financial liabilities - non current		
(At amortised cost)		
(a) Security deposits		
(i) Consumers' security deposit	69,570.36	67,452.65
(ii) Others	479.65	415.35
(b) Retention money payable	230.08	300.83
	70,280.09	68,168.83

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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 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Provision for employee benefits		
(a) Compensated absences	5,601.91	5,504.08
(b) Other employee benefits	139.36	156.96
	5,741.27	5,661.04

21.1 Other employee benefits represent 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 by the Group under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is recognised by the Income Tax authorities. The provident fund plan is operated by the Regional Provident Fund Commissioner. Under the scheme, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits. The Group has no obligation, other than the contribution payable to the respective fund. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

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

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

On account of Defined Contribution Plans, a sum of ₹ 4,331.77 lakhs (for the year ended 31 March, 2020 ₹ 3,467.91 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, 2021. 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 31.03.2021	As at 31.03.2020
(i) **Net liability arising from defined benefit obligation**	**27.16**	**564.47**
(ii) **Change in benefit obligations:**		
(a) Present value of obligations as at 1 April	4,357.23	3,455.11
(b) Current service cost	371.32	391.26
(c) Interest expense or cost	267.64	268.65
(d) Remeasurement (gains)/losses: Actuarial (gains)/losses	(226.88)	586.06
(e) Benefits Paid	604.41	343.85
Present value of defined benefit obligation as at 31 March (a+b+c+d-e)	**4,164.90**	**4,357.23**
(iii) **Change in plan assets**		
(a) Fair Value of Plan Assets as at 1 April	3,792.76	3,445.71
(b) Investment income	227.44	250.46
(c) Employer's Contribution	751.91	450.00
(d) Remeasurement (gains)/losses:		
- Return on plan assets (excluding amounts included in net interest expense)	(29.96)	(9.56)
(e) Benefits Paid	604.41	343.85
Fair value of plan asset as at 31 March (a+b+c+d-e)	**4,137.74**	**3,792.76**

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

₹/Lakhs

Particulars	Gratuity (Funded)	
	Year ended 31.03.2021	Year ended 31.03.2020
(a) Current service cost	371.33	391.26
(b) Net interest expense/(income)	40.20	18.18
(c) Other adjustments	(46.32)	(14.94)
Defined benefit cost recognised in the Statement of Profit and Loss (a+b+c)	**365.21**	**394.50**

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

₹/Lakhs

Particulars	Gratuity (Funded)	
	Year ended 31.03.2021	Year ended 31.03.2020
(a) Actuarial (gains)/losses arising from:		
- changes in demographic assumptions	79.76	5.27
- changes in financial assumptions	(197.01)	466.98
- experience adjustments	(109.63)	113.81
(b) Return on plan assets (excluding amounts included in net interest expense)	29.96	9.56
Components of defined benefit costs recognised in other comprehensive income (a+b)	**(196.92)**	**595.62**

(vi) **Principal actuarial assumptions:**

Particulars	Notes	Year ended 31.03.2021	Year ended 31.03.2020
Financial assumptions:			
(a) Discount Rate (per annum)	1	6.75%	6.25%
(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.

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Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Demographic assumptions:		
(a) Normal retirement age	60 years	60 years
(b) Mortality rate	100% of Indian Assured Lives Mortality (2012-2014)	100% of Indian Assured Lives Mortality (2012-2014)
(c) Withdrawal rate (per annum)	6%	8%

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

Particulars	As at 31.03.2021	As at 31.03.2020
Government of India Securities	79.55%	74.84%
Debt instruments	14.41%	19.01%
Equity and preference shares	5.85%	5.95%
Other deposits	0.19%	0.20%
	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 31.03.2021	As at 31.03.2020
(a) Decrease in defined benefit obligation due to 1% increase in discount rate	384.19	362.01
(b) Increase in defined benefit obligation due to 1% decrease in discount rate	449.20	419.01

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 31.03.2021	As at 31.03.2020
(a) Decrease in defined benefit obligation due to 1% decrease in expected salary growth rate	383.36	359.65
(b) Increase in defined benefit obligation due to 1% increase in expected salary growth rate	439.18	407.64

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 31.03.2021	As at 31.03.2020
(i) Weighted average duration of the defined benefit obligation	10 years	9 years
(ii) Duration of defined benefit obligation	**Amount (₹/Lakhs)**	**Amount (₹/Lakhs)**
1 year	300.26	378.52
2 year	239.88	339.37
3 year	256.06	284.84
4 year	250.57	290.87
5 year	228.23	300.78
More than 5 years	2,889.91	2,762.85
Total	**4,164.91**	**4,357.23**
(iii) Duration of defined benefit payments	**Amount (₹/Lakhs)**	**Amount (₹/Lakhs)**
1 year	300.26	378.52
2 year	273.36	383.12
3 year	311.49	341.66
4 year	325.38	370.69
5 year	316.38	407.28
More than 5 years	7,931.90	6,654.76
Total	**9,458.77**	**8,536.03**

(c) The contribution expected to be made by the Group during the financial year 2021-22 is ₹ 387.43 lakhs.

(d) The actual return on plan assets is ₹ 197.48 lakhs (for the year ended 31 March, 2020 ₹ 240.90 lakhs).

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

(i) **Financial assumptions:**

Particulars	Notes	Year ended 31.03.2021	Year ended 31.03.2020
(a) Discount rate (per annum)	1	6.75%	6.25%
(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 31.03.2021	Year ended 31.03.2020
(a) Normal retirement age	60 years	60 years
(b) Mortality rate	100% of Indian Assured Lives Mortality (2012-2014)	100% of Indian Assured Lives Mortality (2012-2014)
(c) Withdrawal rate (per annum)	6%	8%
(d) Rate of leave availment (per annum)	4%	4%
(e) Rate of leave encashment during employment (per annum)	4%	4%

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 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
(i) Opening balance	506.66	581.49
(ii) Add : Additions during the year	-	-
(iii) Less: Amortisation during the year	72.98	74.83
(iv) Closing balance	433.68	506.66

Note 23
Contributions for capital works and service line charges

Accounting policy

Refer note 31.2 for accounting policy on contributions for capital works and service line charges.

Deferred revenue

23.1 **Capital works**

(i) Opening balance	66,073.50	67,573.68
(ii) Add : Additions during the year	2,798.28	3,243.29
(iii) Less: Amortisation during the year	4,713.08	4,743.47
(iv) Less: Refund during the period/year (refer note 23.3)	1,688.93	-
(v) Closing balance	62,469.77	66,073.50

23.2 **Service line charges**

(i) Opening balance	18,504.80	18,890.93
(ii) Add : Additions during the year	2,602.21	2,893.97
(iii) Less: Amortisation during the year	3,252.12	3,280.10
(iv) Closing balance	17,854.89	18,504.80
Total contribution for capital works and service line charges	**80,324.66**	**84,578.30**

23.3 Delhi Electricity Regulatory Commission (DERC) had made an amendment in schedule of charges & the procedure under Delhi Electricity Regulatory Commission (Supply Code and Performance Standards) Regulations, 2017, dated 31 August, 2017, with respect to the Service Line cum Development (SLD) charges to be collected from unelectrified area for taking new electricity connection at LT supply for the connections upto 200KW/215 KVA. As per the amendment, SLD charges to be collected from unelectrified area for new connection has been reduced w.e.f. 1 September, 2017. The Company requires to adjust/ refund the difference amount of SLD charges already collected at the rates for un-electrified area and estimated SLD charges to be collected as per the rates for electrified area applicable as on date of application.

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	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Note 24		
Other non current liabilities		
Consumers' deposits for works and service line charges	32,839.06	34,229.56
Note 25		
Short-term borrowings		
25.1 **Secured - at amortised cost**		
From Banks		
(a) Cash credit	1,054.02	148.85
(b) Working capital demand loan		
(i) HDFC Bank	-	870.00
(ii) Punjab National Bank	2,175.00	-
(iii) Yes Bank	1,600.00	-
	3,775.00	870.00
	4,829.02	1,018.85
25.2 **Unsecured - at amortised cost**		
From Banks		
(a) Unsecured credit facilities		
(i) Axis Bank	7,496.46	2,295.99
(ii) Canara Bank	-	11.45
	7,496.46	2,307.44
(b) Short term loan		
(i) Axis Bank	-	10,000.00
(ii) HDFC Bank	10,000.00	-
	10,000.00	10,000.00
(c) Working capital demand loan		
(i) Axis Bank	17,000.00	12,000.00
(ii) IDFC First Bank	10.80	-
(iii) Canara Bank	-	9,000.00
	17,010.80	21,000.00
	34,507.26	33,307.44
Total short-term borrowings	**39,336.28**	**34,326.29**

25.3 **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 7.10% to 7.90% per annum. 60% of the sanctioned cash credit limit of banks has to be first utilised as working capital demand loan in order to avail cash credit facility. These facilities are secured against first pari-passu charge on all present and future property, plant and equipment and intangible assets (movable and immovable) including stores and spares and third pari-passu charge on all present and future receivables.

The Company has availed secured Short term facility limits of ₹ 20,000 lakhs in the form of STL (₹ 10,000 lakhs) & invoice financing (₹ 10,000 lakhs) from Deutsche Bank. STL facility has been availed at an interest rate ranging from 5.75% to 6.25% per annum during the financial year. The STL facility (which is fungible) can be utilised for any amount lower than or equal to ₹ 200 crore, for a period of mimimum 7 days upto maximum 1 year. During the financial year, the tenor for utilization of STL ranges from 7 days to 49 days. The facility is secured against first pari-passu charge on all present and future property, plant and equipment and intangible assets (movable and immovable) including stores and spares and third pari-passu charge on all present and future receivables.

25.4 **Unsecured credit facilities**

The Company has unsecured fund based credit facilities of ₹ 40,000 lakhs from Axis Bank and ₹ 15,000 lakhs from Canara Bank, presently at an interest rate of 7.35% and 7.45% per annum respectively. 60% of the sanctioned limit of banks has to be first utilised as working capital demand loan in order to avail such facility.

The Company has unsecured overdraft facilities of ₹ 200 lakhs from IDFC First Bank, presently at an interest rate of 9.30% per annum.

25.5 **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 2020-21		
			1.	2.	3.
(i)	Date of issue		30.09.2020	31.12.2020	15.02.2021
(ii)	Repayment date		29.12.2020	15.02.2021	25.03.2021
(iii)	Discount rate	% p.a	5.00	4.60	4.70
(iv)	Amount	₹/Lakhs	7,408.66	9,942.36	2,989.39
(v)	Face value	₹/Lakhs	7,500.00	10,000.00	3,000.00

(b) Short term loan

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

S. no.	Name of the bank	Disbursement taken on	Repayment date	Interest Rate (% p.a.)	Amount (₹/Lakhs)
(i)	Axis Bank	11.03.2020	16.06.2020	8.05	10,000.00
(ii)	Axis Bank*	08.06.2020	07.09.2020	7.25	10,000.00
(iii)	Karnataka Bank	20.07.2020	20.01.2021	7.40	2,500.00
(iv)	Karnataka Bank	09.09.2020	20.01.2021	7.40	2,500.00
(v)	Indian Bank	20.07.2020	01.12.2020	7.45	2,500.00
(vi)	HDFC Bank	26.02.2021	25.08.2021	4.40	10,000.00

* Interest rate of 7.75% per annum for the period 08 June, 2020 to 03 August, 2020.

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	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Note 26		
Trade payables (at amortised cost)	1,18,340.24	1,11,123.03

26.1 As at 31 March, 2021 trade payables include bill discounting of ₹ 24,685.57 lakhs (as at 31 March, 2020 : Nil). To manage the expected liquidity risk due to Covid-19, the Group has availed seller's side bill discounting facility for a major portion of power purchase and transmission supplies invoices from generating and transmission companies. As per said bill discounting arrangement, bill discounting charges including interest will be borne by the Group and the Group will make payment of these bills payable on due date to the designated bank account on behalf of vendor. In case of any default/non-payment of bills on due date, suppliers are liable towards their bankers and the Group is liable towards suppliers for payment of dues.

26.2 The average credit period on purchases from long-term power purchase arrangement ranges from 30 days to 60 days. Thereafter, interest is charged which generally ranges from 1.25% per month to 1.5% per month on the unpaid amount. 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.

26.3 Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

₹/Lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
(a) Principal amount remaining unpaid as at 31 March	2,511.46	1,208.26
(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 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Note 27		
Other financial liabilities - current		
(At amortised cost)		
(a) Security deposits		
(i) Consumers' security deposit	4,796.26	4,352.26
(ii) Others	806.64	755.02
	5,602.90	5,107.28
(b) Current maturities of long-term borrowings (refer note 19)		
Secured - at amortised cost		
(i) Term loans from banks		
(a) Axis Bank	9,858.00	8,331.00
(b) Bank of Baroda	1,666.67	1,250.00
(c) Canara Bank	9,861.11	9,583.33
(d) HDFC Bank	17,138.89	8,520.83
(e) Indian Bank	7,708.33	7,864.58
(f) Punjab National Bank	2,500.00	625.00
(g) Punjab & Sind Bank	10,000.00	8,750.00
(h) State Bank of India	3,750.00	1,875.00
(i) Union Bank of India	-	555.56
Total current maturities of long-term borrowings	62,483.00	47,355.30
(c) Interest accrued but not due on borrowings	822.07	934.87
(d) Current maturities of lease liabilities (refer note 5)	2,419.93	787.26
(e) Retention money payable	3,785.74	3,628.08
(f) Payables on purchase of property, plant and equipment	1,570.14	148.46
(g) Earnest money deposits	101.77	100.07
(h) Others	954.61	557.25
	77,740.16	58,618.57
Note 28		
Provisions - current		
Provision for employee benefits		
(a) Compensated absences (refer note 21)	963.97	1,052.43
(b) Defined benefit plans (Gratuity) (refer note 21)	27.16	564.47
(c) Other employee benefits (refer note 28.1)	17.48	29.71
	1,008.61	1,646.61

28.1 Other employee benefits represent pension liability to VSS employees.
28.2 Refer note 21 for accounting policy on provisions.

	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/Lakhs
Note 29		
Other current liabilities		
(a) Income received in advance	1,347.13	1,273.93
(b) Statutory dues	7,733.89	7,505.64
(c) Advance from consumers	8,586.53	7,893.43
(d) Advance government subsidy (to be adjusted upon billing)	-	7,914.36
(e) Payable for Pension Trust Surcharge (including unbilled)	1,918.49	1,627.20
(f) Others	264.01	154.01
	19,850.05	26,368.57

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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 31.03.2021	As at 31.03.2020
Contingent liabilities*		
30.1 Claims against the Group not acknowledged as debts:		
(i) Legal cases filed by consumers, employees and others under litigation	3,578.43	3,583.26
(ii) Water charges demand raised by Delhi Jal Board (DJB)	71.69	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)	929.50	919.18
(iii) Total demand (i+ii)	2,327.11	2,316.79
(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	72.91	529.84
30.5 Claims of power suppliers, not acknowledged as expense and credits	20,947.48	16,133.09
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	450.20
30.7 Environmental compensation notice issued by Delhi Pollution Control Committee (DPCC)	50.00	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	1,413.38	1,210.71
30.9 Way leave charges demanded by North DMC on the installation and laying services carried out by the Company in North DMC periphery	1,348.23	-
*No provision is considered necessary since the Group expects favourable decisions.		
Commitments		
30.10 Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	26,917.28	34,209.33

30.11 As detailed in note 36.7 on Rithala Power Generation Plant, the Company has challenged the DERC Order dated 11 November, 2019 before APTEL for allowance of balance depreciation along with other associated claims i.e. interest on debt, return on equity (RoE) etc. which is yet to be disposed off. Based on legal opinion and internal analysis, the management is hopeful of favourable judgement.

30.12 Due to COVID-19 and lock down imposed from 25 March 2020, there has been decrease in demand and delay in collection towards the end of March, 2020 which has impacted the expected billing and collection efficiency for the financial year 2019-20. Consequently, it has impact on incentive/disincentive on overachievement /underachievement of AT&C targets as per tariff regulations for financial year 2019-20. Upon drop in demand and collection, the DERC has clarified to Discoms regarding treatment of this unprecedented calamity as 'force majeure' condition under the provision of DERC (Supply Code and Performance Standards) Regulations, 2017 and has stated that the standard of performance shall remain suspended during lockdown period. The Commission has assured that targets of billing and collection efficiency for financial year 2019-20 will be re-considered at the time of true-up of ARR for financial year 2019-20 subject to prudence check.

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 for financial year 2019-20 will be accounted for at the time of true up.

30.13 "The Code on Social Security 2020 has been notified in the Official Gazette on 29th September, 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact if any of the change will be assessed and accounted in the period in which said Code becomes effective and the rules framed thereunder are notified"

30.14 The Company had introduced a Voluntary Separation Scheme (VSS) for its employees in December 2003, in response to which initially 1,798 employees were separated. The early retirement of these employees led to a dispute between the Company and the DVB Employees Terminal Benefit Fund, 2002 ('the Trust') with respect to payout of retirement benefits that these employees were eligible for. The Trust is of the view that its liability to pay retiral benefits arises only on the employee attaining the age of superannuation or on death, whichever is earlier.

The Company filed a writ petition with the Hon'ble Delhi High Court which pronounced its judgement on 2 July, 2007 on this issue and provided two options to the Discoms for paying retiral benefits to the Trust. The Company chose the option whereby the Discoms were required to pay to the Trust an 'Additional Contribution' on account of premature payout by the Trust which shall be computed by an Arbitral Tribunal of Actuaries to be appointed within a stipulated period. The matter was further challenged by the Trust before Hon'ble Supreme Court, however, no interim relief has been granted by the Hon'ble Supreme Court. Till date no Arbitral Tribunal of Actuaries has been appointed and therefore, no liability has been recorded based on option chosen by the Company.

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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 ₹ 8,546.68 lakhs as at 31 March, 2021 (as at 31 March, 2020 ₹ 8,487.66 lakhs), leaving a balance recoverable ₹ 28.94 lakhs as at 31 March, 2021 (as at 31 March, 2020 ₹ 87.95 lakhs) from the SVRS Trust which includes current portion of ₹ 3.16 lakhs (as at 31 March, 2020 ₹ 33.09 lakhs).

30.15 The liability stated in the opening Balance Sheet of the Company as per the Transfer Scheme as on 1 July, 2002 in respect of consumers' security deposit was ₹ 1,000 lakhs. The Company had engaged an independent agency to validate the sample data in digitized form of consumer security deposit received by the erstwhile DVB from its consumers. As per the validation report submitted by this agency the amount of security deposit received from consumers aggregated to ₹ 6,670.51 lakhs. The Company has been advised that as per the Transfer Scheme, the liability in excess of ₹ 1,000 lakhs towards refund of the opening consumer deposits and interest thereon is not to the account of the Company. Since the GNCTD was of the view that the aforesaid liability is that of the Company, the matter was referred to Delhi Electricity Regulatory Commission (DERC). During the year 2007-08, DERC vide its letter dated 23 April, 2007 conveyed its decision to the GNCTD upholding the Company's view. As GNCTD has refused to accept the DERC decision as binding on it, the Company has filed a writ petition in the Hon'ble Delhi High Court and the matter was made regular on 24 October, 2011. No stay has been granted by the High Court in the matter for refund of consumer security deposits and payment of interest thereon.

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Note 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 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).

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 31.03.2021 ₹/Lakhs	Year ended 31.03.2020 ₹/Lakhs
31.4	**Revenue from operations**		
31.4.1	**Revenue from sale of power and open access**		
(a)	Sale of power	7,16,312.55	8,05,916.53
	Less: rebate availed by consumers	97.02	-
	Less: energy tax	27,642.74	30,996.15
		6,88,572.79	7,74,920.38
(b)	Income from open access charges	1,604.28	1,258.60
(c)	Income from sale of services (refer note 40)	-	481.05
		6,90,177.07	7,76,660.03
31.4.2	**Other operating revenue**		
(a)	Amortisation of service line charges	3,252.12	3,280.10
(b)	Commission on		
	- DVB arrears collection	2.06	3.91
	- Energy tax collection	824.30	900.56
(c)	Maintenance charges {refer note 31.4.2(i)}	1,324.93	1,268.28
(d)	Amortisation of capital grants	72.98	74.83
(e)	Amortisation of consumer contribution for capital works	4,713.08	4,743.47
(f)	Miscellaneous operating income	336.51	407.28
		10,525.98	10,678.43
		7,00,703.05	7,87,338.46

31.4.2(i) Includes incentive on street light maintenance of ₹ 109.56 lakhs pertaining to financial year 2020-21 (for the year ended 31 March, 2020 ₹ 110.98 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 31.03.2021 ₹/Lakhs	Year ended 31.03.2020 ₹/Lakhs
(a)	Late payment surcharge (refer note 37)	2,480.43	1,938.07
(b)	Interest Income	355.97	328.98
(c)	Gain on sale/fair value of mutual fund investment measured at FVTPL	26.88	115.89
(d)	Foreign exchange fluctuation gain (net)	-	0.32
(e)	Income other than energy business	8,680.52	9,534.88
(f)	Other non-operating income	203.13	659.12
		11,746.93	12,577.26

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 31.03.2021	Year ended 31.03.2020
(A) Revenue from contracts with customers		
- Based on nature of goods/services		
(i) Distribution of power		
(a) Sale of power	6,88,669.81	7,74,920.38
Less: rebate availed by consumers	97.02	-
	6,88,572.79	7,74,920.38
(b) Income from open access charges	1,604.28	1,258.60
(c) Late payment surcharge	2,480.43	1,938.07
(d) Amortisation of service line charges	3,252.12	3,280.10
(e) Commission on		
- DVB arrears collection	2.06	3.91
- Energy tax collection	824.30	900.56
(f) Maintenance charges	1,324.93	1,268.28
(g) Amortisation of consumer contribution for capital works	4,713.08	4,743.47
(h) Miscellaneous income	539.64	467.81
(ii) Business Development (Project management and other consultancy services)	8,680.52	9,950.26
	7,11,994.15	**7,98,731.44**
(B) Other revenue		
(i) Distribution/generation of power		
(a) Amortisation of capital grants	72.98	74.83
(b) Interest income	347.05	318.44
(c) Others	-	598.59
(ii) Business Development (Project management and other consultancy services)	-	65.67
(iii) Others		
(a) Interest income	8.92	10.54
(b) Gain on sale/fair value of mutual fund investment measured at FVTPL	26.88	115.89
(c) Foreign exchange fluctuation gain (net)	-	0.32
	455.83	**1,184.28**
Total revenue	**7,12,449.98**	**7,99,915.72**

31.7 Contract Balances

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

₹/Lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
Contract assets		
Unbilled revenue other than passage of time (refer note 16(a))	1,909.50	2,320.07
Total contract assets	**1,909.50**	**2,320.07**
Contract liabilities		
Income received in advance (refer note 29(a))	1,347.13	1,273.93
Advance from consumers (refer note 29(c))	8,586.53	7,893.43
Deferred revenue from consumers -		
Consumers' deposits for works and service line charges (refer note 24)	32,839.06	34,229.56
Total contract liabilities	**42,772.72**	**43,396.92**
Receivables		
Trade receivables (gross) (refer note 12)	41,424.81	46,249.74
Unbilled revenue for passage of time (refer note 15(c))	36,528.95	32,238.33
Less : Allowances for doubtful debts (refer note 12)	13,981.65	14,644.77
Net receivables	**63,972.11**	**63,843.30**

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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 31.03.2021	As at 31.03.2020
- Unbilled revenue other than passage of time		
Opening balance as at 1 April	2,320.07	1,115.17
Add: Revenue recognised during the year apart from above	4,527.64	6,555.29
Less: Transfer from contract assets to receivables	4,938.21	5,350.39
Closing Balance	**1,909.50**	**2,320.07**

₹/Lakhs

Particulars	Contract Liabilities					
	As at 31.03.2021			As at 31.03.2020		
	Income received in advance	Advance from consumers	Deferred Revenue	Income received in advance	Advance from consumers	Deferred Revenue
Opening balance as at 1 April	1,273.93	7,893.43	34,229.56	534.49	6,243.11	22,580.72
Revenue recognised during the year from balance at the beginning of the year	(1,089.46)	(5,245.82)	-	(224.05)	(3,993.10)	-
Advance received during the year not recognised as revenue	1,162.66	5,938.92	2,321.06	963.49	5,643.42	17,786.10
Transfer from contract liabilities upon satisfaction of performance obligation	-	-	(3,711.56)	-	-	(6,137.26)
Closing Balance	**1,347.13**	**8,586.53**	**32,839.06**	**1,273.93**	**7,893.43**	**34,229.56**

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, 2021 is ₹ 19,295.33 lakhs (as at 31 March, 2020 is ₹ 21,258.06 lakhs). Out of this, the Group expects to recognise revenue of around 38.11% (as at 31 March, 2020 35.20%) 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 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 810.80 million units (for the year ended 31 March, 2020 504.06 million units) of power to/in favour of other utilities. The power purchase cost of ₹ 5,30,625.73 lakhs (for the year ended 31 March, 2020 ₹ 6,29,963.08 lakhs) is net of sale of power/UI receivables ₹ 24,990.12 lakhs (for the year ended 31 March, 2020 ₹ 14,546.92 lakhs), rebate on power purchase ₹ 5,932.70 lakhs (for the year ended 31 March, 2020 ₹ 6,573.02 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 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.

32.3 **Bilateral Power Purchase Agreement**

The Company has made bilateral arrangements with other power utilities to bank power or vice versa and take back or return the same over the agreed period. The Delhi Electricity Regulatory Commission (DERC) has directed to treat the normative cost of power banking transaction at weighted average variable cost of all long term sources of power purchase of relevant year. Details of power banked during the year ended 31 March, 2021 are as follows:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
	Receivable MU's	Receivable MU's
(a) Opening balance as at 1 April	128.93	647.49
(b) Power banked (Outflow)	200.35	198.37
(c) Power due against banked	206.22	204.50
(d) Power receipt against opening	128.93	647.49
(e) Power receipt against current year transactions	58.91	75.57
(f) Balance receivable {(a)+(c)-(d)-(e)}	147.31	128.93

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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 by the Group under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is recognised by the Income Tax authorities. The provident fund plan is operated by the Regional Provident Fund Commissioner. Under the scheme, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits.

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

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 Group.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

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 31.03.2021 ₹/Lakhs	Year ended 31.03.2020 ₹/Lakhs
(a)	Salaries, allowances and incentives	45,626.75	46,303.33
(b)	Contribution to provident and other funds (refer note 21 and note 28)	5,716.14	5,735.51
(c)	Seventh pay commission revision for previous years paid/ provided	5,901.66	-
(d)	Staff welfare expenses	2,795.85	2,636.98
(e)	Other personnel cost	1,466.10	1,632.54
		61,506.50	56,308.36
	Less: Transferred to capital work-in-progress	5,808.63	5,652.41
		55,697.87	50,655.95
(f)	Pension and other payment to VSS and other retirees (refer note 30.14)	31.25	(1.56)
		55,729.12	50,654.39

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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 year in which they accrue.

		Year ended 31.03.2021 ₹/Lakhs	Year ended 31.03.2020 ₹/Lakhs
(a)	On borrowings - carried at amortised Cost		
	(i) Interest on term loan (gross)	22,908.08	24,425.99
	Less: Capitalised (refer note 34.1)	523.39	767.69
	Interest on term loans (net)	22,384.69	23,658.30
	(ii) Interest on cash credit accounts/short-term borrowings	5,698.08	4,038.98
(b)	Interest on lease liability (gross)	774.97	844.61
	Less: Capitalised	208.09	227.32
	Interest on lease liability (net)	566.88	617.29
(c)	Interest on consumer security deposits	5,558.75	5,985.87
(d)	Other borrowing costs	179.07	166.27
(e)	Other Interest	3.51	23.35
		34,390.98	34,490.06

34.1 The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 8.01% per annum (for the year ended 31 March, 2020 8.63% 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, 2020 ₹ 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, 2020 ₹ 1,000 lakhs), the Company has provided interest expense aggregating to ₹ 5,558.75 lakhs (for the year ended 31 March, 2020 ₹ 5,985.87 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 ₹ 208.59 lakhs (for the year ended 31 March, 2020 ₹ 238.65 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.

Note 35
Other expenses

		Year ended 31.03.2021 ₹/Lakhs	Year ended 31.03.2020 ₹/Lakhs
Operating and maintenance expenses			
(a)	Stores and spares consumed (net of recoveries)	4,182.64	3,625.69
(b)	Repairs and maintenance:		
	(i) Building	522.77	522.33
	(ii) Plant and equipment	9,307.37	8,224.81
	(iii) Others	5,242.39	5,706.52
(c)	Loss on disposal of property, plant and equipment	220.56	1,909.09
		19,475.73	19,988.44
Administrative and general expenses			
(a)	Communication expenses	239.82	239.93
(b)	Printing and stationery	168.43	327.49
(c)	Legal and professional charges		
	- Legal expenses	1,047.65	1,319.65
	- Professional charges	466.58	815.28
(d)	Travelling and conveyance	318.58	836.45
(e)	Insurance	795.64	634.52
(f)	Advertisement, publicity and business promotion	197.87	239.19
(g)	Corporate social responsibility expenses (excluding 5% administrative expenses)	1,068.11	823.23
(h)	Rent and hire charges	115.42	128.75
(i)	Rates and taxes	682.58	1,236.04
(j)	Freight, handling and packing expenses	43.88	53.33
(k)	Bill collection and distribution expenses	703.50	1,121.83
(l)	Postage and courier charges	18.21	38.74
(m)	EDP expenses	1,228.84	1,240.98
(n)	Housekeeping expenses	1,019.21	982.54
(o)	Foreign exchange fluctuation loss (net)	10.25	-
(p)	Bad debts written off/(written back)	1,505.24	400.01
(q)	Allowance for doubtful debts	(938.77)	1,218.44
(r)	Miscellaneous expenses	1,281.48	1,152.77
		9,972.52	12,809.17
	Total other expenses	29,448.25	32,797.61

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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 28 August, 2020 issued on 19 October, 2020, the DERC has trued up regulatory deferral account balance up to 31 March, 2019 at ₹ 1,89,000 lakhs as against ₹ 4,57,869.26 lakhs as per financial books of accounts excluding amount recoverable towards deferred tax liabilities of ₹ 18,044.60 lakhs. There is no provision in tariff regulations for one to one allowance of deferred tax but the same is allowed in the form of actual rate of tax as and when deferred tax liability gets converted to actual tax liability. The difference in regulatory deferral account is largely due to provisional truing up of capitalisation, disallowance of de-capitalised property, plant and equipment, its corresponding impact on return on capital employed (ROCE), income tax and carrying cost. These disallowance have already been challenged in APTEL for amount disallowed upto FY 18-19. The difference in regulatory deferral account is also due to pending implementation of Rithala tariff order issued by the DERC vide order dated 11 November, 2019 and partial allowance of approved Rithala plant cost which is under challenge with APTEL and delay in execution of other previous review/APTEL appeal orders.

On the issue of provisional true up of capitalisation, DERC has shared preliminary draft report of physical verification of fixed asset for the period FY 2004-05 to 2015-16. The Company after analysing the draft report have submitted the response along with necessary documents in support of capitalisation on 29 December, 2020.

36.3 The DERC Business Plan Regulations, 2019 is applicable for the control period starting FY 2020-21 to FY 2022-23. As part of yearly tariff determination exercise, the Company has filed True up petition for FY 19-20 and ARR for FY 21-22 on 22 December, 2020.

36.4 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.

36.5 The regulatory deferral account balance as on 31.03.2019 as per financial books of account was ₹ 4,57,869.26 lakhs which is not being liquidated for a long time excluding amount recoverable towards deferred tax liabilities of ₹ 18,044.60 lakhs. Such accumulation of regulatory deferral account has been due to non-availability of cost reflective tariff year on year. On this issue, company has filed a petition with the DERC on 08 March, 2021 to take measures to liquidate regulatory deferral account in a time bound manner, which is yet to be disposed off.

36.6 The movement in regulatory deferral account balance as at 31 March, 2021 is as follows:

₹/Lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
(a) Opening regulatory deferral account debit balance	5,22,185.11	4,75,913.86
(b) Net movement during the year		
(i) Power purchase cost	5,36,735.00	6,35,770.00
(ii) All other prudent O&M cost including ROCE, carrying cost etc.	1,88,033.00	1,88,799.00
(iii) Collection available for Annual Revenue Requirement (ARR) as per MYT order	7,00,524.00	7,90,513.00
(iv) Net movement before recovery of deferred tax {(i)+(ii)-(iii)}	**24,244.00**	**34,056.00**
(v) Deferred tax recoverable in future tariff	4,741.39	12,215.25
(c) Net movement shown in the Statement of Profit and Loss {(iv)+(v)}	**28,985.39**	**46,271.25**
(d) Closing regulatory deferral account debit balance (a+c)	**5,51,170.50**	**5,22,185.11**

36.7 **Rithala Power Generation Plant**

On 31 August, 2017 the DERC issued the Order fixing the operational norms as specified in the DERC MYT Regulations, 2007 and allowed capital cost of the plant at ₹ 19,770 lakhs against ₹ 30,239 lakhs as per financial books of accounts. Further, the DERC has recognised tariff of the plant for 6 years (project life) from the date of commercial operation (COD) in combined cycle mode upto 31 March, 2018 as against 15 years, being the life of the plant. In accordance with the Order, the Company had stopped the billing of Rithala Power Plant from 1 April, 2018, adjusted a sum of ₹ 46,986 lakhs towards Rithala billing (including carrying costs) and recorded an impairment loss of ₹ 5,564.93 lakhs till 31 March, 2019.

Further, DERC has issued Tariff Order dated 11 November, 2019 for Rithala Power Plant and allowed depreciation for 6 years only. Aggrieved by the said order of lower allowance of depreciation, the Company has challenged the order before APTEL for balance depreciation along with other associated claims i.e. interest on debt, return on equity (RoE) etc.

As required by Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" the asset has been classified under the head "Assets Held for Sale" and the remaining written down value (WDV) less fair value of plant cost of ₹ 19,770 lakhs has been shown as recoverable from future tariff on the basis of management evaluation supported by legal opinion with the condition that the net sale/scrap proceeds for Rithala Power Plant after recovering the 10% salvage value shall be offered in ARR. The Company is continuing to claim the remaining WDV in the form of annual depreciation, ROCE etc. in annual ARR filing for distribution business pending its petition with respect to allowance of the same in APTEL.

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36.7.1 **Assets classified as held for sale**

Accounting policy

Non-current assets or disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset or disposal group and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. As at each Balance Sheet date, the management reviews the appropriateness of such classification.

Non-current assets or disposal group classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The Group treats sale/distribution of the asset or disposal group to be highly probable when:
(a) the appropriate level of management is committed to a plan to sell the asset (or disposal group),
(b) an active programme to locate a buyer and complete the plan has been initiated (if applicable),
(c) the asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
(d) the sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
(e) actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible assets once classified as held for sale/distribution to owners are not depreciated or amortised.

In financial year ended 31 March, 2019 the property, plant and equipment relating to Rithala Power Generation Plant was classified as "Assets Held for Sale" pursuant to derecognition of Rithala plant as source of power with effect from 1 April, 2018 and management's intention to sell the plant. The management remains committed to the plan to dispose off the plant and therefore, continues to classify it as "Asset Held for Sale".

The assets classified as held for sale have been accounted at lower of carrying amount and fair value less costs to sell. The fair value of property, plant and equipment classified as assets held for sale as at 31 March, 2021 and 31 March, 2020 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 31.03.2021			As at 31.03.2020		
	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	2,004.00	-	2,004.00

The significant unobservable input used in the non-recurring fair value measurement categorised within Level 3 of the fair value hierarchy as at 31 March, 2021 and as at 31 March, 2020 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	31.03.2021 and 31.03.2020	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 late payment surcharge (LPSC) as "other income" instead of "other operating income". Accordingly, the comparative financial information included in these financial statements, have been restated. As an effect of restatement of financial statements, Statement of Profit and Loss for the year ended 31 March, 2020 has been restated. Accordingly, LPSC of ₹ 1,938.07 lakhs has been recognised in other income instead of other operating income.

Impact on Statement of Profit and Loss for the year ended 31 March, 2020

₹/Lakhs

	Particulars	Year ended 31.03.2020 (Restated)	Year ended 31.03.2020 (Original)
(i)	Other operating income	10,678.43	12,616.50
(ii)	Other Income	12,577.26	10,639.19

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 year i.e. 1 April, 2019 therefore, opening date balances have not been restated or presented.

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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 31.03.2021**	**Year ended 31.03.2020**
Profit for the year from continuing operations	₹/Lakhs	42,916.62	41,684.98
Net movement in regulatory deferral account balance		28,985.39	46,271.25
Income-tax attributable to regulatory expenses		(10,128.65)	(16,169.03)
Net movement in regulatory deferral account balance (net of tax)	₹/Lakhs	18,856.74	30,102.22
Profit for the year from continuing operations attributable to equity shareholders before net movement in regulatory deferral account balance	₹/Lakhs	24,059.88	11,582.76
Weighted average number of equity shares (refer note 38.3)	Nos./Lakhs	10,520.00	10,520.00
Basic & Diluted earnings per equity share of ₹ 10 each	₹	2.29	1.10
Face value of equity shares	₹	10.00	10.00

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

Particulars	**Units**	**Year ended 31.03.2021**	**Year ended 31.03.2020**
Profit for the year from continuing operations after net movement in regulatory deferral account balance attributable to equity shareholders	₹/Lakhs	42,916.62	41,684.98
Weighted average number of equity shares (refer note 38.3)	Nos./Lakhs	10,520.00	10,520.00
Basic & Diluted earnings per equity share of ₹ 10 each	₹	4.08	3.96
Face value of equity shares	₹	10.00	10.00

38.3 **Weighted average number of equity shares**

Particulars	**Units**	**Year ended 31.03.2021**	**Year ended 31.03.2020**
Weighted average number of equity shares (opening) (A)	Nos./Lakhs	5,520.00	5,520.00
Bonus equity shares issued (B)	Nos./Lakhs	5,000.00	5,000.00
Weighted average number of equity shares (closing) (A+B)	Nos./Lakhs	10,520.00	10,520.00

38.4 The Group does not have any potential dilutive equity share.

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, 2021 and 31 March, 2020.

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 31.03.2021 ₹/Lakhs	Year ended 31.03.2020 ₹/Lakhs
Income tax expense recognised in the Statement of Profit and Loss :		
(a) Current tax (refer note 41.4)		
- For the year	14,289.23	19,283.76
- Adjustments for prior periods (refer note 41.5)	(932.03)	-
Less: MAT credit adjusted during the year	5,078.72	8,323.99
Current tax expense (net)	8,278.48	10,959.77
(b) Deferred tax expense (net) (refer note 41.4)	4,664.51	12,321.02
Total	**12,942.99**	**23,280.79**
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)	34.41	(104.07)
(d) Deferred tax		
Remeasurement of defined benefit obligation (refer note 41.4)	34.41	(104.07)
Total	**68.82**	**(208.14)**
Total income tax expense recognised during the year (a+b+c+d)	**13,011.81**	**23,072.65**

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

₹/Lakhs

Particulars	**Year ended 31.03.2021**	**Year ended 31.03.2020**
Profit before tax	55,859.61	64,965.77
Enacted income tax rate in India	34.94%	34.94%
Computed expected tax expense	19,519.58	22,701.64
Add/(Less): Tax effect on account of:		
Tax effect due to non taxable income pertaining to deferred tax recoverable	(1,656.83)	-
Expenses not considered in determining taxable profit	261.14	288.37
Adjustments for prior periods	(932.03)	-
Reversal during tax holiday period	77.04	45.78
Deduction under chapter VI-A	(31.05)	(8.16)
Overseas taxes	-	0.86
Effect of tax on income at different rates (refer note 41.6)	(10.45)	(35.11)
Adjustment for MAT credit against previous year	(4,449.73)	425.88
Effect on deferred tax balance due to taxability of income at LTCG rate	(21.13)	-
Effect on deferred tax balances due to change in income tax rate from 27.82% to 25.17%	-	(3.89)
Others	186.45	(134.58)
Income tax expense recognised in the Statement of Profit and Loss	**12,942.99**	**23,280.79**

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, 2021 and 31 March, 2020.

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 2019-20 17.47%) of book profit for the financial year 2020-21 and 2019-20.

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, 2021 and 31 March, 2020.

41.5 Finance Act 2009 has made a retrospective amendment for adding back the provision for diminution in value of an asset while computing book profits under Section 115JB. Since the provisions of Section 115JB has been amended retrospectively, the company has made a tax provision on doubtful debts from FY 2002-03 to FY 2006-07 during FY 2009-10 (including interest liability). The said amount was also included in regulatory deferral account balance though the same is not allowed by DERC till date. During the current year, the Company has reversed the tax provision (including interest) amounting to ₹ 932.03 lakhs which mainly pertains to FY 2002-03 and FY 2004-05 owing to closure of tax assessment of the said years. Further the company has also taken the corresponding impact of the said reversal in regulatory deferral account balance. Tax provision for the remaining years is being maintained due to ongoing litigation at ITAT/High Court.

41.6 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, 2021 and 31 March, 2020.

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, 2021 and 31 March, 2020.

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.

41.7 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 earlier tax rate of 27.82%.

41.8 **Deferred tax**

Accounting policy
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

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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.

41.9 Deferred tax liabilities/assets (net) of the Company as at 31 March, 2021, as detailed below reflect the quantum of tax liabilities/(asset) accrued up to 31 March, 2021.

₹/Lakhs

Particulars (2020-21)	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
Deferred tax liability/(assets) on account of :				
Property plant and equipment (refer note 41.11)	66,164.63	3,754.98	-	69,919.61
Provision for doubtful debts	(3,122.62)	328.04	-	(2,794.58)
Provision for employee benefits	(2,553.59)	160.50	34.41	(2,358.68)
MAT credit	(29,979.30)	5,078.72	-	(24,900.58)
MAT credit adjustment against previous year	-	(4,449.73)	-	(4,449.73)
Others	(249.27)	(165.53)	-	(414.80)
Deferred tax liabilities/(asset) [net]	**30,259.85**	**4,706.98**	**34.41**	**35,001.24**

Deferred tax liabilities/assets (net) of the Company 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	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**

41.10 As per MYT regulations for determination of tariff, tax expense shall be considered in tariff determination as and when and to the extent of income tax actually paid. Accordingly, the Company has made provision only for the amount of income tax that is actually payable and the deferred tax liability (net) as at 31 March, 2021 of ₹ 35,001.24 lakhs (as at 31 March, 2020 ₹ 30,259.85 lakhs) and deferred tax charge of ₹ 4,741.39 lakhs for the year ended 31 March, 2021 (for the year ended 31 March, 2020 ₹ 12,215.25 lakhs) has been shown as recoverable in regulatory deferral account balances.

41.11 As at 31 March, 2021 deferred tax liability of ₹ 69,919.61 lakhs (as at 31 March, 2020 ₹ 66,164.63 lakhs) on account of property, plant and equipment is net of deferred tax asset of ₹ 1,359.41 lakhs (as at 31 March, 2020 ₹ 1,683.52 lakhs) arising on assets classified as held for sale.

41.12 During the current year, the Group has reassessed the recoverability of unavailed MAT credit and accordingly recognised MAT credit amounting to ₹ 29,350.31 lakhs as at 31 March, 2021 (as at 31 March, 2020 ₹ 29,979.30 lakhs).

41.13 The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the reporting period in which the liability is settled or the asset realised, based on tax rates as per the Income Tax Act, 1961 that have been enacted or substantively enacted by the end of the reporting period. The Taxation Laws (Amendment) Ordinance, 2019 (2019 Tax Ordinance) provides the Company with an option to move to a lower tax rate of 25.17% accompanied with immediate expiry of carry forward balance of Minimum Alternative Tax (MAT) credit and certain other concessional tax rate benefits enjoyed by the Company presently. The Company has reviewed the implications of 2019 Tax Ordinance on its tax liability for the year and has chosen to continue to apply tax rate of 34.94% which allows the Company to set off carry forward balance of MAT credit and avail other tax concessions.

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.

41.14 Deferred tax liabilities (net) of the Subsidiary as at 31 March, 2021 and 31 March, 2020 as detailed below reflect the quantum of tax liabilities accrued up to 31 March, 2021 and 31 March, 2020 respectively.

₹/Lakhs

Particulars (2020-21)	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	42.51	(42.47)	-	0.04
Deferred tax liability (net)	**42.51**	**(42.47)**	**-**	**0.04**

₹/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**

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Note 42
Financial instruments

42.1 **Capital management and gearing ratio**

For the purpose of the Group's management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. 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 31.03.2021	As at 31.03.2020
Long-term borrowings	2,30,820.70	2,63,382.77
Current maturities of long-term borrowings	62,483.00	47,355.30
Short-term borrowings	39,336.28	34,326.29
Total debt (a)	**3,32,639.98**	**3,45,064.36**
Less: Cash and bank balances (b)	14,493.19	13,987.73
Net debt {(c)=(a-b)}	**3,18,146.79**	**3,31,076.63**
Total equity (d)	3,79,499.13	3,49,702.41
Total equity and net debt {(e)=(c+d)}	**6,97,645.92**	**6,80,779.04**
Net debt to total equity plus net debt ratio (%) {(f)=(c)/(e)}	**45.60%**	**48.63%**

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, 2021 and 31 March, 2020.

42.2 **Categories of financial instruments**

₹/Lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
Financial assets		
(i) Measured at fair value through profit or loss (FVTPL)		
(a) Investment in mutual fund (unquoted)	33.25	9,487.68
(ii) Measured at amortised cost		
(a) Trade receivables	27,443.16	31,604.97
(b) Cash and cash equivalents	4,613.20	3,853.44
(c) Bank balances other than cash and cash equivalent above	9,879.99	10,134.29
(d) Loans: Security deposits	657.49	446.09
(e) Unbilled revenue	36,528.95	32,238.33
(f) Others	2,596.96	1,607.63
Total	**81,753.00**	**89,372.43**
Financial liabilities		
(i) Measured at amortised cost		
(a) Borrowings (including current maturities)	3,32,639.98	3,45,064.36
(b) Interest accrued but not due on borrowings	822.07	934.87
(c) Lease liabilities (including current maturities)	9,440.67	8,665.70
(d) Trade and other payables	1,18,340.24	1,11,123.03
(e) Consumers' security deposit	74,366.62	71,804.91
(f) Retention money payable	4,015.82	3,928.91
(g) Others	3,912.81	1,976.15
Total	**5,43,538.21**	**5,43,497.93**

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.

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(b) The group assessed that the carrying value of investments in mutual funds (unquoted) approximate their fair value. Fair value of the liquid mutual fund units are based on the price quotations on the reporting date. The following table gives information on determination of its fair value, the valuation technique and inputs used.

Particulars	As at 31.03.2021 ₹/Lakhs	As at 31.03.2020 ₹/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)	33.25	9,487.68	Level 1	Net asset value (NAV) of mutual funds	31.03.2021 and 31.03.2020 (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 Group's Corporate Level Risk Management Committee (CLRMC) oversees the management of these risks and appropriate risk governance framework for the Group. The Group's CLRMC is supported by a Finance Risk Management Sub-Committee that reviews the financial risks. The Group's financial risk activities are governed by appropriate policies and procedures (in accordance with ISO 31000:2018 guidelines) and that financial risks are identified, measured and managed in accordance with the Group'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 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:

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 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, 2021 and 31 March, 2020. 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 31.03.2021		As at 31.03.2020	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on term borrowings	1,466.52	(1,466.52)	1,553.69	(1,553.69)
Effect on profit before tax	(1,466.52)	1,466.52	(1,553.69)	1,553.69

(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 31.03.2021	As at 31.03.2020
Investments in mutual funds	33.25	9,487.68

Price risk sensitivity analysis

The sensitivity analysis in the following section relates to the position as at 31 March, 2021 and 31 March, 2020. 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 31.03.2021		As at 31.03.2020	
	NAV appreciate by ₹ 0.50	NAV depreciate by ₹ 0.50	NAV appreciate by ₹ 0.50	NAV depreciate by ₹ 0.50
Gain on investments in liquid mutual funds	0.05	(0.05)	35.08	(35.08)
Effect on profit before tax	0.05	(0.05)	35.08	(35.08)

In Group's opinion, the sensitivity analysis is unrepresentative of the inherent interest rate risk and price risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

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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 31.03.2021	As at 31.03.2020
(a) Trade receivables	27,443.16	31,604.97
(b) Unbilled revenue	36,528.95	32,238.33
(c) Loans	657.49	446.09
(d) Other financial assets	2,596.96	1,607.63
Total	**67,226.56**	**65,897.02**

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 Assets Under Management (AUM) are in excess of ₹ 1,00,00,000 lakhs and ranks in the first three of CRISIL's latest available Composite Performance Ranking (CPR) at the time of investment.

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, 2021				
(a) Trade payables	1,18,340.24	-	-	1,18,340.24
(b) Short term borrowings	39,336.28	-	-	39,336.28
(c) Long term borrowings (including current maturities)	62,483.00	1,77,633.19	53,187.50	2,93,303.69
(d) Interest accrued but not due on borrowings	822.07	-	-	822.07
(e) Future interest on above long term borrowings	19,526.88	37,638.44	6,790.32	63,955.64
(f) Consumers' security deposit (see note 42.3.3a)	4,796.26	-	69,570.36	74,366.62
(g) Future interest on consumers' security deposit (refer note 42.3.3a)	4,869.93	19,479.70	24,349.63	48,699.26
(h) Lease liabilities (including current maturities)	2,419.93	4,269.98	2,750.76	9,440.67
(i) Future interest on above lease liabilities	704.53	1,978.91	373.70	3,057.14
(j) Retention money payable	3,785.74	192.91	37.17	4,015.82
(k) Other financial liabilities	3,433.16	413.41	66.24	3,912.81
	2,60,518.02	**2,41,606.54**	**1,57,125.68**	**6,59,250.24**
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 above 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**

42.3.3a Consumers' security deposit classified under more than 5 years maturity pertains to permanent connection which are refundable on surrender of connection subject to clearance of outstanding dues.

Future interest on consumers' security deposit has been considered at 7.00% per annum (as at 31 March, 2020 7.75% per annum) which is the prevailing SBI 1 year MCLR rate as at 1 April, 2021. 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 31.03.2021	As at 31.03.2020
Unsecured credit facilities, reviewed annually and payable at call		
Amount used and outstanding	24,507.26	23,307.44
Amount unused	30,692.74	11,692.56
Secured bank loan facilities with various maturity dates through to 31 March, 2022 and which may be extended by mutual agreement		
Amount used and outstanding	4,829.02	1,018.85
Amount unused	29,670.98	13,481.15

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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 Company has transactions)
(i) TP Ajmer Distribution Limited (TPADL)
(ii) TP Central Odisha Distribution Limited (TPCODL)
(iii) Tata Power International Pte. Limited (TPIPL)
(iv) TP Renewable Microgrid Limited (TPRML)
(v) Tata Power Solar Systems Limited (TPSSL)
(vi) Tata Power Southern Odisha Distribution Limited (TPSODL)
(vii) Tata Power Trading Company Limited (TPTCL)
(viii) Tata Power Western Odisha Distribution Limited (TPWODL)

E. Joint Ventures of holding company (with whom the Company has transactions)
(i) Prayagraj Power Generation Company Limited (PPGCL)
(ii) Powerlinks Transmission Limited (PTL)

F. Associates of holding company (with whom the Company has transactions)
(i) Tata Projects Limited (TPL)

G. Subsidiaries and Jointly Controlled Entities of Promoters of Holding Company - Promoter Group (with whom the Company has transactions)
(i) Infiniti Retail Limited (IRL)
(ii) Tata Industries Limited (TIL)
(iii) Tata AIG General Insurance Company Limited (Tata AIG)
(iv) Tata Advanced Systems Limited (TASL)
(v) Tata Capital Financial Services Ltd. (TCFSL)
(vi) Tata Communications Limited (TCL)
(vii) Tata Consulting Engineers Ltd. (TCES)
(viii) Tata AIA Life Insurance Company Limited (Tata AIA)
(ix) Tata Teleservices Limited (TTSL)
(x) Tata Sky Broadband Private Limited (TSBPL)

H. Post retirement employee benefit trust
(i) North Delhi Power Limited Employees Group Gratuity Assurance Scheme (Gratuity Fund)
(ii) Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 (SVRS RTBF - 2004)

I. Key management personnel

Chief Executive Officer (CEO)
(i) Mr. Sanjay Kumar Banga (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
(ii) Mr. Nawshir H. Mirza (ceased w.e.f. 23 March, 2020)
(iii) Mr. Arup Ghosh
(iv) Mr. Amar Jit Chopra
(v) Mr. Ajay Shankar
(vi) Mr. Ramesh N. Subramanyam
(vii) Mr. Minesh Shrikrishna Dave (ceased w.e.f. 30 November, 2019)
(viii) Ms. Satya Gupta
(ix) Mr. Kesava Menon Chandrasekhar (independent director appointed w.e.f. 24 March, 2020)
(x) Mr. Sanjay Kumar Banga (appointed w.e.f. 20 January, 2020)
(xi) Mr. Jasmine Shah (appointed w.e.f. 20 January, 2020)
(xii) Mr. Ajit Kumar Singh (appointed w.e.f. 20 January, 2020)
(xiii) Ms. Rashmi Krishnan (appointed w.e.f. 20 January, 2020)
(xiv) 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 31.03.2021	Year ended 31.03.2020
A. Purchase of goods			
(i) TPTCL	Purchase of power	1,02,909.41	1,25,233.85
	Rebate on power purchase	1,984.46	2,113.32
(ii) TPSSL	Purchase of spares	-	6.17
(iii) IRL	Purchase of consumables	-	0.76
B. Purchase of property, plant and equipment			
(i) TPCL	Purchase of vehicle	1.89	-
(ii) TASL	Purchase of integrated security solutions	146.54	932.54
(iii) IRL	Purchase of office equipment	0.40	-

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Transactions with related parties contd.

₹/Lakhs

Name of related party	Nature of transactions	Year ended 31.03.2021	Year ended 31.03.2020
C. Sale of property, plant and equipment			
(i) TPCL	Sale of vehicles & IT Assets	20.92	35.86
(ii) TPCODL	Sale of vehicles & IT Assets	70.29	-
(iii) TPADL	Sale of IT asset	0.28	2.70
(iv) TPTCL	Sale of vehicles & IT Assets	7.85	4.83
(v) TPWODL	Sale of vehicles & IT Assets	39.09	-
(vi) TPSODL	Sale of vehicles & IT Assets	39.35	-
(vii) TPSSL	Sale of IT asset	0.15	-
(viii) PTL	Sale of IT asset	0.52	-
D. Rendering of services			
(i) TPCL	Management contract for deputation of employees	1.29	17.71
	Management contract for consultancy services	276.77	182.61
(ii) DPCL	Commission earned	2.06	3.91
(iii) TPADL	Management contract for consultancy services	9.02	2.74
(iv) TPCODL	Management contract for consultancy services	300.27	-
(v) TPWODL	Management contract for consultancy services	22.27	-
(vi) TPSODL	Management contract for consultancy services	28.78	-
(vii) TPIPL	Management contract for consultancy services	21.40	201.49
(viii) Tata Sons	Revenue from training	-	0.40
(ix) TPTCL	Management contract for deputation of employees	5.83	-
(x) TPL	Revenue from training	-	7.50
(xi) TPRML	Revenue from training	-	1.68
(xii) PPGCL	Management contract for deputation of employees	17.74	14.65
(xiii) TCFSL	Other income	-	0.10
(xiv) TCES	Revenue from consultancy	10.92	32.76
(xv) TSBPL	Revenue from use of assets	47.47	40.15
E. Receiving of services			
(i) TPCL	Management contract for deputation of key management personnel (KMP)	199.42	212.21
	Management contract for deputation of employees	-	114.54
	Training	-	26.22
(ii) Tata Sons	Training	0.80	3.34
	Professional Charges	2.86	3.72
	Fees and subscription	-	5.31
	Corporate social responsibility expenses	3.54	-
(iii) TPSSL	Annual maintenance contract of solar plants	10.37	9.88
(iv) Tata AIG	Insurance expense	198.72	171.66
(v) TCL	Communication expenses	32.62	29.26
(vi) TTSL	Automatic meter reading expenses, call center charges etc.	219.91	238.85
	Communication expenses	7.33	7.75
(vii) Tata AIA	Insurance expense	125.81	-
(viii) TCES	Consultancy services	1.36	15.80
(ix) TIL	Corporate social responsibility expenses	23.79	20.93
(x) TPL	Corporate social responsibility expenses	20.87	8.54
F. Reimbursement of expenses (paid)/received [net]			
(i) TPCL	Travelling, training and conveyance etc.	112.46	75.92
(ii) Tata Sons	Travelling and conveyance etc.	-	0.61
(iii) TPTCL	Miscellaneous expenses etc.	(11.71)	(8.51)
(iv) TPIPL	Travelling and conveyance, insurance etc.	13.56	9.86
(v) TPADL	Travelling and conveyance etc.	0.08	0.31
(vi) TPWODL	Travelling and conveyance, insurance etc.	4.80	-
(vii) TPSODL	Travelling and conveyance, insurance etc.	7.64	-
(viii) TPCODL	Travelling and conveyance, insurance etc.	8.91	-
(ix) TCES	Travelling and conveyance.	-	3.74
G. Equity dividend paid			
(i) TPCL	Dividend on equity shares	6,756.48	5,067.36
(ii) DPCL	Dividend on equity shares	6,491.52	4,868.64
H. Transaction with Trust			
(i) Gratuity Fund	Contribution to trust	768.14	450.00

43.3 Compensation of key managerial personnel

₹/Lakhs

Name of related party	Nature of transaction	Year ended 31.03.2021	Year ended 31.03.2020
A. CEO	Deputation pay and other benefits		
	a. Mr. Sanjay Kumar Banga	-	134.41
	b. Mr. Ganesh Srinivasan	177.82	43.53
B. Non-executive directors	(i) Sitting fees*	93.75	32.78
	(ii) Consultancy fees -		
	a. Mr. Arup Ghosh (upto 31 May, 2019)**	0.49	11.99
	b. Ms. Satya Gupta (upto 12 July, 2019)	-	8.26

* Exclusive of Goods & Services Tax

** Amount paid during current year pertains to AT&C Incentive of FY 2019-20

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

43.4 **Balance outstanding with related parties**

₹/Lakhs

Name of related party	Nature of balances	As at 31.03.2021	As at 31.03.2020
A. Receivables			
(i) TPCL	Trade receivables net of payables	146.03	187.58
(ii) TPIPL	Trade receivables	13.77	31.17
(iii) TPADL	Trade receivables	5.00	-
(iv) TPCODL	Trade receivables	436.90	-
(v) TPRML	Trade receivables	-	1.98
(vi) PPGCL	Trade receivables	1.78	17.29
(vii) TPWODL	Trade receivables	71.62	-
(viii) TPSODL	Trade receivables	83.36	-
(ix) PTL	Trade receivables	0.61	-
(x) TCES	Trade receivables including advances	0.51	-
(xi) TSBPL	Trade receivables	-	2.34
(xii) SVRS RTBF-2004	Other financial assets	28.94	87.95
B. Payables			
(i) Tata Sons	Trade payables net of receivables including advances	0.09	0.04
(ii) DPCL	Trade payables	301.55	346.45
(iii) TPTCL	Trade payables net of receivables	1,804.47	7,569.35
(iv) TPSSL	Trade payables net of receivables including retention money and earnest money deposit	24.58	24.62
(v) TASL	Trade payables including retention money	310.97	407.75
(vi) TCES	Security deposit net of advances and receivables	-	9.78
(vii) TCL	Trade payables including security deposit, earnest money deposit net of advances	10.35	5.60
(viii) TTSL	Trade payables including retention money and security deposit	11.85	8.07
C. Unbilled revenues			
(i) TPCL	Management contract for consultancy services/Reimbursement of expenses	3.43	2.79
(ii) TPCODL	Management contract for consultancy services/Reimbursement of expenses	0.09	-
(iii) TPIPL	Management contract for consultancy services	0.71	-
D. Accrued expenses			
(i) TPCL	Training expense	-	24.00
(ii) TCES	Consultancy services	4.98	3.67
(iii) TCL	Communication expenses	50.29	23.61
(iv) TTSL	Communication expenses	40.61	33.26
E. Prepaid expenses			
(i) TPTCL	Charges for letter of credit	4.29	4.25
(ii) Tata AIA	Prepaid insurance	225.25	-
(iii) Tata AIG	Prepaid insurance	112.60	38.95
(iv) TTSL	Repair and maintenance	-	12.67
F. Advance to suppliers			
(i) IRL	Advance to vendors	0.34	-
(ii) Tata AIG	Advance to vendors	20.31	19.83
(iii) Tata AIA	Advance to vendors	12.01	-
G. Other liabilities (Current & Non Current)			
(i) TPCL	Advance from consumers	1.00	-
H. Commitments made			
(i) TCL	Communication expenses	-	3.36
(ii) TCES	Consultancy services	224.41	224.41
(iii) TASL	Capital commitment: Implementation of integrated security solution	-	105.30
(iv) TTSL	Call center charges	1.62	1.23

I. Commitments made with TPTCL

Significant commitments of the Group includes commitment for trading margin with TPTCL.

The Company has entered into a long term power purchase agreement with TPTCL on 10 September, 2009 to draw power from Maithon Power Ltd. (MPL) for 30 years from the date of commissioning (COD) and on 20 January, 2009 to draw power from Jhajjar Power Ltd. (JPL) for 25 years from COD. A trading margin of 4 paise per kWh for the energy scheduled by MPL is payable by the Company to TPTCL. A trading margin of 2% of power purchase bill (capacity and energy charges) of JPL is payable by the Company 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, 2021 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, 2022. However, in the opinion of the Company's management, adjustments, if any, are not expected to be material.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Note 46
Approval of financial statements

These financial statements were approved for issue by the board of directors on 23 April, 2021.

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
23 April, 2021

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

New Delhi
23 April, 2021

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, 2020 to 31 March, 2021
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	2,489.35
7.	Total assets	2,509.17
8.	Total Liabilities	14.82
9.	Investments	33.25
10.	Turnover	0.00
11.	Profit before taxation	106.93
12.	Provision for taxation	7.53
13.	Profit after taxation	99.40
14.	Proposed Dividend	-
15.	Extent of shareholding (in percentage)	100%

Notes:

1. There is no subsidiary which is yet to commence operations.
2. There is no subsidiary which has been liquidated or sold during the year.

Part "B": Associates and Joint Ventures - Not Applicable

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

New Delhi
23 April, 2021

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