



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

Opinion

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

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

Basis for Opinion

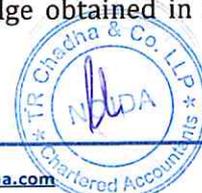
We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements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

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

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

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

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





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

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

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

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

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

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

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

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

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





- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to these standalone financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

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

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

Report on Other Legal and Regulatory Requirements

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

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

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;





- c) the Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in Note 30 and 32.2 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31st March 2024;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March 2024;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2024; and
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;





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

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

- v. The dividend declared or paid by the Company during the year is in accordance with Section 123 of the Companies Act, 2013.
- vi. Based on our examination, which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For T R Chadha & Co LLP

Chartered Accountants

Firm's Registration No. 006711N/N500028

Hitesh Garg

Partner

Membership No. 502955



Place: Noida

Date: 16th April 2024

UDIN: 24502955BKEHUX8407



Tata Power Delhi Distribution Limited

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

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

- (i) In respect of the Company’s Property, Plant and Equipment and Intangible Assets
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets covered under Ind AS 116, ‘Leases’.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so as to cover all the assets in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not hold any land in its name. Land and buildings were transferred to company in terms of the DERA, transfer Scheme Rules 2001 on “as is where is” basis. The Company retains operational rights over the land and buildings used for the purpose of carrying out distribution business under a license granted by Delhi Electricity Regulatory Commission (DERC). Refer Note 4.4.14 to the Standalone Financial Statements of the Company.
- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories were physically verified by the management at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate having regard to the size of the company and nature of its operations. Further, as per the information and explanations given to us, no discrepancies of 10% or more in the aggregate for each class of inventories, between physical inventory and book records, were noticed on such physical verification.
- (b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets of the company. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, book debt statements and



other stipulated financial information filed by the Company with such banks or financial institutions till the date of this report are in agreement with the books of account of the Company of the respective quarters and no material discrepancies have been observed. The company is yet to submit the return/ statement for the quarter ended 31st March 2024 with the banks or financial institutions.

- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3(iii) of the Order is not applicable.
- (iv) The Company has not granted any loans, made investments or provided guarantees or securities during the year and hence, reporting under clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act in respect of Company's products/services. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and the report of cost auditors of the company for the year and 31st March 2024. Accordingly, we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employee state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, there were no undisputed amounts payable in respect thereof which were outstanding at the year-end for a period of more than six months from the date they became payable.

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

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





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

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, the funds raised on short-term basis have, prima facie, not been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence, reporting under clause 3(x)(a) of the Order is not applicable.





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

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

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

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

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

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

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

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

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

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

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

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

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

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention,





which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

For T R Chadha & Co LLP

Chartered Accountants

Firm's Registration No. 006711N/N500028

Hitesh Garg

Partner

Membership No. 502955



Place: Noida

Date: 16th April 2024

UDIN: 24502955BKEHUX8407



Tata Power Delhi Distribution Limited

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

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

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

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial





statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

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

Hitesh Garg
Partner
Membership No. 502955



Place: Noida
Date: 16th April 2024

UDIN: 24502955BKEHUX8407

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

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

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

In terms of our report attached of even date

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

Hitesh Garg
Partner
Membership No.: 502955



For and on behalf of the Board of Directors

K N Shrivastava
Director
DIN: 01584124

Ajay Kapoor
Director
DIN: 00466631

Ganesh Srinivasan
Chief Executive Officer

Monica Mehra

Monica Mehra
Company Secretary

Suranjit Mishra

Suranjit Mishra
Chief Financial Officer

Noida
16 April, 2024

New Delhi
16 April, 2024

TATA POWER DELHI DISTRIBUTION LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED AT 31 MARCH, 2024

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

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

In terms of our report attached of even date

For T. R. Chadha & Co. LLP

Chartered Accountants

Firm's Registration No.: 006711N/N500028



Hitesh Garg
Partner

Membership No.: 502955

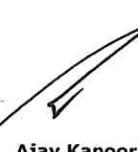


For and on behalf of the Board of Directors



K.N. Shrivastava
Director

DIN: 01584124



Ajay Kapoor
Director

DIN: 00466631



Ganesh Srinivasan
Chief Executive Officer



Monica Mehra
Company Secretary



Suranjit Mishra
Chief Financial Officer

Noida
16 April, 2024

New Delhi
16 April, 2024

TATA POWER DELHI DISTRIBUTION LIMITED
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED AT 31 MARCH, 2024

A. Equity share capital

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

B. Other equity

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

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

In terms of our report attached of even date

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


Hitesh Garg
Partner
Membership No.: 502955

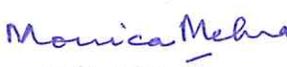


For and on behalf of the Board of Directors


K.N. Shrivastava
Director
DIN: 01584124


Ajay Kapoor
Director
DIN: 00466631


Ganesh Srinivasan
Chief Executive Officer


Monica Mehra
Company Secretary


Suranjit Mishra
Chief Financial Officer

Noida
16 April, 2024

New Delhi
16 April, 2024

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

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

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

In terms of our report attached of even date

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


Hitesh Garg

Partner
Membership No.: 502955



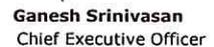
For and on behalf of the Board of Directors


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Chief Executive Officer


Monica Mehra

Company Secretary


Surajjit Mishra

Chief Financial Officer

TATA POWER DELHI DISTRIBUTION LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 1

General Information

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

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

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

Note 2

2.1 Statement of compliance

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

2.2 Basis of preparation and presentation

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

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

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

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

- (i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- (ii) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- (iii) Level 3 inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Note 3

Other significant accounting policies

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

3.1 Foreign currencies

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

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

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

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

3.2 Current versus non-current classification

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

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

3.3 Financial instruments

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

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

3.3.1 Offsetting of financial instruments

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



TATA POWER DELHI DISTRIBUTION LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

3.4 Financial assets

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

3.4.1 Amortised cost

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

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

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

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

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

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

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

A financial asset is held for trading if:

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

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

3.4.4 Impairment of financial asset

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

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

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

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

3.4.5 Derecognition of financial asset

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

3.5 Financial liabilities and equity instruments

3.5.1 Classification as debt or equity

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

3.5.2 Equity instruments

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

3.5.3 Financial liability

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

3.5.3.1 Financial liabilities subsequently measured at amortised cost

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

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



3.5.3.2 Derecognition of financial liabilities

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

3.6 Reclassification of financial assets & liabilities

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

3.7 Dividend

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

3.8 Changes in accounting policies and disclosures

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

3.9 Deferred tax recoverable/payable

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

3.10 Critical accounting estimates and judgements

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

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

The areas involving critical estimates or judgements are:

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

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



TATA POWER DELHI DISTRIBUTION LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 4

Property, plant and equipment and intangible assets

Accounting policy

4.1 Property, plant and equipment

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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4.2 Intangible assets

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

4.3 Impairment of tangible and intangible assets

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

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

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

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



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Note 4.4

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

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

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

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

4.4.7 During the period ended 31 March, 2024 the borrowing cost of ₹ 146.43 lakhs (for the year ended 31 March, 2023 ₹ 231.12 lakhs) relating to capital work-in-progress includes ₹ 64.87 lakhs (for the year ended 31 March, 2023 ₹ 149.53 lakhs) on account of capitalisation of interest expense on lease liability.

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

Particulars	₹/ Lakhs	
	Year ended 31.03.2024	Year ended 31.03.2023
Depreciation on tangible assets	36,271.33	35,063.96
Add: Depreciation on right of use assets (refer note 5)	964.04	833.32
Add: Amortisation on intangible assets	1,788.81	1,816.93
Total	39,024.18	37,714.21

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

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

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

4.4.12 Figures in bracket represents previous year figures.



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

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

As at 31 March, 2024

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

As at 31 March, 2023

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

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

Ageing schedule as at 31 March, 2024

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

Ageing schedule as at 31 March, 2023

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

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



Note 5

Leases

Accounting Policy

At inception of contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assessed whether:

- the contract involves the use of identified asset;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset.

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

As a lessee

(i) Right-of-use (ROU) assets

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

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

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

(ii) Lease liabilities

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

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

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

(iii) Short term leases and leases of low value of assets

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

(iv) Disclosures under Ind AS 116

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

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

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



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- (i) The incremental rate of borrowing has been considered at 8.60% p.a as at 1 April, 2019 which is the date of initial recognition of ROU assets.
(ii) Refer note 41.3.3 for maturity analysis of lease liabilities.

As a lessor

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

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

The Company has entered into operating sub-lease arrangement for its certain land. These typically have lease terms of between 1 to 3 years. The Company has recognised an amount of ₹ 145.57 lakhs as rental income for operating lease during the year ended March 31, 2024 (for the year ended 31 March, 2023 ₹ 142.51 lakhs).

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

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



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Note 6

Investments - non current

Accounting policy

6.1 Investments in subsidiary

A subsidiary is an entity that is controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

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

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

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

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

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
6.2 Investments in equity instruments		
- Investment in subsidiaries (Unquoted) - at cost less accumulated impairment, if any		
(a) Investments in fully paid-up equity shares of wholly owned subsidiary company NDPL Infra Limited (0.50 lakhs (as at 31 March, 2023 0.50 lakhs) equity shares of ₹ 10 each, fully paid up)	5.00	5.00
6.3 Aggregate carrying value of unquoted investments	5.00	5.00
6.4 Aggregate amount of impairment in value of investments	-	-

Note 7

Other financial assets - non current

(Unsecured and considered good, at amortised cost)

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

Note 8

Income tax assets (net)

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

Note 9

Other non-current assets

(Unsecured and considered good)

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

Note 10

Inventories

Accounting policy

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

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

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

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

10.2 Stores and spares includes traded inventory amounting to ₹ 19.79 Lakhs (as at 31 March, 2023 ₹ 23.37 Lakhs)

10.3 Inventories of stores and spares and loose tools are valued at lower of cost or net realisable value.

10.4 Inventories are hypothecated as security for borrowings (refer note 18.1(i), 24.1, 24.3).



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Note 11

Investments - current

(At fair value through profit or loss)

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

Note 12

Trade receivables

(At amortised cost)

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

12.2 The Company considers non-payment of trade receivables within credit period as increase in credit risk. Further, some part of these receivables is secured by security deposits made by the customers. The status of ageing of trade receivable is given in note 12.6.1.

12.3 The average credit period for the trade receivable in note 12 (a) for distribution of power in license area is 15 clear days. Late payment surcharge (LPSC) is charged at 1.5% per month on principal component for number of days of delay in receiving payment as per DERC regulations.

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

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

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

12.6.1 Ageing of receivables

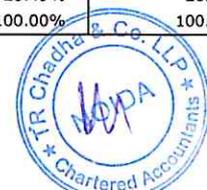
Expected credit loss provision matrix

(i) Debtors for sale of power in licensed area

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

(ii) Other debtors

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



TATA POWER DELHI DISTRIBUTION LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Age of receivables

Ageing schedule as at 31 March, 2024

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

Ageing schedule as at 31 March, 2023

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

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

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

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

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

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

Note 13

Cash and bank balances

Accounting policy

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

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

13.2 Cash and cash equivalents

- (a) Balances with banks - in current accounts
- (b) Cheques, drafts on hand*
- (c) Deposits with banks with original maturity 3 months or less

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
(a)	432.85	136.51
(b)	1,427.86	190.77
(c)	4,280.00	-
	<u>6,140.71</u>	<u>327.28</u>

* Includes balances held with payment aggregator



TATA POWER DELHI DISTRIBUTION LIMITED
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13.2.1 Reconciliation of liabilities from financing activities:

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

13.3 Other balances with banks

- (a) Restricted bank deposits
(Earmarked pursuant to court order or contractual obligations)

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
	5,629.28	5,459.90
	<u>5,629.28</u>	<u>5,459.90</u>

Note 14

Other financial assets - current

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

- (a) Security deposits
(b) Accruals
Interest accrued on fixed deposits
(c) Others
(i) Recoverable from DDA
(ii) Other receivables (including recoverable against street light)
Less: Allowance for doubtful assets against street light

	473.95	577.48
	100.17	136.60
	3,382.95	3,331.24
	400.02	799.98
	179.37	179.37
	<u>220.65</u>	<u>620.61</u>
	<u>4,177.72</u>	<u>4,665.93</u>

Note 15

Other current assets

(Unsecured and considered good)

- (a) Unbilled revenue (contract asset)
(b) Prepaid insurance
(c) Prepaid expenses
(d) Power banking
(e) Advance to vendors (refer note Note 15.1)
(f) Others

	305.00	281.83
	669.51	756.20
	596.04	1,441.15
	3,913.24	-
	14,290.49	5,047.28
	838.91	535.24
	<u>20,613.19</u>	<u>8,061.70</u>

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



TATA POWER DELHI DISTRIBUTION LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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

Of the above:

- 16.1 5,365.20 lakhs (as at 31 March, 2023 5,365.20 lakhs) i.e. 51% (as at 31 March, 2023 51%) equity shares of ₹ 10/- each with voting rights, are held by Tata Power Company Limited, the holding company.
- 16.2 5,154.80 lakhs (as at 31 March, 2023 5,154.80 lakhs) i.e. 49% (as at 31 March, 2023 49%) equity shares of ₹ 10/- each with voting rights, are held by Delhi Power Company Limited.
- 16.3 The equity shares of the Company have a par value of ₹ 10/- each. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts.
- 16.4 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

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

16.5 Shareholding of Promoters

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

- 16.6 During the current year, the Company has paid a final dividend of ₹ 1.50 per share on fully paid equity shares for FY 2022-23 amounting to ₹ 15,780 lakhs upon approval of shareholders in Annual General Meeting dated 21 June, 2023. During the previous year ended 31 March, 2023, the Company had paid final dividend of ₹ 1.20 per share on fully paid equity shares for FY 2021-22 amounting to ₹ 12,624.00 lakhs. Further the Board of Directors at its meeting held on 22 January, 2024 has approved an interim dividend of ₹ 2.00 per equity share amounting to ₹ 21,040 lakhs.
- 16.7 For the year ended 31 March 2024 the Board of Directors at its meeting held on 16 April, 2024 have proposed a final dividend of ₹ 2.00 per share to be paid on fully paid equity shares. The equity dividend is subject to approval by shareholders at the ensuing Annual General Meeting and accordingly has not been disclosed as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 21,040 Lakhs.

	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
Note 17		
Other equity		
17.1 General reserve		
(a) Opening balance	9,150.00	9,150.00
(b) Add : Amount transferred from retained earnings (net)	-	-
(c) Closing balance	<u>9,150.00</u>	<u>9,150.00</u>
17.2 Debenture Redemption Reserve		
(a) Opening balance	-	-
(b) Add : Amount transferred from retained earnings	1,000.00	-
(c) Closing balance	<u>1,000.00</u>	<u>-</u>
17.3 Retained earnings		
(a) Opening balance	3,25,336.21	2,93,939.65
(b) Add : Additions during the year	45,250.40	44,020.56
(c) Less : Payment of dividend on equity share capital (refer note 16.6)	36,820.00	12,624.00
(d) Less: Transferred to debenture redemption reserve	1,000.00	-
(e) Closing balance	<u>3,32,766.61</u>	<u>3,25,336.21</u>
	<u>3,42,916.61</u>	<u>3,34,486.21</u>

Nature and purpose of reserves:

General reserve

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

Debenture Redemption Reserve (DRR)

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

Retained earnings

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



TATA POWER DELHI DISTRIBUTION LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 18

Long-term borrowings

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

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

18.3 Current maturities of long-term borrowings

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

18.4 Terms of repayment

18.4.1 Secured - at amortised cost

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

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

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

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

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



TATA POWER DELHI DISTRIBUTION LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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

Note 20
Provisions - non current

Accounting policy

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

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

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

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

20.1 Other employee benefits represent pension liability to VSS employees.

20.2 Defined contribution plan

(i) Provident fund plan and employees state insurance scheme

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

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

(ii) Pension and leave salary contribution

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

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

20.3 Defined benefit plan (Gratuity plan)

The gratuity liability arises on retirement, withdrawal, resignation and death of an employee. The aforesaid liability is calculated on the basis of fifteen days salary (i.e. last drawn basic salary) for each completed year of service subject to completion of two years service. The provision is determined based on actuarial valuation as at the balance sheet date (refer note 33.2.1)

20.4 Policy for recognising actuarial gains and losses

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



TATA POWER DELHI DISTRIBUTION LIMITED
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20.5 Risks associated with the plan provisions are actuarial risks. These risks are investment risk, interest rate risk, demographic risk and salary escalation risk.

(a) **Investment risk:**

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

(b) **Interest rate risk:**

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

(c) **Demographic risk:**

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

(d) **Salary escalation risk:**

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

20.6 The following tables set out the funded status of the gratuity plan and amounts recognised in the Company's financial statements as at 31 March, 2024. The valuation has been carried out using the Project Unit Credit Method as per Ind AS 19 "Employee Benefits" to determine the present value of defined benefit obligations and the related current service cost and, where applicable, past service cost.

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

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

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

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

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

(vi) **Principal actuarial assumptions:**

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

Notes:

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



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

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

Particulars	As at 31.03.2024	As at 31.03.2023
Government of India Securities	82.90%	82.24%
Debt instruments	7.37%	9.62%
Equity and preference shares	9.26%	7.70%
Others deposits	0.47%	0.44%
	100.00%	100.00%

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

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

(viii) **Sensitivity Analysis**

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

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

Particulars	₹/Lakhs	
	As at 31.03.2024	As at 31.03.2023
(a) Decrease in defined benefit obligation due to 1% increase in discount rate	458.05	412.61
(b) Increase in defined benefit obligation due to 1% decrease in discount rate	534.49	481.71

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

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

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

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

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

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

(a) Funding arrangements and funding Policy

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

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

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

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

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



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20.7 long-term compensated absences (unfunded)

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

Principal actuarial assumptions for long-term compensated absences

(i) **Financial assumptions:**

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

Notes:

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

(ii) **Demographic assumptions:**

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

Note 21

Capital grants

Accounting policy

Government grants are recognised if there is reasonable assurance that the assistance will be received and the conditions attached to assistance will be complied. Where the grant relates to a specified asset, it is recognised as deferred income, and amortised over the expected useful life of the asset. Other grants relating to revenue are recognised in the Statement of Profit and Loss.

Where the Company receives non-monetary grants, the asset and the grant are recorded gross at fair value and released to the Statement of Profit and Loss over the expected useful life and pattern of consumption of the benefit of the underlying asset.

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

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

Note 22

Contributions for capital works and service line charges

Accounting policy

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

Deferred revenue

22.1 Capital works

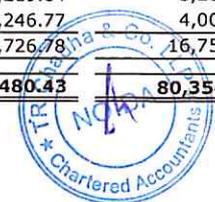
(i) Opening balance	63,600.21	62,666.42
(ii) Add : Additions during the year	8,609.05	6,077.15
(iii) Less: Amortisation during the year	5,455.61	5,143.36
(iv) Closing balance	<u>66,753.65</u>	<u>63,600.21</u>

22.2 Service line charges

(i) Opening balance	16,753.91	17,478.72
(ii) Add : Additions during the year	3,219.64	3,281.97
(iii) Less: Amortisation during the year	3,246.77	4,006.78
(iv) Closing balance	<u>16,726.78</u>	<u>16,753.91</u>

Total contribution for capital works and service line charges

<u>83,480.43</u>	<u>80,354.12</u>
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	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
Note 23		
Other non current liabilities		
Consumers' deposits for works and service line charges	60,898.51	58,535.77
Note 24		
Short-term borrowings		
24.1 Secured - at amortised cost		
From Banks		
(a) Cash credit	397.16	2,939.36
(b) Working capital demand loan		
(i) HDFC Bank	-	7.88
(ii) Yes Bank	-	1,305.00
	-	1,312.88
	397.16	4,252.24
24.2 Unsecured - at amortised cost		
From Banks		
(a) Unsecured credit facilities		
(i) Axis Bank	19.87	3,282.41
	19.87	3,282.41
(b) Short term loan		
(i) Indian Bank	-	8,000.00
(ii) Karnataka Bank Limited	-	7,000.00
	-	15,000.00
(c) Working capital demand loan		
(i) Axis Bank	621.51	-
(ii) HDFC Bank	-	10,000.00
	621.51	10,000.00
	641.38	28,282.41
24.3 Current maturities of long-term borrowings (refer note 18)		
Secured - at amortised cost		
(a) Term loans from banks		
(i) Canara Bank	4,583.33	7,361.11
(ii) Deutsche Bank	5,625.00	-
(iii) HDFC Bank	8,334.67	5,833.34
(iv) Indian Bank	13,437.90	10,927.08
(v) Punjab National Bank	-	2,500.00
(vi) Punjab & Sind Bank	-	6,043.00
(vii) State Bank of India	8,125.00	10,000.00
(b) Redeemable Non-Convertible Debentures (refer note 18.2)	1,112.00	-
	41,217.90	42,664.53
	42,256.44	75,199.18
Total short-term borrowings		
24.4 Secured credit facilities		
<p>The Company has availed secured cash credit limits/Overdraft of ₹ 25,300.00 lakhs from five banks i.e. State Bank of India, Punjab National Bank, Yes Bank, HDFC Bank & Standard Chartered, presently at an interest rate ranging from 8.35% to 10.85% per annum. 60% of the sanctioned fund based working capital limit of banks has to be first utilised as working capital demand loan in order to avail cash credit facility. These facilities are secured against first pari.passu charge on all present and future property, plant and equipment (movable and immovable) and intangible assets including stores and spares and third pari passu charge on all present and future receivable including regulatory assets.</p> <p>The Company has availed secured Short term facility limits of ₹ 20,000 lakhs in the form of Short term loan (STL) (₹ 10,000 lakhs) & Invoice financing (₹ 10,000 lakhs) from Deutsche Bank. STL facility has been availed at an interest rate ranging from 6.95% to 7.65% per annum during the financial year. The short term facilities are fungible. During the financial year, the tenor for utilization of STL ranges from 7 days to 21 days. The facility is secured against first pari.passu charge on all present and future property, plant and equipment (movable and immovable) and intangible assets including stores and spares and third pari passu charge on all present and future receivables including regulatory assets.</p>		
24.5 Unsecured credit facilities		
<p>The Company has unsecured fund based credit facilities of ₹ 30,000 lakhs from Axis Bank (limit is fungible between fund based & non-fund based facility), ₹ 10,000 lakhs from HDFC Bank presently at an interest rate ranging from 8.45% to 9.20% per annum respectively. 60% of the sanctioned limit of banks has to be first utilised as working capital demand loan in order to avail cash credit facility.</p> <p>The Company has unsecured short term credit facilities/Working capital facilities of ₹ 20,000 lakhs from Karnataka, ₹ 10,000 lakhs from Indian Bank and ₹ 15,000 lakhs from Yes Bank presently at an interest rate ranging from 7.00% to 7.70% per annum. The tenor for utilization of the credit facilities ranges from 7 days to 60 days.</p>		
24.6 The information/ statement of current assets filed with banks are in agreement with the books of accounts.		



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

25.1 As at 31 March, 2024 trade payables include bill discounting of ₹ Nil (as at 31 March, 2023 ₹ 7,437.73 lakhs). The Company has availed seller's side bill discounting facility for a portion of power purchase and transmission supplies invoices from generating and transmission companies. As per said bill discounting arrangement, bill discounting charges including interest was borne by the Company and the Company made payment of these bills payable on due date to the designated bank account on behalf of vendor. In case of any default/non-payment of bills on due date, suppliers are liable towards their bankers and the Company is liable towards suppliers for payment of dues.

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

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

	As at 31.03.2024	As at 31.03.2023
(a) Principal amount remaining unpaid as at reporting period	3,446.98	3,207.86
(b) Interest due thereon as at reporting period	-	-
(c) The amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	67.09	-
(d) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(e) The amount of interest accrued and remaining unpaid as at reporting period	-	-
(f) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

25.4 Age of payables

Ageing schedule as at 31 March, 2024

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

Ageing schedule as at 31 March, 2023

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

* Micro & small enterprise

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



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	As at 31.03.2024 ₹/Lakhs	As at 31.03.2023 ₹/Lakhs
Note 26		
Other financial liabilities - current		
(At amortised cost)		
(a) Security deposits		
(i) Consumers' security deposit	6,650.04	5,949.70
(ii) Others	1,250.96	1,188.55
	<u>7,901.00</u>	<u>7,138.25</u>
(b) Interest accrued but not due on borrowings	738.21	154.80
(c) Retention money payable	3,605.07	3,668.33
(d) Payables on purchase of property, plant and equipment	1,130.84	982.96
(e) Earnest money deposits	282.35	226.96
(f) Consumers' deposits for works	3,249.69	4,621.60
(g) Others	3,630.89	3,728.72
	<u>20,538.05</u>	<u>20,521.62</u>
Note 27		
Provisions - current		
(a) Provision for employee benefits		
(i) Compensated absences (refer note 20)	1,057.42	973.88
(ii) Defined benefit plans (Gratuity) (refer note 20)	297.06	665.50
(iii) Other employee benefits (refer note 27.1)	22.16	20.95
	<u>1,376.64</u>	<u>1,660.33</u>
(b) Provision for litigations (refer note 27.2)	1,127.80	1,113.88
	<u>2,504.44</u>	<u>2,774.21</u>
27.1 Other employee benefits represent pension liability to VSS employees.		
27.2 Movement of provision for litigations		
(i) Opening Balance	1,113.88	-
(ii) Add: Additions during the period	13.92	1,113.88
(iii) Less: Utilised/Reversed during the period	-	-
(iv) Closing Balance	<u>1,127.80</u>	<u>1,113.88</u>
27.3 As a matter of prudence, the company has made provision for litigations of ₹ 13.92 lakhs during current period (As at 31 March, 2023 ₹ 1,113.88 lakhs) towards legal case(s) filed against the company.		
27.4 Refer note 20 for accounting policy on provisions.		
Note 28		
Other current liabilities		
(a) Income received in advance	251.76	204.08
(b) Statutory dues	10,584.54	12,800.98
(c) Advance from consumers	14,332.67	11,776.07
(d) Payable for Pension Trust Surcharge (including w.r.t unbilled revenue)	2,511.69	2,599.93
(e) Advance against other contractual works	6,694.64	8,201.94
(f) Others*	2,899.83	1,990.73
	<u>37,275.13</u>	<u>37,573.73</u>
*includes stale cheque amounting to ₹ 2,146.66 lakhs (as at 31 March, 2023 ₹ 1,791.41 lakhs)		
Note 29		
Current tax liabilities (net)		
(a) Income tax (net of advance tax)	<u>1,009.10</u>	<u>-</u>



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Note 30

Contingent liabilities and commitments

(to the extent not provided for)

Accounting policy

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

Particulars	₹/Lakhs	
	As at 31.03.2024	As at 31.03.2023
Contingent liabilities*		
30.1 Claims against the Company not acknowledged as debts:		
(i) Legal cases filed by consumers, employees and others under litigation	4,965.65	5,260.47
30.2 Liabilities arising out of litigation etc. due to provisions of Transfer Scheme pursuant to Delhi Electricity Reforms Act, 2002	100.00	100.00
30.3 Direct taxation matters for which liability, relating to issues of deductibility and taxability, is disputed by the Company and provision is not made (computed on the basis of assessments which have been reopened and assessments remaining to be completed):		
(i) Matters on which decisions with the CIT(A) and various appellate authorities are pending	0.61	1,533.44
(ii) Interest demanded (as per demand order and appeal effect order)	18.98	754.48
(iii) Total demand (i+ii)	19.59	2,287.92
(iv) Out of the above demand, amount paid under protest/adjusted by Income Tax authorities	-	2,013.84
The above does not include any amount where the Income Tax department has preferred an appeal against issues already decided in favour of the Company.		
30.4 Indirect taxation matters relating to sales tax, service tax, GST where demand is under contest before judicial/appellate authorities	301.79	74.42
30.5 Claims of power suppliers, not acknowledged as expense and credits	33,933.14	31,795.25
*No provision is considered necessary since the Company expects favourable decisions.		
Commitments		
30.6 Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	18,353.80	21,098.33

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

30.8 As detailed in note 34.7 on Rithala Power Generation Plant, the Company has challenged the DERC Order dated 11 November, 2019 before APTEL for allowance of balance depreciation along with other associated claims i.e. interest on debt, return on equity (RoE) etc. which is yet to be disposed off. Based on legal opinion and internal analysis, the management is hopeful of favourable judgement.

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

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

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

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



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

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

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

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



Note 31

Revenue recognition

Accounting policy

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. There is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

31.1 Sale of power

Revenue from the supply of power is recognised net of any trade discounts, cash rebates, etc. when the power is supplied and units of electricity are delivered as it best depicts the value to the customer and complete satisfaction of performance obligation.

Revenue from power supply is accounted for on the basis of billings to consumers and includes unbilled revenues accrued up to the end of the reporting period. Revenue from power supply is recognised net of the applicable taxes which the Company collects from the customer on behalf of the government/state authorities. Revenue from such contracts is recognised over time for each unit of electricity delivered at the pre-determined rate.

The Company, as per the prevalent Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations (referred as 'Tariff Regulations') for distribution business, is required to recover its Annual Revenue Requirement (ARR) comprising of expenditure on account of power purchase costs, operations & maintenance expenses, financing cost, as per the said regulations and an assured return on DERC approved equity with additional incentive on over achievement of distribution loss and collection efficiency targets. As per the said Tariff Regulations, the Company determines the ARR and any excess/shortfall in recovery of ARR during the year is accounted for in "Regulatory Deferral Account Balance".

In respect of power generation, the Company is entitled to recover fuel cost, operations and maintenance expenses and other cost along with return on equity as stated in Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Generation Tariff) Regulations subject to the availability factor.

Revenue in respect of the following is recognised as and when recovered because its ultimate collection is uncertain:

- (a) Late Payment Surcharge (LPSC) on electricity billed
- (b) Bills raised for dishonest abstraction of power
- (c) Interest on Unscheduled Interchange (UI).

31.2 Contribution for capital works & service line charges

Consumer's contribution towards cost of capital assets and service line charges is treated as capital receipt and credited in liabilities until transferred to a separate account on commissioning of the assets and installation of connection respectively. An amount equivalent to the depreciation charge for the year on such assets is appropriated from this account as income to the Statement of Profit and Loss over the useful life of the assets.

31.3 Rendering of Services

Revenue from a contract to provide consultancy services is recognised based on:

Input method : The extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of performance obligation. Revenue, including estimated fees or profits, are recorded proportionally based on measure of progress.

Output method : Direct measurements of value to the customer based on the survey of performance completed to date.

31.4 Revenue from operations

31.4.1 Revenue from sale of power and open access

	Year ended 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
(a) Sale of power	10,39,625.74	9,53,473.28
Less: energy tax	<u>41,210.74</u>	<u>37,918.32</u>
	9,98,415.00	9,15,554.96
(b) Income from open access charges	<u>2,307.37</u>	<u>2,220.89</u>
	<u>10,00,722.37</u>	<u>9,17,775.85</u>

31.4.2 Other operating revenue

(a) Amortisation of service line charges	3,246.77	4,006.78
(b) Commission on		
- DVB arrears collection	0.08	3.42
- Energy tax collection	1,211.70	1,111.86
(c) Maintenance charges (refer note 31.4.2 (i))	680.07	1,000.73
(d) Amortisation of capital grants	194.59	57.12
(e) Amortisation of consumer contribution for capital works	5,455.61	5,143.36
(f) Miscellaneous operating income	<u>711.76</u>	<u>569.93</u>
	<u>11,500.58</u>	<u>11,893.20</u>
	<u>10,12,222.95</u>	<u>9,29,669.05</u>

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

31.5 Other income

Accounting Policy

- Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

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

* Unutilized payroll provisions pertaining to past years



31.6 Disaggregation of revenue

Revenue recognised from contracts with customers mainly comprises of sale of power from distribution and retail supply of electricity in the North & North-west Delhi wherein nature, amount, timing and uncertainty of revenue is in accordance with prevailing DERC regulations and tariff order.

Set out below is the disaggregation of the Company's revenue from contracts with customers:

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

31.7 Contract Balances

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

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

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

31.7.1 Contract assets and contract liabilities

Contract asset is the right to consideration in exchange for goods or services transferred to the customer.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract including advance received from customer.

Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

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

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

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



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31.8 Transaction price - remaining performance obligation

The remaining performance obligation represents disclosure of aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations and adjustment for revenue that has not materialised.

The aggregate value of performance obligations for project management and other consultancy projects that are unsatisfied or partially satisfied as at 31 March, 2024 is ₹ 9,447.74 lakhs (as at 31 March, 2023 is ₹ 8,931.27 lakhs). Out of this, the Company expects to recognise revenue of around 44.75% (as at 31 March, 2023 51.30%) within next one year and the remaining thereafter on contract-by-contract basis based on extent of progress of the projects.

Note 32

Power purchase cost

32.1 The Company has entered into power purchase agreements based on projected demand of power to be supplied to the consumers. During certain time slots, the power arranged may be in excess of the actual demand and in some time slots, the demand may exceed prior arrangements. In the event power procured exceeds demand, since the same cannot be stored, is either sold through bilateral arrangements or allowed to be drawn by other utilities from the Grid at an Unscheduled Interchange (UI) charge. During the current period, the Company has sold/under-drawn 1,501.58 million units (for the year ended 31 March, 2023 1,585.85 million units) of power to/in favour of other utilities. The power purchase cost of ₹ 7,21,067.34 lakhs (for the year ended 31 March, 2023 ₹ 7,46,956.70 lakhs) is net of sale of power/UI receivables ₹ 83,766.53 lakhs (for the year ended 31 March, 2023 ₹ 96,697.47 lakhs), rebate on power purchase ₹ 11,277.38 lakhs (for the year ended 31 March, 2023 ₹ 10,714.46 lakhs) and excludes in-house power generation cost.

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

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

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

32.3 Bilateral Power Purchase Agreement

The Company has made bilateral arrangements with other power utilities to bank power or vice versa and take back or return the same over the agreed period. The Delhi Electricity Regulatory Commission (DERC) has directed to treat the normative cost of power banking transaction at weighted average variable cost of all long term sources of power purchase of relevant year. Details of power banked during the year ended 31 March, 2024 are as follows:

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

Note 33

Employee benefits expense (net)

Accounting policy

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

33.1 Defined contribution plans

The Company's contribution to provident fund, etc. is considered as defined contribution plan and is charged as an expense based on the amount of contribution required to be made when services are rendered by the employees. The Company has categorised defined contribution plan for different employees into two categories:

33.1.1 Erstwhile DVB Employees:

The Company's contributions into the DVB Employees Terminal benefit Fund 2002 ('the Trust') for the erstwhile DVB Employees as per the Transfer Scheme are defined contribution plans. Provisions for contributions towards all terminal/retirement benefits including gratuity, pension and leave encashment on separation of erstwhile DVB employees are made on the basis of the Fundamental Rules and Service Rules (FRSR Rules) as determined by the trustees of the Trust. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

33.1.2 Employees other than from Erstwhile DVB:

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

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



33.2 Defined benefit plans

33.2.1 Employees other than from Erstwhile DVB:

The Company's gratuity plan is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognises each reporting period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the prevailing market yields on government securities as at the Balance Sheet date.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income in the reporting period in which they occur. Remeasurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to the Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the reporting period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- (a) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- (b) Net interest expense or income; and
- (c) Remeasurement

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The Company has taken the group policy with Life Insurance Corporation of India (LIC) to meet its obligation towards gratuity.

The Company contributes all ascertained liabilities to a gratuity fund administered through a separate trust which is governed by board of trustees. The board of trustee comprises of the officers of the Company.

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

33.3 Short-term employee benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the reporting period in which the related service is rendered. These benefit includes performance incentive, salaries and wages, bonus and leave travel allowance.

33.4 Other long-term employee benefits

33.4.1 Employees other than from Erstwhile DVB employees:

Benefits comprising compensated absences as per the Company policy constitute other long term employee benefits. The liability for compensated absences is provided on the basis of an actuarial valuation done by an independent actuary at the reporting period end. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

33.4.2 Erstwhile DVB Employees:

The liability for retirement pension payable to the VSS optees till their respective dates of normal retirement or death (whichever is earlier) is provided on the basis of an actuarial valuation done by an independent actuary at the year-end. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

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



33.5 Employee Benefits Expense

Share Based Payments

Accounting policy

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

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

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the companies best estimate of the number of equity instruments that will ultimately vest. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

Equity-settled share option plan

The Tata Power Company Limited – Employee Stock Option Plan 2023

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

The expense recognised for employee services received during the year is shown in the following table:

	Year ended 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
Expense arising from equity-settled share-based payment transactions	109.76	Nil
Total expense arising from share-based payment transactions	109.76	Nil

Movements during the year

	No. of Options (in Lakhs)	
Option exercisable at the beginning of the year	Nil	Nil
Granted during the year	8.08	Nil
Forfeited/Expired during the year	Nil	Nil
Exercised during the year	Nil	Nil
Expired during the year	Nil	Nil
Option exercisable at the end of the year	8.08	Nil
Share price for options exercised during the year	Not applicable	Nil
Remaining contractual life	2.58 Years	Nil

The holding company has estimated fair value of options using Black Scholes model. The following assumptions were used for calculation of fair value of options granted.

Assumption	Year ended 31.03.2024	Year ended 31.03.2023
Dividend Yield (%)	0.70%	Nil
Risk free interest rate (%)	7.21%	Nil
Expected life of share option (Years)	3 - 5 Years	Nil
Expected volatility (%)	39.81%	Nil
Weighted Average Share price	249.80	Nil
Weighted Average Fair Value of option at the measurement date	97.75	Nil

The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.



TATA POWER DELHI DISTRIBUTION LIMITED
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Note 34

Finance costs

Accounting policy

Borrowing Costs

Borrowing costs incurred for qualifying assets are capitalised up to the date the asset is ready for intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings if no specific borrowings have been incurred for the asset.

All other borrowing costs are recognised in the Statement of Profit and Loss in the reporting period in which they accrue.

	Year ended 31.03.2024	Year ended 31.03.2023
	₹/Lakhs	₹/Lakhs
(a) On borrowings - carried at amortised Cost		
(i) Interest on term loan (gross)	15,759.65	17,067.04
Less: Capitalised (refer note 34.1)	222.53	426.36
Interest on term loans (net)	15,537.12	16,640.68
(ii) Interest on Debentures	659.92	-
(iii) Interest on cash credit accounts/short-term borrowings	2,360.23	5,108.15
(b) Interest on lease liability (gross)	544.19	627.93
Less: Capitalised	64.87	149.53
Interest on lease liability (net)	479.32	478.40
(c) Interest on consumer security deposits (refer note 34.2)	8,588.61	6,073.90
(d) Other borrowing costs	71.73	85.80
(e) Other interest (refer note 34.3)	1,123.73	245.88
	28,820.66	28,632.81

34.1 The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 8.33% per annum (for the year ended 31 March, 2023 7.39% per annum).

34.2 Interest on consumer security deposits

As per the provisions of Section 47(4) of the Electricity Act, 2003 interest on consumer security deposits is payable at the bank rate or more as per the notification by State Commission. During the year 2017, Delhi Electricity Regulatory Commission (DERC) had amended Delhi Electricity Regulatory Commission (Supply Code and Performance Standards) Regulations, 2017 through notification in the Official Gazette and as per Clause 20(3) of the Regulations, interest is payable on consumer security deposits at Marginal Cost of Fund based Lending Rate (MCLR) as notified by State Bank of India prevailing on the 1 April of that financial year.

In view of the fact that the matter of liability on account of opening consumer security deposits in excess of ₹ 1,000 lakhs (as at 31 March, 2023 ₹ 1,000 lakhs) transferred to the Company as per the Transfer Scheme is sub-judice and no stay has been granted on payment of interest on and/or refund of opening consumer security deposits in excess of ₹ 1,000 lakhs (as at 31 March, 2023 ₹ 1,000 lakhs), the Company has provided interest expense aggregating to ₹ 8,588.61 lakhs (for the year ended 31 March, 2023 ₹ 6,073.90 lakhs) during the year on the outstanding consumer security deposits received by the Company since takeover of business in July, 2002 and also on the estimated total consumer security deposits received by the erstwhile DVB as per the Company's records. Out of the above interest expenditure, an amount of ₹ 205.91 lakhs (for the year ended 31 March, 2023 ₹ 181.33 lakhs) would be recoverable from DPCL if the Company's contention is upheld by the Hon'ble High Court that the Company's liability for interest payment/refund on account of opening consumer security deposits is only to the extent of ₹ 1,000 lakhs liability transferred to it as per the statutory transfer scheme.

34.3 During the current year, the company has provided for interest of ₹ 494.53 lakhs against delay in payment of Land License fees during past years as per the demand received from Department of Power, Govt of NCT Delhi. The amount has been paid under protest subject to adjudication of legal case filed before Delhi High court.

	Year ended 31.03.2024	Year ended 31.03.2023
	₹/Lakhs	₹/Lakhs
Note 35		
Other expenses		
Operating and maintenance expenses		
(a) Stores and spares consumed (net of recoveries)	4,371.75	6,929.81
(b) Repairs and maintenance:		
(i) Building	1,074.73	662.70
(ii) Plant and equipment	10,445.35	10,496.50
(iii) Others	5,559.00	5,459.01
(c) Loss on disposal of property, plant and equipment	542.15	834.57
	21,992.98	24,382.59
Administrative and general expenses		
(a) Communication expenses	311.39	261.87
(b) Printing and stationery	254.08	296.30
(c) Legal and professional charges		
- Legal expenses (refer note 35.1)	2,117.45	2,228.43
- Professional charges (refer note 35.2)	544.63	819.51
(d) Travelling and conveyance	814.33	783.25
(e) Insurance	844.88	836.43
(f) Advertisement, publicity and business promotion	235.75	212.90
(g) Corporate social responsibility expenses (refer note 35.3)	1,256.53	1,252.77
(h) Rent and hire charges	32.16	57.48
(i) Rates and taxes	731.88	634.98
(j) Freight, handling and packing expenses	51.64	34.19
(k) Bill collection and distribution expenses	788.28	775.16
(l) Postage and courier charges	23.60	34.36
(m) Provision for litigations	13.92	1,113.88
(n) EDP expenses	1,468.15	1,190.35
(o) Housekeeping expenses	1,159.68	1,088.62
(p) Foreign exchange fluctuation loss (net)	2.15	2.79
(q) Bad debts written off/(written back)	436.44	544.90
(r) Allowance for doubtful debts	(1,223.98)	612.61
(s) Miscellaneous expenses	1,637.30	1,547.03
	11,500.26	14,327.81
Total other expenses	33,493.24	38,710.40

35.1 Out of total Legal expenses of ₹ 2,117.45 lakhs (for the year ended 31 March, 2023 ₹ 2,228.43 lakhs), an amount of ₹ 656.50 lakhs (for the year ended 31 March, 2023 ₹ 630.82 lakhs) pertains to legal expenses where the Company has challenged DERC's orders/Regulations at various forums.



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35.2 Auditors remuneration*

Professional charges include auditor's remuneration as follows:

Particulars	₹/Lakhs	
	Year ended 31.03.2024	Year ended 31.03.2023
(a) For statutory audit	49.50	45.00
(b) For tax audit	7.98	7.25
(c) For company law matters	-	0.30
(d) For other services	12.10	8.68
(e) For reimbursement of expenses	3.17	2.76
Total	72.75	63.99

* Exclusive of Goods & Services Tax.

35.3 Corporate social responsibility

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

Particulars	₹/Lakhs	
	Year ended 31.03.2024	Year ended 31.03.2023
(a) Gross amount required to be spent by the Company during the year	1,225.28	1,230.59
(b) Amount spent during the year on CSR (excluding 5% administrative expenses) (refer 35.3.2)	1,256.53	1,252.77
(c) Shortfall for the year	-	-
(d) Transaction with related party for the year (refer Note 43)	-	3.54
(e) Movement of provision	-	-

Particulars	₹/Lakhs		
	In Cash	Yet to be paid in cash	Year ended 31.03.2024
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	1256.53	-	1,256.53

35.3.3 The nature of CSR activities undertaken by the Company

Nature of activities as per Schedule VII of Companies Act, 2013	Particulars	₹/Lakhs	
		Year ended 31.03.2024	Year ended 31.03.2023
Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water. (Clause (i))	- Consultation & supply of medicine through mobile dispensary - Facilitation of potable water - Health care facility to under nourished womens & children - Organising blood donation camp - ABHA Program - Providing connection between TPDDL & community to facilitate the needy people	378.10	368.79
Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. (Clause (ii))	- Community awareness program - Literacy, education & skill development program - Vocational training program - Career counselling program - Scholarship distribution program - Entrepreneurship development program	852.37	742.18
Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga. (Clause (iv))	- Energy, water and climate conservation and sensitization sessions - Tree Plantation	13.97	10.63
Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports. (Clause (vii))	- Rural development & sports in village area	12.09	21.83
Disaster management, including relief, rehabilitation and reconstruction activities. (Clause (xii))	- Supply of cooked meals & Dry ration - Donation to Covid 19 response fund - Distribution of mask, sanitizers, PPE Kit, gloves, IR thermometer, etc	-	109.34
Total		1256.53	1252.77

35.4 Disclosure under Clause 87 of DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 & Business Plan Regulation (BPR), 2023 of statutory levies and taxes

Particulars	₹/Lakhs	
	Year ended 31.03.2024	
Statutory levies -		
(a) Rates & Taxes -		
(i) Common effluent treatment plant charges (CETP)	42.06	
(ii) Property tax	222.20	
(iii) DERC Licensee fees	456.28	
(iv) Land license fees	1,562.24	
(v) other rates and taxes (court fee & Stamp duty etc)	11.34	
(b) Other Regulatory Expenses	146.76	



Note 36

Regulatory deferral account balances

Accounting policy

The Company's operations of power distribution are a rate regulated activity as defined in Ind AS 114 "Regulatory Deferral Accounts" read with the Guidance Note on Rate Regulated Activities issued by ICAI and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the DERC. Accordingly, the Company recognises regulatory deferral account balance in respect of difference between allowable controllable/ uncontrollable expenses and revenue actually collected from regulated activities. Debit balance in the regulatory deferral account balance represents cumulative shortfall in recovery which is allowable to the Company through tariff revision in future periods whereas credit balance in regulatory deferral account balance represents cumulative excess recovery which is refundable through future tariff reductions. The Company records regulatory deferral account balance as at the reporting date based on prevailing regulatory guidelines, various judgments given by judicial authorities, past practices and opinion of legal experts. Any change in the regulatory deferral account balance in respect of past periods due to changes in regulatory guidelines and their interpretation consequent to orders/ judgements of regulator, judicial authorities, etc. are recorded in the period of such change.

36.1 As per Ind AS 114 "Regulatory Deferral Accounts", the business of electricity distribution is a rate regulated activity where the Delhi Electricity Regulatory Commission (DERC) determines Retail Supply Tariff (RST) to be charged from consumers based on prevailing regulations in place.

36.2 In the latest Tariff Order dated 30 September, 2021 issued on 12 October, 2021, the DERC has trued up regulatory deferral account balance up to 31 March, 2020 at ₹ 1,76,281 lakhs as against ₹ 4,91,925.26 lakhs as per financial books of accounts excluding amount recoverable towards deferred tax liabilities of ₹ 30,259.85 lakhs. There is no provision in tariff regulations for one to one allowance of deferred tax but the same is allowed in the form of actual rate of tax as and when deferred tax liability gets converted to actual tax liability. The difference in regulatory deferral account is largely due to provisional truing up of capitalisation, disallowance of de-capitalised property, plant and equipment, its corresponding impact on return on capital employed (ROCE), income tax and carrying cost. These disallowances have already been challenged in APTEL for amount disallowed up to FY 19-20. The difference in regulatory deferral account is also due to pending implementation of Rithala tariff order issued by the DERC vide order dated 11 November, 2019 and partial allowance of approved Rithala plant cost which is under challenge with APTEL and delay in execution of other previous review/APTEL appeal orders.

The Company had filed a stay petition seeking stay of tariff order with APTEL due to certain arbitrary disallowances by DERC in its latest tariff order dated 30 September, 2021 and also filed appeal with APTEL against the disallowances. On 24 May, 2022 APTEL pronounced final order on stay application and directed the DERC to reconsider the issue of past allowance of AT&C incentive and O&M disallowance and give effect of the same within a period of two months. On DERC's petition, APTEL further clarified on 22 July, 2022 that it's earlier order to be followed in true light and spirit of the observations made and the directions given in the said judgment. The tariff order is yet to be issued by DERC. Therefore, the final impact shall be recorded in the books of accounts once the same is implemented by the DERC as per APTEL directions in the upcoming tariff order. Accordingly, no adjustment has been made in the Regulatory deferral account balance in the books based on latest tariff order dated 30 September, 2021, till the implementation of the above.

On 2 February, 2024 DERC issued order truing up the pending capitalisation for the year 2004-05 to 2015-16 with some marginal disallowances, however the impact of the said true up shall be allowed in the ensuing Tariff Order. As per the assessment done by the company, there is no significant exposure of the said order in the books and the differential impact, if any shall be recorded once the order is implemented by DERC. Similarly, for FY 2016-17 final report of physical verification has been shared by DERC on 13 March, 2023 and the Company had submitted the response on 13 April, 2023. Further action on the replies submitted by the Company is awaited from DERC. The true up of capitalisation for FY17-18 has been completed by DERC. Further, for FY 18-19 to FY 21-22 the physical verification and true up of capitalisation is in progress.

36.3 The DERC Business Plan Regulations, 2019 is applicable for the control period from FY 2020-21 to FY 2022-23. As part of annually tariff determination exercise, the company has filed True up petition for FY 2020-21 and Annual Revenue Requirement (ARR) for FY 2022-23 on 30 November, 2021 which was admitted by the DERC on 19 January, 2023. Further, the company has filed True up petition for FY 2021-22 on 1 November, 2022. However, the Tariff order is yet to be released by the DERC.

The DERC on 29 March, 2023 has notified Business Plan Regulations, 2023 (BPR 2023) for the next control period applicable for FY 2023-24 to FY 2025-26. The Company has filed a Writ Petition in Delhi High Court on certain issues of BPR 2023. Further as part of annual tariff determination exercise, the Company had filed ARR for FY 2023-24 on 22 May, 2023 which has been admitted by the DERC on 26 May, 2023. Further, the company has filed True up petition for FY 2022-23 and Annual Revenue Requirement (ARR) for FY 2024-25 on 1 November, 2023.

36.4 The Company on a regular basis evaluates the changes in the DERC regulations and other factors which may trigger the impairment of the regulatory deferral account balances.

36.5 There has been accumulation of regulatory deferral account balance mainly due to non-availability of cost reflective tariff year on year. On this issue, the Company had filed a petition with the DERC on 08 March, 2021 seeking for a roadmap to liquidate regulatory deferral account in a time bound manner, which was dismissed by DERC with no relief. Further, the Company has challenged the order of DERC before Supreme Court on 6 September, 2021, which has been admitted and the hearing is in progress.

36.6 The movement in regulatory deferral account balance as at 31 March, 2024 is as follows:

Particulars	₹/Lakhs	
	Year ended 31.03.2024	Year ended 31.03.2023
(a) Opening regulatory deferral account debit balance	6,13,927.70	5,84,222.83
(b) Net movement during the year		
(i) Power purchase cost	7,32,437.57	7,57,775.36
(ii) All other prudent O&M cost including ROCE, carrying cost etc.	2,01,202.03	1,99,676.78
(iii) Collection available for Annual Revenue Requirement (ARR)	10,24,675.11	9,36,417.96
(iv) Net movement before recovery of deferred tax {(i)+(ii)-(iii)}	(91,035.51)	21,034.18
(v) Deferred tax recoverable in future tariff	9,192.39	8,670.69
(c) Net movement shown in the Statement of Profit and Loss {(iv)+(v)}	(81,843.12)	29,704.87
(d) Closing regulatory deferral account debit balance (a+c)	5,32,084.58	6,13,927.70

36.7 Rithala Power Generation Plant

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

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

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



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Note 38

Disclosure pursuant to DERC directive 6.10(j) specified in Tariff Order, 2021.

Category-wise billing, collection & subsidy information

38.1 Billing

S.No.	Category	Year ended 31.03.2024						
		Revenue	Deficit revenue recovery surcharge	PPAC	Electricity duty	Pension trust surcharge	TOD surcharge	TOD rebate
i	Domestic	3,34,244.40	17,746.99	65,606.47	13,585.73	15,528.66	0.03	(0.03)
ii	Non-Domestic	4,09,261.55	21,796.70	81,292.69	14,535.29	19,072.93	4,095.97	(2,549.63)
iii	Industrial	2,71,291.30	14,395.60	53,843.69	10,521.84	12,596.29	3,431.45	(2,544.76)
iv	Agriculture	1,247.28	67.59	251.59	19.29	59.10	1.88	(1.61)
v	Public Utilities	65,622.76	3,896.99	13,190.26	2,068.21	3,416.51	460.14	(422.16)
vi	Advertisement & Hoardings	98.32	5.23	19.77	3.07	4.57	-	-
vii	Staff	551.52	29.36	108.23	21.21	25.70	-	-
viii	E-Rickshaw/E-Vehicle	5,397.45	284.12	1,083.48	245.14	248.50	92.64	(30.14)
ix	Enforcement	1,723.17	95.93	256.05	64.91	75.73	-	-
	Grand Total	10,89,437.74	58,318.51	2,15,652.23	41,064.70	51,027.99	8,082.11	(5,548.33)

38.2 Collection

S.No.	Category	Year ended 31.03.2024				
		Revenue	Deficit revenue recovery surcharge	PPAC	Electricity duty	Pension trust surcharge
i	Domestic	3,34,434.04	17,764.98	65,428.02	13,590.69	15,534.86
ii	Non-Domestic	4,08,960.81	21,732.26	80,753.35	14,475.04	19,004.98
iii	Industrial	2,70,978.59	14,457.12	53,925.33	10,556.02	12,634.68
iv	Agriculture	1,264.97	68.69	250.60	19.70	59.78
v	Public Utilities	66,192.56	3,932.55	13,267.70	1,413.37	3,439.97
vi	Advertisement & Hoardings	94.96	5.06	18.94	2.97	4.43
vii	Staff	551.76	29.35	107.97	21.21	25.69
viii	E-Rickshaw/E-Vehicle	5,371.46	283.21	1,077.01	244.21	247.68
ix	Enforcement	1,723.17	95.93	256.05	64.91	75.73
	Grand Total	10,89,572.30	58,369.16	2,15,084.97	40,388.13	51,027.79

38.3 Subsidy Disbursed (including amnesty scheme)

S.No.	Category	Year ended 31.03.2024		
		Period ended 31.12.2023	Quarter ended 31.03.2024	Year ended 31.03.2024
i	Agriculture	229.61	83.10	312.71
ii	Domestic	67,399.94	24,287.34	91,687.28
iii	Non-Domestic (Lawyer Chambers)	128.84	39.02	167.86
iv	Solar Generation Based Incentive	-	-	-
	Grand Total	67,758.39	24,409.46	92,167.85

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

38.5 The above figures exclude open access billing & collection.

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

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

38.8 "Other Adjustments" is included in respective tariff category.

38.9 No Generation Based Incentive disbursed in FY 2023-24.



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Note 39

Segment reporting

The Company is engaged in the business of distribution and generation of power in North and North-west of Delhi and other ancillary activities. Chief Operating Decision Maker (CODM) reviews the financial information of the Company as a whole for decision making and accordingly the Company has single reportable segment in terms of Ind AS 108 "Operating Segments". However, as per the directives issued by the Delhi Electricity Regulatory Commission (DERC), the Company is required to disclose separate information about its distribution, generation and business development activities.

39.1 Set out below is the disclosure pursuant to Clause 4 of Delhi Electricity Regulatory Commission (Treatment of Income from Other Business of Transmission Licensee and Distribution Licensee) Regulations, 2005 and DERC directive 6.10(j)(ix) specified in Tariff Order, 2021

Based on the regulations of the DERC, the Company has identified following 3 segments/divisions:

- (a) **Distribution**
Comprises of sale of power to retail customers through distribution network and related ancillary services.
- (b) **Generation**
Comprises of generation of power from Rithala Power Generation Plant owned by the Company and generation of power from renewable energy sources i.e. solar.
- (c) **Business Development**
Comprises of project management consultancy, project management agency, project implementation contracts, IT and SCADA implementation contracts, management and other technical services assistance.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment and manpower efforts.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

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

S.No.	Particulars	As at 31.03.2024				₹/ Lakhs
		Distribution	Generation	Business Development	Inter Segment	
(i)	Segment revenue					
	Revenue from operations	10,12,212.36	103.44	-	(92.85)	10,12,222.95
	Other income	7,220.95	0.34	4,578.59	-	11,799.88
	Movement in regulatory deferral account balance (net)	(81,843.12)	-	-	-	(81,843.12)
(a)	Total segment revenue	9,37,590.19	103.78	4,578.59	(92.85)	9,42,179.71
	Less: Segment expenses (refer note 39.4)					
	Cost of power purchased (net)	7,21,160.19	-	-	(92.85)	7,21,067.34
	Employee benefits expense (net)	53,290.48	67.95	731.54	-	54,089.97
	Finance costs	27,840.17	980.49	-	-	28,820.66
	Depreciation and amortisation expense	38,962.19	61.99	-	-	39,024.18
	Other expenses	32,273.21	185.79	1,034.24	-	33,493.24
(b)	Total segment expenses	8,73,526.24	1,296.22	1,765.78	(92.85)	8,76,495.39
(ii)	Total segment results (a-b)	64,063.95	(1,192.44)	2,812.81	-	65,684.32
	Add/(Less): Unallocable income/(expense)					
(c)	Gain on sale/fair value of mutual fund investment measured at FVTPL					185.75
(d)	Profit before tax (ii+c)					65,870.07
(e)	Less: Tax expense					20,525.54
	Profit after tax (d-e)					45,344.53
(iii)	Segment assets (refer note 39.3)					
(a)	Property, plant and equipment	4,16,879.99	899.04	-	-	4,17,779.03
(b)	Capital work-in-progress	23,129.76	46.94	-	-	23,176.70
(c)	Right-of-use assets	5,473.71	-	-	-	5,473.71
(d)	Intangible assets	3,122.91	-	-	-	3,122.91
(e)	Non-current financial assets	90.46	-	-	-	90.46
(f)	Other non-current assets	668.41	-	-	-	668.41
(g)	Inventories	1,745.69	-	-	-	1,745.69
(h)	Current financial assets					
	- Investment	25,002.14	-	-	-	25,002.14
	- Trade receivables	19,165.38	-	3,048.02	-	22,213.40
	- Unbilled revenue	45,790.55	-	146.82	-	45,937.37
	- Others	4,077.55	-	-	-	4,077.55
(i)	Other current assets					
	- Unbilled revenue (contract asset)	2.29	-	302.71	-	305.00
	- Others	19,104.79	1,203.40	-	-	20,308.19
(j)	Assets classified as held for sale	-	2,004.00	-	-	2,004.00
(k)	Regulatory deferral account debit balances	5,22,466.58	9,618.00	-	-	5,32,084.58
	Total segment assets	10,86,720.21	13,771.38	3,497.55	-	11,03,989.14
(l)	Unallocable assets					
	- Other financial liabilities					11,870.16
	- Income tax paid under protest against demand					62.27
	Total assets					11,15,921.57



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		₹/ Lakhs				
S.No.	Particulars	As at 31.03.2024				
		Distribution	Generation	Business Development	Inter Segment	Total
(iv)	Segment liabilities (refer note 39.3)					
(a)	Non-current financial liabilities	2,39,213.24	-	-	-	2,39,213.24
(b)	Capital grants	1,068.51	143.48	-	-	1,211.99
(c)	Contributions for capital works and service line charges	83,480.43	-	-	-	83,480.43
(d)	Other non-current liabilities	60,898.51	-	-	-	60,898.51
(e)	Current financial liabilities	1,74,332.10	231.00	-	-	1,74,563.10
(f)	Other current liabilities					
	- Income received in advance	-	-	251.76	-	251.76
	- Others	30,327.69	1.04	6,694.64	-	37,023.37
	Total segment liabilities	5,89,320.48	375.52	6,946.40	-	5,96,642.40
(g)	Unallocable liabilities					
	- Provisions - non current					6,364.37
	- Deferred tax liabilities (net)					61,284.65
	- Current tax liability (net)					1,009.10
	- Provisions - current					2,504.44
	Total liabilities					6,67,804.96

		₹/ Lakhs				
S.No.	Particulars	As at 31.03.2023				
		Distribution	Generation	Business Development	Inter Segment	Total
(i)	Segment revenue					
	Revenue from operations	9,29,658.46	114.79	-	(104.20)	9,29,669.05
	Other income	4,932.60	0.10	5,743.50	-	10,676.20
	Movement in regulatory deferral account balance (net)	29,704.87	-	-	-	29,704.87
(a)	Total segment revenue	9,64,295.93	114.89	5,743.50	(104.20)	9,70,050.12
	Less: Segment expenses (refer note 39.4)					
	Cost of power purchased (net)	7,47,060.90	-	-	(104.20)	7,46,956.70
	Employee benefits expense (net)	52,428.81	56.47	1,326.94	-	53,812.22
	Finance costs	27,864.74	768.07	-	-	28,632.81
	Depreciation and amortisation expense	37,652.57	61.64	-	-	37,714.21
	Other expenses	36,728.66	152.27	1,829.47	-	38,710.40
(b)	Total segment expenses	9,01,735.68	1,038.45	3,156.41	(104.20)	9,05,826.34
(ii)	Total segment results (a-b)	62,560.25	(923.56)	2,587.09	-	64,223.78
(c)	Add/(Less): Unallocable income/(expense)					-
(d)	Gain on sale/fair value of mutual fund investment measured at FVTPL					-
(e)	Foreign exchange fluctuation gain (net)					-
(e)	Profit before tax (ii+c+d)					64,223.78
(f)	Less: Tax expense					20,184.55
	Profit after tax (e-f)					44,039.23
(iii)	Segment assets (refer note 39.3)					
(a)	Property, plant and equipment	4,14,019.74	958.35	-	-	4,14,978.09
(b)	Capital work-in-progress	15,524.87	48.75	-	-	15,573.62
(c)	Right-of-use assets	6,568.86	-	-	-	6,568.86
(d)	Intangible assets	4,855.62	-	-	-	4,855.62
(e)	Non-current financial assets	90.07	-	-	-	90.07
(f)	Other non-current assets	1,307.11	-	-	-	1,307.11
(g)	Inventories	1,553.30	-	-	-	1,553.30
(h)	Current financial assets					
	- Trade receivables	14,217.15	-	5,285.12	-	19,502.27
	- Unbilled revenue	44,668.17	-	148.32	-	44,816.49
	- Others	4,529.33	-	-	-	4,529.33
(i)	Other current assets					
	- Unbilled revenue (contract asset)	-	-	281.83	-	281.83
	- Others	6,576.48	1,203.39	-	-	7,779.87
(j)	Assets classified as held for sale		2,004.00	-	-	2,004.00
(k)	Regulatory deferral account debit balances	6,04,309.70	9,618.00	-	-	6,13,927.70
	Total segment assets	11,18,220.40	13,832.49	5,715.27	-	11,37,768.16
(l)	Unallocable assets					
	- Other financial liabilities					5,923.78
	- Income tax assets (net)					300.21
	- Income tax paid under protest against demand					2,321.84
	Total assets					11,46,313.99
(iv)	Segment liabilities (refer note 39.3)					
(a)	Non-current financial liabilities	2,61,228.30	117.27	-	-	2,61,345.57
(b)	Capital grants	152.49	154.07	-	-	306.56
(c)	Contributions for capital works and service line charges	80,354.12	-	-	-	80,354.12
(d)	Other non-current liabilities	58,535.77	-	-	-	58,535.77
(e)	Current financial liabilities	2,07,267.42	558.09	-	-	2,07,825.51
(f)	Other current liabilities					
	- Income received in advance	-	-	204.08	-	204.08
	- Others	29,475.61	1.91	7,892.13	-	37,369.65
	Total segment liabilities	6,37,013.71	831.34	8,096.21	-	6,45,941.26
(g)	Unallocable liabilities					
	- Provisions - non current					5,820.05
	- Deferred tax liabilities (net)					52,092.26
	- Provisions - current					2,774.21
	Total liabilities					7,06,627.78

- 39.3 Distribution segment also includes assets and liabilities of Business Development (except trade receivables, unbilled revenue and income received in advance) since it constitutes only insignificant portion of the closing balance and are not readily identifiable.
- 39.4 Total expenses of Business Development segment of ₹ 1,765.78 lakhs (for the year ended 31 March, 2023 ₹ 3,156.41 lakhs) includes allocated expenses of ₹ 61.41 lakhs (for the year ended 31 March, 2023 ₹ 137.05 lakhs). Balance expenses of ₹ 1,704.37 lakhs (for the year ended 31 March, 2023 ₹ 3,091.36 lakhs) are directly identifiable to this reporting segment.



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Note 40
Income tax

Accounting policy

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

40.1 Current tax

The current tax payable is based on taxable profit for the reporting period. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are treated differently according to Income Tax Act, 1961. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

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

	Year ended 31.03.2024 ₹/Lakhs	Year ended 31.03.2023 ₹/Lakhs
Income tax expense recognised in the Statement of Profit and Loss :		
(a) Current tax (refer note 40.4)	17,961.19	18,338.65
Less: MAT credit adjusted during the year	6,653.32	6,829.80
Current tax expense (net)	<u>11,307.87</u>	<u>11,508.85</u>
(b) Deferred tax expense (net) (refer note 40.4)	9,217.67	8,675.70
Total	<u>20,525.54</u>	<u>20,184.55</u>
Income tax expense recognised in other comprehensive income :		
Income tax relating to items that will not be reclassified to profit or loss:		
(c) Current tax		
Remeasurement of defined benefit obligation (refer note 40.4)	(25.28)	(5.01)
(d) Deferred tax		
Remeasurement of defined benefit obligation (refer note 40.4)	(25.28)	(5.01)
Total	<u>(50.56)</u>	<u>(10.02)</u>
Total income tax expense recognised during the year (a+b+c+d)	<u>20,474.98</u>	<u>20,174.53</u>

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

Particulars	₹/Lakhs	
	Year ended 31.03.2024	Year ended 31.03.2023
Profit before tax	65,870.07	64,223.78
Enacted income tax rate in India	34.94%	34.94%
Computed expected tax expense	23,017.64	22,442.36
Add/(Less): Tax effect on account of:		
Tax effect due to non taxable income pertaining to deferred tax recoverable	(3,212.18)	(3,029.88)
Expenses not considered in determining taxable profit	540.44	266.81
Adjustments for prior periods	6.90	(47.18)
Reversal during tax holiday period	17.99	42.89
Deduction under chapter VI-A	(171.80)	(19.14)
Others	326.55	528.69
Income tax expense recognised in the Statement of Profit and Loss	<u>20,525.54</u>	<u>20,184.55</u>

40.4 The Company has made provision for income tax at the rate of 34.94% in accordance with normal provisions of Income Tax Act, 1961 for the year ended 31 March, 2024 and 31 March, 2023.

The Company has to pay taxes based on the higher of income-tax profit of the Company or minimum alternate tax (MAT) at 17.47% of book profit for the year ended 31 March, 2024 and 31 March, 2023.

The provision for deferred tax has been worked upon at the rate of 34.94% (substantially enacted tax rate at Balance Sheet date) for the year ended 31 March, 2024 and 31 March, 2023.



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40.5 Deferred tax

Accounting policy

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

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

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

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

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

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

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

40.6 Deferred tax liabilities/assets (net) as at 31 March, 2024, as detailed below reflect the quantum of tax liabilities/(asset) accrued up to 31 March, 2024.

Particulars	₹/Lakhs			
	Opening Balance as on 1 April 2023	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance as on 31 March 2024
Deferred tax liability/(assets) on account of :				
Property plant and equipment (refer note 40.8)	74,745.93	2,124.70	-	76,870.63
Provision for doubtful debts	(3,152.74)	427.71	-	(2,725.03)
Provision for employee benefits	(2,613.94)	(65.80)	(25.28)	(2,705.02)
MAT credit	(15,926.24)	6,653.32	-	(9,272.92)
Others	(960.75)	77.74	-	(883.01)
Deferred tax liabilities/(asset) [net]	52,092.26	9,217.67	(25.28)	61,284.65

Deferred tax liabilities/assets (net) as at 31 March, 2023, as detailed below reflect the quantum of tax liabilities/(asset) accrued up to 31 March, 2023.

Particulars	₹/Lakhs			
	Opening Balance as on 1 April 2022	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance as on 31 March 2023
Deferred tax liability/(assets) on account of :				
Property plant and equipment	72,072.86	2,673.07	-	74,745.93
Provision for doubtful debts	(2,938.67)	(214.07)	-	(3,152.74)
Provision for employee benefits	(2,428.19)	(180.74)	(5.01)	(2,613.94)
MAT credit	(22,756.04)	6,829.80	-	(15,926.24)
Others	(528.39)	(432.36)	-	(960.75)
Deferred tax liabilities/(asset) [net]	43,421.57	8,675.70	(5.01)	52,092.26

40.7 As per MYT regulations for determination of tariff, tax expense shall be considered in tariff determination as and when and to the extent of income tax actually paid. Accordingly, the Company has made provision only for the amount of income tax that is actually payable and the deferred tax liability (net) as at 31 March, 2024 of ₹ 61,284.65 lakhs (as at 31 March, 2023 ₹ 52,092.26 lakhs) and deferred tax charge of ₹ 9,192.39 lakhs for the year ended 31 March, 2024 (for the year ended 31 March, 2023 ₹ 8,670.69 lakhs) has been shown as recoverable in regulatory deferral account balances.

40.8 As at 31 March, 2024 deferred tax liability of ₹ 76,870.63 lakhs (as at 31 March, 2023 ₹ 74,745.93 lakhs) on account of property, plant and equipment is net of deferred tax asset of ₹ 633.81 lakhs (as at 31 March, 2023 ₹ 840.54 lakhs) arising on assets classified as held for sale.

40.9 During the current year, the management has reassessed the recoverability of unavailed MAT credit and accordingly recognised MAT credit amounting to ₹ 9,272.92 lakhs as at 31 March, 2024 (as at 31 March, 2023 ₹ 15,926.24 lakhs).

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

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



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Note 41

Financial instruments

41.1 Capital management and gearing ratio

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company's objectives for managing capital comprise safeguarding the business as a going concern, creating value for stakeholders and supporting the development of the Company. In particular, the Company seeks to maintain an adequate capitalisation that enables it to achieve a satisfactory return for shareholders and ensure access to external sources of financing, in part by maintaining an adequate rating.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirements of the financial covenants. From time to time, the Company reviews its policy related to dividend payment to shareholders, return of capital to shareholders or fresh issue of shares. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. As part of this review, the management considers the cost of capital and risks associated with each class of capital requirements and maintenance of adequate liquidity buffer.

The Company's capital structure consists of net debt and total equity. The Company includes within net debt, interest bearing borrowings, less cash and bank balances as detailed below. The position on reporting date is summarised in the following table:

Particulars	₹/Lakhs	
	As at 31.03.2024	As at 31.03.2023
Long-term borrowings	1,38,367.86	1,68,969.62
Short-term borrowings (includes Current maturities of long-term borrowings)	42,256.44	75,199.18
Total debt (a)	1,80,624.30	2,44,168.80
Less: Cash and bank balances (b)	11,769.99	5,787.18
Net debt {(c)=(a-b)}	1,68,854.31	2,38,381.62
Total equity (d)	4,48,116.61	4,39,686.21
Total equity and net debt {(e)=(c+d)}	6,16,970.92	6,78,067.83
Net debt to total equity plus net debt ratio (%) {(f)=(c)/(e)}	27.37%	35.16%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowing in the current reporting period.

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

41.2 Categories of financial instruments

Particulars	₹/Lakhs			
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
	Fair Value		Carrying Value	
Financial assets				
(i) Measured at fair value through profit or loss (FVTPL)				
(a) Investment in mutual fund (unquoted)	25,002.14	-	25,002.14	-
(ii) Measured at cost				
(a) Investments in equity instruments of wholly owned subsidiary company (unquoted)	5.00	5.00	5.00	5.00
(iii) Measured at amortised cost				
(a) Trade receivables	22,213.40	19,502.27	22,213.40	19,502.27
(b) Cash and cash equivalents	6,140.71	327.28	6,140.71	327.28
(c) Bank balances other than cash and cash equivalent above	5,629.28	5,459.90	5,629.28	5,459.90
(d) Security deposits	537.56	640.70	537.56	640.70
(e) Unbilled revenue	45,937.37	44,816.49	45,937.37	44,816.49
(f) Others	3,725.62	4,110.30	3,725.62	4,110.30
Total	1,09,191.08	74,861.94	1,09,191.08	74,861.94
Financial liabilities				
(i) Measured at amortised cost				
(a) Borrowings (including current maturities)	1,80,624.30	2,44,168.80	1,80,624.30	2,44,168.80
(b) Interest accrued but not due on borrowings	738.21	154.80	738.21	154.80
(c) Lease liabilities (including current maturities)	6,631.52	7,650.39	6,631.52	7,650.39
(d) Trade and other payables	1,09,096.82	1,09,524.29	1,09,096.82	1,09,524.29
(e) Consumers' security deposit	1,02,719.80	92,512.25	1,02,719.80	92,512.25
(f) Retention money payable	3,711.16	3,846.51	3,711.16	3,846.51
(g) Consumers' deposits for works	3,249.69	4,621.60	3,249.69	4,621.60
(h) Others	7,004.84	6,692.44	7,004.84	6,692.44
Total	4,13,776.34	4,69,171.08	4,13,776.34	4,69,171.08

41.2.1 Fair values of financial assets and financial liabilities

- (a) The management assessed that the carrying value of cash and cash equivalents, other balances with bank, trade receivables, loans, unbilled revenue, borrowings and interest accrued thereon, consumers' security deposit, retention money payable, trade payables, other financial assets and liabilities approximate their fair value largely due to the short term maturities of these instruments/ buying subject to floating-rate. Fair value measurement of lease liabilities is not required.
- (b) Investments in subsidiaries accounted at cost in accordance with Ind AS 27 "Separate Financial Statements".



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41.3 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, consumers' security deposit, lease liabilities, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents, other balances with banks, unbilled revenue and other financial assets that are derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Corporate Level Risk Management Committee (CLRMC) oversees the management of these risks and appropriate risk governance framework for the Company. The Company's CLRMC is supported by a Finance Risk Management Sub-Committee that reviews the financial risks. The Company's financial risk activities are governed by appropriate policies and procedures (in accordance with ISO 31000:2018 guidelines) and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The risk management policy is approved by the Board of Directors.

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

41.3.1 Market risk

Market risk is the risk that changes in market prices will affect the Company's income or value of 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. Financial instruments affected by market risk primarily comprises of term borrowings and current investments.

Market risk comprises of three types of risk: currency risk, interest rate risk and price risk.

(A) Foreign currency exchange risk management

Foreign currency exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in exchange rates. The Company does not have significant foreign currency denominated transactions, hence the Company is not exposed to significant foreign currency exchange risk.

(B) Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Interest rate risk sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for long term borrowings at the end of the reporting period. The analysis is prepared assuming the amount of the borrowing outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used for analysis which represents management's assessment of the reasonably possible change in interest rates.

The sensitivity analysis in the following section relates to the position as at 31 March, 2024 and 31 March, 2023. If the interest rates had been 50 basis points higher or lower and all the other variables were held constant, the effect on interest expense for the respective financial years and consequent effect on Company's profit in that financial year would have been as below:

Particulars	₹/Lakhs			
	As at 31.03.2024		As at 31.03.2023	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on term borrowings	897.93	(897.93)	1,058.17	(1,058.17)
Effect on profit before tax	(897.93)	897.93	(1,058.17)	1,058.17

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

(C) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in net asset value (NAV) of the financial instruments held. The Company's price risk is mainly generated with fair value in respect of the investments held in mutual funds. Investments primarily include investment in liquid debt based mutual fund units with high credit-ratings assigned by credit-rating agencies and managed by asset management companies.

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

Particulars	₹/Lakhs	
	As at 31.03.2024	As at 31.03.2023
Investments in mutual funds	25,002.14	-

Price risk sensitivity analysis

The sensitivity analysis in the following section relates to the position as at 31 March, 2024 and 31 March, 2023. If the NAV of investments had been higher or lower by ₹ 0.50 and all the other variables were held constant, the effect on gain/(loss) on fair value of current investments for the respective financial years and consequent effect on Company's profit in that financial year would have been as below:

Particulars	₹/Lakhs			
	As at 31.03.2024		As at 31.03.2023	
	NAV appreciate by ₹ 0.50	NAV depreciate by ₹ 0.50	NAV appreciate by ₹ 0.50	NAV depreciate by ₹ 0.50
Gain on investments in liquid mutual funds	3.65	(3.65)	-	-
Effect on profit before tax	3.65	(3.65)	-	-

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

41.3.2 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables and unbilled revenue) and other financial instruments.

Particulars	₹/Lakhs	
	As at 31.03.2024	As at 31.03.2023
(a) Trade receivables	22,213.40	19,502.27
(b) Unbilled revenue	45,937.37	44,816.49
(c) Security deposits	537.56	640.70
(d) Other financial assets	3,725.62	4,110.30
Total	72,413.95	69,069.76



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Refer note 12 for credit risk and other information in respect of trade receivables. Other receivables as stated above are due from the parties under normal course of the business and as such the Company believes exposure to credit risk to be minimal.

Bank balances are held with reputed and creditworthy banking institutions.

As per its investment policy, the Company deploy its short term surplus funds in debt based mutual funds and/or liquid funds with no exposure to equities or fixed term deposits with scheduled banks or in inter-corporate deposits with such companies of the Tata Group as may be approved. As per policy, the aggregate amounts invested in debt based mutual funds and/or liquid funds with no exposure to equities, fixed term deposit with schedule banks and in inter-corporate deposits being in nature of investments shall not exceed ₹ 35,000 lakhs at any point of time.

41.3.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Company has access to a sufficient variety of sources of funding.

The following table details the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods, ignoring the call and refinancing options available with the Company. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The amounts included below for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

Expected contractual maturity for financial liabilities:

Particulars	₹/Lakhs			
	Upto 1 year	1 to 5 years	5+ years	Total
As at 31 March, 2024				
(a) Trade payables	1,09,096.82	-	-	1,09,096.82
(b) Short term borrowings	1,038.54	-	-	1,038.54
(c) Long term borrowings (including current maturities)	41,217.89	1,13,622.67	24,745.20	1,79,585.76
(d) Interest accrued but not due on borrowings	738.21	-	-	738.21
(e) Future interest on above long term borrowings	13,944.85	25,505.66	3,467.36	42,917.87
(f) Consumers' security deposit (see note 41.3.3a)	6,650.04	-	96,069.76	1,02,719.80
(g) Future interest on consumers' security deposit (refer note 41.3.3a)	8,310.03	33,240.13	41,550.17	83,100.33
(h) Lease liabilities (including current maturities)	2,671.79	3,959.73	-	6,631.52
(i) Future interest on above lease liabilities	453.18	727.71	-	1,180.89
(j) Retention money payable	3,605.07	106.09	-	3,711.16
(k) Consumers' deposits for works	3,249.69	-	-	3,249.69
(l) Other financial liabilities	6,295.04	655.92	53.88	7,004.84
	1,97,271.15	1,77,817.91	1,65,886.37	5,40,975.43
As at 31 March, 2023				
(a) Trade payables	1,09,524.29	-	-	1,09,524.29
(b) Short term borrowings	32,534.65	-	-	32,534.65
(c) Long term borrowings (including current maturities)	42,664.53	1,31,657.79	37,311.82	2,11,634.14
(d) Interest accrued but not due on above borrowings	154.80	-	-	154.80
(e) Future interest on above long term borrowings	15,234.25	27,408.72	4,736.56	47,379.53
(f) Consumers' security deposit (see note 41.3.3a)	5,949.70	-	86,562.55	92,512.25
(g) Future interest on consumers' security deposit (refer note 41.3.3a)	7,357.82	29,431.26	36,789.08	73,578.16
(h) Lease liabilities (including current maturities)	2,580.42	5,069.97	-	7,650.39
(i) Future interest on above lease liabilities	544.31	1,181.20	-	1,725.51
(j) Retention money payable	3,668.33	178.18	-	3,846.51
(k) Consumers' deposits for works	4,621.60	-	-	4,621.60
(l) Other financial liabilities	6,127.19	424.18	141.07	6,692.44
	2,30,961.89	1,95,351.30	1,65,541.08	5,91,854.27

41.3.3a Consumers' security deposit classified under more than 5 years maturity pertains to permanent connection which are refundable on surrender of connection subject to clearance of outstanding dues.

Future interest on consumers' security deposit has been considered at 8.65% per annum (as at 31 March, 2023 8.50% per annum) which is the prevailing SBI 1 year MCLR rate as at 1 April, 2024. For the purpose of computation of interest, the tenure of consumer security deposit has been taken as 10 years.

The Company has access to financing facilities as described in note 41.3.4 below. The Company expects to meet its obligations from operating cash flows and proceeds of maturing financial assets.

41.3.4 Financing facilities (short term)

Particulars	₹/Lakhs	
	As at 31.03.2024	As at 31.03.2023
Unsecured credit facilities, reviewed annually and payable at call		
Amount used and outstanding	641.38	28,282.41
Amount unused	69,358.62	51,917.59
Secured bank loan facilities with various maturity dates through to 31 March, 2024 and which may be extended by mutual agreement		
Amount used and outstanding	397.16	4,252.24
Amount unused	44,902.84	51,047.76



TATA POWER DELHI DISTRIBUTION LIMITED
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Note 42
Financial Ratios

Particulars	Numerator (₹ Lakhs)		Denominator (₹ Lakhs)		Unit	As at	As at	% of Variance
	31.03.2024	31.03.2023	31.03.2024	31.03.2023		31.03.2024	31.03.2023	
(a) Current ratio (refer note (i))	3,77,252.39	2,64,619.28	2,15,351.77	2,48,173.45	Times	1.75	1.07	64.29%
(b) Debt equity ratio (refer note (ii))	1,87,994.03	2,51,973.99	4,48,116.61	4,39,686.21	Times	0.42	0.57	-26.80%
(c) Debt service coverage ratio (refer note (iii))	96,245.94	95,939.66	63,354.92	85,132.35	Times	1.52	1.13	34.80%
(d) Return on Equity	45,344.53	44,039.23	4,43,901.41	4,23,987.93	%	10.22%	10.39%	-1.66%
(e) Trade receivables turnover ratio	10,47,191.77	9,62,438.40	82,614.05	78,354.15	Days	29	30	-3.10%
(f) Trade payables turnover ratio	7,53,547.29	7,82,419.46	97,416.74	1,03,248.42	Days	47	48	-2.03%
(g) Net capital turnover ratio (refer note (i))	9,30,379.83	9,59,373.92	2,06,528.52	61,845.58	Times	4.50	15.51	-70.96%
(h) Net profit ratio	45,344.53	44,039.23	9,30,379.83	9,59,373.92	%	4.87%	4.59%	6.17%
(i) Return on capital employed	86,102.12	86,782.69	7,20,573.88	7,45,639.68	%	11.95%	11.64%	2.67%
(j) Return on investment (refer note (iv))	203.61	291.69	10,72,944.74	19,77,620.02	%	6.93%	5.38%	28.66%

Note: (i) Higher liquidation of regulatory asset expected next year due to increase in PPAC rate as per DERC order
(ii) Variation in Debt equity ratio mainly due to lower availment of long term & short term debt
(iii) Lower repayment of long term borrowings due to refinancing of loan
(iv) Higher rate of return on Mutual fund and FD investment

42.1 Formulas used to compute ratios

Particulars	Formulas
(a) Current ratio	Current asset (refer note 42.2(a)) Current liability
(b) Debt equity ratio	Total debt (refer note 42.2(b)) Shareholder's equity
(c) Debt service coverage ratio	Earnings available for debt service (refer note 42.2(c)) Debt Service (refer note 42.2(d))
(d) Return on Equity	Net Profits after taxes Average shareholder's equity
(e) Trade receivables turnover ratio	Gross credit sales (refer note 42.2(e)) Average accounts receivable (refer note 42.2(f))
(f) Trade payables turnover ratio	Gross credit purchases (refer note 42.2(g)) Average trade payables (refer note 42.2(h))
(g) Net capital turnover ratio	Net sales (refer note 42.2(i)) Working capital (refer note 42.2(j))
(h) Net profit ratio	Net Profit Net sales (refer note 42.2(i))
(i) Return on capital employed	Earning before interest and taxes (refer note 42.2(k)) Average Capital Employed (refer note 42.2(l))
(j) Return on investment	Investment income (refer note 42.2(m)) Time weighted average investment (refer note 42.2(n))

42.2 Notes

- Current asset also includes current portion of regulatory asset + asset classified as held for sale
- Total debt includes long term borrowings + short term borrowings + interest accrued on borrowings + lease liabilities
- Earnings available for debt service includes Net Profit after taxes + Non-cash operating expenses/(income) (depreciation, amortisation of SLD, CCCW or capital grants, amortizations(ROU)) + interest (excluding interest on consumer security deposits) - loss on sale of fixed assets
- Debt service = Interest (excluding interest on consumer security deposits) + lease payments + principal repayments of long term borrowing (except refinanced loans)
- Gross credit sales includes sale of power + open access charges + maintenance charges + income other than energy business
- Average Accounts Receivable includes unbilled revenue
- Gross credit purchases includes power purchase + O&M expenses (excluding foreign exchange fluctuation loss (net), bad debts written off/(written back), allowance for doubtful debts, loss on disposal of property, plant and equipment, corporate social responsibility expenses, etc.)
- Total trade payables excludes employee benefit expense related balances
- Net sales includes revenue from operations + movement in regulatory deferral account balance
- Working capital = current assets - current liabilities
Current liabilities excludes current maturities of long-term borrowings, current portion of leases & interest accrued but not due on borrowings
Current asset includes current portion of regulatory asset & asset classified as held for sale
- Earning before interest and taxes = Profit before tax + interest (excluding interest on consumer security deposits)
- Average Capital employed = tangible net worth + total debt (refer note 42.2(b)) + deferred tax liability
- Investment income includes interest on bank deposits + gain on mutual fund (including unrealised (if any))
- Time weighted average investment includes bank deposits + mutual funds
- The Company is engaged in the business of sale of power which doesnot involve any inventory therefore, Inventory Turnover ratio is not applicable for the Company



Note 43

Related party disclosures

43.1 List of related parties and description of relationship

- A. Holding company**
Tata Power Company Limited (TPCL)
- B. Promoters holding together with its Subsidiary more than 20% in Holding Company**
Tata Sons Private Limited (Tata Sons)
- C. Company exercising significant influence**
Delhi Power Company Limited (DPCL) (Government related entity)
- D. Subsidiaries (wholly-owned)**
NDPL Infra Limited (NDPLIL)
- E. Fellow Subsidiaries (with whom the Company has transactions)**
(i) TP Ajmer Distribution Limited (TPADL)
(ii) TP Central Odisha Distribution Limited (TPCODL)
(iii) TP Renewable Microgrid Limited (TPRML)
(iv) Tata Power Solar Systems Limited (TPSSL)
(v) Tata Power Southern Odisha Distribution Limited (TPSODL)
(vi) Tata Power Northern Odisha Distribution Limited (TPNODL)
(vii) Tata Power Trading Company Limited (TPTCL)
(viii) Tata Power EV Charging Solutions Limited (TPEVCSL) (Formerly known as "Tata Solapur Limited")
(ix) Malthon Power Limited (MPL)
(x) Tata Power Renewable Energy Limited (TPREL)
(xi) TP Power Plus Limited (TPPPL)
(xii) TP SOLAR LIMITED (TPSL)
(xiii) Tata Power Western Odisha Distribution Limited (TPWODL)
- F. Joint Ventures of holding company (with whom the Company has transactions)**
(i) Powerlinks Transmission Limited (PTL)
- G. Subsidiaries and Jointly Controlled Entities of Promoters of Holding Company - Promoter Group (with whom the Company has transactions)**
(i) Infiniti Retail Limited (IRL)
(ii) Tata AIG General Insurance Company Limited (Tata AIG)
(iii) Tata Advanced Systems Limited (TASL)
(iv) Tata Capital Financial Services Limited (TCFSL)
(v) Tata Communications Limited (TCL)
(vi) Tata Teleservices Limited (TTSL)
(vii) Tata Consultancy Services Limited (TCS)
(viii) Tata Play Broadband Private Limited (TPBPL)
- H. Post retirement employee benefit trust**
(i) North Delhi Power Limited Employees Group Gratuity Assurance Scheme (Gratuity Fund)
(ii) Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 (SVRS RTBF - 2004)
- I. Key management personnel**
Chief Executive Officer (CEO)
(i) Mr. Ganesh Srinivasan
Non-executive directors
(i) Dr. Praveer Sinha
(ii) Mr. Sanjay Kumar Banga
(iii) Mr. Ajay Kapoor (appointed w.e.f. 21st January 2022)
(iv) Mr. Shurbir Singh (appointed w.e.f. 17th March 2023)
(v) Dr. Ashish Chandra Verma (appointed w.e.f. 17th March 2023)
(vi) Mr. Manish Kumar Gupta (appointed w.e.f. 17th March 2023)
(vii) Mr. K. N. Shrivastava (appointed w.e.f. 23rd March 2023)
(viii) Mr. Narendra Nath Misra (appointed w.e.f. 23rd March 2023)
(ix) Ms. Shefalli Shah (appointed w.e.f. 20th October 2023)
(x) Mr. Sunil Singh (appointed w.e.f. 20th October 2023)
(xi) Mr. Ashok Sinha (appointed w.e.f. 24th March 2023)
(xii) Mr. Arup Ghosh (ceased w.e.f. 6th October 2023)
(xiii) Dr. Amar Jit Chopra (ceased w.e.f. 22nd March 2023)
(xiv) Mr. Ajay Shankar (ceased w.e.f. 22nd March 2023)
(xv) Ms. Satya Gupta (ceased w.e.f. 31st July 2023)
(xvi) Mr. Kesava Menon Chandrasekhar (ceased w.e.f. 23rd March 2023)
(xvii) Mr. Jasmine Shah (ceased w.e.f. 14th February 2023)
(xviii) Mr. Ajit Kumar Singh (ceased w.e.f. 14th February 2023)
(xix) Ms. Rashmi Krishnan (ceased w.e.f. 14th February 2023)
(xx) Mr. Naveen ND Gupta (ceased w.e.f. 14th February 2023)

43.2 Transactions with related parties

Name of related party	Nature of transactions	₹/Lakhs	
		Year ended 31.03.2024	Year ended 31.03.2023
A. Purchase of goods			
(i) TPCL	Purchase of spares	-	10.24
(ii) TPTCL	Purchase of power	1,46,019.58	1,73,219.09
	Rebate on power purchase	2,939.46	3,495.05
(iii) MPL	Purchase of power (Arrears)	4,822.47	-
(iv) IRL	Purchase of gifts	0.60	0.72
B. Sale of goods			
(i) TPCL	Purchase of goods (credit note)	2.22	-
(ii) TASL	Scrap Sale	0.42	-
C. Purchase of property, plant and equipment			
(i) TPCL	Purchase of vehicle	15.52	-
(ii) TASL	Purchase of integrated security solutions	15.93	-
(iii) TPTCL	Purchase of IT asset & Vehicles	-	1.36
(iv) PTL	Purchase of IT asset & Vehicles	9.82	-
(iv) TPWODL	Purchase of consumables	4.02	-
(v) TPNODL	Purchase of IT asset	0.69	-
(vi) TPSODL	Purchase of IT asset & Vehicles	-	-
(vii) IRL	Purchase of office equipment	-	-



TATA POWER DELHI DISTRIBUTION LIMITED
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Transactions with related parties contd.

		₹/Lakhs	
Name of related party	Nature of transactions	Year ended 31.03.2024	Year ended 31.03.2023
D. Sale of property, plant and equipment			
(i) TPCL	Sale of vehicles & IT Assets	16.34	72.50
(ii) TPCODL	Sale of IT Assets	12.14	0.26
(iii) TPNODL	Sale of vehicles & IT Assets	-	8.60
(iv) TPADL	Sale of IT Assets	0.88	0.49
(v) TPTCL	Sale of IT Assets	0.76	16.24
(vi) TPWODL	Sale of vehicles & IT Assets	-	2.83
(vii) TPSODL	Sale of vehicles & IT Assets	8.55	-
(viii) TPSSL	Sale of IT asset	-	7.75
(ix) PTL	Sale of vehicles & IT Assets	0.10	5.05
(x) TPEVCSL	Sale of IT asset	-	0.37
(xi) TPRML	Sale of vehicles & IT Assets	-	0.20
(xii) TPPPL	Sale of vehicles	5.50	-
(xiii) TPREL	Sale of vehicles & IT Assets	5.57	-
E. Rendering of services			
(i) TPCL	Management contract for consultancy services	0.62	260.86
	Revenue from training	5.62	2.48
(ii) DPCL	Commission earned	0.08	3.42
(iii) NDPLIL	Management contract for consultancy services	12.38	9.70
(iv) TPADL	Management contract for consultancy services	17.18	10.05
(v) TPCODL	Management contract for consultancy services	120.91	66.80
(vi) TPWODL	Management contract for consultancy services	6.11	57.85
	Revenue from training	-	4.54
(vii) TPSODL	Management contract for consultancy services	89.17	227.19
(viii) TPNODL	Management contract for consultancy services	161.12	174.72
	Revenue from training	-	5.84
(ix) TPTCL	Management contract for consultancy services	-	4.75
(x) TPRML	Management contract for consultancy services	2.73	2.27
(xi) TPEVCSL	Management contract for consultancy services	9.28	2.73
(xii) TPBPL	Revenue from use of assets	80.56	74.40
(xiii) TPSSL	Management contract for consultancy services	4.98	-
(xiv) TCFSL	Revenue from use of space	0.23	0.25
F. Receiving of services			
(i) TPCL	Management contract for deputation of key management personnel (KMP)	254.88	227.74
	Management contract for deputation of employees	45.00	-
	Training	-	1.65
(ii) Tata Sons	Training	2.60	0.35
(iii) Tata Sons	Professional Charges	10.62	8.26
(iv) TPSSL	Annual maintenance contract of solar plants	25.14	10.76
	Sale of IT asset (credit note)	1.27	-
(v) TPTCL	Energy Audit Fees	3.18	-
(vi) Tata AIG	Insurance expense	184.01	268.63
(vii) TCL	Communication expenses	23.00	17.24
(viii) TTSL	Automatic meter reading expenses, call center charges etc.	164.98	172.49
	Communication expenses	5.10	5.91
(ix) TCES	Consultancy services	-	13.18
(x) TASL	Repair & maintenance services and communication expenses	14.21	11.06
	Communication expenses	-	1.06
(xi) TCS	License fees (Microsoft office & BI)	430.64	104.41
(xii) Tata Sons	CSR expense	-	3.54
G. Reimbursement of expenses (paid)/received			
(i) TPCL	Travelling, training, Legal expense and conveyance etc.	1.70	137.42
(ii) TPCL	Employee Compensation expense	109.76	-
(iii) NDPLIL	Miscellaneous expenses etc.	3.42	-
(iv) TPTCL	Miscellaneous expenses etc.	(14.04)	(15.60)
(v) TPNODL	Travelling and conveyance, insurance etc.	1.03	0.70
(vi) TPWODL	Travelling and conveyance, insurance etc.	0.62	0.48
(vii) TPSODL	Travelling and conveyance, insurance etc.	0.13	1.10
(viii) TPECL	Travelling and conveyance etc.	-	0.06
(ix) TPCODL	Travelling and conveyance, insurance etc.	0.68	6.29
(x) PTL	Miscellaneous expenses etc.	0.40	-
(xi) TASL	Miscellaneous Recovery of expense	0.22	(0.09)
(xii) TPSSL	Miscellaneous expenses etc.	0.06	-
H. Equity dividend paid			
(i) TPCL	Dividend on equity shares	18,778.20	6,438.24
(ii) DPCL	Dividend on equity shares	18,041.80	6,185.76
I. Transaction with Trust			
(i) Gratuity Fund	Contribution to trust	1,042.56	262.56
(ii) SVRS RTBF - 2004	Contribution to trust	252.56	164.83

43.3 Compensation of key managerial personnel

		₹/Lakhs	
Name of related party	Nature of transaction	Year ended 31.03.2024	Year ended 31.03.2023
A. CEO	Deputation pay and other benefits a. Mr. Ganesh Srinivasan	256.30	222.10
B. Non-executive director	(i) Sitting fees*	39.64	47.89
	(ii) Reimbursement of expenses received	1.64	1.86

* Exclusive of Goods & Services Tax



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43.4 Balance outstanding with related parties

Name of related party	Nature of balances	₹/Lakhs	
		As at 31.03.2024	As at 31.03.2023
A. Investment in equity shares			
(i) NDPLIL		5.00	5.00
B. Receivables			
(i) TPCL	Trade receivables net of payables	75.57	314.41
(ii) NDPLIL	Trade receivables	4.13	-
(ii) TPADL	Trade receivables	-	7.51
(iii) TPCODL	Trade receivables	163.02	22.45
(iv) TPRML	Trade receivables	-	0.21
(v) TPWODL	Trade receivables	35.05	-
(vi) TPSODL	Trade receivables	7.66	83.57
(vii) TPNODL	Trade receivables	0.68	27.37
(viii) PTL	Trade receivables	0.57	-
(ix) TPBPL	Trade receivables	10.71	2.15
(x) TPEVCSL	Trade receivables	13.52	3.72
(xi) TPREL	Trade receivables	0.36	-
(xii) TPPPL	Trade receivables	5.50	-
(xiii) TPSL	Trade receivables	5.88	-
(xiv) SVRS RTBF-2004	Other financial assets	21.85	21.85
C. Payables			
(i) TPCL	Trade payables net of receivables	-	-
(ii) DPCL	Trade payables	33.11	119.93
(ii) NDPLIL	Trade payables	-	-
(iii) TPTCL	Trade payables net of receivables	9,012.23	709.18
(iv) TPSSL	Trade payables net of receivables including retention money and earnest money deposit	21.92	20.55
(v) TASL	Trade payables including retention money	176.46	216.93
(vi) PTL	Trade payables net of receivables	-	6.71
(vii) TCL	Trade payables including security deposit, earnest money deposit net of advances	10.82	10.50
(viii) TTSL	Trade payables including retention money and security deposit	4.62	0.42
(ix) TCS	Trade payables	-	480.59
D. Unbilled revenues			
(i) NDPLIL	Management contract for consultancy services	-	2.90
(ii) TPCODL	Management contract for consultancy services/Reimbursement of expenses	-	0.07
(iii) TPWODL	Management contract for consultancy services/Reimbursement of expenses	-	0.36
(iv) TPTCL	Management contract for deputation of employees	-	4.75
E. Accrued expenses			
(i) TPCL	Employee compensation expense	109.76	-
(ii) TPSSL	Annual maintenance contract of solar plants	12.69	5.29
(iii) TPTCL	Purchase of power and Energy Audit Fees	33.13	172.01
(iv) TCL	Communication expenses	43.56	76.06
(v) TTSL	Communication expenses	21.30	23.30
(vi) TCS	License fees	-	0.76
(vii) TASL	Repair & maintenance services and communication expenses	0.79	0.79
F. Prepaid expenses			
(i) TPTCL	Charges for letter of credit & open access	4.61	181.87
(ii) TCS	License fees (Microsoft office & BI)	-	421.51
(iii) Tata AIG	Prepaid Insurance	31.34	116.06
G. Advance to suppliers			
(i) IRL	Advance to vendors	-	0.60
(ii) Tata AIG	Advance to vendors	4.28	6.93
H. Other liabilities (Current & Non Current)			
(i) TPBPL	Income received but not due	-	-
(ii) TPEVCSL	Advance from consumers	12.98	12.43
I. Commitments made			
(i) TCL	Communication expenses	7.84	-
(ii) TTSL	Call center charges	-	0.12
(iii) TASL	Implementation of Integrated Security Solutions	26.36	-

J. Commitments made with TPTCL

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

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

Note 44

Relationship with Struck off Companies

Details of transactions entered with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

S. No.	Name of struck off Companies	Nature of transactions with struck off Companies	Relationship with the struck off Companies	Transaction during the year		Closing Balance	
				31.03.2024	31.03.2023	31.03.2024	31.03.2023
(i)	Biorex Pharmaceuticals Pvt. Ltd.	Sale of Power	Customer	10.05	56.90	0.24	0.20
(ii)	Genext Energy Conversion Pvt. Ltd	Sale of Power	Customer	76.69	10.80	0.02	0.54



Note 45

Significant events after the reporting period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

Note 46

Transfer pricing

As per the Transfer Pricing Rules of the Income Tax Act, 1961 the Company is not required to get transfer pricing study conducted for FY 23-24 as no international transaction has been entered with the related parties during the year.

Note 47

Approval of financial statements

These financial statements were approved for issue by the board of directors on 16 April, 2024

In terms of our report attached of even date

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



Hitesh Garg
Partner
Membership No.: 502955



For and on behalf of the Board of Directors



K.N. Shrivastava
Director
DIN: 01584124



Ajay Kapoor
Director
DIN: 00466631



Ganesh Srinivasan
Chief Executive Officer



Monica Mehra
Company Secretary



Suranjit Mishra
Chief Financial Officer

Noida
16 April, 2024

New Delhi
16 April, 2024