TATA POWER-DDL
Towards a Greener Tomorrow

ANNUAL REPORT
2023-24

COMPANY AT A GLANCE

FRONT RUNNER IN POWER DISTRIBUTION REFORMS

Tata Power Delhi Distribution Limited (the Company/Tata Power-DDL) is a joint venture between The Tata Power Company Limited ("Tata Power") and the Government of NCT of Delhi with the majority stakes being held by Tata Power (51%). Currently, the Company is serving 20.25 lakh customers in North and North-West Delhi over an area of 510 sq. km. Since Delhi power distribution privatization in July 2002, the Aggregate Technical & Commercial (AT&C) losses in the Company's area of operations have shown a record decline. As on 31st March 2024, the AT&C losses stand at 5.90%, which is an unprecedented reduction of around 89% from an opening loss level of 53% in July 2002.

Since its inception, Tata Power-DDL has improved the System Availability Index from 70% to 99.80%, while overseeing an almost two-fold increase in network length and 2.4 times increase in peak demand, and has installed 4.2 lakh smart meters.

To ensure reliable power supply and to provide best in class services to its customers, the Company has implemented several world-class technologies such as Advance Distribution Management System (ADMS) which is designed to replace the conventional SCADA-DMS-OMS system with features such as real-time integration of Smart Meter Data/ Distributed Generation Integration and single data model from Geographical Information System (GIS), Integrated GIS for instant services, Advanced Metering Infrastructure (AMI), Automated Demand Response (ADR), Smart Street Light Management System, Field Force Automation, Upgraded Network, Integrated Toll Free Helpline No. 19124 etc. The Company has been successfully empaneled by the Indian Computer Energy Response Team (CERT-In) for providing information security auditing services, a first for utility in India. Along with the introduction of System Enhancements like smart meters and their applications, few key technological advancements include implementation of IoT based LV Automation, OCR based meter reading, Meter installation QC through Image Analytics and Robotic Process Automation in key work processes such as new connection, reading & billing quality check, bank payment reconciliation etc. The Company in its journey has continuously worked towards empowerment of customers using technology and many digital platforms and is acknowledged for its customer friendly practices. It provides various facilities and services to its customers for their ease and convenience such as 24x7 Integrated Helpline, Mobile Application for both iOS and Android users, bilingual website, Multiple Payment Avenue, end to end online services for new connections etc.

Tata Power-DDL's Smart Grid Lab provides a test bed to demonstrate the Smart Grid Technologies and benefits of IT and OT technology convergence for Distribution Sector. It has also been recognised as In-House R&D Unit by Department of Science and Industrial Research (DSIR) under Ministry of Science and Technology.

Since 2018, the Company is the only Indian Utility to be ranked in Top 25 in the 'Smart Grid Index Benchmarking', conducted by Singapore Power, that benchmarks more than 90 utilities across 39 countries and markets.

Tata Power-DDL has secured the highest rating of A+ in the Consumer Service Rating of Discoms published by the Ministry of Power for FY 2022-23. The Company has also won the ET Energy Leadership Awards 2023 in the categories of 'Power Distribution Company of the Year' and 'Excellence in Customer Service (Distribution Sector)'.

COMMITTED TO BEING SUSTAINABLE

The Company has added solar generation as a part of its sustainable initiatives since 2008 and installed fifteen (15) Solar Plants on the rooftop of its grid substations with a total generation capacity of 1.8 MW. It also has a total net metering cumulative capacity of 66.6 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.

Tata Power-DDL's Corporate Mascot 'Roshni'

Tata Power-DDL's Customer care centres have energy shops/counters which offer BEE Star rated products to its customers, which helps them to become more energy efficient and reduce energy bills. The usage of energy efficient products also helps in sustaining the environment. Apart from providing a range of Value Added Services to its customers, the Company also engages with its customers through Demand Response Program- Urja Arpan.

For ensuring Energy Islanding in case of major blackouts, Tata Power-DDL has installed South Asia's first 10 MW Grid Connected Battery Energy Storage System (BESS). Additional Community Energy Storage System and Pole Mounted Battery Energy Storage System have also been installed.

To address the challenges of peak load management, network optimization and the improvement of the power quality and reliability, *iElectrix-Shakti*, a local energy system has been implemented at the St. Xavier's school substation, in the Civil lines area, that aims to integrate the excess generation from PV solar panels installed at the consumer premises into the distribution network and its storage into BESS.

FOLLOW US ON

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

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

https://twitter.com/TataPower_DDL

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	DESCRIPTION
ISO 9001:2015	Specifies requirements for a Quality Management System (QMS).
ISO 14001:2015	Specifies requirements for an environmental management system to enable an organization to enhance its environmental performance.
ISO 27001:2013	Specification for an Information Security Management System (ISMS).
ISO 22301:2012	International Standard for Business Continuity Management (BCM).
SA 8000:2014	An international certification standard that encourages organizations to develop, maintain and apply socially acceptable practices in the workplace.
ISO 45001:2018	Sets out the requirements for occupational health and safety management good practice for any size of organization.
ISO 17025:2017	NABL Accreditation to Transformer Oil Analysis Laboratory.
ISO 50001:2018	The standard aims to help organizations in continually reducing their energy usage and therefore, their energy costs and greenhouse gas emissions.
ISO 10002:2018	Gives guidelines for the process of complaints handling.
ISO 20400:2017	Provides guidance to organizations, independent of their activity or size, on integrating sustainability within procurement.
ISO 31000:2018	Guidelines on managing risk faced by organizations.

AWARDS AND RECOGNITIONS

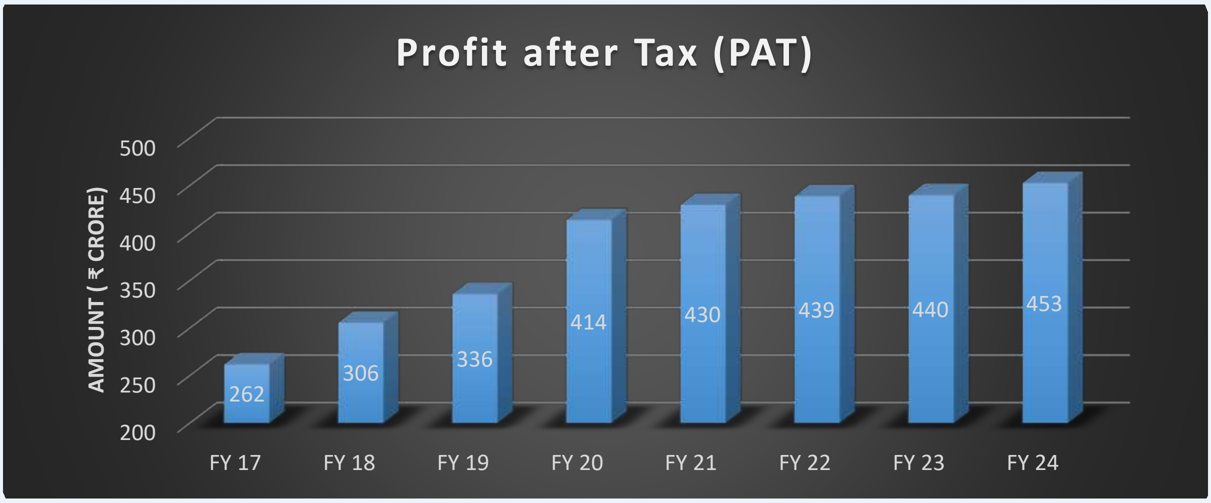
Various awards and recognitions have been bestowed on the Company and its executives during the financial year 2023-24. Some of the awards and recognitions received by the Company are as under:

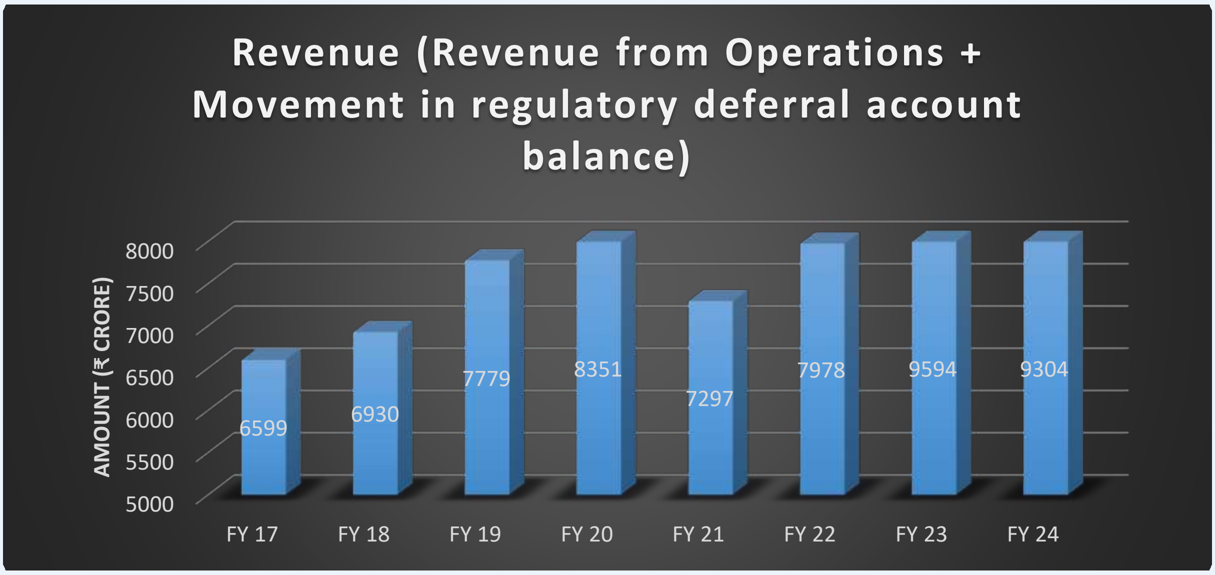
Award Name	Award Details/Description
	Tata Power-DDL won "Voice of Customer Impact Award in Power Distribution Sector" for the best use of voice of customers, at the 3rd Annual Excellence Awards 2024, presented by Quantic and SAP Customer Experience in Delhi on 15th March'24.
ICSI The Institute of Company Secretaries of India	Tata Power-DDL has won the 23rd ICSI National Award for Excellence in Corporate Governance as the Best Governed Company (Large Category-Unlisted Segment) organised by The Institute of Company Secretaries of India (ICSI).
ICC INDIAN CHAMBER OF COMMERCE	Tata Power Delhi Distribution Limited (Tata Power-DDL), has been honoured with the Jury Choice Award at the prestigious '6th ICC Social Impact Awards 2024' in the Large Enterprise Category

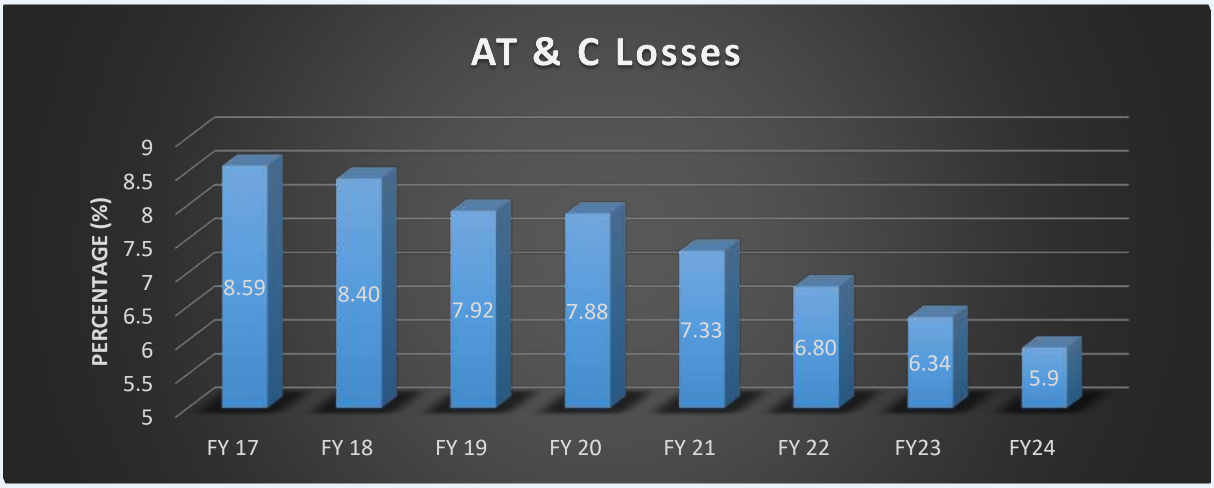
Tata Affirmative Action Programme	Tata Power-DDL's Lakshya Initiative wins award under 'Best Practices' category at TAAP convention 2024. The initiative supports underprivileged students in preparing for competitive exams and pursue higher education.
CENTRAL BOARD OF IRRIGATION & POWER ESTD. 1927	Tata Power-DDL receives accolades at 8th R&D International Conference on “Global Trends in Water Resources, Power & RE Technologies.” The papers showcased company's approaches to address challenges in Distribution sector
AIMA ALL INDIA MANAGEMENT ASSOCIATION	Tata Power-DDL's Case Study on Green Supply Chain wins 2nd Best Case Study Award at the Global Procurement Summit 2024. The award recognizes company's Supplier Sustainable Index (SSI) and initiatives for eco-friendly packaging.
ICC INDIAN CHAMBER OF COMMERCE	Tata Power-DDL has been conferred with the DISCOMs Leadership Award at the prestigious 4th Green Urja & Energy Efficiency Awards by the Indian Chamber of Commerce (ICC).
Greentech Foundation® Partners in your Pride & Prestige	Tata Power Delhi Distribution Limited was declared WINNER in the "Gender Equality & Empowering Women" category at the “10th Greentech CSR India Awards 2023 for its outstanding contributions in the field.
CII INDUSTRIAL INNOVATION AWARDS	Tata Power-DDL honored with Top 50 Innovative Companies Award 2023 at the CII Industrial Innovation Awards 2023 for encouraging innovations at all levels in the organization.
	Tata Power-DDL wins Star Champion Award at The Champions Trophy 2023 organised by the CII IQ, TPM Club India. Technical Services-P&T (STS) and Plant Engg./STS/SHE&DM teams won in the Restorative and Renovative Kaizen Category for their projects.
Sustainable Development Foundation A UNIT OF EK KAAM DESH KE NAAM	Tata Power-DDL wins 'Platinum Award' in Power Sector category at the 15th Exceed Occupational Health Safety & Security Award and Conference 2023. The award is a testament to the company's commitment to Occupational Health & Safety of its employees.

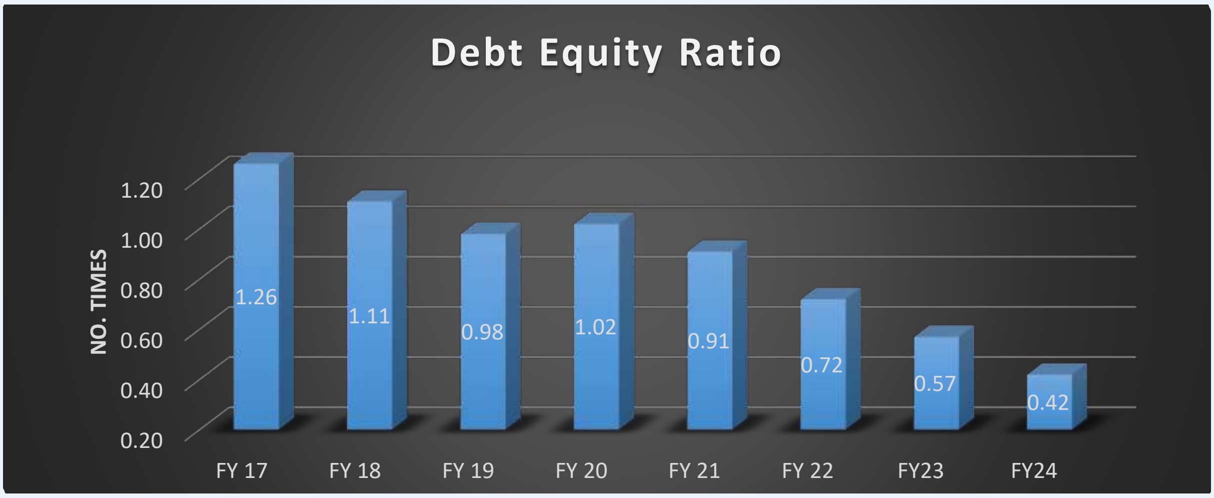
	Tata Power-DDL wins award for "Significant Impact through Improvement Interventions" at Business Excellence Convention 2023. The award recognizes companies for their high adoption of 'Value creation through learning & sharing behavior'
	Tata Power-DDL wins Brand Communications Team of the Year at Corp Comm Vision and Innovation Summit & Awards 2023. The award underscores the company's commitment to sustainability, reflecting its excellence in brand communication.
	Tata Power-DDL wins Environmental Sustainability Communication Award at Corp Comm Vision and Innovation Summit & Awards 2023. The award recognizes the company's dedication to sustainability and its journey 'Towards a Greener Tomorrow'.
	Tata Power-DDL recognized with Quality Sustainability Award 2023 by Indian Society for Quality (ISQ). The company's quality improvement project "A Big Sustainability Swing through change in the cable & cable drum design" was recognized.
	Tata Power-DDL wins "Best Customer Experience Team of the Year" award at the 14th Edition of CX Strategy Summit & Awards 2023 held on 2nd Nov 2023
	Tata Power-DDL has been adjudged Winner of "Best Contact Centre" award at the 14th Edition of CX Strategy Summit & Awards 2023 held on 2nd Nov 2023.
	Tata Power-DDL wins 'Jury Award–Non Deemed Category Corporate' at Tax India Online Limited (TIOL) Awards 2023.
	Tata Power-DDL conferred with 'Gold Winner Award' in Power Sector category at 5th ICC National Occupation Health & Safety Award 2023.
	Tata Power-DDL wins Utilities Deal of the Year Award under 'The Asset Triple A Sustainable Infrastructure Award 2023' by 'The Asset Company'.

KEY PERFORMANCE INDICATORS






AT & C Losses
PERCENTAGE (%)
9
8.5
8
7.5
7
6.5
6
5.5
5
8.59
8.40
7.92
7.88
7.33
6.80
6.34
5.9
FY 17
FY 18
FY 19
FY 20
FY 21
FY 22
FY23
FY24


Debt Equity Ratio
NO. TIMES
1.20
1.00
0.80
0.60
0.40
0.20
1.26
1.11
0.98
1.02
0.91
0.72
0.57
0.42
FY 17
FY 18
FY 19
FY 20
FY 21
FY 22
FY23
FY24

TATA POWER DELHI DISTRIBUTION LIMITED

BOARD OF DIRECTORS

Dr. Praveer Sinha	Chairman
Mr. Kailash Nath Shrivastava	Independent Director
Mr. Ashok Sinha	Independent Director
Mr. Narendra Nath Misra	Independent Director
Mr. Manish Kumar Gupta	Non-Executive Director
Dr. Ashish Chandra Verma	Non-Executive Director
Mr. Shurbir Singh	Non-Executive Director
Mr. Ajay Kapoor	Non-Executive Director
Mr. Sanjay Kumar Banga	Non-Executive Director
Ms. Shefali Shah	Non-Executive Director
Mr. Sunil Singh	Non-Executive Director

REGISTERED OFFICE:

NDPL House, Hudson Lines, Kingsway Camp, Delhi 110 009

CORPORATE IDENTITY NUMBER (CIN):

U40109DL2001PLC111526

STATUTORY AUDITORS:

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

COST AUDITORS

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

SECRETARIAL AUDITORS:

M/s Sanjay Grover & Associates, Company Secretaries

INTERNAL AUDITOR:

Mr. Piyush Kumar Jain

BANKERS:

HDFC Bank	Asian Development Bank	Axis Bank
Karnataka Bank Limited	State Bank of India	Canara Bank
Indian Bank	Standard Chartered Bank	Punjab National Bank
Yes Bank	Deutsche Bank	

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Annual General Meeting

Day & Date	**:**	**Monday, 24th June 2024**
Time	**:**	**11:30 a.m.**
Venue	**:**	**Tata Power-DDL Smart Grid Lab, Dr. K.N. Katju Marg, Sector – 15, Rohini, adjacent to RG-05 Grid, Delhi – 110 085 (through video conferencing/ other audio visual means)**

TATA POWER DELHI DISTRIBUTION LIMITED

NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of the members of Tata Power Delhi Distribution Limited will be held on Monday, 24th June 2024 at 11:30 a.m. at Tata Power-DDL Smart Grid Lab, Dr. K.N. Katju Marg, Sector – 15, Rohini, adjacent to RG-05 Grid, Delhi – 110085 through Video Conferencing/Other Audio-Visual Means to transact the following business(es):

Ordinary Business:

1. To receive, consider and adopt:
  (a) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2024 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 2024 together with the Reports of the Auditors thereon.

2. To confirm the payment of interim dividend on equity shares and to declare a final dividend on equity shares for the financial year ended 31st March 2024.

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. Sanjay Kumar Banga (DIN: 07785948), who retires by rotation and being eligible, offers himself for re-appointment.

5. To appoint a Director in place of Mr. Ajay Kapoor (DIN: 00466631), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

6. Appointment of Ms. Shefali Shah as a Director

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

"**RESOLVED** that Ms. Shefali Shah (DIN: 09731801), who was appointed by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, as an Additional Director of the Company effective 20th October 2023 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 and any other applicable provisions, if any, of the Companies Act, 2013 ('Act') (including any modification or re-enactment thereof) and the Articles of Association of the Company and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

7. Appointment of Mr. Sunil Singh as a Director

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

"**RESOLVED** that Mr. Sunil Singh (DIN: 08114215), who was appointed by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, as an Additional Director of the Company effective 20th October 2023 and who holds office up to the date of this Annual

General Meeting of the Company in terms of Section 161 and any other applicable provisions, if any, of the Companies Act, 2013 ('Act') (including any modification or re-enactment thereof) and the Articles of Association of the Company and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

8. 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(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, the Company hereby ratifies the remuneration of ₹ 2,47,500/- (Rupees Two lakh forty-seven thousand five hundred only) plus applicable taxes and out of pocket expenses on actual basis incurred in connection with the audit, payable to M/s Chandra Wadhwa & Co., Cost Accountants (Firm Registration No. 000239), who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the financial year 2024-25."

NOTES:

(1) The relative explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 (the Act) and the rules made thereunder, in regard to the business(es) set out in item nos. 6 to 8 and the relevant details of the Directors of the Company seeking re-appointment/appointment as set out in item nos. 3 to 7 above as required under Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India, are annexed hereto.

(2) Pursuant to General Circulars No.14/2020 dated 8th April 2020, No.17/2020 dated 13th April 2020, No.20/2020 dated 5th May 2020, No. 02/2021 dated 13th January 2021, No. 21/2021 dated 14th December 2021, No. 2/2022 dated 5th May 2022 and No. 10/2022 dated 28th December 2022 and No.09/2023 dated 25th September 2023 issued by the Ministry of Corporate Affairs (collectively referred to as 'MCA Circulars'), the Company is convening the Twenty Third Annual General Meeting (AGM) through Video Conferencing (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and the applicable provisions of the Act, the AGM of the members of the Company is being held through VC/OAVM. The deemed venue for Twenty Third Annual General Meeting will be Tata Power-DDL Smart Grid Lab, Dr. K.N. Katju Marg, Sector – 15, Rohini, adjacent to RG-05 Grid, Delhi – 110085, New Delhi.

(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 2023-24 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 2023-24 will also be available on the Company's website https://www.tatapower-ddl.com/

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

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

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

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

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

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

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

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

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

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

(15) The Company ensures that the AGM through VC/OAVM facility allows two way videoconferencing or MS Teams 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. monica.mehra@tatapower-ddl.com

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

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

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

(19) The meeting will be conducted through audio-visual means (MS Teams). Members may participate in the meeting through the following link:
Join the meeting now
Meeting ID: 492 034 247 896
Passcode: nxScTi

(20) Disclosures with regard to the manner in which the framework is 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. 9999789447 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 a poll is made by any Member, in accordance with Section 109 of the Act and the rules made thereunder.

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

Delhi, 16th April 2024
Corporate Identity No.:
U40109DL2001PLC111526

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

(Monica Mehra)
Company Secretary
Membership No. 15293

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (“the Act”), the following explanatory statement sets out all material facts relating to the business mentioned under item nos. 6 to 8 of the accompanying notice dated 16th April 2024.

Item no. 6: In terms of clauses 3.1 and 3.2 of the Shareholders’ Agreement dated 27th June 2002, The Tata Power Company Limited (Tata Power/ Parent Company) had vide its communication dated 23rd August 2023 proposed to appoint Ms. Shefali Shah (DIN: 09731801), a retired Indian Revenue Service (IRS) officer, Batch 1985 as an Additional Director on the Board of the Company:

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors appointed Ms. Shefali Shah, as an Additional Director of the Company effective 20th October 2023, in terms of Article 96 of the Articles of Association of the Company and Section 161(1) of the Act and the rules made thereunder.

In terms of Section 161(1), Ms. Shah holds office only upto the date of the forthcoming Annual General Meeting (AGM) of the Company and is eligible for appointment as a Director. A notice under Section 160(1) of the Act has been received from a Member signifying its intention to propose Ms. Shah’s appointment as a Director.

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

Ms. Shefali Shah, a retired Indian Revenue Service (IRS) officer, Batch 1985, currently holding the position of Chairperson of the Quality Review Board, a statutory body constituted under The Chartered Accountants Act, 1949, which reviews the quality of audit services provided by members of the Institute of Chartered Accountants of India. With more than 35 years of varied experience in policy formulation, strategy, programme implementation in Government of India in Ministries of Commerce, Culture, Consumer Affairs, Revenue and Direct Tax policy & administration, she superannuated as Principal Chief Commissioner of Income Tax in August 2020 after holding various important positions during her stint as an IRS Officer.

At present, Ms. Shah is a senior policy adviser with Save Life Foundation, a Not-for-Profit organization working on road safety issues including audit of construction, forensic crash investigation, formulation of standards of road construction and advocacy on road safety. She has similar engagement with Nangia Anderson Private Limited on policy matters and Govt. affairs.

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

In compliance with the applicable provisions of the Act, the appointment of Ms. Shah as a Director, liable to retire by rotation, is now being placed before the Members for their approval.

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

Other than Ms. Shah, 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.

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

Item no. 7: In terms of clauses 3.1 and 3.2 of the Shareholders' Agreement dated 27th June 2002, The Tata Power Company Limited (Tata Power/Parent Company) had vide its communication dated 18th September 2023 proposed to appoint Mr. Sunil Singh (DIN: 08114215), an alumnus of IIT- Roorkee in Electrical Engineering as an Additional Director on the Board of the Company:

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors appointed Mr. Sunil Singh, as an Additional Director of the Company effective 20th October 2023, in terms of Article 96 of the Articles of Association of the Company and Section 161(1) of the Act and the rules made thereunder.

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

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

Mr. Sunil Singh, an alumnus of IIT- Roorkee in Electrical Engineering and having wide experience in the entire Power Sector value chain i.e., Generation, Transmission & Distribution, is a veteran in Indian power sector having an all-embracing experience of more than four decades. He has worked in the leadership teams of UP- State Electricity Board and Tata Power Delhi Distribution Limited (the Company).

During his stint as above, he has led cross functional teams in the business areas of Leadership, Strategy, Customer Focus, Knowledge Management, People Management, Processes and Business Results, Operation & Maintenance, AT&C Loss Reduction, EHV, HV and Distribution Projects, Power System Control, Safety, Business Process Re-engineering, Regulatory & Statutory Compliance and Consumer Service etc.

Mr. Singh is amongst the well-known speakers in various International & National think tanks in the areas of Distribution Reforms, Technology Adoption, Customer Centricity, Adoption of Best Safety Practices, Business Process Re-Engineering etc. He has represented Tata Power in different multilateral platforms such as World Bank, ADB and British Safety Council etc.

At present, he is associated with Tata Power for acquisition of new distribution business and provides guidance in terms of technology adoption, safe working practices, commercial process re-engineering, AT&C loss reduction and strategy formulation etc.

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

In compliance with the applicable provisions of the Act, the appointment of Mr. Singh as a Director, liable to retire by rotation, is now being placed before the Members for their approval.

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

Other than Mr. Singh, 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. 7 of the accompanying notice.

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

Item no.8: Pursuant to the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice and the remuneration payable to the Cost Auditors is required to be ratified by the shareholders of the Company at the General Meeting. On the recommendation of Audit Committee, the Board of Directors have approved the re-appointment of M/s Chandra Wadhwa & Co., Cost Accountants (Firm Registration No. 000239), as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the financial year 2024-25, at a remuneration of ₹ 2,47,500/- (Rupees Two lakh forty-seven thousand five hundred only) plus applicable taxes and out of pocket expenses on actual basis.

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

The Board recommends the resolution at item no. 8 of the accompanying notice for ratification of the Cost Auditors' remuneration for FY 2024-25, 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. 8 of the accompanying notice.

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

Delhi, 16th April 2024
Corporate Identity No.:
U40109DL2001PLC111526

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

(Monica Mehra)
Company Secretary
Membership No. 15293

Details of the Directors, seeking re-appointment/appointment at the Twenty Third Annual General Meeting (In pursuance of Secretarial Standard 2 on General Meetings):

Name of Director	**Dr. Praveer Sinha**	**Mr. Sanjay Kumar Banga**	**Mr. Ajay Kapoor**
DIN	01785164	07785948	00466631
Designation	Chairman	Non-Executive Director	Non-Executive Director
Date of birth Age	8th April 1962 (62 years)	24th July 1967 (56 years)	19th June 1964 (59 years)
Date of appointment	4th May 2018	20th January 2020	21st January 2022
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. Sanjay Kumar Banga is a power sector veteran with around three decades of experience in power generation and distribution business. Mr. Banga brings with him an expertise in the power sector, covering areas of Operational Technologies, Project Management, Utility Business Process Re-engineering and Regulatory Environment that are essential for strengthening of electrical utilities to meet reliability and AT&C loss reduction targets under regulatory regime. The learning he gathered through associations with leading public and private sector electrical utilities in India equips him very well to tackle the enormous challenges of the electricity distribution business in India and abroad. His deep knowledge of the subject makes him a regular speaker in seminars/ workshops/panel discussions in India and abroad. Mr. Banga had been associated with Tata Power-DDL since July 2003 and was part of the group which transformed the ailing distribution Company into a benchmark utility. Mr. Banga started his career with National	Mr. Ajay Kapoor is the Chief (Legal, Regulatory and Advocacy) at The Tata Power Company Limited. Prior to joining The Tata Power Company Ltd. He was the CFO & Chief (legal, Regulatory and Commercial) of Tata Power Delhi Distribution Limited (TPDDL) In addition he was handling enforcement assessment and vigilance functions of the Company. He was also the Chief Risk Officer of TPDDL. He joined TPDDL in October 2002 and rose to CFO position in 2007. He has a rich experience of 36+ years with Companies e.g., ITC Ltd., Tata Group, Birla Group and HCL Group. He has extensive experience in all areas of finance, Legal, ERP implementations, and has handled matters relating to foreign collaborations, joint ventures in India and abroad, financial restructuring, policy advocacy, capital raising, and acquisitions besides handling legal advisory and has handled litigation matters at all levels/forums. During his tenure with TPDDL, it was awarded the National Award for Excellence in Cost management twice in the category of "Service Sector with turnover of more than 1000 Crores" by the Institute of Cost & Works Accountants of India (ICWAI). He was also

		Thermal Power Corporation (NTPC) as an Engineer Trainee and was involved in the Operation & Commissioning of Super Thermal Power Projects (1989 to 1995). Prior to joining Tata Power-DDL, Mr. Banga worked with Reliance Energy (earlier known as BSES Ltd.) from 1996 to 2003, where he was associated with the entire spectrum of generation activities covering wide aspects of operations, maintenance, planning, design and project engineering.	bestowed with CFO 100 Roll of Honour 4 times and with CFO League of Excellence. He was also recognised as Top 25 Thought Leaders by SAP India & Distinguished Alumni by IMI, Delhi. He has been a regular speaker on topics relating to Finance, Accounting, Tax and Law at various forums. In 2021, he was honoured by Society of Indian Law Firms (SILF) for his contribution as In-House Counsel in the field of Corporate Law. In 2023, he was recognised as best In-house lawyer in the field of Energy and Natural Resources by India Business Law Journal.
Qualifications	• Qualified Electrical Engineer. • Master's in Business Law from National Law University, Bangalore. • PhD. from Indian Institute of Technology, Delhi.	• An Alumnus of the National Institute of Technology (NIT), Kurukshetra. • Master's in Business Administration (MBA) from Faculty of Management Studies (FMS), Delhi. • Member of the Bureau of Indian Standard (BIS) LITD10 core Committee for defining standards for Power System Control and Communication. • Completed the Senior Executive Leadership Program from the most coveted Harvard Business School.	• An honours graduate from prestigious Shri Ram College of Commerce, Delhi University. • A Fellow Member of the Institute of Chartered Accountant of India. • He also holds MBA and LL.B. and LL.M. degrees. He has been a rank holder in the CA course, and topper of his batch of MBA for which he was awarded the Gold Medal. • An alumnus of Columbia Business School, New York where he pursued his Executive Program in Management. • He has also attended Executive Education Programmes of Stern School of Business, New York University, Tuck School of Business, Columbia Business School and MIT Sloan School of Business and Tata Group Senior Leadership Program (Organised by TMTC and Harvard Business School).
Terms & conditions of appointment/ reappointment	Appointed as Chairman (Non-Executive Director)	Appointed as Non-Executive Director	Appointed as Non-Executive Director
Remuneration	Nil	Nil	Nil

<table>
<tr><td>Directorships held in other Companies (excluding foreign Companies)</td><td>• Chief Executive Officer and Managing Director of The Tata Power Company Limited

• <u>Chairman of the following Companies:</u>
1. Tata Power Delhi Distribution Limited
2. Tata Power Solar Systems Limited
3. Tata Projects Limited

• <u>Director of the following Companies:</u>
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 Renewable Energy Limited</td><td>Director of the following Companies:
1. TP Central Odisha Distribution Limited
2. TP Northern Odisha Distribution Limited
3. TP Southern Odisha Distribution Limited
4. TP Western Odisha Distribution Limited
5. Tata Power Trading Company Limited
6. NRSS XXXVI Transmission Limited
7. South East U.P. Power Transmission Company Limited</td><td>Director of the following Companies:
1. Mandakini Coal Company Limited
2. Tata Power Trading Company Limited
3. Powerlinks Transmission Limited
4. Dugar Hydro Power Limited
5. Solace Land Holding Limited
6. TP Renewable Microgrid Limited</td></tr>
<tr><td>Committee positions held in other Companies</td><td>• <u>Chairman of the following Committees:</u>
1. Tata Projects Limited - Project Review Committee
2. Power and Infrastructure Committee of Bombay Chamber of Commerce and Industry
3. CII Western Region Council
4. CII's India Business & Biodiversity Initiative

• <u>Member of the following Committees:</u>
1. The Tata Power Company Limited- Corporate Social Responsibility Committee and Sustainability Committee, Executive Committee of the Board, Committee of Directors for Tata Power Group Re-Structuring and Committee for Sale of Properties
2. Tata Power Delhi Distribution Limited- Nomination and Remuneration Committee</td><td>Member of the following Committees:
1. TP Central Odisha Distribution Limited- Audit Committee and Corporate Social Responsibility Committee
2. TP Western Odisha Distribution Limited- Audit Committee
3. TP Southern Odisha Distribution Limited- Audit Committee
4. TP Northern Odisha Distribution Limited- Audit Committee</td><td>Chairman of Audit Committee and Member of Corporate Social Responsibility Committee in Powerlinks Transmission Limited</td></tr>
</table>

	and Long Term Loans and Borrowings Committee 3. Tata Power Renewable Energy Limited- Corporate Social Responsibility Committee, Risk Management Committee and Stakeholders Relationship Committee 4. TP Western Odisha Distribution Limited- Nomination and Remuneration Committee 5. TP Central Odisha Distribution Limited- Nomination and Remuneration Committee 6. TP Southern Odisha Distribution Limited- Nomination and Remuneration Committee 7. TP Northern Odisha Distribution Limited- Nomination and Remuneration Committee 8. Tata Projects Limited - Nomination and Remuneration Committee 9. Member of CII National Committee of Power 10. Member of Central Advisory Committee of Central Electricity Regulatory Commission 11. Member of CII Internal Awards Committee		
Number of Shares held	One equity share of ₹ 10/- in the Company jointly with The Tata Power Company Limited	Nil	One equity share of ₹ 10/- in the Company jointly with The Tata Power Company Limited
Number of Meetings of the Board attended during FY 2023-24	4	4	4
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	None	None

Name of Director	**Ms. Shefali Shah**	**Mr. Sunil Singh**
DIN	09731801	08114215
Designation	Additional Director (Non-Executive)	Additional Director (Non-Executive)
Date of birth Age	30th August 1960 (63 years)	14th June 1959 (64 years)
Date of appointment	20th October 2023	20th October 2023
Expertise in functional areas	Ms. Shefali Shah is currently holding the position of Chairperson of the Quality	Mr. Sunil Singh is having wide experience in the entire Power Sector value chain i.e.,

	Review Board, a statutory body constituted under The Chartered Accountants Act, 1949, which reviews the quality of audit services provided by members of the Institute of Chartered Accountants of India. With more than 35 years of varied experience in policy formulation, strategy, programme implementation in Government of India in Ministries of Commerce, Culture, Consumer Affairs, Revenue and Direct Tax policy & administration, she superannuated as Principal Chief Commissioner of Income Tax in August 2020 after holding various important positions during her stint as an IRS Officer. At present, Ms. Shah is a senior policy adviser with Save Life Foundation, a Not-for-Profit organization working on road safety issues including audit of construction, forensic crash investigation, formulation of standards of road construction and advocacy on road safety. She has similar engagement with Nangia Anderson Private Limited on policy matters and Govt. affairs. She also serves as an Independent Director on the Board of Go Digit Life Insurance Limited.	Generation, Transmission & Distribution, is a veteran in Indian power sector having an all-embracing experience of more than four decades. He has worked in the leadership teams of UP- State Electricity Board and Tata Power Delhi Distribution Limited (the Company). During his stint as above, he has led cross functional teams in the business areas of Leadership, Strategy, Customer Focus, Knowledge Management, People Management, Processes and Business Results, Operation & Maintenance, AT&C Loss Reduction, EHV, HV and Distribution Projects, Power System Control, Safety, Business Process Re-engineering, Regulatory & Statutory Compliance and Consumer Service etc. Mr. Singh is amongst the well-known speakers in various International & National think tanks in the areas of Distribution Reforms, Technology Adoption, Customer Centricity, Adoption of Best Safety Practices, Business Process Re-Engineering etc. He has represented Tata Power in different multilateral platforms such as World Bank, ADB and British Safety Council etc. At present, he is associated with Tata Power for acquisition of new distribution business and provides guidance in terms of technology adoption, safe working practices, commercial process re-engineering, AT&C loss reduction and strategy formulation etc.
Qualifications	• A retired Indian Revenue Service (IRS) officer, Batch 1985.	• An alumnus of IIT- Roorkee in Electrical Engineering
Terms & conditions of appointment	Appointed as an Additional Director (Non-Executive)	Appointed as an Additional Director (Non-Executive)
Remuneration	Only the sitting fee is paid	Only the sitting fee is paid
Directorships held in other Companies (excluding foreign Companies)	Director of the following Companies: 1. Go Digit Life Insurance Ltd. (Independent Director) 2. TP Central Odisha Distribution Limited (Additional Director) 3. TP Northern Odisha Distribution Limited (Additional Director) 4. Raigad Pen Growth Centre Limited 5. Indiabulls Housing Finance Limited	Additional Director of the following Companies: 1. TP Southern Odisha Distribution Limited 2. TP Western Odisha Distribution Limited
Committee positions held in other Companies	• Chairperson of Corporate Social Responsibility Committee in TP Northern Odisha Distribution Limited	• Member of the following Committees: 1. TP Southern Odisha Distribution Limited- Audit Committee and Corporate Social Responsibility Committee

	• Member of the following Committees: 1. Go Digit Life Insurance Limited- Nomination and Remuneration Committee, Policyholder Protection Committee and Audit Committee 2. TP Northern Odisha Distribution Limited- Audit Committee 3. TP Central Odisha Distribution Limited- Corporate Social Responsibility Committee	2. TP Western Odisha Distribution Limited- Audit Committee and Corporate Social Responsibility Committee
Number of Shares held	Nil	One equity share of ₹ 10/- in the Company jointly with The Tata Power Company Limited
Number of Meetings of the Board attended during FY 2022-23	2	2
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	None

Board's Report

To the Members,

The Directors present 23rd Annual Report of Tata Power Delhi Distribution Limited (the Company or Tata Power-DDL) along with the audited Financial Statements for the year ended 31st March 2024. The consolidated performance of the Company and its subsidiary has been referred to wherever required.

1. FINANCIAL RESULTS

(₹ crore)

Particulars	Standalone		Consolidated	
	2023-24	**2022-23**	**2023-24**	**2022-23**
Revenue from operations	10122	9297	10122	9297
Add: Other income	120	106	122	108
Total income	**10242**	**9403**	**10244**	**9405**
Expenditure (Excl. Depreciation, Interest & Tax)	8087	8395	8088	8395
Interest	288	286	288	286
Depreciation	390	377	390	377
Total Expenditure	**8765**	**9058**	**8765**	**9058**
Profit before tax and rate regulated activities	1477	345	1478	347
Net movement in regulatory deferral account balance	-818	297	-818	297
Profit before tax	**659**	**642**	**660**	**644**
Less: Exceptional Items: Impairment of Property, Plant and Equipment	-	-		-
Less: Exceptional Items: Impairment loss on assets classified as held for sale	-	-		-
Less: Provision for Taxes Current Income Tax (including prior period adjustments) Deferred Income Tax (including Deferred Tax on OCI)	113 92	115 87	113 92	116 87
Profit for the year	**454**	**440**	**455**	**441**
Other Comprehensive Income	-1	-	-1	-
Less: Statutory Appropriations				
Balance Profits available for appropriation	453	440	454	441
Add: Balance brought forward from the previous year	3254	2940	3280	2965
Total Profit available in P&L Account, which the Directors have appropriated as under to: i) Dividend paid ii) Capital Redemption Reserve	3707 368 10	3380 126 -	3734 368 10	3406 126 -
Leaving a balance to be carried forward	3329	3254	3356	3280

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

2. ALLOTMENT OF NON-CONVERTIBLE DEBENTURES OF ₹ 100 CRORE TO ASIAN DEVELOPMENT BANK

The Company had allotted secured, unlisted, unrated, redeemable, 1,000 (one thousand) Non-Convertible Debentures (NCDs) of ₹ 10,00,000/- (Rupees Ten lakh only) each, aggregating to ₹ 100,00,00,000/- (Rupees One Hundred crore only) at par to Asian Development Bank on private placement basis to fund capex incurred on new grid, transformers, substations, feeder lines, switching stations and smart meters along with a grant of ₹ 16 crore to part finance purchase & integration of 10 MW Battery Energy Storage System (BESS).

3. DIVIDEND

The Board had paid an interim dividend @ 20% (₹ 2 per Equity share of ₹ 10 each) on the equity share capital for the financial year 2023-24 i.e., a total of ₹ 210.40 crore was paid out of the profits of the Company for the nine months ending 31st December 2023, to the equity shareholders of the Company.

The Board has recommended a dividend of ₹ 2/- per fully paid Equity Share (20%) on 1,05,20,00,000 Equity Shares of face value of ₹ 10/- each, for the year ended 31st March 2024. (previous year 15% i.e. ₹ 1.50/- per share on 1,05,20,00,000 equity shares of ₹ 10/- each).

The dividend on equity shares is subject to the approval of the Shareholders at the Annual General Meeting ('AGM') scheduled to be held on Monday, 24th June 2024.

The dividend once approved by the Shareholders will be paid to them directly in their bank accounts through electronic mode. If approved, the dividend would result in a cash outflow of ₹ 210.40 crore (previous year: ₹ 157.80 crore). The dividend on equity shares is 20% of the paid-up value of each share.

4. STATE OF COMPANY'S AFFAIRS

- **FINANCIAL HIGHLIGHTS**

  The Company had revenues from operations aggregating to ₹ 10,122 crore during FY 2023-24, an increase of about 9% over the previous year revenues of ₹ 9,297 crore. The Company has earned a profit before tax and rate-regulated activities of ₹ 1,477 crore in FY 2023-24 as compared to ₹ 345 crore in FY 2022-23. Net movement in regulatory deferral account balance has decreased by ₹ 818 crore in FY 2023-24 compared to an increase of ₹ 297 crore in FY 2022-23. The regulatory deferral account movement 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 as specified in the Guidance Note on Rate Regulated Activities issued by the Institute of Chartered Accountants of India (ICAI) and Ind AS 114. Consequently, the resultant Profit Before Tax (PBT) is ₹ 659 crore in FY 2023-24 as compared to ₹ 642 crore in FY 2022-23, reflecting an increase of 2.6% over the previous year. The Profit After Tax (PAT) is ₹ 453 crore in FY 2023-24 as compared to ₹ 440 crore in FY 2022-23.

- **Business Environment**

Industry Structure and Development

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

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

Power Distribution

The Distribution Sector, by virtue of being at the revenue generation end of the entire electricity value chain, is the cornerstone for the financial viability of the entire sector. The sector, despite its opening up to private sector participation in the year 1999, continues to be largely Government-owned, having negligible private sector participation with Delhi, Mumbai, Kolkata, Ahmedabad, Surat, Odisha state, and some urban centres being notable exceptions. The national average Aggregate Technical & Commercial (AT&C) losses have improved to 15.4% (FY 2022-23) from 16.5% (FY 2021-22) (PFC- 12th Annual Integrated Rating & Ranking of Power Distribution Utilities FY 2022-23). Additionally, the absence of cost-reflective tariffs, inadequate subsidy reimbursements by the State Governments and rising power procurement costs are adding to the financial woes of the sector.

The sectoral absolute cash-adjusted gap (between income and expenditure) dropped substantially from ₹ 97,000 crore in FY 2019-20 to ₹ 79,000 crore in FY 2022-23. The power distribution entities recorded a loss of ₹ 0.79 per unit in FY 2019-20, which was reduced to ₹ 0.55 per unit in FY 2022-23. (Source: PFC- 12th Annual Integrated Rating & Ranking of Power Distribution Utilities FY 2022-23).

- **Operations**

Power Procurement

As in the past years, the Company has procured a sufficient quantity of power during the period under review to meet 100% peak demand of its consumers. The Company has procured 10,658 MUs (including 2.63 MUs of net metering) as on 31st March 2024 for FY 2023-24 to ensure that the consumers are provided with 24x7 power supply.

Reliability and Other Operational Metrics

The Company sustained system reliability at 99.86% and touched the peak load at 2,218 MW during the year. Further, street light functionality was 99.60%, there were 1000+ collection avenues which included - TPDDL Touch point- 48, Over-the-counter (OTC) point - 5, For bill payment the Company Integrated with Bharat Bill Payment System (BBPS) [under National Payments Corporation of India (NPCI)] where customers can pay through any third party vendor/applications etc., Customer Satisfaction Index (CSI) was 98 (Top Two Box) and 90 (Top Box), Billing Efficiency and Collection Efficiency were at 94.09% and 100.01%, respectively, as on 31st March 2024.

Technology Implementation

The Company is working in collaboration with more than 70 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 Roadmap which encompasses all the key elements such as Smart Metering, Battery Energy Storage, Distributed Energy Resource Management, Low Voltage Automation, Demand Response, Data Analytics, EV penetration impacts, equipment life enhancement and many others.

Tariff Related Matters

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

DERC on 31st January 2017 notified the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 for determination of ARR. Further, DERC has issued BPR, 2023 for the control period applicable from FY 2023-24 to FY 2025-26.

Based on the aforesaid regulations, DERC had published the last Tariff schedule for FY 2021-22 on 30th September 2021 and uploaded the detailed Tariff Order on its website on 12th October 2021 for True up of FY 2019-20 and ARR of FY 2021-22. No tariff order has been issued by DERC for FY 2023-24.

For FY 2023-24, actual power purchase cost constitutes around 78% of total costs, operation & maintenance expenses (inclusive of establishment cost, administrative & general expenses and repair & maintenance expenses), constitutes around 9% with depreciation around 3%, interest on loans for capital investment around 5%, return on equity (RoE) deployed in the business constituting only around 4%-5% of the total cost and balance towards carrying cost. The total cost needs to be recovered through retail tariff determined by DERC and chargeable to the consumers.

During FY 2023-24, actual power purchase cost of the Company was ₹ 6.87/unit against the last approved power purchase cost of ₹ 5.64/unit as per DERC Tariff Order, 2021. To meet such increase in power purchase cost, BPR, 2023 provides mechanism for recovery of this increased cost upto certain extent and accordingly, the Company has provisionally charged Power Purchase Adjustment Charge (PPAC) on retail tariff as per the methodology provided and balance will be levied based on approval from the Regulator.

In line with an opinion pronounced by the Expert Advisory Committee (EAC) of ICAI, the Company has recognized deferred asset for deferred tax liability as a regulatory deferral account balance recoverable through future tariff. The Regulatory deferral account balance including deferred tax liability is ₹ 5321 crore as on 31st March 2024. During the year under review, revenue gap has decreased by ₹ 818 crore, this includes ₹ 92 crore pertaining to recoverable on account of deferred tax liability created during the year.

In order to get liquidation of Regulatory deferral balance, all possible avenues provided under legal and regulatory framework are being exercised. While role of DERC on this aspect is important, the Government of National Capital Territory (GoNCT) of Delhi also has a major role to play essentially for protecting consumers' interests and sustainability of this sector in Delhi. Policy advocacy is continuing with DERC & GoNCT of Delhi for Cost Reflective Tariff and timely release of PPAC. The Company also has filed writ petition in the Supreme Court for timely liquidation of approved Regulatory Assets and implementation of favorable judgments/orders by DERC/ Appellate Tribunal for Electricity (APTEL).

COMMERCIAL

Key Achievements

AT&C Loss Reduction

One of the most significant measures of operational efficiency in power distribution sector is AT&C loss reduction. AT&C loss refers to the difference between energy input and energy for which revenue is realized. The Company has consistently over-achieved its regulatory AT&C loss reduction targets including the one in FY 2023-24, 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, is becoming increasingly difficult without significant capital investment. This again is a challenge in view of the large, accumulated revenue gaps, associated financing and impact on tariff. Nevertheless, during the year, the Company's AT&C loss was at 5.90% which is much ahead of regulatory target of 8.16%.

Standards of Performance

DERC has specified stringent performance assurance standards with respect to consumer service delivery. The Company's compliance with assurance timelines in FY 2023-24 continued to be in the range including key services such as providing new connections, replacement of defective meters being provided within the timelines stipulated by DERC. The Company has also redesigned new application form for customers' convenience, and it will help for suspension reduction and reduction of cycle time.

Customer Services

The Company has consistently implemented new technologies and processes to improve customers' satisfaction. The cumulative installation of Smart Meters has touched the number of 4.32 lakh and the "TPDDL Connect App" has been upgraded to "MY TATA POWER APP" with a host of services like real-time consumption, customized alerts, daily reads, guest user functionality etc. We have successfully downloaded 7.78 lakh apps and web portal registration. Overall usage of "MY TATA POWER APP" has gone up to 1.63 crore which was made possible by constant promotions through social media and outreaches like GREEN Zones, SYNERGY outreaches, Resident Welfare Association (RWA) interactions etc.

To move to the next orbit in Customer Experience Management, 'Customer First' drive has been launched within the organization. Varied measures taken under 'Customer First' drive led to an increase of CSI score.

Customer First:

Phase 1: "Apex Customer Experience Council (ACEC)" put in place to align the organization towards 'Customer First' objective followed by launch of Customer First Logo, concept of Cx Champions, Cx Hour etc. along with celebrations of Customer First Month.

Phase 2: Structural framework of Technology, Infrastructure, People, Process, Satisfaction (TIPPS) introduced to improve upon Speed, Experience and Quality.

Under this framework, more than 25 initiatives have been identified (implemented/in process of implementation) by respective Cross Functional Teams across all peripheries of TIPPS to serve delight to the customers.

- Technology – Launch of Automated CX Feedback Platform, Anubhav 2.0, Integrated Resolution Platform, E-Mail Bot.
- Infrastructure – Revamped Customer Care Centres (Tata Wall, Digi Branding, Best out of waste items, Umbrella point etc.), Revamped Sub-Stations with Urja Arpan Branding, Tact tiles at Customer Care centres for People with Disability (PwD) customers.
- People – CX Heroes, Launch of Customer Discovery Programme, TPDDL Connect, Focused Customer Meets (WePower, GENNext).
- Process –First Time Resolution at all touchpoints, Benchmarking with Tata Play, Tata Cliq.

Engagement activities were conducted vide both offline as well as online modes. More than 80K customers were touched through regular activities viz. monthly RWA Meets, quarterly Industrial Welfare Association (IWA) Meets, SAMMAN (Meet for Senior Citizens), Tata Volunteering Week (TVW), new engagements launched like WePower - Women Customer Meet, GENNext – Meet with GenZ customers, GREEN Zones, SYNERGY outreaches, Urja Arpan Carnivals and Tejas webinars etc.

Urja Arpan

The Company's "Urja Arpan" initiative encourages responsible and efficient electricity consumption among individuals and organizations. The aim is to create awareness and promote lifestyle changes towards energy efficiency, using 5 star rated energy efficient products and services that consume less electricity, such as Energy Efficient Air Conditioner, BLDC Fans, Water Heater, LED Lighting, Solar and Electric Vehicle etc. This initiative targets various stakeholders, including domestic consumers, schools and college students, residential and industrial associations, and NGOs.

Energy savings are calculated depending on the new energy efficient product being purchased by customer. To encourage participation among individual customers, institutions and welfare associations, recognition shall be done under Gold, Diamond, and Platinum category based on their contribution.

Established partnerships with Bureau of Energy Efficiency (BEE), IIT-Roorkee, Go Sharpener, Schools, Colleges, and Institutions to expand the reach to masses. Through various engagement platforms, successfully created a pool of 1,10,000 climate-conscious citizens through Urja Arpan initiatives, promoting adoption of energy-efficient products. Also, conducted impactful sessions on Urja Arpan with state Discoms, enhancing the Company's brand visibility and industry influence (DISCOMS Covered Chandigarh, Goa, Gujarat).

A dedicated website has been designed www.UrjaArpan.com where customers can know more about the initiative and can register themselves as and when a new energy efficient product is bought by them. Customers can also register as volunteers by taking a pledge to be a climate cautious citizen. Promotion of website is being done through Social Media Platforms along with interactive engagement like quiz for increasing the usage and participation by customers.

Capital Expenditure

The Company has executed distribution related capital expenditure works (CAPEX) amounting to ₹ 482 crore in FY 2023-24 (FY 2022-23: ₹ 427 crore). This amount has been judiciously utilized for enhancement of reliability of system through network improvements, reduction of AT&C losses and improvement in consumer services.

During FY 2023-24, total capitalization was ₹ 406 crore (FY 2022-23: ₹ 448 crore).

- **Generation Initiatives**

Rithala Power Plant

Implementation of True-Up Order dated 11th November 2019 (True-Up Order) of the Rithala Power Plant had to be given effect to by DERC in Tariff Order 2021, which did not take place. The Company had also filed an appeal before APTEL against the aforesaid True-Up Order only with respect to the depreciation being allowed. Due to non-implementation by DERC of its True-Up Order, the Company filed an Original Petition under Section 121 of the Electricity Act, 2003 seeking time bound directions to DERC in respect of grant of its long pending claim through implementation of aforesaid True-Up Order. DERC, in its Affidavit filed in the above-mentioned petition, has undertaken to allow the impact of the claims allowed in its True-Up Order in its upcoming Tariff Order. APTEL, in its judgment for the aforesaid petition observed that they bind DERC to its solemn undertaking tendered and would expect scrupulous compliance therewith. Tariff Orders for FY 2021-22 and 2022-23 have still not been issued. Meanwhile, an appeal filed before APTEL is pending for hearing and is now added in the list of finals.

Solar Projects

Solar & New Business Initiatives

In 2016, the Company became the first and only power utility to be awarded by the Ministry of New & Renewable Energy (MNRE), Govt. of India with National Award for “Utility Enabler for Rooftop Solar Project”. A total of 2,589 cases of solar net meters have been installed till FY 2023-24 with a cumulative capacity of 66.6 MWp.

The Company in its solar MNRE and Engineering, Procurement and Construction (EPC) activity has done awareness campaigns at RWAs, IWAs and customer meetings covering domestic & industrial customers and one-to-one outreach has been carried out for express and key customers, educational institutes and high revenue customers etc. under the flagship of Urja Arpan Initiative.

Solar EPC orders of 500 kWp solar Capacity received in favor of the Company from 22 consumers in FY 2023-24.

Implementation of new Software/System

SCADA EMS, DMS, OMS Getting Upgraded to ADMS

The Company had implemented Supervisory Control and Data Acquisition (SCADA) Energy Management System (EMS) with Grid Substation Automation System (GSAS) to control and monitor the 66/33 kV network with the main objective of improving operational efficiency from 2007 onwards. Your Company has been a pioneer Discom in India to operate the entire network from a central location with all load management decisions being based on real-time power flow information from the system. As of now, all 85 grids have been automated and are unmanned.

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

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

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

During the year under review, in furtherance of our commitment to adopting technology, we have implemented the Voltage Complaint Management Portal (VCMP) alongside an ADMS system to reduce power quality complaints related to voltage. Additionally, we have introduced the LT Network Management Portal to enhance methodology and digitize processes. Furthermore, we have undertaken various other technological initiatives, installation of 200 Low Voltage automation devices at different sites, and equipping 112 sites with distribution automation with Fault Passage Indicator (FPI) Integration. More than 4 lakh smart meters have been integrated with ADMS system.

We have also focused on enhancing existing technologies such as FFA and the Reactive Power Management Portal. These enhancements aim to reduce reactive power losses and optimize resource utilization for better operational efficiency.

Technology

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

Under the Horizon 2020 Program, funded by the European Union, the Company has deployed an Energy Islanding System at one of its distribution substations, integrating key technologies by installing Smart Transformer(s), Smart Meter(s) for its customers, Low Voltage Automation, BESS (with penetration of excess renewable energy generated from the solar into the battery), to utilize the same to create energy islanding system for its substation. This is the first project funded by the European Union wherein actual demonstration is conducted at 11kV distribution substation located at St. Xavier's School, Delhi. The project has been concluded and report submitted to European Union in February 2023 at Paris, France.

The project also focuses on community engagement as its key aspect, wherein, the students, teachers and the management have been engaged to sensitize them about energy conservation and the benefits of the project. On the same lines, Energy Warrior campaign for the school students was initiated for depicting ideas on clean energy and climate change etc. through video and voice messages, artwork, slogans and tree plantation initiatives. The school faculty along with the teachers were given a tour of the Company'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 and CIRCE (study partners).

The Company 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 continuation to the storage application being experimented in the Company, a pole-mounted Battery Energy Storage unit has been installed in District Pitampura. The unit will be helpful in contributing to a greener, more cost-effective and reliable grid. In another major technology drive, the Company, in partnership with SUN Mobility- provider of energy infrastructure platform and services for electric vehicles, has 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.

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

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

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

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

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

Since inception, the lab draws an average of 100+ visits and a footfall of 1372 every year. These visits include regulators, stakeholders such as United States Agency for International Development (USAID), United States Trade and Development Agency (USTDA), technology partners, institutions such as University of California, Los Angeles (UCLA), Massachusetts Institute of Technology (MIT), Academia from across the world and aspiring collaborators looking to work with the Company. 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 the utilities are governed and making them open up for usage of new and renewable generation would help usher distribution utilities to a new era of grid modernization across the globe.

Advanced Metering Infrastructure Project

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

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

As a part of learning and capacity building, it has also been understood that a mix of communication technologies is the future need and necessary for pan-India scenarios. The Company has also adopted Public Cellular Networks starting with Narrow Band Internet of Things (NBIoT), after due consideration and approvals from DERC. A separate Head-End System (HES) was also implemented and integrated with multiple meter manufacturers. Going ahead, in middle of the financial Year 2023-24, 4G also became part of our communication technology in AMI, which utilized the same HES as that of NBIoT Technology.

For the integration of two different head-end systems of RF-Mesh and NBIoT\4G technologies, a unified Meter Data Management (MDM) system was placed initially with the vision of future requirements. Till now, 4.32 lakh smart meters have been deployed in the Company consisting of 3.43 lakh RF Meters, 0.85 lakh NBIoT & 0.04 lakh 4G Meters. These technologies are strategically placed for meter types, consumer segments, geographical location, gestation time and use case requirements. Multiple meter manufacturers (3 in each communication technology) have been integrated to cater to supply chain issues. Presently, smart meter deployment is mainly focused on business needs.

Several commercial and operational enablements were achieved with AMI deployments viz. lean prepaid, over-the-air firmware upgrade and mode change, increased transparency of data with consumers and a dashboard on customer applications with features such as customized alerts, Time of the Day (ToD) and prepaid balance. The capability of Demand Response (DR) has been demonstrated by reducing load 560 MW through 16 DR Events & with the participation of more than 1 lakh Consumers, Connect/ Disconnect having operations of approx. 1,29,000 each, sustained billing reads over 96% per month, peer-to-peer project which has been done with i-Electrix, integration with Distributed Energy Resources (rooftop or ground mount solar, EV and battery storage), distribution automation by transformer health monitoring through DIDO installed in specially designed distribution transformer (DT) smart meter, asset optimization by DT swapping and outage management integration with last gasp in a phased manner.

Low-cost smart metering, universal NIC module, Voltage Control at the Consumer end through Smart Meter data analysis, load balancing at the DT level, Automated Operations of Harmonic filters to reduce technical losses are the next steps planned in the journey of Smart Grid implementation.

Other Initiatives

Lineman Diwas

The Company in association with the Central Electricity Authority (CEA) celebrated the Fourth (4^{th}) Edition of Lineman Diwas on 4^{th} March 2024 in New Delhi.

The initiative aims to honor the frontline heroes of the Indian Power Sector – the Linemen, by establishing it as a nationwide tradition for all State and Private Transmission and Distribution companies to celebrate 'Lineman Diwas.' The endeavour serves as a significant morale booster for the frontline workers in the power sector, providing them with the well-deserved recognition and appreciation.

Over 150 linemen and linewomen from over 40 State and Private Transmission and Distribution Companies, from Andhra Pradesh, Bihar, Gujarat, Haryana, Jharkhand, Karnataka, Jammu and Kashmir, Maharashtra, Madhya Pradesh, Odisha, Punjab, Rajasthan, Uttar Pradesh, Uttarakhand, and Delhi visited the National Capital to participate in the celebration. They were felicitated with medals, certificates and gifts for their selfless contribution.

Shattering the stereotype that jobs are gender specific, 9 ambitious women comprising linewomen, technicians, and engineers from some Transmission and Distribution Companies from Bihar, Karnataka, Odisha, Madhya Pradesh, Maharashtra and Uttarakhand participated in the event and shared their stories of dedication and hard work.

Lineman Diwas garnered a good media coverage both at the national and regional level with a total media coverage in 358 publications with Print: 145, Online: 213.

The theme for Lineman Diwas celebration was 'Seva, Suraksha, Swabhiman' signifying the Dedication, Service and Sacrifice of the frontline heroes of the power sector.

The larger objective of this initiative is to formally adopt Lineman Diwas as a National/Special Day on 4th March which also marks the beginning of the National Safety Week (4th March - 10th March) every year.

5. RESERVES

The Board of Directors has decided to retain the entire amount of profit for the financial year 2023-24 in the statement of profit and loss.

6. SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATES

The Company has one wholly owned subsidiary i.e. NDPL Infra Limited. There has been no major change in the nature of business of your Company and its subsidiary. Currently, there is no joint venture and associate of the Company.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

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

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

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

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

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

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

The Directors nominated by Delhi Power Company Limited and the Independent Directors draw only sitting fee from the Company. Amongst the Directors nominated by Tata Power, only Mr. Sunil Singh and Ms. Shefali Shah, Directors, draw sitting fee from the Company. No Commission is payable to any Director of the Company.

Governance Guidelines:

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

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

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

Presently, the Company has three Independent Directors namely Mr. Kailash Nath Shrivastava, Mr. Ashok Sinha and Mr. Narendra Nath Misra.

During FY 2023-24, Ms. Satya Gupta and Mr. Arup Ghosh had resigned as Directors of the Company, w.e.f. close of working hours of 31st July 2023 and 6th October 2023, respectively citing personal reasons.

The Board places on record its deep appreciation for the valuable contribution made by them as members of the Board.

Based on the recommendation of the Nomination and Remuneration Committee, the Board had appointed Mr. Sunil Singh and Ms. Shefali Shah as Additional Directors on the Board of the Company w.e.f 20th October 2023. They would hold office up to the conclusion of the forthcoming AGM.

The Company has received a notice under Section 160(1) of the Act from shareholders proposing the name of Mr. Sunil Singh and Ms. Shefali Shah, for their appointment for the office of Directors at the forthcoming AGM.

In accordance with the requirements of the Act and the Company's Articles of Association, Dr. Praveer Sinha, Mr. Sanjay Kumar Banga, and Mr. Ajay Kapoor, Directors retire by rotation and are eligible for re-appointment.

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

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

Key Managerial Personnel: As on 31st March 2024, the following are the Key Managerial Personnel (KMP) of the Company:

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

During FY 2023-24, there was no change in the composition of KMPs of the Company.

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

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

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

Four (4) meetings of the Board of Directors were held during the year 2023-24 and the gap between two meetings did not exceed 120 days. The meetings were held on 17th April 2023, 21st July 2023, 20th October 2023 and 22nd January 2024.

Twenty Second (22nd) Annual General Meeting of the Company was held on 21st July 2023.

1st Extra-Ordinary General Meeting for FY 2023-24 of the Company was held on 22nd January 2024.

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

S. No.	Name of the Director	Nature of Relationship	No. of Board meetings held	No. of Board meetings attended	Attendance at the 22nd AGM
1.	Dr. Praveer Sinha	Chairman Non-Executive Director (Nominated by The Tata Power Company Limited)	4	4	Yes
2.	Mr. Kailash Nath Shrivastava	Independent Non-Executive Director	4	4	Yes
3.	Mr. Ashok Sinha	Independent Non-Executive Director	4	4	Yes
4.	Mr. Narendra Nath Misra	Independent Non-Executive Director	4	3	Yes
5.	Mr. Manish Kumar Gupta	Non-Executive Director (Nominated by Delhi Power Company Limited)	4	4	Yes
6.	Dr. Ashish Chandra Verma	Non-Executive Director (Nominated by Delhi Power Company Limited)	4	4	No
7.	Mr. Shurbir Singh	Non-Executive Director (Nominated by Delhi Power Company Limited)	4	3	Yes
8.	Mr. Sanjay Kumar Banga	Non-Executive Director (Nominated by The Tata Power Company Limited)	4	4	No

S. No.	Name of the Director	Nature of Relationship	No. of Board meetings held	No. of Board meetings attended	Attendance at the 22nd AGM
9.	Mr. Ajay Kapoor	Non-Executive Director (Nominated by The Tata Power Company Limited)	4	4	Yes
10.	Mr. Sunil Singh (Appointment w.e.f. 20th October 2023)	Non-Executive Director (Nominated by The Tata Power Company Limited	4	2	N.A.
11.	Ms. Shefali Shah (Appointment w.e.f. 20th October 2023)	Woman Director (Nominated by The Tata Power Company Limited)	4	2	N.A.
12.	Mr. Arup Ghosh (Ceased w.e.f. 6th October 2023)	Non-Executive Director (Nominated by The Tata Power Company Limited	4	2	Yes
13.	Ms. Satya Gupta (Ceased w.e.f. 31st July 2023)	Woman Director (Nominated by The Tata Power Company Limited)	4	1	No

- **A statement on declaration given by Independent Directors under Section 149:** Mr. Kailash Nath Shrivastava, Mr. Ashok Sinha and Mr. Narendra Nath Misra, 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, for being Independent, Non- Executive Directors of the Company.

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

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

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

- **Meeting of Independent Directors**
  During the year, the Independent Directors of the Company met once on 1st December 2023, 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 has also approved and adopted charter of Audit Committee. All recommendation by the Audit Committee was also accepted by the Board.

Currently, the Audit Committee comprises of the following Directors:

1. Mr. Ashok Sinha, Chairman, Independent Director
2. Mr. Kailash Nath Shrivastava, Member, Independent Director
3. Mr. Narendra Nath Misra, Member, Independent Director
4. Mr. Ajay Kapoor, Member, Non- Executive Director

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

The Audit Committee met four (4) times during the year 2023-24. These meetings were held on 17th April 2023, 20th July 2023, 18th October 2023 and 22nd January 2024.

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

S. No.	Name of the Director	Category	No. of meetings attended
1.	Mr. Ashok Sinha	Independent, Non-Executive	4
2.	Mr. Kailash Nath Shrivastava		4
3.	Mr. Narendra Nath Misra		4
4.	Mr. Ajay Kapoor	Non-Independent, Non-Executive	4

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

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

(ii) Corporate Social Responsibility Committee

The Company has adopted a Corporate Social Responsibility (CSR) Policy which indicates the activities to be undertaken by the Company as specified in Schedule VII to the Act. The policy, including overview of projects or programs proposed to be undertaken, is provided on the Company website:
https://www.tatapower-ddl.com/Editor_UploadedDocuments/Content/CSR_Policy_FY_23-24_for_GS_PDF_sign.pdf

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

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

Currently, the CSR Committee comprises of the following Directors:

1. Mr. Narendra Nath Misra, Chairman, Independent Director
2. Mr. Sanjay Kumar Banga, Member, Non- Executive Director
3. Ms. Shefali Shah, Member, Non- Executive Director

The Committee met thrice during the year 2023-24 on 12th April 2023, 6th September 2023 and 14th March 2024.

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

S.No.	Name of the Director	Category	No. of meeting attended
1.	Mr. Narendra Nath Misra	Independent, Non-Executive	3
2.	Mr. Sanjay Kumar Banga	Non-Independent, Non-Executive	3
3.	Mr. Arup Ghosh[1]		2
4.	Ms. Shefali Shah[2]		1

[1]Ceased w.e.f. 6th October 2023.
[2]Inducted w.e.f 20th October 2023.

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 charter of NRC has also been approved and adopted by the Board.

Currently, the NRC comprises of the following Directors:

1. Mr. Kailash Nath Shrivastava, Chairman, Independent Director
2. Mr. Narendra Nath Misra, Member, Independent Director
3. Dr. Praveer Sinha, Member, Non- Executive Director

The Committee met once during the year 2023-24 on 17th April 2023.

The attendance at NRC meeting is as under:

S. No.	Name of the Director	Category	No. of meetings attended
1.	Mr. Kailash Nath Shrivastava	Independent, Non-Executive	1
2.	Mr. Narendra Nath Misra		1
3.	Dr. Praveer Sinha	Non-Independent, Non-Executive	1

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

(iv) Operations Review Committee

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

1. Mr. Sanjay Kumar Banga, Chairman, Non-Executive Director
2. Mr. Narendra Nath Misra, Member, Independent Director
3. Mr. Sunil Singh, Member, Non-Executive Director
4. Mr. Ajay Kapoor, Member, Non-Executive Director

The Committee met once during the year 2023-24 on 14th March 2024.

The attendance at the ORC meeting is as under:

S.No.	Name of the Director	Category	No. of meeting attended
1.	Mr. Sanjay Kumar Banga	Non-Independent, Non-Executive	1
2.	Mr. Arup Ghosh[1]		N.A.
3.	Mr. Sunil Singh[2]		1
4.	Mr. Ajay Kapoor		1
5.	Mr. Narendra Nath Misra[2]	Independent, Non-Executive	1

[1]Ceased w.e.f. 6th October 2023.
[2]Inducted w.e.f 20th October 2023.

The minutes of the meeting of the ORC were placed before the Board.

(v) Long Term Loans and Borrowings Committee

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

Currently, LTBC comprises of the following Directors:

1. Mr. Ashok Sinha, Chairman, Independent Director
2. Dr. Praveer Sinha, Member, Non- Executive Director

(vi) Committee for Liquidation of Regulatory Assets

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

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

1. Mr. Ashok Sinha, Independent Director
2. Mr. Kailash Nath Shrivastava, Independent Director
3. Mr. Narendra Nath Misra, Independent Director

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 review, the recommendations made in the previous year were satisfactorily implemented.

9. REGULATORY & LEGAL

- **CHANGES IN REGULATIONS**

DERC Schedule of Charges and the Procedure (Seventh Amendment) Order, 2023.

This Amendment was issued by DERC on 1st August 2023. The criteria for the developer/applicant taking supply at Low Tension (LT) level for any new premises or for re-constructed premises, requiring LT Service connections has been modified in the following two scenarios for providing the space for installation of distribution transformers, as per the required load:

i) total cumulative built up area of the premises in the plot/building exceeds 2000 sqm; or
ii) plot of size above 600 sqm.

DERC (Forum for Redressal of Grievances of the Consumers and Ombudsman) (Second Amendment) Regulations, 2023.

This Amendment was issued by DERC on 1st August 2023. The term of the Ombudsman, Chairperson of Consumer Grievance Redressal Forum (CGRF) or Member CGRF has been modified to be for a period of five (5) years or till the age of sixty-seven (67) years, whichever is earlier, from the date he enters the office. Earlier, the term was for a period of 3 years.

DERC (Conduct of Business for Holding Inquiry by Adjudicating Officer) Regulations, 2023.

DERC has notified these Regulations on 1st March 2024. These regulations are applicable for holding enquiries by Adjudicating Officer on receiving complaints regarding violation of provisions of Section 14 and/or Section 15 of the Energy Conservation Act, 2001 in the manner as specified in these regulations. Energy Conservation Act, 2001 provides for appointment of any of its members to be an adjudicating officer by the State Electricity Regulatory Commission.

DERC (Group Net Metering and Virtual Net Metering for Renewable Energy) (Fifth Amendment) Guidelines, 2024

DERC has notified these Regulations on 15th March 2024. The definitions of Group Net Metering and Virtual Net Metering have been modified to include multiple locations. DERC has also provided that the waiver of Service Line cum Development will be applicable on network of 11kV and below only for the schemes under Group Net Metering and Virtual Net Metering mode.

Electricity (Promoting Renewable Energy Through Green Energy Open Access) (Second Amendment) Rules, 2023

Ministry of Power, Government of India had notified these rules on 23rd May 2023. The definition of 'entity' has been revised with the change that the consumer can have contracted demand or sanctioned load of 100 kW or more either through single connection or through multiple connections aggregating 100 kW or more located in same electricity division of a distribution licensee. Further, now the additional surcharge shall not be applicable in case electricity is produced from offshore wind projects, which are commissioned upto December 2032 and supplied to the open access consumers.

CERC (Indian Electricity Grid Code) Regulations, 2023.

CERC notified these regulations on 29th May 2023 but they came into force with effect from 1st October 2023.

The Grid Code specified by CERC contains the provisions regarding the roles, functions and responsibilities of the concerned statutory bodies, generating companies, licensees, and any other person connected with the operation of the power systems within the statutory framework envisaged in the Act and the Rules and Notifications issued by the Central Government.

These regulations apply to: all users, State Load Despatch Centres, Renewable Energy Management Centres, Regional Load Despatch Centres, National Load Despatch Centre, Central Transmission Utility, State Transmission Utilities, licensees, Regional Power Committees, Settlement Nodal Agencies, Qualified Coordinating Agencies and Power Exchanges to the extent applicable.

For stable, reliable and secure grid operation in order to achieve maximum economy and efficiency of the power system, the Grid Code, contains extensive provisions pertaining to the following apart from the provisions relating to the role of various statutory bodies and organizations and functional linkages among them;

a. reliability and adequacy of resources;
b. technical and design criteria for connectivity to the grid including integration of new elements, trial operation and declaration of commercial operation of generating stations and inter-state transmission systems;
c. protection setting and performance monitoring of the protection systems including protection audit;
d. operational requirements and technical capabilities for secure and reliable grid operation including load generation balance, outage planning and system operation;
e. unit commitment, scheduling and despatch criteria for physical delivery of electricity;
f. integration of renewables;
g. ancillary services and reserves; and
h. cyber security etc.

Electricity (Amendment) Rules, 2023

Ministry of Power, Government of India had notified these rules on 30th June 2023:

I. A proviso was added for qualifying as a 'captive generating plant' that if the Captive Generating Plant is set up by an affiliate company, not less than fifty-one percent of the ownership, is held by the captive user, in that affiliate company.

II. Additional provisos were added in the explanation for 'Captive User' that the consumption of electricity by the captive user may be either directly or through Energy Storage System and that the consumption by a subsidiary company of a company which is an existing captive user shall also be admissible as captive consumption by the captive user.

III. Where an entity is a deemed licensee under Section 14 of the Electricity Act, the period of the license shall be twenty-five years from the date of the coming into force of the Electricity Act and the license shall be deemed to be renewed unless the same is revoked. Renewal shall be for a period of twenty-five years at a time.

Electricity (Amendment) Rules, 2024

Ministry of Power, Government of India has notified on 10th January 2024 the amendment to Electricity Rules, 2005. The key highlights are as follows:

1. These rules ensure that revenue gap/regulatory asset is not created except under exceptional circumstances and to provide for time bound liquidation of the same.
    a. Revenue gap/regulatory assets if created be <=3% of approved Aggregate Revenue Requirement.
    b. Such gap should be liquidated along with carrying cost in maximum 3 equal instalments from the next financial year at base rate of late payment surcharge i.e. SBI one year MCLR+5%. SBI one year MCLR varied from 7% to 9.20% since 2016 thereby resulting in carrying cost rate of 12% to 14.20% which is greater than the current carrying cost allowed by DERC of approx.10%.
    c. Provide further that such gap as on the date of notification of these rules shall be liquidated in maximum 7 equal yearly installments from the next financial year.

2. New rules prescribe methodology for computing various open access charges
    a. Wheeling charges = (Annual Revenue Requirement towards wheeling ÷ Energy wheeled during the year).
    b. Network charges for Temporary- General Network Access (GNA) /State Transmission Utilities (STU) for short-term open access: 110% of charges for GNA or STU on long-term basis.
    c. Additional surcharge <= per unit fixed cost of concerned distribution licensee and is to be eliminated within 4 years from the date of grant of OA.
3. No transmission license is required for establishing, operating or maintaining a dedicated transmission line by generating company, captive generating plant, ESS or consumers having loads not less than 25 MW for connection to ISTS and 10 MW in case of intra-state transmission system.

Electricity (Second Amendment) Rules, 2024

Ministry of Power, Government of India had notified on 17th January 2024 the amendment to Electricity Rules, 2005 (the second Amendment 2024) wherein it has added a proviso to the effect that the appropriate commission may determine wheeling charges at different voltage levels, separately, in accordance with the formula notified earlier.

Electricity (Third Amendment) Rules, 2024

Ministry of Power, Government of India had notified these rules on 12th March 2024. These rules provide that the Central Government may, by order form distinct central pools for different categories of renewable energy sources for a period of three years from the date provided in such order. The period of five years has been revised to three years.

Electricity (Late Payment Surcharge and Related Matters) (Amendment) Rules, 2024.

Ministry of Power, Government of India, has notified Electricity (Late Payment Surcharge and Related Matters) (Amendment) Rules, 2024 on 28th February 2024 with the following key amendments:

- **Rule 7 (Regulation of access to defaulting entities)-** Aligned the terminology with the GNA Regulations.

- **Rule 9 (1) (Power not requisitioned by a distribution licensee)-** A distribution licensee shall intimate its schedule for requisitioning power for each day from each generating company with which it has an agreement for purchase of power at least two hours before the end of the time for placing proposals or bids in the day ahead market for that day, failing which the generating company, shall offer, the un- requisitioned surplus power including the power available against the declared capacity of the unit under shut down, in the power exchange, subject to the limitation of ramping and start up capability as specified by the Appropriate Commission:

  Provided that if the power so offered by the generating company is not cleared in day-ahead market, it shall be offered in other market segments, including the real time market, in the power exchange:

  Provided further that such offer of power, in the market shall be at a price not exceeding 120% of its energy charge, as determined or adopted by the Appropriate Commission or calculated under the directions, issued by the Central Government, under Section 11 of the Act, if applicable, plus applicable transmission charges:

Provided also that if the generating company fails to offer such un-requisitioned surplus power in the power exchange, the un-requisitioned surplus power to the extent not offered in the power exchange up to the declared capacity shall not be considered as available for the payment of fixed charges.

Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2023

Central Electricity Authority (CEA) had notified the CEA (Measures related to Safety and Electric Supply) Regulations, 2023 on 8th June 2023.

These regulations shall be applicable to electrical installation including electrical plant and electric line, and the person engaged in the generation or transmission or distribution or trading or supply or use of electricity.

They define the requirements for the usage and supply of electricity. They provide for the safety measures for electrical installations used above and below 650 V, overhead lines, electric vehicle charging stations, renewable generating stations, high voltage direct current, etc.

- The supplier or consumer, or owner of electrical installation, owner or agent or manager of a mine, or agent of any company operating in an oil-field or owner of a drilled well in an oil-field or a contractor who has entered into a contract with a supplier or a consumer, or owner of electrical installation, owner or agent or manager of a mine, or agent of any company operating in an oil-field or owner of a drilled well in an oil-field to carry out duties incidental to the generation, transformation, transmission, conversion, distribution or use of electricity shall designate person for the purpose to operate and carry out the work on electrical lines and apparatus.

- All suppliers of electricity including generating companies, transmission companies and distribution companies shall designate an Electrical Safety Officer for ensuring observance of safety measures specified under these regulations in their organisation for construction, operation and maintenance of electrical system of all generating stations, transmission lines, substations, distribution systems and supply lines.

- The Appropriate Government shall authorise Chartered Electrical Safety Engineer from amongst persons having the qualification and experience as per the guidelines issued by the Authority to assist the owner or supplier or consumer of electrical installations for the purpose of self-certification.

- The generating company or licensee shall maintain records of the maps, plans and sections relating to supply or transmission of electricity in physical or digital form and provide the same to the Electrical Inspector for inspection as and when required.

- All electric supply lines and apparatus shall be of sufficient rating for power, insulation and estimated fault current and of sufficient mechanical strength, for the duty cycle which they may be required to perform under the environmental conditions of installation, and shall be constructed, installed, protected, worked and maintained in such a manner as to ensure safety of human beings, animals and property.

- The supplier shall ensure that all electric supply lines, wires, fittings and apparatus belonging to him or under his control, up to the point of commencement of supply, which are on a consumer's premises, are in a safe-condition and in all respects fit for supplying electricity and the supplier shall take precautions to avoid danger arising on such premises from such supply lines, wires, fittings and apparatus.

- The owner of every installation of voltage exceeding 250V shall affix permanently in a conspicuous position a danger notices in Hindi or English and the local language of the district, with a sign of skull and bones of a design as per relevant standards.

- Before any conductor or apparatus is handled, adequate precautions shall be taken, by earthing or other suitable means, to discharge electrically such conductor or apparatus, and any adjacent conductor or apparatus if there is danger therefrom, and to prevent any conductor or apparatus from being accidentally or inadvertently electrically charged when persons are working thereon shall be followed as per the relevant standards.

- The owners of all circuits and apparatus shall so arrange them that there shall be no danger of any part thereof becoming accidentally charged to any voltage beyond the limits of voltage for which they are intended.

- The periodic inspection and testing of installation of voltage above the notified voltage belonging to the owner or supplier or consumer, as the case may be, shall be carried out by the Electrical Inspector.

Ministry of Power notification on Renewable Power Obligation trajectory for inclusion of Distributed renewable energy from FY 2024-25.

Ministry of Power, Government of India has notified on 20th October 2023, that the Renewable Power Obligation (RPO) trajectory is applicable from 1st April 2024 for FY 2024-25 to FY 2029-30.

- It has specified the minimum share of consumption of renewable energy in respect of electricity distribution licensee and other designated consumers who are open access consumers or captive users to the extent of consumption of electricity from sources other than distribution licensee as a percentage of their total share of energy consumption indicated in the table below:

S. No	Year	Wind renewable energy	Hydro renewable energy	Distributed renewable energy	Other renewable energy	Total renewable energy
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	2024-25	0.67%	0.38%	1.50%	27.35%	**29.91%**
2.	2025-26	1.45%	1.22%	2.10%	28.24%	**33.01%**
3.	2026-27	1.97%	1.34%	2.70%	29.94%	**35.95%**
4.	2027-28	2.45%	1.42%	3.30%	31.64%	**38.81%**
5.	2028-29	2.95%	1.42%	3.90%	33.10%	**41.36%**
6.	2029-30	3.48%	1.33%	4.50%	34.02%	**43.33%**

- In addition to wind, hydro and other RPO, distributed renewable energy component has been included in this RPO trajectory.

- Wind and hydro RPO is to be met from plants commissioned post 31st March 2024 and for hydro, it will include free power and power from outside India (approved on case to case basis).
- Distributed renewable energy component shall be met only from the energy generated from renewable energy projects that are less than 10 MW in size.
- Other renewable energy component can be met by energy produced from any renewable energy power project other than specified above.
- All three categories wind, hydro and other RPO are made fungible with each other. Therefore, excess in any category can be used to meet the deficit of any other category.
- Energy Storage Obligation will continue to be applicable.
- Open access consumers or consumers with Captive Power Plants have to fulfil their obligation as per the specified total renewable energy target irrespective of the non-fossil fuel source.
- The specified renewable energy consumption targets shall be met either directly or through Renewable Energy Certificates.
- Any shortfall in meeting the RPO targets shall be treated as non-compliance and penalty shall be imposed at such rate specified under sub-section (3) of Section 26 of the Energy Conservation Act, 2001.

MoP's Direction to all GENCOs having Imported Coal Based Plants for blending purposes under Section 11 of Electricity Act, 2003

In view of the surge in electricity demand, inadequate supply of domestic coal and reduced availability of hydro generation, it is imperative that the availability of power from Imported Coal Based generating stations is made available to meet the demand.

Therefore, after consultation with CEA, Govt. of India has decided to extend the time period of Section 11 to import coal based generators upto 30th June 2024 from the earlier date of 31st October 2023 issued on 23rd August 2023.

10. 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.

11. RISK MANAGEMENT FRAMEWORK

Risk Management Committee/framework/policy/review mechanism

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

Top risks of the Company are:

- Amount recoverable from DERC (Regulatory Overhang/ Regulatory Assets)
- Dispute with GAIL relating to Rithala Plant take or pay of transportation charges
- Denial of Power Purchase Cost (Take or Pay liability) by DERC for NTPC Gas based power stations
- Cyber Risk
- Under-Recovery of O&M Expenses

INTERNAL FINANCIAL REPORTING AND CONTROL

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 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 (TCoC) is prevalent across the organization. The code covers integrity of financial reporting, ethical conduct, regulatory compliance, conflict of interests reviews and reporting of concerns etc.
- Anti-Fraud programs such as proactive vigilance and Vigil Mechanism are operative across the organization.
- A comprehensive delegation of power exists for smooth decision making which is being reviewed periodically to align it with changing business environment.
- A well-established, independent, multi-disciplinary internal audit team operates in line with best governance practices. 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 the annual audit plans approved by the Audit Committee) are conducted by the team. Significant observations during the audits are periodically presented to the Management and the Audit Committee on compliance with internal controls along with efficiency and effectiveness of the operations.
- Detailed business plan including capital expenditure, investment strategies, year-on-year reviews, annual financial and operating plans and monthly monitoring are part of the established practices for all operating and service functions.
- Out of the 265 documented processes of the organizations, majority are configured suitably with the state-of-the-art SAP enterprise resource planning system. The violations with respect to access rights and segregation of duties are periodically monitored through SAP GRC (governance, risk and compliance) system and necessary corrective/preventive action taken, if deemed necessary. The Company also maintains a comprehensive information security policy and undertakes continuous upgrades of its IT systems. Existing Integrated Management System Processes have been aligned and integrated with People Capability Maturity Model (PCMM) and competency framework.

12. SUSTAINABILITY

12.1 SAFETY – CARE FOR OUR PEOPLE

S. No.	Safety Parameters (Employees and Contractors)	FY 2023-24	FY 2022-23
1	Fatality (Number)	1	0
2	Lost Work Day Case (LWDC)	2	4
3	Lost Time Injuries Frequency Rate per million man hours (LTIFR)	0.17	0.21
4	First Aid Cases (Number)	30	4
5	Medical Treatment Cases (MTC)	1	3

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 demonstrates that "we must continue to be responsible and sensitive to the countries, communities and environments in which we work, always ensuring that what comes from the people goes back to the people many times over". Community welfare is central to the core values of the Company and serves as one of the major purposes of our existence. The concern for bringing about a positive change in people's lives drives us as a Company.

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

The Company has won three prominent awards- 'Best Practices Award for Lakshya Classes, 'ICC Social Impact Awards 2024' in the category of Gender Equality and Women Empowerment and Greentech CSR Awards in Gender Equality and Empowering Women Category.

A total of 10.33 lakh beneficiaries have been helped and supported through Corporate Social Responsibility (CSR) initiatives of the Company viz. Ujjwal (> 0.14 lakh), Sanjeevani (> 5.92 lakh), Unnati (> 3.49 lakh), Club Enerji (> 0.70 lakh), Disaster Management & Unforeseen Contingencies {Covid-19 Response/Activities} (> 0.08 lakh). Several initiatives have been taken in FY 2023-24 viz. CSR Effectiveness Index, distribution of Aids & Appliances to the differently abled, NGO Scorecard Assessment, Board of Directors Visit, I Love Science Project, Inauguration of Community Library, set up of Jacquard Machine at Handloom Unit, Relief Work during Delhi Floods and CSR support for the rural belt under the licensed area of the Company. Some of the existing CSR initiatives are Women Literacy Centres, ABHAs, Self- Help Groups (SHGs), Vocational Training Centres, Mobile Dispensaries, Potable RO Water Plants, Energy Conservation Sensitization Sessions and Tree Plantation.

Prescribed CSR expenditure of two per cent of the average net profits of the Company made during the three immediately preceding financial years was ₹ 12.25 crore as per the requirements of the Act and the rules made thereunder and the Company has spent ₹ 12.56 crore during FY 2023-24. The Annual Report on CSR Activities is provided in Annexure III.

12.3 AFFIRMATIVE ACTION

The Company's journey in the realm of Affirmative Action began with the signing of the Code for Affirmative Action on 3rd February 2007. The "Policy on Affirmative Action for Scheduled Caste (SC) & Scheduled Tribe (ST) Communities" was approved by the Board of Directors on 18th July 2007. In order to supplement efforts of the government to improve condition of socially and economically underprivileged SC/STs and to create a level playing field, concrete steps for giving better opportunities in the private sector were initiated. The Company's Affirmative Action aiming towards upliftment of SC and ST communities are classified under 4Es viz. Education, Employability, Employment and Entrepreneurship. 700+ students pursuing professional & other degree courses and more than 425 school students have been provided scholarship, more than 7470 girls have been supported under soft skills development training program at 18 schools & 2 DSEUs, 640 beneficiaries are enrolled at special training centers under Meri Pathshala and 200 beneficiaries benefitted from the Lakshya Coaching Classes. Career Counselling Initiative has been reintroduced in FY 23-24 wherein 3442 beneficiaries benefitted from the sessions.

13. HUMAN RESOURCES

- **Organizational Workforce**

The Company has recruited people from various technical & non-technical colleges at trainee and lateral levels to cater to manpower requirements during the period under review. The employee strength of the Company for FY 2023-24 was 3,072 (including 89 fixed term employees). Diagnostic study findings have been partly implemented for the Productivity study which was carried out for the Commercial and the Finance functions.

- **Diversity & Inclusion**

With an objective to strengthen Diversity & Inclusion (D&I) in the organization, D&I Council and focused D&I Policy are already in place covering the aspects of Recruit, Nurture and Support. A special survey to capture feedback and inputs from target audience of women and specially-abled employees was carried out. A separate hiring drive was also conducted for giving opportunities to specially-abled candidates. On the occasion of International Women's Day, an exclusive event was organized for all the women employees.

Other Women oriented initiatives like "Break in Service", "Protection of Performance Ratings while proceeding on Maternity Leave", "Re-orientation Programs post Maternity Leave", "Customized Leadership Program for Women Employees", "Dialogue with Senior Leadership", "Samridhi Merit Award" etc. are being continuously implemented for women employees to promote equality and provide career development opportunities. Females accounted for 25.65% out of the total recruitments done in FY 2023-24.

Recruitment done under Affirmative Action was 19.08% during the year under review.

- **Employee Engagement**

With a strong emphasis on employee engagement, we are committed to create a positive and collaborative work environment. During the year under review, 87% of distinct employees were recognized under the various rewards and recognition schemes. Following engagement initiatives were undertaken:

1. Multiple engagement contests and events to celebrate festivals and team spirit across the organization.
2. Organized various Trainee Engagement events such as YPC, Movie Evening, YPC rewind-Sports event etc.
3. Unique celebrations – Mosaic of Oneness, International Women's Day, Bachey Maan Kay Sachey, Independence Day, Republic Day etc.
4. Organizing Decentralized Rewards & Recognition (R&R) at locations beside central ceremonies for Long Service Award and Annual R&R.
5. Modifications in MITR app with inclusion of congratulating the winners, approving nominations.
6. Initiatives in digitalization such as releasing Auto Sandesh circulars incorporating employee photos and sending automated emails to reporting officers to encourage nominations.
7. Through the release of engaging teasers and screensavers, we encourage employees to nominate deserving peers.
8. Launch of VIBES- Happiness Pulse Check, an online platform to capture employee's happiness on fortnightly basis along with action planning.

- **<u>The Tata Power Company Limited – Employee Stock Option Plan 2023</u>**

  During the year, the shareholders of the Holding Company approved 'The Tata Power Company Limited – Employee Stock Option Plan 2023' ('ESOP 2023'/ 'Plan'). During this year, the Holding Company has granted employee stock options to the eligible employees of the Holding and its subsidiaries, including employees of the Company at an exercise price of ₹ 249.80 (Rupees Two Hundred Forty Nine and Eighty Paise) per option exercisable into equivalent equity shares of ₹ 1 each subject to fulfilment of vesting conditions.

- **<u>Capability Development</u>**

  In order to improve the engagement levels of the employees and to develop them further, about 82% employees in Executive cadre and 71% employees in Non-Executive cadre having experience of more than 5 years in the same role have been given job rotation/enrichment during the year under review.

  Functional Competency Assessments have been done for 1,190 employees and 4845 development needs have been identified. These gaps were allocated to various interventions: training program by DOSEC, talent development, on-the-job training, departmental competency based Seekh sessions and self-learning. We have started monitoring Training Need compliance index which is 93%.

- **<u>Talent Development</u>**

  The Company actively cultivates and nurtures individuals with the skills and potential to fulfill both present needs and future demands of the organization. In FY 2023-24, the Company achieved 94% unique employee participation in Learning & Development programs, with an overall TNCI of 93% and a Level 1 effectiveness rate of 95%.

  The transition from the Skillsoft e-learning platform to LinkedIn Learning was successfully executed, involving the assignment of e-learning licenses to 1500 users, with an impressive activation rate of 99% for user accounts. The cumulative learning hours reached 15,616+ hours, with e-learning compliance standing at 94%.

  Classroom and online sessions were organized for the employees resulting in 57631+ learning hours for almost 2,500+ employees. 84% women employees were covered in women specific interventions through Women Leadership series- WILL: Make your Mark.

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

  - To build future leaders Talent 100 3.0 launched for 63 employees in Manager-Sr. Manager cadre selected through potential assessment.
  - Customized Accelerated Leadership Development Programme-Batch 2 successfully concluded at IIM Indore.
  - Coaching Workshop for leaders (DGM & above) and coach were assigned, feedback of 96%.
  - 3 academies launched specializing in Finance, HR & Contracts Domain, each academy offers variety of courses, with over 45+ courses in each academy.
  - Business Driven Capability Building-Identification of Priority Functional Competencies & employees to be developed in collaboration with Chiefs. 96% needs actualised for all functions and creating an impact in business.
  - Promotion of sustainability in organization through Sustainability Leadership Workshop from The Energy and Resources Institute (TERI), Environmental and Social Management System

(ESMS) workshop for Leaders and LinkedIn Learning E-Learning Module on "The Employee guide to sustainability", course assigned to 1366 employees.
- TIMS (Training information management system) Revamp as part of PM Project "Segmented Employee Capability Building Framework".
- 1020 unique employees covered in various internal and external programs focusing on future growth areas like EV, EaaS, Renewables, Battery Energy Storage Systems, Data Analytics, Cyber Security.
- Self-Assessment introduced for PACE, 99% closure of competency assessment at all levels within a month.
- Prioritizing employee wellbeing by organizing targeted training programs- Energize yourself for DGMs, "Impact4Nutrition" and "Health Ki baat Chief Medical Officer ke sath" workshops tailored for women employees.

- **Industrial Relations**

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

- **Prevention of Sexual Harassment**

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

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 POSH Act. An Internal Committee has been constituted to investigate/ redress grievances relating to sexual harassment.

The following is a summary of sexual harassment issues raised, attended and dispensed during FY 2023-24:

S. No.	Particulars	No.
1.	Complaints received	2
2.	Complaints disposed of	2
3.	Cases pending	0
4.	Cases pending for more than 90 days	0
5.	Established cases of Sexual Harassment	0
6.	Sessions conducted on awareness (FY 2023-24)	10

- **Creating Awareness**

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

Pursuant to the provisions of Rule (8)(5)(x) of the Companies (Accounts) Rules, 2014, the Company has complied with provisions relating to the constitution of Internal Committee under the POSH Act. The Internal Committee has been reconstituted vide Sandesh mail dated 2nd February 2024.

Ethics Management

Ethics Management at the Company has been institutionalized through TCoC. To spread awareness and sustain an ethical culture across the organization, ethics management is a 5-tier structure. Ethics Management Apex Team (EMAT), led by the CEO in his capacity as the Principal Ethics Officer (PEO) and represented by other senior leadership members of the organization. The apex team plays the lead role in guiding, reviewing and monitoring ethical issues.

At the 2nd tier, Ethics Mentors address the grievances of all stakeholders. At the 3rd tier, Locational Ethics Counsellors (LECs) comprising of officers at the level of Senior Manager to Deputy General Manager, who are present at key locations across the Company and are readily approachable to all the locational employees and other stakeholders. The 4th tier comprises of Ethics Champions (ECs) who are officers up to the Manager level who assist LECs and spread awareness about TCoC and other Ethics related policies amongst employees at their respective locations. The 5th tier comprising of Business Associates (BA) Ethics Champions under the guidance of LECs/ECs are exclusively dealing with the concerns of contract employees apart from spreading awareness about ethics policies and systems so that the prevalent guidelines in regard to ethics are percolated up to the last level.

The Company has established a robust Ethical Concern resolution process, centrally controlled by Chief Ethics Counsellor (CEC). Concerns are logged and monitored through an online portal and tracking process wherein all complaints are resolved in a time bound manner. The ethical concerns received from consumers/residents of the area through Interactive Voice Response System are also tracked for resolution through the online portal. Corrective actions are taken, if the concerns raised are found to be valid. Ethical conduct is considered as one of the parameters while finalizing contracts of BAs. Exemplary ethical practices are rewarded by leadership in various forums and Reward & Recognition ceremonies. As a new initiative, statistics and synopsis of Ethical Concerns, both substantiated and not substantiated, are circulated to employees on quarterly basis through Sandesh from CEO Office. The same are also displayed through screensaver from time to time.

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

Launch of Anti-Bribery & Anti-Corruption Policy

Anti-Bribery & Anti-Corruption Policy (ABAC Policy) was implemented in the Company w.e.f. 6th September 2022. Accordingly, an internal communication attaching ABAC Policy along with its salient features was circulated amongst the employees. All complaints falling under the purview of this Policy can be forwarded to the concerned Compliance Officer in accordance with the ABAC Policy.

A copy of the ABAC Policy has been placed on the Company's website at the web-link:
https://www.tatapower-ddl.com/corporate/our-company/corporate-policies

Vigil Mechanism

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

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

A copy of Vigil Mechanism has been placed on the Company's website at the web-link: https://www.tatapowerddl.com/Editor_UploadedDocuments/Content/Vigil_Mechanism_18_May_2023.pdf

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

Gift Policy

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

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

14. CREDIT RATING

The Company's borrowing facilities (both fund and non-fund based) are rated by ICRA, the credit rating agency. As on 31st March 2024, the Company had fund-based credit rating as AA with positive outlook along with short term and non-fund-based credit rating as A1+ for bank lines. The Company has A1+ rating for its Commercial Paper from ICRA and CRISIL.

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

Particulars – Standalone	**FY 2023-24 (₹ crore)**	**FY 2022-23 (₹ crore)**
Foreign Exchange Earnings mainly on account of interest, dividend	Nil	Nil
Foreign Exchange Earnings mainly on account of consultancy services	Nil	1.085
Foreign Exchange Outflow mainly on account of:		
Fuel purchase	Nil	Nil
Interest on foreign currency borrowings, NRI dividends	Nil	Nil
Purchase of capital equipment, components and spares and other miscellaneous expenses	Nil	Nil
Foreign consultancy & other expenses	1.91	0.96
Foreign travelling expenses	0.71	0.36

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 Act read with rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is applicable only to listed companies.

18. Subsidiaries

NDPL Infra Limited is the wholly owned subsidiary of the Company. 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 the financial statements of the Company.

During FY 2023-24, the existing subsidiary did not cease to be a subsidiary of the Company. There has been no major change in the nature of business of your Company and its subsidiary. Currently, there is no joint venture and associate of the Company.

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

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

NDPL Infra Limited has earned other income of ₹ 1.96 crore during FY 2023-24, an increase of about 32.4% from ₹ 1.48 crore in FY 2022-23. NDPL Infra Limited has earned Profit Before Tax (PBT) of ₹ 1.54 crore for the year ended 31st March 2024 as against ₹ 1.33 crore for the year ended 31st March 2023 and total comprehensive income of ₹ 1.15 crore for the year ended 31st March 2024 as against ₹ 1 crore for the year ended 31st March 2023.

19. AUDITORS

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

Internal Audit: Mr. Piyush Kumar Jain is the Internal Auditor (DGM, Internal Audit and Corporate Governance) of the Company.

Secretarial Audit: M/s Sanjay Grover & Associates, Company Secretaries were appointed as Secretarial Auditors of the Company for FY 2023-24 at the Board Meeting held on 17th April 2023 to conduct the secretarial audit for the year under review.
Based on the recommendation of the Audit Committee, the Board at its meeting held on 16th April 2024 has approved the re-appointment of M/s Sanjay Grover & Associates, Company Secretaries, as the Secretarial Auditors of the Company for FY 2024-25. 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 Act.

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

21. COST ACCOUNTS, COST AUDITOR AND COST AUDIT REPORT

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

M/s Chandra Wadhwa & Co., Cost Accountants (Firm Registration No. 000239) were re-appointed as Cost Auditors of the Company for FY 2023-24 at the Board Meeting held on 17th April 2023 to conduct the cost audit for the year under review.

The Cost Audit Report of the Company for the financial year ended 31st March 2023 was filed with the Central Government, Ministry of Corporate Affairs on 17th August 2023 through Extensible Business Reporting Language (XBRL), before the due date of 27th September 2023.

Based on the recommendation of the Audit Committee, the Board at its meeting held on 16th April 2024 has approved the re-appointment of M/s Chandra Wadhwa & Co., Cost Accountants (Firm Registration No. 000239) as the Cost Auditors of the Company for the financial year 2024-25, to audit the cost accounts relating to electricity, subject to the ratification of remuneration by the members in the ensuing Annual General Meeting of the Company. They have, pursuant to Section 148 of the Act, furnished a certificate regarding their eligibility for appointment as the Cost Auditors of the Company. They have also certified their independence and arm's length relationship with the Company.

22. SECRETARIAL AUDIT REPORT

M/s Sanjay Grover & Associates, Company Secretaries, were re-appointed as Secretarial Auditor to conduct Secretarial Audit of records and documents of the Company for FY 2023-24 at the Board Meeting held on 17th April 2023 and Secretarial Audit was conducted by them. The Secretarial Audit Report confirms that the Company has generally complied with the provisions of the Act, rules, regulations and guidelines.

The Secretarial Audit Report is provided in Annexure-IV.

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 V and Annexure VI 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-VII.

25. ANNUAL RETURN

Pursuant to provisions of Sections 92(3) and 134(3)(a) of the Act and the rules made thereunder, the Annual Return as on 31st March 2024 in Form MGT-7 is available on the Company's website on
https://www.tatapower-ddl.com/regulations-and-compliances/business-mis/companies-act-compliances

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

a) In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures therefrom;
b) They had, in the selection of the accounting policies, consulted the statutory auditors and had applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
c) They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d) They had prepared the annual accounts on a going concern basis;
e) They had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
f) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. Insolvency and Bankruptcy Code, 2016

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

32. Valuation

The details of the difference between the amount of the valuation done at the time of one-time settlement and the valuation done while taking loans 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 2023-24, therefore, Section 134(3)(ca) of the Act pertaining to details of frauds reported by auditors under Section 143(12) 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, The Tata 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**

Dr. Praveer Sinha
Chairman
(DIN: 01785164)

Delhi, 16th April 2024

Annexures to Board's Report

ANNEXURE I - POLICY ON BOARD DIVERSITY & DIRECTOR ATTRIBUTES

1. **Objective**

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

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

2. **Attributes of Directors**

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

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

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

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

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

Additional Attributes

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

3. **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 II – REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

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

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

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

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

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

Key principles governing this Remuneration Policy are as follows:

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

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

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

- **Remuneration payable to Director for services rendered in other capacity**

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

- **Policy implementation**

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

ANNEXURE III– Annual Report on CSR Activities

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

1. Brief outline on CSR Policy of the Company:

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

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

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

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

2. Composition of CSR Committee:

S.No.	Name of the 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. Narendra Nath Misra	Chairman- Independent Director	3	3
2.	Mr. Sanjay Kumar Banga	Member-Director	3	3
3.	Mr. Arup Ghosh[1]		3	2
4.	Ms. Shefali Shah[2]		3	1

[1]Ceased w.e.f. 6th October 2023.
[2]Inducted w.e.f 20th October 2023.

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

   The Company's CSR Policy for FY 2023-24, including overview of projects or programs undertaken or proposed to be undertaken, is provided on the Company website:
   https://www.tatapower-ddl.com/Editor_UploadedDocuments/Content/CSR_Policy_FY_23-24_for_GS_PDF_sign.pdf

4. **Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:** https://www.tatapower-ddl.com/Editor_UploadedDocuments/Content/TPDDL_Evaluation_Report_28.3_.pdf

IMPACT ASSESSMENT SUMMARY - FINDINGS & RECOMMENDATIONS

- Introduction: Department of Social Work at University of Delhi conducted impact assessment of 11 CSR initiatives of the Company across 12 districts in the North and North-West parts of Delhi.

- Objective: To enhance understanding of CSR program implementation strategies, assess performance, report impacts and recommend improvements aligned with organizational goals.

- Evaluation: The evaluation was done with the help of 7 teams using the OECD framework relevance, coherence, efficiency, effectiveness, impact and sustainability.

- Methodology:
  - The evaluation used a mixed method approach – using qualitative methods (focus group discussions) and quantitative methods of data collection.
  - Multi-stage sampling was used with an aim to cover 10% of the geographical spread of each initiative.

- Overall observations:
  - All programs were aligned with the focus areas of Government of India with Sustainable Development Goals.
  - The programs had major thrust on women and on socio economically marginalized sections of society.
  - The programs tend to cover the three major indicators of the HDI- Health, education and economic component.
  - Programs had been scaled up across multiple sites/ locations.
  - The beneficiaries of the programs appreciated the interventions and shared their own views with respect to their expectations from the programs.
  - There was a need to undertake a detailed social audit of select CSR initiatives – to identify the sites/ locations where the initiatives are dysfunctional, not functioning up to the expectations or where they were likely to reach saturation in due course.
  - There was a need for pruning of some initiatives to ensure that these open way for new initiatives. Some initiatives had stabilized and ready for innovation
  - This strategy would require sustainability of the initiatives independent of Tata Power.
  - Focus required on the environmental, sustainability and governance which were emerging as the pillars of CSR interventions.

➢ **Major findings and recommendations of the following programmes:**

Program	Findings	Recommendations
Women Learning Centers (WLC) Program	• Literacy had contributed to women's ability to independently travel and to an extent operate bank accounts. • The program had been able to raise awareness about health and sanitation.	• Linking WLCs effectively with income generation. • Women had expressed that they tend to forget the learnings after a point of time.
ABHA Program	• ABHAs had contributed effectively as advocates and mobilisers of Social Impact Group programs. • The program had enthused self-confidence and communications skills in ABHAs. • This initiative gives them financial independence though to a limited extent. • ABHAs find their interventions to be contributing towards gender equality in their area.	• Boost motivation of ABHAs with salary and non-economic awards. • Implement safety measures in communities • Their skills and competencies may be enhanced by regular and advanced training and providing them inputs specifically pertaining to aspects of the projects. • Facilitate career development opportunities for ABHAs.
Vocational Training Centre	• The trainees were happy with the inputs provided in the classroom. • They were confident of getting jobs on completion of the course. • The infrastructure and maintenance of the centres vary according to the NGOs. • Resources at the Vocational Training (VT) centres were effectively utilized.	• The job linkages need to be strengthened. • Participants from diverse trades emphasize the importance of introducing life skills into the current curriculum. • Need to introduce trainings which align with market demand, for instance, past students want mobile repairing to be introduced.
Tutorial Program	• The students find the tutorial programme effective in managing their difficulties pertaining to curriculum. • They find the teachers helpful and going out of their way to solve their doubts during exams. • The teachers were resilient and manage mixed batches of students. • Variation in the general upkeep of the centres to a limited extent.	• Explore the possibility of class wise tutorials, if possible. • Meanwhile introduce teacher training programs, equipping educators with strategies for managing mixed classes and employing diverse teaching techniques. • Incorporate life skills training for a comprehensive educational approach. • Ensuring standardized approach to hygiene and safety issues, disability friendly infrastructure, would enhance accessibility and inclusivity.

EDP/ Self-Help Group (SHGs) Units	• Different approaches used at these centres. • The model closest to using SHGs for encouraging enterprises amongst women found in one enterprise. • Women find these centres as spaces for not only earning but also shared spaces to interact and engage with each other. • Space also used for getting information and knowledge about a number of issues. • The money earned was used for fulfilling their children's small needs. • Most women have their Bank accounts though saving was undertaken by a few of them. • They were allocated work by the centres which they complete and flexibility of timings was appreciated by women. • The market for their products was provided by Tata Power.	• The EDP had huge potential for economic independence of women. • There was a need to strengthen the market linkages beyond Tata Power to ensure long term sustainability of this initiative. • Identify such women who are interested and show potential to be entrepreneurs • Developing entrepreneurial ethos through SHG was an interesting model. However, stabilizing such models would require training and additional inputs for such SHGs. • Formation of SHGs then would have to be carefully done to ensure that these SHGs were capable of taking up economic ventures. • Starting an enterprise requires funds which could come either through the funds saved by SHGs or through banks, mudra yojana (govt. scheme) or by creating a rolling corpus within the centres for initiatives which show promise of being independently launched.
Mobile Dispensary Unit	• Respondents visit mobile dispensary mostly for the treatment of seasonal ailments like cough and cold, diarrhoea, upper respiratory tract infection, skin ailments and even preventive healthcare. • Respondents were satisfied with the services and with the doctor and staff who they find amenable and approachable. • The average medical expenditure per month varies amongst the respondents with the majority spending between ₹ 100 to ₹ 500. • The availability of medical dispensary had led to a reduction in medical expenses for the majority of respondents, demonstrating the positive impact of mobile dispensary on health care affordability. • Addresses health-related barriers through awareness drives and health camps.	• Calibrate routes and stoppages in consultation with implementing partners. • Enhance referral services by networking with nearby hospitals. • A special app/WhatsApp group may be created for monitoring pregnant and lactating mothers. • Diagnostic services may be enhanced and people informed of these services. • Explore the distribution of supplements for specific categories if needed.

RO/UFUs	• Provides clean drinking water to communities, involving SHGs women as operators. • Positive feedback from the communities on the quality of water and timely repairs. • Self reporting of reduced incidences of water borne diseases at home. • Concerns about cleanliness around RO plant locations. • Wish for availability of more water per family. • Water supply becomes crucial since in some localities, supply of potable water to individual homes is still awaited.	• Need for maintaining hygiene of the area where plants were located and generating awareness on cleanliness. • Communities had requested for increase in the amount of water per family and extension of water distribution timings. This may be explored depending on the footfall at each location and availability of water. • Replicate the project in other areas and explore advanced purification technologies. • Need to sensitize communities on water conservation. • Strengthen collaborations with local government to ensure potable drinking water to the communities.
Club Enerji	• Increase in awareness levels of students. • Changes in behavior of the students towards energy and environment. • Happy with the enerji melas and the positive reinforcement received through them.	• The programme had consolidated itself and its roll out mechanisms were well defined. It is now time to experiment within the Club Enerji. • The schools may be encouraged to nominate the names of students who show sensitivity to the environment and proactively come up with solutions to environment conservation within school premises. These students could be acknowledged during the Urja Mela. • There were number of interesting initiatives such as Lab on Wheels initiative which sensitises students towards problem solving using technology and Artificial Intelligence. • The Company may as a role model use solar energy in its RO equipment specifically in schools to encourage students to adopt alternate sources of energy and to adopt new technology which avoids water wastage that happens in reverse osmosis as in the existing and older models.

5. a) **Average net profit of the company as per sub-section (5) of section 135:** ₹ 6,12,64,07,000/-
   b) **2% of average net profit of the company as per sub-section (5) of section 135:** ₹ 12,25,28,000/-
   c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Not Applicable
   d) **Amount required to be set off for the financial year, if any:** Nil
   e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:** ₹ 12,25,28,000/-

6. a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹ 12,47,40,000/- [Other than ongoing projects: ₹ 12,47, 40,000/-] [Ongoing projects: Nil]
   b) **Amount spent in Administrative Overheads:** Not Applicable
   c) **Amount spent on Impact Assessment, if applicable:** 9,13,000/-
   d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹ 12,56,53,000/-

e) 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 sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
12,56,53,000	Nil	-	-	Nil	-

f) Excess amount for set off, if any: Nil

Sl. No.	Particulars	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	12,25,28,000
(ii)	Total amount spent for the Financial Year	12,56,53,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	31,25,000
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent CSR amount for the preceding three financial years- Not Applicable

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	FY-1							
2	FY-2							
3	FY-3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

S. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries.)

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

Ganesh Srinivasan
(Chief Executive Officer)
(DIN: 08208444)
Delhi, 16th April 2024

Narendra Nath Misra
(Independent Director)
(Chairman, CSR Committee)
(DIN: 00575501)
Delhi, 16th April 2024

ANNEXURE IV– SECRETARIAL AUDIT REPORT

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year ended 31st March 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

We report that-

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

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

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

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during Financial Year ended on 31st March 2024 (Audit Period), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

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

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

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

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

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

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

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

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

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

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

I. The Board of Directors, during their meeting convened on 17th April 2023, recommended a final dividend of 15% (₹1.50 per Equity share of ₹10 each) on the equity share capital for the financial year 2022-23, amounting to a total of ₹ 157.80 crore to be disbursed to the equity shareholders of the Company.

Subsequently, at the shareholders' meeting held on 21st July 2023, the final Equity Dividend at the rate of 15% on the equity share capital for the financial year 2022-23 was duly approved to be paid to the equity shareholders.

II. The Long Term Loans and Borrowings Borrowing Committee, through Circular No. 59 dated 26th June 2023, has approved the allotment of secured, unlisted, unrated, redeemable, non-convertible debentures totaling ₹100 crore on a Private Placement Basis to the Asian Development Bank.

III. The Board of Directors at their meeting held on 22nd January 2024 approved interim dividend @ 20% (₹ 2 per Equity share of ₹ 10 each) on the equity share capital for the financial year 2023-24 i.e., a total of ₹ 210.40 crore be paid out of the profits of the Company for the nine months ending 31st December 2023, to the equity shareholders of the Company.

For Sanjay Grover& Associates
Company Secretaries
Firm Registration No. P2001DE052900
Peer review No.: 4268/2023

Vijay K Singhal
Partner
ACS No:21089, CP No: 10385
UDIN: A021089F000043201

Place: New Delhi
Date: 06/04/2024

Annexure V – Conservation of Energy

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

Demand Side Management Initiatives for Conservation of Energy

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

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

1. AC Rebate / Discount Based Scheme

Project Name	Objective	Brief Description	Status/Progress
AC Rebate / Discount based scheme for increasing adoption of 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. ₹ 5,500/- in the electricity bill depending upon their usage. -All the old ACs collected under the DERC rebate scheme are disposed-off in an environment friendly manner. -Tariff neutral from year 1 (one).	Scheme launched on 10th July 2015. i. DERC rebate scheme: Voltas, Hitachi and Godrej were the participating OEMs till FY 2020-21 ii. Discount based scheme: w.e.f. FY 2021-22 to as on date with Voltas. • Total installed quantity till now – 27,115 Nos. • Deemed Load Reduction – 24.07 MW. • Annual Cumulative Energy Savings- 22.82 MUs. • Annual CO_2 Reduction – 19.74 MT.

2. Distribution of LED Light and Ceiling Fan

Project Name	Objective	Brief Description	Status/Progress
Distribution of Energy Efficient LED Light and Ceiling Fan at the discounted rates	To evolve a framework to encourage the Company's customers for usage of the Energy Efficiency Appliances	– LED lights (Bulb and Tube light) and BEE 5 star rated ceiling fans would be offered at discounted rates in association with Crompton, Surya, Halonix & EESL. – Distribution of 9-watt LED bulb @ ₹ 75/- – Distribution of 12-watt LED bulb @ ₹ 125/- – 20-watt LED T8 Tube light @ ₹ 180/- – BEE 5-star ceiling fan initially started with ₹ 1,110/-, now it is available in range of ₹ 2,250 to ₹ 3,200, with multiple product range from various reputed OEMs. – The Company to facilitate distribution of the products through ABHA members on chargeable basis.	– MoU signed between the Company and OEMs about SOP and commercial part regarding the Company's facilitation charges as the Company is the only DISCOM allowed by OEMs for working as distribution partner. – Scheme since 7th February 2017 – Program Targets: a. Bulbs – 14,09,676 Nos. b. Tube lights – 1,12,414 Nos. b. Fans – 11,381 Nos. Cumulative quantity: 15,33,471 Nos. Total Deemed MW Saving: 41.82 MW Total MU savings: 46.55 MUs Total CO_2 emission reduction: 38.20 MT

3. Energy Efficiency Services for Tata Power-DDL consumers –Energy Service Company

Project Name	Objective	Brief Description	Status/Progress
Energy Efficiency Program through Energy Service Company (ESCO)	– To evolve a framework to encourage customers within and outside the Company for conducting Energy Audits and implementation of the Energy Efficiency (EE) measures through Discom driven ESCO route. – To optimize the Company's peak load consumption.	– Empaneled and developed a pool of Grade 2 ESCOs. <u>Customer Specific</u>: – An ESCO identifies energy improvements, provide capital required, install improvements, offer turn-key installation, monitor and guarantee energy savings.	– Total audit done of 89.94 MW (75.15 MW from customer specific and 14.79 MW from EESL Energy Audit project). – Energy Efficiency Project implemented for 26.85 MW (10.68 MW from customer specific and 16.17 MW from NDMC streetlight project package 1).

	– To provide value added services to customers. – Single window energy efficiency solution to consumers.	– Smart Energy Management projects with collaboration partners. – VAS offerings are available for commercial and industrial customers.	– Offerings provided to the customers in numbers under Value Added Services are: • APFC: 395 • Energy Audit: 17 • AMC: 7 • SEM: 10 • HVAC: 2 • Harmonics: 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	– The Company in consortium with Havells was awarded the NDMC LED streetlight Project. – Havells as technology partner and the Company as implementation partner under ESCO model.	The project was awarded in two phases. In both phases, total 2 lakh approx. LED points have been installed and are connected through 3,323 central control monitoring system (CCMS) yielding into monthly billing of ₹ 1.73 crore.

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

Energy Savings achieved due to implementation of Energy Efficiency improvement measures

S. No.	DSM Program till date	Scale (Nos.)	Energy Savings (MUs)	Load Reduction (MW)	CO_2 reduction (MT)
1	LED Lights (DELP Scheme)	14,00,000	40.7	9.7	33.37
2	LED Lights & Fan (UJALA Scheme)	14,26,307	41.99	39.72	34.43
3	Range LED Tube Light with Crompton, Surya	1,12,414	5.01	1.98	4.30
4	BEE 5 Star Ceiling Fan with Crompton, Surya, Halonix	50,279	5.43	1.01	4.02
5	LED Bulb Scheme with Crompton, Surya	2,50,647	10.53	4.99	8.64
6	AC Rebate / Discount based scheme	27,115	24.07	22.82	19.74
7	Energy Efficiency Implementation Project	-	-	26.85	-
8	Rooftop Solar through Net Metering	2,586	78.84	64.65	55.2
9	Behavioral Demand Response Program	1,01,000	1.54	560	1.26

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

Dr. Praveer Sinha
Chairman
(DIN: 01785164)

Delhi, 16th April 2024

ANNEXURE VI – TECHNOLOGY ABSORPTION

Technology Absorption

1	The efforts made towards technology absorption	• Adoption of Outdoor GIS Switchgear Bay in 66kV Sub-station. • Single Phase 66kV/230V Gas Insulated Power Transformer. • Development of Bluetooth connectivity in Smart Meter NIC. • Development of LTCT Meter Box for DT metering up to 250kVA. • Development of dismantled material portal. • Development of Integrated voltage complaints analysis portal. • Mass roll-out of platform on arm and fall arrester system Monopole for safe maintenance work. • Remote connect/disconnect of LTCT Meters using Smart MCCB. • Introduction of Cable Junction box in 33kV Circuit at source end. • Installation of PQ meters in EV Switching Station. • Development of unified ERMS Portal for complete Tata Power. • Introduction of Digital Input in RDSS Scheme. • Self-Diagnostic logic in LT ACB and Patent has been filed. • Smart BMS technology in E-Rickshaw battery. • Integrated LT ACB Shorting & Earthing switch for space constraint locations. • Development of DD fuse unit with enhanced clearance to reduce the transient tripping. • Development of self-supported ladder.
2	The benefits derived like product improvement, cost reduction, product development or import substitution	• Outdoor GIS Line Bay helps to reduce the space requirement to near about 30% from conventional outdoor AIS line bay. This results improvement in reliability and safety. • Single Phase Power Transformer will help provide supply to areas, where load requirement is less, but grid station is not available nearby. The space requirement is also drastically reduced with such design. • Local disconnection / reconnection, meter reading in premises locked cases, meter recharge in case of primary communication medium failure. • Elimination of CT Ration mismatch cases, wrong wiring / missing CT and potential inputs to meter. • Capex/Cost Optimization via innovative approaches in Network Planning viz. reviewing of old approved schemes w.r.t. current network topology and re-utilization of dismantled assets. • Enhanced voltage quality to the consumers. • Platform and fall arrestor have a great impact on the moral of lineman. Safety of working persons has increased manifolds through such design. • Being LTCT Meters, there is no provision of disconnection in these meters. Providing option to remotely connect/disconnect enables billing groups ease of operations. • 33kV Cable Junction box has provided flexibility to system team for testing of cable after any faults. There is no need to remove GIS terminations. This has a great impact on the life of the GIS termination/switchgear and also eases the operational staff. • Installation of PQ meters in EV Switching Station will help to analyze the issues of Sag/Swell in voltage, effective utilization of transformer capacity. • Unified ERMS will help to have common specification all across the Tata Power Group. • DI port in 11kV Panel meters in RDSS scheme will help to bifurcate planned and unplanned outage and intern enables to reliability of supply. • Safety enhancement by proactively identification of fault condition and operation prevention through locking mechanism. • Real time monitoring of E-Vehicle battery cells, SOC along with pre-fault alarm for prevention of battery flashover and easy monitoring through app based mobile application. • Safety enhancement through development of earthing switch integrated with mechanical interlock system. • Reliability improvement by reducing transient tripping. • To enhance safety of lineman while working on mid-span conductor repair.

<table>
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<td>3</td>
<td>In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):
a) the details of technology imported
b) the year of import
c) whether the technology been fully absorbed
d) if not fully absorbed, areas where absorption has not taken place and reasons thereof</td>
<td>
<table>
<tr><th>(a)
Technology imported</th><th>(b)
Year of Import</th><th>(c)
Has technology been fully absorbed</th></tr>
<tr><td>Implementation of ADMS infrastructure & changes in related interfaces</td><td>2018</td><td>Fully Absorbed</td></tr>
<tr><td>Field Force Automation</td><td>2018</td><td>Fully Absorbed</td></tr>
<tr><td>Advanced Metering Infrastructure (AMI)</td><td>2018</td><td>Fully Absorbed</td></tr>
<tr><td>Integrated Communication Technology (ICT)</td><td>2018</td><td>Fully Absorbed</td></tr>
<tr><td>Battery Energy Storage System (BESS)</td><td>2018</td><td>Fully Absorbed</td></tr>
<tr><td>Integrated Security Solution (ISS)</td><td>2018</td><td>Fully Absorbed</td></tr>
<tr><td>Smart Street Light Management System</td><td>2018</td><td>Fully Absorbed</td></tr>
<tr><td>Field Force Automation 2.0 (NCC & Streetlight)</td><td>2021</td><td>Fully Absorbed</td></tr>
<tr><td>Advanced ADMS Application</td><td>2021</td><td>Fully Absorbed</td></tr>
<tr><td>Unified ERMS</td><td>2022</td><td>Under Absorption</td></tr>
<tr><td>Outdoor GIS Line Bay</td><td>2023</td><td>Under Absorption</td></tr>
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1	Specific area in which R&D carried out by the Company	• Development of “Feeder Power Management by Dynamic Reconfiguration” tool in collaboration with Toronto Metropolitan University. • PQ meters in EV Switching Stations and further roll out. • Outdoor GIS Line Bay for best utilization of land. • Disconnection/Connection of LTCT Meters. • Development of flexible ERP cable, in rolling cable drums, mounted on movable trolley for emergency supply restoration. • SF6 free 11kV RMU. • Al wound Ester oil filled DT up to 250 kVA with upgraded design. • SF6 Gas monitoring system for 11kV RMU.
2	Benefits derived as a result of the above R & D	• Dynamic feeder load management for higher utilization of assets + possible future commercialization. • To identify actual capacity of transformer and better quality of supply to the consumer. • Capacity enhancement of grid station without additional space, resulting into reliable and safe operation. • Improvement of billing efficiency and control defaulted consumers. • Reliability improvement through removable and reusable mobile solution. • Sustainability improvement though reduction in SF6 gas usage. • Theft reduction, cost saving and sustainability improvement. • Sustainability improvement by proactively monitoring of SF6 gas.

3	Future plan of action	• Planned for installation of 10 PQ meters in different switching stations. • Focus on Power Quality (Voltage Violation) analysis through data analytics. • GIS based analytics for the pocket wise load growth. • Phase wise consumer indexing based on Smart Meter data analytics. • Optimal integration of DER in the distribution network. • Installation of one more GIS Outdoor Bay planning and scheme framing. • Apex Meters, having dual protocol communication capability, installation in incoming line from DTL. • CYME Portal inhouse development for EHV Network. • Pilot testing through procurement of 500-meter cable length arrangement in FY 2024-25. • Pilot installation of 2 no of SF6 gas free RMU in FY 2024-25. • Regular implementation of Upgraded design of Al wound ester filled DT. • 50 number of SF6 monitoring system are proposed to be installed in FY 2024-25.
4	Expenditure on R & D a) Capital b) Operational c) Recurring d) Total	in ₹ crore 2.5 (approx.) Nil Nil 2.5 (approx.)

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

Dr. Praveer Sinha
Chairman
(DIN: 01785164)

Delhi, 16th April 2024

Annexure VII– Related Party Transactions

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

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

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

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

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

	(a)	(b)	(c)	(d)	(e)	(f)
Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts/ arrangements/ transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Tata Power Trading Company Limited (TPTCL)	Power Procurement	Validity of Power Purchase Agreement [from CLP Power India Private Limited (CLP) is 19th July 2037 and Maithon Power Limited (MPL) is 24th July 2042].	Power from both CLP and MPL is sourced through TPTCL as per the initial agreement between the parties executed on 20th January 2009 (between the Company and TPTCL) and 10th September 2009 (between the Company, TPTCL and MPL). While the tariff applicable to MPL is decided by the CERC while tariff applicable of CLP was determined under competitive bidding. Both these PPAs are approved by the DERC. A trading margin of 4 paise per kWh for the energy scheduled from MPL and a trading margin of 2% of the power purchase bill (capacity and energy charges) of CLP is payable by the Company to TPTCL. Accordingly, a trading margin paid to TPTCL on account of power scheduled from MPL in FY 2023-24 is ₹ 890.37 lakh and on account of the power scheduled from CLP in FY 2023-24 is ₹ 742.63 lakh.	These were approved by the Audit Committee.	Nil

2	Tata Power Renewable Energy Limited (TPREL)	Power Procurement	Validity of Power Purchase Agreement [for 510 MW of hybrid power from project at Karnataka] is upto 25 years from Schedule Commissioning Date. Tentative Scheduled Commissioning Date (SCD) is December 2025.	Power from TPREL is to be sourced for 510 MW hybrid power from project located at Karnataka as per agreement between the parties executed on 7th March 2023. This PPA is approved by DERC. The Hybrid Power Developer shall be entitled to receive a tariff of ₹ 3.00 per unit, fixed for the entire term of this agreement.	-	Nil

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

Dr. Praveer Sinha
Chairman
(DIN: 01785164)

Delhi, 16th April 2024

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

Opinion

We have audited the accompanying standalone financial statements of **Tata Power Delhi Distribution Limited ('the Company')**, which comprise the Standalone Balance Sheet as at 31st March 2024, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year ended on that date and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

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

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of section 164(2) of the Act;

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

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

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

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

   i. the Company, as detailed in Note 30 and 32.2 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31st March 2024;

   ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March 2024;

   iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2024; and

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

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

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

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

vi. Based on our examination, which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

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

Hitesh Garg
Partner
Membership No. 502955

Place: Noida
Date: 16th April 2024

UDIN: 24502955BKEHUX8407

Tata Power Delhi Distribution Limited

"Annexure A" as referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date for the year ended 31st March 2024

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

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

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

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

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

(c) The Company does not hold any land in its name. Land and buildings were transferred to company in terms of the DERA, transfer Scheme Rules 2001 on "as is where is" basis. The Company retains operational rights over the land and buildings used for the purpose of carrying out distribution business under a license granted by Delhi Electricity Regulatory Commission (DERC). Refer Note 4.4.14 to the Standalone Financial Statements of the Company.

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

(e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

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

(b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets of the company. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, book debt statements and other stipulated financial information filed by the Company with such banks or financial institutions till the date of this report are in agreement with the books of account of the Company of the respective quarters and no material discrepancies have been observed. The company is yet to submit the return/ statement for the quarter ended 31st March 2024 with the banks or financial institutions.

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

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

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

(vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act in respect of Company's products/services. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and the report of cost auditors of the company for the year and 31st March 2024. Accordingly, we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

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

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2024 on account of any dispute, are given below:

Name of the statute	Nature of dues	Amount (₹ in lacs)	Amount paid under protest (₹ in lacs)	Period to which the amount relates (FY)	Forum where dispute is pending

Income Tax Act, 1961	Demand on account of disallowance of certain expenses and short allowance of TDS and interest thereon	0.12	-	2009-10	Income Tax Appellate Tribunal
Income Tax Act, 1961	Demand on account of de-recognition of income & Interest on security deposit added in MAT.	452.86	-	2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand on short allowance of TDS and excess interest charged	19.59	-	2012-13	Income Tax Appellate Tribunal
Income Tax Act, 1961	Demand on account of disallowance under Section 43B, short credit of TDS, non-grant of FTC under Section 91	354.17	-	2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand on account of incorrect amount of bad debts considered in return of Income and disallowance u/s 43B	53.28	-	2018-19	Assessing Officer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) The Group has more than one CIC (Core Investment Company) as part of the group. As per the information and explanation given to us, there are four CIC's forming part of the group which are registered with the Reserve Bank of India (RBI).

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

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

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

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

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

Hitesh Garg
Partner
Membership No. 502955

Place: Noida
Date: 16th April 2024

UDIN: 24502955BKEHUX8407

Tata Power Delhi Distribution Limited

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

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") for the year ended 31st March 2024

We have audited the internal financial controls over financial reporting of Tata Power Delhi Distribution Limited ("the Company") as of 31st March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Hitesh Garg
Partner
Membership No. 502955

Place: Noida
Date: 16th April 2024

UDIN: 24502955BKEHUX8407

TATA POWER DELHI DISTRIBUTION LIMITED
STANDALONE BALANCE SHEET AS AT 31 MARCH, 2024

	Notes	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	4,17,779.03	4,14,978.09
(b) Capital work-in-progress	4	23,176.70	15,573.62
(c) Right-of-use assets	5	5,473.71	6,568.86
(d) Intangible assets	4	3,122.91	4,855.62
(e) Financial assets			
(i) Investments	6	5.00	5.00
(ii) Other financial assets	7	85.46	85.07
(f) Income tax assets (net)	8	62.27	2,622.05
(g) Other non-current assets	9	668.41	1,307.11
Total non-current assets		**4,50,373.49**	**4,45,995.42**
(2) Current assets			
(a) Inventories	10	1,745.69	1,553.30
(b) Financial assets			
(i) Investments	11	25,002.14	-
(ii) Trade receivables	12	22,213.40	19,502.27
(iii) Unbilled Revenue		45,937.37	44,816.49
(iv) Cash and cash equivalents	13	6,140.71	327.28
(v) Bank balances other than (iii) above	13	5,629.28	5,459.90
(vi) Other financial assets	14	4,177.72	4,665.93
(c) Other current assets	15	20,613.19	8,061.70
Total current assets		**1,31,459.50**	**84,386.87**
Assets classified as held for sale	36.7.1	2,004.00	2,004.00
Total assets before regulatory deferral account balance		**5,83,836.99**	**5,32,386.29**
(3) Regulatory deferral account debit balances	36	5,32,084.58	6,13,927.70
Total assets		**11,15,921.57**	**11,46,313.99**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	16	1,05,200.00	1,05,200.00
(b) Other equity	17	3,42,916.61	3,34,486.21
Total equity		**4,48,116.61**	**4,39,686.21**
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Long-term borrowings	18	1,38,367.86	1,68,969.62
(ii) Lease liabilities	5	3,959.73	5,069.97
(iii) Other financial liabilities	19	96,885.65	87,305.98
(b) Provisions	20	6,364.37	5,820.05
(c) Deferred tax liabilities (net)	40	61,284.65	52,092.26
(d) Capital grants	21	1,211.99	306.56
(e) Contributions for capital works and service line charges	22	83,480.43	80,354.12
(f) Other non-current liabilities	23	60,898.51	58,535.77
Total non-current liabilities		**4,52,453.19**	**4,58,454.33**
(2) Current liabilities			
(a) Financial liabilities			
(i) Short-term borrowings	24	42,256.44	75,199.18
(ii) Lease liabilities	5	2,671.79	2,580.42
(iii) Trade payables	25		
- total outstanding dues of micro enterprises and small enterprises		3,446.98	3,207.86
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,05,649.84	1,06,316.43
(iv) Other financial liabilities	26	20,538.05	20,521.62
(b) Provisions	27	2,504.44	2,774.21
(c) Other current liabilities	28	37,275.13	37,573.73
(d) Current tax liabilities (Net)	29	1,009.10	-
Total current liabilities		**2,15,351.77**	**2,48,173.45**
Total equity and liabilities		**11,15,921.57**	**11,46,313.99**

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

In terms of our report attached of even date

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

Hitesh Garg
Partner
Membership No.: 502955

Noida
16 April, 2024

For and on behalf of the Board of Directors

K N Shrivastava
Director
DIN: 01584124

Ajay Kapoor
Director
DIN: 00466631

Ganesh Srinivasan
Chief Executive Officer

Monica Mehra

Monica Mehra
Company Secretary

Surajit Mishra
Chief Financial Officer

New Delhi
16 April, 2024

TATA POWER DELHI DISTRIBUTION LIMITED

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED AT 31 MARCH, 2024

		Notes	Year ended 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
I	Revenue from operations	31	10,12,222.95	9,29,669.05
II	Other income	31	11,985.63	10,676.20
III	**Total income**		**10,24,208.58**	**9,40,345.25**
IV	**Expenses**			
	Cost of power purchased (net) (excludes own generation)	32	7,21,067.34	7,46,956.70
	Employee benefits expense (net)	33	54,089.97	53,812.22
	Finance costs	34	28,820.66	28,632.81
	Depreciation and amortisation expense	4,5	39,024.18	37,714.21
	Other expenses	35	33,493.24	38,710.40
	Total expenses		**8,76,495.39**	**9,05,826.34**
V	**Profit/(Loss) before movement in regulatory deferral account balance and tax**		**1,47,713.19**	**34,518.91**
	Add/(Less): Movement in regulatory deferral account balance	36	(91,035.51)	21,034.18
	Add/(Less): Deferred Tax Recoverable/(Payable)		9,192.39	8,670.69
	Regulatory deferral account balance (net)		**(81,843.12)**	**29,704.87**
VI	**Profit/(Loss) before tax**		**65,870.07**	**64,223.78**
VII	Tax expense	40		
	(i) Current tax		11,307.87	11,508.85
	(ii) Deferred tax		9,217.67	8,675.70
VIII	**Profit/(Loss) for the year**		**45,344.53**	**44,039.23**
IX	**Other comprehensive income/(expense)**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurement gain/(loss) of defined benefit plans		(144.69)	(28.69)
	(ii) Income tax credit/(charge) relating to items that will not be reclassified to profit or loss			
	(a) Current tax	40	25.28	5.01
	(b) Deferred tax	40	25.28	5.01
	Other comprehensive income/(expense) for the year		**(94.13)**	**(18.67)**
X	**Total comprehensive income for the year**		**45,250.40**	**44,020.56**
	Earnings per equity share (face value ₹ 10/- each)	37		
(i)	Basic and Diluted earnings per equity share before net movement in regulatory deferral account balance (₹)		9.37	2.35
(ii)	Basic and Diluted earnings per equity share after net movement in regulatory deferral account balance (₹)		4.31	4.19

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

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Chartered Accountants
Firm's Registration No.: 006711N/N500028

Hitesh Garg
Partner
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Noida
16 April, 2024

For and on behalf of the Board of Directors

K.N. Shrivastava
Director
DIN: 01584124

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Ganesh Srinivasan
Chief Executive Officer

Monica Mehra

Monica Mehra
Company Secretary

Suranjit Mishra
Chief Financial Officer

New Delhi
16 April, 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED AT 31 MARCH, 2024

A. Equity share capital

	Particulars	Amount (₹/Lakhs)
(i)	**Balance as at 1 April, 2022**	**1,05,200.00**
(ii)	Changes in equity share capital during the year	-
(iii)	**Balance as at 31 March, 2023**	**1,05,200.00**
(i)	**Balance as at 1 April, 2023**	**1,05,200.00**
(ii)	Changes in equity share capital during the year	-
(iii)	**Balance as at 31 March, 2024**	**1,05,200.00**

B. Other equity

₹/Lakhs

	Particulars	Reserves and Surplus			Total
		General Reserve	Debenture Redemption Reserve	Retained Earnings	
(i)	**Balance as at 1 April, 2022**	9,150.00	-	2,93,939.65	3,03,089.65
(ii)	Profit for the year	-	-	44,039.23	44,039.23
(iii)	Other comprehensive income/(expense) for the year (net of tax)	-	-	(18.67)	(18.67)
(iv)	**Total comprehensive income {(ii)+(iii)}**	-	-	44,020.56	44,020.56
(v)	Dividend paid	-	-	(12,624.00)	(12,624.00)
(vi)	**Balance as at 31 March, 2023 {(i)+(iv)+(v)}**	**9,150.00**	**-**	**3,25,336.21**	**3,34,486.21**
(i)	**Balance as at 1 April, 2023**	9,150.00	-	3,25,336.21	3,34,486.21
(ii)	Profit for the year	-	-	45,344.53	45,344.53
(iii)	Other comprehensive income/(expense) for the year (net of tax)	-	-	(94.13)	(94.13)
(iv)	**Total comprehensive income {(ii)+(iii)}**	-	-	45,250.40	45,250.40
(v)	Dividend paid	-	-	(36,820.00)	(36,820.00)
(vi)	Transfer to/(from) Debenture Redemption Reserve	-	1,000.00	(1,000.00)	-
(vii)	**Balance as at 31 March, 2024 {(i)+(iv)+(v)+(vi)}**	**9,150.00**	**1,000.00**	**3,32,766.61**	**3,42,916.61**

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

In terms of our report attached of even date

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

Hitesh Garg
Partner
Membership No.: 502955

Noida
16 April, 2024

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New Delhi
16 April, 2024

TATA POWER DELHI DISTRIBUTION LIMITED
STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED AT 31 MARCH, 2024

		Year ended 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
A. Cash flow from operating activities			
Profit for the year		45,344.53	44,039.23
Adjustments to reconcile profit for the year to net cash flows:			
Income tax recognised as expense in Statement of Profit and Loss		20,525.54	20,184.55
Depreciation and amortisation expense		39,024.18	37,714.21
Finance costs (net of capitalisation)		28,820.66	28,632.81
Interest income		(1,953.40)	(964.69)
Gain on sale/fair value of mutual fund investment measured at FVTPL		(185.75)	-
Loss on disposal of property, plant and equipment		542.15	834.57
Amortisation of capital grants		(194.59)	(57.12)
Amortisation of contribution for capital works and service line charges		(8,702.38)	(9,150.14)
Obsolete inventory written off/allowance for obsolete inventory		37.82	76.14
Bad debts written off/(written back)		436.44	544.90
Provision for litigation		13.92	1,113.88
Late payment surcharge		(2,144.10)	(2,125.14)
Allowance for doubtful debts		(1,223.98)	612.61
Net unrealised foreign exchange (gain) / loss		(0.04)	0.80
Operating profit before working capital changes		1,20,341.00	1,21,456.61
Working capital adjustments:			
Adjustments for (increase)/decrease in operating assets:			
Inventories		(230.21)	(218.32)
Trade receivables		(2,669.71)	(2,841.46)
Other financial assets - current		(669.10)	(6,709.32)
Other financial assets - non current		(0.39)	(6.29)
Other non-current assets		250.70	(406.54)
Other current assets		(12,551.49)	5,211.78
Regulatory deferral account debit balances		81,843.12	(29,704.87)
Adjustments for increase/(decrease) in operating liabilities:			
Trade payables		(427.47)	(12,549.33)
Other financial liabilities - current including unbilled revenue		(669.04)	2,300.73
Other financial liabilities - non current		72.46	(200.88)
Other current liabilities		(298.60)	6,987.37
Other non-current liabilities		1,981.89	28,390.95
Provision for employee benefits - current		(428.38)	354.03
Provision for employee benefits - non current		544.32	148.87
Cash generated from operations		1,87,089.10	1,12,213.33
Taxes paid (including tax deducted at source net of refund)		(7,713.71)	(11,449.02)
Net cash from/(used in) operating activities	(A)	**1,79,375.39**	**1,00,764.31**
B. Cash flow from investing activities			
Purchase of property, plant and equipment (including capital advances)		(47,244.49)	(41,591.55)
Proceeds from sale of property, plant and equipment		924.87	1,035.33
Proceeds from bank deposits (net)		(169.38)	1,960.34
Interest received		2,370.68	1,010.46
Late payment surcharge received		2,144.10	2,125.14
Purchase of current investments		(1,65,984.00)	-
Proceeds from sale of current investments		1,41,167.61	-
Net cash from/(used in) investing activities	(B)	**(66,790.61)**	**(35,460.28)**
C. Cash flow from financing activities			
Finance cost paid		(27,980.46)	(28,965.61)
Payment of lease liabilities		(1,562.65)	-
Proceeds from short-term borrowings and working capital demand loans		5,71,335.07	8,49,440.04
Repayment of short-term borrowings and working capital demand loans		(5,97,026.44)	(8,33,807.21)
Net (repayment)/proceeds from cash credit and other credit facilities		(5,804.74)	(6,664.08)
Proceeds from long-term borrowings		21,967.65	72,764.30
Repayment of long-term borrowings		(64,016.04)	(1,25,819.55)
Net (repayment)/proceeds from issue of Non Convertible Debenture		10,000.00	-
Net (refund)/proceeds from contribution for capital works		8,609.05	6,077.15
Proceeds from service line charges		3,219.64	3,281.97
Proceeds from Capital Grant		1,100.02	-
Net (repayment)/proceeds from consumers' security deposits		10,207.55	8,818.65
Dividend paid to equity shareholders		(36,820.00)	(12,624.00)
Net cash from/(used in) financing activities	(C)	**(1,06,771.35)**	**(67,498.34)**
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	**5,813.43**	**(2,194.31)**
Cash and cash equivalents at the beginning of the year		327.28	2,521.59
Cash and cash equivalents at the end of the year (refer note 13)		**6,140.71**	**327.28**

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

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Company Secretary

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Chief Financial Officer

New Delhi
16 April, 2024

Note 1

General Information

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

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

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

Note 2

2.1 **Statement of compliance**

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

2.2 **Basis of preparation and presentation**

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

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

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

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

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

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

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

Note 3

Other significant accounting policies

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

3.1 **Foreign currencies**

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

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

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

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

3.2 **Current versus non-current classification**

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

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

3.3 **Financial instruments**

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

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

3.3.1 **Offsetting of financial instruments**

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

3.4 Financial assets

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

3.4.1 Amortised cost

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

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

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

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

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

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

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

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

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

3.4.4 Impairment of financial asset

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

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

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

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

3.4.5 Derecognition of financial asset

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

3.5 Financial liabilities and equity instruments

3.5.1 Classification as debt or equity

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

3.5.2 Equity instruments

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

3.5.3 Financial liability

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

3.5.3.1 Financial liabilities subsequently measured at amortised cost

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

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

3.5.3.2 **Derecognition of financial liabilities**

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

3.6 **Reclassification of financial assets & liabilities**

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

3.7 **Dividend**

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

3.8 **Changes in accounting policies and disclosures**

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

3.9 **Deferred tax recoverable/payable**

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

3.10 **Critical accounting estimates and judgements**

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

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

The areas involving critical estimates or judgements are:

1. Estimates used for impairment of property, plant and equipment of certain cash generating units (CGU) - Note 4
2. Estimated fair value of unquoted securities and impairment of investments - Note 6
3. Estimation of defined benefit obligation - Note 20, 27 and 33
4. Estimation of current tax and deferred tax expense (including Minimum Alternate Tax credit) - Note 40
5. Estimation of regulatory deferral account balances - Note 36
6. Estimation of provision and contingent liability - Note 20, 27 and 30
7. Estimation of impairment of financial assets - Note 12
8. Estimation of unbilled revenue - Note 15(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.

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.

Assets 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 were 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 had 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 regulation 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% is to be depreciated 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.

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. Similarly, when a major improvements 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 and classified as capital work in progress.

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

4.2 **Intangible assets**

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

4.3 **Impairment of tangible and intangible assets**

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

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

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

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

Note 4.4

₹/Lakhs

	Particulars	Cost					Accumulated depreciation and amortisation				Net carrying amount	
		As at 01.04.2023	Additions	Borrowing costs capitalised	Disposals/ Adjustment	As at 31.03.2024	As at 01.04.2023	Depreciation/ amortisation expense	Eliminated on disposals	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
4.4.1	**Property, plant and equipment**											
(a)	Buildings - Plant	33,611.97	180.42	2.16	-	33,794.55	11,516.47	519.14	-	12,035.61	21,758.94	22,095.50
(b)	Building - Others	5,427.80	347.91	1.88	-	5,777.59	4,063.13	398.26	-	4,461.39	1,316.20	1,364.67
(c)	Plant and equipment	3,65,917.44	24,943.78	46.04	4,057.74	3,86,849.52	1,76,450.50	20,034.95	3,129.22	1,93,356.23	1,93,493.29	1,89,466.94
(d)	Transmission lines and cable network	3,56,998.98	13,720.79	90.89	764.12	3,70,046.54	1,59,953.22	14,543.51	431.01	1,74,165.72	1,95,880.82	1,97,045.76
(e)	Furniture and fixtures	1,303.67	21.41	-	1.24	1,323.84	877.63	64.81	1.24	941.20	382.64	426.04
(f)	Vehicles	3,791.14	1,043.16	-	310.03	4,524.27	1,034.06	350.00	105.66	1,278.40	3,245.87	2,757.08
(g)	Office equipment	4,300.15	140.85	-	10.70	4,430.30	2,478.05	260.66	9.68	2,729.03	1,701.27	1,822.10
	Total	**7,71,351.15**	**40,398.32**	**140.97**	**5,143.83**	**8,06,746.61**	**3,56,373.06**	**36,271.33**	**3,676.81**	**3,88,967.58**	**4,17,779.03**	**4,14,978.09**
	As at 31.03.2023	(7,32,530.59)	(43,970.26)	(344.77)	(5,494.47)	(7,71,351.15)	(3,24,933.67)	(35,063.96)	(3,624.57)	(3,56,373.06)	(4,14,978.09)	
4.4.2	**Intangible assets**											
	Computer software	17,742.66	56.10	-	-	17,798.76	12,887.04	1,788.81	-	14,675.85	3,122.91	4,855.62
	Total	**17,742.66**	**56.10**	**-**	**-**	**17,798.76**	**12,887.04**	**1,788.81**	**-**	**14,675.85**	**3,122.91**	**4,855.62**
	As at 31.03.2023	(17,293.17)	(449.49)	-	-	(17,742.66)	(11,070.11)	(1,816.93)	-	(12,887.04)	(4,855.62)	
	Grand total	**7,89,093.81**	**40,454.42**	**140.97**	**5,143.83**	**8,24,545.37**	**3,69,260.10**	**38,060.14**	**3,676.81**	**4,03,643.43**	**4,20,901.94**	**4,19,833.71**
	As at 31.03.2023	(7,49,823.76)	(44,419.75)	(344.77)	(5,494.47)	(7,89,093.81)	(3,36,003.78)	(36,880.89)	(3,624.57)	(3,69,260.10)	(4,19,833.71)	-
4.4.3	**Capital work-in-progress (CWIP)**	**15,573.62**	**45,706.15**	**146.43**	**38,249.50**	**23,176.70**	**-**	**-**	**-**	**-**	**23,176.70**	**15,573.62**
	As at 31.03.2023	(17,672.87)	(41,477.50)	(231.12)	(43,807.87)	(15,573.62)	(-)	(-)	(-)	(-)	(15,573.62)	

4.4.4 Property plant & equipment and intangible assets (movable and immovable) are hypothecated against secured borrowings of ₹ 2,43,708.52 lakhs (as at 31 March, 2023 ₹ 2,57,452.86 lakhs) (refer note 18.1(i), 24.1, 24.3).

4.4.5 CWIP is stated at cost, net of accumulated impairment loss, if any. CWIP includes closing capital inventory of ₹ 6,464.26 lakhs (as at 31 March, 2023 ₹ 5,581.08 lakhs).

4.4.6 Carrying amount of capital inventory hypothecated as security for borrowings is ₹ 6,464.26 lakhs (net of provision of ₹ 259.82 lakhs) (as at 31 March, 2023 ₹ 5,581.08 lakhs) (refer note 18.1(i), 24.1, 24.3).

4.4.7 During the period ended 31 March, 2024 the borrowing cost of ₹ 146.43 lakhs (for the year ended 31 March, 2023 ₹ 231.12 lakhs) relating to capital work-in-progress includes ₹ 64.87 lakhs (for the year ended 31 March, 2023 ₹ 149.53 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 31.03.2024	Year ended 31.03.2023
Depreciation on tangible assets	36,271.33	35,063.96
Add: Depreciation on right of use assets (refer note 5)	964.04	833.32
Add: Amortisation on Intangible assets	1,788.81	1,816.93
Total	**39,024.18**	**37,714.21**

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 license granted by Delhi Electricity Regulatory Commission (DERC).

4.4.11 During the period ended 31 March,2024, the Company has acquired Battery energy storage system (BESS) against which the Company has received Grant from Asian Development Bank (ADB) to meet the cost of asset along with the refurbishment cost (refer note 21.1)

4.4.12 Figures in bracket represents previous year figures.

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

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

As at 31 March. 2024

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Property Plant & Equipment	Land	Nil	Government of National Capital Territory of Delhi (GNCTD) {Land and buildings were transferred to company in terms of the DERA, transfer Scheme Rules 2001 on as is where is basis to be occupied and utilised for distribution business}	No	July 2002 to March 2024	The Company does not own any land in its name. The Company retain operational rights over the land and buildings used for the purpose of carrying out distribution business under a license granted by Delhi Electricity Regulatory Commission (DERC).
	Buildings - Plant	33,794.55				Post acquisition of licence, the Company has made additions on the said land & building and the same is being classified under Property, plant and equipment.
	Building - Others	5,777.59				

As at 31 March. 2023

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Property Plant & Equipment	Land	Nil	Government of National Capital Territory of Delhi (GNCTD) {Land and buildings were transferred to company in terms of the DERA, transfer Scheme Rules 2001 on as is where is basis to be occupied and utilised for distribution business}	No	July 2002 to March 2023	The Company does not own any land in its name. The Company retain operational rights over the land and buildings used for the purpose of carrying out distribution business under a license granted by Delhi Electricity Regulatory Commission (DERC).
	Buildings - Plant	33,611.97				Post acquisition of licence, the Company has made additions on the said land & building and the same is being classified under Property, plant and equipment.
	Building - Others	5,427.80				

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

Ageing schedule as at 31 March, 2024

₹/Lakhs

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	11,606.76	4,800.28	49.96	30.87	**16,487.87**
Projects temporarily suspended	30.95	47.56	19.97	126.09	**224.57**
Capital inventory	5,112.31	421.80	287.86	642.29	**6,464.26**
Total	**16,750.02**	**5,269.64**	**357.79**	**799.25**	**23,176.70**

Ageing schedule as at 31 March, 2023

₹/Lakhs

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	9,105.74	403.51	75.72	59.36	**9,644.33**
Projects temporarily suspended	93.72	96.20	46.57	111.71	**348.20**
Capital inventory	3,537.05	661.31	205.69	1,177.04	**5,581.09**
Total	**12,736.51**	**1,161.02**	**327.98**	**1,348.11**	**15,573.62**

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

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 (ROU) 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 31.03.2024	As at 31.03.2023
(a) Right-of-use assets		
Cost		
Opening balance	10,947.25	10,945.54
Add: Additions/modification during the period	(0.41)	1.71
Closing balance	10,946.84	10,947.25
Accumulated depreciation and amortisation		
Opening balance	4,378.39	3,283.66
Add: Depreciation for the period	1,094.74	1,094.73
Closing balance	5,473.13	4,378.39
Net carrying amount		
Closing balance	5,473.71	6,568.86
(b) Lease liabilities		
Opening balance	7,650.39	7,020.74
Add: Additions/modification during the period	(0.41)	1.71
Add: Interest expense accrued on lease liabilities (refer note 34)	544.19	627.94
Less: Lease liabilities paid	1,562.65	-
Closing balance	6,631.52	7,650.39
Non-current lease liabilities	3,959.73	5,069.97
Current lease liabilities	2,671.79	2,580.42

₹/Lakhs

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(a) Amount recognised in Statement of Profit & Loss		
(i) Depreciation on Right-of-use assets (classified under Depreciation and amortisation expense)	964.04	833.32
(ii) Interest on lease liabilities (classified under Finance costs)	479.32	478.40
(iii) Expenses related to short term leases (classified under Other expenses)	117.56	272.46
(b) Amount transferred to capital work-in-progress		
(i) Depreciation on Right-of-use assets	130.70	261.41
(ii) Interest on lease liabilities	64.87	149.53
(c) Amount recognised in Statement of Cash Flows		
(i) Total cash outflow of leases	1,882.23	269.51

(i) The incremental rate of borrowing has been considered at 8.60% p.a as at 1 April, 2019 which is the date of initial recognition of ROU assets.

(ii) Refer note 41.3.3 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 ₹ 145.57 lakhs as rental income for operating lease during the year ended March 31, 2024 (for the year ended 31 March, 2023 ₹ 142.51 lakhs).

Future minimum rentals receivable under operating leases as at 31 March, 2024 are as follows:

Particulars	As at 31.03.2024	As at 31.03.2023
(i) Upto 1 year	158.67	140.04
(ii) 1 to 2 years	10.58	30.77
(iii) 2 to 3 years	5.49	4.13

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 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
6.2	**Investments in equity instruments**		
	- Investment in subsidiaries (Unquoted) - at cost less accumulated impairment, if any		
	(a) Investments in fully paid-up equity shares of wholly owned subsidiary company		
	NDPL Infra Limited	5.00	5.00
	(0.50 lakhs (as at 31 March, 2023 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
Other financial assets - non current
(Unsecured and considered good, at amortised cost)

(a) Security deposits	63.61	63.22
(b) Recoverable from SVRS Trust (refer note 30.10)	21.85	21.85
	85.46	85.07

Note 8
Income tax assets (net)

(a) Advance Income tax (net of provision for income tax)	-	300.21
(b) Income tax paid under protest	62.27	2,321.84
	62.27	2,622.05

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

(a) Capital advances	387.95	775.95
(b) Prepaid expenses	17.55	271.43
(c) Others	262.91	259.73
	668.41	1,307.11

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 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
(a) Stores and spares	1,971.33	1,756.48
(b) Loose tools	43.84	83.35
	2,015.17	1,839.83
(c) Less: Allowance for non-moving inventories	269.48	286.53
	1,745.69	1,553.30

10.2 Stores and spares includes traded inventory amounting to ₹ 19.79 Lakhs (as at 31 March, 2023 ₹ 23.37 Lakhs)
10.3 Inventories of stores and spares and loose tools are valued at lower of cost or net realisable value.
10.4 Inventories are hypothecated as security for borrowings (refer note 18.1(i), 24.1, 24.3).

		As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
Note 11			
Investments - current			
(At fair value through profit or loss)			
	Investments in mutual funds (unquoted)		
(a)	DSP Liquidity Fund-Direct Plan-Growth (0.16 lakhs units (as at 31 March, 2023 Nil units) at NAV of Rs. 3,451 each)	542.60	-
(b)	Axis Liquid Fund - Direct Growth (3.06 lakhs units (as at 31 March, 2023 Nil units) at NAV of ₹ 2,684/- each)	8,224.24	-
(c)	HDFC Liquid Fund - Direct Plan - Growth Option (1.16 lakhs units (as at 31 March, 2023 Nil units) at NAV of ₹ 4,744 each)	5,514.51	-
(d)	HDFC Overnight Fund - Direct Growth - Growth Option (1.24 lakhs units (as at 31 March, 2023 Nil units) at NAV of ₹ 3,553 each)	4,404.81	-
(e)	SBI Overnight Fund -Direct Plan -Growth (0.13 lakh units (as at 31 March, 2023 Nil units) at NAV of ₹ 3,896 each)	501.78	-
(f)	SBI Liquid Fund -Direct Plan -Growth (1.54 lakh units (as at 31 March, 2023 Nil units) at NAV of ₹ 3,779 each)	5,814.20	-
		25,002.14	-
11.1	Aggregate purchase price of unquoted investments	24,920.70	-
11.2	Aggregate market value of unquoted investments	25,002.14	-

Note 12
Trade receivables
(At amortised cost)

		As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
(a)	Debtors for sale of power in licensed area (refer note 12.1 below)		
	(i) Considered good - secured	5,563.31	5,717.03
	(ii) Considered good - unsecured	12,538.54	7,601.84
	(iii) Credit impaired	14,349.03	14,846.98
		32,450.88	28,165.85
	Less: Allowance for doubtful trade receivables	14,349.03	14,846.98
		18,101.85	13,318.87
(b)	Debtors for sale of power other than Tata Power-DDL licensed area		
	(i) Considered good - unsecured	274.29	107.50
(c)	Other debtors		
	(i) Considered good - unsecured	3,837.26	6,075.90
	(ii) Credit impaired	1,488.54	1,487.19
		5,325.80	7,563.09
	Less: Allowance for doubtful trade receivables	1,488.54	1,487.19
		3,837.26	6,075.90
		22,213.40	19,502.27
12.1	Government subsidy included in note 12(a)	6,885.07	1,981.45

12.2 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 12.6.1.

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. 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.

12.4 Total trade receivable include receivable from related parties (net) ₹ 322.66 lakhs (31st March 2023 ₹ 461.39 lakhs)

12.5 There are no outstanding receivables due from directors or other officers of the Company.

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

12.6.1 **Ageing of receivables**

Expected credit loss provision matrix

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

Particulars	Expected Credit loss (%) As at 31.03.2024	Expected Credit loss (%) As at 31.03.2023
(a) Within the credit period	0.00%	0.55%
(b) 1-90 days past due	0.22%	0.90%
(c) 91-182 days past due	1.40%	4.00%
(d) 183 days-1 year past due	5.93%	9.38%
(e) 1-2 year past due	14.97%	19.73%
(f) 2-3 year past due	22.40%	28.80%
(g) >3 years past due	100.00%	100.00%

(ii) **Other debtors**

Particulars	Expected Credit loss (%) As at 31.03.2024	Expected Credit loss (%) As at 31.03.2023
(a) Within the credit period	1.50%	1.50%
(b) 1-90 days past due	3.09%	3.09%
(c) 91-182 days past due	3.09%	3.09%
(d) 183 days-1 year past due	4.62%	4.62%
(e) 1-2 year past due	14.04%	14.04%
(f) 2-3 year past due	28.49%	28.49%
(g) >3 years past due	100.00%	100.00%

Age of receivables

Ageing schedule as at 31 March, 2024

₹/Lakhs

Outstanding for following periods from due date of payment #	Undisputed		Disputed		Total
	Considered Good	credit impaired	Considered Good	credit impaired	
(a) Less than 6 months	12,937.72	56.34	-	359.96	**13,354.02**
(b) 6 months - 1 year	2,092.16	110.49	-	424.74	**2,627.39**
(c) 1-2 year	2,113.55	327.20	-	1,360.22	**3,800.97**
(d) 2-3 year	731.26	191.42	-	621.38	**1,544.06**
(e) More than 3 years	232.19	4,115.50	-	8,264.17	**12,611.86**
(f) Total overdue	**18,106.88**	**4,800.95**	**-**	**11,030.47**	**33,938.30**
(g) Not due	4,106.52	6.07	-	0.08	**4,112.67**
(h) Total Trade Receivables (f+g)	**22,213.40**	**4,807.02**	**-**	**11,030.55**	**38,050.97**

Ageing schedule as at 31 March, 2023

₹/Lakhs

Outstanding for following periods from due date of payment #	Undisputed		Disputed		Total
	Considered Good	credit impaired	Considered Good	credit impaired	
(a) Less than 6 months	9,384.77	128.95	-	526.86	**10,040.58**
(b) 6 months - 1 year	3,302.24	204.45	-	387.86	**3,894.55**
(c) 1-2 year	2,137.26	397.12	-	602.90	**3,137.28**
(d) 2-3 year	780.57	295.46	-	387.82	**1,463.85**
(e) More than 3 years	220.74	4,724.43	-	8,652.76	**13,597.93**
(f) Total overdue	**15,825.58**	**5,750.41**	**-**	**10,558.20**	**32,134.19**
(g) Not due	3,676.69	25.56	-	-	**3,702.25**
(h) Total Trade Receivables (f+g)	**19,502.27**	**5,775.97**	**-**	**10,558.20**	**35,836.44**

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

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

₹/Lakhs

Particulars	**As at 31.03.2024**	**As at 31.03.2023**
Debtors for billed revenue		
Balance at beginning of the year	16,334.17	14,952.37
Additions/(reversal) in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses for the year	(692.27)	140.20
Specific allowance/ (reversal) on trade receivables for the year	195.67	1,241.60
Balance at end of the year	**15,837.57**	**16,334.17**

12.7 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 31.03.2024**	**As at 31.03.2023**
Delhi Metro Rail Corporation (DMRC)	7,690.00	6,993.30
Havells India Limited	2,918.93	3,599.11
REC Power Distribution Company Ltd (RECPDCL)	1,231.32	2,421.29

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 31.03.2024 ₹/Lakhs	**As at 31.03.2023 ₹/Lakhs**
13.2 **Cash and cash equivalents**		
(a) Balances with banks - in current accounts	432.85	136.51
(b) Cheques, drafts on hand*	1,427.86	190.77
(c) Deposits with banks with original maturity 3 months or less	4,280.00	-
	6,140.71	327.28

* Includes balances held with payment aggregator

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

₹/Lakhs

Particulars	As at 31.03.2023	Cash flows		Non-cash transactions		As at 31.03.2024
		Proceeds	Repayment	Additions	Amortisation	
(a) Long-term borrowings (including current maturities)	2,11,634.15	21,967.65	(64,016.04)	-	-	1,69,585.76
(b) Non-convertible Debentures (including current maturities)	-	10,000.00	-	-	-	10,000.00
(c) Lease liabilities (including current maturities)	7,650.39	-	(1,562.65)	543.78	-	6,631.52
(d) Short-term borrowings and working capital demand loans	26,312.88	5,71,335.07	(5,97,026.44)	-	-	621.51
(e) Cash credit and other credit facilities(net)	6,221.77	-	(5,804.74)	-	-	417.03
(f) Consumer contribution for:						
- capital works	63,600.21	8,609.05	-	-	(5,455.61)	66,753.65
- service line	16,753.91	3,219.64	-	-	(3,246.77)	16,726.78
(g) Consumer security deposits (net)	92,512.25	10,207.55	-	-	-	1,02,719.80
Total	**4,24,685.56**	**6,25,338.96**	**(6,68,409.87)**	**543.78**	**(8,702.38)**	**3,73,456.05**

		As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
13.3	**Other balances with banks**		
	(a) Restricted bank deposits (Earmarked pursuant to court order or contractual obligations)	5,629.28	5,459.90
		5,629.28	5,459.90

Note 14
Other financial assets - current
(Unsecured and considered good, unless otherwise stated, at amortised cost)

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
(a) Security deposits	473.95	577.48
(b) Accruals		
Interest accrued on fixed deposits	100.17	136.60
(c) Others		
(i) Recoverable from DDA	3,382.95	3,331.24
(ii) Other receivables (including recoverable against street light)	400.02	799.98
Less: Allowance for doubtful assets against street light	179.37	179.37
	220.65	620.61
	4,177.72	4,665.93

Note 15
Other current assets
(Unsecured and considered good)

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
(a) Unbilled revenue (contract asset)	305.00	281.83
(b) Prepaid insurance	669.51	756.20
(c) Prepaid expenses	596.04	1,441.15
(d) Power banking	3,913.24	-
(e) Advance to vendors (refer note Note 15.1)	14,290.49	5,047.28
(f) Others	838.91	535.24
	20,613.19	8,061.70

15.1 The company filed petition no. 29 of 2020 before DERC for resolution of power purchase dues reconciliation with Delhi Gencos (Pragati Power Corporation Limited (PPCL) & Indraprasth Power Generation Company Limited (IPGCL)). The matter was listed for hearing on 28 February, 2024 and as per the directive of DERC, the company has made an interim payment of ₹ 8,379 Lakhs to PPCL on 11 March, 2024 under protest. The amount has been classified as advance pending final adjudication of the matter by DERC.

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
Note 16		
Share capital		
Authorised		
12,500 lakhs (as at 31 March, 2023 12,500 lakhs) equity shares of ₹ 10/- each with voting rights.	1,25,000.00	1,25,000.00
500 lakhs (as at 31 March, 2023 500 lakhs) 12% cumulative redeemable preference shares of ₹ 100/- each without voting rights.	50,000.00	50,000.00
	1,75,000.00	1,75,000.00
Issued, subscribed and paid up		
10,520 lakhs (as at 31 March, 2023 10,520 lakhs) equity shares of ₹ 10/- each fully paid up with voting rights.	1,05,200.00	1,05,200.00

Of the above:

16.1 5,365.20 lakhs (as at 31 March, 2023 5,365.20 lakhs) i.e. 51% (as at 31 March, 2023 51%) equity shares of ₹ 10/- each with voting rights, are held by Tata Power Company Limited, the holding company.

16.2 5,154.80 lakhs (as at 31 March, 2023 5,154.80 lakhs) i.e. 49% (as at 31 March, 2023 49%) equity shares of ₹ 10/- each with voting rights, are held by Delhi Power Company Limited.

16.3 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.

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

Particulars	As at 31.03.2024		As at 31.03.2023	
	No. of Shares Lakhs	Amount ₹/Lakhs	No. of Shares Lakhs	Amount ₹/Lakhs
At the beginning of the year	10,520.00	1,05,200.00	10,520.00	1,05,200.00
Add: movement during the year	-	-	-	-
Outstanding at the end of the year	**10,520.00**	**1,05,200.00**	**10,520.00**	**1,05,200.00**

16.5 **Shareholding of Promoters**

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

16.6 During the current year, the Company has paid a final dividend of ₹ 1.50 per share on fully paid equity shares for FY 2022-23 amounting to ₹ 15,780 lakhs upon approval of shareholders in Annual General Meeting dated 21 June, 2023. During the previous year ended 31 March, 2023, the Company had paid final dividend of ₹ 1.20 per share on fully paid equity shares for FY 2021-22 amounting to ₹ 12,624.00 lakhs.
Further the Board of Directors at its meeting held on 22 January, 2024 has approved an interim dividend of ₹ 2.00 per equity share amounting to ₹ 21,040 lakhs.

16.7 For the year ended 31 March 2024 the Board of Directors at its meeting held on 16 April, 2024 have proposed a final dividend of ₹ 2.00 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 accordingly 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 ₹ 21,040 Lakhs.

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
Note 17		
Other equity		
17.1 **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
17.2 **Debenture Redemption Reserve**		
(a) Opening balance	-	-
(b) Add : Amount transferred from retained earnings	1,000.00	-
(c) Closing balance	1,000.00	-
17.3 **Retained earnings**		
(a) Opening balance	3,25,336.21	2,93,939.65
(b) Add : Additions during the year	45,250.40	44,020.56
(c) Less : Payment of dividend on equity share capital (refer note 16.6)	36,820.00	12,624.00
(d) Less: Transferred to debenture redemption reserve	1,000.00	-
(e) Closing balance	3,32,766.61	3,25,336.21
	3,42,916.61	3,34,486.21

Nature and purpose of reserves:

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.

Debenture Redemption Reserve (DRR)
The Company is required to create a Debenture Redemption Reserve out of the profits (which are available for payment of dividend) for the purpose of redemption of debentures. DRR created will be transferred to retained earnings on redemption of debentures.

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

Note 18
Long-term borrowings

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
18.1 Secured - at amortised cost		
(i) Term loans from banks		
(a) Axis Bank	43,746.57	31,246.57
(b) Canara Bank	3,541.67	8,125.00
(c) Deutsche Bank	9,375.00	15,000.00
(d) HDFC Bank	16,236.81	15,833.34
(e) Indian Bank	17,829.81	31,267.71
(f) Punjab National Bank	-	11,875.00
(g) Punjab & Sind Bank	-	8,747.00
(h) State Bank of India	38,750.00	46,875.00
Total long-term borrowings	1,29,479.86	1,68,969.62
(ii) Redeemable Non-Convertible Debentures (refer note 18.2)	8,888.00	-
	1,38,367.86	1,68,969.62

18.2 During the year ended 31 March,2024, the Company has issued unlisted redeemable Non-convertible secured Debentures of ₹ 10,000 lakhs having face value of ₹ 10 lakh each to Asian Development Bank on private placement basis. The end use of the proceeds is to meet the capex requirements of the company. Further as per Section 71(4) of the Companies Act, 2013 read with Rule 18 of The Companies (Share Capital and Debentures) Rules, 2014, debenture redemption reserve (DRR) has been created @ 10% of the total outstanding value of the debentures.

18.3 **Current maturities of long-term borrowings**
For the current maturities of long-term borrowings, refer note 24.3(a), Short Term Borrowings. Current maturities of long term borrowings includes repayment to be made before due date of 12 months, due date being a holiday.

18.4 **Terms of repayment**
18.4.1 **Secured - at amortised cost**

₹/Lakhs

S. No.		Name of Bank	Refer note for security	As at 31.03.2024	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30 to FY 2035-36
- Term loans from banks/Non Convertible Debentures (NCD)										
(a)	i	Axis Bank	18.7	16,250.00	-	3,611.20	3,611.20	3,611.20	3,611.20	1,805.20
	ii	Axis Bank	18.7	10,000.00	-	1,000.00	1,000.00	1,000.00	1,000.00	6,000.00
	iii	Axis Bank	18.8	4,996.57	-	4,996.57	-	-	-	-
	iv	Axis Bank	18.7	12,500.00	-	1,042.00	4,168.00	4,168.00	3,122.00	-
(b)	i	Canara Bank	18.7	3,125.00	1,250.00	1,250.00	625.00	-	-	-
	ii	Canara Bank	18.8	5,000.00	3,333.33	1,666.67	-	-	-	-
(c)	i	HDFC Bank	18.7	1,041.67	833.33	208.34	-	-	-	-
	ii	HDFC Bank	18.8	1,041.67	833.33	208.33	-	-	-	-
	iii	HDFC Bank	18.8	3,750.00	2,500.00	1,250.00	-	-	-	-
	iv	HDFC Bank	18.7	10,000.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	3,750.00
	v	HDFC Bank	18.7	2,491.77	1,250.00	1,241.77	-	-	-	-
	vi	HDFC Bank	18.8	6,246.38	1,668.00	1,668.00	1,668.00	1,242.38	-	-
(d)	i	Indian Bank	18.7	3,750.00	1,250.00	1,250.00	1,250.00	-	-	-
	ii	Indian Bank	18.8	3,333.33	1,666.67	1,666.67	-	-	-	-
	iii	Indian Bank	18.8	1,666.67	1,666.67	-	-	-	-	-
	iv	Indian Bank	18.7	7,187.50	1,691.18	1,691.00	1,691.00	1,691.00	423.32	-
	v	Indian Bank	18.8	7,142.71	5,714.17	1,428.54	-	-	-	-
	vi	Indian Bank	18.7	7,187.50	449.22	1,797.00	1,797.00	1,797.00	1,347.28	-
	vii	Indian Bank	18.8	1,000.00	1,000.00	-	-	-	-	-
(e)	i	State Bank of India	18.7	625.00	625.00	-	-	-	-	-
	ii	State Bank of India	18.7	13,750.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	1,250.00
	iii	State Bank of India	18.7	17,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	5,000.00
	iv	State Bank of India	18.7	15,000.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
(f)	i	Asian Development Bank (NCD)	18.7	10,000.00	1,112.00	1,112.00	1,112.00	1,112.00	1,112.00	4,440.00
(g)	i	Deutsche Bank	18.8	15,000.00	5,625.00	7,500.00	1,875.00	-	-	-
		Total		1,79,585.76	41,217.89	43,338.09	27,547.20	23,371.58	19,365.80	24,745.20

18.5 Repayment of term loans are on quarterly basis and non convertible debentures on half-yearly basis

18.6 The closing floating rate of interest on term loans from banks ranges from 7.89% to 8.85%. The rate of interest on term loans from banks are subject to reset annually except the term loan from a) HDFC Bank (refer note 18.4.1 (c) (i to iii)) & Axis Bank (refer note 18.4.1 (a) (i to iii)), Deutsche Bank (refer note 18.4.1 (g) (i)) on quarterly reset, b) Indian Bank (refer note 18.4.1 (d)(vi to vii)) & Axis Bank 18.4.1 (a)(iv)) on half-yearly reset, c) HDFC Bank (refer note 18.4.1 (c) (v to vi)) on monthly reset, d) HDFC Bank (refer note 18.4.1 (c)(iv)) has fixed rate of interest at 6.95% for the entire term of 10 years, e) Non-convertible Debentures from Asian Development Bank (18.4.1 (f) (i)) has floating interest rate (current rate 8.60%) with first interest reset in June 2025 and every 2 years thereafter.

18.7 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 including regulatory assets.

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

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
Note 19		
Other financial liabilities - non current		
(At amortised cost)		
(a) Security deposits		
(i) Consumers' security deposit	96,069.76	86,562.55
(ii) Others	709.80	565.25
(b) Retention money payable	106.09	178.18
	96,885.65	87,305.98

Note 20

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 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
Provision for employee benefits		
(a) Compensated absences	6,190.55	5,645.45
(b) Other employee benefits	173.82	174.60
	6,364.37	5,820.05

20.1 Other employee benefits represent pension liability to VSS employees.

20.2 **Defined contribution plan**

(i) **Provident fund plan and employees state insurance scheme**

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

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

(ii) **Pension and leave salary contribution**

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

On account of Defined Contribution Plans, a sum of ₹ 3,876.00 lakhs (for the year ended 31 March, 2023 ₹ 3,923.77 lakhs) has been charged to the Statement of Profit and Loss during the year.

20.3 **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. The provision is determined based on actuarial valuation as at the balance sheet date (refer note 33.2.1)

20.4 **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.

20.5 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.

20.6 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, 2024. 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 31.03.2024	**As at 31.03.2023**
(i) **Net liability arising from defined benefit obligation**	**297.06**	**665.50**
(ii) **Change in benefit obligations:**		
(a) Present value of obligations as at 1 April	4,497.95	4,165.75
(b) Current service cost	381.28	348.02
(c) Interest expense or cost	342.07	306.35
(d) Remeasurement (gains)/losses: Actuarial (gains)/losses	172.03	36.12
(e) Benefits Paid	543.00	494.00
(f) Transfer in liability (group transfer cases)	89.20	135.71
Present value of defined benefit obligation as at 31 March (a+b+c+d-e+f)	**4,939.53**	**4,497.95**
(iii) **Change in plan assets**		
(a) Fair Value of Plan Assets as at 1 April	3,832.45	3,795.02
(b) Investment income	283.12	274.97
(c) Employer's Contribution	1,042.56	249.03
(d) Remeasurement (gains)/losses:		
- Return on plan assets (excluding amounts included in net interest expense)	27.34	7.43
(e) Benefits Paid	543.00	494.00
Fair value of plan asset as at 31 March (a+b+c+d-e)	**4,642.47**	**3,832.45**

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

₹/Lakhs

Particulars	Gratuity (Funded)	
	Year ended 31.03.2024	**Year ended 31.03.2023**
(a) Current service cost	381.28	348.02
(b) Net interest expense/(income)	58.95	31.38
(c) Other adjustments	-	75.12
Defined benefit cost recognised in the Statement of Profit and Loss (a+b+c)	**440.23**	**454.52**

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

₹/Lakhs

Particulars	Gratuity (Funded)	
	Year ended 31.03.2024	**Year ended 31.03.2023**
(a) Actuarial (gains)/losses arising from:		
- changes in demographic assumptions	-	-
- changes in financial assumptions	120.65	(106.99)
- experience adjustments	51.38	143.11
(b) Return on plan assets (excluding amounts included in net interest expense)	(27.34)	(7.43)
Components of defined benefit costs recognised in other comprehensive income (a+b)	**144.69**	**28.69**

(vi) **Principal actuarial assumptions:**

Particulars	Notes	Year ended 31.03.2024	Year ended 31.03.2023
Financial assumptions:			
(a) Discount Rate (per annum)	1.	7.20%	7.45%
(b) Salary growth rate (per annum)	2.	8.00%	8.00%

Notes:

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

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

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Demographic assumptions:		
(a) Normal retirement age	60 years	60 years
(b) Mortality rate	100% of Indian Assured Lives Mortality (2012-2014)	100% of Indian Assured Lives Mortality (2012-2014)
(c) Withdrawal rate (per annum)	5%	5%

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

Particulars	As at 31.03.2024	As at 31.03.2023
Government of India Securities	82.90%	82.24%
Debt instruments	7.37%	9.62%
Equity and preference shares	9.26%	7.70%
Others deposits	0.47%	0.44%
	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 31.03.2024	As at 31.03.2023
(a) Decrease in defined benefit obligation due to 1% increase in discount rate	458.05	412.61
(b) Increase in defined benefit obligation due to 1% decrease in discount rate	534.49	481.71

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 31.03.2024	As at 31.03.2023
(a) Decrease in defined benefit obligation due to 1% decrease in expected salary growth rate	458.84	414.22
(b) Increase in defined benefit obligation due to 1% increase in expected salary growth rate	524.96	474.31

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

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

There is no change in the method of the valuation for the prior period. For change in assumptions please refer to table in (vi) above, where assumptions for prior period, if applicable, are given.

(ix) **Effect of plan on Company's future cash flows**

(a) Funding arrangements and funding Policy

The Company has purchased an insurance policy to provide payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(b) The expected maturity analysis of undiscounted defined benefit obligation is as follows

(₹/Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Upto 1 year	359.42	337.54
1 - 2 year	328.57	356.52
2 - 3 year	331.54	301.65
3 - 4 year	447.13	354.17
4 - 5 year	346.80	397.27
More than 5 years	10,126.14	9,487.17
Total	**11,939.60**	**11,234.32**
Weighted average duration of the defined benefit obligation	10 years	10 years

(c) The contribution expected to be made by the Company during the financial year 2024-25 is ₹ 681.30 lakhs.

(d) The actual return on plan assets is ₹ 255.78 lakhs net of actuarial gain/loss (for the year ended 31 March, 2023 ₹ 267.54 lakhs).

20.7 **long-term compensated absences (unfunded)**

On account of other long term compensated absences, a sum of ₹ 1,198.82 lakhs (for the year ended 31 March, 2023 ₹ 737.33 lakhs) has been charged to the Statement of Profit and Loss during the year.

Principal actuarial assumptions for long-term compensated absences

(i) **Financial assumptions:**

Particulars	**Notes**	**Year ended 31.03.2024**	**Year ended 31.03.2023**
(a) Discount rate (per annum)	1	7.20%	7.45%
(b) Salary growth rate (per annum)	2	8.00%	8.00%

Notes:

1. **Discount rate:** The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.
2. **Salary growth rate:** The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

(ii) **Demographic assumptions:**

Particulars	**Year ended 31.03.2024**	**Year ended 31.03.2023**
(a) Normal retirement age	60 years	60 years
(b) Mortality rate	100% of Indian Assured Lives Mortality (2012-2014)	100% of Indian Assured Lives Mortality (2012-2014)
(c) Withdrawal rate (per annum)	5%	5%
(d) Rate of leave availment (per annum)	4%	4%
(e) Rate of leave encashment during employment (per annum)	4%	4%

Note 21
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 31.03.2024 ₹/Lakhs	**As at 31.03.2023 ₹/Lakhs**
(i) Opening balance	306.56	363.68
(ii) Add : Additions during the year	1,100.02	-
(iii) Less: Amortisation during the year	194.59	57.12
(iv) Closing balance	1,211.99	306.56

21.1 The company had entered into a grant agreement with Asian Development Bank (ADB) during FY 2023-24 for funding the acquisition cost of 10 MW pilot Battery energy storage system (BESS). Accordingly, Grant of ₹ 1,638.57 lakhs has been received from ADB in June 2023, out of which ₹ 1,100.02 lakhs has been utilised towards acquisition of asset and balance amount will be utilized towards refurbishment cost of plant in accordance with the terms of arrangement.

Note 22
Contributions for capital works and service line charges

Accounting policy

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

Deferred revenue

22.1 **Capital works**

(i) Opening balance	63,600.21	62,666.42
(ii) Add : Additions during the year	8,609.05	6,077.15
(iii) Less: Amortisation during the year	5,455.61	5,143.36
(iv) Closing balance	66,753.65	63,600.21

22.2 **Service line charges**

(i) Opening balance	16,753.91	17,478.72
(ii) Add : Additions during the year	3,219.64	3,281.97
(iii) Less: Amortisation during the year	3,246.77	4,006.78
(iv) Closing balance	16,726.78	16,753.91
Total contribution for capital works and service line charges	**83,480.43**	**80,354.12**

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
Note 23		
Other non current liabilities		
Consumers' deposits for works and service line charges	60,898.51	58,535.77
Note 24		
Short-term borrowings		
24.1 **Secured - at amortised cost**		
From Banks		
(a) Cash credit	397.16	2,939.36
(b) Working capital demand loan		
(i) HDFC Bank	-	7.88
(ii) Yes Bank	-	1,305.00
	-	1,312.88
	397.16	4,252.24
24.2 **Unsecured - at amortised cost**		
From Banks		
(a) Unsecured credit facilities		
(i) Axis Bank	19.87	3,282.41
	19.87	3,282.41
(b) Short term loan		
(i) Indian Bank	-	8,000.00
(ii) Karnataka Bank Limited	-	7,000.00
	-	15,000.00
(c) Working capital demand loan		
(i) Axis Bank	621.51	-
(ii) HDFC Bank	-	10,000.00
	621.51	10,000.00
	641.38	28,282.41
24.3 **Current maturities of long-term borrowings (refer note 18)**		
Secured - at amortised cost		
(a) Term loans from banks		
(i) Canara Bank	4,583.33	7,361.11
(ii) Deutsche Bank	5,625.00	-
(iii) HDFC Bank	8,334.67	5,833.34
(iv) Indian Bank	13,437.90	10,927.08
(v) Punjab National Bank	-	2,500.00
(vi) Punjab & Sind Bank	-	6,043.00
(vii) State Bank of India	8,125.00	10,000.00
(b) Redeemable Non-Convertible Debentures (refer note 18.2)	1,112.00	-
	41,217.90	42,664.53
Total short-term borrowings	**42,256.44**	**75,199.18**

24.4 **Secured credit facilities**

The Company has availed secured cash credit limits/Overdraft of ₹ 25,300.00 lakhs from five banks i.e. State Bank of India, Punjab National Bank, Yes Bank, HDFC Bank & Standard Chartered, presently at an interest rate ranging from 8.35% to 10.85% per annum. 60% of the sanctioned fund based working capital 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 (movable and immovable) and intangible assets including stores and spares and third pari passu charge on all present and future receivable including regulatory assets.

The Company has availed secured Short term facility limits of ₹ 20,000 lakhs in the form of Short term loan (STL) (₹ 10,000 lakhs) & Invoice financing (₹ 10,000 lakhs) from Deutsche Bank. STL facility has been availed at an interest rate ranging from 6.95% to 7.65% per annum during the financial year. The short term facilities are fungible. During the financial year, the tenor for utilization of STL ranges from 7 days to 21 days. The facility is secured against first pari.passu charge on all present and future property, plant and equipment (movable and immovable) and intangible assets including stores and spares and third pari passu charge on all present and future receivables including regulatory assets.

24.5 **Unsecured credit facilities**

The Company has unsecured fund based credit facilities of ₹ 30,000 lakhs from Axis Bank (limit is fungible between fund based & non-fund based facility), ₹ 10,000 lakhs from HDFC Bank presently at an interest rate ranging from 8.45% to 9.20% per annum respectively. 60% of the sanctioned limit of banks has to be first utilised as working capital demand loan in order to avail cash credit facility.

The Company has unsecured short term credit facilities/Working capital facilities of ₹ 20,000 lakhs from Karnataka, ₹ 10,000 lakhs from Indian Bank and ₹ 15,000 lakhs from Yes Bank presently at an interest rate ranging from 7.00% to 7.70% per annum. The tenor for utilization of the credit facilities ranges from 7 days to 60 days.

24.6 The information/ statement of current assets filed with banks are in agreement with the books of accounts.

		As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
Note 25			
Trade payables (at amortised cost)			
(a)	Total outstanding dues of micro enterprises and small enterprises	3,446.98	3,207.86
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,05,649.84	1,06,316.43
		1,09,096.82	1,09,524.29

25.1 As at 31 March, 2024 trade payables include bill discounting of ₹ Nil (as at 31 March, 2023 ₹ 7,437.73 lakhs). The Company has availed seller's side bill discounting facility for a portion of power purchase and transmission supplies invoices from generating and transmission companies. As per said bill discounting arrangement, bill discounting charges including interest was borne by the Company and the Company made 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.

25.2 The average credit period on purchases from long-term power purchase arrangement ranges from 30 days to 60 days. Thereafter, interest is charged which generally ranges from 1.25% per month to 1.5% per month on the unpaid amount. In addition, Ministry of Power , Govt. of India vide Gazette Notification dated 3 June, 2022 has notified LPSC rate as marginal cost of funds based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the default period lies, plus five percent. Rebate is generally available @ 1.5% if payment is made within 5 days from the presentation of bill as per CERC Regulation and @ 2% if payment is made within 2 days from the presentation of bill as per DERC Regulation or @ 1% if payment is made within 30 days from date of presentation. In some cases day-wise rebate is also available. In case of short-term power purchase arrangement, credit period ranges from 1 day to 30 days.

25.3 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 31.03.2024	As at 31.03.2023
(a)	Principal amount remaining unpaid as at reporting period	3,446.98	3,207.86
(b)	Interest due thereon as at reporting period	-	-
(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.	67.09	-
(d)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(e)	The amount of interest accrued and remaining unpaid as at reporting period	-	-
(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.	-	-

25.4 **Age of payables**

Ageing schedule as at 31 March, 2024

₹/Lakhs

Outstanding for following periods from due date of payment #		Undisputed		Disputed		Total
		MSME *	Others	MSME *	Others	
(a)	Less than 1 year	-	14.77	-	-	**14.77**
(b)	1-2 year	-	1.24	-	-	**1.24**
(c)	2-3 year	-	-	-	-	**-**
(d)	More than 3 years	-	8.31	-	67.59	**75.90**
(e)	Trade payables which are not due	3,446.98	87,235.73	-	-	**90,682.71**
(f)	**Total**	**3,446.98**	**87,260.05**	**-**	**67.59**	**90,774.62**
(g)	Unbilled trade payables					**18,322.20**
(h)	**Total Trade Payable (f+g)**					**1,09,096.82**

Ageing schedule as at 31 March, 2023

₹/Lakhs

Outstanding for following periods from due date of payment #		Undisputed		Disputed		Total
		MSME *	Others	MSME *	Others	
(a)	Less than 1 year	-	24.30	-	-	**24.30**
(b)	1-2 year	-	0.45	-	-	**0.45**
(c)	2-3 year	-	17.73	9.24	-	**26.97**
(d)	More than 3 years	-	83.11	11.82	154.41	**249.34**
(e)	Trade payables which are not due	3,186.80	88,215.75	-	-	**91,402.55**
(f)	**Total**	**3,186.80**	**88,341.34**	**21.06**	**154.41**	**91,703.61**
(g)	Unbilled trade payables					**17,820.68**
(h)	**Total Trade Payable (f+g)**					**1,09,524.29**

* Micro & small enterprise
# where due date of payment is not available, date of the transaction has been considered. Further, payment held due to non-compliance of contractual obligations as mentioned in the General Conditions of Contract (GCC) by vendors is classified under the category "Trade payable which are not due"

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
Note 26		
Other financial liabilities - current		
(At amortised cost)		
(a) Security deposits		
(i) Consumers' security deposit	6,650.04	5,949.70
(ii) Others	1,250.96	1,188.55
	7,901.00	7,138.25
(b) Interest accrued but not due on borrowings	738.21	154.80
(c) Retention money payable	3,605.07	3,668.33
(d) Payables on purchase of property, plant and equipment	1,130.84	982.96
(e) Earnest money deposits	282.35	226.96
(f) Consumers' deposits for works	3,249.69	4,621.60
(g) Others	3,630.89	3,728.72
	20,538.05	20,521.62

Note 27
Provisions - current

(a) Provision for employee benefits		
(i) Compensated absences (refer note 20)	1,057.42	973.88
(ii) Defined benefit plans (Gratuity) (refer note 20)	297.06	665.50
(iii) Other employee benefits (refer note 27.1)	22.16	20.95
	1,376.64	1,660.33
(b) Provision for litigations (refer note 27.2)	1,127.80	1,113.88
	2,504.44	2,774.21

27.1 Other employee benefits represent pension liability to VSS employees.

27.2 Movement of provision for litigations		
(i) Opening Balance	1,113.88	-
(ii) Add: Additions during the period	13.92	1,113.88
(iii) Less: Utilised/Reversed during the period	-	-
(iv) Closing Balance	1,127.80	1,113.88

27.3 As a matter of prudence, the company has made provision for litigations of ₹ 13.92 lakhs during current period (As at 31 March, 2023 ₹ 1,113.88 lakhs) towards legal case(s) filed against the company.

27.4 Refer note 20 for accounting policy on provisions.

Note 28
Other current liabilities

(a) Income received in advance	251.76	204.08
(b) Statutory dues	10,584.54	12,800.98
(c) Advance from consumers	14,332.67	11,776.07
(d) Payable for Pension Trust Surcharge (including w.r.t unbilled revenue)	2,511.69	2,599.93
(e) Advance against other contractual works	6,694.64	8,201.94
(f) Others*	2,899.83	1,990.73
	37,275.13	37,573.73

*includes stale cheque amounting to ₹ 2,146.66 lakhs (as at 31 March,2023 ₹ 1,791.41 lakhs)

Note 29
Current tax liabilities (net)

(a) Income tax (net of advance tax)	1,009.10	-

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 31.03.2024	As at 31.03.2023
Contingent liabilities*		
30.1 Claims against the Company not acknowledged as debts:		
(i) Legal cases filed by consumers, employees and others under litigation	4,965.65	5,260.47
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 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	0.61	1,533.44
(ii) Interest demanded (as per demand order and appeal effect order)	18.98	754.48
(iii) Total demand (i+ii)	19.59	2,287.92
(iv) Out of the above demand, amount paid under protest/adjusted by Income Tax authorities	-	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.		
30.4 Indirect taxation matters relating to sales tax, service tax, GST where demand is under contest before judicial/appellate authorities	301.79	74.42
30.5 Claims of power suppliers, not acknowledged as expense and credits	33,933.14	31,795.25
*No provision is considered necessary since the Company expects favourable decisions.		
Commitments		
30.6 Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	18,353.80	21,098.33

30.7 The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. There are interpretative challenges and considerable uncertainty, including the retrospective applicability of order and determination of liability (principal and any penal consequences thereof). Pending the directions from the EPFO, the impact for past periods, if any, cannot be reliably estimated and consequently no financial effect has been provided for in the financial statements. The Company has complied with the direction on a prospective basis, from the date of the SC order.

30.8 As detailed in note 34.7 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.

30.9 The Code on Social Security 2020 has been notified in the Official Gazette on 29th September, 2020. The Code is not yet effective and related rules are yet to be notified. Impact, if any, of the change will be assessed and recognized in the period in which said Code becomes effective and the rules framed thereunder are notified.

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

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

While the above referred writ petition was pending, the Company had already advanced ₹ 7,774.35 lakhs to the Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 Trust (SVRS Trust) for payment of retiral dues to separated employees. In addition to the payment of retiral benefits/residual pension to the SVRS Trust, in pursuant to the order of the Hon'ble Delhi High Court dated 2 July, 2007 the Company also paid interest @ 8% per annum, ₹ 801.27 lakhs in the financial year 2008-09 thereby increasing the total contribution to the SVRS Trust to ₹ 8,575.62 lakhs recorded as recoverable from SVRS Trust. As the Company was entitled to get reimbursement against advanced retiral benefit amount on superannuation age, the Company had recovered/adjusted ₹ 8,553.77 lakhs as at 31 March, 2024 (as at 31 March, 2023 ₹ 8,553.77 lakhs), leaving a balance recoverable ₹ 21.85 lakhs as at 31 March, 2024 (as at 31 March, 2023 ₹ 21.85 lakhs) from the SVRS Trust which includes current portion of Nil (as at 31 March, 2023 Nil).

30.11 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.

Pending adjudication of the matter in High court, DVB period consumer deposit have been mapped against identifiable consumers and refund is also being processed for eligible customers. However, refund amount of ₹ 1,035.73 Lakhs which is in excess of migrated CD of ₹ 1000 Lakhs, has been shown as recoverable from DPCL as supported by DERC letter dated 23 April, 2007.

30.12 Govt of India, Ministry of Finance, Department of Revenue, Tax Research Unit issued a circular bearing no 34/8/2018-GST dated March 1, 2018, clarifying therein that some ancillary activities carried out by Electricity Distribution companies are chargeable to GST. In compliance with the circular, the Company has been levying GST on the ancillary services but challenged the circular and levy of GST on ancillary services through writ petition before the Hon'ble Delhi High Court. Meanwhile , the Hon'ble Gujarat High Court in the case of Torrent Power Ltd. v. Union of India, has struck down the Circular No. 34/8/2018-GST holding it as ultra-vires the provision of GST Act. The Department has appealed against this judgment before the Hon'ble Supreme Court. Since the issue involved before Hon'ble Supreme Court in Torrent's matter is similar to those which has been raised by the Company before Hon'ble Delhi HC, the Company moved a transfer petition before the Hon'ble Delhi HC to transfer its writ petition to the Hon'ble Supreme Court. The Hon'ble Delhi HC allowed the same on October 4, 2023, with the liberty to seek appropriate orders once its transfer petition before the Hon'ble Supreme Court is disposed of. Subsequently, another bench of the Hon'ble Delhi High Court in its order dated December 13, 2023 in the matter of BSES Discoms, struck of the Circular No. 34/8/2018-GST. Since there is a contradictory view of the benches of Hon'ble Delhi HC on this issue, the Company filed an application before the Hon'ble Delhi HC for an early hearing of it's petition, which is scheduled for hearing on 7 May, 2024.

Further, in compliance to the order of Hon'ble Delhi HC, the Company decided to stop levying GST prospectively on such ancillary services including deposit works. Additionally, the Company has incorporated indemnification clause in its demand letters, invoices, and bills to mitigate any future liability that may arise from the outcome of the matter before Hon'ble Supreme Court. The Company will continue to monitor the developments and would take necessary steps for compliance of the GST law.

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 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.

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 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).

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 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
31.4	**Revenue from operations**		
31.4.1	**Revenue from sale of power and open access**		
(a)	Sale of power	10,39,625.74	9,53,473.28
	Less: energy tax	41,210.74	37,918.32
		9,98,415.00	9,15,554.96
(b)	Income from open access charges	2,307.37	2,220.89
		10,00,722.37	9,17,775.85
31.4.2	**Other operating revenue**		
(a)	Amortisation of service line charges	3,246.77	4,006.78
(b)	Commission on		
	- DVB arrears collection	0.08	3.42
	- Energy tax collection	1,211.70	1,111.86
(c)	Maintenance charges (refer note 31.4.2 (i))	680.07	1,000.73
(d)	Amortisation of capital grants	194.59	57.12
(e)	Amortisation of consumer contribution for capital works	5,455.61	5,143.36
(f)	Miscellaneous operating income	711.76	569.93
		11,500.58	11,893.20
		10,12,222.95	9,29,669.05

31.4.2 (i) Includes incentive on street light maintenance of ₹ 43.92 lakhs pertaining to financial year 2023-24 (for the year ended 31 March, 2023 ₹ 73.37 lakhs).

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 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 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
(a)	Late payment surcharge	2,144.10	2,125.14
(b)	Interest Income	1,953.40	964.69
(c)	Gain on sale/fair value of mutual fund investment measured at FVTPL	185.75	-
(d)	Income other than energy business	4,578.59	5,743.50
(e)	Excess provisions write back*	2,661.06	1,644.43
(f)	Other non-operating income	462.73	198.44
		11,985.63	10,676.20

* Unutilized payroll provisions pertaining to past years

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 Company's revenue from contracts with customers:

₹/Lakhs

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(A) Revenue from contracts with customers		
- Based on nature of goods/services		
(i) Distribution of power		
(a) Sale of power (net of energy tax)	9,98,415.00	9,15,554.96
(b) Income from open access charges	2,307.37	2,220.89
(c) Late payment surcharge	2,144.10	2,125.14
(d) Amortisation of service line charges	3,246.77	4,006.78
(e) Commission on		
- DVB arrears collection	0.08	3.42
- Energy tax collection	1,211.70	1,111.86
(f) Maintenance charges	680.07	1,000.73
(g) Amortisation of consumer contribution for capital works	5,455.61	5,143.36
(h) Miscellaneous income	749.05	621.21
(ii) Business Development (Project management and other consultancy services)	4,433.02	5,600.99
	10,18,642.77	**9,37,389.34**
(B) Other revenue		
(i) Distribution/generation of power		
(a) Amortisation of capital grants	194.59	57.12
(b) Interest income	1,953.40	964.69
(c) Others	425.44	147.16
(ii) Business Development (Project management and other consultancy services)	145.57	142.51
(iii) Others		
(a) Gain on sale/fair value of mutual fund investment measured at FVTPL	185.75	-
(b) Excess provisions write back	2,661.06	1,644.43
	5,565.81	**2,955.91**
Total revenue	**10,24,208.58**	**9,40,345.25**

31.7 **Contract Balances**

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

₹/Lakhs

Particulars	As at 31.03.2024	As at 31.03.2023
Contract assets		
Unbilled revenue other than passage of time (refer note 15(a))	305.00	281.83
Total contract assets	**305.00**	**281.83**
Contract liabilities		
Income received in advance (refer note 28(a))	251.76	204.08
Advance from consumers (refer note 28(c))	14,332.67	11,776.07
Advance against other contractual works (refer note 28(e))*	6,694.64	8,201.94
Deferred revenue from consumers -		
-Consumers' deposits for works and service line charges (refer note 23 & 26 (f))	64,148.20	63,157.37
Total contract liabilities	**85,427.27**	**83,339.46**
Receivables		
Trade receivables (gross) (refer note 12)	38,050.97	35,836.44
Unbilled revenue for passage of time	45,937.37	44,816.49
Less : Allowances for doubtful debts (refer note 12)	15,837.57	16,334.17
Net receivables	**68,150.77**	**64,318.76**

* The income shall be realised only to the extent of supervision charges on the completion of contractual work as agreed with the customer.

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 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 31.03.2024	As at 31.03.2023
- Unbilled revenue other than passage of time		
Opening balance as at 1 April	281.83	713.20
Add: Revenue recognised during the year apart from above	3,068.31	1,948.87
Less: Transfer from contract assets to receivables	3,045.14	2,380.24
Closing Balance	**305.00**	**281.83**

Particulars	Contract Liabilities					
	As at 31.03.2024			As at 31.03.2023		
	Income received in advance	Advance from consumers	Deferred Revenue	Income received in advance	Advance from consumers	Deferred Revenue
Opening balance as at 1st April	204.08	11,776.07	63,157.37	246.85	10,732.71	44,274.47
Revenue recognised during the year from balance at the beginning of the year	(154.77)	(8,155.91)	-	(105.79)	(7,799.18)	-
Advance received during the year not recognised as revenue	202.45	10,712.51	12,819.52	63.02	8,842.54	28,242.02
Transfer from contract liabilities upon satisfaction of performance obligation	-	-	(11,828.69)	-		(9,359.12)
Closing Balance	**251.76**	**14,332.67**	**64,148.20**	**204.08**	**11,776.07**	**63,157.37**

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 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, 2024 is ₹ 9,447.74 lakhs (as at 31 March, 2023 is ₹ 8,931.27 lakhs). Out of this, the Company expects to recognise revenue of around 44.75% (as at 31 March, 2023 51.30%) 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 period, the Company has sold/under-drawn 1,501.58 million units (for the year ended 31 March,2023 1,585.85 million units) of power to/in favour of other utilities. The power purchase cost of ₹ 7,21,067.34 lakhs (for the year ended 31 March, 2023 ₹ 7,46,956.70 lakhs) is net of sale of power/UI receivables ₹ 83,766.53 lakhs (for the year ended 31 March, 2023 ₹ 96,697.47 lakhs), rebate on power purchase ₹ 11,277.38 lakhs (for the year ended 31 March, 2023 ₹ 10,714.46 lakhs) and excludes in-house power generation cost.

In order to meet the peak power demand during the summer, the Hon'ble Commission (DERC) has issued interim direction relaxing certain measure from 1 April, 2023 to 31 May, 2023. These measures included exemption from approval of the power procured above ₹ 5 per unit, exemptions from approvals for Banking and Bilateral Contracts and allowance of overlapping in bilateral and banking transactions.

32.2 In the GCV matter, the Company has filed petition (P. no. 311/MP/2015) against NTPC restraining from recovering excess Energy Charge Rate which is higher than the coal cost data available in public domain and also refund/ allow the applicant to adjust in the subsequent bills the excess amounts already paid since 1 April,2014. The said petition has been tagged with petition filed by NTPC (P.no. 244/MP/2016) for seeking removal of difficulties and for consequential orders on the measurement of GCV of Coal from the samples taken from the Railway Wagon Top. Matter was last listed on 16 April, 2019. The Company and other beneficiaries objected on the maintainability of the petition filed by NTPC. However, Central Commission vide its order dated 19 September, 2018 in P. no. 244/MP/2016 held that the petition was maintainable.

Basis the CERC order dated 19 September, 2018, some of the beneficiaries like BSES and GRIDCO had filed appeals in APTEL on the issue of maintainability. Hon'ble APTEL vide order dated 12 October, 2018 has observed that CERC shall not implement its order till the matter is heard on merits and orders are passed. the Company has also filed appeal (A. No. 42/2019) against the said order and the same was admitted on 26 February, 2019. Matter was last heard on 6 January, 2023, pleadings complete matter added in list of finals of Court -I.

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, 2024 are as follows:

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
	Receivable MU's	Receivable MU's
(a) Opening balance as at 1 April	-	436.32
(b) Power banked (Outflow)	108.40	-
(c) Power due against banked	111.65	-
(d) Power receipt against opening	-	436.32
(e) Power receipt against current year transactions	-	-
(f) Balance receivable {(a)+(c)-(d)-(e)}	111.65	-

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 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:

33.1.1 **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.

33.1.2 **Employees other than from Erstwhile DVB:**
The Company makes contribution towards provident fund to a defined contribution retirement benefit plan for qualifying employees. The Company's contribution to the Employees Provident Fund is deposited by the Company under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is recognised by the Income Tax authorities. The provident fund plan is operated by the Regional Provident Fund Commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits.

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

33.2 **Defined benefit plans**

33.2.1 **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.

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 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.

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 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
(a)	Salaries, allowances and incentives	49,307.19	49,675.78
(b)	Contribution to provident and other funds	5,878.40	5,432.09
(c)	Staff welfare expenses (refer note 33.5)	4,024.34	3,496.71
(d)	Other personnel cost	491.41	754.85
		59,701.34	59,359.43
	Less: Transferred to capital work-in-progress	5,885.62	5,787.04
		53,815.72	53,572.39
(e)	Pension and other payment to VSS and other retirees (refer note 30.10)	274.25	239.83
		54,089.97	53,812.22

33.5 Employee Benefits Expense

Share Based Payments

Accounting policy

The Tata Power Company Limited ("Holding Company") has granted employee stock options to the eligible employees of the company. As per the scheme, on fulfilling of the vesting condition the Holding Company will issue its equity shares to the eligible employees of the Company.

The cost of equity-settled transactions is determined by the fair value of holding company's share at the date when the grant is made using an appropriate valuation model. That cost is recognised over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the companies best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the companies best estimate of the number of equity instruments that will ultimately vest. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

Equity-settled share option plan

The Tata Power Company Limited – Employee Stock Option Plan 2023

During the year, the shareholders of the Holding Company approved 'The Tata Power Company Limited – Employee Stock Option Plan 2023' ('ESOP 2023'/ 'Plan'). During this year, the Holding Company has granted employee stock options to the eligible employees of the Holding and its subsidiaries, including employees of the Company at an exercise price of ₹ 249.80 (Rupees Two Hundred Forty Nine and Eighty Paise) per option exercisable into equivalent equity shares of ₹ 1 each subject to fulfilment of vesting conditions.

The expense recognised for employee services received during the year is shown in the following table:

	Year ended 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
Expense arising from equity-settled share-based payment transactions	109.76	Nil
Total expense arising from share-based payment transactions	109.76	Nil

Movements during the year	No. of Options (in Lakhs)	
Option exercisable at the beginning of the year	Nil	Nil
Granted during the year	8.08	Nil
Forfeited/Expired during the year	Nil	Nil
Exercised during the year	Nil	Nil
Expired during the year	Nil	Nil
Option exercisable at the end of the year	8.08	Nil
Share price for options exercised during the year	Not applicable	Nil
Remaining contractual life	2.58 Years	Nil

The holding company has estimated fair value of options using Black Scholes model. The following assumptions were used for calculation of fair value of options granted.

Assumption	Year ended 31.03.2024	Year ended 31.03.2023
Dividend Yield (%)	0.70%	Nil
Risk free interest rate (%)	7.21%	Nil
Expected life of share option (Years)	3 - 5 Years	Nil
Expected volatility (%)	39.81%	Nil
Weighted Average Share price	249.80	Nil
Weighted Average Fair Value of option at the measurement date	97.75	Nil

The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Note 34
Finance costs

Accounting policy

Borrowing Costs
Borrowing costs incurred for qualifying assets are capitalised up to the date the asset is ready for intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings if no specific borrowings have been incurred for the asset.

All other borrowing costs are recognised in the Statement of Profit and Loss in the reporting period in which they accrue.

		Year ended 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
(a)	On borrowings - carried at amortised Cost		
	(i) Interest on term loan (gross)	15,759.65	17,067.04
	Less: Capitalised (refer note 34.1)	222.53	426.36
	Interest on term loans (net)	15,537.12	16,640.68
	(ii) Interest on Debentures	659.92	-
	(iii) Interest on cash credit accounts/short-term borrowings	2,360.23	5,108.15
(b)	Interest on lease liability (gross)	544.19	627.93
	Less: Capitalised	64.87	149.53
	Interest on lease liability (net)	479.32	478.40
(c)	Interest on consumer security deposits (refer note 34.2)	8,588.61	6,073.90
(d)	Other borrowing costs	71.73	85.80
(e)	Other interest (refer note 34.3)	1,123.73	245.88
		28,820.66	28,632.81

34.1 The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 8.33% per annum (for the year ended 31 March, 2023 7.39% per annum).

34.2 Interest on consumer security deposits

As per the provisions of Section 47(4) of the Electricity Act, 2003 interest on consumer security deposits is payable at the bank rate or more as per the notification by State Commission. During the year 2017, Delhi Electricity Regulatory Commission (DERC) had amended Delhi Electricity Regulatory Commission (Supply Code and Performance Standards) Regulations, 2017 through notification in the Official Gazette and as per Clause 20(3) of the Regulations, interest is payable on consumer security deposits at Marginal Cost of Fund based Lending Rate (MCLR) as notified by State Bank of India prevailing on the 1 April of that financial year.

In view of the fact that the matter of liability on account of opening consumer security deposits in excess of ₹ 1,000 lakhs (as at 31 March, 2023 ₹ 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, 2023 ₹ 1,000 lakhs), the Company has provided interest expense aggregating to ₹ 8,588.61 lakhs (for the year ended 31 March, 2023 ₹ 6,073.90 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 ₹ 205.91 lakhs (for the year ended 31 March, 2023 ₹ 181.33 lakhs) would be recoverable from DPCL if the Company's contention is upheld by the Hon'ble High Court that the Company's liability for interest payment/refund on account of opening consumer security deposits is only to the extent of ₹ 1,000 lakhs liability transferred to it as per the statutory transfer scheme.

34.3 During the current year, the company has provided for interest of ₹ 494.53 lakhs against delay in payment of Land License fees during past years as per the demand received from Department of Power, Govt of NCT Delhi. The amount has been paid under protest subject to adjudication of legal case filed before Delhi High court.

Note 35
Other expenses

		Year ended 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
Operating and maintenance expenses			
(a)	Stores and spares consumed (net of recoveries)	4,371.75	6,929.81
(b)	Repairs and maintenance:		
	(i) Building	1,074.73	662.70
	(ii) Plant and equipment	10,445.35	10,496.50
	(iii) Others	5,559.00	5,459.01
(c)	Loss on disposal of property, plant and equipment	542.15	834.57
		21,992.98	24,382.59
Administrative and general expenses			
(a)	Communication expenses	311.39	261.87
(b)	Printing and stationery	254.08	296.30
(c)	Legal and professional charges		
	- Legal expenses (refer note 35.1)	2,117.45	2,228.43
	- Professional charges (refer note 35.2)	544.63	819.51
(d)	Travelling and conveyance	814.33	783.25
(e)	Insurance	844.88	836.43
(f)	Advertisement, publicity and business promotion	235.75	212.90
(g)	Corporate social responsibility expenses (refer note 35.3)	1,256.53	1,252.77
(h)	Rent and hire charges	32.16	57.48
(i)	Rates and taxes	731.88	634.98
(j)	Freight, handling and packing expenses	51.64	34.19
(k)	Bill collection and distribution expenses	788.28	775.16
(l)	Postage and courier charges	23.60	34.36
(m)	Provision for litigations	13.92	1,113.88
(n)	EDP expenses	1,468.15	1,190.35
(o)	Housekeeping expenses	1,159.68	1,088.62
(p)	Foreign exchange fluctuation loss (net)	2.15	2.79
(q)	Bad debts written off/(written back)	436.44	544.90
(r)	Allowance for doubtful debts	(1,223.98)	612.61
(s)	Miscellaneous expenses	1,637.30	1,547.03
		11,500.26	14,327.81
	Total other expenses	33,493.24	38,710.40

35.1 Out of total Legal expenses of ₹ 2,117.45 lakhs (for the year ended 31 March, 2023 ₹ 2,228.43 lakhs), an amount of ₹ 656.50 lakhs (for the year ended 31 March, 2023 ₹ 630.82 lakhs) pertains to legal expenses where the Company has challenged DERC's orders/Regulations at various forums.

35.2 **Auditors remuneration***

Professional charges include auditor's remuneration as follows:

₹/Lakhs

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(a) For statutory audit	49.50	45.00
(b) For tax audit	7.98	7.25
(c) For company law matters	-	0.30
(d) For other services	12.10	8.68
(e) For reimbursement of expenses	3.17	2.76
Total	**72.75**	**63.99**

* Exclusive of Goods & Services Tax.

35.3 **Corporate social responsibility**

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

₹/Lakhs

35.3.1

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(a) Gross amount required to be spent by the Company during the year	1,225.28	1,230.59
(b) Amount spent during the year on CSR (excluding 5% administrative expenses) (refer 35.3.2)	1,256.53	1,252.77
(c) Shortfall for the year	-	-
(d) Transaction with related party for the year (refer Note 43)	-	3.54
(e) Movement of provision	-	-

₹/Lakhs

35.3.2

Particulars	In Cash	Yet to be paid in cash	Year ended 31.03.2024
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	1256.53	-	1,256.53

35.3.3 The nature of CSR activities undertaken by the Company

₹/Lakhs

Nature of activities as per Schedule VII of Companies Act, 2013	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water. (Clause (i))	- Consultation & supply of medicine through mobile dispensary - Facilitation of potable water - Health care facility to under nurished womens & children - Organising blood donation camp - ABHA Program - Providing connection between TPDDL & community to facilitate the needy people	378.10	368.79
Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. (Clause (ii))	- Community awareness program - Literacy, education & skill development program - Vocational training program - Career counselling program - Scholarship distribution program - Entrepreneurship development program	852.37	742.18
Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga. (Clause (iv))	- Energy, water and climate conservation and sensitization sessions - Tree Plantation	13.97	10.63
Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports. (Clause (vii))	- Rural development & sports in village area	12.09	21.83
Disaster management, including relief, rehabilitation and reconstruction activities. (Clause (xii))	- Supply of cooked meals & Dry ration - Donation to Covid 19 response fund - Distribution of mask, sanitizers, PPE Kit, gloves, IR thermometer,etc	-	109.34
Total		**1256.53**	**1252.77**

35.4 **Disclosure under Clause 87 of DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 & Business Plan Regulation (BPR), 2023 of statutory levies and taxes**

₹/Lakhs

Particulars	Year ended 31.03.2024
Statutory levies -	
(a) Rates & Taxes -	
(i) Common effluent treatment plant charges (CETP)	42.06
(ii) Property tax	222.20
(iii) DERC Licensee fees	456.28
(iv) Land license fees	1,562.24
(v) other rates and taxes (court fee & Stamp duty etc)	11.34
(b) Other Regulatory Expenses	146.76

Note 36
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.

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 30 September, 2021 issued on 12 October, 2021, the DERC has trued up regulatory deferral account balance up to 31 March, 2020 at ₹ 1,76,281 lakhs as against ₹ 4,91,925.26 lakhs as per financial books of accounts excluding amount recoverable towards deferred tax liabilities of ₹ 30,259.85 lakhs. There is no provision in tariff regulations for one to one allowance of deferred tax but the same is allowed in the form of actual rate of tax as and when deferred tax liability gets converted to actual tax liability. The difference in regulatory deferral account is largely due to provisional truing up of capitalisation, disallowance of de-capitalised property, plant and equipment, its corresponding impact on return on capital employed (ROCE), income tax and carrying cost. These disallowances have already been challenged in APTEL for amount disallowed up to FY 19-20. The difference in regulatory deferral account is also due to pending implementation of Rithala tariff order issued by the DERC vide order dated 11 November, 2019 and partial allowance of approved Rithala plant cost which is under challenge with APTEL and delay in execution of other previous review/APTEL appeal orders.

The Company had filed a stay petition seeking stay of tariff order with APTEL due to certain arbitrary disallowances by DERC in its latest tariff order dated 30 September, 2021 and also filed appeal with APTEL against the disallowances. On 24 May, 2022 APTEL pronounced final order on stay application and directed the DERC to reconsider the issue of past allowance of AT&C incentive and O&M disallowance and give effect of the same within a period of two months. On DERC's petition, APTEL further clarified on 22 July, 2022 that it's earlier order to be followed in true light and spirit of the observations made and the directions given in the said judgment. The tariff order is yet to be issued by DERC. Therefore, the final impact shall be recorded in the books of accounts once the same is implemented by the DERC as per APTEL directions in the upcoming tariff order. Accordingly, no adjustment has been made in the Regulatory deferral account balance in the books based on latest tariff order dated 30 September, 2021, till the implementation of the above.

On 2 February, 2024 DERC issued order truing up the pending capitalisation for the year 2004-05 to 2015-16 with some marginal disallowances, however the impact of the said true up shall be allowed in the ensuing Tariff Order. As per the assessment done by the company, there is no significant exposure of the said order in the books and the differential impact, if any shall be recorded once the order is implemented by DERC. Similarly, for FY 2016-17 final report of physical verification has been shared by DERC on 13 March, 2023 and the Company had submitted the response on 13 April, 2023. Further action on the replies submitted by the Company is awaited from DERC. The true up of capitalisation for FY17-18 has been completed by DERC. Further, for FY 18-19 to FY 21-22 the physical verification and true up of capitalisation is in progress.

36.3 The DERC Business Plan Regulations, 2019 is applicable for the control period from FY 2020-21 to FY 2022-23. As part of annually tariff determination exercise, the company has filed True up petition for FY 2020-21 and Annual Revenue Requirement (ARR) for FY 2022-23 on 30 November, 2021 which was admitted by the DERC on 19 January, 2023. Further, the company has filed True up petition for FY 2021-22 on 1 November, 2022. However, the Tariff order is yet to be released by the DERC.

The DERC on 29 March, 2023 has notified Business Plan Regulations, 2023 (BPR 2023) for the next control period applicable for FY 2023-24 to FY 2025-26. The Company has filed a Writ Petition in Delhi High Court on certain issues of BPR 2023. Further as part of annual tariff determination exercise, the Company had filed ARR for FY 2023-24 on 22 May, 2023 which has been admitted by the DERC on 26 May, 2023. Further, the company has filed True up petition for FY 2022-23 and Annual Revenue Requirement (ARR) for FY 2024-25 on 1 November, 2023.

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 There has been accumulation of regulatory deferral account balance mainly due to non-availability of cost reflective tariff year on year. On this issue, the Company had filed a petition with the DERC on 08 March, 2021 seeking for a roadmap to liquidate regulatory deferral account in a time bound manner, which was dismissed by DERC with no relief. Further, the Company has challenged the order of DERC before Supreme Court on 6 September, 2021, which has been admitted and the hearing is in progress.

36.6 The movement in regulatory deferral account balance as at 31 March, 2024 is as follows:

₹/Lakhs

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(a) Opening regulatory deferral account debit balance	6,13,927.70	5,84,222.83
(b) Net movement during the year		
(i) Power purchase cost	7,32,437.57	7,57,775.36
(ii) All other prudent O&M cost including ROCE, carrying cost etc.	2,01,202.03	1,99,676.78
(iii) Collection available for Annual Revenue Requirement (ARR)	10,24,675.11	9,36,417.96
(iv) Net movement before recovery of deferred tax {(i)+(ii)-(iii)}	**(91,035.51)**	**21,034.18**
(v) Deferred tax recoverable in future tariff	9,192.39	8,670.69
(c) Net movement shown in the Statement of Profit and Loss {(iv)+(v)}	**(81,843.12)**	**29,704.87**
(d) Closing regulatory deferral account debit balance (a+c)	**5,32,084.58**	**6,13,927.70**

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) net of fair value of plant 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.

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

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

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

The assets classified as held for sale have been accounted at lower of carrying amount and fair value less cost to disposal. The fair value of property, plant and equipment classified as assets held for sale as at 31 March, 2024 and 31 March, 2023 has been determined based on a valuation report given by an expert who has used Level 3 valuation techniques.

The carrying value and fair value less cost to disposal of Rithala Power Generation Plant classified as assets held for sale is detailed below:

₹/Lakhs

Particulars	As at 31.03.2024			As at 31.03.2023		
	Carrying value	Impairment Loss	Fair value less costs to disposal	Carrying value	Impairment Loss	Fair value less costs to disposal
	(A)	(B)	(C)=(A)-(B)	(D)	(E)	(F) = (D)-(E)
Property, plant and equipment	2,004.00	-	2,004.00	2,004.00	-	2,004.00

The significant unobservable input used in the non-recurring fair value measurement categorised within Level 3 of the fair value hierarchy as at 31 March, 2024 and as at 31 March, 2023 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	31.03.2024 and 31.03.2023	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 37

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.

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

Particulars	Units	Year ended 31.03.2024	Year ended 31.03.2023
Profit for the year from continuing operations	₹/Lakhs	45,344.53	44,039.23
Net movement in regulatory deferral account balance	₹/Lakhs	(81,843.12)	29,704.87
Income-tax attributable to regulatory expenses	₹/Lakhs	28,599.26	(10,380.07)
Net movement in regulatory deferral account balance (net of tax)	₹/Lakhs	(53,243.86)	19,324.80
Profit for the year from continuing operations attributable to equity shareholders before net movement in regulatory deferral account balance	₹/Lakhs	98,588.39	24,714.43
Weighted average number of equity shares	Nos./Lakhs	10,520.00	10,520.00
Basic & Diluted earnings per equity share of ₹ 10 each	₹	9.37	2.35
Face value of equity shares	₹	10.00	10.00

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

Particulars	Units	Year ended 31.03.2024	Year ended 31.03.2023
Profit for the year from continuing operations after net movement in regulatory deferral account balance attributable to equity shareholders	₹/Lakhs	45,344.53	44,039.23
Weighted average number of equity shares	Nos./Lakhs	10,520.00	10,520.00
Basic & Diluted earnings per equity share of ₹ 10 each	₹	4.31	4.19
Face value of equity shares	₹	10.00	10.00

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

Note 38
Disclosure pursuant to DERC directive 6.10(j) specified in Tariff Order, 2021.

Category-wise billing, collection & subsidy information

38.1 **Billing**

₹/Lakhs

S.No.	Category	Year ended 31.03.2024						
		Revenue	Deficit revenue recovery surcharge	PPAC	Electricity duty	Pension trust surcharge	TOD surcharge	TOD rebate
i	Domestic	3,34,244.40	17,746.99	65,606.47	13,585.73	15,528.66	0.03	(0.03)
ii	Non-Domestic	4,09,261.55	21,796.70	81,292.69	14,535.29	19,072.93	4,095.97	(2,549.63)
iii	Industrial	2,71,291.30	14,395.60	53,843.69	10,521.84	12,596.29	3,431.45	(2,544.76)
iv	Agriculture	1,247.28	67.59	251.59	19.29	59.10	1.88	(1.61)
v	Public Utilities	65,622.76	3,896.99	13,190.26	2,068.21	3,416.51	460.14	(422.16)
vi	Advertisement & Hoardings	98.32	5.23	19.77	3.07	4.57	-	-
vii	Staff	551.52	29.36	108.23	21.21	25.70	-	-
viii	E-Rickshaw/E-Vehicle	5,397.45	284.12	1,083.48	245.14	248.50	92.64	(30.14)
ix	Enforcement	1,723.17	95.93	256.05	64.91	75.73	-	-
	Grand Total	**10,89,437.74**	**58,318.51**	**2,15,652.23**	**41,064.70**	**51,027.99**	**8,082.11**	**(5,548.33)**

38.2 **Collection**

₹/Lakhs

S.No.	Category	Year ended 31.03.2024				
		Revenue	Deficit revenue recovery surcharge	PPAC	Electricity duty	Pension trust surcharge
i	Domestic	3,34,434.04	17,764.98	65,428.02	13,590.69	15,534.86
ii	Non-Domestic	4,08,960.81	21,732.26	80,753.35	14,475.04	19,004.98
iii	Industrial	2,70,978.59	14,457.12	53,925.33	10,556.02	12,634.68
iv	Agriculture	1,264.97	68.69	250.60	19.70	59.78
v	Public Utilities	66,192.56	3,932.55	13,267.70	1,413.37	3,439.97
vi	Advertisement & Hoardings	94.96	5.06	18.94	2.97	4.43
vii	Staff	551.76	29.35	107.97	21.21	25.69
viii	E-Rickshaw/E-Vehicle	5,371.46	283.21	1,077.01	244.21	247.68
ix	Enforcement	1,723.17	95.93	256.05	64.91	75.73
	Grand Total	**10,89,572.30**	**58,369.16**	**2,15,084.97**	**40,388.13**	**51,027.79**

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

₹/Lakhs

S.No.	Category	Period ended 31.12.2023	Quarter ended 31.03.2024	Year ended 31.03.2024
i	Agriculture	229.61	83.10	312.71
ii	Domestic	67,399.94	24,287.34	91,687.28
iii	Non-Domestic (Lawyer Chambers)	128.84	39.02	167.86
iv	Solar Generation Based Incentive	-	-	-
	Grand Total	**67,758.39**	**24,409.46**	**92,167.85**

38.4 Billing & Collection against temporary connection & Misuse is included in respective tariff category.
38.5 The above figures exclude open access billing & collection.
38.6 Revenue billed & collected include energy charges, fixed charges, Etax, surcharge, PPAC, TOD surcharge, pension trust surcharge, TOD rebate etc.
38.7 Revenue collected includes deemed collection on account of subsidy, CD interest etc.
38.8 "Other Adjustments" is included in respective tariff category.
38.9 No Generation Based Incentive disbursed in FY 2023-24.

Note 39
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.

39.1 Set out below is the disclosure pursuant to Clause 4 of Delhi Electricity Regulatory Commission (Treatment of Income from Other Business of Transmission Licensee and Distribution Licensee) Regulations, 2005 and DERC directive 6.10(j)(ix) specified in Tariff Order, 2021

Based on the regulations of the DERC, the Company has identified following 3 segments/divisions:

(a) **Distribution**
Comprises of sale of power to retail customers through distribution network and related ancillary services.

(b) **Generation**
Comprises of generation of power from Rithala Power Generation Plant owned by the Company and generation of power from renewable energy sources i.e. solar.

(c) **Business Development**
Comprises of project management consultancy, project management agency, project implementation contracts, IT and SCADA implementation contracts, management and other technical services assistance.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment and manpower efforts.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

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

₹/Lakhs

S.No.	Particulars	As at 31.03.2024				
		Distribution	**Generation**	**Business Development**	**Inter Segment**	**Total**
(i)	**Segment revenue**					
	Revenue from operations	10,12,212.36	103.44	-	(92.85)	10,12,222.95
	Other income	7,220.95	0.34	4,578.59	-	11,799.88
	Movement in regulatory deferral account balance (net)	(81,843.12)	-	-	-	(81,843.12)
(a)	**Total segment revenue**	**9,37,590.19**	**103.78**	**4,578.59**	**(92.85)**	**9,42,179.71**
	Less: Segment expenses (refer note 39.4)					
	Cost of power purchased (net)	7,21,160.19	-	-	(92.85)	7,21,067.34
	Employee benefits expense (net)	53,290.48	67.95	731.54	-	54,089.97
	Finance costs	27,840.17	980.49	-	-	28,820.66
	Depreciation and amortisation expense	38,962.19	61.99	-	-	39,024.18
	Other expenses	32,273.21	185.79	1,034.24	-	33,493.24
(b)	**Total segment expenses**	**8,73,526.24**	**1,296.22**	**1,765.78**	**(92.85)**	**8,76,495.39**
(ii)	**Total segment results (a-b)**	**64,063.95**	**(1,192.44)**	**2,812.81**	-	**65,684.32**
	Add/(Less): Unallocable income/(expense)					
(c)	Gain on sale/fair value of mutual fund investment measured at FVTPL					185.75
(d)	**Profit before tax (ii+c)**					**65,870.07**
(e)	Less: Tax expense					20,525.54
	Profit after tax (d-e)					**45,344.53**
(iii)	**Segment assets (refer note 39.3)**					
(a)	Property, plant and equipment	4,16,879.99	899.04	-	-	4,17,779.03
(b)	Capital work-in-progress	23,129.76	46.94	-	-	23,176.70
(c)	Right-of-use assets	5,473.71	-	-	-	5,473.71
(d)	Intangible assets	3,122.91	-	-	-	3,122.91
(e)	Non-current financial assets	90.46	-	-	-	90.46
(f)	Other non-current assets	668.41	-	-	-	668.41
(g)	Inventories	1,745.69	-	-	-	1,745.69
(h)	Current financial assets					
	- Investment	25,002.14	-	-	-	25,002.14
	- Trade receivables	19,165.38	-	3,048.02	-	22,213.40
	- Unbilled revenue	45,790.55	-	146.82	-	45,937.37
	- Others	4,077.55	-	-	-	4,077.55
(i)	Other current assets					
	- Unbilled revenue (contract asset)	2.29	-	302.71	-	305.00
	- Others	19,104.79	1,203.40	-	-	20,308.19
(j)	Assets classified as held for sale	-	2,004.00	-	-	2,004.00
(k)	Regulatory deferral account debit balances	5,22,466.58	9,618.00	-	-	5,32,084.58
	Total segment assets	**10,86,720.21**	**13,771.38**	**3,497.55**	-	**11,03,989.14**
(l)	Unallocable assets					
	- Other financial liabilities					11,870.16
	- Income tax paid under protest against demand					62.27
	Total assets					**11,15,921.57**

₹/Lakhs

S.No.	Particulars	As at 31.03.2024				
		Distribution	Generation	Business Development	Inter Segment	Total
(iv)	**Segment liabilities (refer note 39.3)**					
(a)	Non-current financial liabilities	2,39,213.24	-	-	-	2,39,213.24
(b)	Capital grants	1,068.51	143.48	-	-	1,211.99
(c)	Contributions for capital works and service line charges	83,480.43	-	-	-	83,480.43
(d)	Other non-current liabilities	60,898.51	-	-	-	60,898.51
(e)	Current financial liabilities	1,74,332.10	231.00	-	-	1,74,563.10
(f)	Other current liabilities					
	- Income received in advance	-	-	251.76	-	251.76
	- Others	30,327.69	1.04	6,694.64	-	37,023.37
	Total segment liabilities	**5,89,320.48**	**375.52**	**6,946.40**	**-**	**5,96,642.40**
(g)	Unallocable liabilities					
	- Provisions - non current					6,364.37
	- Deferred tax liabilities (net)					61,284.65
	- Current tax liability (net)					1,009.10
	- Provisions - current					2,504.44
	Total liabilities					**6,67,804.96**

₹/Lakhs

S.No.	Particulars	As at 31.03.2023				
		Distribution	Generation	Business Development	Inter Segment	Total
(i)	**Segment revenue**					
	Revenue from operations	9,29,658.46	114.79	-	(104.20)	9,29,669.05
	Other income	4,932.60	0.10	5,743.50	-	10,676.20
	Movement in regulatory deferral account balance (net)	29,704.87	-	-	-	29,704.87
(a)	**Total segment revenue**	**9,64,295.93**	**114.89**	**5,743.50**	**(104.20)**	**9,70,050.12**
	Less: Segment expenses (refer note 39.4)					
	Cost of power purchased (net)	7,47,060.90	-	-	(104.20)	7,46,956.70
	Employee benefits expense (net)	52,428.81	56.47	1,326.94	-	53,812.22
	Finance costs	27,864.74	768.07	-	-	28,632.81
	Depreciation and amortisation expense	37,652.57	61.64	-	-	37,714.21
	Other expenses	36,728.66	152.27	1,829.47	-	38,710.40
(b)	**Total segment expenses**	**9,01,735.68**	**1,038.45**	**3,156.41**	**(104.20)**	**9,05,826.34**
(ii)	**Total segment results (a-b)**	**62,560.25**	**(923.56)**	**2,587.09**	-	**64,223.78**
	Add/(Less): Unallocable income/(expense)					
(c)	Gain on sale/fair value of mutual fund investment measured at FVTPL					-
(d)	Foreign exchange fluctuation gain (net)					-
(e)	**Profit before tax (ii+c+d)**					**64,223.78**
(f)	Less: Tax expense					20,184.55
	Profit after tax (e-f)					**44,039.23**
(iii)	**Segment assets (refer note 39.3)**					
(a)	Property, plant and equipment	4,14,019.74	958.35	-	-	4,14,978.09
(b)	Capital work-in-progress	15,524.87	48.75	-	-	15,573.62
(c)	Right-of-use assets	6,568.86	-	-	-	6,568.86
(d)	Intangible assets	4,855.62	-	-	-	4,855.62
(e)	Non-current financial assets	90.07	-	-	-	90.07
(f)	Other non-current assets	1,307.11	-	-	-	1,307.11
(g)	Inventories	1,553.30	-	-	-	1,553.30
(h)	Current financial assets					
	- Trade receivables	14,217.15	-	5,285.12	-	19,502.27
	- Unbilled revenue	44,668.17	-	148.32	-	44,816.49
	- Others	4,529.33	-	-	-	4,529.33
(i)	Other current assets					
	- Unbilled revenue (contract asset)	-	-	281.83	-	281.83
	- Others	6,576.48	1,203.39	-	-	7,779.87
(j)	Assets classified as held for sale	-	2,004.00	-	-	2,004.00
(k)	Regulatory deferral account debit balances	6,04,309.70	9,618.00		-	6,13,927.70
	Total segment assets	**11,18,220.40**	**13,832.49**	**5,715.27**	**-**	**11,37,768.16**
(l)	Unallocable assets					
	- Other financial liabilities					5,923.78
	- Income tax assets (net)					300.21
	- Income tax paid under protest against demand					2,321.84
	Total assets					**11,46,313.99**
(iv)	**Segment liabilities (refer note 39.3)**					
(a)	Non-current financial liabilities	2,61,228.30	117.27	-	-	2,61,345.57
(b)	Capital grants	152.49	154.07	-	-	306.56
(c)	Contributions for capital works and service line charges	80,354.12	-	-	-	80,354.12
(d)	Other non-current liabilities	58,535.77	-	-	-	58,535.77
(e)	Current financial liabilities	2,07,267.42	558.09	-	-	2,07,825.51
(f)	Other current liabilities	-				
	- Income received in advance	-	-	204.08	-	204.08
	- Others	29,475.61	1.91	7,892.13	-	37,369.65
	Total segment liabilities	**6,37,013.71**	**831.34**	**8,096.21**	**-**	**6,45,941.26**
(g)	Unallocable liabilities					
	- Provisions - non current					5,820.05
	- Deferred tax liabilities (net)					52,092.26
	- Provisions - current					2,774.21
	Total liabilities					**7,06,627.78**

39.3 Distribution segment also includes assets and liabilities of Business Development (except trade receivables, unbilled revenue and income received in advance) since it constitutes only insignificant portion of the closing balance and are not readily identifiable.

39.4 Total expenses of Business Development segment of ₹ 1,765.78 lakhs (for the year ended 31 March, 2023 ₹ 3,156.41 lakhs) includes allocated expenses of ₹ 61.41 lakhs (for the year ended 31 March, 2023 ₹ 137.05 lakhs). Balance expenses of ₹ 1,704.37 lakhs (for the year ended 31 March, 2023 ₹ 3,091.36 lakhs) are directly identifiable to this reporting segment.

Note 40
Income tax

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

40.1 **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.

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

		Year ended 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
	Income tax expense recognised in the Statement of Profit and Loss :		
(a)	Current tax (refer note 40.4)	17,961.19	18,338.65
	Less: MAT credit adjusted during the year	6,653.32	6,829.80
	Current tax expense (net)	11,307.87	11,508.85
(b)	Deferred tax expense (net) (refer note 40.4)	9,217.67	8,675.70
	Total	**20,525.54**	**20,184.55**
	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 40.4)	(25.28)	(5.01)
(d)	Deferred tax		
	Remeasurement of defined benefit obligation (refer note 40.4)	(25.28)	(5.01)
	Total	**(50.56)**	**(10.02)**
	Total income tax expense recognised during the year (a+b+c+d)	**20,474.98**	**20,174.53**

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

₹/Lakhs

Particulars	**Year ended 31.03.2024**	**Year ended 31.03.2023**
Profit before tax	65,870.07	64,223.78
Enacted income tax rate in India	34.94%	34.94%
Computed expected tax expense	23,017.64	22,442.36
Add/(Less): Tax effect on account of:		
Tax effect due to non taxable income pertaining to deferred tax recoverable	(3,212.18)	(3,029.88)
Expenses not considered in determining taxable profit	540.44	266.81
Adjustments for prior periods	6.90	(47.18)
Reversal during tax holiday period	17.99	42.89
Deduction under chapter VI-A	(171.80)	(19.14)
Others	326.55	528.69
Income tax expense recognised in the Statement of Profit and Loss	**20,525.54**	**20,184.55**

40.4 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, 2024 and 31 March, 2023.

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% of book profit for the year ended 31 March, 2024 and 31 March, 2023.

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, 2024 and 31 March, 2023.

40.5 **Deferred tax**

Accounting policy

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

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

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

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

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

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

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

40.6 Deferred tax liabilities/assets (net) as at 31 March, 2024, as detailed below reflect the quantum of tax liabilities/(asset) accrued up to 31 March, 2024.

₹/Lakhs

Particulars	Opening Balance as on 1 April 2023	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance as on 31 March 2024
Deferred tax liability/(assets) on account of :				
Property plant and equipment (refer note 40.8)	74,745.93	2,124.70	-	76,870.63
Provision for doubtful debts	(3,152.74)	427.71	-	(2,725.03)
Provision for employee benefits	(2,613.94)	(65.80)	(25.28)	(2,705.02)
MAT credit	(15,926.24)	6,653.32	-	(9,272.92)
Others	(960.75)	77.74	-	(883.01)
Deferred tax liabilities/(asset) [net]	**52,092.26**	**9,217.67**	**(25.28)**	**61,284.65**

Deferred tax liabilities/assets (net) as at 31 March, 2023, as detailed below reflect the quantum of tax liabilities/(asset) accrued up to 31 March, 2023.

₹/Lakhs

Particulars	Opening Balance as on 1 April 2022	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance as on 31 March 2023
Deferred tax liability/(assets) on account of :				
Property plant and equipment	72,072.86	2,673.07	-	74,745.93
Provision for doubtful debts	(2,938.67)	(214.07)	-	(3,152.74)
Provision for employee benefits	(2,428.19)	(180.74)	(5.01)	(2,613.94)
MAT credit	(22,756.04)	6,829.80	-	(15,926.24)
Others	(528.39)	(432.36)	-	(960.75)
Deferred tax liabilities/(asset) [net]	**43,421.57**	**8,675.70**	**(5.01)**	**52,092.26**

40.7 As per MYT regulations for determination of tariff, tax expense shall be considered in tariff determination as and when and to the extent of income tax actually paid. Accordingly, the Company has made provision only for the amount of income tax that is actually payable and the deferred tax liability (net) as at 31 March, 2024 of ₹ 61,284.65 lakhs (as at 31 March, 2023 ₹ 52,092.26 lakhs) and deferred tax charge of ₹ 9,192.39 lakhs for the year ended 31 March, 2024 (for the year ended 31 March, 2023 ₹ 8,670.69 lakhs) has been shown as recoverable in regulatory deferral account balances.

40.8 As at 31 March, 2024 deferred tax liability of ₹ 76,870.63 lakhs (as at 31 March, 2023 ₹ 74,745.93 lakhs) on account of property, plant and equipment is net of deferred tax asset of ₹ 633.81 lakhs (as at 31 March, 2023 ₹ 840.54 lakhs) arising on assets classified as held for sale.

40.9 During the current year, the management has reassessed the recoverability of unavailed MAT credit and accordingly recognised MAT credit amounting to ₹ 9,272.92 lakhs as at 31 March, 2024 (as at 31 March, 2023 ₹ 15,926.24 lakhs).

40.10 The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the reporting period in which the liability is settled or the asset realised, based on tax rates as per the Income Tax Act, 1961 that have been enacted or substantively enacted by the end of the reporting period. The Taxation Laws (Amendment) Act, 2019 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 the Act 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 the Act for future period and is of the view that current tax rate of 34.94% will continue to remain favourable for foreseeable future. Therefore, the Company continues to measure deferred tax liability (net) at current applicable income tax rate.

Note 41
Financial instruments

41.1 **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 31.03.2024	As at 31.03.2023
Long-term borrowings	1,38,367.86	1,68,969.62
Short-term borrowings (includes Current maturities of long-term borrowings)	42,256.44	75,199.18
Total debt (a)	**1,80,624.30**	**2,44,168.80**
Less: Cash and bank balances (b)	11,769.99	5,787.18
Net debt {(c)=(a-b)}	**1,68,854.31**	**2,38,381.62**
Total equity (d)	4,48,116.61	4,39,686.21
Total equity and net debt {(e)=(c+d)}	**6,16,970.92**	**6,78,067.83**
Net debt to total equity plus net debt ratio (%) {(f)=(c)/(e)}	**27.37%**	**35.16%**

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, 2024 and 31 March, 2023.

41.2 **Categories of financial instruments**

₹/Lakhs

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
	Fair Value		Carrying Value	
Financial assets				
(i) Measured at fair value through profit or loss (FVTPL)				
(a) Investment in mutual fund (unquoted)	25,002.14	-	25,002.14	-
(ii) Measured at cost				
(a) Investments in equity instruments of wholly owned subsidiary company (unquoted)	5.00	5.00	5.00	5.00
(iii) Measured at amortised cost				
(a) Trade receivables	22,213.40	19,502.27	22,213.40	19,502.27
(b) Cash and cash equivalents	6,140.71	327.28	6,140.71	327.28
(c) Bank balances other than cash and cash equivalent above	5,629.28	5,459.90	5,629.28	5,459.90
(d) Security deposits	537.56	640.70	537.56	640.70
(e) Unbilled revenue	45,937.37	44,816.49	45,937.37	44,816.49
(f) Others	3,725.62	4,110.30	3,725.62	4,110.30
Total	**1,09,191.08**	**74,861.94**	**1,09,191.08**	**74,861.94**
Financial liabilities				
(i) Measured at amortised cost				
(a) Borrowings (including current maturities)	1,80,624.30	2,44,168.80	1,80,624.30	2,44,168.80
(b) Interest accrued but not due on borrowings	738.21	154.80	738.21	154.80
(c) Lease liabilities (including current maturities)	6,631.52	7,650.39	6,631.52	7,650.39
(d) Trade and other payables	1,09,096.82	1,09,524.29	1,09,096.82	1,09,524.29
(e) Consumers' security deposit	1,02,719.80	92,512.25	1,02,719.80	92,512.25
(f) Retention money payable	3,711.16	3,846.51	3,711.16	3,846.51
(g) Consumers' deposits for works	3,249.69	4,621.60	3,249.69	4,621.60
(h) Others	7,004.84	6,692.44	7,004.84	6,692.44
Total	**4,13,776.34**	**4,69,171.08**	**4,13,776.34**	**4,69,171.08**

41.2.1 **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".

41.3 **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:

41.3.1 **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, 2024 and 31 March, 2023. 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 31.03.2024		As at 31.03.2023	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on term borrowings	897.93	(897.93)	1,058.17	(1,058.17)
Effect on profit before tax	(897.93)	897.93	(1,058.17)	1,058.17

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

(C) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in net asset value (NAV) of the financial instruments held.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 31.03.2024	As at 31.03.2023
Investments in mutual funds	25,002.14	-

Price risk sensitivity analysis

The sensitivity analysis in the following section relates to the position as at 31 March, 2024 and 31 March, 2023. 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 31.03.2024		As at 31.03.2023	
	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	3.65	(3.65)	-	-
Effect on profit before tax	3.65	(3.65)	-	-

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.

41.3.2 **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 31.03.2024	As at 31.03.2023
(a) Trade receivables	22,213.40	19,502.27
(b) Unbilled revenue	45,937.37	44,816.49
(c) Security deposits	537.56	640.70
(d) Other financial assets	3,725.62	4,110.30
Total	**72,413.95**	**69,069.76**

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 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. As per policy, the aggregate amounts invested in debt based mutual funds and/or liquid funds with no exposure to equities, fixed term deposit with schedule banks and in inter-corporate deposits being in nature of investments shall not exceed ₹ 35,000 lakhs at any point of time.

41.3.3 **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, 2024				
(a) Trade payables	1,09,096.82	-	-	1,09,096.82
(b) Short term borrowings	1.038.54	-	-	1.038.54
(c) Long term borrowings (including current maturities)	41,217.89	1,13,622.67	24,745.20	1,79,585.76
(d) Interest accrued but not due on borrowings	738.21	-	-	738.21
(e) Future interest on above long term borrowings	13,944.85	25,505.66	3,467.36	42,917.87
(f) Consumers' security deposit (see note 41.3.3a)	6,650.04	-	96,069.76	1,02,719.80
(g) Future interest on consumers' security deposit (refer note 41.3.3a)	8,310.03	33,240.13	41,550.17	83,100.33
(h) Lease liabilities (including current maturities)	2,671.79	3,959.73	-	6,631.52
(i) Future interest on above lease liabilities	453.18	727.71	-	1,180.89
(j) Retention money payable	3,605.07	106.09	-	3,711.16
(k) Consumers' deposits for works	3,249.69	-	-	3,249.69
(l) Other financial liabilities	6,295.04	655.92	53.88	7,004.84
	1,97,271.15	**1,77,817.91**	**1,65,886.37**	**5,40,975.43**
As at 31 March, 2023				
(a) Trade payables	1,09,524.29	-	-	1,09,524.29
(b) Short term borrowings	32.534.65	-	-	32.534.65
(c) Long term borrowings (including current maturities)	42,664.53	1,31,657.79	37,311.82	2,11,634.14
(d) Interest accrued but not due on above borrowings	154.80	-	-	154.80
(e) Future interest on above long term borrowings	15,234.25	27,408.72	4,736.56	47,379.53
(f) Consumers' security deposit (see note 41.3.3a)	5,949.70	-	86,562.55	92,512.25
(g) Future interest on consumers' security deposit (refer note 41.3.3a)	7,357.82	29,431.26	36,789.08	73,578.16
(h) Lease liabilities (including current maturities)	2,580.42	5,069.97	-	7,650.39
(i) Future interest on above lease liabilities	544.31	1,181.20	-	1,725.51
(j) Retention money payable	3,668.33	178.18	-	3,846.51
(k) Consumers' deposits for works	4,621.60	-	-	4,621.60
(l) Other financial liabilities	6,127.19	424.18	141.07	6,692.44
	2,30,961.89	**1,95,351.30**	**1,65,541.08**	**5,91,854.27**

41.3.3a 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 8.65% per annum (as at 31 March, 2023 8.50% per annum) which is the prevailing SBI 1 year MCLR rate as at 1 April, 2024. 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 41.3.4 below. The Company expects to meet its obligations from operating cash flows and proceeds of maturing financial assets.

41.3.4 **Financing facilities (short term)**

₹/Lakhs

Particulars	As at 31.03.2024	As at 31.03.2023
Unsecured credit facilities, reviewed annually and payable at call		
Amount used and outstanding	641.38	28,282.41
Amount unused	69,358.62	51,917.59
Secured bank loan facilities with various maturity dates through to 31 March, 2024 and which may be extended by mutual agreement		
Amount used and outstanding	397.16	4,252.24
Amount unused	44,902.84	51,047.76

Note 42
Financial Ratios

Particulars		Numerator (₹ Lakhs)		Denominator (₹ Lakhs)		Unit	As at 31.03.2024	As at 31.03.2023	% of Variance
		31.03.2024	31.03.2023	31.03.2024	31.03.2023				
(a)	Current ratio (refer note (i))	3,77,252.39	2,64,619.28	2,15,351.77	2,48,173.45	Times	1.75	1.07	64.29%
(b)	Debt equity ratio (refer note (ii))	1,87,994.03	2,51,973.99	4,48,116.61	4,39,686.21	Times	0.42	0.57	-26.80%
(c)	Debt service coverage ratio (refer note (iii))	96,245.94	95,939.66	63,354.92	85,132.35	Times	1.52	1.13	34.80%
(d)	Return on Equity	45,344.53	44,039.23	4,43,901.41	4,23,987.93	%	10.22%	10.39%	-1.66%
(e)	Trade receivables turnover ratio	10,47,191.77	9,62,438.40	82,614.05	78,354.15	Days	29	30	-3.10%
(f)	Trade payables turnover ratio	7,53,547.29	7,82,419.46	97,416.74	1,03,248.42	Days	47	48	-2.03%
(g)	Net capital turnover ratio (refer note (i))	9,30,379.83	9,59,373.92	2,06,528.52	61,845.58	Times	4.50	15.51	-70.96%
(h)	Net profit ratio	45,344.53	44,039.23	9,30,379.83	9,59,373.92	%	4.87%	4.59%	6.17%
(i)	Return on capital employed	86,102.12	86,782.69	7,20,573.88	7,45,639.68	%	11.95%	11.64%	2.67%
(j)	Return on investment (refer note (iv))	203.61	291.69	10,72,944.74	19,77,620.02	%	6.93%	5.38%	28.66%

Note: (i) Higher liquidation of regulatory asset expected next year due to increase in PPAC rate as per DERC order
(ii) Variation in Debt equity ratio mainly due to lower availment of long term & short term debt
(iii) Lower repayment of long term borrowings due to refinancing of loan
(iv) Higher rate of return on Mutual fund and FD investment

42.1 **Formulas used to compute ratios**

Particulars		Formulas
(a)	Current ratio	Current asset (refer note 42.2(a))
		Current liability
(b)	Debt equity ratio	Total debt (refer note 42.2(b))
		Shareholder's equity
(c)	Debt service coverage ratio	Earnings available for debt service (refer note 42.2(c))
		Debt Service (refer note 42.2(d))
(d)	Return on Equity	Net Profits after taxes
		Average shareholder's equity
(e)	Trade receivables turnover ratio	Gross credit sales (refer note 42.2(e))
		Average accounts receivable (refer note 42.2(f))
(f)	Trade payables turnover ratio	Gross credit purchases (refer note 42.2(g))
		Average trade payables (refer note 42.2(h))
(g)	Net capital turnover ratio	Net sales (refer note 42.2(i))
		Working capital (refer note 42.2(j))
(h)	Net profit ratio	Net Profit
		Net sales (refer note 42.2(i))
(i)	Return on capital employed	Earning before interest and taxes (refer note 42.2(k))
		Average Capital Employed (refer note 42.2(l))
(j)	Return on investment	Investment income (refer note 42.2(m))
		Time weighted average investment (refer note 42.2(n))

42.2 **Notes**

(a) Current asset also includes current portion of regulatory asset + asset classified as held for sale

(b) Total debt includes long term borrowings + short term borrowings + interest accured on borrowings + lease liabilities

(c) Earnings available for debt service includes Net Profit after taxes + Non-cash operating expenses/(income) (depreciation, amortisation of SLD, CCCW or capital grants, amortizations(ROU)) + interest (excluding interest on consumer security deposits) - loss on sale of fixed assets

(d) Debt service = Interest (excluding interest on consumer security deposits) + lease payments + principal repayments of long term borrowing (except refinanced loans)

(e) Gross credit sales includes sale of power + open access charges + maintenance charges + income other than energy business

(f) Average Accounts Receivable includes unbilled revenue

(g) Gross credit purchases includes power purchase + O&M expenses (excluding foreign exchange fluctuation loss (net), bad debts written off/(written back), allowance for doubtful debts, loss on disposal of property, plant and equipment, corporate social responsibility expenses, etc.)

(h) Total trade payables excludes employee benefit expense related balances

(i) Net sales includes revenue from operations + movement in regulatory deferral account balance

(j) Working capital = current assets - current liabilities
Current liabilities excludes current maturities of long-term borrowings, current portion of leases & interest accrued but not due on borrowings
Current asset includes current portion of regulatory asset & asset classified as held for sale

(k) Earning before interest and taxes = Profit before tax + interest (excluding interest on consumer security deposits)

(l) Average Capital employed = tangible net worth + total debt (refer note 42.2(b)) + deferred tax liability

(m) Investment income includes interest on bank deposits + gain on mutual fund (including unrealised (if any))

(n) Time weighted average investment includes bank deposits + mutual funds

(o) The Company is engaged in the business of sale of power which doesnot involve any inventory therefore, Inventory Turnover ratio is not applicable for the Company

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. 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) TP Renewable Microgrid Limited (TPRML)
(iv) Tata Power Solar Systems Limited (TPSSL)
(v) Tata Power Southern Odisha Distribution Limited (TPSODL)
(vi) Tata Power Northern Odisha Distribution Limited (TPNODL)
(vii) Tata Power Trading Company Limited (TPTCL)
(viii) Tata Power EV Charging Solutions Limited (TPEVCSL) (Formerly known as "Tata Solapur Limited")
(ix) Maithon Power Limited (MPL)
(x) Tata Power Renewable Energy Limited (TPREL)
(xi) TP Power Plus Limited (TPPPL)
(xii) TP SOLAR LIMITED (TPSL)
(xiii) Tata Power Western Odisha Distribution Limited (TPWODL)

F. Joint Ventures of holding company (with whom the Company has transactions)
(i) Powerlinks Transmission Limited (PTL)

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 AIG General Insurance Company Limited (Tata AIG)
(iii) Tata Advanced Systems Limited (TASL)
(iv) Tata Capital Financial Services Limited (TCFSL)
(v) Tata Communications Limited (TCL)
(vi) Tata Teleservices Limited (TTSL)
(vii) Tata Consultancy Services Limited (TCS)
(viii) Tata Play Broadband Private Limited (TPBPL)

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

I. Key management personnel

Chief Executive Officer (CEO)
(i) Mr. Ganesh Srinivasan

Non-executive directors
(i) Dr. Praveer Sinha
(ii) Mr. Sanjay Kumar Banga
(iii) Mr. Ajay Kapoor (appointed w.e.f. 21st January 2022)
(iv) Mr. Shurbir Singh (appointed w.e.f. 17th March 2023)
(v) Dr. Ashish Chandra Verma (appointed w.e.f. 17th March 2023)
(vi) Mr. Manish Kumar Gupta (appointed w.e.f. 17th March 2023)
(vii) Mr. K. N. Shrivastava (appointed w.e.f. 23rd March 2023)
(viii) Mr. Narendra Nath Misra (appointed w.e.f. 23rd March 2023)
(ix) Ms. Shefali Shah (appointed w.e.f. 20th October 2023)
(x) Mr. Sunil Singh (appointed w.e.f. 20th October 2023)
(xi) Mr. Ashok Sinha (appointed w.e.f. 24th March 2023)
(xii) Mr. Arup Ghosh (ceased w.e.f. 6th October 2023)
(xiii) Dr. Amar Jit Chopra (ceased w.e.f. 22nd March 2023)
(xiv) Mr. Ajay Shankar (ceased w.e.f. 22nd March 2023)
(xv) Ms. Satya Gupta (ceased w.e.f. 31st July 2023)
(xvi) Mr. Kesava Menon Chandrasekhar (ceased w.e.f. 23rd March 2023)
(xvii) Mr. Jasmine Shah (ceased w.e.f. 14th February 2023)
(xviii) Mr. Ajit Kumar Singh (ceased w.e.f. 14th February 2023)
(xix) Ms. Rashmi Krishnan (ceased w.e.f. 14th February 2023)
(xx) Mr. Naveen ND Gupta (ceased w.e.f. 14th February 2023)

43.2 **Transactions with related parties**

₹/Lakhs

Name of related party	Nature of transactions	Year ended 31.03.2024	Year ended 31.03.2023
A. Purchase of goods			
(i) TPCL	Purchase of spares	-	10.24
(ii) TPTCL	Purchase of power	1,46,019.58	1,73,219.09
	Rebate on power purchase	2,939.46	3,495.05
(iii) MPL	Purchase of power (Arrears)	4,822.47	-
(iv) IRL	Purchase of gifts	0.60	0.72
B. Sale of goods			
(i) TPCL	Purchase of goods (credit note)	2.22	-
(ii) TASL	Scrap Sale	0.42	-
C. Purchase of property, plant and equipment			
(i) TPCL	Purchase of vehicle	15.52	-
(ii) TASL	Purchase of integrated security solutions	15.93	-
(iii) TPTCL	Purchase of IT asset & Vehicles	-	1.36
(iv) PTL	Purchase of IT asset & Vehicles	9.82	-
(iv) TPWODL	Purchase of consumables	4.02	-
(v) TPNODL	Purchase of IT asset	0.69	-
(vi) TPSODL	Purchase of IT asset & Vehicles	-	6.43
(vii) IRL	Purchase of office equipment	-	0.55

Transactions with related parties contd.

₹/Lakhs

Name of related party	Nature of transactions	Year ended 31.03.2024	Year ended 31.03.2023
D. Sale of property, plant and equipment			
(i) TPCL	Sale of vehicles & IT Assets	16.34	72.50
(ii) TPCODL	Sale of IT Assets	12.14	0.26
(iii) TPNODL	Sale of vehicles & IT Assets	-	8.60
(iv) TPADL	Sale of IT Assets	0.88	0.49
(v) TPTCL	Sale of IT Assets	0.76	16.24
(vi) TPWODL	Sale of vehicles & IT Assets	-	2.83
(vii) TPSODL	Sale of vehicles & IT Assets	8.55	-
(viii) TPSSL	Sale of IT asset	-	7.75
(ix) PTL	Sale of vehicles & IT Assets	0.10	5.05
(x) TPEVCSL	Sale of IT asset	-	0.37
(xi) TPRML	Sale of vehicles & IT Assets	-	0.20
(xii) TPPPL	Sale of vehicles	5.50	-
(xiii) TPREL	Sale of vehicles & IT Assets	5.57	-
E. Rendering of services			
(i) TPCL	Management contract for consultancy services	0.62	260.86
	Revenue from training	5.62	2.48
(ii) DPCL	Commission earned	0.08	3.42
(iii) NDPLIL	Management contract for consultancy services	12.38	9.70
(iv) TPADL	Management contract for consultancy services	17.18	10.05
(v) TPCODL	Management contract for consultancy services	120.91	66.80
(vi) TPWODL	Management contract for consultancy services	6.11	57.85
	Revenue from training	-	4.54
(vii) TPSODL	Management contract for consultancy services	89.17	227.19
(viii) TPNODL	Management contract for consultancy services	161.12	174.72
	Revenue from training	-	5.84
(ix) TPTCL	Management contract for consultancy services	-	4.75
(x) TPRML	Management contract for consultancy services	2.73	2.27
(xi) TPEVCSL	Management contract for consultancy services	9.28	2.73
(xii) TPBPL	Revenue from use of assets	80.56	74.40
(xiii) TPSL	Management contract for consultancy services	4.98	-
(xiv) TCFSL	Revenue from use of space	0.23	0.25
F. Receiving of services			
(i) TPCL	Management contract for deputation of key management personnel (KMP)	254.88	227.74
	Management contract for deputation of employees	45.00	-
	Training	-	1.65
(ii) Tata Sons	Training	2.60	0.35
(iii) Tata Sons	Professional Charges	10.62	8.26
(iv) TPSSL	Annual maintenance contract of solar plants	25.14	10.76
	Sale of IT asset (credit note)	1.27	-
(v) TPTCL	Energy Audit Fees	3.18	-
(vi) Tata AIG	Insurance expense	184.01	268.63
(vii) TCL	Communication expenses	23.00	17.24
(viii) TTSL	Automatic meter reading expenses, call center charges etc.	164.98	172.49
	Communication expenses	5.10	5.91
(ix) TCES	Consultancy services	-	13.18
(x) TASL	Repair & maintenance services and communication expenses	14.21	11.06
	Communication expenses	-	1.06
(xi) TCS	License fees (Microsoft office & BI)	430.64	104.41
(xii) Tata Sons	CSR expense	-	3.54
G. Reimbursement of expenses (paid)/received			
(i) TPCL	Travelling, training, Legal expense and conveyance etc.	1.70	137.42
(ii) TPCL	Employee Comphensation expense	109.76	-
(iii) NDPLIL	Miscellaneous expenses etc.	3.42	-
(iv) TPTCL	Miscellaneous expenses etc.	(14.04)	(15.60)
(v) TPNODL	Travelling and conveyance, insurance etc.	1.03	0.70
(vi) TPWODL	Travelling and conveyance, insurance etc.	0.62	0.48
(vii) TPSODL	Travelling and conveyance, insurance etc.	0.13	1.10
(viii) TPECL	Travelling and conveyance etc.	-	0.06
(ix) TPCODL	Travelling and conveyance, insurance etc.	0.68	6.29
(x) PTL	Miscellaneous expenses etc.	0.40	-
(xi) TASL	Miscellaneous Recovery of expense	0.22	(0.09)
(xii) TPSSL	Miscellaneous expenses etc.	0.06	-
H. Equity dividend paid			
(i) TPCL	Dividend on equity shares	18,778.20	6,438.24
(ii) DPCL	Dividend on equity shares	18,041.80	6,185.76
I. Transaction with Trust			
(i) Gratuity Fund	Contribution to trust	1,042.56	262.56
(ii) SVRS RTBF - 2004	Contribution to trust	252.56	164.83

43.3 Compensation of key managerial personnel

₹/Lakhs

Name of related party	Nature of transaction	Year ended 31.03.2024	Year ended 31.03.2023
A. CEO	Deputation pay and other benefits		
	a. Mr. Ganesh Srinivasan	256.30	222.10
B. Non-executive director	(i) Sitting fees*	39.64	47.89
	(ii) Reimbursement of expenses received	1.64	1.86

* Exclusive of Goods & Services Tax

43.4 **Balance outstanding with related parties**

₹/Lakhs

Name of related party		Nature of balances	As at 31.03.2024	As at 31.03.2023
A.	**Investment in equity shares**			
(i)	NDPLIL		5.00	5.00
B.	**Receivables**			
(i)	TPCL	Trade receivables net of payables	75.57	314.41
(ii)	NDPLIL	Trade receivables	4.13	-
(ii)	TPADL	Trade receivables	-	7.51
(iii)	TPCODL	Trade receivables	163.02	22.45
(iv)	TPRML	Trade receivables	-	0.21
(v)	TPWODL	Trade receivables	35.05	-
(vi)	TPSODL	Trade receivables	7.66	83.57
(vii)	TPNODL	Trade receivables	0.68	27.37
(viii)	PTL	Trade receivables	0.57	-
(ix)	TPBPL	Trade receivables	10.71	2.15
(x)	TPEVCSL	Trade receivables	13.52	3.72
(xi)	TPREL	Trade receivables	0.36	-
(xii)	TPPPL	Trade receivables	5.50	-
(xiii)	TPSL	Trade receivables	5.88	-
(xiv)	SVRS RTBF-2004	Other financial assets	21.85	21.85
C.	**Payables**			
(i)	TPCL	Trade payables net of receivables	-	-
(ii)	DPCL	Trade payables	33.11	119.93
(ii)	NDPLIL	Trade payables	-	-
(iii)	TPTCL	Trade payables net of receivables	9,012.23	709.18
(iv)	TPSSL	Trade payables net of receivables including retention money and earnest money deposit	21.92	20.55
(v)	TASL	Trade payables including retention money	176.46	216.93
(vi)	PTL	Trade payables net of receivables	-	6.71
(vii)	TCL	Trade payables including security deposit, earnest money deposit net of advances	10.82	10.50
(viii)	TTSL	Trade payables including retention money and security deposit	4.62	0.42
(ix)	TCS	Trade payables	-	480.59
D.	**Unbilled revenues**			
(i)	NDPLIL	Management contract for consultancy services	-	2.90
(ii)	TPCODL	Management contract for consultancy services/Reimbursement of expenses	-	0.07
(iii)	TPWODL	Management contract for consultancy services/Reimbursement of expenses	-	0.36
(iv)	TPTCL	Management contract for deputation of employees	-	4.75
E.	**Accrued expenses**			
(i)	TPCL	Employee compensation expense	109.76	-
(ii)	TPSSL	Annual maintenance contract of solar plants	12.69	5.29
(iii)	TPTCL	Purchase of power and Energy Audit Fees	33.13	172.01
(iv)	TCL	Communication expenses	43.56	76.06
(v)	TTSL	Communication expenses	21.30	23.30
(vi)	TCS	License fees	-	0.76
(vii)	TASL	Repair & maintenance services and communication expenses	0.79	0.79
F.	**Prepaid expenses**			
(i)	TPTCL	Charges for letter of credit & open access	4.61	181.87
(ii)	TCS	License fees (Microsoft office & BI)	-	421.51
(iii)	Tata AIG	Prepaid insurance	31.34	116.06
G.	**Advance to suppliers**			
(i)	TRL	Advance to vendors	-	0.60
(ii)	Tata AIG	Advance to vendors	4.28	6.93
H.	**Other liabilities (Current & Non Current)**			
(i)	TPBPL	Income received but not due	-	-
(ii)	TPEVCSL	Advance from consumers	12.98	12.43
I.	**Commitments made**			
(i)	TCL	Communication expenses	7.84	-
(ii)	TTSL	Call center charges	-	0.12
(iii)	TASL	Implementation of Integrated Security Solutions	26.36	-

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 44

Relationship with Struck off Companies

Details of transactions entered with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

₹/Lakhs

S. No.	Name of struck off Companies	Nature of transactions with struck off Companies	Relationship with the struck off Companies	Transaction during the year		Closing Balance	
				31.03.2024	31.03.2023	31.03.2024	31.03.2023
(i)	Biorex Pharmaceuticals Pvt. Ltd.	Sale of Power	Customer	10.05	56.90	0.24	0.20
(ii)	Genext Energy Conversion Pvt. Ltd	Sale of Power	Customer	76.69	10.80	0.02	0.54

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 not required to get transfer pricing study conducted for FY 23-24 as no international transaction has been entered with the related parties during the year.

Note 47

Approval of financial statements

These financial statements were approved for issue by the board of directors on 16 April, 2024

In terms of our report attached of even date

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

Hitesh Garg
Partner
Membership No.: 502955

For and on behalf of the Board of Directors

K N Shrivastava
Director
DIN: 01584124

Ajay Kapoor
Director
DIN: 00466631

Ganesh Srinivasan
Chief Executive Officer

Monica Mehra
Company Secretary

Surajit Mishra
Chief Financial Officer

Noida
16 April, 2024

New Delhi
16 April, 2024

T R Chadha & Co LLP
Chartered Accountants

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

Opinion

We have audited the accompanying Consolidated Financial Statements of **Tata Power Delhi Distribution Limited ('the Holding Company')** and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31st March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (Ind AS), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2024, their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

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

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

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is

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Corporate/ Regd. Office: B-30, Connaught Place, Kuthiala Building, New Delhi – 110001, Phone: 43259900, Fax: 43259930, E-mail: delhi@trchadha.com
Other Offices: | Gurgoan | Mumbai | Pune | Ahmedabad | Vadodara | Hyderabad | Bengaluru | Chennai | Tirupati |

materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation 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 Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

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

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

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the companies within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such companies included in the consolidated financial statements of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and Subsidiary Company included in the Consolidated Financial Statements of which we are the independent auditors, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

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

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

   b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books;

   c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the books of account and records maintained for the purpose of preparation of the Consolidated Financial Statements;

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

   e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary company taken on record by the respective Board of Directors of these companies, none of the directors of the Group's companies is disqualified as on 31st March 2024 from being appointed as a director in terms of section 164(2) of the Act;

   f) With respect to the adequacy and the operating effectiveness of the internal financial controls with reference to these Consolidated financial statements of the Holding Company, and its subsidiary company, refer to our separate Report in **"Annexure A"**.

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

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

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

i. the Group, as detailed in Note 30 and 32.2 to the consolidated financial statements, has disclosed the impact of pending litigations on the consolidated financial position of the Group as at 31st March 2024;

ii. the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March 2024;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended 31st March 2024; and

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

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

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

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

vi. Based on our examination, which included test checks, the company and its subsidiary have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143 (11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary company included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

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

Hitesh Garg
Partner
Membership No. 502955

Place: Noida
Date: 16th April 2024

UDIN: 24502955BKEHUY4593

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

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to consolidated financial statements of Tata Power Delhi Distribution Limited ("the Company") and its subsidiary company as of 31st March 2024 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the company and its subsidiary company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the company and its subsidiary company.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated 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 control with reference to consolidated financial statements includes those policies and procedures that:

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company and its subsidiary company have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Hitesh Garg
Partner
Membership No. 502955

Place: Noida
Date: 16th April 2024

UDIN: 24502955BKEHUY4593

TATA POWER DELHI DISTRIBUTION LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2024

	Notes	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	4,17,779.03	4,14,978.09
(b) Capital work-in-progress	4	23,176.70	15,573.62
(c) Right-of-use assets	5	5,473.71	6,568.86
(d) Intangible assets	4	3,122.91	4,855.62
(e) Financial assets			
(i) Other financial assets	6	85.46	290.37
(f) Income tax assets (net)	7	68.18	2,623.97
(g) Other non-current assets	8	696.26	1,347.24
Total non-current assets		**4,50,402.25**	**4,46,237.77**
(2) Current assets			
(a) Inventories	9	1,745.69	1,553.30
(b) Financial assets			
(i) Investments	10	26,693.22	30.40
(ii) Trade receivables	11	22,209.62	19,502.27
(iii) Unbilled Revenue		45,937.37	44,813.88
(iv) Cash and cash equivalents	12	6,143.83	328.39
(v) Bank balances other than (iii) above	12	5,629.28	5,459.90
(vi) Other financial assets	13	5,253.97	7,070.03
(c) Other current assets	14	20,613.19	8,061.70
Total current assets		**1,34,226.17**	**86,819.87**
Assets classified as held for sale	35.7.1	2,004.00	2,004.00
Total assets before regulatory deferral account balance		**5,86,632.42**	**5,35,061.64**
(3) Regulatory deferral account debit balances	35	5,32,084.57	6,13,927.70
Total assets		**11,18,716.99**	**11,48,989.34**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	15	1,05,200.00	1,05,200.00
(b) Other equity	16	3,45,703.00	3,37,157.34
Total equity attributable to equity holders of the Company		**4,50,903.00**	**4,42,357.34**
(c) Non-controlling interest		-	-
Total equity		**4,50,903.00**	**4,42,357.34**
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Long-term borrowings	17	1,38,367.86	1,68,969.62
(ii) Lease liabilities	5	3,959.73	5,069.97
(iii) Other financial liabilities	18	96,885.65	87,305.98
(b) Provisions	19	6,364.37	5,820.05
(c) Deferred tax liabilities (net)	37	61,288.62	52,092.40
(d) Capital grants	20	1,211.99	306.56
(e) Contributions for capital works and service line charges	21	83,480.43	80,354.12
(f) Other non-current liabilities	22	60,898.51	58,535.77
Total non-current liabilities		**4,52,457.16**	**4,58,454.47**
(2) Current liabilities			
(a) Financial liabilities			
(i) Short-term borrowings	23	42,256.44	75,199.18
(ii) Lease liabilities	5	2,671.79	2,580.42
(iii) Trade payables	24		
- total outstanding dues of micro enterprises and small enterprises		3,446.98	3,207.86
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,05,654.18	1,06,319.78
(iv) Other financial liabilities	25	20,538.05	20,521.62
(b) Provisions	26	2,504.44	2,774.21
(c) Other current liabilities	27	37,275.86	37,574.41
(d) Current tax liabilities (Net)	28	1,009.09	0.05
Total current liabilities		**2,15,356.83**	**2,48,177.53**
Total equity and liabilities		**11,18,716.99**	**11,48,989.34**

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

In terms of our report attached of even date

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

Hitesh Garg
Partner
Membership No.: 502955

Noida
16 April, 2024

For and on behalf of the Board of Directors

K N Shrivastava
Director
DIN: 01584124

Ajay Kapoor
Director
DIN: 00466631

Ganesh Srinivasan
Chief Executive Officer

Monica Mehra

Monica Mehra
Company Secretary

Suranjit Mishra
Chief Financial Officer

New Delhi
16 April, 2024

TATA POWER DELHI DISTRIBUTION LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED AT 31 MARCH, 2024

		Notes	Year ended 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
I	Revenue from operations	30	10,12,222.95	9,29,669.05
II	Other income	30	12,180.98	10,823.81
III	**Total income**		**10,24,403.93**	**9,40,492.86**
IV	**Expenses**			
	Cost of power purchased (net) (excludes own generation)	31	7,21,067.34	7,46,956.70
	Employee benefits expense (net)	32	54,099.35	53,819.57
	Finance costs	33	28,822.87	28,632.82
	Depreciation and amortisation expense	4,5	39,024.18	37,714.21
	Other expenses	34	33,522.97	38,717.41
	Total expenses		**8,76,536.71**	**9,05,840.71**
V	**Profit/(Loss) before movement in regulatory deferral account balance and tax**		**1,47,867.22**	**34,652.15**
	Add/(Less): Movement in regulatory deferral account balance	35	(91,035.52)	21,034.18
	Add/(Less): Deferred Tax Recoverable/(Payable)		9,192.39	8,670.69
	Regulatory deferral account balance (net)		**(81,843.13)**	**29,704.87**
VI	**Profit/(Loss) before tax**		**66,024.09**	**64,357.02**
VII	Tax expense	37		
	(i) Current tax		11,342.79	11,542.28
	(ii) Deferred tax		9,221.51	8,675.80
VIII	**Profit/(Loss) for the year**		**45,459.79**	**44,138.94**
IX	**Other comprehensive income/(expense)**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurement gain/(loss) of defined benefit plans		(144.69)	(28.69)
	(ii) Income tax credit/(charge) relating to items that will not be reclassified to profit or loss			
	(a) Current tax	37	25.28	5.01
	(b) Deferred tax	37	25.28	5.01
	Other comprehensive income/(expense) for the year		**(94.13)**	**(18.67)**
X	**Total comprehensive income for the year**		**45,365.66**	**44,120.27**
	Profit for the year attributable to:			
	Owners of the Company		45,459.79	44,138.94
	Non-controlling interests		-	-
			45,459.8	**44,138.94**
	Other comprehensive income/(expense) attributable to:			
	Owners of the Company		(94.13)	(18.67)
	Non-controlling interests		-	-
			(94.13)	**(18.67)**
	Total comprehensive income for the year attributable to:			
	Owners of the Company		45,365.66	44,120.27
	Non-controlling Interests		-	-
			45,365.66	**44,120.27**
	Earnings per equity share (face value ₹ 10/- each)	36		
(i)	Basic and Diluted earnings per equity share before net movement in regulatory deferral account balance (₹)		9.38	2.35
(ii)	Basic and Diluted earnings per equity share after net movement in regulatory deferral account balance (₹)		4.32	4.19

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

In terms of our report attached of even date

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

Hitesh Garg
Partner
Membership No.: 502955

Noida
16 April, 2024

For and on behalf of the Board of Directors

K N Shrivastava
Director
DIN: 01584124

Ajay Kapoor
Director
DIN: 00466631

Ganesh Srinivasan
Chief Executive Officer

Monica Mehra
Company Secretary

Suranjit Mishra
Chief Financial Officer

New Delhi
16 April, 2024

A. Equity share capital

	Particulars	Amount (₹/Lakhs)
(i)	**Balance as at 1 April, 2022**	1,05,200.00
(ii)	Changes in equity share capital during the year	-
(iii)	**Balance as at 31 March, 2023**	**1,05,200.00**
(i)	**Balance as at 1 April, 2023**	1,05,200.00
(ii)	Changes in equity share capital during the year	-
(iii)	**Balance as at 31 March, 2024**	**1,05,200.00**

B. Other equity

₹/Lakhs

	Particulars	Reserves and Surplus			Total
		General Reserve	Debenture Redemption Reserve	Retained Earnings	
(i)	**Balance as at 1 April, 2022**	9,150.00	-	2,96,511.07	3,05,661.07
(ii)	Profit for the year	-	-	44,138.94	44,138.94
(iii)	Other comprehensive income/(expense) for the year (net of tax)	-	-	(18.67)	(18.67)
(iv)	**Total comprehensive income {(ii)+(iii)}**	-	-	44,120.27	44,120.27
(v)	Dividend paid	-	-	(12,624.00)	(12,624.00)
(vi)	**Balance as at 31 March, 2023 {(i)+(iv)+(v)}**	**9,150.00**	-	**3,28,007.34**	**3,37,157.34**
(i)	**Balance as at 1 April, 2023**	9,150.00	-	3,28,007.34	3,37,157.34
(ii)	Profit for the year	-	-	45,459.79	45,459.79
(iii)	Other comprehensive income/(expense) for the year (net of tax)	-	-	(94.13)	(94.13)
(iv)	**Total comprehensive income {(ii)+(iii)}**	-	-	45,365.66	45,365.66
(v)	Dividend paid	-	-	(36,820.00)	(36,820.00)
(vi)	Transfer to/(from) Debenture Redemption Reserve	-	1,000.00	(1,000.00)	-
(vii)	**Balance as at 31 March, 2024 {(i)+(iv)+(v)+(vi)}**	**9,150.00**	**1,000.00**	**3,35,553.00**	**3,45,703.00**
	Other equity attributable to:	9,150.00	1,000.00	3,35,553.00	3,45,703.00
	Owners of the Company	-	-	-	-
	Non-controlling Interest	9,150.00	1,000.00	3,35,553.00	3,45,703.00

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

In terms of our report attached of even date

For T. R. Chadha & Co. LLP
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Hitesh Garg
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For and on behalf of the Board of Directors

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Director
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Monica Mehra
Company Secretary

Suranjit Mishra
Chief Financial Officer

Noida
16 April, 2024

New Delhi
16 April, 2024

TATA POWER DELHI DISTRIBUTION LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED AT 31 MARCH, 2024

		Year ended 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
A. Cash flow from operating activities			
Profit for the year		45,459.79	44,138.94
Adjustments to reconcile profit for the year to net cash flows:			
Income tax recognised as expense in Statement of Profit and Loss		20,564.30	20,218.08
Depreciation and amortisation expense		39,024.18	37,714.21
Finance costs (net of capitalisation)		28,822.87	28,632.81
Interest income		(2,132.81)	(1,109.66)
Gain on sale/fair value of mutual fund investment measured at FVTPL		(202.63)	(3.37)
Loss on disposal of property, plant and equipment		542.15	834.57
Amortisation of capital grants		(194.59)	(57.12)
Amortisation of contribution for capital works and service line charges		(8,702.38)	(9,150.14)
Obsolete inventory written off/allowance for obsolete inventory		37.82	76.14
Bad debts written off/(written back)		436.44	544.90
Provision for litigation		13.92	1,113.88
Late payment surcharge		(2,144.10)	(2,125.14)
Allowance for doubtful debts		(1,223.98)	612.61
Net unrealised foreign exchange (gain) / loss		(0.04)	0.80
Operating profit before working capital changes		1,20,300.94	1,21,441.51
Working capital adjustments:			
Adjustments for (increase)/decrease in operating assets:			
Inventories		(230.21)	(218.32)
Trade receivables		(2,665.93)	(2,841.46)
Other financial assets - current		659.92	(6,708.93)
Other financial assets - non current		204.91	(6.29)
Other non-current assets		262.98	(409.13)
Other current assets		(12,551.49)	5,211.78
Regulatory deferral account debit balances		81,843.13	(29,704.87)
Adjustments for increase/(decrease) in operating liabilities:			
Trade payables		(426.48)	(12,549.08)
Other financial liabilities - current including unbilled revenue		(669.04)	2,300.73
Other financial liabilities - non current		72.46	(200.88)
Other current liabilities		(298.55)	6,987.43
Other non-current liabilities		1,981.89	28,390.95
Provision for employee benefits - current		(428.38)	354.03
Provision for employee benefits - non current		544.32	148.87
Cash generated from operations		1,88,600.47	1,12,196.34
Taxes paid (including tax deducted at source net of refund)		(7,752.68)	(11,481.94)
Net cash from/(used in) operating activities	(A)	**1,80,847.79**	**1,00,714.40**
B. Cash flow from investing activities			
Purchase of property, plant and equipment (including capital advances)		(47,244.49)	(41,591.55)
Proceeds from sale of property, plant and equipment		924.86	1,035.33
Proceeds from bank deposits (net)		(169.38)	1,891.90
Interest received		2,546.31	1,132.77
Late payment surcharge received		2,144.10	2,125.14
Purchase of current investments		(1,65,984.00)	(389.50)
Proceeds from sale of current investments		1,39,523.81	386.14
Net cash from/(used in) investing activities	(B)	**(68,258.79)**	**(35,409.77)**
C. Cash flow from financing activities			
Finance cost paid		(27,982.67)	(28,965.61)
Payment of lease liabilities		(1,562.65)	-
Proceeds from short-term borrowings and working capital demand loans		5,71,335.07	8,49,440.04
Repayment of short-term borrowings and working capital demand loans		(5,97,026.44)	(8,33,807.21)
Net (repayment)/proceeds from cash credit and other credit facilities		(5,804.74)	(6,664.08)
Proceeds from long-term borrowings		21,967.65	72,764.30
Repayment of long-term borrowings		(64,016.04)	(1,25,819.55)
Net (repayment)/proceeds from issue of Non Convertible Debenture		10,000.00	-
Net (refund)/proceeds from contribution for capital works		8,609.05	6,077.15
Proceeds from service line charges		3,219.64	3,281.97
Proceeds from Capital Grant		1,100.02	-
Net (repayment)/proceeds from consumers' security deposits		10,207.55	8,818.65
Dividend paid to equity shareholders		(36,820.00)	(12,624.00)
Net cash from/(used in) financing activities	(C)	**(1,06,773.56)**	**(67,498.34)**
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	**5,815.44**	**(2,193.71)**
Cash and cash equivalents at the beginning of the year		328.39	2,522.10
Cash and cash equivalents at the end of the year (refer note 12)		**6,143.83**	**328.39**

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

In terms of our report attached of even date

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

Hitesh Garg
Partner
Membership No.: 502955

Noida
16 April, 2024

For and on behalf of the Board of Directors

K N Shrivastava
Director
DIN: 01584124

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Chief Executive Officer

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Company Secretary

Suranjit Mishra
Chief Financial Officer

New Delhi
16 April, 2024

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 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 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 consolidated 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

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:	99.38%	4,48,116.61	99.75%	45,344.53	100.00%	(94.13)	99.75%	45,250.40
Subsidiaries (Indian):								
1. NDPL Infra Limited	0.62%	2,791.39	0.25%	115.26	-		0.25%	115.26
Sub Total	100.00%	4,50,908.00	100.00%	45,459.79	100.00%	(94.13)	100.00%	45,365.66
Adjustment arising out of consolidation		(5.00)		-		-		-
Total		4,50,903.00		45,459.79		(94.13)		45,365.66

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".

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 Reclassification of financial assets & liabilities

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

3.7 Dividend

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

3.8 Changes in accounting policies and disclosures

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

3.9 Deferred tax recoverable/payable

In the regulated operations of the 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.

3.10 Critical accounting estimates and judgements

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

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

The areas involving critical estimates or judgements are:

1. Estimates used for impairment of property, plant and equipment of certain cash generating units (CGU) - Note 4
2. Estimated fair value of unquoted securities and impairment of investments - Note 6
3. Estimation of defined benefit obligation - Note 19, 26 and 32
4. Estimation of current tax and deferred tax expense (including Minimum Alternate Tax credit) - Note 37
5. Estimation of regulatory deferral account balances - Note 35
6. Estimation of provision and contingent liability - Note 19, 26 and 29
7. Estimation of impairment of financial assets - Note 11
8. Estimation of unbilled revenue - Note 14(a)

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

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.

Assets 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 were 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 had 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 regulation 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% is to be depreciated 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.

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. Similarly, when a major improvements 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 and classified as capital work in progress.

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

4.2 Intangible assets

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

4.3 Impairment of tangible and intangible assets

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

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

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

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

Note 4.4

₹/Lakhs

	Particulars	Cost					Accumulated depreciation and amortisation				Net carrying amount	
		As at 01.04.2023	Additions	Borrowing costs capitalised	Disposals/ Adjustment	As at 31.03.2024	As at 01.04.2023	Depreciation/ amortisation expense	Eliminated on disposals	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
4.4.1	**Property, plant and equipment**											
(a)	Buildings - Plant	33,611.97	180.42	2.16	-	33,794.55	11,516.47	519.14	-	12,035.61	21,758.94	22,095.50
(b)	Building - Others	5,427.80	347.91	1.88	-	5,777.59	4,063.13	398.26	-	4,461.39	1,316.20	1,364.67
(c)	Plant and equipment	3,65,917.44	24,943.76	46.04	4,057.74	3,86,849.52	1,76,450.50	20,034.95	3,129.22	1,93,356.23	1,93,493.29	1,89,466.94
(d)	Transmission lines and cable network	3,56,998.98	13,720.79	90.89	764.12	3,70,046.54	1,59,953.22	14,643.51	431.01	1,74,165.72	1,95,880.82	1,97,045.76
(e)	Furniture and fixtures	1,303.67	21.41	-	1.24	1,323.84	877.63	64.81	1.24	941.20	382.64	426.04
(f)	Vehicles	3,791.14	1,043.16	-	310.03	4,524.27	1,034.06	350.00	105.66	1,278.40	3,245.87	2,757.08
(g)	Office equipment	4,300.15	140.85	-	10.70	4,430.30	2,478.05	260.66	9.68	2,729.03	1,701.27	1,822.10
	Total	**7,71,351.15**	**40,398.32**	**140.97**	**5,143.83**	**8,06,746.61**	**3,56,373.06**	**36,271.33**	**3,676.81**	**3,88,967.58**	**4,17,779.03**	**4,14,978.09**
	As at 31.03.2023	(7,32,530.59)	(43,970.26)	(344.77)	(5,494.47)	(7,71,351.15)	(3,24,933.67)	(35,063.96)	(3,624.57)	(3,56,373.06)	(4,14,978.09)	
4.4.2	**Intangible assets**											
	Computer software	17,742.66	56.10	-	-	17,798.76	12,887.04	1,788.81	-	14,675.85	3,122.91	4,855.62
	Total	**17,742.66**	**56.10**	**-**	**-**	**17,798.76**	**12,887.04**	**1,788.81**	**-**	**14,675.85**	**3,122.91**	**4,855.62**
	As at 31.03.2023	(17,293.17)	(449.49)	-	-	(17,742.66)	(11,070.11)	(1,816.93)	-	(12,887.04)	(4,855.62)	
	Grand total	**7,89,093.81**	**40,454.42**	**140.97**	**5,143.83**	**8,24,545.37**	**3,69,260.10**	**38,060.14**	**3,676.81**	**4,03,643.43**	**4,20,901.94**	**4,19,833.71**
	As at 31.03.2023	(7,49,823.76)	(44,419.75)	(344.77)	(5,494.47)	(7,89,093.81)	(3,36,003.78)	(36,880.89)	(3,624.57)	(3,69,260.10)	(4,19,833.71)	
4.4.3	**Capital work-in-progress (CWIP)**	**15,573.62**	**45,706.15**	**146.43**	**38,249.50**	**23,176.70**	**-**	**-**	**-**	**-**	**23,176.70**	**15,573.62**
	As at 31.03.2023	(17,672.87)	(41,477.50)	(231.12)	(43,807.87)	(15,573.62)	(-)	(-)	(-)	(-)	(15,573.62)	

4.4.4 Property plant & equipment and intangible assets (movable and immovable) are hypothecated against secured borrowings of ₹ 2,43,708.52 lakhs (as at 31 March, 2023 ₹ 2,57,452.86 lakhs) {refer note 17.1(i), 23.1, 23.3}.

4.4.5 CWIP is stated at cost, net of accumulated impairment loss, if any. CWIP includes closing capital inventory of ₹ 6,464.26 lakhs (as at 31 March, 2023 ₹ 5,581.08 lakhs).

4.4.6 Carrying amount of capital inventory hypothecated as security for borrowings is ₹ 6,464.26 lakhs (net of provision of ₹ 259.82 lakhs) (as at 31 March, 2023 ₹ 5,581.08 lakhs) {refer note 17.1(i), 23.1, 23.3}.

4.4.7 During the period ended 31 March, 2024 the borrowing cost of ₹ 146.43 lakhs (for the year ended 31 March, 2023 ₹ 231.12 lakhs) relating to capital work-in-progress includes ₹ 64.87 lakhs (for the year ended 31 March, 2023 ₹ 149.53 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 31.03.2024	Year ended 31.03.2023
Depreciation on tangible assets	36,271.33	35,063.96
Add: Depreciation on right of use assets (refer note 5)	964.04	833.32
Add: Amortisation on intangible assets	1,788.81	1,816.93
Total	**39,024.18**	**37,714.21**

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 35.7.1).

4.4.10 The Group does not own any land in its name. The Group 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 During the period ended 31 March,2024, the Group has acquired Battery energy storage system (BESS) against which the Group has received Grant from Asian Development Bank (ADB) to meet the cost of asset along with the refurbishment cost (refer note 20.1)

4.4.12 Figures in bracket represents previous year figures.

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

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

As at 31 March, 2024

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
Property Plant & Equipment	Land	Nil	Government of National Capital Territory of Delhi (GNCTD) {Land and buildings were transferred to Group in terms of the DERA, transfer Scheme Rules 2001 on as is where is basis to be occupied and utilised for distribution business}	No	July 2002 to March 2024	The Group does not own any land in its name. The Group retain operational rights over the land and buildings used for the purpose of carrying out distribution business under a license granted by Delhi Electricity Regulatory Commission (DERC).
	Buildings - Plant	33,794.55				Post acquisition of licence, the Group has made additions on the said land & building and the same is being classified under Property, plant and equipment.
	Building - Others	5,777.59				

As at 31 March, 2023

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
Property Plant & Equipment	Land	Nil	Government of National Capital Territory of Delhi (GNCTD) {Land and buildings were transferred to Group in terms of the DERA, transfer Scheme Rules 2001 on as is where is basis to be occupied and utilised for distribution business}	No	July 2002 to March 2023	The Group does not own any land in its name. The Group retain operational rights over the land and buildings used for the purpose of carrying out distribution business under a license granted by Delhi Electricity Regulatory Commission (DERC).
	Buildings - Plant	33,611.97				Post acquisition of licence, the Group has made additions on the said land & building and the same is being classified under Property, plant and equipment.
	Building - Others	5,427.80				

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

Ageing schedule as at 31 March, 2024

₹/Lakhs

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	11,606.76	4,800.28	49.96	30.87	**16,487.87**
Projects temporarily suspended	30.95	47.56	19.97	126.09	**224.57**
Capital inventory	5,112.31	421.80	287.86	642.29	**6,464.26**
Total	**16,750.02**	**5,269.64**	**357.79**	**799.25**	**23,176.70**

Ageing schedule as at 31 March, 2023

₹/Lakhs

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	9,105.74	403.51	75.72	59.36	**9,644.33**
Projects temporarily suspended	93.72	96.20	46.57	111.71	**348.20**
Capital inventory	3,537.05	661.31	205.69	1,177.04	**5,581.09**
Total	**12,736.51**	**1,161.02**	**327.98**	**1,348.11**	**15,573.62**

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

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 (ROU) 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 31.03.2024**	**As at 31.03.2023**
(a) Right-of-use assets		
Cost		
Opening balance	10,947.25	10,945.54
Add: Additions/modification during the year	(0.41)	1.71
Closing balance	10,946.84	10,947.25
Accumulated depreciation and amortisation		
Opening balance	4,378.39	3,283.66
Add: Depreciation for the year	1,094.74	1,094.73
Closing balance	5,473.13	4,378.39
Net carrying amount		
Closing balance	5,473.71	6,568.86
(b) Lease liabilities		
Opening balance	7,650.39	7,020.74
Add: Additions/modification during the year	(0.41)	1.71
Add: Interest expense accrued on lease liabilities (refer note 33)	544.19	627.94
Less: Lease liabilities paid	1,562.65	-
Closing balance	6,631.52	7,650.39
Non-current lease liabilities	3,959.73	5,069.97
Current lease liabilities	2,671.79	2,580.42

₹/Lakhs

Particulars	**Year ended 31.03.2024**	**Year ended 31.03.2023**
(a) Amount recognised in Statement of Profit & Loss		
(i) Depreciation on Right-of-use assets (classified under Depreciation and amortisation expense)	964.04	833.32
(ii) Interest on lease liabilities (classified under Finance costs)	479.32	478.40
(iii) Expenses related to short term leases (classified under Other expenses)	117.56	272.46
(b) Amount transferred to capital work-in-progress		
(i) Depreciation on Right-of-use assets	130.70	261.41
(ii) Interest on lease liabilities	64.87	149.53
(c) Amount recognised in Statement of Cash Flows		
(i) Total cash outflow of leases	1,882.23	269.51

(i) The incremental rate of borrowing has been considered at 8.60% p.a as at 1 April, 2019 which is the date of initial recognition of ROU assets.

(ii) Refer note 38.3.3 for maturity analysis of lease liabilities.

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

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

The Group has entered into operating sub-lease arrangement for its certain land. These typically have lease terms of between 1 to 3 years. The Group has recognised an amount of ₹ 145.57 lakhs as rental income for operating lease during the year ended March 31, 2024 (for the year ended 31 March, 2023 ₹ 142.51 lakhs).

Future minimum rentals receivable under operating leases as at 31 March, 2024 are as follows:

Particulars	As at 31.03.2024	As at 31.03.2023
(i) Upto 1 year	158.67	140.04
(ii) 1 to 2 years	10.58	30.77
(iii) 2 to 3 years	5.49	4.13

Note 6

Other financial assets - non current

(Unsecured and considered good, at amortised cost)

(a) Security deposits	63.61	63.22
(b) In deposit accounts (with remaining maturity more than 12 months) (refer note 6.1)	-	205.00
(c) Accrued interest on deposit accounts	-	0.30
(d) Recoverable from SVRS Trust (refer note 29.10)	21.85	21.85
	85.46	290.37

6.1 Demand deposits maintained by the Group with banks comprise time deposits, which can be withdrawn at any point of time without prior notice with premature penalty as per bank norms.

Note 7

Income tax assets (net)

(a) Advance Income tax (net of provision for income tax)	5.91	302.13
(b) Income tax paid under protest	62.27	2,321.84
	68.18	2,623.97

Note 8

Other non-current assets

(Unsecured and considered good)

(a) Capital advances	387.95	775.95
(b) Prepaid expenses	17.55	271.43
(c) Goods and services tax input credit receivable	27.33	40.13
(d) Tax paid under protest against demand (GST)	0.52	-
(e) Others	262.91	259.73
	696.26	1,347.24

Note 9

Inventories

Accounting policy

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

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

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

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
(a) Stores and spares	1,971.33	1,756.48
(b) Loose tools	43.84	83.35
	2,015.17	1,839.83
(c) Less: Allowance for non-moving inventories	269.48	286.53
	1,745.69	1,553.30

9.2 Stores and spares includes traded inventory amounting to ₹ 19.79 Lakhs (as at 31 March, 2023 ₹ 23.37 Lakhs)

9.3 Inventories of stores and spares and loose tools are valued at lower of cost or net realisable value.

9.4 Inventories are hypothecated as security for borrowings {refer note 17.1(i), 23.1, 23.3}.

		As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
Note 10			
Investments - current			
(At fair value through profit or loss)			
	Investments in mutual funds (unquoted)		
(a)	DSP Liquidity Fund-Direct Plan-Growth (0.65 lakhs units (as at 31 March, 2023 0.01 units) at NAV of ₹ 3,436 each)	2,233.68	29.74
(b)	Axis Liquid Fund - Direct Growth (3.06 lakhs units (as at 31 March, 2023 Nil units) at NAV of ₹ 2,684/- each)	8,224.24	-
(c)	DSP Overnight Fund '(NIL thousand units (as at 31 March, 2023 - 0.05 thousand units) at face value of ₹ 1,000 each)	-	0.66
(d)	HDFC Liquid Fund - Direct Plan - Growth Option (1.16 lakhs units (as at 31 March, 2023 Nil units) at NAV of ₹ 4,744 each)	5,514.51	-
(e)	HDFC Overnight Fund - Direct Growth - Growth Option (1.24 lakhs units (as at 31 March, 2023 Nil units) at NAV of ₹ 3,553 each)	4,404.81	-
(f)	SBI Overnight Fund -Direct Plan -Growth (0.13 lakh units (as at 31 March, 2023 Nil units) at NAV of ₹ 3,896 each)	501.78	-
(g)	SBI Liquid Fund -Direct Plan -Growth (1.54 lakh units (as at 31 March, 2023 Nil units) at NAV of ₹ 3,779 each)	5,814.20	-
		26,693.22	30.40
10.1	Aggregate purchase price of unquoted investments	26,596.00	29.85
10.2	Aggregate market value of unquoted investments	26,693.22	30.40

Note 11
Trade receivables
(At amortised cost)

		31.03.2024	31.03.2023
(a)	Debtors for sale of power in licensed area (refer note 11.1 below)		
	(i) Considered good - secured	5,563.31	5,717.03
	(ii) Considered good - unsecured	12,538.54	7,601.84
	(iii) Credit impaired	14,349.03	14,846.98
		32,450.88	28,165.85
	Less: Allowance for doubtful trade receivables	14,349.03	14,846.98
		18,101.85	13,318.87
(b)	Debtors for sale of power other than Tata Power-DDL licensed area		
	(i) Considered good - unsecured	274.29	107.50
(c)	Other debtors		
	(i) Considered good - unsecured	3,833.48	6,075.90
	(ii) Credit impaired	1,488.54	1,487.19
		5,322.02	7,563.09
	Less: Allowance for doubtful trade receivables	1,488.54	1,487.19
		3,833.48	6,075.90
		22,209.62	19,502.27
11.1	Government subsidy included in note 11(a)	6,885.07	1,981.45

11.2 The Group considers non-payment of trade receivables within credit period as increase in credit risk. Further, some part of these receivables is secured by security deposits made by the customers. The status of ageing of trade receivable is given in note 12.6.1.

11.3 The average credit period for the trade receivable in note 11 (a) for distribution of power in license area is 15 clear days. Late payment surcharge (LPSC) is charged at 1.5% per month on principal component for number of days of delay in receiving payment as per DERC regulations.

11.4 Total trade receivable include receivable from related parties (net) ₹ 322.66 lakhs (31st March 2023 ₹ 461.39 lakhs)

11.5 There are no outstanding receivables due from directors or other officers of the Group.

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

11.6.1 **Ageing of receivables**

Expected credit loss provision matrix

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

Particulars	Expected Credit loss (%)	
	As at 31.03.2024	As at 31.03.2023
(a) Within the credit period	0.00%	0.55%
(b) 1-90 days past due	0.22%	0.90%
(c) 91-182 days past due	1.40%	4.00%
(d) 183 days-1 year past due	5.93%	9.38%
(e) 1-2 year past due	14.97%	19.73%
(f) 2-3 year past due	22.40%	28.80%
(g) >3 years past due	100.00%	100.00%

(ii) **Other debtors**

Particulars	Expected Credit loss (%)	
	As at 31.03.2024	As at 31.03.2023
(a) Within the credit period	1.50%	1.50%
(b) 1-90 days past due	3.09%	3.09%
(c) 91-182 days past due	3.09%	3.09%
(d) 183 days-1 year past due	4.62%	4.62%
(e) 1-2 year past due	14.04%	14.04%
(f) 2-3 year past due	28.49%	28.49%
(g) >3 years past due	100.00%	100.00%

Age of receivables

Ageing schedule as at 31 March, 2024

₹/Lakhs

Outstanding for following periods from due date of payment #	Undisputed		Disputed		Total
	Considered Good	credit impaired	Considered Good	credit impaired	
(a) Less than 6 months	12,937.72	56.34	-	359.96	**13,354.02**
(b) 6 months - 1 year	2,092.16	110.49	-	424.74	**2,627.39**
(c) 1-2 year	2,113.55	327.20	-	1,360.22	**3,800.97**
(d) 2-3 year	731.26	191.42	-	621.38	**1,544.06**
(e) More than 3 years	232.19	4,115.50	-	8,264.17	**12,611.86**
(f) Total overdue	**18,106.88**	**4,800.95**	-	**11,030.47**	**33,938.30**
(g) Not due	4,106.52	6.07	-	0.08	**4,112.67**
(h) Total Trade Receivables (f+g)	**22,213.40**	**4,807.02**	-	**11,030.55**	**38,050.97**

Ageing schedule as at 31 March, 2023

₹/Lakhs

Outstanding for following periods from due date of payment #	Undisputed		Disputed		Total
	Considered Good	credit impaired	Considered Good	credit impaired	
(a) Less than 6 months	9,384.77	128.95	-	526.86	**10,040.58**
(b) 6 months - 1 year	3,302.24	204.45	-	387.86	**3,894.55**
(c) 1-2 year	2,137.26	397.12	-	602.90	**3,137.28**
(d) 2-3 year	780.57	295.46	-	387.82	**1,463.85**
(e) More than 3 years	220.74	4,724.43	-	8,652.76	**13,597.93**
(f) Total overdue	**15,825.58**	**5,750.41**	-	**10,558.20**	**32,134.19**
(g) Not due	3,676.69	25.56	-	-	**3,702.25**
(h) Total Trade Receivables (f+g)	**19,502.27**	**5,775.97**	-	**10,558.20**	**35,836.44**

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

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

₹/Lakhs

Particulars	As at 31.03.2024	As at 31.03.2023
Debtors for billed revenue		
Balance at beginning of the year	16,334.17	14,952.37
Additions/(reversal) in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses for the year	(692.27)	140.20
Specific allowance/ (reversal) on trade receivables for the year	195.67	1,241.60
Balance at end of the year	**15,837.57**	**16,334.17**

11.7 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 31.03.2024	As at 31.03.2023
Delhi Metro Rail Corporation (DMRC)	7,690.00	6,993.30
Havells India Limited	2,918.93	3,599.11
REC Power Distribution Group Ltd (RECPDCL)	1,231.32	2,421.29

Note 12
Cash and bank balances

Accounting policy

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

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

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
12.2 Cash and cash equivalents		
(a) Balances with banks - in current accounts	435.97	137.62
(b) Cheques, drafts on hand*	1,427.86	190.77
(c) Deposits with banks with original maturity 3 months or less	4,280.00	-
	6,143.83	328.39

* Includes balances held with payment aggregator

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

₹/Lakhs

Particulars	As at 31.03.2023	Cash flows		Non-cash transactions		As at 31.03.2024
		Proceeds	Repayment	Additions	Amortisation	
(a) Long-term borrowings (including current maturities)	2,11,634.15	21,967.65	(64,016.04)	-	-	1,69,585.76
(b) Non-convertible Debentures (including current maturities)	-	10,000.00	-	-	-	10,000.00
(c) Lease liabilities (including current maturities)	7,650.39	-	(1,562.65)	543.78	-	6,631.52
(d) Short-term borrowings and working capital demand loans	26,312.88	5,71,335.07	(5,97,026.44)	-	-	621.51
(e) Cash credit and other credit facilities(net)	6,221.77	-	(5,804.74)	-	-	417.03
(f) Consumer contribution for:						
- capital works	63,600.21	8,609.05	-	-	(5,455.61)	66,753.65
- service line	16,753.91	3,219.64	-	-	(3,246.77)	16,726.78
(g) Consumer security deposits (net)	92,512.25	10,207.55	-	-	-	1,02,719.80
Total	**4,24,685.56**	**6,25,338.96**	**(6,68,409.87)**	**543.78**	**(8,702.38)**	**3,73,456.05**

		As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
12.3	**Other balances with banks**		
	(a) Restricted bank deposits (Earmarked pursuant to court order or contractual obligations)	5,629.28	5,459.90
		5,629.28	5,459.90

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

	As at 31.03.2024	As at 31.03.2023
(a) Security deposits	473.95	577.48
(b) In deposit accounts (with remaining maturity less than 12 months) (refer note 6.1)	1,024.28	2,355.91
(c) Accruals		
Interest accrued on fixed deposits	152.14	184.79
(d) Others		
(i) Recoverable from DDA	3,382.95	3,331.24
(ii) Other receivables (including recoverable against street light)	400.02	799.98
Less: Allowance for doubtful assets against street light	179.37	179.37
	220.65	620.61
	5,253.97	7,070.03

Note 14
Other current assets
(Unsecured and considered good)

	As at 31.03.2024	As at 31.03.2023
(a) Unbilled revenue (contract asset)	305.00	281.83
(b) Prepaid insurance	669.51	756.20
(c) Prepaid expenses	596.04	1,441.15
(d) Power banking	3,913.24	-
(e) Advance to vendors (refer note Note 14.1)	14,290.49	5,047.28
(f) Others	838.91	535.24
	20,613.19	8,061.70

14.1 The Group filed petition no. 29 of 2020 before DERC for resolution of power purchase dues reconciliation with Delhi Gencos (Pragati Power Corporation Limited (PPCL) & Indraprasth Power Generation Group Limited (IPGCL)). The matter was listed for hearing on 28 February, 2024 and as per the directive of DERC, the Group has made an interim payment of ₹ 8,379 Lakhs to PPCL on 11 March, 2024 under protest. The amount has been classified as advance pending final adjudication of the matter by DERC.

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
Note 15		
Share capital		
Authorised		
12,500 lakhs (as at 31 March, 2023 12,500 lakhs) equity shares of ₹ 10/- each with voting rights.	1,25,000.00	1,25,000.00
500 lakhs (as at 31 March, 2023 500 lakhs) 12% cumulative redeemable preference shares of ₹ 100/- each without voting rights.	50,000.00	50,000.00
	1,75,000.00	1,75,000.00
Issued, subscribed and paid up		
10,520 lakhs (as at 31 March, 2023 10,520 lakhs) equity shares of ₹ 10/- each fully paid up with voting rights.	1,05,200.00	1,05,200.00

Of the above:

15.1 5,365.20 lakhs (as at 31 March, 2023 5,365.20 lakhs) i.e. 51% (as at 31 March, 2023 51%) equity shares of ₹ 10/- each with voting rights, are held by Tata Power Group Limited, the holding Company.

15.2 5,154.80 lakhs (as at 31 March, 2023 5,154.80 lakhs) i.e. 49% (as at 31 March, 2023 49%) equity shares of ₹ 10/- each with voting rights, are held by Delhi Power Company Limited.

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

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

Particulars	As at 31.03.2024		As at 31.03.2023	
	No. of Shares Lakhs	Amount ₹/Lakhs	No. of Shares Lakhs	Amount ₹/Lakhs
At the beginning of the year	10,520.00	1,05,200.00	10,520.00	1,05,200.00
Add: movement during the year	-	-	-	-
Outstanding at the end of the year	**10,520.00**	**1,05,200.00**	**10,520.00**	**1,05,200.00**

15.5 **Shareholding of Promoters**

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

15.6 During the current year, the Company has paid a final dividend of ₹ 1.50 per share on fully paid equity shares for FY 2022-23 amounting to ₹ 15,780 lakhs upon approval of shareholders in Annual General Meeting dated 21 June, 2023. During the previous year ended 31 March, 2023, the Company had paid final dividend of ₹ 1.20 per share on fully paid equity shares for FY 2021-22 amounting to ₹ 12,624.00 lakhs.

Further the Board of Directors at its meeting held on 22 January, 2024 has approved an interim dividend of ₹ 2.00 per equity share amounting to ₹ 21,040 lakhs.

15.7 For the year ended 31 March 2024 the Board of Directors at its meeting held on 16 April, 2024 have proposed a final dividend of ₹ 2.00 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 accordingly 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 ₹ 21,040 Lakhs.

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
Note 16		
Other equity		
16.1 **General reserve**		
(a) Opening balance	9,150.00	9,150.00
(b) Add : Amount transferred from retained earnings (net)	-	-
(c) Closing balance	9,150.00	9,150.00
16.2 **Debenture Redemption Reserve**		
(a) Opening balance	-	-
(b) Add : Amount transferred from retained earnings	1,000.00	-
(c) Closing balance	1,000.00	-
16.3 **Retained earnings**		
(a) Opening balance	3,28,007.34	2,96,511.07
(b) Add : Additions during the year	45,365.66	44,120.27
(c) Less : Payment of dividend on equity share capital (refer note 15.6)	36,820.00	12,624.00
(d) Less: Transferred to debenture redemption reserve	1,000.00	-
(e) Closing balance	3,35,553.00	3,28,007.34
	3,45,703.00	3,37,157.34

Nature and purpose of reserves:

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.

Debenture Redemption Reserve (DRR)
The Company is required to create a Debenture Redemption Reserve out of the profits (which are available for payment of dividend) for the purpose of redemption of debentures. DRR created will be transferred to retained earnings on redemption of debentures.

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

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
Note 17		
Long-term borrowings		
17.1 Secured - at amortised cost		
(i) Term loans from banks		
(a) Axis Bank	43,746.57	31,246.57
(b) Canara Bank	3,541.67	8,125.00
(c) Deutsche Bank	9,375.00	15,000.00
(d) HDFC Bank	16,236.81	15,833.34
(e) Indian Bank	17,829.81	31,267.71
(f) Punjab National Bank	-	11,875.00
(g) Punjab & Sind Bank	-	8,747.00
(h) State Bank of India	38,750.00	46,875.00
Total long-term borrowings	1,29,479.86	1,68,969.62
(ii) Redeemable Non-Convertible Debentures (refer note 17.2)	8,888.00	-
	1,38,367.86	1,68,969.62

17.2 During the year ended 31 March,2024, the Group has issued unlisted redeemable Non-convertible secured Debentures of ₹ 10,000 lakhs having face value of ₹ 10 lakh each to Asian Development Bank on private placement basis. The end use of the proceeds is to meet the capex requirements of the Group. Further as per Section 71(4) of the Companies Act, 2013 read with Rule 18 of The Companies (Share Capital and Debentures) Rules, 2014, debenture redemption reserve (DRR) has been created @ 10% of the total outstanding value of the debentures.

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

17.4 **Terms of repayment**
17.4.1 **Secured - at amortised cost**

₹/Lakhs

S. No.		Name of Bank	Refer note for security	As at 31.03.2024	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30 to FY 2035-36
- Term loans from banks/Non Convertible Debentures (NCD)										
(a)	i	Axis Bank	17.7	16,250.00	-	3,611.20	3,611.20	3,611.20	3,611.20	1,805.20
	ii	Axis Bank	17.7	10,000.00	-	1,000.00	1,000.00	1,000.00	1,000.00	6,000.00
	iii	Axis Bank	17.8	4,996.57	-	4,996.57	-	-	-	-
	iv	Axis Bank	17.7	12,500.00	-	1,042.00	4,168.00	4,168.00	3,122.00	-
(b)	i	Canara Bank	17.7	3,125.00	1,250.00	1,250.00	625.00	-	-	-
	ii	Canara Bank	17.8	5,000.00	3,333.33	1,666.67	-	-	-	-
(c)	i	HDFC Bank	17.7	1,041.67	833.33	208.34	-	-	-	-
	ii	HDFC Bank	17.8	1,041.67	833.33	208.33	-	-	-	-
	iii	HDFC Bank	17.8	3,750.00	2,500.00	1,250.00	-	-	-	-
	iv	HDFC Bank	17.7	10,000.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	3,750.00
	v	HDFC Bank	17.7	2,491.77	1,250.00	1,241.77	-	-	-	-
	vi	HDFC Bank	17.8	6,246.38	1,668.00	1,668.00	1,668.00	1,242.38	-	-
(d)	i	Indian Bank	17.7	3,750.00	1,250.00	1,250.00	1,250.00	-	-	-
	ii	Indian Bank	17.8	3,333.33	1,666.67	1,666.67	-	-	-	-
	iii	Indian Bank	17.8	1,666.67	1,666.67	-	-	-	-	-
	iv	Indian Bank	17.7	7,187.50	1,691.18	1,691.00	1,691.00	1,691.00	423.32	-
	v	Indian Bank	17.8	7,142.71	5,714.17	1,428.54	-	-	-	-
	vi	Indian Bank	17.7	7,187.50	449.22	1,797.00	1,797.00	1,797.00	1,347.28	-
	vii	Indian Bank	17.8	1,000.00	1,000.00	-	-	-	-	-
(e)	i	State Bank of India	17.7	625.00	625.00	-	-	-	-	-
	ii	State Bank of India	17.7	13,750.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	1,250.00
	iii	State Bank of India	17.7	17,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	5,000.00
	iv	State Bank of India	17.7	15,000.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
(f)	i	Asian Development Bank (NCD)	17.7	10,000.00	1,112.00	1,112.00	1,112.00	1,112.00	1,112.00	4,440.00
(g)	i	Deutsche Bank	17.8	15,000.00	5,625.00	7,500.00	1,875.00	-	-	-
		Total		1,79,585.76	41,217.89	43,338.09	27,547.20	23,371.58	19,365.80	24,745.20

17.5 Repayment of term loans are on quarterly basis and non convertible debentures on half-yearly basis

17.6 The closing floating rate of interest on term loans from banks ranges from 7.89% to 8.85%. The rate of interest on term loans from banks are subject to reset annually except the term loan from a) HDFC Bank (refer note 18.4.1 (c) (i to iii)) & Axis Bank (refer note 18.4.1 (a) (i to iii)), Deutsche Bank (refer note 18.4.1 (g) (i)) on quarterly reset, b) Indian Bank (refer note 18.4.1 (d)(vi to vii)) & Axis Bank 18.4.1 (a)(iv)) on half-yearly reset, c) HDFC Bank (refer note 18.4.1 (c) (v to vi)) on monthly reset, d) HDFC Bank (refer note 18.4.1 (c)(iv)) has fixed rate of interest at 6.95% for the entire term of 10 years, e) Non-convertible Debentures from Asian Development Bank (18.4.1 (f) (i)) has floating interest rate (current rate 8.60%) with first interest reset in June 2025 and every 2 years thereafter.

17.7 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 including regulatory assets.

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

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

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
(a) Security deposits		
(i) Consumers' security deposit	96,069.76	86,562.55
(ii) Others	709.80	565.25
(b) Retention money payable	106.09	178.18
	96,885.65	87,305.98

Note 19
Provisions - non current

Accounting policy

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

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

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

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
Provision for employee benefits		
(a) Compensated absences	6,190.55	5,645.45
(b) Other employee benefits	173.82	174.60
	6,364.37	5,820.05

19.1 Other employee benefits represent pension liability to VSS employees.

19.2 **Defined contribution plan**

(i) **Provident fund plan and employees state insurance scheme**

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

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

(ii) **Pension and leave salary contribution**

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

On account of Defined Contribution Plans, a sum of ₹ 3,876.00 lakhs (for the year ended 31 March, 2023 ₹ 3,923.77 lakhs) has been charged to the Statement of Profit and Loss during the year.

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

The gratuity liability arises on retirement, withdrawal, resignation and death of an employee. The aforesaid liability is calculated on the basis of fifteen days salary (i.e. last drawn basic salary) for each completed year of service subject to completion of two years service. The provision is determined based on actuarial valuation as at the balance sheet date (refer note 33.2.1)

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

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

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

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

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

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

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

19.6 The following tables set out the funded status of the gratuity plan and amounts recognised in the Group's financial statements as at 31 March, 2024. 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 31.03.2024	As at 31.03.2023
(i) Net liability arising from defined benefit obligation	**297.06**	**665.50**
(ii) Change in benefit obligations:		
(a) Present value of obligations as at 1 April	4,497.95	4,165.75
(b) Current service cost	381.28	348.02
(c) Interest expense or cost	342.07	306.35
(d) Remeasurement (gains)/losses: Actuarial (gains)/losses	172.03	36.12
(e) Benefits Paid	543.00	494.00
(f) Transfer in liability (group transfer cases)	89.20	135.71
Present value of defined benefit obligation as at 31 March (a+b+c+d-e+f)	**4,939.53**	**4,497.95**
(iii) Change in plan assets		
(a) Fair Value of Plan Assets as at 1 April	3,832.45	3,795.02
(b) Investment income	283.12	274.97
(c) Employer's Contribution	1,042.56	249.03
(d) Remeasurement (gains)/losses:		
- Return on plan assets (excluding amounts included in net interest expense)	27.34	7.43
(e) Benefits Paid	543.00	494.00
Fair value of plan asset as at 31 March (a+b+c+d-e)	**4,642.47**	**3,832.45**

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

₹/Lakhs

Particulars	Gratuity (Funded)	
	Year ended 31.03.2024	Year ended 31.03.2023
(a) Current service cost	381.28	348.02
(b) Net interest expense/(income)	58.95	31.38
(c) Other adjustments	-	75.12
Defined benefit cost recognised in the Statement of Profit and Loss (a+b+c)	**440.23**	**454.52**

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

₹/Lakhs

Particulars	Gratuity (Funded)	
	Year ended 31.03.2024	Year ended 31.03.2023
(a) Actuarial (gains)/losses arising from:		
- changes in demographic assumptions	-	-
- changes in financial assumptions	120.65	(106.99)
- experience adjustments	51.38	143.11
(b) Return on plan assets (excluding amounts included in net interest expense)	(27.34)	(7.43)
Components of defined benefit costs recognised in other comprehensive income (a+b)	**144.69**	**28.69**

(vi) **Principal actuarial assumptions:**

Particulars	Notes	Year ended 31.03.2024	Year ended 31.03.2023
Financial assumptions:			
(a) Discount Rate (per annum)	1.	7.20%	7.45%
(b) Salary growth rate (per annum)	2.	8.00%	8.00%

Notes:

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

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

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Demographic assumptions:		
(a) Normal retirement age	60 years	60 years
(b) Mortality rate	100% of Indian Assured Lives Mortality (2012-2014)	100% of Indian Assured Lives Mortality (2012-2014)
(c) Withdrawal rate (per annum)	5%	5%

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

Particulars	As at 31.03.2024	As at 31.03.2023
Government of India Securities	82.90%	82.24%
Debt instruments	7.37%	9.62%
Equity and preference shares	9.26%	7.70%
Others deposits	0.47%	0.44%
	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 31.03.2024	As at 31.03.2023
(a) Decrease in defined benefit obligation due to 1% increase in discount rate	458.05	412.61
(b) Increase in defined benefit obligation due to 1% decrease in discount rate	534.49	481.71

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 31.03.2024	As at 31.03.2023
(a) Decrease in defined benefit obligation due to 1% decrease in expected salary growth rate	458.84	414.22
(b) Increase in defined benefit obligation due to 1% increase in expected salary growth rate	524.96	474.31

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

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

There is no change in the method of the valuation for the prior period. For change in assumptions please refer to table in (vi) above, where assumptions for prior period, if applicable, are given.

(ix) **Effect of plan on Group's future cash flows**

(a) Funding arrangements and funding Policy

The Group has purchased an insurance policy to provide payment of gratuity to the employees. Every year, the insurance Group carries out a funding valuation based on the latest employee data provided by the Group. Any deficit in the assets arising as a result of such valuation is funded by the Group.

(b) The expected maturity analysis of undiscounted defined benefit obligation is as follows

(₹/Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Upto 1 year	359.42	337.54
1 - 2 year	328.57	356.52
2 - 3 year	331.54	301.65
3 - 4 year	447.13	354.17
4 - 5 year	346.80	397.27
More than 5 years	10,126.14	9,487.17
Total	**11,939.60**	**11,234.32**
Weighted average duration of the defined benefit obligation	10 years	10 years

(c) The contribution expected to be made by the Group during the financial year 2024-25 is ₹ 681.30 lakhs.

(d) The actual return on plan assets is ₹ 255.78 lakhs net of actuarial gain/loss (for the year ended 31 March, 2023 ₹ 267.54 lakhs).

19.7 long-term compensated absences (unfunded)

On account of other long term compensated absences, a sum of ₹ 1,198.82 lakhs (for the year ended 31 March, 2023 ₹ 737.33 lakhs) has been charged to the Statement of Profit and Loss during the year.

Principal actuarial assumptions for long-term compensated absences

(i) **Financial assumptions:**

Particulars	Notes	Year ended 31.03.2024	Year ended 31.03.2023
(a) Discount rate (per annum)	1	7.20%	7.45%
(b) Salary growth rate (per annum)	2	8.00%	8.00%

Notes:

1. **Discount rate**: The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.
2. Salary growth rate: The salary growth rate indicated above is the Group's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

(ii) **Demographic assumptions:**

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(a) Normal retirement age	60 years	60 years
(b) Mortality rate	100% of Indian Assured Lives Mortality (2012-2014)	100% of Indian Assured Lives Mortality (2012-2014)
(c) Withdrawal rate (per annum)	5%	5%
(d) Rate of leave availment (per annum)	4%	4%
(e) Rate of leave encashment during employment (per annum)	4%	4%

Note 20
Capital grants

Accounting policy

Government grants are recognised if there is reasonable assurance that the assistance will be received and the conditions attached to assistance will be complied. Where the grant relates to a specified asset, it is recognised as deferred income, and amortised over the expected useful life of the asset. Other grants relating to revenue are recognised in the Statement of Profit and Loss.

Where the Group receives non-monetary grants, the asset and the grant are recorded gross at fair value and released to the Statement of Profit and Loss over the expected useful life and pattern of consumption of the benefit of the underlying asset.

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
(i) Opening balance	306.56	363.68
(ii) Add : Additions during the year	1,100.02	-
(iii) Less: Amortisation during the year	194.59	57.12
(iv) Closing balance	1,211.99	306.56

20.1 The Group had entered into a grant agreement with Asian Development Bank (ADB) during FY 2023-24 for funding the acquisition cost of 10 MW pilot Battery energy storage system (BESS). Accordingly, Grant of ₹ 1,638.57 lakhs has been received from ADB in June 2023, out of which ₹ 1,100.02 lakhs has been utilised towards acquisition of asset and balance amount will be utilized towards refurbishment cost of plant in accordance with the terms of arrangement.

Note 21
Contributions for capital works and service line charges

Accounting policy

Refer note 30.2 for accounting policy on contrbutions for capital works and service line charges.

Deferred revenue

21.1 Capital works

(i) Opening balance	63,600.21	62,666.42
(ii) Add : Additions during the year	8,609.05	6,077.15
(iii) Less: Amortisation during the year	5,455.61	5,143.36
(iv) Closing balance	66,753.65	63,600.21

21.2 Service line charges

(i) Opening balance	16,753.91	17,478.72
(ii) Add : Additions during the year	3,219.64	3,281.97
(iii) Less: Amortisation during the year	3,246.77	4,006.78
(iv) Closing balance	16,726.78	16,753.91
Total contribution for capital works and service line charges	**83,480.43**	**80,354.12**

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
Note 22		
Other non current liabilities		
Consumers' deposits for works and service line charges	60,898.51	58,535.77
Note 23		
Short-term borrowings		
23.1 Secured - at amortised cost		
From Banks		
(a) Cash credit	397.16	2,939.36
(b) Working capital demand loan		
(i) HDFC Bank	-	7.88
(ii) Yes Bank	-	1,305.00
	-	1,312.88
	397.16	4,252.24
23.2 Unsecured - at amortised cost		
From Banks		
(a) Unsecured credit facilities		
(i) Axis Bank	19.87	3,282.41
	19.87	3,282.41
(b) Short term loan		
(i) Indian Bank	-	8,000.00
(ii) Karnataka Bank Limited	-	7,000.00
	-	15,000.00
(c) Working capital demand loan		
(i) Axis Bank	621.51	-
(ii) HDFC Bank	-	10,000.00
	621.51	10,000.00
	641.38	28,282.41
23.3 Current maturities of long-term borrowings (refer note 17)		
Secured - at amortised cost		
(a) Term loans from banks		
(i) Canara Bank	4,583.33	7,361.11
(ii) Deutsche Bank	5,625.00	-
(iii) HDFC Bank	8,334.67	5,833.34
(iv) Indian Bank	13,437.90	10,927.08
(v) Punjab National Bank	-	2,500.00
(vi) Punjab & Sind Bank	-	6,043.00
(vii) State Bank of India	8,125.00	10,000.00
(b) Redeemable Non-Convertible Debentures (refer note 17.2)	1,112.00	-
	41,217.90	42,664.53
Total short-term borrowings	**42,256.44**	**75,199.18**

23.4 Secured credit facilities

The Group has availed secured cash credit limits/Overdraft of ₹ 25,300.00 lakhs from five banks i.e. State Bank of India, Punjab National Bank, Yes Bank, HDFC Bank & Standard Chartered, presently at an interest rate ranging from 8.35% to 10.85% per annum. 60% of the sanctioned fund based working capital 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 (movable and immovable) and intangible assets including stores and spares and third pari passu charge on all present and future receivable including regulatory assets.

The Group has availed secured Short term facility limits of ₹ 20,000 lakhs in the form of Short term loan (STL) (₹ 10,000 lakhs) & Invoice financing (₹ 10,000 lakhs) from Deutsche Bank. STL facility has been availed at an interest rate ranging from 6.95% to 7.65% per annum during the financial year. The short term facilities are fungible. During the financial year, the tenor for utilization of STL ranges from 7 days to 21 days. The facility is secured against first pari.passu charge on all present and future property, plant and equipment (movable and immovable) and intangible assets including stores and spares and third pari passu charge on all present and future receivables including regulatory assets.

23.5 Unsecured credit facilities

The Group has unsecured fund based credit facilities of ₹ 30,000 lakhs from Axis Bank (limit is fungible between fund based & non-fund based facility), ₹ 10,000 lakhs from HDFC Bank presently at an interest rate ranging from 8.45% to 9.20% per annum respectively. 60% of the sanctioned limit of banks has to be first utilised as working capital demand loan in order to avail cash credit facility.

The Group has unsecured short term credit facilities/Working capital facilities of ₹ 20,000 lakhs from Karnataka, ₹ 10,000 lakhs from Indian Bank and ₹ 15,000 lakhs from Yes Bank presently at an interest rate ranging from 7.00% to 7.70% per annum. The tenor for utilization of the credit facilities ranges from 7 days to 60 days.

23.6 The information/ statement of current assets filed with banks are in agreement with the books of accounts.

Note 24
Trade payables (at amortised cost)

		As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
(a)	Total outstanding dues of micro enterprises and small enterprises	3,446.98	3,207.86
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,05,654.18	1,06,319.78
		1,09,101.16	1,09,527.64

24.1 As at 31 March, 2024 trade payables include bill discounting of ₹ Nil (as at 31 March, 2023 ₹ 7,437.73 lakhs). The Group has availed seller's side bill discounting facility for a portion of power purchase and transmission supplies invoices from generating and transmission companies. As per said bill discounting arrangement, bill discounting charges including interest was borne by the Group and the Group made payment of these bills payable on due date to the designated bank account on behalf of vendor. In case of any default/non-payment of bills on due date, suppliers are liable towards their bankers and the Group is liable towards suppliers for payment of dues.

24.2 The average credit period on purchases from long-term power purchase arrangement ranges from 30 days to 60 days. Thereafter, interest is charged which generally ranges from 1.25% per month to 1.5% per month on the unpaid amount. In addition, Ministry of Power , Govt. of India vide Gazette Notification dated 3 June, 2022 has notified LPSC rate as marginal cost of funds based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the default period lies, plus five percent. Rebate is generally available @ 1.5% if payment is made within 5 days from the presentation of bill as per CERC Regulation and @ 2% if payment is made within 2 days from the presentation of bill as per DERC Regulation or @ 1% if payment is made within 30 days from date of presentation. In some cases day-wise rebate is also available. In case of short-term power purchase arrangement, credit period ranges from 1 day to 30 days.

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

₹/Lakhs

Particulars		As at 31.03.2024	As at 31.03.2023
(a)	Principal amount remaining unpaid as at reporting period	3,446.98	3,207.86
(b)	Interest due thereon as at reporting period	-	-
(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.	67.09	-
(d)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(e)	The amount of interest accrued and remaining unpaid as at reporting period	-	-
(f)	The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

24.4 **Age of payables**

Ageing schedule as at 31 March, 2024

₹/Lakhs

Outstanding for following periods from due date of payment #		Undisputed		Disputed		Total
		MSME *	Others	MSME *	Others	
(a)	Less than 1 year	-	18.73	-	-	**18.73**
(b)	1-2 year	-	1.24	-	-	**1.24**
(c)	2-3 year	-	-	-	-	**-**
(d)	More than 3 years	-	8.31	-	67.59	**75.90**
(e)	Trade payables which are not due	3,446.98	87,235.73	-	-	**90,682.71**
(f)	**Total**	**3,446.98**	**87,264.01**	**-**	**67.59**	**90,778.58**
(g)	Unbilled trade payables					**18,326.36**
(h)	**Total Trade Payable (f+g)**					**1,09,104.94**

Ageing schedule as at 31 March, 2023

₹/Lakhs

Outstanding for following periods from due date of payment #		Undisputed		Disputed		Total
		MSME *	Others	MSME *	Others	
(a)	Less than 1 year	-	24.42	-	-	**24.42**
(b)	1-2 year	-	0.45	-	-	**0.45**
(c)	2-3 year	-	17.73	9.24	-	**26.97**
(d)	More than 3 years	-	83.11	11.82	154.41	**249.34**
(e)	Trade payables which are not due	3,186.80	88,215.75	-	-	**91,402.55**
(f)	**Total**	**3,186.80**	**88,341.46**	**21.06**	**154.41**	**91,703.73**
(g)	Unbilled trade payables					**17,826.52**
(h)	**Total Trade Payable (f+g)**					**1,09,530.25**

* Micro & small enterprise
# where due date of payment is not available, date of the transaction has been considered.

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
Note 25		
Other financial liabilities - current		
(At amortised cost)		
(a) Security deposits		
(i) Consumers' security deposit	6,650.04	5,949.70
(ii) Others	1,250.96	1,188.55
	7,901.00	7,138.25
(b) Interest accrued but not due on borrowings	738.21	154.80
(c) Retention money payable	3,605.07	3,668.33
(d) Payables on purchase of property, plant and equipment	1,130.84	982.96
(e) Earnest money deposits	282.35	226.96
(f) Consumers' deposits for works	3,249.69	4,621.60
(g) Others	3,630.89	3,728.72
	20,538.05	20,521.62
Note 26		
Provisions - current		
(a) Provision for employee benefits		
(i) Compensated absences (refer note 19)	1,057.42	973.88
(ii) Defined benefit plans (Gratuity) (refer note 19)	297.06	665.50
(iii) Other employee benefits (refer note 26.1)	22.16	20.95
	1,376.64	1,660.33
(b) Provision for litigations (refer note 26.2)	1,127.80	1,113.88
	2,504.44	2,774.21

26.1 Other employee benefits represent pension liability to VSS employees.

26.2 Movement of provision for litigations		
(i) Opening Balance	1,113.88	-
(ii) Add: Additions during the year	13.92	1,113.88
(iii) Less: Utilised/Reversed during the year	-	-
(iv) Closing Balance	1,127.80	1,113.88

26.3 As a matter of prudence, the Group has made provision for litigations of ₹ 13.92 lakhs during current period (As at 31 March, 2023 ₹ 1,113.88 lakhs) towards legal case(s) filed against the Group.

26.4 Refer note 19 for accounting policy on provisions.

Note 27		
Other current liabilities		
(a) Income received in advance	251.76	204.08
(b) Statutory dues	10,585.27	12,801.66
(c) Advance from consumers	14,332.67	11,776.07
(d) Payable for Pension Trust Surcharge (including w.r.t unbilled revenue)	2,511.69	2,599.93
(e) Advance against other contractual works	6,694.64	8,201.94
(f) Others*	2,899.83	1,990.73
	37,275.86	37,574.41

*includes stale cheque amounting to ₹ 2,146.66 lakhs (as at 31 March,2023 ₹ 1,791.41 lakhs)

Note 28		
Current tax liabilities (net)		
(a) Income tax (net of advance tax)	1,009.09	0.05

Note 29
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 31.03.2024	As at 31.03.2023
Contingent liabilities*			
29.1	Claims against the Group not acknowledged as debts:		
	(i) Legal cases filed by consumers, employees and others under litigation	4,965.65	5,260.47
29.2	Liabilities arising out of litigation etc. due to provisions of Transfer Scheme pursuant to Delhi Electricity Reforms Act, 2002	100.00	100.00
29.3	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	0.61	1,533.44
	(ii) Interest demanded (as per demand order and appeal effect order)	18.98	754.48
	(iii) Total demand (i+ii)	19.59	2,287.92
	(iv) Out of the above demand, amount paid under protest/adjusted by Income Tax authorities	-	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.		
29.4	Indirect taxation matters relating to sales tax, service tax, GST where demand is under contest before judicial/appellate authorities	301.79	74.42
29.5	Claims of power suppliers, not acknowledged as expense and credits	33,933.14	31,795.25
	*No provision is considered necessary since the Company expects favourable decisions.		
Commitments			
29.6	Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	18,353.80	21,098.33

29.7 The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. There are interpretative challenges and considerable uncertainty, including the retrospective applicability of order and determination of liability (principal and any penal consequences thereof). Pending the directions from the EPFO, the impact for past periods, if any, cannot be reliably estimated and consequently no financial effect has been provided for in the financial statements. The Company has complied with the direction on a prospective basis, from the date of the SC order.

29.8 As detailed in note 35.7 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.

29.9 The Code on Social Security 2020 has been notified in the Official Gazette on 29th September, 2020. The Code is not yet effective and related rules are yet to be notified. Impact, if any, of the change will be assessed and recognized in the period in which said Code becomes effective and the rules framed thereunder are notified.

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

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

While the above referred writ petition was pending, the Company had already advanced ₹ 7,774.35 lakhs to the Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 Trust (SVRS Trust) for payment of retiral dues to separated employees. In addition to the payment of retiral benefits/residual pension to the SVRS Trust, in pursuant to the order of the Hon'ble Delhi High Court dated 2 July, 2007 the Company also paid interest @ 8% per annum, ₹ 801.27 lakhs in the financial year 2008-09 thereby increasing the total contribution to the SVRS Trust to ₹ 8,575.62 lakhs recorded as recoverable from SVRS Trust. As the Company was entitled to get reimbursement against advanced retiral benefit amount on superannuation age, the Company had recovered/adjusted ₹ 8,553.77 lakhs as at 31 March, 2024 (as at 31 March, 2023 ₹ 8,553.77 lakhs), leaving a balance recoverable ₹ 21.85 lakhs as at 31 March, 2024 (as at 31 March, 2023 ₹ 21.85 lakhs) from the SVRS Trust which includes current portion of Nil (as at 31 March, 2023 Nil).

29.11 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.

Pending adjudication of the matter in High court, DVB period consumer deposit have been mapped against identifiable consumers and refund is also being processed for eligible customers. However, refund amount of ₹ 1,035.73 Lakhs which is in excess of migrated CD of ₹ 1000 Lakhs, has been shown as recoverable from DPCL as supported by DERC letter dated 23 April, 2007.

29.12 Govt of India, Ministry of Finance, Department of Revenue, Tax Research Unit issued a circular bearing no 34/8/2018-GST dated March 1, 2018, clarifying therein that some ancillary activities carried out by Electricity Distribution companies are chargeable to GST. In compliance with the circular, the Company has been levying GST on the ancillary services but challenged the circular and levy of GST on ancillary services through writ petition before the Hon'ble Delhi High Court. Meanwhile , the Hon'ble Gujarat High Court in the case of Torrent Power Ltd. v. Union of India, has struck down the Circular No. 34/8/2018-GST holding it as ultra-vires the provision of GST Act. The Department has appealed against this judgment before the Hon'ble Supreme Court. Since the issue involved before Hon'ble Supreme Court in Torrent's matter is similar to those which has been raised by the Company before Hon'ble Delhi HC, the Company moved a transfer petition before the Hon'ble Delhi HC to transfer its writ petition to the Hon'ble Supreme Court. The Hon'ble Delhi HC allowed the same on October 4, 2023, with the liberty to seek appropriate orders once its transfer petition before the Hon'ble Supreme Court is disposed of. Subsequently, another bench of the Hon'ble Delhi High Court in its order dated December 13, 2023 in the matter of BSES Discoms, struck of the Circular No. 34/8/2018-GST. Since there is a contradictory view of the benches of Hon'ble Delhi HC on this issue, the Company filed an application before the Hon'ble Delhi HC for an early hearing of it's petition, which is scheduled for hearing on 7 May, 2024.

Further, in compliance to the order of Hon'ble Delhi HC, the Company decided to stop levying GST prospectively on such ancillary services including deposit works. Additionally, the Company has incorporated indemnification clause in its demand letters, invoices, and bills to mitigate any future liability that may arise from the outcome of the matter before Hon'ble Supreme Court. The Company will continue to monitor the developments and would take necessary steps for compliance of the GST law.

Note 30
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.

30.1 **Sale of power**

Revenue from the supply of power is recognised net of any trade discounts, cash rebates, etc. when the power is supplied and units of electricity are delivered as it best depicts the value to the customer and complete satisfaction of performance obligation.

Revenue from power supply is accounted for on the basis of billings to consumers and includes unbilled revenues accrued up to the end of the reporting period. Revenue from power supply is recognised net of the applicable taxes which the Group collects from the customer on behalf of the government/state authorities. Revenue from such contracts is recognised over time for each unit of electricity delivered at the pre-determined rate.

The Group, as per the prevalent Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations (referred as 'Tariff Regulations') for distribution business, is required to recover its Annual Revenue Requirement (ARR) comprising of expenditure on account of power purchase costs, operations & maintenance expenses, financing cost, as per the said regulations and an assured return on DERC approved equity with additional incentive on over achievement of distribution loss and collection efficiency targets. As per the said Tariff Regulations, the Group determines the ARR and any excess/shortfall in recovery of ARR during the year is accounted for in "Regulatory Deferral Account Balance".

In respect of power generation, the Group is entitled to recover fuel cost, operations and maintenance expenses and other cost along with return on equity as stated in Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Generation Tariff) Regulations subject to the availability factor.

Revenue in respect of the following is recognised as and when recovered because its ultimate collection is uncertain:
(a) Late Payment Surcharge (LPSC) on electricity billed
(b) Bills raised for dishonest abstraction of power
(c) Interest on Unscheduled Interchange (UI).

30.2 **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.

30.3 **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 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
30.4	**Revenue from operations**		
30.4.1	**Revenue from sale of power and open access**		
(a)	Sale of power	10,39,625.74	9,53,473.28
	Less: energy tax	41,210.74	37,918.32
		9,98,415.00	9,15,554.96
(b)	Income from open access charges	2,307.37	2,220.89
		10,00,722.37	9,17,775.85
30.4.2	**Other operating revenue**		
(a)	Amortisation of service line charges	3,246.77	4,006.78
(b)	Commission on		
	- DVB arrears collection	0.08	3.42
	- Energy tax collection	1,211.70	1,111.86
(c)	Maintenance charges (refer note 30.4.2 (i))	680.07	1,000.73
(d)	Amortisation of capital grants	194.59	57.12
(e)	Amortisation of consumer contribution for capital works	5,455.61	5,143.36
(f)	Miscellaneous operating income	711.76	569.93
		11,500.58	11,893.20
		10,12,222.95	9,29,669.05

30.4.2 (i) Includes incentive on street light maintenance of ₹ 43.92 lakhs pertaining to financial year 2023-24 (for the year ended 31 March, 2023 ₹ 73.37 lakhs).

30.5 **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 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
(a)	Late payment surcharge	2,144.10	2,125.14
(b)	Interest Income	2,132.81	1,109.66
(c)	Gain on sale/fair value of mutual fund investment measured at FVTPL	202.63	3.37
(d)	Income other than energy business	4,577.65	5,742.77
(e)	Excess provisions write back*	2,661.06	1,644.43
(f)	Other non-operating income	462.73	198.44
		12,180.98	10,823.81

* Unutilized payroll provisions pertaining to past years

30.6 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 31.03.2024	Year ended 31.03.2023
(A) Revenue from contracts with customers		
- Based on nature of goods/services		
(i) Distribution of power		
(a) Sale of power (net of energy tax)	9,98,415.00	9,15,554.96
(b) Income from open access charges	2,307.37	2,220.89
(c) Late payment surcharge	2,144.10	2,125.14
(d) Amortisation of service line charges	3,246.77	4,006.78
(e) Commission on		
- DVB arrears collection	0.08	3.42
- Energy tax collection	1,211.70	1,111.86
(f) Maintenance charges	680.07	1,000.73
(g) Amortisation of consumer contribution for capital works	5,455.61	5,143.36
(h) Miscellaneous income	749.05	616.18
(ii) Business Development (Project management and other consultancy services)	4,432.08	5,600.26
	10,18,641.83	**9,37,383.58**
(B) Other revenue		
(i) Distribution/generation of power		
(a) Amortisation of capital grants	194.59	57.12
(b) Interest income	2,132.81	1,109.66
(c) Others	425.44	152.19
(ii) Business Development (Project management and other consultancy services)	145.57	142.51
(iii) Others		
(a) Gain on sale/fair value of mutual fund investment measured at FVTPL	202.63	3.37
(b) Excess provisions write back	2,661.06	1,644.43
	5,762.10	**3,109.28**
Total revenue	**10,24,403.93**	**9,40,492.86**

30.7 Contract Balances

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

₹/Lakhs

Particulars	As at 31.03.2024	As at 31.03.2023
Contract assets		
Unbilled revenue other than passage of time (refer note 14(a))	305.00	281.83
Total contract assets	**305.00**	**281.83**
Contract liabilities		
Income received in advance (refer note 27(a))	251.76	204.08
Advance from consumers (refer note 27(c))	14,332.67	11,776.07
Advance against other contractual works (refer note 27(e))*	6,694.64	8,201.94
Deferred revenue from consumers -		
-Consumers' deposits for works and service line charges (refer note 22 & 25 (f))	64,148.20	63,157.37
Total contract liabilities	**85,427.27**	**83,339.46**
Receivables		
Trade receivables (gross) (refer note 11)	38,047.19	35,836.44
Unbilled revenue for passage of time	45,937.37	44,813.88
Less : Allowances for doubtful debts (refer note 11)	15,837.57	16,334.17
Net receivables	**68,146.99**	**64,316.15**

* The income shall be realised only to the extent of supervision charges on the completion of contractual work as agreed with the customer.

30.7.1 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 31.03.2024	As at 31.03.2023
- Unbilled revenue other than passage of time		
Opening balance as at 1 April	281.83	713.20
Add: Revenue recognised during the year apart from above	3,068.31	1,948.87
Less: Transfer from contract assets to receivables	3,045.14	2,380.24
Closing Balance	**305.00**	**281.83**

Particulars	Contract Liabilities					
	As at 31.03.2024			As at 31.03.2023		
	Income received in advance	Advance from consumers	Deferred Revenue	Income received in advance	Advance from consumers	Deferred Revenue
Opening balance as at 1st April	204.08	11,776.07	63,157.37	246.85	10,732.71	44,274.47
Revenue recognised during the year from balance at the beginning of the year	(154.77)	(8,155.91)	-	(105.79)	(7,799.18)	-
Advance received during the year not recognised as revenue	202.45	10,712.51	12,819.52	63.02	8,842.54	28,242.02
Transfer from contract liabilities upon satisfaction of performance obligation	-	-	(11,828.69)	-	-	(9,359.12)
Closing Balance	**251.76**	**14,332.67**	**64,148.20**	**204.08**	**11,776.07**	**63,157.37**

30.8 **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, 2024 is ₹ 9,447.74 lakhs (as at 31 March, 2023 is ₹ 8,931.27 lakhs). Out of this, the Group expects to recognise revenue of around 44.75% (as at 31 March, 2023 51.30%) within next one year and the remaining thereafter on contract-by-contract basis based on extent of progress of the projects.

Note 31
Power purchase cost

31.1 The Group has entered into power purchase agreements based on projected demand of power to be supplied to the consumers. During certain time slots, the power arranged may be in excess of the actual demand and in some time slots, the demand may exceed prior arrangements. In the event power procured exceeds demand, since the same cannot be stored, is either sold through bilateral arrangements or allowed to be drawn by other utilities from the Grid at an Unscheduled Interchange (UI) charge. During the current period, the Group has sold/under-drawn 1,501.58 million units (for the year ended 31 March,2023 1,585.85 million units) of power to/in favour of other utilities. The power purchase cost of ₹ 7,21,067.34 lakhs (for the year ended 31 March, 2023 ₹ 7,46,956.70 lakhs) is net of sale of power/UI receivables ₹ 83,766.53 lakhs (for the year ended 31 March, 2023 ₹ 96,697.47 lakhs), rebate on power purchase ₹ 11,277.38 lakhs (for the year ended 31 March, 2023 ₹ 10,714.46 lakhs) and excludes in-house power generation cost.

In order to meet the peak power demand during the summer, the Hon'ble Commission (DERC) has issued interim direction relaxing certain measure from 1 April, 2023 to 31 May, 2023. These measures included exemption from approval of the power procured above ₹ 5 per unit, exemptions from approvals for Banking and Bilateral Contracts and allowance of overlapping in bilateral and banking transactions.

31.2 In the GCV matter, the Group has filed petition (P. no. 311/MP/2015) against NTPC restraining from recovering excess Energy Charge Rate which is higher than the coal cost data available in public domain and also refund/ allow the applicant to adjust in the subsequent bills the excess amounts already paid since 1 April,2014. The said petition has been tagged with petition filed by NTPC (P.no. 244/MP/2016) for seeking removal of difficulties and for consequential orders on the measurement of GCV of Coal from the samples taken from the Railway Wagon Top. Matter was last listed on 16 April, 2019. The Group and other beneficiaries objected on the maintainability of the petition filed by NTPC. However, Central Commission vide its order dated 19 September, 2018 in P. no. 244/MP/2016 held that the petition was maintainable.

Basis the CERC order dated 19 September, 2018, some of the beneficiaries like BSES and GRIDCO had filed appeals in APTEL on the issue of maintainability. Hon'ble APTEL vide order dated 12 October, 2018 has observed that CERC shall not implement its order till the matter is heard on merits and orders are passed. the Group has also filed appeal (A. No. 42/2019) against the said order and the same was admitted on 26 February, 2019. Matter was last heard on 6 January, 2023, pleadings complete matter added in list of finals of Court -I.

31.3 **Bilateral Power Purchase Agreement**
The Group has made bilateral arrangements with other power utilities to bank power or vice versa and take back or return the same over the agreed period. 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, 2024 are as follows:

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
	Receivable MU's	Receivable MU's
(a) Opening balance as at 1 April	-	436.32
(b) Power banked (Outflow)	108.40	-
(c) Power due against banked	111.65	-
(d) Power receipt against opening	-	436.32
(e) Power receipt against current year transactions	-	-
(f) Balance receivable {(a)+(c)-(d)-(e)}	111.65	-

Note 32
Employee benefits expense (net)

Accounting policy

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

32.1 **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:

32.1.1 **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.

32.1.2 **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.

32.2 **Defined benefit plans**

32.2.1 **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.

32.3 **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.

32.4 **Other long-term employee benefits**

32.4.1 **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.

32.4.2 **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 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
(a)	Salaries, allowances and incentives	49,316.57	49,683.13
(b)	Contribution to provident and other funds	5,878.40	5,432.09
(c)	Staff welfare expenses (refer note 32.5)	4,024.34	3,496.71
(d)	Other personnel cost	491.41	754.85
		59,710.72	59,366.78
	Less: Transferred to capital work-in-progress	5,885.62	5,787.04
		53,825.10	53,579.74
(e)	Pension and other payment to VSS and other retirees (refer note 29.10)	274.25	239.83
		54,099.35	53,819.57

32.5 Employee Benefits Expense

Share Based Payments

Accounting policy

The Tata Power Company Limited ("Holding Company") has granted employee stock options to the eligible employees of the company. As per the scheme, on fulfilling of the vesting condition the Holding Company will issue its equity shares to the eligible employees of the Company.
The cost of equity-settled transactions is determined by the fair value of holding company's share at the date when the grant is made using an appropriate valuation model. That cost is recognised over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the companies best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the companies best estimate of the number of equity instruments that will ultimately vest. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.
When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

Equity-settled share option plan

The Tata Power Company Limited – Employee Stock Option Plan 2023

During the year, the shareholders of the Holding Company approved 'The Tata Power Company Limited – Employee Stock Option Plan 2023' ('ESOP 2023'/ 'Plan'). During this year, the Holding Company has granted employee stock options to the eligible employees of the Holding and its subsidiaries, including employees of the Company at an exercise price of ₹ 249.80 (Rupees Two Hundred Forty Nine and Eighty Paise) per option exercisable into equivalent equity shares of ₹ 1 each subject to fulfilment of vesting conditions.

The expense recognised for employee services received during the year is shown in the following table:

	Year ended 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
Expense arising from equity-settled share-based payment transactions	109.76	Nil
Total expense arising from share-based payment transactions	109.76	Nil

Movements during the year	No. of Options (in Lakhs)	
Option exercisable at the beginning of the year	Nil	Nil
Granted during the year	8.08	Nil
Forfeited/Expired during the year	Nil	Nil
Exercised during the year	Nil	Nil
Expired during the year	Nil	Nil
Option exercisable at the end of the year	8.08	Nil
Share price for options exercised during the year	Not applicable	Nil
Remaining contractual life	2.58 Years	Nil

The holding company has estimated fair value of options using Black Scholes model. The following assumptions were used for calculation of fair value of options granted.

Assumption	Year ended 31.03.2024	Year ended 31.03.2023
Dividend Yield (%)	0.70%	Nil
Risk free interest rate (%)	7.21%	Nil
Expected life of share option (Years)	3 - 5 Years	Nil
Expected volatility (%)	39.81%	Nil
Weighted Average Share price	249.80	Nil
Weighted Average Fair Value of option at the measurement date	97.75	Nil

The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Note 33
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 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
(a)	On borrowings - carried at amortised Cost		
	(i) Interest on term loan (gross)	15,759.65	17,067.04
	Less: Capitalised (refer note 33.1)	222.53	426.36
	Interest on term loans (net)	15,537.12	16,640.68
	(ii) Interest on Debentures	659.92	-
	(iii) Interest on cash credit accounts/short-term borrowings	2,360.23	5,108.15
(b)	Interest on lease liability (gross)	544.19	627.93
	Less: Capitalised	64.87	149.53
	Interest on lease liability (net)	479.32	478.40
(c)	Interest on consumer security deposits (refer note 33.2)	8,588.61	6,073.90
(d)	Other borrowing costs	71.73	85.80
(e)	Other interest (refer note 33.3)	1,125.94	245.89
		28,822.87	28,632.82

33.1 The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 8.33% per annum (for the year ended 31 March, 2023 7.39% per annum).

33.2 Interest on consumer security deposits

As per the provisions of Section 47(4) of the Electricity Act, 2003 interest on consumer security deposits is payable at the bank rate or more as per the notification by State Commission. During the year 2017, Delhi Electricity Regulatory Commission (DERC) had amended Delhi Electricity Regulatory Commission (Supply Code and Performance Standards) Regulations, 2017 through notification in the Official Gazette and as per Clause 20(3) of the Regulations, interest is payable on consumer security deposits at Marginal Cost of Fund based Lending Rate (MCLR) as notified by State Bank of India prevailing on the 1 April of that financial year.

In view of the fact that the matter of liability on account of opening consumer security deposits in excess of ₹ 1,000 lakhs (as at 31 March, 2023 ₹ 1,000 lakhs) transferred to the Group 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, 2023 ₹ 1,000 lakhs), the Group has provided interest expense aggregating to ₹ 8,588.61 lakhs (for the year ended 31 March, 2023 ₹ 6,073.90 lakhs) during the year on the outstanding consumer security deposits received by the Group since takeover of business in July, 2002 and also on the estimated total consumer security deposits received by the erstwhile DVB as per the Group's records. Out of the above interest expenditure, an amount of ₹ 205.91 lakhs (for the year ended 31 March, 2023 ₹ 181.33 lakhs) would be recoverable from DPCL if the Group's contention is upheld by the Hon'ble High Court that the Group'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.

33.3 During the current year, the Group has provided for interest of ₹ 494.53 lakhs against delay in payment of Land License fees during past years as per the demand received from Department of Power, Govt of NCT Delhi. The amount has been paid under protest subject to adjudication of legal case filed before Delhi High court.

Note 34
Other expenses

		Year ended 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
Operating and maintenance expenses			
(a)	Stores and spares consumed (net of recoveries)	4,371.75	6,929.81
(b)	Repairs and maintenance:		
	(i) Building	1,074.73	662.70
	(ii) Plant and equipment	10,445.35	10,496.50
	(iii) Others	5,559.00	5,459.01
(c)	Loss on disposal of property, plant and equipment	542.15	834.57
		21,992.98	24,382.59
Administrative and general expenses			
(a)	Communication expenses	311.39	261.87
(b)	Printing and stationery	254.08	296.30
(c)	Legal and professional charges		
	- Legal expenses (refer note 34.1)	2,117.45	2,228.43
	- Professional charges (refer note 34.2)	572.19	824.87
(d)	Travelling and conveyance	814.33	783.25
(e)	Insurance	844.88	836.43
(f)	Advertisement, publicity and business promotion	235.75	212.90
(g)	Corporate social responsibility expenses (refer note 34.3)	1,256.53	1,252.77
(h)	Rent and hire charges	37.16	57.48
(i)	Rates and taxes	731.93	635.01
(j)	Freight, handling and packing expenses	51.64	34.19
(k)	Bill collection and distribution expenses	788.28	775.16
(l)	Postage and courier charges	23.60	34.36
(m)	Provision for litigations	13.92	1,113.88
(n)	EDP expenses	1,468.15	1,190.35
(o)	Housekeeping expenses	1,159.68	1,088.62
(p)	Foreign exchange fluctuation loss (net)	2.15	2.79
(q)	Bad debts written off/(written back)	436.44	544.90
(r)	Allowance for doubtful debts	(1,223.98)	612.61
(s)	Miscellaneous expenses	1,639.42	1,548.65
		11,529.99	14,334.82
	Total other expenses	33,522.97	38,717.41

34.1 Out of total Legal expenses of ₹ 2,117.45 lakhs (for the year ended 31 March, 2023 ₹ 2,228.43 lakhs), an amount of ₹ 656.50 lakhs (for the year ended 31 March, 2023 ₹ 630.82 lakhs) pertains to legal expenses where the Group has challenged DERC's orders/Regulations at various forums.

34.2 **Auditors remuneration***

Professional charges include auditor's remuneration as follows:

₹/Lakhs

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(a) For statutory audit	53.00	48.50
(b) For tax audit	7.98	7.25
(c) For Company law matters	-	0.30
(d) For other services	12.10	8.68
(e) For reimbursement of expenses	3.34	2.76
Total	**76.42**	**67.49**

* Exclusive of Goods & Services Tax.

34.3 **Corporate social responsibility**

As per Section 135 of the Companies Act, 2013, a Group, 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 Group as per the Act.

₹/Lakhs

34.3.1

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(a) Gross amount required to be spent by the Group during the year	1,225.28	1,230.59
(b) Amount spent during the year on CSR (excluding 5% administrative expenses) (refer 34.3.2)	1,256.53	1,252.77
(c) Shortfall for the year	-	-
(d) Transaction with related party for the year (refer Note 40)	-	3.54
(e) Movement of provision	-	-

₹/Lakhs

34.3.2

Particulars	In Cash	Yet to be paid in cash	Year ended 31.03.2024
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	1256.53	-	1,256.53

34.3.3 The nature of CSR activities undertaken by the Group

₹/Lakhs

Nature of activities as per Schedule VII of Companies Act, 2013	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water. (Clause (i))	- Consultation & supply of medicine through mobile dispensary - Facilitation of potable water - Health care facility to under nurished womens & children - Organising blood donation camp - ABHA Program - Providing connection between TPDDL & community to facilitate the needy people	378.10	368.79
Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. (Clause (ii))	- Community awareness program - Literacy, education & skill development program - Vocational training program - Career counselling program - Scholarship distribution program - Entrepreneurship development program	852.37	742.18
Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga. (Clause (iv))	- Energy, water and climate conservation and sensitization sessions - Tree Plantation	13.97	10.63
Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports. (Clause (vii))	- Rural development & sports in village area	12.09	21.83
Disaster management, including relief, rehabilitation and reconstruction activities. (Clause (xii))	- Supply of cooked meals & Dry ration - Donation to Covid 19 response fund - Distribution of mask, sanitizers, PPE Kit, gloves, IR thermometer,etc	-	109.34
Total		**1256.53**	**1252.77**

34.4 **Disclosure under Clause 87 of DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 & Business Plan Regulation (BPR), 2023 of statutory levies and taxes**

₹/Lakhs

Particulars	Year ended 31.03.2024
Statutory levies -	
(a) Rates & Taxes -	
(i) Common effluent treatment plant charges (CETP)	42.06
(ii) Property tax	222.20
(iii) DERC Licensee fees	456.28
(iv) Land license fees	1,562.24
(v) other rates and taxes (court fee & Stamp duty etc)	11.34
(b) Other Regulatory Expenses	146.76

Note 35
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.

35.1 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.

35.2 In the latest Tariff Order dated 30 September, 2021 issued on 12 October, 2021, the DERC has trued up regulatory deferral account balance up to 31 March, 2020 at ₹ 1,76,281 lakhs as against ₹ 4,91,925.26 lakhs as per financial books of accounts excluding amount recoverable towards deferred tax liabilities of ₹ 30,259.85 lakhs. There is no provision in tariff regulations for one to one allowance of deferred tax but the same is allowed in the form of actual rate of tax as and when deferred tax liability gets converted to actual tax liability. The difference in regulatory deferral account is largely due to provisional truing up of capitalisation, disallowance of de-capitalised property, plant and equipment, its corresponding impact on return on capital employed (ROCE), income tax and carrying cost. These disallowances have already been challenged in APTEL for amount disallowed up to FY 19-20. The difference in regulatory deferral account is also due to pending implementation of Rithala tariff order issued by the DERC vide order dated 11 November, 2019 and partial allowance of approved Rithala plant cost which is under challenge with APTEL and delay in execution of other previous review/APTEL appeal orders.

The Company had filed a stay petition seeking stay of tariff order with APTEL due to certain arbitrary disallowances by DERC in its latest tariff order dated 30 September, 2021 and also filed appeal with APTEL against the disallowances. On 24 May, 2022 APTEL pronounced final order on stay application and directed the DERC to reconsider the issue of past allowance of AT&C incentive and O&M disallowance and give effect of the same within a period of two months. On DERC's petition, APTEL further clarified on 22 July, 2022 that it's earlier order to be followed in true light and spirit of the observations made and the directions given in the said judgment. The tariff order is yet to be issued by DERC. Therefore, the final impact shall be recorded in the books of accounts once the same is implemented by the DERC as per APTEL directions in the upcoming tariff order. Accordingly, no adjustment has been made in the Regulatory deferral account balance in the books based on latest tariff order dated 30 September, 2021, till the implementation of the above.

On 2 February, 2024 DERC issued order truing up the pending capitalisation for the year 2004-05 to 2015-16 with some marginal disallowances, however the impact of the said true up shall be allowed in the ensuing Tariff Order. As per the assessment done by the company, there is no significant exposure of the said order in the books and the differential impact, if any shall be recorded once the order is implemented by DERC. Similarly, for FY 2016-17 final report of physical verification has been shared by DERC on 13 March, 2023 and the Company had submitted the response on 13 April, 2023. Further action on the replies submitted by the Company is awaited from DERC. The true up of capitalisation for FY17-18 has been completed by DERC. Further, for FY 18-19 to FY 21-22 the physical verification and true up of capitalisation is in progress.

35.3 The DERC Business Plan Regulations, 2019 is applicable for the control period from FY 2020-21 to FY 2022-23. As part of annually tariff determination exercise, the company has filed True up petition for FY 2020-21 and Annual Revenue Requirement (ARR) for FY 2022-23 on 30 November, 2021 which was admitted by the DERC on 19 January, 2023. Further, the company has filed True up petition for FY 2021-22 on 1 November, 2022. However, the Tariff order is yet to be released by the DERC.

The DERC on 29 March, 2023 has notified Business Plan Regulations, 2023 (BPR 2023) for the next control period applicable for FY 2023-24 to FY 2025-26. The Company has filed a Writ Petition in Delhi High Court on certain issues of BPR 2023. Further as part of annual tariff determination exercise, the Company had filed ARR for FY 2023-24 on 22 May, 2023 which has been admitted by the DERC on 26 May, 2023. Further, the company has filed True up petition for FY 2022-23 and Annual Revenue Requirement (ARR) for FY 2024-25 on 1 November, 2023.

35.4 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.

35.5 There has been accumulation of regulatory deferral account balance mainly due to non-availability of cost reflective tariff year on year. On this issue, the Company had filed a petition with the DERC on 08 March, 2021 seeking for a roadmap to liquidate regulatory deferral account in a time bound manner, which was dismissed by DERC with no relief. Further, the Company has challenged the order of DERC before Supreme Court on 6 September, 2021, which has been admitted and the hearing is in progress.

35.6 The movement in regulatory deferral account balance as at 31 March, 2024 is as follows:

₹/Lakhs

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(a) Opening regulatory deferral account debit balance	6,13,927.70	5,84,222.83
(b) Net movement during the year		
(i) Power purchase cost	7,32,437.57	7,57,775.36
(ii) All other prudent O&M cost including ROCE, carrying cost etc.	2,01,202.02	1,99,676.78
(iii) Collection available for Annual Revenue Requirement (ARR)	10,24,675.11	9,36,417.96
(iv) Net movement before recovery of deferred tax {(i)+(ii)-(iii)}	**(91,035.52)**	**21,034.18**
(v) Deferred tax recoverable in future tariff	9,192.39	8,670.69
(c) Net movement shown in the Statement of Profit and Loss {(iv)+(v)}	**(81,843.13)**	**29,704.87**
(d) Closing regulatory deferral account debit balance (a+c)	**5,32,084.57**	**6,13,927.70**

35.7 **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) net of fair value of plant 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.

35.7.1 **Assets classified as held for sale**

Accounting policy

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

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

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

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

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

The assets classified as held for sale have been accounted at lower of carrying amount and fair value less cost to disposal. The fair value of property, plant and equipment classified as assets held for sale as at 31 March, 2024 and 31 March, 2023 has been determined based on a valuation report given by an expert who has used Level 3 valuation techniques.

The carrying value and fair value less cost to disposal of Rithala Power Generation Plant classified as assets held for sale is detailed below:

₹/Lakhs

Particulars	As at 31.03.2024			As at 31.03.2023		
	Carrying value	Impairment Loss	Fair value less costs to disposal	Carrying value	Impairment Loss	Fair value less costs to disposal
	(A)	(B)	(C)=(A)-(B)	(D)	(E)	(F) = (D)-(E)
Property, plant and equipment	2,004.00	-	2,004.00	2,004.00	-	2,004.00

The significant unobservable input used in the non-recurring fair value measurement categorised within Level 3 of the fair value hierarchy as at 31 March, 2024 and as at 31 March, 2023 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	31.03.2024 and 31.03.2023	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 36

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.

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

Particulars	Units	Year ended 31.03.2024	Year ended 31.03.2023
Profit for the year from continuing operations	₹/Lakhs	45,459.79	44,138.94
Net movement in regulatory deferral account balance	₹/Lakhs	(81,843.13)	29,704.87
Income-tax attributable to regulatory expenses	₹/Lakhs	28,599.26	(10,380.07)
Net movement in regulatory deferral account balance (net of tax)	₹/Lakhs	(53,243.87)	19,324.80
Profit for the year from continuing operations attributable to equity shareholders before net movement in regulatory deferral account balance	₹/Lakhs	98,703.66	24,814.14
Weighted average number of equity shares	Nos./Lakhs	10,520.00	10,520.00
Basic & Diluted earnings per equity share of ₹ 10 each	₹	9.38	2.36
Face value of equity shares	₹	10.00	10.00

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

Particulars	Units	Year ended 31.03.2024	Year ended 31.03.2023
Profit for the year from continuing operations after net movement in regulatory deferral account balance attributable to equity shareholders	₹/Lakhs	45,459.79	44,138.94
Weighted average number of equity shares	Nos./Lakhs	10,520.00	10,520.00
Basic & Diluted earnings per equity share of ₹ 10 each	₹	4.32	4.20
Face value of equity shares	₹	10.00	10.00

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

Note 37
Income tax

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

37.1 **Current tax**
The current tax payable is based on taxable profit for the reporting period. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are treated differently according to Income Tax Act, 1961. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

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

		Year ended 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
Income tax expense recognised in the Statement of Profit and Loss :			
(a)	Current tax (refer note 37.4)	17,996.12	18,372.08
	Less: MAT credit adjusted during the year	6,653.33	6,829.80
	Current tax expense (net)	11,342.79	11,542.28
(b)	Deferred tax expense (net) (refer note 37.4)	9,221.51	8,675.80
	Total	**20,564.30**	**20,218.08**
Income tax expense recognised in other comprehensive income :			
	Income tax relating to items that will not be reclassified to profit or loss:		
(c)	Current tax		
	Remeasurement of defined benefit obligation (refer note 37.4)	(25.28)	(5.01)
(d)	Deferred tax		
	Remeasurement of defined benefit obligation (refer note 37.4)	(25.28)	(5.01)
	Total	**(50.56)**	**(10.02)**
	Total income tax expense recognised during the year (a+b+c+d)	**20,513.74**	**20,208.06**

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

₹/Lakhs

Particulars	**Year ended 31.03.2024**	**Year ended 31.03.2023**
Profit before tax	66,024.09	64,357.02
Enacted income tax rate in India	34.94%	34.94%
Computed expected tax expense	23,071.46	22,488.92
Add/(Less): Tax effect on account of:		
Tax effect due to non taxable income pertaining to deferred tax recoverable	(3,213.52)	(3,029.92)
Expenses not considered in determining taxable profit	540.44	266.81
Adjustments for prior periods	6.90	(47.18)
Reversal during tax holiday period	17.99	42.89
Deduction under chapter VI-A	(171.80)	(19.14)
Effect of tax on income at different rates (refer note 38.6)	(15.05)	(13.03)
Others	327.88	528.69
Income tax expense recognised in the Statement of Profit and Loss	**20,564.30**	**20,218.04**

37.4 The Company has made provision for income tax at the rate of 34.94% in accordance with normal provisions of Income Tax Act, 1961 for the year ended 31 March, 2024 and 31 March, 2023.

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% of book profit for the year ended 31 March, 2024 and 31 March, 2023.

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, 2024 and 31 March, 2023.

37.5 The Subsidiary Company has made provision for current tax at the rate of 25.17% in accordance with normal provisions of Income Tax Act, 1961 for the year ended 31 March, 2024 and 31 March, 2023. 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, 2024 and 31 March, 2023.

37.6 The Taxation Laws (Amendment) Act, 2019 has inserted the new section 115 BAA in Income Tax Act applicable from FY 2019-20, which allows the Group with an option to pay income tax at the lower tax rate of 22% plus 10% surcharge and 4% cess (i.e. 25.17%) without claiming any tax exemption & incentives. After evaluating the option, the Company had chosen to opt for new tax regime.

After evaluating the option, the Company continues to calculate tax expense as per old tax rate of 34.94% while the Subsidiary has opted for new tax rate of 25.17%.

37.7 **Deferred tax**

Accounting policy

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

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

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

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

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

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

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

37.8 Deferred tax liabilities/assets (net) as at 31 March, 2024, as detailed below reflect the quantum of tax liabilities/(asset) accrued up to 31 March, 2024.

₹/Lakhs

Particulars	Opening Balance as on 1 April 2023	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance as on 31 March 2024
Deferred tax liability/(assets) on account of :				
Property plant and equipment (refer note 37.10)	74,745.93	2,124.70	-	76,870.63
Provision for doubtful debts	(3,152.74)	427.71	-	(2,725.03)
Provision for employee benefits	(2,613.94)	(65.80)	(25.28)	(2,705.02)
MAT credit	(15,926.24)	6,653.32	-	(9,272.92)
Others	(960.61)	81.57	-	(879.04)
Deferred tax liabilities/(asset) [net]	**52,092.40**	**9,221.50**	**(25.28)**	**61,288.62**

Deferred tax liabilities/assets (net) as at 31 March, 2023, as detailed below reflect the quantum of tax liabilities/(asset) accrued up to 31 March, 2023.

₹/Lakhs

Particulars	Opening Balance as on 1 April 2022	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance as on 31 March 2023
Deferred tax liability/(assets) on account of :				
Property plant and equipment	72,072.86	2,673.07	-	74,745.93
Provision for doubtful debts	(2,938.67)	(214.07)	-	(3,152.74)
Provision for employee benefits	(2,428.19)	(180.74)	(5.01)	(2,613.94)
MAT credit	(22,756.04)	6,829.80	-	(15,926.24)
Others	(528.36)	(432.25)	-	(960.61)
Deferred tax liabilities/(asset) [net]	**43,421.60**	**8,675.81**	**(5.01)**	**52,092.40**

37.9 As per MYT regulations for determination of tariff, tax expense shall be considered in tariff determination as and when and to the extent of income tax actually paid. Accordingly, the Company has made provision only for the amount of income tax that is actually payable and the deferred tax liability (net) as at 31 March, 2024 of ₹ 61,288.62 lakhs (as at 31 March, 2023 ₹ 52,092.40 lakhs) and deferred tax charge of ₹ 9,196.22 lakhs for the year ended 31 March, 2024 (for the year ended 31 March, 2023 ₹ 8,670.80 lakhs) has been shown as recoverable in regulatory deferral account balances.

37.10 As at 31 March, 2024 deferred tax liability of ₹ 76,870.63 lakhs (as at 31 March, 2023 ₹ 74,745.93 lakhs) on account of property, plant and equipment is net of deferred tax asset of ₹ 633.81 lakhs (as at 31 March, 2023 ₹ 840.54 lakhs) arising on assets classified as held for sale.

37.11 During the current year, the management has reassessed the recoverability of unavailed MAT credit and accordingly recognised MAT credit amounting to ₹ 9,272.92 lakhs as at 31 March, 2024 (as at 31 March, 2023 ₹ 15,926.24 lakhs).

37.12 The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the reporting period in which the liability is settled or the asset realised, based on tax rates as per the Income Tax Act, 1961 that have been enacted or substantively enacted by the end of the reporting period. The Taxation Laws (Amendment) Act, 2019 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 the Act on its tax liability for the year and has chosen to continue to apply tax rate of 34.94% which allows the Company to set off carry forward balance of MAT credit and avail other tax concessions except the subsidiary company which has chosen to continue to apply lower tax rate of 25.17% (including surcharge & cess) basis section 115BAA of the Income Tax Act 1961 without claiming any tax exemption & incentives.

The Company also evaluated impact of the Act for future period and is of the view that current tax rate of 34.94% will continue to remain favourable for foreseeable future. Therefore, the Company continues to measure deferred tax liability (net) at current applicable income tax rate. The subsidiary company has measured its deferred tas liability (net) at current tax rate of 25.17%.

Note 38
Financial instruments

38.1 **Capital management and gearing ratio**

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the 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 management 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 31.03.2024**	**As at 31.03.2023**
Long-term borrowings	1,38,367.86	1,68,969.62
Short-term borrowings (includes Current maturities of long-term borrowings)	42,256.44	75,199.18
Total debt (a)	**1,80,624.30**	**2,44,168.80**
Less: Cash and bank balances (b)	11,773.11	5,788.29
Net debt {(c)=(a-b)}	**1,68,851.19**	**2,38,380.51**
Total equity (d)	4,50,903.00	4,42,357.34
Total equity and net debt {(e)=(c+d)}	**6,19,754.19**	**6,80,737.85**
Net debt to total equity plus net debt ratio (%) {(f)=(c)/(e)}	**27.24%**	**35.02%**

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, 2024 and 31 March, 2023.

38.2 **Categories of financial instruments**

₹/Lakhs

Particulars	**As at 31.03.2024**	**As at 31.03.2023**	**As at 31.03.2024**	**As at 31.03.2023**
	Fair Value		**Carrying Value**	
Financial assets				
(i) Measured at fair value through profit or loss (FVTPL)				
(a) Investment in mutual fund (unquoted)	26,693.22	30.40	26,693.22	30.40
(ii) Measured at amortised cost				
(a) Trade receivables	22,209.62	19,502.27	22,209.62	19,502.27
(b) Cash and cash equivalents	6,143.83	328.39	6,143.83	328.39
(c) Bank balances other than cash and cash equivalent above	5,629.28	5,459.90	5,629.28	5,459.90
(d) Security deposits	537.56	640.70	537.56	640.70
(e) Unbilled revenue	45,937.37	44,813.88	45,937.37	44,813.88
(f) Others	4,801.87	6,719.70	4,801.87	6,719.70
Total	**1,11,952.75**	**77,495.24**	**1,11,952.75**	**77,495.24**
Financial liabilities				
(i) Measured at amortised cost				
(a) Borrowings (including current maturities)	1,80,624.30	2,44,168.80	1,80,624.30	2,44,168.80
(b) Interest accrued but not due on borrowings	738.21	154.80	738.21	154.80
(c) Lease liabilities (including current maturities)	6,631.52	7,650.39	6,631.52	7,650.39
(d) Trade and other payables	1,09,101.16	1,09,527.64	1,09,101.16	1,09,527.64
(e) Consumers' security deposit	1,02,719.80	92,512.25	1,02,719.80	97,512.25
(f) Retention money payable	3,711.16	3,846.51	3,711.16	3,846.51
(g) Consumers' deposits for works	3,249.69	4,621.60	3,249.69	4,621.60
(h) Others	7,004.84	6,692.44	7,004.84	6,692.44
Total	**4,13,780.68**	**4,69,174.43**	**4,13,780.68**	**4,69,174.43**

38.2.1 **Fair values of financial assets and financial liabilities**

(a) The management assessed that the carrying value of cash and cash equivalents, other balances with bank, trade receivables, loans, unbilled revenue, borrowings and interest accrued thereon, consumers' security deposit, retention money payable, trade payables, other financial assets and liabilities approximate their fair value largely due to the short term maturities of these instruments/ buying subject to floating-rate. Fair value measurement of lease liabilities is not required.

(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 31.03.2024 ₹/Lakhs**	**As at 31.03.2023 ₹/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)	26,693.22	30.40	Level 1	Net asset value (NAV) of mutual funds	31.03.2024 and 31.03.2023 (as applicable)

Refer Note 2.2 for fair value hierarchy based on inputs to valuation techniques that are used to measure fair value, that are either observable or unobservable and consists of three levels.

38.3 **Financial risk management objectives and policies**

The 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:

38.3.1 **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, 2024 and 31 March, 2023. 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 31.03.2024		As at 31.03.2023	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on term borrowings	897.93	(897.93)	1,058.17	(1,058.17)
Effect on profit before tax	(897.93)	897.93	(1,058.17)	1,058.17

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

(C) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in net asset value (NAV) of the financial instruments held.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: As at year end, the Group does not have any investment measured at fair value through profit or loss, hence the Group is not exposed to significant price risk.

₹/Lakhs

Particulars	As at 31.03.2024	As at 31.03.2023
Investments in mutual funds	26,693.22	30.40

Price risk sensitivity analysis

The sensitivity analysis in the following section relates to the position as at 31 March, 2024 and 31 March, 2023. 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 31.03.2024		As at 31.03.2023	
	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	3.90	(3.90)	-	-
Effect on profit before tax	3.90	(3.90)	-	-

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.

38.3.2 **Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the 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 31.03.2024	As at 31.03.2023
(a) Trade receivables	22,209.62	19,502.27
(b) Unbilled revenue	45,937.37	44,813.88
(c) Security deposits	537.56	640.70
(d) Other financial assets	4,801.87	6,719.70
Total	**73,486.42**	**71,676.55**

Refer note 11 for credit risk and other information in respect of trade receivables. Other receivables as stated above are due from the parties under normal course of the business and as such the 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 Group 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. As per policy, the aggregate amounts invested in debt based mutual funds and/or liquid funds with no exposure to equities, fixed term deposit with schedule banks and in inter-corporate deposits being in nature of investments shall not exceed ₹ 35,000 lakhs at any point of time.

38.3.3 **Liquidity risk**

Liquidity risk is the risk that the 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, 2024				
(a) Trade payables	1,09,101.16	-	-	1,09,101.16
(b) Short term borrowings	1,038.54	-	-	1,038.54
(c) Long term borrowings (including current maturities)	41,217.89	1,13,622.67	24,745.20	1,79,585.76
(d) Interest accrued but not due on borrowings	738.21	-	-	738.21
(e) Future interest on above long term borrowings	13,944.85	25,505.66	3,467.36	42,917.87
(f) Consumers' security deposit (see note 38.3.3a)	6,650.04	-	96,069.76	1,02,719.80
(g) Future interest on consumers' security deposit (refer note 38.3.3a)	8,310.03	33,240.13	41,550.17	83,100.33
(h) Lease liabilities (including current maturities)	2,671.79	3,959.73	-	6,631.52
(i) Future interest on above lease liabilities	453.18	727.71	-	1,180.89
(j) Retention money payable	3,605.07	106.09	-	3,711.16
(k) Consumers' deposits for works	3,249.69	-	-	3,249.69
(l) Other financial liabilities	6,295.04	655.92	53.88	7,004.84
	1,97,275.49	**1,77,817.91**	**1,65,886.37**	**5,40,979.77**
As at 31 March, 2023				
(a) Trade payables	1,09,527.64	-	-	1,09,527.64
(b) Short term borrowings	32,534.65	-	-	32,534.65
(c) Long term borrowings (including current maturities)	42,664.53	1,31,657.79	37,311.82	2,11,634.14
(d) Interest accrued but not due on above borrowings	154.80	-	-	154.80
(e) Future interest on above long term borrowings	15,234.25	27,408.72	4,736.56	47,379.53
(f) Consumers' security deposit (see note 38.3.3a)	5,949.70	-	86,562.55	92,512.25
(g) Future interest on consumers' security deposit (refer note 38.3.3a)	7,357.82	29,431.26	36,789.08	73,578.16
(h) Lease liabilities (including current maturities)	2,580.42	5,069.97	-	7,650.39
(i) Future interest on above lease liabilities	544.31	1,181.20	-	1,725.51
(j) Retention money payable	3,668.33	178.18	-	3,846.51
(k) Consumers' deposits for works	4,621.60	-	-	4,621.60
(l) Other financial liabilities	6,127.19	424.18	141.07	6,692.44
	2,30,965.24	**1,95,351.30**	**1,65,541.08**	**5,91,857.62**

38.3.3a Consumers' security deposit classified under more than 5 years maturity pertains to permanent connection which are refundable on surrender of connection subject to clearance of outstanding dues.

Future interest on consumers' security deposit has been considered at 8.65% per annum (as at 31 March, 2023 8.50% per annum) which is the prevailing SBI 1 year MCLR rate as at 1 April, 2024. 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 38.3.4 below. The Group expects to meet its obligations from operating cash flows and proceeds of maturing financial assets.

38.3.4 **Financing facilities (short term)**

₹/Lakhs

Particulars	As at 31.03.2024	As at 31.03.2023
Unsecured credit facilities, reviewed annually and payable at call		
Amount used and outstanding	641.38	28,282.41
Amount unused	69,358.62	51,917.59
Secured bank loan facilities with various maturity dates through to 31 March, 2024 and which may be extended by mutual agreement		
Amount used and outstanding	397.16	4,252.24
Amount unused	44,902.84	51,047.76

Note 39
Financial Ratios

Particulars		Numerator (₹ Lakhs)		Denominator (₹ Lakhs)		Unit	As at	As at	% of
		31.03.2024	31.03.2023	31.03.2024	31.03.2023		31.03.2024	31.03.2023	Variance
(a)	Current ratio (refer note (i))	3,80,019.06	2,67,052.28	2,15,356.83	2,48,177.53	Times	1.76	1.08	63.99%
(b)	Debt equity ratio (refer note (ii))	1,87,994.03	2,51,973.99	4,50,903.00	4,42,357.34	Times	0.42	0.57	-26.81%
(c)	Debt service coverage ratio (refer note (iii))	96,363.41	96,039.38	63,357.13	85,132.36	Times	1.52	1.13	34.82%
(d)	Return on Equity	45,459.79	44,138.94	4,46,630.17	4,25,323.50	%	10.18%	10.38%	-1.92%
(e)	Trade receivables turnover ratio	10,47,190.83	9,62,437.67	82,610.86	78,351.73	Days	29	30	-3.10%
(f)	Trade payables turnover ratio	7,53,577.02	7,82,426.47	97,420.59	1,02,821.71	Days	47	48	-1.63%
(g)	Net capital turnover ratio (refer note (i))	9,30,379.82	9,59,373.92	2,09,290.13	64,274.50	Times	4.45	14.93	-70.22%
(h)	Net profit ratio	45,459.79	44,138.94	9,30,379.82	9,59,373.92	%	4.89%	4.60%	6.20%
(i)	Return on capital employed	86,258.35	86,915.94	7,23,304.69	7,46,975.32	%	11.93%	11.64%	2.49%
(j)	Return on investment (refer note (iv))	399.90	440.03	20,24,515.92	28,98,777.94	%	7.21%	5.54%	30.13%

Note: (i) Higher liquidation of regulatory asset expected next year due to increase in PPAC rate as per DERC order
(ii) Variation in Debt equity ratio mainly due to lower availment of long term & short term debt
(iii) Lower repayment of long term borrowings due to refinancing of loan
(iv) Higher rate of return on Mutual fund and FD investment

39.1 **Formulas used to compute ratios**

Particulars		Formulas
(a)	Current ratio	Current asset (refer note 39.2(a))
		Current liability
(b)	Debt equity ratio	Total debt (refer note 39.2(b))
		Shareholder's equity
(c)	Debt service coverage ratio	Earnings available for debt service (refer note 39.2(c))
		Debt Service (refer note 39.2(d))
(d)	Return on Equity	Net Profits after taxes
		Average shareholder's equity
(e)	Trade receivables turnover ratio	Gross credit sales (refer note 39.2(e))
		Average accounts receivable (refer note 39.2(f))
(f)	Trade payables turnover ratio	Gross credit purchases (refer note 39.2(g))
		Average trade payables (refer note 39.2(h))
(g)	Net capital turnover ratio	Net sales (refer note 39.2(i))
		Working capital (refer note 39.2(j))
(h)	Net profit ratio	Net Profit
		Net sales (refer note 39.2(i))
(i)	Return on capital employed	Earning before interest and taxes (refer note 39.2(k))
		Average Capital Employed (refer note 39.2(l))
(j)	Return on investment	Investment income (refer note 39.2(m))
		Time weighted average investment (refer note 39.2(n))

39.2 **Notes**

(a) Current asset also includes current portion of regulatory asset + asset classified as held for sale

(b) Total debt includes long term borrowings + short term borrowings + interest accured on borrowings + lease liabilities

(c) Earnings available for debt service includes Net Profit after taxes + Non-cash operating expenses/(income) (depreciation, amortisation of SLD, CCCW or capital grants, amortizations(ROU)) + interest (excluding interest on consumer security deposits) - loss on sale of fixed assets

(d) Debt service = Interest (excluding interest on consumer security deposits) + lease payments + principal repayments of long term borrowing (except refinanced loans)

(e) Gross credit sales includes sale of power + open access charges + maintenance charges + income other than energy business

(f) Average Accounts Receivable includes unbilled revenue

(g) Gross credit purchases includes power purchase + O&M expenses (excluding foreign exchange fluctuation loss (net), bad debts written off/(written back), allowance for doubtful debts, loss on disposal of property, plant and equipment, corporate social responsibility expenses, etc.)

(h) Total trade payables excludes employee benefit expense related balances

(i) Net sales includes revenue from operations + movement in regulatory deferral account balance

(j) Working capital = current assets - current liabilities
Current liabilities excludes current maturities of long-term borrowings, current portion of leases & interest accrued but not due on borrowings
Current asset includes current portion of regulatory asset & asset classified as held for sale

(k) Earning before interest and taxes = Profit before tax + Interest (excluding interest on consumer security deposits)

(l) Average Capital employed = tangible net worth + total debt (refer note 39.2(b)) + deferred tax liability

(m) Investment income includes interest on bank deposits + gain on mutual fund (including unrealised (if any))

(n) Time weighted average investment includes bank deposits + mutual funds

(o) The Group is engaged in the business of sale of power which doesnot involve any inventory therefore, Inventory Turnover ratio is not applicable for the Group

Note 40
Related party disclosures

40.1 List of related parties and description of relationship

A. Holding company
Tata Power Company Limited (TPCL)

B. Promoters holding together with its Subsidiary more than 20% in Holding Company
Tata Sons Private Limited (Tata Sons)

C. Company exercising significant influence
Delhi Power Company Limited (DPCL) *(Government related entity)*

D. Fellow Subsidiaries (with whom the Company has transactions)
(i) TP Ajmer Distribution Limited (TPADL)
(ii) TP Central Odisha Distribution Limited (TPCODL)
(iii) TP Renewable Microgrid Limited (TPRML)
(iv) Tata Power Solar Systems Limited (TPSSL)
(v) Tata Power Southern Odisha Distribution Limited (TPSODL)
(vi) Tata Power Northern Odisha Distribution Limited (TPNODL)
(vii) Tata Power Trading Company Limited (TPTCL)
(viii) Tata Power EV Charging Solutions Limited (TPEVCSL) (Formerly known as "Tata Solapur Limited")
(ix) Maithon Power Limited (MPL)
(x) Tata Power Renewable Energy Limited (TPREL)
(xi) TP Power Plus Limited (TPPPL)
(xii) TP SOLAR LIMITED (TPSL)
(xiii) Tata Power Western Odisha Distribution Limited (TPWODL)

E. Joint Ventures of holding company (with whom the Company has transactions)
(i) Powerlinks Transmission Limited (PTL)

F. Subsidiaries and Jointly Controlled Entities of Promoters of Holding Company - Promoter Group (with whom the Company has transactions)
(i) Infiniti Retail Limited (IRL)
(ii) Tata AIG General Insurance Company Limited (Tata AIG)
(iii) Tata Advanced Systems Limited (TASL)
(iv) Tata Capital Financial Services Limited (TCFSL)
(v) Tata Communications Limited (TCL)
(vi) Tata Teleservices Limited (TTSL)
(vii) Tata Consultancy Services Limited (TCS)
(viii) Tata Play Broadband Private Limited (TPBPL)

G. 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)

H. Key management personnel

Chief Executive Officer (CEO)
(i) Mr. Ganesh Srinivasan

Non-executive directors
(i) Dr. Praveer Sinha
(ii) Mr. Sanjay Kumar Banga
(iii) Mr. Ajay Kapoor (appointed w.e.f. 21st January 2022)
(iv) Mr. Shurbir Singh (appointed w.e.f. 17th March 2023)
(v) Dr. Ashish Chandra Verma (appointed w.e.f. 17th March 2023)
(vi) Mr. Manish Kumar Gupta (appointed w.e.f. 17th March 2023)
(vii) Mr. K. N. Shrivastava (appointed w.e.f. 23rd March 2023)
(viii) Mr. Narendra Nath Misra (appointed w.e.f. 23rd March 2023)
(ix) Ms. Shefali Shah (appointed w.e.f. 20th October 2023)
(x) Mr. Sunil Singh (appointed w.e.f. 20th October 2023)
(xi) Mr. Ashok Sinha (appointed w.e.f. 24th March 2023)
(xii) Mr. Arup Ghosh (ceased w.e.f. 6th October 2023)
(xiii) Dr. Amar Jit Chopra (ceased w.e.f. 22nd March 2023)
(xiv) Mr. Ajay Shankar (ceased w.e.f. 22nd March 2023)
(xv) Ms. Satya Gupta (ceased w.e.f. 31st July 2023)
(xvi) Mr. Kesava Menon Chandrasekhar (ceased w.e.f. 23rd March 2023)
(xvii) Mr. Jasmine Shah (ceased w.e.f. 14th February 2023)
(xviii) Mr. Ajit Kumar Singh (ceased w.e.f. 14th February 2023)
(xix) Ms. Rashmi Krishnan (ceased w.e.f. 14th February 2023)
(xx) Mr. Naveen ND Gupta (ceased w.e.f. 14th February 2023)

40.2 Transactions with related parties

₹/Lakhs

Name of related party	Nature of transactions	Year ended 31.03.2024	Year ended 31.03.2023
A. Purchase of goods			
(i) TPCL	Purchase of spares	-	10.24
(ii) TPTCL	Purchase of power	1,46,019.58	1,73,219.09
	Rebate on power purchase	2,939.46	3,495.05
(iii) MPL	Purchase of power (Arrears)	4,822.47	-
(iv) IRL	Purchase of gifts	0.60	0.72
B. Sale of goods			
(i) TPCL	Purchase of goods (credit note)	2.22	-
(ii) TASL	Scrap Sale	0.42	-
C. Purchase of property, plant and equipment			
(i) TPCL	Purchase of vehicle	15.52	-
(ii) TASL	Purchase of integrated security solutions	15.93	-
(iii) TPTCL	Purchase of IT asset & Vehicles	-	1.36
(iv) PTL	Purchase of IT asset & Vehicles	9.82	-
(iv) TPWODL	Purchase of consumables	4.02	-
(v) TPNODL	Purchase of IT asset	0.69	-
(vi) TPSODL	Purchase of IT asset & Vehicles	-	6.41
(vii) IRL	Purchase of office equipment	-	0.5[illegible]

Transactions with related parties contd.

₹/Lakhs

Name of related party	Nature of transactions	Year ended 31.03.2024	Year ended 31.03.2023
D. Sale of property, plant and equipment			
(i) TPCL	Sale of vehicles & IT Assets	16.34	72.50
(ii) TPCODL	Sale of IT Assets	12.14	0.26
(iii) TPNODL	Sale of vehicles & IT Assets	-	8.60
(iv) TPADL	Sale of IT Assets	0.88	0.49
(v) TPTCL	Sale of IT Assets	0.76	16.24
(vi) TPWODL	Sale of vehicles & IT Assets	-	2.83
(vii) TPSODL	Sale of vehicles & IT Assets	8.55	-
(viii) TPSSL	Sale of IT asset	-	7.75
(ix) PTL	Sale of vehicles & IT Assets	0.10	5.05
(x) TPEVCSL	Sale of IT asset	-	0.37
(xi) TPRML	Sale of vehicles & IT Assets	-	0.20
(xii) TPPPL	Sale of vehicles	5.50	-
(xiii) TPREL	Sale of vehicles & IT Assets	5.57	-
E. Rendering of services			
(i) TPCL	Management contract for consultancy services	0.62	260.86
	Revenue from training	5.62	2.48
(ii) DPCL	Commission earned	0.08	3.42
(iii) TPADL	Management contract for consultancy services	17.18	10.05
(iv) TPCODL	Management contract for consultancy services	120.91	66.80
(v) TPWODL	Management contract for consultancy services	6.11	57.85
	Revenue from training	-	4.54
(vi) TPSODL	Management contract for consultancy services	89.17	227.19
(vii) TPNODL	Management contract for consultancy services	161.12	174.72
	Revenue from training	-	5.84
(viii) TPTCL	Management contract for consultancy services	-	4.75
(ix) TPRML	Management contract for consultancy services	2.73	2.27
(x) TPEVCSL	Management contract for consultancy services	9.28	2.73
(xi) TPBPL	Revenue from use of assets	80.56	74.40
(xii) TPSL	Management contract for consultancy services	4.98	-
(xiii) TCFSL	Revenue from use of space	0.23	0.25
F. Receiving of services			
(i) TPCL	Management contract for deputation of key management personnel (KMP)	254.88	227.74
	Management contract for deputation of employees	45.00	-
	Training	-	1.65
(ii) Tata Sons	Training	2.60	0.35
(iii) Tata Sons	Professional Charges	10.62	8.26
(iv) TPSSL	Annual maintenance contract of solar plants	25.14	10.76
	Sale of IT asset (credit note)	1.27	-
(v) TPTCL	Energy Audit Fees	3.18	-
(vi) Tata AIG	Insurance expense	184.01	268.63
(vii) TCL	Communication expenses	23.00	17.24
(viii) TTSL	Automatic meter reading expenses, call center charges etc.	164.98	172.49
	Communication expenses	5.10	5.91
(ix) TCES	Consultancy services	-	13.18
(x) TASL	Repair & maintenance services and communication expenses	14.21	11.06
	Communication expenses	-	1.06
(xi) TCS	License fees (Microsoft office & BI)	430.64	104.41
(xii) Tata Sons	CSR expense	-	3.54
G. Reimbursement of expenses (paid)/received			
(i) TPCL	Travelling, training, Legal expense and conveyance etc.	1.70	137.42
(ii) TPCL	Employee Comphensation expense	109.76	-
(iii) TPTCL	Miscellaneous expenses etc.	(14.04)	(15.60)
(iv) TPNODL	Travelling and conveyance, insurance etc.	1.03	0.70
(v) TPWODL	Travelling and conveyance, insurance etc.	0.62	0.48
(vi) TPSODL	Travelling and conveyance, insurance etc.	0.13	1.10
(vii) TPECL	Travelling and conveyance etc.	-	0.06
(viii) TPCODL	Travelling and conveyance, insurance etc.	0.68	6.29
(ix) PTL	Miscellaneous expenses etc.	0.40	-
(x) TASL	Miscellaneous Recovery of expense	0.22	(0.09)
(xi) TPSSL	Miscellaneous expenses etc.	0.06	-
H. Equity dividend paid			
(i) TPCL	Dividend on equity shares	18,778.20	6,438.24
(ii) DPCL	Dividend on equity shares	18,041.80	6,185.76
I. Transaction with Trust			
(i) Gratuity Fund	Contribution to trust	1,042.56	262.56
(ii) SVRS RTBF - 2004	Contribution to trust	252.56	164.83

40.3 **Compensation of key managerial personnel**

₹/Lakhs

Name of related party	Nature of transaction	Year ended 31.03.2024	Year ended 31.03.2023
A. CEO	Deputation pay and other benefits		
	a. Mr. Ganesh Srinivasan	256.30	222.10
B. Non-executive director	(i) Sitting fees*	39.64	47.89
	(ii) Reimbursement of expenses received	1.64	1.86

* Exclusive of Goods & Services Tax

40.4 **Balance outstanding with related parties**

₹/Lakhs

Name of related party	Nature of balances	As at 31.03.2024	As at 31.03.2023
A. Receivables			
(i) TPCL	Trade receivables net of payables	75.57	314.41
(ii) TPADL	Trade receivables	-	7.51
(iii) TPCODL	Trade receivables	163.02	22.45
(iv) TPRML	Trade receivables	-	0.21
(v) TPWODL	Trade receivables	35.05	-
(vi) TPSODL	Trade receivables	7.66	83.57
(vii) TPNODL	Trade receivables	0.68	27.37
(viii) PTL	Trade receivables	0.57	-
(ix) TPBPL	Trade receivables	10.71	2.15
(x) TPEVCSL	Trade receivables	13.52	3.72
(xi) TPREL	Trade receivables	0.36	-
(xii) TPPPL	Trade receivables	5.50	-
(xiii) TPSL	Trade receivables	5.88	-
(xiv) SVRS RTBF-2004	Other financial assets	21.85	21.85
B. Payables			
(i) TPCL	Trade payables net of receivables	-	-
(ii) DPCL	Trade payables	33.11	119.93
(iii) TPTCL	Trade payables net of receivables	8,805.91	709.18
(iv) TPSSL	Trade payables net of receivables including retention money and earnest money deposit	21.92	20.55
(v) TASL	Trade payables including retention money	176.46	216.93
(vi) PTL	Trade payables net of receivables	-	6.71
(vii) TCL	Trade payables including security deposit, earnest money deposit net of advances	10.82	10.50
(viii) TTSL	Trade payables including retention money and security deposit	-	0.42
(ix) TCS	Trade payables	-	480.59
C. Unbilled revenues			
(i) TPCODL	Management contract for consultancy services/Reimbursement of expenses	-	0.07
(ii) TPWODL	Management contract for consultancy services/Reimbursement of expenses	-	0.36
(iii) TPTCL	Management contract for deputation of employees	-	4.75
D. Accrued expenses			
(i) TPCL	Employee compensation expense	109.76	-
(ii) TPSSL	Annual maintenance contract of solar plants	12.69	5.29
(iii) TPTCL	Purchase of power and Energy Audit Fees	33.13	172.01
(iv) TCL	Communication expenses	43.56	76.06
(v) TTSL	Communication expenses	21.30	23.30
(vi) TCS	License fees	-	0.76
(vii) TASL	Repair & maintenance services and communication expenses	0.79	0.79
E. Prepaid expenses			
(i) TPTCL	Charges for letter of credit & open access	4.61	181.87
(ii) TCS	License fees (Microsoft office & BI)	-	421.51
(iii) Tata AIG	Prepaid insurance	31.34	116.06
F. Advance to suppliers			
(i) IRL	Advance to vendors	-	0.60
(ii) Tata AIG	Advance to vendors	4.28	6.93
G. Other liabilities (Current & Non Current)			
(i) TPBPL	Income received but not due	-	-
(ii) TPEVCSL	Security Deposit (Sale of power)	12.98	12.43
H. Commitments made			
(i) TCL	Communication expenses	7.84	-
(ii) TTSL	Call center charges	-	0.12
(iii) TASL	Implementation of Integrated Security Solutions	26.36	-

I. **Commitments made with TPTCL**

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

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

Note 41
Relationship with Struck off Companies

Details of transactions entered with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

₹/Lakhs

S. No.	Name of struck off Companies	Nature of transactions with struck off Companies	Relationship with the struck off Companies	Transaction during the year		Closing Balance	
				31.03.2024	31.03.2023	31.03.2024	31.03.2023
(i)	Biorex Pharmaceuticals Pvt. Ltd.	Sale of Power	Customer	10.05	56.90	0.24	0.20
(ii)	Genext Energy Conversion Pvt. Ltd	Sale of Power	Customer	76.69	10.80	0.02	0.54

Note 42
Significant events after the reporting period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

Note 43
Transfer pricing

As per the Transfer Pricing Rules of the Income Tax Act, 1961 the Company is not required to get transfer pricing study conducted for FY 23-24 as no international transaction has been entered with the related parties during the year.

Note 44

Merger

The subsidiary company has not generated any operating revenue during the year ended 31 March 2024 & 31 March 2023 and further the management has proposed to merge NDPL Infra Ltd with Tata Power Delhi Distribution Limited, the holding company.

The Board of Directors of NDPL Infra Limited in their meeting held on 21 April, 2021 had granted in principle approval for merger of NDPL Infra Limited with Tata Power Delhi Distribution Limited. The merger process shall be initiated once the requisite approval is provided by Delhi Power Company Limited (DPCL) as per the terms of license agreement as it holds 49% equity share capital in Tata Power Delhi Distribution Limited.

Note 45

Approval of financial statements

These financial statements were approved for issue by the board of directors on 16 April, 2024

In terms of our report attached of even date

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

Hitesh Garg
Partner
Membership No.: 502955

For and on behalf of the Board of Directors

K N Shrivastava
Director
DIN: 01584124

Ajay Kapoor
Director
DIN: 00466631

Ganesh Srinivasan
Chief Executive Officer

Monica Mehra
Company Secretary

Suranjit Mishra
Chief Financial Officer

Noida
16 April, 2024

New Delhi
16 April, 2024

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, 2023 to 31 March, 2024
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	2,786.39
7.	Total assets	2,804.20
8.	Total Liabilities	12.81
9.	Investments	1,691.08
10.	Turnover	0.00
11.	Profit before taxation	154.03
12.	Provision for taxation	38.77
13.	Profit after taxation	115.26
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

K N Shrivastava
Director
DIN: 01584124

Ajay Kapoor
Director
DIN: 00466631

Ganesh Srinivasan
Chief Executive Officer

Monica Mehra

Monica Mehra
Company Secretary

Suranjit Mishra
Chief Financial Officer

New Delhi
16 April, 2024

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

TATA POWER DELHI DISTRIBUTION LIMITED
A Tata Power and Delhi Government Joint Venture

Regd. Office: NDPL House, Hudson Lines,
Kingsway Camp, Delhi-110 009

Tel: +91 1166112222, Fax: +91 1127468042

Website: www.tatapower-ddl.com

CIN NO.: U40109DL2001PLC111526

Roshni
Tata Power-DDL's Corporate Mascot