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INDEPENDENT AUDITOR'S REPORT

To the Members of TP Western Odisha Distribution Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of TP Western Odisha Distribution Limited ("the Company"), which comprise the Balance Sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, 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 financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the financial statements as a



whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's Responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matter	How our audit addressed the key audit matter
(a) Expected credit loss on trade receivables (as described in Note 13 of the financial statements)	
<p>The Company has outstanding gross trade receivables of Rs 934.02 crore as at March 31, 2024, including overdue / aged receivables.</p> <p>The Company supplies electricity to various types of customers including individual customers with wide ranging characteristics in the Western Odisha. There exists inherent exposure to credit risk for these customers. The Company has acquired this business w.e.f. January 1, 2021 and limited past experiences are available to estimate credit loss allowance.</p> <p>The Company has recognised Expected Credit Loss (ECL) allowance on trade receivables using its best estimate considering various factors such as segregation between government and non-government consumers, security deposit available, outcome of the Company's effort to reach consumers, their most recent payment</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the Company's process and tested internal controls associated with the management's assessment of determining ECL allowance for trade receivables. • Obtained an understanding of the management plan and steps being taken to collect all receivables including overdue / aged receivables. • Evaluated management's assessment of recoverability of the outstanding receivables including recoverability of overdue/ aged receivables through inquiry with management, and analysis of recent collection trends in respect of receivables particularly aged receivables. • Evaluated management's assumption and judgement relating to collection considering business environment in which the Company operates and rights



Key audit matter	How our audit addressed the key audit matter
<p>behaviour as well as the fact that electricity is an essential commodity and regulations require consumers to clear old dues to get continuous electricity etc.</p> <p>Based on the above mechanism and using its best estimate, the Company has accounted ECL provision of Rs 421.82 crore as on the balance sheet date.</p> <p>The appropriateness of the provision for expected credit loss is subjective due to the high degree of judgment applied by management. Due to the significance of trade receivables and the related estimation uncertainty this is considered to be a key audit matter.</p>	<p>available with the Company to recover amount due from customers for estimating the amount of ECL allowance.</p> <ul style="list-style-type: none"> • Evaluated management's continuous assessment of the assumptions used in the credit loss provision computation. These considerations include whether there are regular receipts from the customers and the Company's past collection history. • Verified mathematical accuracy of provision computation based on credit loss estimation model used and other factors considered by the management. • Assessed the disclosures in the financial statements. • Obtained necessary management representation.
<p>(b) Accrual of regulatory assets/liabilities for items which are subject matter of true up in tariff orders (as described in Note 27 of the financial statements)</p>	
<p>Being regulated distribution business, tariff of the Company is determined by the regulator on cost plus return on equity basis wherein the cost is subject to prudential norms. The Company invoices its customers on the basis of pre-approved tariff which is subject to true up.</p> <p>The Company recognizes revenue at the amount invoiced to customers based on pre-approved tariff rates. As the Company is entitled to a fixed return on equity and applicable incentives, the difference between the revenue recognized and entitlement as per the regulation is recognized as regulatory assets/liabilities. The Company has recognized regulatory liability of Rs 716.42 crore as at March 31, 2024.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the Company's process and tested internal controls associated with the estimation and recoverability of such regulatory deferral balances. • Read the tariff regulations and tariff orders and evaluated relevant clauses to understand management's assessment on allowability of various income and expenses and consequent recognition/ measurement of regulatory deferral account balances. • Discussed with the management to understand their assessment on each qualitative and quantitative factor and reviewed consistency of the management's explanation with the



Key audit matter	How our audit addressed the key audit matter
<p>Accruals are determined based on tariff regulations and past tariff orders and are subject to verification and approval by the regulators. Further the costs incurred are subject to prudential checks and prescribed norms.</p> <p>Judgements are made in determining the accruals including interpretation of tariff regulations. Further, in the true-up order, the regulator has observed that certain expenses booked in the audited accounts are higher than the approved costs and disallowed certain expenses. The regulator has also stated that currently expenses have been allowed on the basis of pragmatic approach. The Company is taking steps considered appropriate by the management to claim allowance for disallowed expenses and has treated these expenses as recoverable/ pass-through to the customer through subsequent regulatory orders.</p> <p>Considering judgements involved in estimating various elements of true up order and resulting regulatory deferral account balance, we have determined this to be a key audit matter.</p>	<p>underlying documentation, rules, and regulations.</p> <ul style="list-style-type: none"> • Assessed management's evaluation and true up review petition and correspondences filed with regulators for the likely outcome in respect of material disallowances made by the regulators. • Assessed impact, if any, recognized by the Company in respect of tariff orders received. • Re-calculated workings obtained from the management to check arithmetical accuracy of the calculations. • Assessed disclosures made by the Company in accordance with the requirements of Ind AS 114 "Regulatory Deferral Accounts." • Obtained necessary management representation.

Other Information

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

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



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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an



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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 SAs 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 SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.



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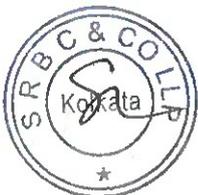
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We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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 purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11(g);
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;



- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g);
- (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 37 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds 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 entities ("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 have been received by the Company from any



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- persons or entities, including foreign entities ("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; and
- c) Based on such audit procedures performed 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 (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, the Company has used accounting softwares 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 except that, audit trail feature is not enabled for direct changes to data when using certain access rights, as described in note 49 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

For Tej Raj & Pal
Chartered Accountants
ICAI Firm registration number: 304124E

Shivam Chowdhary

per Shivam Chowdhary
Partner

Membership Number: 067077
UDIN: 24067077BKFSEV3247
Place of Signature: Bhubaneswar
Date: April 18, 2024



Dinakar Mohanty

Per Dinakar Mohanty
Partner

Membership Number: 057266
UDIN: 24059390BKEEHH7741
Place of Signature: Bhubaneswar
Date: April 18, 2024



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Annexure 1 referred to in paragraph under the heading “Report on other legal and regulatory requirements” of our report of even date

Re: TP Western Odisha Distribution Limited (“the Company”)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification of all the Property, Plant and Equipment 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 the planned programme, a portion of the Property, Plant and Equipment was verified during the year. Read with note 4.09 to the financial statements, no material discrepancies were noticed on such verification.
- (c) The Company does not hold any land in its name. As regard the buildings, thereon, the Company retains operational rights over the buildings used for the purpose of carrying out distribution business under a license granted by the Odisha Electricity Regulatory Commission. Thus, verification of title deeds is not applicable for such buildings.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2024.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory during the year. In our opinion, the frequency of verification is reasonable and the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.



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(b) As disclosed in note 23 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the unaudited books of accounts of the Company. The Company does not have sanctioned working capital limits in excess of Rs. five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.

(iii) (a) During the year, the Company has provided unsecured loans to its employees as follows:

(Amount in Rs. Crores)

Particulars	Loans
Aggregate amount provided during the year	
- Employees	23.48
Balancing outstanding as at balance sheet date in respect above cases (post-acquisition of business)	
Employees	2.00

During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any party other than as mentioned above.

(b) During the year, the terms and conditions of the grant of all loans and advances in the nature of loans are not prejudicial to the Company's interest. Further, during the year, the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loan to firms, Limited Liability Partnerships or any other party.

(c) The Company has granted loans during the year to employees where the schedule of repayment of principal has been stipulated and the repayment of receipts are regular.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, firms, limited liability partnerships or any other parties which was fallen due during the



year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security given by the Company post-acquisition of business in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the service of distribution of electricity, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues applicable to it though there has been a slight delay in a few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. During the year, the Company did not have any undisputed dues towards sales-tax, service tax, duty of excise, duty of customs and value added tax.
- (b) The dues of provident fund, value added tax and services tax have not been deposited on account of any dispute, are as follows:



Name of the statute	Nature of dues	Amount (Rs in crores)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
The Finance Act, 1994	Service tax	75.86	April'14 to Jun'18	CESTAT
EPF & MP Act, 1952	Provident Fund	8.78	Nov'98 to Mar'15	Labour Tribunal, Bhubaneswar
EPF & MP Act, 1952	Provident Fund	2.12	Nov'98 to Oct'13	High Court
Orissa VAT Act, 2004	Sales Tax	0.28	May'11, Feb'13, June'13 to July'13	GST Officer, Sambalpur

There are no dues of goods and services tax, employees' state insurance, income tax, sales-tax, customs duty, excise duty, cess and other statutory dues which have not been deposited on account of any dispute.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate, or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.



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- (f) The Company does not have any subsidiary, associate, or joint venture. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (xii) (a) The Company is not a Nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
- (b) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.
- (c) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.



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- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanation given to us by the management, the Group has five CICs which are registered with the Reserve Bank of India and two CICs which are not required to be registered with the Reserve Bank of India.
- (xvii) The Company has not incurred cash losses in the current year as well as in the immediately preceding financial year respectively.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 43 to the financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 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.



S R B C & CO LLP
Chartered Accountants
22 Camac Street
Block 'B', 3rd Floor
Kolkata – 700016, India

Tej Raj & Pal
Chartered Accountants
Plot No. 1278/2256/4294
Govinda Prasad, Bomikhal
Behind Ekamra Film Talkies
Bhubaneswar – 751010

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) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 33.2 to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 33.2 to the financial statements.
- (xxi) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Shivam Chowdhary

per Shivam Chowdhary
Partner

Membership Number: 067077
UDIN: 24067077BKFSEV3247
Bhubaneswar
April 18, 2024



For Tej Raj & Pal
Chartered Accountants
ICAI Firm Registration Number: 304124E

Dinakar Mohanty

per Dinakar Mohanty
Partner

Membership Number: 059390
UDIN: 24059390BKEEHH7741
Bhubaneswar
April 18, 2024



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Annexure 2 to the Independent Auditor's Report of even date on the financial statements of TP Western Odisha Distribution Limited

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

We have audited the internal financial controls with reference to financial statements of TP Western Odisha Distribution Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements 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") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these 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 these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and



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evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal



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control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Shivam Chowdhary



per Shivam Chowdhary
Partner
Membership Number: 067077
UDIN: 24067077BKFSEV3247
Bhubaneswar
April 18, 2024

For Tej Raj & Pal
Chartered Accountants
ICAI Firm Registration Number: 304124E

Dinakar Mohanty

per Dinakar Mohanty
Partner
Membership Number: 059390
UDIN: 24059390BKEEHH7741
Bhubaneswar
April 18, 2024



BALANCE SHEET AS AT MARCH 31, 2024

₹ in Crores

	NOTE NO	As at March 31, 2024	As at March 31, 2023
I. ASSETS			
(A) Non-current assets			
(a) Property, plant and equipment	4	2,861.02	2,102.17
(b) Capital work-in-progress	5	511.71	239.38
(c) Intangible assets	6	95.89	59.32
(d) Financial assets			
(i) Other financial assets	7	261.51	339.68
(e) Deferred tax assets (net)	8	80.82	18.13
(f) Non-current tax assets (net)	9A	-	7.89
(g) Other non-current assets	10	18.33	21.39
Total non-current assets (A)		3,829.28	2,787.96
(B) Current assets			
(a) Inventories	11	57.28	42.75
(b) Financial assets			
(i) Investments	12	265.39	294.35
(ii) Trade receivables	13	512.20	647.54
(iii) Unbilled revenue		404.63	431.25
(iv) Cash and cash equivalents	14	389.00	745.70
(v) Bank balances other than (iv) above	14	1,876.25	1,685.13
(vi) Other financial assets	15	47.75	23.24
(c) Other current assets	16	4.84	8.32
Total current assets (B)		3,557.34	3,878.28
(C) Total assets (A+B)		7,386.62	6,666.24
II. EQUITY AND LIABILITIES			
(A) EQUITY			
(a) Equity share capital	17	647.98	480.20
(b) Other equity	18	228.58	153.80
Total equity (A)		876.56	634.00
(B) LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	389.84	205.80
(b) Provisions	20	322.59	218.70
(c) Capital Grant and Consumer contribution towards capital assets	21	1,503.89	1,318.27
(d) Other non-current liabilities	22	655.86	484.92
Total non-current liabilities (1)		2,881.98	2,228.69
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	18.97	16.98
(ii) Trade Payables			
(a) Total outstanding dues of micro enterprises and small enterprises	24	46.96	44.14
(b) Total outstanding dues of trade payables other than micro enterprises and small enterprises	24	898.49	797.12
(iii) Other financial liabilities	25	1,749.66	1,546.40
(b) Current tax liabilities (net)	9B	14.71	-
(c) Provisions	20	17.90	19.96
(d) Other current liabilities	26	164.97	151.95
Total current liabilities (2)		2,911.66	2,576.55
(C) Total liabilities (1+2)		5,793.64	4,805.24
(D) Regulatory deferral account - liability	27	716.42	1,227.00
(E) Total equity and liabilities (A+C+D)		7,386.62	6,666.24

The accompanying notes form an integral part of the Financial Statements

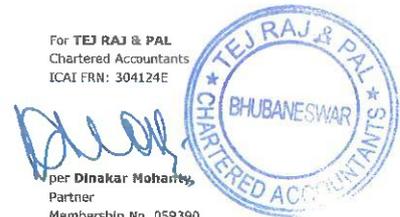
As per our report of even date

For **S R B C & CO LLP**
 Chartered Accountants
 ICAI FRN: 324982E/ E300003

Shivam Chowdhary
 per **Shivam Chowdhary**
 Partner
 Membership No. 057077
 Place: Bhubaneswar
 Date: April 18, 2024



For **TEJ RAJ & PAL**
 Chartered Accountants
 ICAI FRN: 304124E



Dinakar Mohanty
 per **Dinakar Mohanty**
 Partner
 Membership No. 059390
 Place: Bhubaneswar
 Date: April 18, 2024

For and on behalf of the Board of
TP Western Odisha Distribution Limited
 CIN No - U40100OR2020SGC035230

Praveer Sinha

Praveer Sinha
 Director
 DIN: 01765164
 Place: Bhubaneswar

Gajanan Sampatrao Kulkarni
Gajanan Sampatrao Kulkarni
 Chief Executive Officer (CEO)
 PAN: ABDPK6040Q
 Place: Bhubaneswar

Date: April 18, 2024

Sanjay Kumar Banga
Sanjay Kumar Banga
 Director
 DIN: 01785948
 Place: Bhubaneswar

Satish Kumar
Satish Kumar
 Chief Financial Officer (CFO)
 PAN: AELPK5859A
 Place: Bhubaneswar

Shishir Dudeja
Shishir Dudeja
 Company Secretary
 FCS 9578
 Place: Bhubaneswar

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

		₹ in Crores	
	NOTE NO	Year Ended March 31, 2024	Year Ended March 31, 2023
I. Revenue from operations	28	6,619.00	6,881.02
II. Other income	29	183.98	141.61
III. Total income (I+II)		6,802.98	7,022.63
IV. Expenses			
Cost of power purchased and transmission charges	30	5,662.99	5,094.80
Employee benefits expense (net)	31	503.66	414.89
Finance costs	32	99.78	81.44
Depreciation and amortization expenses	4	185.64	111.99
Other expenses	33	708.66	557.70
Total expenses (IV)		7,160.73	6,260.82
V. Profit/(Loss) before movement in regulatory deferral balance and tax (III-IV)		(357.75)	761.81
Add/(Less): Net movement in regulatory deferral balances	27	520.58	(637.13)
Add/(Less): Net movement in regulatory deferral balances in respect of earlier years	27	0.57	5.89
Add/(Less): Deferred tax payable / (recoverable)	27	(62.68)	(7.54)
		458.47	(638.78)
VI. Profit before tax		100.72	123.03
VII. Tax Expenses			
(1) Current tax	34	73.92	49.49
(2) Current tax in respect of earlier years	34	14.70	(10.00)
(3) Deferred tax	34	(45.92)	(7.54)
(4) Deferred tax in respect of earlier years	34	(16.76)	-
VIII. Profit for the year (VI-VII)		74.78	91.08
IX. Other comprehensive income			
Items that will not be reclassified to profit or loss (net)	35	-	-
Total other comprehensive income for the year (IX)		-	-
X. Total comprehensive income for the year (VIII+IX)		74.78	91.08
XI. Earnings per equity share (face value ₹ 10/- each)			
Earnings per equity share [excluding regulatory income/(expense) (net)] Basic and Diluted (in ₹)	38	(5.56)	15.78
Earnings per equity share [including regulatory income/(expense) (net)] Basic and Diluted (in ₹)	38	1.55	2.53

The accompanying notes form an integral part of the Financial Statements

As per our report of even date

For **SRBC & CO LLP**
Chartered Accountants
ICAI FRN: 324982E/ E300003

Shivam Chowdhary

per **Shivam Chowdhary**
Partner
Membership No.067077
Place: Bhubaneswar
Date: April 18, 2024



For **TEJ RAJ & PAL**
Chartered Accountants
ICAI FRN: 304124E

Dinakar Mohanty

per **Dinakar Mohanty**
Partner
Membership No. 059390
Place: Bhubaneswar
Date: April 18, 2024



For and on behalf of the Board of
TP Western Odisha Distribution Limited
CIN No - U40100OR2020SGC035230

Praveer Sinha

Praveer Sinha
Director
DIN:01785164
Place: Bhubaneswar

Gajanan Sampatrag
Gajanan Sampatrag
Chief Executive Officer (CEO)
PAN: ABDPK6040Q
Place: Bhubaneswar

Sanjay Kumar Banga

Sanjay Kumar Banga
Director
DIN:07785948
Place: Bhubaneswar

Satish Kumar
Satish Kumar
Chief Financial Officer (CFO)
PAN: AELPK5859A
Place: Bhubaneswar

Shishir Dudeja

Shishir Dudeja
Company Secretary
FCS 9578
Place: Bhubaneswar

Date: April 18, 2024

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

Accounting Policy

Cash flows from operating activities are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of non-cash nature and items of income or expenses associated with investing or financing cashflows. The cash flows from operating, investing and financing activities of the Company are segregated and presented separately. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

	₹ in Crores	
	Year Ended March 31, 2024	Year Ended March 31, 2023
A. Cash flow from operating activities		
Profit before tax	100.72	123.03
Adjustments for:		
Adjustments to reconcile profit and loss to net cash provided by operating activities		
Depreciation and amortization expenses	185.64	111.99
(Reverse)/Provision for Claims & Compensation	(2.43)	0.68
Interest on Consumer Security Deposit	74.73	63.94
Gain on sale/ fair Value of Investments	(7.18)	(5.82)
Interest expense	25.06	17.50
Interest income	(138.27)	(96.34)
Amortization of consumer contribution	(79.56)	(67.72)
Allowance for doubtful debts	238.86	129.41
Operating profit before working capital changes	397.57	276.67
Adjustments for (increase)/decrease in operating assets:		
Inventories	(14.53)	(6.31)
Trade receivables	(103.52)	(39.07)
Unbilled revenue	26.62	(37.16)
Other financial assets - current	(12.70)	(18.56)
Other current assets	3.48	5.27
Other financial assets - non current	(0.04)	2.51
Other non-current assets	(0.03)	2.68
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	104.20	249.13
Other financial liabilities - current	(7.25)	(23.86)
Other current liabilities	13.02	(84.89)
Other non-current liabilities	(0.12)	(2.72)
Provision - non current	103.89	94.24
Provision - current	0.36	(29.41)
Regulatory deferral account- Liability	(510.58)	592.36
Cash generated from/(used in) from operations	0.37	980.88
Taxes paid (Net of Refund)	(66.02)	(31.04)
Net cash flow generated from/(used in) operating activities *	(65.65)	949.84
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment (including capital work in progress and net off capital advances and creditors)	(877.23)	(618.11)
Capital expenditure on intangible assets	(61.67)	(33.48)
Interest received	126.45	134.56
Proceeds from sale of Current Investments	2,010.29	742.71
Purchase of Current Investments	(1,974.15)	(837.96)
Deposits made with banks not considered as cash and cash equivalents	(4,995.41)	(2,258.99)
Deposits matured with banks not considered as cash and cash equivalents	4,882.51	1,723.05
Net cash flow used in investing activities	(889.41)	(1,168.22)
C. Cash flow from financing activities		
Proceeds from issue of shares	85.57	61.33
Interest paid	(90.07)	(52.93)
Proceeds from consumer security deposit (net)	129.94	172.47
Proceeds from contribution for capital works	37.64	187.02
Proceeds from subsidies towards cost of capital assets (net)	250.25	228.27
Proceeds from Long Term Borrowings	200.02	173.78
Repayment of Long Term Borrowings	(16.98)	-
Proceeds from Short Term Borrowings (net)	1.99	-
Repayment from Short Term Borrowings (net)	-	(130.24)
Net cash flow generated from financing activities	598.36	639.70
Net increase/(decrease) in cash and cash equivalents	(356.70)	421.32
Cash and cash equivalents as at beginning of the year	745.70	324.38
Cash and cash equivalents at the end of year	389.00	745.70
Non-cash financing and investing activities ::		
Issuance of equity shares for Considerations other than Cash (Refer Note No 17)	82.21	58.93
* Net of amount spent towards corporate social responsibility	2.61	1.36
Cash and Cash equivalent includes:	As at March 31, 2024	As at March 31, 2023
	₹ in Crore	₹ in Crore
(a) Balances with banks - in current accounts	168.81	118.09
(b) Deposits with banks original maturity of less than 3 months	213.91	621.56
(c) Cash on hand	5.77	5.87
(d) Cheques on hand	0.51	0.18
Total Cash and Cash equivalents	389.00	745.70

The accompanying notes form an integral part of the Financial Statements

As per our report of even date

For **S R B C & CO LLP**
 Chartered Accountants
 ICAI FRN: 324982E/E300003

Shivam Chowdhary
 per Shivam Chowdhary
 Partner
 Membership No. 067077



Place: Bhubaneswar
 Date: April 18, 2024

For and on behalf of the Board of
TP Western Odisha Distribution Limited
 CIN No - U40100OR2020SGC035230

Praveer Sinha
 Director
 DIN: 01785164
 Place: Bhubaneswar

Gajanan Sampatrao Khatke
 Chief Executive Officer (CEO)
 PAN: A6DPK6040G
 Place: Bhubaneswar

Date: April 18, 2024

For **TEJ RAJ & PAL**
 Chartered
 ICAI FRN: 304124E



Dinakar Mohanty
 per Dinakar Mohanty
 Partner
 Membership No.
 059390
 Place: Bhubaneswar
 Date: April 18, 2024

Sanjay Kumar Banga
 Director
 DIN: 07795448
 Place: Bhubaneswar

Satish Kumar
 Chief Financial Officer (CFO)
 PAN: AEF1KS859A
 Place: Bhubaneswar

Shahir Dudge
 Company Secretary
 FCS 9578
 Place: Bhubaneswar

TP Western Odisha Distribution Limited

CIN : U40109OR2020PLC035230

Wesco Corporate Building Burla, Besides Burla Police Station, Burla, Sambalpur, Odisha, India, 768017
Website: www.tpwesternodisha.com; Email: tpwodl@tpwesternodisha.com

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

A. EQUITY SHARE CAPITAL

Particulars	No of shares	Amount ₹ in crores
Balance as at April 1, 2023	48,02,00,000	480.20
Issued during the year	16,77,81,100	167.78
Balance as at March 31, 2024	64,79,81,100	647.98

Particulars	No of shares	Amount ₹ in crores
Balance as at April 1, 2022	35,99,34,600	359.93
Issued during the year	12,02,65,400	120.27
Balance as at March 31, 2023	48,02,00,000	480.20

B. OTHER EQUITY

Particulars	Retained earnings	Total
	₹ in crores	₹ in crores
Balance as at April 1, 2023	153.80	153.80
Profit for the year	74.78	74.78
Other Comprehensive Income/(Expense) for the year	-	-
Total comprehensive income	74.78	74.78
Balance as at March 31, 2024	228.58	228.58

Particulars	Retained earnings	Total
	₹ in crores	₹ in crores
Balance as at April 1, 2022	62.72	62.72
Profit for the year	91.08	91.08
Other Comprehensive Income/(Expense) for the year	-	-
Total comprehensive income	91.08	91.08
Balance as at March 31, 2023	153.80	153.80

The accompanying notes form an integral part of the Financial Statements

As per our report of even date

For **S R B C & CO LLP**

ICAI FRN: 324982E/ E300003

Shivam Chowdhary

per **Shivam Chowdhary**

Partner

Membership No.067077

Place: Bhubaneswar

Date: April 18, 2024



For **TEJ RAJ & PAL**

ICAI FRN: 304124E

Dinakar Mohanty

per **Dinakar Mohanty**

Partner

Membership No. 059390

Place: Bhubaneswar

Date: April 18, 2024



For and on behalf of the Board of

TP Western Odisha Distribution Limited

CIN No - U40100OR2020SGC035230

Praveer Sinha

Praveer Sinha

Director

DIN:01785164

Place: Bhubaneswar

Gajanan Sampatrao Kale

Gajanan Sampatrao Kale

Chief Executive Officer (CEO)

PAN: ABDPK6040Q

Place: Bhubaneswar

Sanjay Kumar Banga

Sanjay Kumar Banga

Director

DIN:07785948

Place: Bhubaneswar

Satish Kumar

Satish Kumar

Chief Financial Officer (CFO)

PAN: AELPK5859A

Place: Bhubaneswar

Shishir Dudeja

Shishir Dudeja

Company Secretary

FCS 9578

Place: Bhubaneswar

Date: April 18, 2024

Note 1
Corporate Information

TP Western Odisha Distribution Limited ("TPWODL" or the "Company") CIN No-U40100OR2020SGC035230 is a public limited company, domiciled and incorporated in India and is engaged in the business of distribution of electricity in Western Odisha. The Company has been incorporated on December 30, 2020 under the Companies Act, 2013 (as amended). Pursuant to vesting order issued by the Odisha Electricity Regulatory Commission ('OERC') dated December 28, 2020, the Company acquired the business of distributing power in Western Orissa ('business') from the WESCO (Western Electricity Supply Company of Odisha Limited & WESCO utility) with effect from January 1, 2021 (vesting date). Accordingly, the Company is a licensee to carry out the function of distribution and retail supply of electricity covering the distribution circles of Rourkela, Sambalpur, Bhawanipatna, Bolangir and Bargargh in the state of Odisha for a year of 25 years effective from January 1, 2021, which also marked the commencement of commercial operations for the Company.

The registered office of the company is located at The Wesco Corporate Building Burla, Besides Burla Police Station, Burla, Sambalpur, 768017, Odisha.

The Company is subsidiary of The Tata Power Company Limited (TPCL) which holds 51% equity shares and balance 49% equity shares are held by GRIDCO Ltd.

Note 2 **Material accounting policies**

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 (as amended from time to time). The Company also applies requirement of Division II to Schedule III of the Companies Act 2013, while presenting financial statements. During the year, certain amendments to Ind AS have become applicable and been adopted by the Company. However, their applications did not have any material impact on financial position and financial performance of the Company.

2.2 Basis of preparation and presentation

The Ind AS Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value

- certain financial assets and liabilities measured at fair value (Refer accounting policy regarding financial instruments), and
- employee benefit expenses (refer note 20 for accounting policy)

The financial statements are presented in ₹ and all values are rounded to the nearest crores (₹ 00,00,000), except when otherwise indicated.

The company has prepared the financial statements on the basis that it will continue to operate as a going concern.

Note 3
Other Material Accounting Policies, critical accounting estimates and judgements

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

3.1 Foreign currencies

These financial statements are presented in Indian Rupee (₹), which is the functional currency of the Company.

Transactions and Balances

Transactions in foreign currencies are initially recorded by the company at functional currency spot rates at the transaction first qualifies for recognition. 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 recognized in the Statement of Profit and Loss.

3.2 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset treated as current when it is:

- expected to be realized or intended to be sold or consumed in normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realized within twelve months after the reporting year, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current

A liability is current when:

- it is expected to be settled in normal operating cycle,
- it is held primarily for the purpose of trading,
- it is due to be settled within twelve months after the reporting year, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.



3.3 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognized 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 recognized immediately in the Statement of Profit and Loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant year. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter year.

3.4 Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognized 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 Financial assets at amortised cost

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

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

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

Financial assets at FVTPL are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

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

A 'financial asset' is classified as at the FVTOCI if both the following criteria are met:

- (a) the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) the asset's contractual cash flows represent SPPI

3.4.4 Impairment of financial asset

The Company applies the expected credit loss (ECL) model for recognizing 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".

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, adjusted for forward-looking factors specific to the debtors and the economic environment.

3.4.5 Derecognition of financial asset

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- the rights to receive Cash flows from the ASSET have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

3.4.6 Offsetting of financial asset

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 assets and settle the liabilities simultaneously.



3.5 Financial liabilities and equity instruments

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loan and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, security deposit from electricity consumers, consumer contributions for work under progress, capital creditors etc.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

3.5.1 Financial Liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

3.5.2 Financial Liabilities at amortised cost (Loans and borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

3.5.3 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. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

3.5.4 Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.



3.6 Fair value measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized at fair value in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and other assets/ liabilities acquired as part of business combination.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.7 Lease Accounting

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 year of time in exchange for consideration. 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 standalone price.

3.7.1 As a Lessee

Right-of-use Assets

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

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.

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.



3.8 Dividend

The Company recognises a liability to pay dividend to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.9 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

3.10 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. Acquisition-related costs are expensed in the periods in which the costs are incurred and the services are received, with the exception of the costs of issuing debt or equity securities that are recognised in accordance with Ind AS 32 and Ind AS 109.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

- Potential tax effects of temporary differences and carry forwards of an acquire that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

- When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill as well as other assets, if any, is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.



3.11 Critical accounting estimates and judgements

In the application of the Company's accounting policies, the Management 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 related to accrual of regulatory deferrals and revenue recognition (refer note 27 and 28)
2. Estimation of expected credit loss (refer note 13)
3. Estimation of defined benefit obligation (refer note 20)
4. Estimations used for determination of tax expenses and tax balances (refer note 34)
5. Judgement to estimate the amount of provision required or to determine required disclosure related to litigation and claims against the Company – (refer note 37)

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

3.12 New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates – Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's financial statements.

(ii) Disclosure of Accounting Policies – Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.



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Note 4 Property, plant and equipment :

4.01 Accounting Policy :

Property, plant and equipment (PPE) is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price (net of trade discount and rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalized in accordance with the Ind AS 23. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Depreciation on regulated assets

Depreciation commences when an asset is ready for its intended use.

Depreciation on property, plant and equipment in respect of electricity business of the Company covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates specified in vesting order and tariff regulation notified by regulatory commission. In tariff regulation, 2022 notified in December, 2022 which shall remain in force for control period FY 2023-24 to FY 2027-28, the regulatory commission has changed useful life of certain assets and has provided that depreciation shall be provided as per rates notified in these regulations for first 15 years and remaining depreciable value after a period of 15 years shall be spread over the balance useful life of the assets.

Depreciation on meters and vehicles

Depreciation on single phase smart meters and other meters has been provided in the straight line method at an useful life of 8 years and 5 years respectively. Depreciation on car purchased under employee car policy has been provided in the straight line method at an useful life of 5 years.

Rate of depreciation of the property, plant and equipments are as follows:

Type of asset	Rate (Assets transferred on acquisition)	Rate (New assets acquired post acquisition)
Buildings	1.80%	3.34%
Plant and Machinery, Transmission lines and cable network (excluding IT equipments & Meter)	3.80%	4.67%
Plant and Machinery (Meter)	3.80%	12.50% - 20.00%
Furniture and fixtures	4.55%	6.33%
Office equipment including IT equipment	9% - 12.86%	6.33% - 15.00%
Motor vehicles	12.86%	9.50%

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Based on the Vesting Order/ tariff regulations, the residual value of the assets acquired post-acquisition is considered at 10% of the Original Cost and 5% of the Original Cost on assets transferred on acquisition.

Derecognition

An item of property, plant and equipment is derecognized 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 equipments is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

Impairment of tangible and intangible assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

Impairment loss, if any, is recognized in the statement of profit and loss.



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NOTE 4.02 Property, plant and equipment :

Particulars	Gross Block				Accumulated Depreciation				₹ in Crores	
	As at April 1, 2023		As at March 31, 2024		As at April 1, 2023		As at March 31, 2024		As at March 31, 2024	
	Additions	Deletion	Additions	Deletion	Additions	Deletion	Additions	Deletion	Net Block	Net Block
(a) Buildings	116.32	98.48	-	214.80	2.50	4.79	-	7.29	207.51	
(b) Plant and Machinery, Transmission lines and cable network	2,109.01	744.96	2.75	2,851.22	188.95	143.77	2.31	330.41	2,520.81	
(c) Motor Vehicles	5.41	4.57	0.07	9.91	0.39	0.72	0.01	1.10	8.81	
(d) Furniture and fixtures	7.41	9.04	0.08	16.37	0.52	0.69	0.00	1.21	15.16	
(e) Office equipment	66.40	62.79	1.10	128.09	10.02	10.36	1.02	19.36	108.73	
Total	2,304.55	919.84	4.00	3,220.39	202.38	160.33	3.34	359.37	2,861.02	

NOTE 4.03 Property, plant and equipment :

Particulars	Gross Block				Accumulated Depreciation				₹ in Crores	
	As at April 1, 2022		As at March 31, 2023		As at April 1, 2022		As at March 31, 2023		As at March 31, 2023	
	Additions	Deletion	Additions	Deletion	Additions	Deletion	Additions	Deletion	Net Block	Net Block
(a) Buildings	40.55	75.77	-	116.32	0.47	2.03	-	2.50	113.82	
(b) Plant and Machinery, Transmission lines and cable network	1,620.40	490.52	1.91	2,109.01	91.61	98.98	1.64	188.95	1,920.06	
(c) Motor Vehicles	1.60	4.03	0.22	5.41	0.14	0.44	0.19	0.39	5.02	
(d) Furniture and fixtures	1.69	5.72	-	7.41	0.31	0.21	-	0.52	6.89	
(e) Office equipment	29.66	36.74	0.00	66.40	4.98	5.04	0.00	10.02	56.38	
Total	1,693.90	612.78	2.13	2,304.55	97.51	106.70	1.83	202.38	2,102.17	

NOTE 4.04 Depreciation and amortization charged to Statement of Profit and Loss :

Particulars	₹ in Crores	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Depreciation of property, plant and equipment	160.33	104.87
Amortization of intangible assets	25.30	7.12
Total	185.63	111.99

NOTE 4.05

Additional information regarding assets acquired from WESCO

Particulars	₹ in Crores		
	As at January 1, 2021	As at January 1, 2021	As at January 1, 2021
	Gross Block	Accumulated Depreciation	Net Carrying Amount/Fair value at acquisition date
Buildings	16.05	5.46	10.59
Plant and Machinery, Transmission lines and cable network	1,937.30	630.98	1,306.32
Motor Vehicles	0.48	0.41	0.08
Furniture & Fixtures	2.02	1.64	0.38
Office Equipment	7.45	4.61	2.84
Total	1,963.30	643.10	1,320.21



TP WESTERN ODISHA DISTRIBUTION LIMITED
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NOTE 4.06

The Company does not own any land in its name. As per terms of vesting order, land has been given on lease to the Company for a nominal consideration of ₹ 1 per year, till the expiry of power distribution license. The Company has retained operational rights over these lands used for the purpose of carrying out distribution business under the license granted by OERC. The impact of applying lease accounting as per Ind AS 116 - 'Leases' to these leases is not material. Beneficial ownership of immovable properties constructed over the above lands viz; buildings have been transferred to the Company with effect from acquisition date. As per terms of vesting order, title for the said immovable properties continues to be in the name of erstwhile administration and Companies.

NOTE 4.07

Also Refer Note 42 for assets created with Government Fund and used by TPWODL

NOTE 4.08

As per the terms of the Vesting Order and the Carve Out Order, if the Company has been vested with one or more items of the property, plant and equipment created out of the Government Grant and/or consumer contribution, then it will not be allowed depreciation on those assets for determination of Tariff under the para 44 (a)(iii) of the Vesting Order. This is irrespective of whether the grant and/or consumer contribution liability has been transferred to the Company or not. Based on balancing of assets and liabilities transferred to the Company in the Opening Balance Sheet as per the Carve Out Order, the management believes that the Company is allowed to claim depreciation on the entire carrying amount of PPE transferred to it pursuant to the Vesting and the Carve-Out Orders. Hence, this requirement will not have any impact on financial position and financial performance of the Company as at and for the year ended March 31, 2024. Further, as per the Vesting Order and the Carve Out Order, the Company is required to utilise any amount realised through depreciation toward meeting certain opening liabilities transferred ("additional serviceable liabilities"). If there are any shortages in realisation to meet these additional serviceable liabilities, then the OERC will allow such shortfall through Aggregate Revenue Requirement (ARR) adjustment.

NOTE 4.09 Physical verification

In accordance with the physical verification policy adopted by the Company, an independent party has carried out physical verification in respect of a portion of PPE belonging to the Company. Based on reports issued by the independent party and the reconciliation prepared by the management, there are no material shortages which have been identified during the process of physical verification of PPE. During the physical verification process, third party has also identified certain excess number of assets, which are still under reconciliation. Subsequent, to such reconciliation these assets will be recorded in the books of the Company at nominal value and therefore, it will not impact the financial statements of the Company.

NOTE 4.10 Property Plant and Equipment created out of consumer fund

Considering the provisions of the Odisha Electricity Regulatory Commission Distribution (Conditions of Supply) Code, 2019, the management believes that it has legal right and ownership over the property, plant and equipment (PPE) which are directly funded by the consumers and are being used to supply electricity to the consumers. Accordingly, during the year, the company has capitalized PPE amounting to ₹ 171.91 Crores (March 31, 2023: ₹ 113.49 Crores) and recognised the corresponding liability under the head consumer contribution. Depreciation on PPE as well as amortisation of ₹ 57.93 Crores (March 31, 2023: ₹ 49.53 Crores) are being recognised in the Statement of Profit and Loss, having no net impact on profit or loss of the Company.

The management believes that the accounting adopted by the Company reflects substance of the arrangement and is also in compliance with the applicable requirements. Based on physical verification policy adopted by the Company, physical verification of these assets is being carried out along with other assets of the Company.

NOTE 4.11 Refer note 19 for charge created against borrowings.

NOTE 5

Capital work in progress

Accounting Policy

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Particulars	As At April 1, 2023	Additions	Capitalized	As At March 31, 2024
Capital work in progress (majorly pertains to plant and machinery, transmission lines and cable network)	239.38	1,254.05	981.72	511.71
Total	239.38	1,254.05	981.72	511.71

Particulars	As At April 1, 2022	Additions	Capitalized	As At March 31, 2023
Capital work in progress (majorly pertains to plant and machinery, transmission lines and cable network)	77.30	808.34	646.26	239.38
Total	77.30	808.34	646.26	239.38

Project in progress includes setting up substations, Installations of transformer and cable networks at various locations in western part of Odisha. CWIP includes closing capital inventory of ₹ 237.39 Crores as at March 31, 2024 (March 31, 2023: ₹119.72 Crores).

Refer note 19 for charge created against borrowings.

NOTE 5.01 CWIP ageing Schedule as at March 31, 2024*

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects In progress	467.52	34.54	6.62	3.03	511.71
Projects temporarily suspended	-	-	-	-	-
Total	467.52	34.54	6.62	3.03	511.71

CWIP ageing Schedule as at March 31, 2023*

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	224.51	10.99	3.88	-	239.38
Projects temporarily suspended	-	-	-	-	-
Total	224.51	10.99	3.88	-	239.38

* CWIP ageing schedule has been prepared from the date of acquisition of business by the Company.

NOTE 5.02

CWIP Completion Schedule whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2024

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Government funded Projects	181.44	-	-	-
Projects temporarily suspended	-	-	-	-
Total	181.44	-	-	-

Post acquisition of business, there are no projects with costs overrun or exceeding the planned timelines for completion as on March 31, 2023.



TP WESTERN ODISHA DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31,2024

NOTE 6 Intangible Assets
Accounting Policy

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight line method at the rates specified in vesting order and tariff regulation notified by regulatory commission. The estimated useful life and amortization method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis.

Derecognition of Intangible Assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in Statement of Profit and Loss when the asset is derecognized.

Useful lives of Intangible Assets

Type of assets	Rate (New assets acquired post acquisition)
Computer softwares	30%

Description	As at March 31,2024	As at March 31,2023
Cost		
Balance as at the beginning of the year	68.00	34.52
Additions	61.87	33.48
Balance as at the end of the year	129.87	68.00
Accumulated amortization		
Balance as at the beginning of the year	8.68	1.56
Amortization expense	25.30	7.12
Balance as at the end of the year	33.98	8.68
Net carrying amount	95.89	59.32



TP WESTERN ODISHA DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2024

Note 7 Other financial assets - non current (Unsecured and considered good, at amortised cost)	As at March 31, 2024 ₹ in Crore	As at March 31, 2023 ₹ in Crore
Deposits with banks*	256.69	334.90
Security Deposit to various authorities	1.75	1.54
Other receivable	3.07	3.24
	261.51	339.68

*Earmarked balances against consumer security deposits and consumer contribution for work under progress.

Note 8 Deferred tax assets (net)	As at March 31, 2024 ₹ in Crore	As at March 31, 2023 ₹ in Crore
Deferred Tax Asset (net) (Refer note 34)	80.82	18.13
	80.82	18.13

Note 9A Non-current tax assets	As at March 31, 2024 ₹ in Crore	As at March 31, 2023 ₹ in Crore
Advance income tax/ tax deducted at source (net of provision)	-	7.89
	-	7.89

Note 9B Current tax liabilities	As at March 31, 2024 ₹ in Crore	As at March 31, 2023 ₹ in Crore
Income tax payable (net)	14.71	-
	14.71	-

Note 10 Other non-current assets	As at March 31, 2024 ₹ in Crore	As at March 31, 2023 ₹ in Crore
(a) Capital advances		
Unsecured, considered good	0.01	3.10
Doubtful	-	-
	0.01	3.10
(b) Receivable from Government (Commission on ED Collection-WESCO)		
Unsecured, considered good	17.59	17.59
Doubtful	-	-
	17.59	17.59
(c) Others		
Unsecured, considered good	0.73	0.70
Doubtful	1.07	1.07
	1.80	1.77
Less: Allowance for Doubtful Advances	1.07	1.07
	0.73	0.70
Total	18.33	21.39

**Note 11
Inventories (At lower of cost and net realisable value)
Accounting policy**

11.1 Inventories are stated at the lower of cost and net realisable value (NRV). Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Costs of inventories are determined on moving weighted average basis. NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Unserviceable/damaged stores and spares are identified and written down based on technical evaluation.

	As at March 31, 2024 ₹ in Crore	As at March 31, 2023 ₹ in Crore
Stores and spares	57.28	42.75
	57.28	42.75

Refer Note 19 for charge created against borrowings.

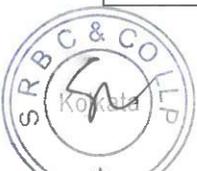
Note 12 Current investments	As at March 31, 2024 ₹ in Crore	As at March 31, 2023 ₹ in Crore
Investment carried at fair value through profit or loss (unquoted) Liqud mutual fund	265.39	294.35
	265.39	294.35

Details of investments in liquid mutual fund units as at March 31, 2024

Class of investment	Units Nos	NAV (₹)	₹ in Crore
SBI Liquid Fund Direct Growth Plan	1,75,543.20	3,779.28	66.34
UTI Liquid Fund Direct Growth	88,871.40	3,957.97	35.18
Aditya Birla Sun Life Liquid Fund- Growth- Direct Plan	12,38,553.92	389.68	48.26
Kotak Liquid Fund Direct Plan Growth	51,487.83	4,879.04	25.12
ICICI Prudential Liquid Fund- Direct Plan- Growth	7,03,238.02	357.41	25.13
Tata Liquid Fund Direct Plan- Growth	92,381.58	3,810.25	35.20
HDFC Liquid Fund- Direct Plan- Growth	63,574.01	4,743.66	30.16
Total			265.39

Details of investments in liquid mutual fund units as at March 31, 2023

Class of investment	Units Nos	NAV (₹)	₹ in Crore
SBI Liquid Fund Direct Growth Plan	3,17,541.47	3,523.30	111.88
UTI Liquid Fund Direct Growth	1,02,322.72	3,689.41	37.75
Aditya Birla Sun Life Liquid Fund- Growth- Direct Plan	19,60,866.87	363.08	71.20
Nippon India Mutual Fund- Growth- Direct Plan	71,512.16	5,506.94	39.38
Tata Liquid Fund Direct Plan- Growth	96,129.82	3,551.41	34.15
Total			294.35



TP WESTERN ODISHA DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2024

Note 13

Trade Receivables - At Amortised Cost
(Unsecured unless otherwise stated)

	As at March 31, 2024 ₹ in Crore	As at March 31, 2023 ₹ in Crore
Current		
Considered good	346.73	469.42
Significant increase in the credit risk	587.29	361.08
	934.02	830.50
Less: Allowance for doubtful debts (expected credit loss)	(421.82)	(182.96)
Total	512.20	647.54

Note:

- The Company holds security deposits from consumers amounting to ₹ 1206.43 Crore (March 31, 2023: ₹ 1076.49 Crore).
- There are no outstanding receivables due from directors or other officers of the Company.
- Refer note 19 for charge created against borrowings.
- Refer note 41 for related party disclosure.
- Trade receivables include amount of ₹ 587.29 crores (March 31, 2023: ₹ 361.08 crores) from consumers who are inactive/ permanently disconnected, temporarily disconnected and/ or were non-government/non-paying/low-paying as at March 31, 2024.

The Company has acquired power distribution business of Western Electricity Supply Company (WESCO) Utility w.e.f. January 01, 2021. The management believes that collection data related to pre-acquisition year is not relevant to assess expected credit loss (ECL) allowance on receivables in the post-acquisition year. In this scenario, the Company has recognised Expected Credit Loss (ECL) allowance on trade receivables using its best estimate considering among other aspects factors such as segregation between government and non-government consumers, security deposit available, outcome of the Company's effort to reach consumers, their most recent payment behaviour as well as the fact that electricity is an essential commodity and regulations will require consumers to clear old dues to get continuous electricity.

Post-acquisition of power distribution business from the WESCO, the Company's continuous endeavour has been to reduce AT&C losses, reduce provisional billing and improve collection through better reach to consumers as well as other measures. In the process, the Company had initially faced several challenges including more than one Covid waves, Cyclones and delays in appointment/ working of metering, billing and collection (MBC) agencies for reasons beyond control of the Company. The Company successfully dealt with these challenges. It is continuously working toward reducing provisional billing and improving overall collection efficiency by changing payment behaviour of consumers. As at March 31, 2024, the Company has outstanding receivables amounting to ₹ 934.02 Crores and has accumulated ECL allowance of ₹ 421.82 Crores against trade receivables. The management is confident it will be able to collect most of the outstanding receivables as it increases its reach to the consumers and also considering that electricity is an essential commodity for all consumers Accordingly, the management believes the above ECL allowance reflects best estimate and is appropriate as per Ind AS 109 - Financial Instruments.

- The management has formulated a mechanism for receiving and addressing customer complaints including those related to billing and receivables outstanding. The management has identified disputed receivables basis information available with the company.
- The concentration of credit risk is limited due to the fact that the large customer are either industrial/ corporate or government entities and remaining customer base is large and widely dispersed. The Company also holds security deposits from consumers

8. Trade Receivables Ageing schedule as at March 31, 2024

Particulars	Outstanding for following years from due date of payment #						Total
	Not due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
Current							
(i) Undisputed Trade Receivables							
a) Considered good	-	87.57	59.24	82.70	40.70	73.72	343.93
b) Significant increase in credit risk	-	45.26	116.15	220.39	88.15	117.34	587.29
c) Credit Impaired	-	-	-	-	-	-	-
(ii) Disputed Trade Receivables							
a) Considered good	-	0.08	0.47	-	2.25	-	2.80
b) Significant increase in credit risk	-	-	-	-	-	-	-
c) Credit Impaired	-	-	-	-	-	-	-
Total	-	132.91	175.86	303.09	131.10	191.06	934.02

9. Trade Receivables Ageing schedule as at March 31, 2023

Particulars	Outstanding for following years from due date of payment #						Total
	Not due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
Current							
(i) Undisputed Trade Receivables							
a) Considered good	-	126.29	135.20	185.15	20.53	-	467.17
b) Significant increase in credit risk	-	91.62	97.25	152.26	19.95	-	361.08
c) Credit Impaired	-	-	-	-	-	-	-
(ii) Disputed Trade Receivables							
a) Considered good	-	-	-	2.25	-	-	2.25
b) Significant increase in credit risk	-	-	-	-	-	-	-
c) Credit Impaired	-	-	-	-	-	-	-
Total	-	217.91	232.45	339.66	40.48	-	830.50

Where due date of payment is not available date of transaction has been considered

Note:

- The ageing has been prepared after adjusting the collections in accordance with the Odisha Electricity Regulatory Commission Distribution (Conditions of Supply) Code, 2019.
- Trade receivable ageing schedule has been prepared from the date of acquisition of business by the Company.

10. Movement in the allowance for doubtful trade receivables

	As at March 31, 2024 ₹ in Crore	As at March 31, 2023 ₹ in Crore
Balance at the beginning of the year	182.96	53.55
Add: Expected credit losses for the year (Refer Note 33)	238.86	129.41
Balance at the end of the year	421.82	182.96



TP WESTERN ODISHA DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2024

Note 14

Cash and bank balances

Accounting policy

14.1 Cash and cash equivalents comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage. For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise of cash at bank, cash / cheques on hand and short-term deposits, as defined above.

	As at March 31, 2024 ₹ in Crore	As at March 31, 2023 ₹ in Crore
14.2 Cash and cash equivalents (At amortised cost)		
(a) Balances with banks - in current accounts	168.81	118.09
(b) Deposits with banks original maturity of less than 3 months	213.91	621.56
(c) Cash on hand	5.77	5.87
(d) Cheques on hand	0.51	0.18
Total cash and cash equivalents	389.00	745.70
	As at March 31, 2024 ₹ in Crore	As at March 31, 2023 ₹ in Crore
14.3 Bank balances other than 14.2 above* (At amortised cost)		
(i) Deposits with banks with original maturity more than 3 months upto 12 months	1,448.87	1,187.06
(ii) Other earmarked balances	427.38	498.07
	1,876.25	1,685.13

*Earmarked balances against consumer security deposit, government grants and consumer contribution for work under progress.

The Company has pledged a part of its short term deposits to fulfill collateral requirements. Refer note 19 for further details.

14.4 Change in Liabilities arising from financing activities and non-cash financing and investing activities

Particulars	As at April 1, 2023	Cash Flows		Non-cash Adjustments*	As at March 31, 2024
		Proceeds	Payment		
Security deposits from electricity consumers	1,076.49	129.94	-	-	1,206.43
Consumers' contribution for works under progress	51.03	37.78	-	(8.54)	80.27
Subsidies towards cost of capital asset	424.96	250.25	-	(98.43)	576.78
Non Current borrowings	223.78	200.02	(16.98)	(16.98)	389.84
Current borrowings	16.98	-	(14.99)	16.98	18.97
Total	1,793.24	617.99	(31.97)	(106.97)	2,272.29

*Includes non-cash transactions like amortisation of upfront fees on term loan, amortisation of consumer deposit work/grant, interest payable on govt.grants.

Particulars	As at April 1, 2022	Cash Flows		Non-cash Adjustments*	As at March 31, 2023
		Proceeds	Payment		
Security deposits from electricity consumers	904.02	172.47	-	-	1,076.49
Consumers' contribution for works under progress	10.00	-	-	41.03	51.03
Subsidies towards cost of capital asset	222.95	202.01	-	-	424.96
Non Current borrowings	50.00	190.76	-	(16.98)	223.78
Current borrowings	130.24	-	(130.24)	16.98	16.98
Total	1,317.21	565.24	(130.24)	41.03	1,793.24

*Includes non-cash transactions like amortisation of upfront fees on term loan, amortisation of consumer deposit work/grant, interest payable on govt.grants.

Note 15

Other financial assets - current

(Unsecured and considered good, unless otherwise stated, at amortised cost)

	As at March 31, 2024 ₹ in Crore	As at March 31, 2023 ₹ in Crore
(a) Interest accrued but not due on short term deposit with banks	30.47	18.65
(b) Receivable from related parties (Refer note 41)	1.06	1.27
(c) Other Receivables#	14.22	0.81
(d) Staff Advance	2.00	2.51
	47.75	23.24

#Other receivables includes payments and receivables from collection agencies, receivable from OPTCL, etc.

Note 16

Other current assets

(Unsecured and considered good, unless otherwise stated)

	As at March 31, 2024 ₹ in Crore	As at March 31, 2023 ₹ in Crore
(a) CENVAT/ GST credit Receivable	0.10	0.01
(b) Prepaid Expenses	3.32	2.83
(c) Others Advance (Supplier Advances, etc.)	1.42	5.48
	4.84	8.32



TP WESTERN ODISHA DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE year ENDED MARCH 31, 2024

	As at March 31, 2024		As at March 31, 2023	
	No of Shares	₹ In Crore	No of Shares	₹ in Crore
Note 17				
Share capital				
Authorised Share Capital				
Equity shares of ₹ 10/- each	1,00,00,00,000	1,000.00	1,00,00,00,000	1,000.00
	1,00,00,00,000	1,000.00	1,00,00,00,000	1,000.00
Issued, subscribed and paid up Share Capital				
Equity shares of ₹ 10/- each (fully paid up)	64,79,81,100	647.98	48,02,00,000	480.20
Total issued, subscribed and paid-up share capital	64,79,81,100	647.98	48,02,00,000	480.20

a. Reconciliation of shares outstanding as at the beginning and at the end of the reporting year:

	As at March 31, 2024		As at March 31, 2023	
	No of Shares	₹ in Crore	No of Shares	₹ in Crore
Equity shares				
At the beginning of the year	48,02,00,000	480.20	35,99,34,600	359.93
Issued during the year	16,77,81,100	167.78	12,02,65,400	120.27
Outstanding at the end of the year	64,79,81,100	647.98	48,02,00,000	480.20

b. Rights, preference and restrictions attached to shares including restrictions on the distribution of dividends and the repayment of capital:

Equity Shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share held. The share holders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

c. Details of share holders holding more than 5% shares in the Company

Equity shares of ₹ 10 each fully paid Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No of Shares	% holding	No of Shares	% holding
A. The Tata Power Company Ltd (Holding company)	33,04,70,361	51%	24,49,02,000	51%
B. GRIDCO Ltd (Company having significant influence)	31,75,10,739	49%	23,52,98,000	49%
Total	64,79,81,100		48,02,00,000	

d. Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash.

The Company has allotted 17,05,10,739 equity shares (including 8,22,12,739 equity shares allotted during the year) till March 31, 2024 (March 31, 2023: 5,89,30,046) as fully paid for considerations received in form of Distribution Assets, pursuant to shareholder's agreement and the Government of Odisha notifications. The value of distribution assets have been determined by an independent valuer.

e. Shareholding of promoters

Disclosure of shareholding of promoters as at March 31, 2024 is as follows:

Promoter	No of Shares		Change		No of Shares		% of		% Change	
	As at April 1, 2023	During the year	As at April 1, 2023	During the year	As at March 31, 2024	Total Shares	%	%	%	%
A. The Tata Power Company Ltd	24,49,02,000	8,55,68,361	24,49,02,000	8,55,68,361	33,04,70,361	33,04,70,361	51.00%	51.00%	0.00%	0.00%
B. GRIDCO Ltd	23,52,98,000	8,22,12,739	23,52,98,000	8,22,12,739	31,75,10,739	31,75,10,739	49.00%	49.00%	0.00%	0.00%
Total	48,02,00,000	16,77,81,100	48,02,00,000	16,77,81,100	64,79,81,100	64,79,81,100	100.00%	100.00%	0.00%	0.00%

Disclosure of shareholding of promoters as at March 31, 2023 is as follows:

Promoter	No of Shares		Change		No of Shares		% of		% Change	
	As at April 1, 2022	During the year	As at April 1, 2022	During the year	As at March 31, 2023	Total Shares	%	%	%	%
A. The Tata Power Company Ltd	18,35,66,646	6,13,35,354	18,35,66,646	6,13,35,354	24,49,02,000	24,49,02,000	51.00%	51.00%	0.00%	0.00%
B. GRIDCO Ltd	17,63,67,954	5,89,30,046	17,63,67,954	5,89,30,046	23,52,98,000	23,52,98,000	49.00%	49.00%	0.00%	0.00%
Total	35,99,34,600	12,02,65,400	35,99,34,600	12,02,65,400	48,02,00,000	48,02,00,000	100.00%	100.00%	0.00%	0.00%

Note 18

Other equity

18.1 Retained earnings

	As at March 31, 2024 ₹ in Crore	As at March 31, 2023 ₹ in Crore
(a) Balance at the beginning of the year	153.80	62.72
(b) Profit for the year	74.78	91.08
(c) Other Comprehensive Income for the year	-	-
(d) Balance at the end of the year	228.58	153.80

Nature and purpose of reserves:

Retained earnings

Retained earnings are the profits/(losses) that the Company has earned / incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurements loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Note 19

Non-current Borrowings

(At amortised cost)

19.1 Secured

Term Loans from Banks

	As at March 31, 2024 ₹ in Crore	As at March 31, 2023 ₹ in Crore
(a) HDFC Bank	205.99	223.78
(b) Canara Bank	199.83	-
	405.82	223.78
Less : Current maturities of long-term debt	16.98	16.98
Total non-current borrowings	389.84	206.80

19.2 The Company has not defaulted on any loans payable. The Company has utilized the loan for the sanctioned purpose.

19.3 Term Loans from HDFC Bank are repayable over 53 equal quarterly instalments and repayment has started from April, 2023.

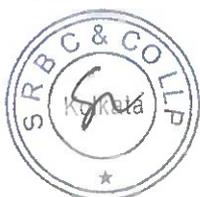
Term Loans from Canara Bank Limited are repayable over 52 equal quarterly instalments and repayment will start from November, 2025.

19.4 The rate of interest for term loan from HDFC is at 8.40% link to 1 month T Bill (i.e. presently at 8.66% (March 31, 2023: 9.20%)). For Canara Bank, it is 3 Months MCLR+ 0.00% i.e. presently at 8.65%.

19.5 Term loans from HDFC are secured against 1st pari passu charge on all the entire movable and immovable fixed assets of the Company, both present and future; excluding assets transferred to the Company from WESCO as per terms of the vesting order, 2nd pari passu charge on entire current assets, both present and future excluding restricted assets as per vesting order. In addition - SBI has also first charge on all the bank accounts of the Company including Debt Service Reserve Account (DSRA).

19.6 Term Loans from Canara Bank secured against 1st pari passu charge (with other TL lenders) over entire movable & immovable fixed assets of the company, both present and future, excluding assets transferred to the company from WESCO vice vesting order of DERC & as per the conditions stipulated in vesting order, 2nd pari passu charges (with other TL lenders) over entire current assets of the company, both present and future, excluding regulatory deposits & as per the conditions stipulated in vesting order. "Regulatory deposits" Includes consumer security deposits and government deposits received in the form of grant, subsidy, relief fund, etc.

19.7 Term Loans from HDFC and Canara Bank contain certain debt covenants relating to limitation on indebtedness, Total Debt to EBITDA, Interest coverage ratio, FACR and debt service coverage ratio. The Company has satisfied all the debt covenants prescribed in the terms of bank loan.



Note 20
Provisions

20.01 Accounting Policy

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting year, 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).

Present obligations arising under onerous contracts are recognised and measured as provisions with charge to the statement of profit and loss. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract will exceed the economic benefits expected to be received from the contract.

Defined contribution plans

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the benefit. If the contribution payable to the scheme for service received on or before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received on or before the balance sheet date, then excess is recognised recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefits plans

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in the statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Other current and other non-current employee benefits

A liability is recognised for current benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the year in which the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of current employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

The cost of providing other long-term employee benefits, including earned leave, sick leave and other benefits, is determined using the projected unit credit method. The related expenses including remeasurement gains and losses are recognised in the Statement of Profit and Loss.

The Company operates a scheme for Compensated absences wherein the employee is entitled to avail leave benefits as per the policy of the Company. The leave benefits are linked to the salary of the employee and the employee is entitled to either avail paid leave or encash unutilised leave either during employment or on retirement. The liability for compensated absences is provided on the basis of an actuarial valuation done by an independent actuary at the reporting year end. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Remeasurement / Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

Pre acquisition liabilities of employees transferred from erstwhile WESCO utility :-

The terms of the Vesting Order as modified by the Carve Out order provide that for entire liabilities toward pension, gratuity and compensated absences of employees retired before the acquisition date and acquisition date liabilities of continuing employees on the acquisition date, the Company's responsibility is limited only to remitting fixed amount requested by the respective Trusts and the same will be allowed to be recovered from consumers for disbursement to the beneficiaries covered under the Trusts. The Company has recognised amount payable to the Trusts for the current year for onward payment of the said liabilities are charged as an expense as they fall due.

Post-acquisition date liabilities of employees who were in service employees on the acquisition date are accounted for either as defined benefit plan or other long term employee benefit basis nature of the benefit.



20.02 Defined contribution plans

Erstwhile WESCO utility Employees

Provident Fund Plan

The Company's contributions toward provident fund of the eligible employees is deposited under the Employees Provident Fund and Miscellaneous Provisions Act, 1952. The provident fund 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 does not have any further any further obligation under the plan.

Other than Erstwhile WESCO utility Employees

Provident Fund Plan

The Company makes contributions toward provident fund of qualifying employees which is a defined contribution plan. The Company's contribution to the employees provident fund is deposited under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is recognised by the income tax authorities and 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 does not have any further obligation under the plan.

Employee State Insurance :-

The Company makes Employee State Insurance ('ESI') scheme contributions to defined contribution plans for eligible employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified are paid to the Employee State Insurance Corporation ('ESIC') set under the ESI Act 1948. The Company is generally liable for annual contributions. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

The Company has recognised a total of ₹16.14 crores (March 31, 2023 ₹14.35 crores) as contribution towards all the defined contribution plans in the statement of profit or loss.

20.03 Defined Benefits plans

Erstwhile WESCO Employees

i) Gratuity

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Odisha Civil Services (Pension) Rules 1992. Employees who are in continuous service for a year of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. The gratuity plan is funded plan. The fund has the form of a trust and is governed by Trustees appointed by the Company. The Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy in accordance with the regulations. The funds are deployed in recognised insurer managed funds in India.

ii) Pension

The Company has a defined benefit pension plan. The pension plan is primarily governed by the Odisha Civil Services (Pension) Rules 1992. Employees who had joined WESCO on or before December 31, 2004 are eligible for pension. The level of benefits provided depends on the member's length of service and salary at the retirement date. The pension plan is funded plan. The fund has the form of a trust and is governed by Trustees appointed by the Company. The Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy in accordance with the regulations. The funds are deployed in recognised insurer managed funds in India.

The terms of the vesting order as modified by the Carve Out order provide that for entire liabilities toward pension, gratuity and leave encashment of employees retired before the acquisition date and acquisition date liabilities of continuing employees on the acquisition date, the Company's responsibility is limited only to remitting fixed amount requested by the respective Trusts and the same will be allowed to be recovered from consumers for disbursement to the beneficiaries covered under the Trusts. Based on specific clarifications provided in the carve out and the vesting order, the Company has recognised amount payable to the Trusts for the current year for onward payment of the said liabilities in the statement of profit and loss as they fall due.

Post-acquisition date liabilities of employees who were in service employees on the acquisition date are accounted for either as defined benefit plan or other long term employee benefit basis nature of the benefit.

Refer note 35 for further details.

Other than Erstwhile WESCO Employees (Unfunded)

i) Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company. In case of death while in service, the gratuity is payable irrespective of vesting.

ii) Pension

The Company has a defined benefit pension granting a pre-determined sum as pension after completing vesting year.

iii) Post Employment Medical Benefit

The Company provides certain post-employment health care benefits to superannuated employees at some of its locations. In terms of the plan, the retired employees can avail free medical check-up and medicines at companies' facilities. The benefit is treated as defined benefit plan.

iv) Ex-Gratia Death Benefits

The Company has a defined benefit plan granting ex-gratia payment in case of death during service. The benefit consists of a pre-determined lump sum amount along with a sum determined based on last drawn basic salary per month and the length of service.

v) Retirement Gift

The Company has a defined benefit plan granting a pre-determined sum as retirement gift on superannuation of an employee.



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	As at	As at
	March 31, 2024	March 31,2023
	₹ in Crore	₹ in Crore
20.04 Provision for Employee Benefits		
(a) Non-Current		
Gratuity (Refer Note 20.07 (a), (b), (c) & (d))	44.96	27.61
Pension fund (Refer Note 20.07 (a), (b), (c) & (d))	220.10	152.53
Leave Encashment	40.32	25.04
Post Retirement Medical Benefit (PRMB) (Refer Note 20.07 (a), (b))	6.34	6.43
Other Defined Benefit Plan (Refer Note 20.07 (a) & (b))	10.87	7.09
	322.59	218.70
(b) Current		
Gratuity (Refer Note 20.07 (a), (b), (c) & (d))	0.42	0.26
Pension fund (Refer Note 20.07 (a), (b), (c) & (d))	0.00	-
Leave Encashment	1.70	1.28
Post Retirement Medical Benefit (PRMB) (Refer Note 20.07 (a) & (b))	-	-
Other Defined Benefit Plan (Refer Note 20.07 (a) & (b))	0.33	0.54
	2.45	2.08
(c) Other provisions		
Provision for Claims & Compensation	15.45	17.88
	15.45	17.88
	17.90	19.96

20.05 Pre-acquisition liabilities of employees transferred from erstwhile WESCO utility:

The Company has acquired the electricity distribution business of WESCO with effect from January 1, 2021. As a part of Business transfer, all the employees of the undertaking were transferred to the Company effective January 1, 2021 on a continuity of service conditions. Previously retired employees as well as continuing employees of WESCO transferred to the Company are entitled to pension and/ or gratuity plan which are managed by separate trusts who are responsible for the disbursement of pension and gratuity to the beneficiaries. Liabilities of these trusts determined on an actuarial basis exceed assets available with them. Based on terms of the Vesting Order as modified by the Carve Out Order, these liabilities are treated in two parts

Liabilities for past employees and acquisition date liabilities of existing employees

The Vesting Order as modified by the Carve Out order states that for entire liabilities toward pension, gratuity and leave encashment of past employees and acquisition date liabilities of existing employees, the Company's responsibility is limited only to remitting fixed amount requested by the respective Trusts and recovered by it from consumers as a part of ARR for disbursement to the beneficiaries covered under the Trusts. Given below are details of Trusts' total accrued liabilities in respect of these obligations not transferred to the Company at this stage.

March 31,2024

Particular	₹ in Crore		
	Pension	Gratuity	Leave
Total liability of all employees	1,425.16	50.66	140.33
Total liabilities in respect of obligation not transferred to the company			
Total liability of past employees	997.83	-	-
Acquisition date liabilities of existing employees	207.24	21.97	102.96
Total	1,205.07	21.97	102.96

March 31,2023

Particular	₹ in Crore		
	Pension	Gratuity	Leave
Total liability of all employees	1,332.69	45.13	124.86
Total liabilities in respect of obligation not transferred to the company			
Total liability of past employees	963.45	-	-
Acquisition date liabilities of existing employees	216.70	26.79	102.96
Total	1,180.15	26.79	102.96

As per the Vesting and Carve Out Order, total amount paid/ payable is given below for the current year towards the liabilities in respect of obligation not transferred to the Company & have been recognised as expense in the statement of profit and loss and towards liabilities in respect of obligation transferred to the Company & have been recognised in liability:

March 31,2024

Particulars	₹ in Crore		
	Pension	Gratuity	Leave
Amount paid/payable towards liabilities in respect of obligation not transferred to the Company	110.63	4.81	-
Amount paid/payable towards liabilities in respect of obligation transferred to the Company	6.66	3.30	6.10
Total	117.29	8.11	6.10

March 31,2023

Particulars	₹ in Crore		
	Pension	Gratuity	Leave
Amount paid/payable towards liabilities in respect of obligation not transferred to the Company	84.09	-	-
Amount paid/payable towards liabilities in respect of obligation transferred to the Company	16.69	10.93	-
Total	100.78	10.93	-

Post acquisition date liabilities of existing employees ::

The Company has assessed that post transfer of business, these plans as defined benefit plans and has accordingly recognized incremental liability in respect of existing employees on the acquisition date in the financial statements. Given below are necessary disclosures in respect of these liabilities, along with other defined benefits plan of the Company.



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20.06 Risk associated with the plan provisions are actuarial risk. These risk are interest rate risk, demographic risk and salary escalation risk.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Escalation risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

20.07 The following tables set out the funded status of gratuity plan and amount recognised in the Company's financial statements as at March 31, 2023. 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 related current service cost.

a. Present Value of obligations

₹ in Crore

Particulars		Gratuity (Un Funded)	Other Defined Benefit (Unfunded**)	Gratuity (Funded)	Pension (Funded)
a.	Present Value of obligations as at April 1,2022 as per Actuarial Valuation (including obligation not transferred to the Company) (Refer note 20.04)	8.45	3.91	88.92	360.58
b.	Interest Cost	0.59	0.27	5.81	25.01
c.	Current Service Cost	1.02	0.50	3.85	8.87
d.	Past Service Cost	-	0.01	-	0.00
e.	Acquisition (Credit)/Cost	-	-	-	-
f.	Actuarial loss / (gain)-Demographic	-	-	-	-
g.	Actuarial loss / (gain)-Financial	(0.19)	(0.10)	(1.91)	(11.52)
h.	Actuarial loss / (gain)-Experience	0.01	0.17	5.62	53.99
i.	Benefits Paid	(0.35)	(0.35)	(14.31)	(16.69)
j.	Present value of obligation as at March 31,2023 (including obligation not transferred to the Company) (Refer note 20.04)	9.52	4.42	87.98	420.23
a.	Present Value of obligations as at April 1, 2023 as per Actuarial Valuation (including obligation not transferred to the Company) (Refer note 17.04)	9.52	4.42	87.98	420.23
k.	Interest Cost	0.70	0.31	6.04	30.01
l.	Current Service Cost	1.80	0.86	3.63	7.80
m.	Past Service Cost	-	-	-	-
n.	Acquisition (Credit)/Cost	-	-	-	-
o.	Actuarial loss / (gain)-Demographic	-	0.09	(1.39)	5.66
p.	Actuarial loss / (gain)-Financial	0.46	0.20	3.27	19.26
q.	Actuarial loss / (gain)-Experience	4.21	0.30	5.33	15.42
r.	Benefits Paid	0.00	(0.33)	(10.43)	(18.13)
s.	Present value of obligation at March 31,2024 (including obligation not transferred to the Company) (Refer note 20.04)	16.69	5.86	94.44	480.25

b. Fair value of plan assets

₹ in Crore

Particulars		Gratuity (Un Funded)	Other Defined Benefit (Unfunded**)	Gratuity (Funded)	Pension (Funded)
a.	Fair value of plan asset as at April 1, 2022 (including plan assets not transferred to the Company) (Refer note 19.04)	-	0.70	43.03	48.10
b.	Acquisition (Credit)/Cost	-	-	-	-
c.	Estimated return on plan asset	-	0.02	3.15	2.89
d.	Employer contribution	-	0.35	10.93	16.69
e.	Benefits Paid	-	(0.63)	(14.27)	(16.69)
f.	Excess of actual over estimated return	-	-	-	-
g.	Others	-	-	-	-
h.	Fair value of plan asset as at March 31,2023 (including plan assets not transferred to the Company) (Refer note 20.04)	-	0.45	42.84	50.99
a.	Fair value of plan asset as at April 1, 2023 (including plan assets not transferred to the Company) (Refer note 17.04)	-	0.45	42.84	50.99
i.	Acquisition (Credit)/Cost	-	-	-	-
j.	Estimated return on plan asset	-	0.04	3.25	3.92
k.	Employer contribution	-	0.60	8.10	16.13
l.	Benefits Paid	-	(0.33)	(10.43)	(18.13)
m.	Excess of actual over estimated return	-	-	-	-
n.	Others	-	-	-	-
o.	Fair value of plan asset at March 31,2024 (including plan assets not transferred to the Company) (Refer note 20.04)	-	0.76	43.76	52.91



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c. Amount to be recognized in the balance sheet

Particulars	₹ in Crore			
	Gratuity (Un Funded)	Other Defined Benefit (Unfunded**)	Gratuity (Funded)	Pension (Funded)
1. Present Value of obligations as at March 31,2023 as per Actuarial Valuation (including obligation not transferred to the Company)	9.52	4.42	87.98	420.23
2. Fair value of Assets at the end of the year (including plan assets not transferred to the Company)	-	0.45	42.84	50.99
3. Net liability (before reducing liability not transferred to Company)	9.52	3.97	45.14	369.24
4. Liability not transferred to the Company as per vesting order	-	-	(26.79)	(216.71)
5. Net current Liability recognized in balance sheet as at March 31,2023	0.26	0.21	-	-
6. Net non current Liability recognized in balance sheet as at March 31,2023	9.26	3.76	18.35	152.53
1. Present Value of obligations as at March 31,2024 as per Actuarial Valuation (including obligation not transferred to the Company)	16.69	5.86	94.44	480.25
2. Fair value of Assets at the end of the year (including plan assets not transferred to the Company)	-	0.76	43.76	52.91
3. Net liability (before reducing liability not transferred to Company)	16.69	5.10	50.67	427.34
4. Liability not transferred to the Company as per vesting order	-	-	(21.98)	(207.24)
5. Net current Liability recognized in balance sheet as at March 31,2024	0.42	0.27	-	-
6. Net non current Liability recognized in balance sheet as at March 31,2024	16.27	4.82	28.69	220.10

d. Expenses Recognized in the Statement of Profit & Loss

Particulars	₹ in Crore			
	For the year ended March 31,2024			
	Gratuity (Un Funded)	Other Defined Benefit (Unfunded**)	Gratuity (Funded)	Pension (Funded)
1. Current Service Cost	1.80	0.86	3.63	7.80
Current interest cost on OP Laib	-	-	-	-
2. Past Service Cost	-	-	-	-
Interest Costs on Opening Balance Not Transferred	-	-	-	-
3. Interest Cost	0.70	0.31	6.04	30.01
4. Expected return on Plan Assets	-	(0.04)	(3.04)	(3.65)
5. Immediate Recognition of (Gains)/ Losses - Other Long Term Benefits	-	0.23	-	-
6. Net Actuarial (Gain)/Loss recognized in the year	-	-	-	-
7. Others (payment to trust)	-	-	4.81	110.63
8. Expenses recognized in statement of Profit & Loss	2.49	1.35	11.44	144.80

Particulars	₹ in Crore			
	For the year ended March 31,2023			
	Gratuity (Un Funded)	Other Defined Benefit (Unfunded**)	Gratuity (Funded)	Pension (Funded)
1. Current Service Cost	1.02	0.50	3.85	8.87
2. Past Service Cost	-	0.01	-	-
3. Interest Cost	0.59	0.25	5.81	25.01
4. Expected return on Plan Assets	-	(0.02)	(3.15)	(3.42)
5. Immediate Recognition of (Gains)/ Losses - Other Long Term Benefits	-	0.29	-	-
6. Net Actuarial (Gain)/Loss recognized in the year	-	-	-	-
7. Others (payment to trust)	-	-	-	84.09
8. Expenses recognized in statement of Profit & Loss	1.61	1.03	6.50	114.55



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e. Amount recognized in other comprehensive income (remeasurements)

Particulars	For the year ended March 31, 2024			
	Gratuity (Un Funded)	Other Defined Benefit (Unfunded**)	Gratuity (Funded)	Pension (Funded)
Actuarial (gains)/losses arising from:		-		
- OCI related to OP liability not transferred	-	0.09	(1.39)	5.66
- changes in demographic assumptions	-	0.20	3.27	19.26
- changes in financial assumptions	0.46	0.01	(0.20)	(0.27)
- Return on plan assets	-	0.30	5.33	15.42
- experience adjustments	4.21	-	-	-
Total	4.67	0.60	7.01	40.06

Particulars	for the year ended March 31, 2023			
	Gratuity (Un Funded)	Other Defined Benefit (Unfunded*)	Gratuity (Funded)	Pension (Funded)
Actuarial (gains)/losses arising from:		-		
- changes in demographic assumptions	-	-	-	-
- changes in financial assumptions	(0.19)	0.10	(1.91)	(11.52)
- Return on plan assets	-	-	-	0.52
- experience adjustments	0.01	0.17	5.37	53.99
Total	(0.18)	0.27	3.46	42.99

f. Principal assumptions

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gratuity (Unfunded)	Gratuity (funded)	Gratuity (Unfunded)	Gratuity (funded)
1. Discount rate	7.00%	7.00%	7.30%	7.30%
2. Salary escalation	7.00%	6.00%	7.00%	6.00%
3. Mortality rate	Indian Assured Lives Mortality (2006-08) Ult	100 % Indian Assured Lives Mortality (2012 -14)	Indian Assured Lives Mortality (2006-08) Ult	100 % Indian Assured Lives Mortality (2012 -14)

g. Category wise plan assets

Particulars	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2023
	Gratuity (Funded)	Pension (Funded)	Gratuity (Funded)	Pension (Funded)
Cash & Cash Equivalents	5.83%	2.59%	7.87%	2.94%
State Government Securities	42.32%	39.10%	41.86%	43.27%
Government of India Assets	4.56%	8.12%	14.47%	6.44%
Corporate Bonds	46.32%	38.59%	32.41%	33.05%
Other	0.97%	11.59%	3.39%	14.30%
Total	100.00%	100.00%	100.00%	100.00%



TP WESTERN ODISHA DISTRIBUTION LIMITED
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h. Sensitivity analysis

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

Increase/ (decrease) in defined benefit liability	As at March 31, 2024			
	Gratuity (Unfunded)	Other Defined Benefit (Unfunded**)	Gratuity (Funded)	Pension (Funded)
Impact on discount rate for 0.5% decrease in defined benefit obligation	0.82	0.37	5.83	35.06
Impact on discount rate for 0.5% increase in defined benefit obligation	(0.76)	(0.33)	(5.36)	(31.43)
Impact on salary escalation rate for 0.5% decrease in defined benefit obligation	(0.76)	(0.05)	(3.58)	(12.21)
Impact on salary escalation rate for 0.5% increase in defined benefit obligation	0.82	0.05	3.63	12.98

Increase/ (decrease) in defined benefit liability	As at March 31, 2023			
	Gratuity (Unfunded)	Other Defined Benefit (Unfunded**)	Gratuity (Funded)	Pension (Funded)
Impact on discount rate for 0.5% decrease in defined benefit obligation	0.50	0.24	4.91	29.78
Impact on discount rate for 0.5% increase in defined benefit obligation	(0.46)	(0.21)	(4.52)	(26.72)
Impact on salary escalation rate for 0.5% decrease in defined benefit obligation	(0.47)	(0.03)	(3.12)	(10.45)
Impact on salary escalation rate for 0.5% increase in defined benefit obligation	0.50	0.03	3.22	11.12

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.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting year, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

The weighted average duration of the unfunded gratuity plan is 10 year

i. Effect of Plan on Company's future cash flows

Expected Future cashflows	As at March 31, 2024			
	Gratuity (Unfunded)	Other Defined Benefit (Unfunded**)	Gratuity (Funded)*	Pension (Funded)*
March 31, 2025	0.44	0.57	4.77	25.19
March 31, 2026	0.83	0.59	5.39	26.66
March 31, 2027	1.27	0.63	4.33	23.65
March 31, 2028	1.41	0.64	5.52	21.78
March 31, 2029	2.61	0.68	4.00	22.97
March 31, 2030 to March 31, 2034	14.07	3.97	25.08	106.28

Expected Future cashflows	As at March 31, 2023			
	Gratuity (Unfunded)	Other Defined Benefit (Unfunded**)	Gratuity (Funded)*	Pension (Funded)*
March 31, 2024	0.27	0.51	6.95	21.47
March 31, 2025	0.28	0.51	7.89	22.90
March 31, 2026	0.62	0.53	5.84	19.83
March 31, 2027	0.87	0.56	4.93	17.92
March 31, 2028	0.95	0.56	5.89	19.06
March 31, 2029 to March 31, 2033	10.02	3.30	26.32	86.18

*Including payment for liabilities not transferred to the Company (refer note 20.05)

** Including rehabilitation scheme (funded plan) pertaining to legacy employees

0.00 represents amount below the rounding off norm adopted by the Company



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	As at March 31, 2024 ₹ in Crore	As at March 31,2023 ₹ in Crore
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Note 21

Capital Grant and Consumer contribution towards capital assets-Non Current (At Cost less amortisation)

Consumer Contribution Towards Cost of Capital Assets	1,079.94	966.35
Deferred Government Grants towards cost of capital asset	423.75	351.92
Total Capital Grant and Consumer contribution towards capital assets	1,503.69	1,318.27

Movement in Consumer Contribution Towards Capital Assets

Balance at the beginning of the year	966.35	902.40
Add: Additions during the year	171.91	113.49
Less: Deletion during the year (net)	0.40	-
Less: Release to the Statement of Profit & Loss (Refer Note 28)	57.93	49.53
Balance at the end of the year	1,079.94	966.35

Note:- Consumer Contributions towards capital assets is amortised to the statement of profit and loss to match with depreciation charged on assets created out of such contribution.

Movement in Deferred Government Grants towards cost of capital asset

Balance at the beginning of the year	351.92	338.79
Add: Additions during the year	93.47	31.32
Less: Release to the Statement of Profit & Loss (Refer Note 28)	21.64	18.19
Balance at the end of the year	423.75	351.92

Note:- Government Grant have been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled condition or contingencies attached to the grant.

Note 22

Other Non current liabilities

	As at March 31, 2024 ₹ in Crore	As at March 31,2023 ₹ in Crore
Deposit from supplier/vendor	8.82	8.93
Consumers' contribution for work under progress	80.27	51.03
Subsidies towards cost of capital asset (Refer note below)	576.77	424.96
	665.86	484.92

Note: As part of business combination, certain grants/ subsidies have been transferred to the Company which can be used only in accordance with the terms and conditions of the concerned scheme. Pending clarity on the terms and conditions of the Scheme, the Company has not used and continues to reflect grant/ subsidy as liability.

Note 23

**Short-term borrowings
(At amortised cost)**

23.1 Secured

	As at March 31, 2024 ₹ In Crore	As at March 31,2023 ₹ in Crore
From Banks		
(a) Cash credit - repayable on demand	1.99	-

23.2 Current Maturities of Long Term Borrowings

(b) Term Loans from Bank		
HDFC Bank	16.98	16.98
Total short-term borrowings	18.97	16.98

Note:1.Secured credit facilities

The Company has availed secured credit facilities of ₹475 crore (March 31, 2023: ₹475 crore) from SBI Bank which includes fund based limit of ₹200 crore (March 31, 2023: ₹200 crore) at an interest rate for applicable tenor MCLR per annum (March, 31, 2023: applicable tenor MCLR per annum) and Non-fund based limit of ₹275 crore (March 31, 2023: ₹275 crore) at a commission rate of 0.35% per annum (March 31, 2023: 0.40% per annum).

The Company has availed secured credit facilities of ₹475 crore (March 31, 2023: ₹475 crore) from HDFC Bank which includes fund based limit of ₹200 crore (March 31, 2023: ₹200 crore) at an interest rate for applicable tenor MCLR per annum (March 31, 2023: applicable tenor MCLR per annum) and Non-fund based limit of ₹275 crore (March 31, 2023: ₹275 crore) at a commission rate of 0.35% per annum (March 31, 2023: 0.35% per annum).

These facilities are secured against first pari passu charge on all the current assets (other than restricted as per vesting order, including consumer security deposits and Government deposits received in the form of grant, subsidy, relief fund etc) both present and future with other lenders of the Company under Multiple Banking Arrangement (MBA). Collateral security- Second pari passu charge on entire movable/immovable fixed assets of the Company, excluding assets transferred to the Company from Wesco as per terms of the vesting order, with other lenders of the Company under MBA.

The Company has availed secured overdraft limits of ₹215 crore (March 31, 2023: ₹215 crore) from Union Bank of India at applicable Weighted Average Fixed Deposit Rate Plus 0.50% margin per annum (March 31, 2023: applicable Weighted Average Fixed Deposit Rate Plus 0.25% margin per annum) .

Note:2. Current borrowings secured against current assets

The quarterly returns or statements of current assets filed by the Company with banks or financial Institutions are in agreement with the books of accounts. The Company has not used any of the borrowings from banks apart for the purpose for which it was taken.



TP WESTERN ODISHA DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2024

Note 24

	As at March 31, 2024 ₹ in Crore	As at March 31, 2023 ₹ in Crore
Trade payables (at amortised cost)		
(i) Outstanding dues of micro enterprises and small enterprises ("MSE") (Refer note 24.2 below)	46.96	44.14
(ii) Outstanding dues other than micro enterprises and small enterprises	898.49	797.12
	945.45	841.26

24.1 Refer note 41 for related party disclosure.

24.2 Post acquisition the company has started process of identifying micro and small enterprises separately. 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:

Particulars	As at March 31, 2024 ₹ in Crore	As at March 31, 2023 ₹ in Crore
(a) Principal amount*	140.69	44.14
(b) Interest due	-	-
(c) The amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(d) The amount of interest due and payable for the year of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(e) The amount of interest accrued	-	-
(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	-	-
Total	140.69	44.14

*It includes amount payable in the nature of capital creditors as disclosed under note 25 - Other financial liability

24.3 Trade Payables Ageing schedule as at March 31, 2024

Particulars	Outstanding for following years from due date of payment #						Total
	Not due*	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade Payables							
a) Total outstanding dues of micro enterprises and small enterprises	13.36	21.47	2.47	2.60	0.70	6.37	46.96
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	833.78	22.59	7.00	0.19	34.93	898.49
(ii) Disputed Trade Payable							
a) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-

Where due date of payment is not available date of transaction has been considered

Trade Payables Ageing schedule as at March 31, 2023

Particulars	Outstanding for following years from due date of payment #						Total
	Not due*	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade Payables							
a) Total outstanding dues of micro enterprises and small enterprises	-	32.74	2.13	1.97	7.30	-	44.14
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	696.62	-	8.83	91.67	-	797.12
(ii) Disputed Trade Payable							
a) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-

Where due date of payment is not available date of transaction has been considered

*Includes provision for expenses, where invoices not received till the date of Balance Sheet.

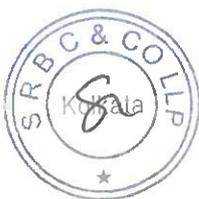


TP WESTERN ODISHA DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31,2024

Note 25	As at	As at
Other financial liabilities - current	March 31, 2024	March 31,2023
(At amortised cost)	₹ in Crore	₹ in Crore
(a) Payable to employees	40.10	26.68
(b) Security deposit from consumers (Refer note below)	1,206.43	1,076.49
(c) Deposit from others	2.83	2.34
(d) Outstanding for supply of capital material (Refer Note 24.2)	334.51	260.90
(e) Interest payable on consumer security deposits	75.64	65.93
(f) Payable to residuary company	5.74	35.59
(g) Consumers' contribution for work under progress	44.60	52.21
(h) Government Grant Payable	5.59	5.60
(i) Interest payable on government grant fund	25.54	20.66
(j) Other financial liabilities (payable against Additional Serviceable Liabilities)	8.68	-
	1,749.66	1,546.40

Note: The security deposits from electricity consumers carry interest at 6.75% p.a. (March 31,2023 : 6.75%) and is adjusted against power bill of the respective customers as per tariff regulations. The amount is refundable on surrender of electricity connection by the consumer.

Note 26	As at	As at
Other current liabilities	March 31, 2024	March 31,2023
	₹ in Crore	₹ in Crore
(a) Statutory liabilities	84.29	82.69
(b) Advance from Customer	80.68	69.26
	164.97	151.95



Note 27

Regulatory Deferral Account

Accounting Policy

The Company determines revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) in respect of its regulated operations in accordance with the provisions of Ind AS 114 - 'Regulatory Deferral Accounts' read with the Guidance Note on Rate Regulated Activities issued by the Institute of Chartered Accountants of India (ICAI) and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the Electricity Regulator and the actual or expected actions of the regulator under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the regulatory deferral account of the respective year for the amounts which are reasonably determinable and no significant uncertainty exists in such determination.

These adjustments/accruals representing revenue gaps are carried forward as Regulatory deferral accounts debit/credit balances (Regulatory Assets/Regulatory Liabilities) as the case may be in the financial statements, which would be recovered/refunded through future billing based on future tariff determination by the regulator in accordance with the electricity regulations.

The Company presents separate line items in the balance sheet for:

- i. the total of all regulatory deferral account debit balances and related deferred tax balances; and
- ii. the total of all regulatory deferral account credit balances and related deferred tax balances.

A separate line item is presented in the Statement of Profit and Loss for the net movement in regulatory deferral account.

Rate Regulated Activities

(i) As per the Ind AS-114 'Regulatory Deferral Accounts', the business of electricity distribution is a Rate Regulated activity wherein the Odisha Electricity Regulatory Commission (the 'OERC' or, the 'regulator') determines Tariff to be charged from consumers based on prevailing regulations in place.

The Odisha Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014/2022, are applicable to the company. These regulations require the OERC to determine tariff in a manner wherein the Company can recover its fixed and variable costs including assured rate of return on approved equity base, from its consumers. The Company determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in these Regulations and Vesting Order.

As per the vesting order, the AT&C loss trajectory which can be passed on to customers is fixed for the first ten years. Any gain/ loss arising due to lower/higher AT&C losses vis-a-vis fixed trajectory belongs to the Company and is not passed on to the customer. The Company determines the amount of such gain/ loss based on basis power purchase cost only and treats all other expenses including operation and maintenance expenses, employee cost, finance cost and tax expense as per prevailing regulations and tariff orders while determining 'Regulatory Deferral Account Balance.

(ii) In terms of the applicable regulations, the Company submits its Annual Revenue Requirements (ARR) before beginning of the year for approval of the OERC. After close of financial statements for a year, the actual income and expense incurred by the Company are reviewed and approved by the OERC in the form of True-up Order.

(iii) The balance of regulatory asset/liabilities of distribution business at reporting date is as follows:

	As at March 31, 2024 ₹ crore	As at March 31, 2023 ₹ crore
Regulatory Deferral Account		
Regulatory Liabilities	(716.42)	(1,227.00)
Net Regulatory Assets/(Liability)	(716.42)	(1,227.00)

(iv) Movement of Regulatory Assets/Liabilities of distribution business as per Rate Regulated Activities is as follows:

	Year Ended March 31, 2024 ₹ crore	Year Ended March 31, 2023 ₹ crore
Opening Regulatory Liabilities (net of Assets) (A)	(1,227.00)	(634.64)
Regulatory Income/(Expenses) during the year		
(i) Power Purchase Cost (normative) net off rebate	5,756.75	5,164.51
(ii) Other expenses as per the terms of Tariff Regulations including Return on Equity	1,380.77	1,187.75
(iii) Available revenue including non tariff income etc*	(6,679.63)	(6,996.93)
(iv) Others (includes OCI-Refer Note 35, etc.)	52.11	46.42
(v) Allowance based on true up order	0.57	5.89
Net movement in regulatory deferral balances (i + ii + iii+ iv+ v) =(B)	510.57	(592.36)
Closing Regulatory Liabilities (net of Assets) (A+B)	(716.42)	(1,227.00)

(v) **True-up order**

The Company determines revenue gaps (i.e. surplus/ shortfall in actual returns over returns entitled) in respect of its regulated operations in accordance with the provisions of Ind AS 114 - 'Regulatory Deferral Accounts' read with the Guidance Note on Rate Regulated Activities issued by the Institute of Chartered Accountants of India (ICAI) and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the OERC and the actual or expected actions of the regulator under the applicable regulatory framework.

The OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, regulations require the OERC to determine tariff in a manner that the Company, subject to certain specific gains and losses allowed to be retained under the Vesting Order, can recover its fixed and variable costs including assured rate of return on approved equity base, from its consumers. The Company determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in these Regulations. In terms of the regulations, the Company submits its Annual Revenue Requirements (ARR) before beginning of the year for approval of the OERC. After close of financial statements for a year, the actual income and expense incurred by the Company are reviewed and approved by the OERC in the form of True-up Order.

During the current year, the Company has filed true up petition for FY 2022-23 along with ARR petition for FY 24-25 as per the regulations. After going through due process of tariff finalization, the OERC has issued true up order up to FY 2022-23 and ARR for FY 2024-25. In the true up order, the OERC has found that the licensees have incurred actual expenses in variance to approved amount by the OERC pertaining FY 2021-22 and FY 2022-23.

The OERC has true up revenue gap / surplus upto March 31, 2023, resulting in a lower revenue entitlement of ₹ 131.38 crores vis-à-vis the amount arrived at using actual expenses incurred by the Company. The Management has filed a clarification letter with OERC for review of the above lower revenue entitlement and also seeking a clarification from them that true up of FY 2022-23 carried out is only provisional and has not been finalised. The management believes that the Company will be able to justify additional expense to the OERC and claim in the next ARR filings.

Also, during the current year, the Company has incurred additional expenses under the following heads as compared to amount approved by the OERC for the financial year 2023-24.

Administrative and General Expenses - ₹ 37.23 crores

The Company continues to treat above additional expenditures as pass through to the consumer. The management believes that there will not be any adverse financial implications.

*Based on the true up order upto March 31, 2023, Non-tariff Income has been allowed excluding meter rent. Accordingly, the Company has retained meter rent (net of depreciation, finance cost and other installation costs) excluding the meters installed under various Government schemes such as IPDS etc. instead of Non- tariff income.

The aggregate of such meter rent (net of depreciation) recognised during the year is Rs. 57.49 crores (including Rs. 37.84 crores pertaining to earlier years).



Note 28

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.

Description of performance obligations are as follows:

28.1 Sale of power – Distribution

Revenue from the supply of power is recognised net of any cash rebates over time for each unit of electricity delivered at the pre-determined rate as per the tariff order.

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 year. 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.

The Company, as per the prevalent 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 and maintenance expenses, financing cost, as per the said Tariff Regulations and an assured return on equity . 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".

Revenue in respect of invoice raised for dishonest abstraction of power is recognized when the certainty of its collection is probable i.e. generally as and when recovered.

28.2 Contribution for capital works

Consumer's contribution towards property, plant and equipment which require an obligation to provide electricity connectivity to the consumers is treated as capital receipt and credited in other liabilities under the head 'consumer's deposit for work' until transferred to a separate account on commissioning of the assets. 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.

	Year Ended March 31, 2024	Year Ended March 31,2023
	₹ in Crore	₹ in Crore
28.3 Revenue from operations		
28.3.1 Revenue from sale of power		
(a) Sale of power as per tariff	6,285.88	6,241.03
Less: rebate to consumers	47.71	60.17
Revenue from contract with customers	6,238.17	6,180.86
28.3.2 Other operating revenue		
(a) Amortisation of consumer contribution and government grant	79.56	67.72
(b) Recovery of meter Rent	39.85	27.28
(c) Over drawal Payment recovered	20.80	31.48
(d) Supervision Charges	30.56	24.18
(e) Miscellaneous operating Income	12.59	9.43
(f) Cross Subsidy & Open Access Charges	197.47	540.07
	380.63	700.17
Revenue from operations	6,619.00	6,881.03

Disaggregation of revenue

The Company deals in a single type of product i.e. power which is sold directly to consumers, consideration in respect of which is based on energy supplied . Thus further disclosure in respect of disaggregation of revenue is not required.



TP WESTERN ODISHA DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2024

28.4 Contract Balances

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

Particulars	As At	As At
	March 31, 2024	March 31, 2023
Contract liabilities		
Advance from consumers	₹ 80.68	₹ 69.26
Total contract liabilities	80.68	69.26
Receivables		
Trade receivables	934.02	830.50
Unbilled revenue depending only on passage of time	404.63	431.25
Less : Allowances for doubtful debts	(421.82)	(182.96)
Net receivables	916.83	1,078.79

Contract assets

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets are transferred to receivables when the rights become unconditional.

Contract Liabilities

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 recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract, i.e., normally within twelve months from the reporting date.

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

Particulars	Contract Assets	
	As at March 31, 2024	As at March 31, 2023
	₹ in Crore	₹ in Crore
Unbilled revenue		
Opening balance as at 1 April	431.25	394.09
Add: Revenue recognised during the year	404.63	431.25
Less: Transfer from contract assets to receivables/adjustments	(431.25)	(394.09)
Closing Balance	404.63	431.25

Particulars	Contract Liabilities	
	As at March 31, 2024	As at March 31, 2023
	₹ in Crore	₹ in Crore
Advance from consumers		
Opening balance as at 1 April	69.26	51.92
Revenue recognised / adjusted during the year	40.27	32.41
Advance received during the year not recognised as revenue	(28.85)	(15.06)
Closing Balance	80.68	69.26

28.5 Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting year and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date.

Note 29 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.

- Delayed Payment Charges (DPC)

DPC is charged at the rate prescribed by the Tariff Regulations on the outstanding balance. Revenue in respect of DPC and Interest on DPC leviable as per the Tariff Regulations are recognized on actual realisation or accrued based on an assessment of certainty of realization supported by an acknowledgement from customers.

- Incentive on past arrears collection

As per terms of OERC vesting order, the Company is eligible for incentive on past arrear collections pertaining to year prior to March 31, 2020. Income in respect of incentive is recognized as percentage of actual realization of past arrears.

	Year Ended	Year Ended
	March 31, 2024	March 31, 2023
	₹ In Crore	₹ In Crore
(a) Interest income	138.27	96.34
(b) Delayed payment surcharge	15.49	20.59
(c) Income from sale of scraps	7.91	4.89
(d) Gain on sale of Short Term Investments	7.18	5.82
(e) Incentives on Arrears Collection	6.39	11.44
(f) Other income	8.74	2.54
	183.98	141.61



TP WESTERN ODISHA DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31,2024

Note 30

Cost of power purchased and transmission charges

	Year Ended March 31, 2024	Year Ended March 31,2023
	₹ in Crore	₹ in Crore
(a) Power purchase cost	5,425.53	4,806.26
Transmission charges	299.62	356.66
SLDC charges	2.06	1.67
Less: rebate on power purchased, transmission charges and SLDC charges	64.22	69.79
	5,662.99	5,094.80

Note 31

Employee benefits expense (net)

	Year Ended March 31, 2024	Year Ended March 31,2023
	₹ in Crore	₹ in Crore
(a) Salaries, wages and bonus	311.11	267.66
(b) Contribution to provident and other funds (Refer note 20)	163.74	130.66
(c) Gratuity and ex-gratia (Refer note 20)	13.93	8.11
(d) Compensated absences	24.04	12.80
(e) Staff welfare expenses	16.17	10.89
(f) Equity settled options granted by parent company (Refer note below)	0.33	-
Less : Employee Cost Capitalization	25.66	15.23
	503.65	414.89

Note: 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 Rs. 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:

	As at March 31, 2024	As at March 31,2023
	₹ in Crore	₹ In Crore
Expense arising from equity-settled share-based payment transactions	0.33	-
Total expense arising from share-based payment transactions	0.33	-

Movements during the year

Option exercisable at the beginning of the year	-	-
Granted during the year	2,40,500	-
Forfeited/Expired during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Option exercisable at the end of the year	2,40,500	-
Number of shares to be issued for outstanding options (conditional on performance measures)		
Maximum		
Minimum		
Share price for options exercised during the year	Not applicable	-
Remaining contractual life	2.58 Years	-

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.

	As at March 31, 2024	As at March 31,2023
	₹ in Crore	₹ in Crore
Assumption factor		
Dividend Yield (%)	0.70%	-
Risk free interest rate (%)	7.21%	-
Expected life of share option (Years)	3 - 5 Years	-
Expected volatility (%)	39.81%	-
Weighted Average Share price	249.80	-
Weighted Average Fair Value at the measurement date	97.75	-

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.

Also, refer note 41 for related party disclosure



TP WESTERN ODISHA DISTRIBUTION LIMITED
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Note 32

Finance costs

Accounting Policies

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily take a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the qualifying asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

	Year Ended March 31, 2024	Year Ended March 31,2023
	₹ in Crore	₹ in Crore
(a) Financial Charges	2.81	5.12
(b) Interest on consumer security deposits carried at amortised cost	74.73	63.94
(c) Interest on Cash Credit carried at amortised cost	0.32	4.45
(d) Interest on Term Loans carried at amortised cost - banks	24.70	11.56
	102.55	85.07
Less: Interest Capitalised	2.77	3.63
	99.78	81.44

Note 33

Other expenses

	Year Ended March 31, 2024	Year Ended March 31,2023
	₹ in Crore	₹ in Crore
(a) Repairs and maintenance:		
(i) Building	0.11	0.13
(ii) Plant and equipment	233.05	233.00
(b) Rent	1.96	2.52
(c) Legal and professional charges (Refer Note 33.1)	5.06	3.91
(d) Rates & Taxes	2.09	0.02
(e) Advertisement & Marketing Expenses	2.45	1.97
(f) Electricity Consumption Expenses	7.39	5.83
(g) Telephone Expenses	3.04	2.37
(h) Insurance Premium	3.61	1.80
(i) Travelling Expenses	14.77	16.11
(j) Office Expenses	3.48	3.14
(k) Allowance for doubtful debts	238.86	129.41
(l) Other Administrative Expenses	40.95	24.52
(m) Spot billing and meter reading expenses	49.17	34.79
(n) Input & collection based Franchisee Expenses	54.23	56.72
(o) Corporate social responsibility Expenses (Refer Note 33.2)	2.61	1.36
(p) Director's sitting fees	0.54	0.47
(q) Outsource and Contratual labour cost	41.52	35.87
(r) Miscellaneous expenses	3.78	3.77
Total other expenses	708.66	557.70

33.1 Auditors remuneration

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

Particulars

As Auditors :

Statutory Audit fees (including Goods and Services Tax)*

Tax Audit Fees

In other capacity :

Other services (certification fees)

Reimbursement of Expenses

	Year Ended March 31, 2024	Year Ended March 31,2023
	₹ in Crore	₹ in Crore
Statutory Audit fees (including Goods and Services Tax)*	0.75	0.70
Tax Audit Fees	0.02	0.02
Other services (certification fees)	0.03	0.01
Reimbursement of Expenses	0.04	0.01
	0.84	0.74

*Including fees for earlier years ₹ 0.00 crores(March 31,2023: ₹ 0.21 crores)



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33.2 Corporate social responsibility expenditure

	Year Ended March 31, 2024 ₹ in Crore	Year Ended March 31,2023 ₹ in Crore
a) Gross amount required to be spent by the company during the year	2.61	1.36
b) Amount approved by the Board to be spent during the year	2.61	1.36

₹ in Crore			
	In cash	Outstanding	Total
c) Amount spent during the year ending on March 31,2024:			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	2.61	-	2.61

₹ in Crore			
	In cash	Outstanding	Total
d) Amount spent during the year ending on March 31,2023:			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	1.36	-	1.36

e) Details related to spent / unspent obligations:

	Year Ended March 31, 2024 ₹ in Crore	Year Ended March 31,2023 ₹ in Crore
i. Employability and Employment (Skilling for Livelihoods)	0.40	0.15
ii. Education (Including Financial and Digital Literacy)	0.76	0.43
iii. Essential Services (Health & Environment)	1.05	0.51
iv. Entrepreneurship	0.36	0.23
v. Volunteering Programs	0.04	0.04
	2.61	1.36

Note 34 Tax expenses

Accounting policy

Tax expense comprises current tax expense and deferred tax.

34.1 Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date in the country where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

34.2 Deferred Tax

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.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



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34.3 Tax expense	Year Ended March 31, 2024	Year Ended March 31,2023
	₹ in Crore	₹ in Crore
Current tax		
In respect of the current year	73.92	49.49
Adjustment of tax relating to earlier years	14.70	(10.00)
	88.62	39.49
Deferred tax		
Adjustment of Deferred tax relating to earlier years	(45.92)	(7.54)
	(16.76)	-
	(62.68)	(7.54)
Total income tax expense recognised during the year	25.94	31.95

34.4 Reconciliation of tax expense and the accounting profit multiplied by India's tax rate :	Year Ended March 31, 2024	Year Ended March 31,2023
	₹ in Crore	₹ in Crore
Profit from continuing operations before income tax expense	100.72	123.03
Tax Expenses at the Indian tax rate of 25.17%	25.35	30.98
True up impact of previous year	(0.07)	0.63
CSR Expenses	0.66	0.34
Income tax expense reported in the statement of profit and loss	25.94	31.95
Income tax expense		

The Company has made provision for income tax at the rate of 25.168% (Tax rate 22% Plus Surcharge 10% Plus cess 4% on tax & surcharge) in accordance with normal provisions of Income Tax Act, 1961 for the year ended March 31,2024 and March 31, 2023.

34.5 Deferred Tax Assets	As at March 31,2024	As At March 31 2023
Deferred tax asset/(liability) on account of :	₹ in Crore	₹ in Crore
Tax impact arising out of temporary differences in depreciable assets		
Property plant and equipment	(55.94)	(27.93)
Tax impact of expenses allowable against taxable income in future years		
Provision for doubtful debts	106.16	46.06
Expenses allowed on payment basis	30.95	-
Tax impact on Ind AS adjustments		
Unrealised gain on Mutual Fund	(0.35)	-
Total	80.82	18.13

Movement in deferred tax balance for the period ended March 31, 2024

Particulars	Opening balance as at March 31, 2023	Recognised in the statement of Profit and Loss	Closing balance as at March 31, 2024
	₹ in Crore	₹ in Crore	₹ in Crore
Deferred tax assets			
Tax impact of expenses allowable against taxable income in future years	46.05	91.06	137.11
Total deferred tax assets	46.05	91.06	137.11
Deferred tax liabilities			
Tax impact arising out of temporary differences in depreciable assets	(27.93)	(28.01)	(55.94)
Tax impact on Ind AS adjustments	-	(0.35)	(0.35)
Total deferred tax liabilities	(27.93)	(28.36)	(56.30)
Deferred tax assets (net)	18.13	62.68	80.82



TP WESTERN ODISHA DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2024

Note 35 Other comprehensive income/(expenses)

	Year Ended March 31, 2024	Year Ended March 31, 2023
	₹ in Crore	₹ in Crore
<u>Items that will not be reclassified to profit or loss</u>		
Remeasurements of the defined benefit plans	(52.11)	(46.43)
Net Movement in regulatory deferral balances	52.11	46.43
Total other comprehensive income	-	-

Note:

Post-acquisition of business, the Company has decided to treat pension and gratuity benefits payable to erstwhile WESCO employees which are continuing in employment at the date of acquisition as defined benefit plan under Ind AS 19 Employee Benefits. Consequently, the cost and liability of providing such benefits is determined using the projected unit credit method (PUCM). Among other matters, the application of PUCM results in recognition of remeasurement gain/ loss, comprising items such as actuarial gains and losses and effect of the asset ceiling, in the Other Comprehensive Income (OCI). The amount of remeasurement gain/ loss fluctuates year on year based on changes in actuarial assumptions including discount rate and mortality rate.

To ensure offsetting impact in the OCI and the Balance Sheet, the Company recognizes equivalent amount as Regulatory Deferral Account - Income/ expense in the OCI. The amount of Regulatory Deferral Account - Income/ expense recognized in the OCI in this manner fluctuates in line with and in opposite direction to the Remeasurement gain/ loss. Based on the Vesting Order, the Company will be allowed to include and recover this amount as revenue from customers only when the amount is paid to the trust for onward payment to employees.



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Note 36 Commitments:	As At	As At
	March 31, 2024	March 31, 2023
	₹ crore	₹ crore
Estimated amount of Contracts remaining to be executed on capital account and not provided for:	593.90	411.01

As per terms of vesting order, cumulative capital expenditure of ₹ 1,663 crores (FY 2022-26) has been committed. Further, commitment in respect of AT&C losses reduction and past arrears collection have also been stated in the vesting order.

Note 37
Contingent liabilities

Contingent liability is:

- (a) a possible obligation arising from past events and whose existence will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or
- (b) a present obligation that arises from past events but is not recognised because:
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
 - the amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognize a contingent liability but discloses the same as per the requirements of Ind AS 37.

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. The Company does not recognise the contingent asset in its financial statements since this may result in the recognition of income that may never be realised. Where an inflow of economic benefits are probable, the Company disclose a brief description of the nature of contingent assets at the end of the reporting period. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and the Company recognise such assets.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Particular	As At	As At
	March 31, 2024	March 31, 2023
	₹ crore	₹ crore

37.01 Claims against the Company not acknowledged as debts: (i) Legal cases filed by consumers, employees and others under litigation	18.43	20.01
37.02 Indirect taxation matters relating to sales tax, service tax, GST demand for FY 2014-15 to June 2017 including Interest till 31st March 21 where demand is under contest before judicial/appellate authorities CESTAT, Kolkata and deposited ₹ 2.96 Crore @7.5% of principal demand of ₹ 39.41 Crore.	75.86	75.86

No provision is considered necessary since the Company expects favourable decisions as well as past liabilities are pass through in tariff.

37.03 Before acquisition, WESCO Utility was not identifying and tracking dues payable to MSME vendors separately. Consequently, it was not tracking whether timely payments are being made to such vendors and/ or interest/ penalty, if any, payable for delay in making payment. Post acquisition, the Company has initiated a process and identified MSME vendors based on confirmations received. In the absence of adequate data, the Company is unable to determine whether any interest of penalty is payable for past default. The management will be able to identify and recognize such obligation, if any, based on claims received.

37.04 As per terms of vesting order all litigations pertaining to WESCO have been transferred to the Company and in case of any unfavourable outcome the Company will be able to recover the liability through Aggregate Revenue Requirement.

37.05 Refer Note 27 (v) for contingent liability on account of truing up order by OERC.

Note 38

Earnings per equity share (EPS)

Accounting policy

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company [after adjusting for dividend, interest and other charges to expense or income (net of any attributable taxes)] by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

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 year 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 year.

Diluted earnings per share is computed by dividing the the profit/(loss) for the reporting year 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 year as adjusted to the effects of all dilutive potential equity shares, except where results are anti-dilutive.

38.01 EPS - Continuing operations (excluding regulatory income/expense)

Particulars	Units	As At	As At
		March 31, 2024	March 31, 2023
a) Profit for the year	₹ in Crores	74.78	91.08
b) Net movement in regulatory deferral account balance	₹ in Crores	458.47	(638.78)
c) Income-tax attributable to regulatory deferral account balance	₹ in Crores	115.40	(160.78)
d) Net movement in regulatory deferral account balance (net of tax) (b-c)	₹ in Crores	343.07	(478.00)
e) Profit/(Loss) for the year from continuing operations attributable to equity shareholders before net movement in regulatory deferral account balance .	₹ in Crores	(268.29)	569.08
f) Weighted average number of equity shares	Nos	48,24,92,092	35,05,93,588
g) Basic and diluted earnings per equity share of ₹10 each	₹	(5.56)	15.78
h) Face value of equity shares	₹	10.00	10.00

38.02 EPS - Continuing operations (including regulatory income/expense)

Particulars	Units	As At	As At
		March 31, 2024	March 31, 2023
a) Profit for the year from continuing operations after net movement in regulatory deferral account balance attributable to equity shareholders	₹ in Crores	74.78	91.08
b) Weighted average number of equity shares	Nos	48,24,92,092	35,05,93,588
c) Basic and diluted earnings per equity share of ₹ 10 each	₹	1.55	2.53
d) Face value of equity shares	₹	10.00	10.00

There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.



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Note 39

Financial Instruments : Accounting classifications, Fair value measurements, Financial Risk management and offsetting of financial assets and liabilities

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in the financial statements.

(i) Accounting classifications

The fair values of the financial assets and liabilities are the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The carrying amounts of trade receivables, cash and cash equivalents, short term deposits, trade payables, capital creditors, short term loans from banks, financial institutions and others are considered to be the same as their fair values, due to their short-term nature. Most financial assets and liabilities of the Company as at the balance sheet date are short term having fair value equal to amortised cost.

(ii) Fair Value measurements and Hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Unobservable inputs for fair valuation of assets and liability

Fair Value

The following table summarizes the fair value hierarchy for financial assets and financial liabilities that are either measured at fair value on a recurring basis or are not measured at fair value (but fair value disclosures are required) and the carrying value of financial instruments by categories:

March 31, 2024

Particulars	Carrying Value	FVTPL	Classification		Level 1	Fair Value	
			FVTOCI	Amortised Cost		Level 2	Level 3
Financial assets							
Investments	265.39	265.39	-	-	-	265.39	-
Trade receivables	512.20	-	-	512.20	-	-	-
Unbilled Revenue	404.63	-	-	404.63	-	-	-
Other financial assets (current and non-current)	309.26	-	-	309.26	-	-	-
Cash and cash equivalents	389.00	-	-	389.00	-	-	-
Bank balances other than above	1,876.25	-	-	1,876.25	-	-	-
	3,756.72	265.39	-	3,491.33	-	265.39	-
Financial Liabilities							
Borrowings	408.81	-	-	408.81	-	-	-
Trade payables	945.45	-	-	945.45	-	-	-
Other financial liabilities	1,749.66	-	-	1,749.66	-	-	-
	3,103.92	-	-	3,103.92	-	-	-

March 31, 2023

Particulars	Carrying Value	FVTPL	Classification		Level 1	Fair Value	
			FVTOCI	Amortised Cost		Level 2	Level 3
Financial assets							
Investments	294.35	294.35	-	-	-	294.35	-
Trade receivables	647.54	-	-	647.54	-	-	-
Unbilled Revenue	431.25	-	-	431.25	-	-	-
Other financial assets (current and non-current)	362.92	-	-	362.92	-	-	-
Cash and cash equivalents	745.70	-	-	745.70	-	-	-
Bank balances other than (iii) above	1,685.13	-	-	1,685.13	-	-	-
	4,166.89	294.35	-	3,872.54	-	294.35	-
Financial Liabilities							
Borrowings	223.78	-	-	223.78	-	-	-
Trade payables	841.26	-	-	841.26	-	-	-
Other financial liabilities	1,546.40	-	-	1,546.40	-	-	-
	2,611.44	-	-	2,611.44	-	-	-

There have been no transfers between Level 1 and Level 2 during the year ended March 31, 2024 and March 31, 2023.

The Company considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements at amortised cost will reasonably approximate their fair value.



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(iii) Capital Management & 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 monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

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:

	As At March 31, 2024 ₹ crore	As At March 31, 2023 ₹ crore
Long-term borrowings	389.84	206.80
Short-term borrowings	18.97	16.98
Total Debt (a)	408.81	223.78
Less: Cash and Cash equivalents (b)	389.00	745.70
Net debt {(c)=(a-b)}	19.82	-
Total equity (d)	876.56	634.00
Total equity and net debt {(e)=(c+d)}	896.38	634.00
Net debt to total equity plus net debt ratio (%) {(f)=(c)/(e)}	0.02	-

i. Debt is defined as long-term borrowings (including current maturities) and short-term borrowings and interest accrued on long-term and short-term borrowings.

ii. Equity is defined as Equity share capital and other equity.

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 loans and 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 significant breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023.

(iv) Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, consumers' security deposit, 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 senior management of the Company oversees these risks and are managed in accordance with the Companies policies and risk objectives.

(v) Market Risk

Market risk is the risk that changes in market prices will affect the Company's income or value of its 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. As at the reporting date, the Company does not have material financial assets of financial liabilities exposing it to significant market risk comprising foreign currency risk, interest rate risk and price risk.

The variable rate of borrowing will not have any impact on profit & loss of the company as interest cost is pass-through to consumers through ARR. Market risk comprises of three types of risk: currency risk, interest rate risk and price risk.

(vi) 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 rates on floating rate loans are linked with different benchmarks (e.g. MCLR/T- Bills etc) to distribute the risk wherever possible. Further, senior management of the Company monitors its interest rate risk regularly and may take appropriate action if needed to mitigate risk.

Any fluctuation in the floating interest rate will be allowed as pass through to the Company as part of the Annual Revenue Requirement (ARR). Hence, the Company is of the view that the interest rate sensitivity on account of interest rate fluctuation will not have any material impact of its financial position or financial performance as reflected in the financial statements.

(vii) 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.

Particulars	As At March 31, 2024 ₹ crore	As At March 31, 2023 ₹ crore
(a) Trade receivables	512.20	647.54
(b) Unbilled revenue	404.63	431.25
(c) Other financial assets	309.26	362.92
(d) Cash and cash equivalents	389.00	745.70
(e) Bank balances other than above	1,876.25	1,685.13
Total	3,491.33	3,872.54

In case of trade receivables and unbilled revenue, senior management of the Company monitors overdue amount on regular basis and take appropriate action, including forfeiture of security deposit and/ or disconnection of electricity, to get timely dues. Refer Note 13 for further details of credit risk/ loss allowance on trade receivables. Most of the cash and bank balances of the Company are with scheduled commercial banks where risk of default is low.



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(viii) 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 years, 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 year.

Particulars	₹ crore			
	Upto 1 year	1 to 5 years	5+ years	Total
As at March 31,2024				
(a) Trade payables	945.45	-	-	945.45
(b) Short term borrowings	18.97	-	-	18.97
(c) Long term borrowings	-	106.39	283.45	389.84
(d) Other financial liabilities	1,749.66	-	-	1,749.66
	2,714.08	106.39	283.45	3,103.92

Particulars	₹ crore			
	Upto 1 year	1 to 5 years	5+ years	Total
As at March 31,2023				
(a) Trade payables	841.26	-	-	841.26
(b) Short term borrowings	16.98	-	-	16.98
(c) Long term borrowings	16.98	67.92	121.90	206.80
(d) Other financial liabilities	1,546.40	-	-	1,546.40
	2,421.62	67.92	121.90	2,611.44

As at the balance sheet date, the Company has cash and bank balances (current and non-current) of ₹ 2,521.93 crores (March 31,2023 ₹ 2,765.73 crores) which can be used to meet its obligation. In case of requirement, the management is confident of raising further finance as required to meet its obligations. The Company has access to financing facilities as described in note 19 & 23. The Company expects to meet its obligations from operating cash flows and proceeds of maturing financial assets.



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2024

Note 40

Business Combinations

The Company has been incorporated on December 30, 2020 under the Companies Act, 2013 (as amended). Pursuant to vesting order issued by the OERC dated December 28, 2020, the Company acquired the business of distributing power in Western Orissa ('business') from WESCO with effect from January 1, 2021 (vesting date). Accordingly, the Company is a licensee to carry out the function of distribution and retail supply of electricity covering the distribution circles of Rourkela, Sambalpur, Bhawanipatna, Bolangir and Bargargh in the state of Odisha for a year of 25 years effective from January 1, 2021.

The Carve Out order dated November 23, 2021 issued by the OERC acknowledges that underlying details are not available for certain assets and liabilities. In accordance with the Carve Out Order, these amounts have been transferred to the Company and will continue to be its liabilities, and they cannot be paid without verification. These liabilities need to be verified through an external agency. Once verified, the Company is obliged to discharge the same upon the OERC approval. These liabilities cannot be written off without the Board and the OERC approval. Pending legal release, the Company continues to recognise these liabilities at the state amounts reflecting acquisition date fair values. In accordance with the vesting order, any change in the value of assets and liabilities transferred on account of the reconciliation / resolution of the above matters and / or any other matter identified in future will be allowed to be recovered by the Company in the manner specified in the vesting order, viz., by way of future tariff adjustment or adjustment to the grant liability. Hence, the Company believes that the reconciliation / resolution of the above matters will not have any impact on the financial position and financial performance of the Company as reflected in the financial statements.

For the following assets and liabilities, the acquisition date records are incomplete and under reconciliation:

(a) Carrying amount of security deposits as per the general ledger is lower by ₹ 7.41 Crores as compared to balance as per customer ledger at the same date.

(b) Vendor / customer details are not available for the following items:

- (i) Sundry Creditors for Expenses amounting to ₹ 7.82 crores;
- (ii) Advance payment/deposit for consumers for capital works amounting to ₹ 44.60 crores; and
- (iii) Other assets amounting to ₹ 4.30 crores.

(c) The Company, with the WESCO management and the help/guidance of the OERC, is in the process of reconciling/ resolving the above matters and adjustments, if any, will be recognized post reconciliation and resolution of the matters. As stated above, the Vesting Order provides that any change in the value of assets and liabilities transferred on account of the reconciliation / resolution of the above matters and/ or any other matter identified in future will be allowed to be recovered by the Company in the manner specified in the vesting order. Hence, the Company believes that the reconciliation/ resolution of the above matters will not have any impact on the financial position and financial performance of the Company as reflected in the financial statements.



Note 41

Related party disclosures

Names of related parties where control exists and other related parties where transactions took place :

A. Holding company

The 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

GRIDCO Limited

D. Fellow Subsidiaries (with whom company has transactions)

Maithon Power Limited (MPL)
Tata Power Renewable Energy Limited (TPREL)
Tata Power Solar Systems Limited (TPSSL)
TP Ajmer Distribution Limited (TPADL)
Tata Power Delhi Distribution Ltd (TPDDL)
TP Northern Odisha Distribution Limited (TPNODL)
TP Southern Odisha Distribution Limited (TPSODL)
TP Central Odisha Distribution Limited (TPCODL)
Power Link Transmission Ltd (PTL)

E. Joint Venture of Holding Company (with whom company has transactions)

Industrial Energy Limited (IEL)

F. Subsidiaries and Jointly Controlled Entities of Promoters of Holding Company - Promoter Group (with whom the Company has transactions)

Tata Consultancy Services Ltd (TCS)
Tata Capital Financial Services Ltd (TCFSL)
Tata Capital Limited
Tata Employees Co-op. Credit Society
Tata AIG General Insurance Company
Tata Communications Limited
Voltas Limited

G. Associate of Holding Company

Tata Projects Ltd

H. Post retirement employee benefit trust

WESCO Employees Pension trust
WESCO Employees Gratuity trust
WESCO Employees Provident Fund trust
WESCO Employees Rehabilitation Fund trust

I. Key management personnel

Chief Executive Officer
Mr. Gajanan Sampatrao Kale

Chief Financial Officer
Mr. Satish Kumar

Company Secretary
Shishir Dudeja

Non-executive directors

Dr. Praveer Sinha
Mr. Suresh Chandra Mahapatra (Date of cessation February 28, 2023)
Mr. Nilkunjha Bihari Dhal (From June 19, 2023)
Mr. Arup Ghosh
Mr. Sanjay Kumar Banga
Mr. Nipun Agarwal (Date of cessation April 18, 2022)
Mr. Kesava Menon Chandrasekhar (Date of cessation February 19, 2023)
Mr. Umakanta Sahoo
Mr. Trilochan Panda
Mr. Sanjeev Gupta (From April 28, 2022)
Mr. Pradeep Kumar Jena (From April 11, 2023)
Mr. Sanjay Kumar Singh (From April 11, 2023 to May 26, 2023)
Mr. Rajeev Sharma (From April 11, 2023)
Mr. Sunit Singh (From October 20, 2023)
Mr. Vishal Kumar Dev (From November 21, 2023)

Independent directors

Mr. Kailash Nath Shrivastava
Dr. Aditi Raja
Dr. Rabi Narayan Bohidar
Mr. Rabindra Nath Nayak



Related party transactions and balances

a. Particulars of transactions with the related parties:

₹ in crores

SI No	Name of Related Party	Nature of transactions	Year ended March 31, 2024	Year ended March 31, 2023
1	Purchase of Power GRIDCO Limited	Power purchase expenses net of rebate	5,366.22	4,009.46
2	Issue of Equity Shares GRIDCO Limited The Tata Power Company Limited (TPCL)	Issue of equity shares Issue of equity shares	82.21 85.57	58.93 61.33
3	Repayment of Dues Maithon Power Limited (MPL) The Tata Power Company Limited (TPCL)	Recovery of Employee Loan Recovery of Employee Loan	- 0.02	0.01 0.08
4	Gratuity & Annual Leave The Tata Power Company Limited (TPCL) TP Central Odisha Distribution Limited (TPCODL) Tata Power Solar Systems Limited (TPSSL) TP Ajmer Distribution Limited (TPADL) Tata Projects Ltd Tata Power Delhi Distribution Ltd (TPDDL)	Gratuity and Leave liability transferred Gratuity and Leave liability transferred	- - - - - -	2.59 0.31 0.12 0.09 0.01 0.85
5	Supply of Material, Management Services and Other Services Tata Sons Private Limited (Tata Sons) Tata Consultancy Services Ltd (TCS) Tata Capital Financial Services Ltd (TCFSL) Tata Capital Limited Tata AIG General Insurance Company Tata Communications Limited Voltas Limited The Tata Power Company Limited (TPCL) The Tata Power Company Limited (TPCL) Power Link Transmission Ltd (PTL) TP Northern Odisha Distribution Limited (TPNODL) TP Central Odisha Distribution Limited (TPCODL) TP Central Odisha Distribution Limited (TPCODL) TP Southern Odisha Distribution Limited (TPSODL) TP Ajmer Distribution Limited (TPADL) Tata Power Delhi Distribution Ltd (TPDDL)	Management Services Consultancy Services Rental Services Received Rental Services Received Insurance Services IT Services Supply of Material Supply of materials and Management Services Employee settled option granted by parent company** Supply of Material Supply of Material Inter Discom Power Purchase Supply of Material and Management Services Inter Discom Power Purchase Supply of Material Supply of Material and Management Services	0.02 10.72 0.28 0.07 5.47 0.13 0.66 1.16 0.33 - 0.01 0.01 0.37 0.51 - 0.10	0.01 8.65 0.21 - 3.17 0.14 1.27 0.71 - 0.00 0.31 0.04 0.14 - 0.03 0.75
6	Transaction with Trust WESCO Employees Pension trust WESCO Employees Gratuity trust WESCO Employees Provident Fund trust WESCO Employees Rehabilitation Fund trust Tata Employees Co-op. Credit Society	Contribution of Pension Contribution of Gratuity Contribution of Provident Fund Contribution of Rehabilitation Fund Contribution to Co-operative Society	117.29 8.11 9.60 0.60 0.00	100.78 10.93 9.55 0.35 0.00
7	Managerial remuneration including directors' sitting fee***	Managerial remuneration and sitting fees	3.26	2.87
Total			5,692.72	4,273.68

***Provisions for gratuity, compensated absences and other long term service benefits are made for the Company as a whole and the amounts pertaining to the key management personnel are not specifically identified and hence are not included above.

b. Particulars of outstanding balances with the related parties:

₹ in crores

SI No	Name of Related Party	Nature of transactions	As at March 31, 2024	As at March 31, 2023
1	Share Capital The Tata Power Company Limited (TPCL) GRIDCO Limited	Equity Share capital Equity Share capital	330.47 317.51	244.90 235.30
2	Payables GRIDCO Limited The Tata Power Company Limited (TPCL) The Tata Power Company Limited (TPCL) The Tata Power Company Limited (TPCL) The Tata Power Company Limited (TPCL) Tata Power Solar Systems Limited (TPSSL) Tata Consultancy Services Ltd (TCS) Tata AIG General Insurance Company Tata Communications Limited Tata Projects Ltd Tata Projects Ltd TP Central Odisha Distribution Limited (TPCODL)	Power purchase expenses net of rebate Recovery of Employee Loan Consultant services Employee settled option granted by parent company** Supply of Material Gratuity & Annual Leave Consultancy Services Insurance Services IT Services Gratuity & Annual Leave Supply of Material Inter Discom Power Purchase, Supply of Material	770.11 0.10 0.63 0.33 0.01 0.06 5.73 0.03 0.02 0.00 0.56 -	624.63 0.08 - - - 0.06 1.99 - 0.02 0.00 0.56 1.20
3	Receivables The Tata Power Company Limited (TPCL) Industrial Energy Limited (IEL) Maithon Power Limited (MPL) TP Ajmer Distribution Limited (TPADL) Powerlink Transmission Limited (PTL) TP Central Odisha Distribution Limited (TPCODL) TP Northern Odisha Distribution Limited (TPNODL)	Gratuity & Annual Leave Gratuity & Annual Leave TDS Recovery Gratuity & Annual Leave Gratuity & Annual Leave Gratuity & Annual Leave Supply of Material	1.35 - - - 0.10 - 0.24	1.35 0.01 0.01 0.61 0.10 0.05 0.00
Total			1,427.24	1,110.88

* 0.00 represents amount below the rounding off norm adopted by the Company

** Refer note 31

Balances represents gross amount



TP WESTERN ODISHA DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31,2024

Note 42

Disclosure regarding details of assets created with Government Fund and used by TPWODL

As per last details provided by the Odisha Power Transmission Company Limited (OPTCL) vide e-mail dated April 18, 2023, certain assets were created for CESU through different schemes formed by the government and executed by OPTCL. Based on details shared by OPTCL, the carrying amount of such assets as of March 31, 2024 is ₹2,955.92 crore (March 31, 2023: ₹3,038.13 crore) for completed assets and ₹53.46 crore (March 31, 2023: ₹53.46 crore) for work in progress(WIP). These are subject to detailed verification and reconciliation by various authorities.

As per the Vesting Order, the ownership of these assets has not been transferred to the Company; however, it can continue to use these assets for supply of power to the consumer. Since the Company is not able to charge any depreciation for these assets in the ARR, the fair value of these assets for the Company at the vesting date is Nil. Details are given below:

₹ in Crore			
As at March 31,2024			
Name of Schemes	Completed	WIP	Total
Odisha Distribution System Strengthening Project (ODSSP)*	854.25	43.46	897.71
Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY)	285.72	-	285.72
Integrated Power Development Scheme (IPDS)	214.44	-	214.44
Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) 12TH PLAN (POWER GRID)	492.92	-	492.92
Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) 12TH PLAN (NTPC)	1,023.71	-	1,023.71
Renovation long term action plan (RLTAP)	80.00	10.00	90.00
Total	2,955.92	53.46	3,009.38

₹ in Crore			
As at March 31,2023			
Name of Schemes	Completed	WIP	Total
Odisha Distribution System Strengthening Project (ODSSP)*	936.46	43.46	979.92
Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY)	285.72	-	285.72
Integrated Power Development Scheme (IPDS)	214.44	-	214.44
Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) 12TH PLAN (POWER GRID)	492.92	-	492.92
Samleswari Temple , Sbp	4.88	-	4.88
Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) 12TH PLAN (NTPC)	1,023.71	-	1,023.71
Renovation long term action plan (RLTAP)	80.00	10.00	90.00
Total	3,038.13	53.46	3,091.59

* Excluding ₹ 82.21 crore (March 31, 2023 : ₹ 58.93 crore) as it is a part of equity contribution by GRIDCO during the year ended March 31, 2024 and March 31, 2023.



TP WESTERN ODISHA DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2024

Note 43
Financial Ratios

SI No	Ratios	Numerator	Denominator	Note	As at March 31, 2024	As at March 31, 2023	% of Variance	Reason for Variance
a)	Current Ratio (in times)	Current assets	Current liabilities	A	1.22	1.51	-18.83%	NA
b)	Debt-equity ratio (in times)	Total Debt	Total Equity	B	0.47	0.35	32.13%	Increase is majorly on account of new term loan taken from Canara Bank.
c)	Debt service coverage ratio (in times)	Profit before tax + interest expenses + depreciation & amortisation - current tax expense	Interest expense + scheduled principal repayment of long term debt during the year	C	12.96	10.55	22.85%	NA
d)	Return on equity ratio (%)	Net Profit after tax	Average Shareholder's Fund	D	9.90%	17.24%	74.11%	Decrease is majorly on account of increase in Shareholder's Equity through issue of new equity shares and decrease in Profit for the year.
e)	Trade Receivable turnover ratio (in number of days)	Number of days * Average Trade Receivable	Revenue from Operation	E	6.63	6.29	5.49%	NA
f)	Trade payables turnover ratio (in number of days)	number of days * Average Trade Payable	Purchase during the year+ Other Expense - expenses for non operating activities	F	6.86	7.73	-11.23%	NA
g)	Net capital turnover ratio (in times)	Number of days * Working capital = Current assets - Current liabilities	Revenue from operation including net movement in Regulatory deferral balances	G	10.68	4.73	125.63%	Decrease is majorly on account of decrease in working capital due to increase in Trade Payables, Other Financial Liabilities and decrease in Trade Receivables, Cash and Bank.
h)	Net profit ratio (%)	Net Profit after tax	Revenue from operation including net movement in Regulatory deferral balances	H	1.06%	1.46%	38.09%	Decrease is majorly on account of decrease in profit for the year and increase in Revenue.
i)	Return on capital employed (%)	Profit before tax + interest expense excluding interest on consumer security deposit	Average Capital employed (Total equity + Total Debt + Deferred tax liability)	I	13.32%	20.82%	-36.03%	Decrease is majorly on account of increase in Capital employed due to increase in Equity Share Capital and new Long term loan from Canara Bank and decrease in Profit before interest and taxes.
j)	Return on investment (%)	Interest income + Gain on fair value of current investment at Fair Value through Profit & Loss	Average (Investment + Fixed deposit+ Loans Given)	J	5.24%	4.41%	18.80%	The ratio has improved due to increase in FD interest rates.

1. Inventory turnover ratio is not applicable to the Company.

2. As explained in note related to financial instruments, the Company has access to sufficient liquidity resources to continue its operations for at least 12 months from the date of approval of financial statements.

Notes:

- A. Current Assets as per balance sheet
Current Liabilities as per balance sheet
- B. Total Debt: Long term borrowings (including current maturities of long term borrowings), short term borrowings and interest accrued on these debts
Total Equity : Issued share capital and other equity
- C. For the purpose of computation, scheduled principal repayment of long term borrowings does not include prepayments
Interest expenses is net of interest consumer security deposits
- D. Average Shareholder's Funds : Average Issued share capital and Other equity
- E. Average Trade Receivables: Trade Receivables and Unbilled Revenue
- F. Net credit purchases comprise of: (a) Cost of power purchased and transmission charges as per Statement of Profit and Loss (b) Other expenses excluding (i) Bad debts (including provision); (ii) Net loss on foreign exchange; (iii) CSR expenses and (iv) Transfer to contingency reserves
- G. Working Capital:
i) Current Assets: as per balance sheet
ii) Current Liabilities as per balance sheet (excluding current maturities of long term debt)
Revenue from Operation including net movement in Regulatory Deferral Balances: (a) Revenue from Operations as per Statement of profit and Loss; (b) Net movement in Regulatory Deferral Balances (including deferred tax)
- H. Revenue from Operation including net movement in Regulatory Deferral Balances: (a) Revenue from Operations as per Statement of profit and Loss; (b) Net movement in Regulatory Deferral Balances (including deferred tax)
- I. Average Capital Employed: (a) Issued share capital; (b) Other equity; (c) Total Debt; less (d) Deferred Tax Assets; (e) Intangible Assets
- J. Interest Income: Interest on bank deposits and Interest on loans given

Note 44

Segment Reporting

The Company is engaged in the business of distribution of power in Western of Odisha. Chief Operating Decision Maker (CODM) reviews the financial information of the Company as a whole for decision making and accordingly the Company has a single reportable segment.

There are certain consumer belonging to a single group of companies from whom the Company has earned more than 10% of revenue amounting to ₹ 2011.83 crores during the year ended March 31, 2024 (March 31, 2023: ₹2,141.26 crores).

Note 45

Relationship with Struck off Companies

SI No.	Name of struck off Company	Nature of transactions with struck off company	Transaction during the Year Ended March 31, 2024	Balance outstanding as at March 31, 2024	Transaction during the Year Ended March 31, 2023	Balance outstanding as at March 31, 2023	Relationship with the struck off company
1	DELHI PUBLIC SCHOOL	Sale of Power	(0.03)	(0.00)	0.02	0.03	Customer
2	MAHALAXMI RICE MILL	Sale of Power	(0.00)	0.00	0.00	0.00	Customer
3	BALAJI FOOD PRODUCTS	Sale of Power	(0.00)	0.00	0.00	0.00	Customer



TP WESTERN ODISHA DISTRIBUTION LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2024

Note 46

Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the current financial year and previous financial year.
- (iv) The Company does not have any such transactions which has not been recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (v) The Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- (vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall (a) 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 (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (vii) The Company has not received funds from any person(s) or entity(ies), including foreign entities, with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, (a) lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party, or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- (viii) Quarterly returns or statements of current assets filed by the Company with the banks in connection with the working capital limit sanctioned are in agreement with the books of accounts.
- (ix) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (x) The Company has not given any loans or advances in the nature of loans to promoters, directors, KMPs and/ or related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand, or without specifying any terms or period of repayment.
- (xi) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).
- (xii) The Group has five CICs which are registered with the Reserve Bank of India and two CICs which are not required to be registered with the Reserve Bank of India.

Note 47

Social Security Code

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

Note 48

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 49

Audit Trail

The Company has used accounting softwares 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 softwares, except that audit trail feature is not enabled at the database level insofar as it relates to the SAP S/4 HANA and CIS application and/or the underlying HANA and DB2 database respectively. However stringent control procedures were implemented to effectively restrict direct changes to data throughout the financial year. These procedures included thorough reviews of logs and reconciliation of datasets and during the financial year no direct changes were made that impacted financial records. Further no instance of audit trail feature being tampered with was noted in respect of the accounting softwares.

Note 50

Standards notified but not yet effective

There are no standards that are notified and not yet effective as on the date.

Note 51

Approval of financial statements

The financial statements were approved for issue by the board of directors on April 18, 2024.

For SRBC & CO LLP

Chartered Accountants
ICAI FRN: 324982E/ E300003


per Shivam Chowdhary
Partner
Membership No. 067077
Place: Bhubaneswar
Date: April 18, 2024



For TEJ RAJ & PAL
Chartered Accountants
ICAI FRN: 304124E


per Dinakar Mohanty
Partner
Membership No. 059390
Place: Bhubaneswar
Date: April 18, 2024



For and on behalf of the Board of
TP Western Odisha Distribution Limited
CIN No - U40109OR2020PLC035230


Praveer Sinha
Director
DIN: 01785164
Place: Bhubaneswar


Gajanan Sampatrao Kale
Chief Executive Officer (CEO)
PAN: ABDPK60400
Place: Bhubaneswar


Sanjay Kumar Banga
Director
DIN: 07785949
Place: Bhubaneswar


Satish Kumar
Chief Financial Officer (CFO)
PAN: AELPK5859A
Place: Bhubaneswar


Shishir Dudeja
Company Secretary
FCS 9578
Place: Bhubaneswar

Date: April 18, 2024