

o/c

Tata Power Delhi Distribution Limited



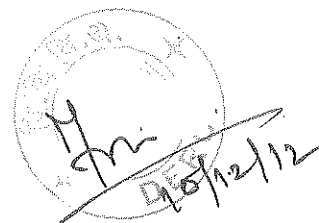
TATA POWER-DDL

True up of RoCE for the
MYT Control Period and True up of FY 11-12

And

ARR for FY 2013-14

Volume II



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NORTH DELHI POWER LIMITED
SCHEDULES FORMING PART OF ACCOUNTS

	Year ended 31.03.2008 Rs./Lacs	Year ended 31.03.2007 Rs./Lacs
<u>SCHEDULE 14</u>		
OTHER INCOME		
(a) Late payment surcharge collected	1,527.84	1,424.29
(b) Service line charges	2,217.70	839.39
(c) Commission on		
- DVB arrears collection	71.39	85.12
- Energy tax collection	296.32	266.55
(d) Maintenance charges	991.23	980.36
(e) Rebate on power purchase	3,594.40	1,389.55
(f) Excess provision written back	281.23	-
(g) Interest on investment in Govt. Securities	140.94	140.94
(h) Interest [Tax deducted at source Rs. 31.80 lacs, Previous Year Rs. 44.42 lacs]	153.24	161.71
(i) Short term capital gain/dividend income (non-trade investments) (See note 21)	152.61	212.57
(j) Transfer from capital grants	51.19	51.19
(k) Transfer from consumer contribution for capital works	493.69	306.29
(l) Income other than energy business	94.38	134.73
(m) Miscellaneous Income	324.59	493.97
	<u>10,390.75</u>	<u>6,486.66</u>

SCHEDULE 15

PERSONNEL AND OUTSOURCING COSTS

(a) Salaries, allowances and incentives	11,568.51	10,077.71
(b) Contribution to provident and other funds	1,163.91	1,021.85
(c) Staff welfare expenses	618.67	505.66
(d) Other Personnel and Outsourcing Cost	1,500.77	1,437.23
	<u>14,851.86</u>	<u>13,042.45</u>
Less: Transferred to Capital-work-in-progress (See note 7)	1,485.19	1,305.28
	<u>13,366.67</u>	<u>11,737.17</u>
(e) Miscellaneous expenditure amortised & other payment to VSS retirees	946.57	3,720.31
(f) Employee benefit adjustments due to adoption of AS-15 (Revised)	839.30	-
	<u>15,152.54</u>	<u>15,457.48</u>

SCHEDULE 16

OPERATING AND MAINTENANCE EXPENSES

(a) Stores and spares consumed	1,216.61	1,103.09
(b) Repairs and maintenance:		
(i) Building	191.04	131.96
(ii) Plant and machinery	2,389.71	2,407.87
(iii) Others	1,909.80	1,420.54
	<u>5,707.16</u>	<u>5,063.46</u>



NORTH DELHI POWER LIMITED
SCHEDULES FORMING PART OF ACCOUNTS

SCHEDULE 15

OPERATING, MAINTENANCE AND ADMINISTRATIVE EXPENSES

PERSONNEL AND OUTSOURCING COSTS

	Year Ended 31.03.2009 Rs./Lacs	Year Ended 31.03.2008 Rs./Lacs
(a) Salaries, allowances and incentives	14,985.55	12,407.81
(b) Contribution to provident and other funds	1,586.74	1,033.69
(c) Staff welfare expenses	772.11	748.89
(d) Other Personnel and Outsourcing Cost	1,547.55	1,500.77
	18,891.95	15,691.16
Less: Transferred to Capital-work-in-progress (See note 8)	1,889.19	1,485.19
	17,002.76	14,205.97
(e) Miscellaneous expenditure amortised and other payment to VSS	833.65	946.57
	17,836.41	15,152.54

OPERATING AND MAINTENANCE EXPENSES

(a) Stores and spares consumed (Net of recoveries)	1,394.67	974.06
(b) Repairs and maintenance:		
(i) Building	183.66	191.04
(ii) Plant and machinery	3,028.78	2,632.26
(iii) Others	1,997.50	1,909.80
	6,604.61	5,707.16

ADMINISTRATIVE AND OTHER EXPENSES

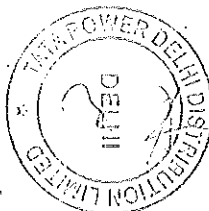
(a) Communication expenses	246.38	271.20
(b) Printing and Stationery	368.07	318.76
(c) Legal and Professional charges	403.34	483.69
(d) Travelling and conveyance	179.18	170.05
(e) Insurance	143.91	155.68
(f) Advertisement, publicity and business promotion	234.15	318.02
(g) Rent and hire charges	71.85	111.03
(h) Rates and taxes	150.73	129.71
(i) Electricity charges	6.66	18.68
(j) Freight, handling and packing expenses	54.68	26.84
(k) Bill collection and distribution expenses	376.31	255.81
(l) Postage and Courier charges	45.77	39.91
(m) EDP expenses	453.06	229.68
(n) Housekeeping expenses	220.93	189.96
(o) Foreign exchange fluctuation loss (net)	4.93	0.02
(p) Other expenses (See note 21)	588.10	573.31
	3,548.05	3,292.35
	27,989.07	24,152.05

SCHEDULE 16

INTEREST AND FINANCING EXPENSE

(a) Interest on term loans (Gross)	7,886.82	6,409.28
Less: Amount capitalized (See note 9)	1,842.56	193.25
Interest on loans (Net)	6,044.26	6,216.03
(b) Interest on cash credit accounts	217.62	337.66
(c) Interest on consumer security deposit (See note 7)	1,196.04	957.37
(d) Financing charges	4.41	0.25
	7,462.33	7,511.31

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NORTH DELHI POWER LIMITED
SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT

	Year Ended 31.03.2010 Rs./Lacs	Year Ended 31.03.2009 Rs./Lacs
SCHEDULE 17		
OPERATING MAINTENANCE AND ADMINISTRATIVE EXPENSES		
PERSONNEL AND OUTSOURCING COSTS		
(a) Salaries, allowances and incentives	15,183.95	13,180.35
(b) Sixth pay commission revision for the current year paid/provided (See note 13)	3,620.00	1,789.65
(c) Contribution to provident and other funds	893.35	1,586.74
(d) Staff welfare expenses	905.49	772.11
(e) Other Personnel and Outsourcing Cost	1,555.72	1,547.55
	<u>22,158.51</u>	<u>18,876.40</u>
Less: Transferred to Capital-work-in-progress (See note 7)	2,565.04	1,889.19
	19,593.47	16,987.21
(f) Sixth pay commission revision for previous years paid/provided (See note 13)	5,856.00	-
(g) Pension and other payment to VSS retirees (See note 3(h))	1,418.02	833.65
	<u>26,867.49</u>	<u>17,820.86</u>
OPERATING AND MAINTENANCE EXPENSES		
(a) Stores and spares consumed (Net of recoveries)	1,551.19	1,394.67
(b) Repairs and maintenance:		
(i) Building	263.62	183.66
(ii) Plant and machinery	3,846.08	3,028.78
(iii) Others	1,982.06	1,997.50
(c) Loss on sale / retirement of assets	509.90	-
	<u>8,152.85</u>	<u>6,604.61</u>
ADMINISTRATIVE AND OTHER EXPENSES		
(a) Communication expenses	254.60	246.38
(b) Printing and Stationery	325.53	368.07
(c) Legal and Professional charges	540.42	403.34
(d) Travelling and conveyance	246.41	179.18
(e) Insurance	133.41	143.91
(f) Advertisement, publicity and business promotion	290.29	234.15
(g) Rent and hire charges	69.35	71.85
(h) Rates and taxes	160.62	150.73
(i) Electricity charges	0.15	6.66
(j) Freight, handling and packing expenses	63.15	54.68
(k) Bill collection and distribution expenses	709.03	376.31
(l) Postage and Courier charges	80.41	45.77
(m) EDP expenses	579.83	453.06
(n) Housekeeping Expenses	250.14	220.93
(o) Foreign exchange fluctuation loss (net)	5.31	4.93
(p) Other expenses (See note 22)	740.71	588.10
	<u>4,449.36</u>	<u>3,548.05</u>
	<u>39,469.70</u>	<u>27,973.52</u>

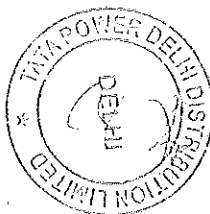
SCHEDULE 18

INTEREST AND FINANCING EXPENSE

(a) Interest on term loan (Gross)	8,587.37	7,768.23
Less: Capitalised (See note 8)	1,893.91	1,842.56
Interest on term loans (Net)	6,693.46	5,925.67
(b) Interest on cash credit accounts/short term loans	1,335.09	336.21
(c) Interest on consumer security deposit (See note 6)	1,407.65	1,196.04
(d) Financing charges	37.31	4.41
	<u>9,473.51</u>	<u>7,462.33</u>

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NORTH DELHI POWER LIMITED
SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT

SCHEDULE 17

OPERATING MAINTENANCE AND ADMINISTRATIVE EXPENSES

PERSONNEL AND OUTSOURCING COSTS

	Year ended 31.03.2011 Rs./Lacs	Year Ended 31.03.2010 Rs./Lacs
(a) Salaries, allowances and incentives	21,742.91	18,518.07
(b) Contribution to provident and other funds	2,263.15	1,393.35
(c) Staff welfare expenses	1,360.45	905.49
(d) Other Personnel and Outsourcing Cost	1,467.95	1,555.72
	<u>26,834.46</u>	<u>22,372.63</u>
Less: Transferred to Capital-work-in-progress/capitalised (See note 7)	2,991.42	2,779.16
	<u>23,843.04</u>	<u>19,593.47</u>
(e) Sixth pay comission revision for previous years paid/provided	-	5,856.00
(f) Pension and other payment to VSS retirees (See note 3(h))	809.60	1,418.02
	<u>24,652.64</u>	<u>26,867.49</u>

OPERATING AND MAINTENANCE EXPENSES

(a) Stores and spares consumed (Net of recoveries)	1,707.24	1,551.19
(b) Repairs and maintenance:		
(i) Building	287.12	263.62
(ii) Plant and machinery	4,552.67	3,846.08
(iii) Others	2,260.37	1,982.06
(c) Loss on sale / retirement of assets	861.00	509.90
	<u>9,668.40</u>	<u>8,152.85</u>

ADMINISTRATIVE AND OTHER EXPENSES

(a) Communication expenses	308.32	254.60
(b) Printing and stationery	276.73	325.53
(c) Legal and professional charges	816.57	540.42
(d) Travelling and conveyance	267.40	246.41
(e) Insurance	189.40	133.41
(f) Advertisement, publicity and business promotion	265.12	290.29
(g) Rent and hire charges	74.58	69.35
(h) Rates and taxes	168.39	160.62
(i) Electricity charges	-	0.15
(j) Freight, handling and packing expenses	77.51	63.15
(k) Bill collection and distribution expenses	663.26	709.03
(l) Postage and courier charges	30.47	80.41
(m) EDP expenses	476.00	579.83
(n) Housekeeping expenses	336.35	250.14
(o) Foreign exchange fluctuation loss (net)	(0.94)	5.31
(p) Other expenses (See note 21)	774.30	740.71
	<u>4,723.46</u>	<u>4,449.36</u>
	<u>39,044.50</u>	<u>39,469.70</u>

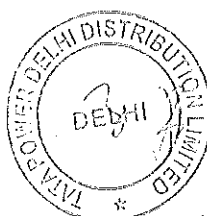
SCHEDULE 18

INTEREST AND FINANCING EXPENSE

(a) Interest on term loan (gross)	12,141.51	8,587.37
Less: Capitalised (See note 8)	1,765.13	1,893.91
Interest on term loans (net)	<u>10,376.38</u>	<u>6,693.46</u>
(b) Interest on cash credit accounts/short term loans	5,241.44	1,335.09
(c) Interest on consumer security deposit (See note 6)	1,640.99	1,407.65
(d) Financing charges	25.51	37.31
	<u>17,284.32</u>	<u>9,473.51</u>

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TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 29

Power Purchase Cost

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 a Unscheduled Interchange (UI) charge. During the current year, the Company has sold/under-drawn 1,654.87 (Previous Year 1,051.34) million units of power to / in favour of other utilities. The power purchase cost Rs. 381,021.85 lacs (Previous Year Rs. 308,970.80 lacs) is net of sale of power/ UI receivables Rs. 49,292.24 lacs (Previous Year Rs. 31,397.25 lacs) and excludes in-house power generation cost.

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 agreed period. Power banking transactions both ways are recorded at the rate of Rs. 4.00 per unit being the applicable rate as per directive of DERC/ contract rate. Details of power banked during the year ended 31 March, 2012 are as follows:

	Year ended 31.03.2012	Year ended 31.03.2011
	Mus	Mus
Opening balance as at 1 April, 2011 (A)	(35.71)	195.70
Power banked (Outflow) (B)	35.71	158.28
Power due against banked (C)	35.71	157.86
Actual receipt (D)	-	383.17
Power due against receipt (E)	-	389.27
Balance receivable/ (payable) (F) = A + C - E	-	(35.71)
	Year ended 31.03.2012	Year ended 31.03.2011
	Rs./Lacs	Rs./Lacs

NOTE 30

EMPLOYEE BENEFIT EXPENSES

(a) Salaries, allowances and incentives	25,858.39	21,742.91
(b) Contribution to provident and other funds	2,562.61	2,263.15
(c) Staff welfare expenses	1,855.13	1,360.45
(d) Other personnel cost	515.26	450.49
	30,791.39	25,817.00
Less: Transferred to Capital-work-in-progress	3,126.68	2,991.42
	27,664.71	22,825.58
(e) Pension and other payment to VSS retirees	689.85	809.60
	28,354.56	23,635.18

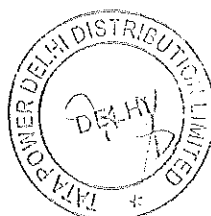
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TATA Power Delhi Distribution Limited

Details of Closed Banking Transactions

Bilateral Party	Month	FY 2007-08			
		Mu's			
		Sent	Received	Payable / (Recoverable)	Statuts
		1	2	3=1-2	
TPTCL	Sep 07	8.71			Closed
	Oct 07	9.31			
	Nov 07		(2.97)		
	Dec 07		(7.07)	0.02	
	Jan 08		(4.52)		
	Feb 08		(3.40)		
	Mar 08		(0.04)		
Total		18.02	(18.00)	0.02	



TATA Power Delhi Distribution Limited

Details of Closed Banking Transactions

Bilateral Party	Month	FY 2008-09			
		Mu's			
		Sent	Received	Payable / (Recoverable)	Statuts
		1	2	3=1-2	
HPSEB	Oct 07	23.84			Closed
	Nov 07	29.12			
	Dec 07	42.56			
	Jan 08	37.24			
	Feb 08	26.33		-	
	Jun 08		(44.10)		
	Jul 08		(45.57)		
	Aug 08		(45.57)		
	Sep 08		(23.85)		
Sub Total		159.09	(159.09)	-	
ADANI -MSEDCL	Oct 07	11.44			Closed
	Nov 07	28.80			
	Dec 07	29.76			
	Jan 08	19.32			
	Feb 08	28.17		1.97	
	Mar 08	34.55			
	Jul 08		(72.57)		
	Aug 08		(70.53)		
	Sep 08		(6.97)		
Sub Total		152.04	(150.07)	1.97	
BESCOM Kalayani	Feb 08	7.44			Closed
	Mar 08	15.89			
	Apr 08	4.50		(0.83)	
	Sep 08		(28.53)		
	Oct 08		(0.13)		
Sub Total		27.83	(28.66)	(0.83)	-
Haryana	Oct-08	37.25			Closed
	Dec-08		(12.15)		
	Jan-09		(16.28)	(1.88)	
	Feb-09		(11.29)		
	Mar-09		0.59		
Sub Total		37.25	(39.13)	(1.88)	
Total		376.21	(376.95)	(0.74)	



TATA Power Delhi Distribution Limited

Details of Closed Banking Transactions

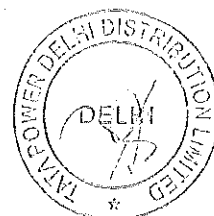
Bilateral Party	Month	FY 2009-10			
		Mu's			
		Sent	Received	Payable / (Recoverable)	Statuts
		1	2	3=1-2	
PTC	Nov-08	32.74			Closed
	Dec-08	75.55			
	Jan-09	73.36			
	Feb-09	65.80			
	Mar-09	44.37			
	Apr-09		12.41		
	May-09		(51.34)	(18.26)	
	Jun-09		(72.00)		
	Jul-09		(74.40)		
	Aug-09		(74.40)		
	Sep-09		(32.10)		
	Sep-09		(18.25)		
Sub Total		291.82	(310.08)	(18.26)	
MPPTCL - LANCO	Dec-08	38.36			Closed
	Apr-09		(9.57)		
	May-09		(18.16)	(1.19)	
	Jun-09		(7.63)		
	Sep-09		(3.01)		
	Sep-09		(1.19)		
Sub Total		38.36	(39.55)	(1.19)	
TPTCL	Dec-08	5.61			Closed
	Jan-09	10.91			
	Feb-09	8.66		(1.45)	
	Mar-09	1.23			
	Jun-09		(26.41)		
	Jun-09		(1.45)		
Sub Total		26.41	(27.86)	(1.45)	
	Feb-09	0.17			Closed
	Mar-09	16.11			
	Sep-09		(16.28)	(0.82)	
	Sep-09		(0.78)		
	Oct-09		(0.04)		
Sub Total		16.28	(17.10)	(0.82)	
PTC	Feb-09	0.25			Closed
	Mar-09	20.00		0.01	
	Sep-09		(18.00)		
	Nov-09		(2.24)		
Sub Total		20.25	(20.24)	0.01	
HPPC - TPTCL	Oct-09	21.08			Closed
	Jan-10		(9.86)	-	
	Feb-10		(11.22)		
Sub Total		21.08	(21.08)	-	-
Total		414.20	(435.91)	(21.71)	-



TATA Power Delhi Distribution Limited

Details of Closed Banking Transactions

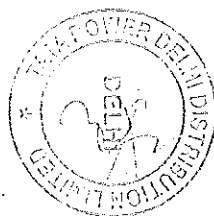
Bilateral Party	Month	FY 2010-11			
		Mu's			Statuts
		Sent	Received	Payable / (Recoverable)	
		1	2	3=1-2	
PTC	Sep-09	(3.65)			
	Feb-11		3.65		Closed
Sub Total		(3.65)	3.65	-	-
PTC MP Bankin	Nov-09	25.09			
	Dec-09	20.66			
	May-10		(9.27)		
	Jun-10		(8.97)	(0.85)	Closed
	Jul-10		(10.23)		
	Aug-10		(9.27)		
	Sep-10		(8.87)		
Sub Total		45.75	(46.60)	(0.85)	
NVVNL - UP	Oct-09	4.53			
	Dec-09	19.85			
	Jan-10	21.37			
	Feb-10	4.83			
	Mar-10	0.69		0.00	Closed
	Jul-10		(17.36)		
	Aug-10		(17.36)		
	Sep-10		(16.55)		
Sub Total		51.27	(51.27)	0.00	
NVVNL - Meghalya	Nov-09		(3.00)		
	Feb-10	3.00			
	Feb-10	0.10			
	Mar-10	0.05			
	Mar-10	9.11		0.32	Closed
	Jul-10		(5.46)		
	Aug-10		(5.21)		
	Apr-10	1.73			
Sub Total		13.99	(13.67)	0.32	
NVVNL - WBSESDL	Mar-10	24.43			
	May-10		(14.88)		
	Jul-10		(18.50)	1.39	Closed
	Apr-10	10.34			
Sub Total		34.77	(33.38)	1.39	
NVVNL - Karnataka	Feb-10	12.91			
	Mar-10	49.53			
	Jul-10		(20.83)		
	Aug-10		(20.83)	(0.01)	Closed
	Sep-10		(18.29)		
	Oct-10		(2.50)		
Sub Total		62.44	(62.45)	(0.01)	
HPPC - TPTCL	Mar-10	6.64			
	May-10		(6.64)		Closed
Sub Total		6.64	(6.64)	-	
NVVNL - WB	Sep-10		(0.72)		
	Jul-10	0.69		(0.03)	Closed
Sub Total		0.69	(0.72)	(0.03)	
NVVNL - WB	Jul-10		(17.36)		
	Aug-10		(17.36)		
	Sep-10		(16.80)	3.09	Closed
	Feb-11	24.84			
	Mar-11	29.77			
Sub Total		54.61	-51.52	3.09	
Total		266.51	(262.60)	3.91	



Computation of Rate of Interest for Carrying Cost

Lender	Loan Amount	Period To	Period	Rate of	Days	Product
CLSS 2 Trust 2011(Rs. 125 Cr)	1,250,000,000	1-Apr-11	31-Mar-12	9.00%	366	45,750
CLSS 15 Trust 2011(Rs. 100 Cr)	1,000,000,000	1-Apr-11	31-Mar-12	9.50%	366	36,600
Kotak Mahindra Bank(Rs. 25 Cr)	250,000,000	15-Apr-11	12-May-11	9.75%	28	700
Kotak Mahindra Bank(Rs. 25 Cr)	250,000,000	14-May-11	10-Jun-11	9.75%	28	700
Tata Capital Limited (Rs. 50 Cr)	500,000,000	1-Apr-11	30-Nov-11	9.45%	244	12,200
Tata Capital Limited (Rs. 50 Cr)	330,000,000	1-Dec-11	1-Jan-12	9.45%	32	1,056
Tata Capital Limited (Rs. 50 Cr)	160,000,000	2-Jan-12	31-Jan-12	9.45%	30	480
Union Bank of India (Rs. 100 Cr)	1,000,000,000	1-Apr-11	31-Mar-12	9.50%	366	36,600
Karnataka (Rs. 50 Cr)	500,000,000	1-Apr-11	11-Oct-11	9.00%	194	9,700
Punjab National Bank(Rs. 100 Cr)	1,000,000,000	1-Apr-11	4-May-11	10.25%	34	3,400
Punjab National Bank(Rs. 100 Cr)	1,000,000,000	5-May-11	31-Jul-11	10.75%	88	8,800
Punjab National Bank(Rs. 100 Cr)	1,000,000,000	1-Aug-11	27-Oct-11	11.50%	88	8,800
Dena Bank(Rs. 60 Cr)	600,000,000	1-Apr-11	28-Oct-11	9.25%	211	12,660
South Indian Bank (Rs. 100 Cr)	1,000,000,000	1-Apr-11	8-Feb-12	11.00%	314	31,400
Punjab & Sind Bank(Rs. 50 Cr)	500,000,000	1-Apr-11	2-Feb-12	11.25%	308	15,400
Punjab & Sind Bank (Rs. 100 Cr)	1,000,000,000	1-Apr-11	26-Mar-12	11.00%	361	36,100
Punjab & Sind Bank (Rs. 100 Cr)	1,000,000,000	29-Apr-11	31-Mar-12	11.25%	338	33,800
Yes Bank(Rs. 50 Cr)	500,000,000	6-May-11	31-Mar-12	12.60%	331	16,550
Karnataka Bank (Rs. 100 Cr)	700,000,000	31-May-11	3-Jul-11	11.75%	34	2,380
Karnataka Bank (Rs. 100 Cr)	700,000,000	4-Jul-11	2-Aug-11	12.00%	30	2,100
Karnataka Bank (Rs. 100 Cr)	700,000,000	3-Aug-11	31-Mar-12	12.50%	242	16,940
Karnataka Bank (Rs. 100 Cr)	300,000,000	3-Jun-11	3-Jul-11	11.75%	31	930
Karnataka Bank (Rs. 100 Cr)	300,000,000	4-Jul-11	2-Aug-11	12.00%	30	900
Karnataka Bank (Rs. 100 Cr)	300,000,000	3-Aug-11	31-Mar-12	12.50%	242	7,260
Commercial Paper(Rs. 100 Cr)	897,616,000	13-Jun-11	31-Mar-12	11.41%	293	26,300
Syndicate Bank *	200,000,000	29-Jun-11	31-Mar-12	11.60%	277	5,540
Syndicate Bank	800,000,000	30-Jun-11	31-Mar-12	11.60%	276	22,080
Syndicate Bank	1,000,000,000	4-Aug-11	31-Mar-12	11.60%	241	24,100
Syndicate Bank	750,000,000	30-Aug-11	31-Mar-12	11.60%	215	16,125
Syndicate Bank	250,000,000	2-Sep-11	31-Mar-12	11.60%	212	5,300
Syndicate Bank	500,000,000	7-Sep-11	31-Mar-12	11.60%	207	10,350
Syndicate Bank	500,000,000	29-Sep-11	31-Mar-12	11.60%	185	9,250
Syndicate Bank	1,000,000,000	12-Oct-11	31-Mar-12	11.60%	172	17,200
Dena Bank (Rs. 150 Cr)	250,000,000	30-Aug-11	31-Mar-12	11.10%	215	5,375
Dena Bank (Rs. 150 Cr)	1,000,000,000	28-Oct-11	31-Mar-12	11.10%	156	15,600
Dena Bank (Rs. 150 Cr)	250,000,000	17-Jan-12	31-Mar-12	11.10%	75	1,875
Canara Bank (Rs.600 Cr)	500,000,000	29-Sep-11	31-Mar-12	11.55%	185	9,250
Canara Bank (Rs.600 Cr)	2,000,000,000	31-Oct-11	31-Mar-12	11.55%	153	30,600
Canara Bank (Rs.600 Cr)	2,000,000,000	29-Nov-11	31-Mar-12	11.55%	124	24,800
Canara Bank (Rs.600 Cr)	1,500,000,000	30-Nov-11	31-Mar-12	11.55%	123	18,450
IDFC Rs 300 Cr.	3,000,000,000	30-Nov-11	31-Mar-12	12.00%	123	36,900
South Indian Bank	400,000,000	6-Mar-12	31-Mar-12	12.00%	26	1,040
South Indian Bank	250,000,000	14-Mar-12	31-Mar-12	12.00%	18	450
South Indian Bank	1,250,000,000	31-Mar-12	31-Mar-12	12.00%	1	125
Canara bank	100,000,000	6-Mar-12	31-Mar-12	11.40%	26	260
Canara bank	250,000,000	31-Mar-12	31-Mar-12	11.40%	1	25
Total					7640	622,201
Weighted Average Rate of Interest						10.96%

* IP - Cost



NORTH DELHI POWER LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE 6**1 FIXED ASSETS**

Particulars	GROSS BLOCK				DEPRECIATION			All amounts in Rs. / Lacs	
	As at 31.03.2007	Additions	Deletions	As at 31.03.2008	As at 31.03.2007	For the Year	Deletions	As at 31.03.2008	As at 31.03.2007
(a) Buildings	17,574.79	628.99	-	18,203.78	5,042.29	536.18	-	5,578.47	12,532.50
(b) Plant & Machinery	97,145.68	16,547.51	5,852.39	107,840.80	28,706.23	8,341.24	3,128.26	33,919.21	68,439.45
(c) Furniture & Fittings & Office Equipment	2,075.74	409.83	-	2,485.57	527.13	165.95	-	693.08	1,548.61
(d) Vehicles	967.18	402.07	187.67	1,181.58	205.77	97.56	55.72	247.61	761.41
(e) Transmission Lines, Cable Network	91,916.89	8,456.64	89.70	100,283.83	38,184.14	6,365.43	20.35	44,529.22	53,732.75
TOTAL	209,680.28	26,445.04	6,129.76	229,995.56	72,665.56	15,506.36	3,204.33	84,967.59	137,014.72
As at 31.03.2007	183,155.42	27,728.16	1,203.30	209,680.28	60,306.84	17,907.31	548.59	72,665.56	122,348.58
2 CAPITAL WORK - IN - PROGRESS (CWIP) (Including advances against capital expenditure)	29,267.42	28,558.64	25,102.42	32,723.64	-	-	-	-	29,267.42
As at 31.03.2007	29,944.74	26,076.27	26,753.59	29,267.42	-	-	-	-	29,944.74

Notes :

(i) Deduction in CWIP is amount capitalised during the year

(ii) CWIP includes closing capital inventory of Rs.10,441.94 lacs (Previous year Rs.10,753.54 lacs)

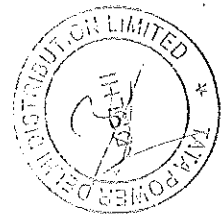


NORTH DELHI POWER LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE 6		GROSS BLOCK				DEPRECIATION				All amounts in Rs. / Lacs	
1. FIXED ASSETS (At cost)		As at 01.04.2008	Additions	Deletions	As at 31.03.2009	As at 01.04.2008	For the Year	Deletions	As at 31.03.2009	As at 31.03.2009	As at 31.03.2008
Particulars											
(a) Buildings		18,203.78	872.06	-	19,075.84	5,578.47	566.89	-	6,145.36	12,930.48	12,625.31
(b) Plant & Machinery		107,840.80	18,533.95	1,188.35	125,186.40	33,919.21	5,132.15	965.65	38,085.71	87,100.69	73,921.59
(c) Furniture & Fittings & Office Equipment		2,485.57	327.92	-	2,813.49	693.08	164.70	-	857.78	1,955.71	1,792.49
(d) Vehicles		1,181.58	514.06	174.22	1,521.42	247.61	127.93	62.18	313.36	1,208.06	933.97
(e) Transmission Lines, Cable Network		100,283.83	13,467.93	196.26	113,555.50	44,529.22	3,536.53	113.38	47,952.37	65,603.13	55,754.61
TOTAL		229,995.56	33,715.92	1,558.83	262,152.65	84,967.59	9,528.20	1,141.21	93,354.58	168,798.07	145,027.97
As at 31.03.2008		209,680.28	26,445.04	6,129.76	229,995.56	72,665.56	15,506.36	3,204.33	84,367.59	145,027.97	137,014.72
2. CAPITAL WORK - IN - PROGRESS (CWIP)											
(a) Electricity Distribution (See note I & II below) (Including advances against capital expenditure)		27,333.96	25,442.16	31,760.35	21,015.77	-	-	-	-	21,015.77	27,333.96
(b) Electricity Generation (See note 19)		5,389.68	6,674.59	-	12,064.27	-	-	-	-	12,064.27	5,389.68
TOTAL		32,723.64	32,116.75	31,760.35	33,080.04	-	-	-	-	33,080.04	32,723.64
As at 31.03.2008		29,267.42	28,558.64	25,102.42	32,723.64	-	-	-	-	32,723.64	29,267.42

Notes :

- (i) Deduction in CWIP is amount capitalised during the year
- (ii) CWIP includes closing capital inventory of Rs. 6,691.24 lacs (Previous year Rs. 10,441.94 lacs)
- (iii) CWIP/Fixed Assets includes interest capitalised aggregating to Rs. 1,842.56 lacs during the year (Previous year Rs. 193.25 lacs)
- (iv) CWIP includes advances against capital expenditure aggregating to Rs. 1,904.92 lacs (Previous year Rs. 730.51 lacs)



NORTH DELHI POWER LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE Z		GROSS BLOCK				DEPRECIATION				All amounts in Rs. / Lacs	
1 FIXED ASSETS (See note 2 (b)) (At Cost)		As at 01.04.2009	Additions	Deletions	As at 31.03.2010	As at 01.04.2009	For the Year	Deletions	As at 31.03.2010	As at 31.03.2010	As at 31.03.2009
(a) Buildings - Plant		15,740.51	248.40	-	15,988.91	4,777.14	527.34	-	10,684.43	10,684.43	10,963.37
(b) Building - Others		3,335.33	16.60	-	3,351.93	1,368.22	49.39	-	1,934.32	1,934.32	1,967.11
(b) Plant & Machinery		125,186.40	17,318.16	3,324.30	139,180.26	38,085.71	6,253.07	2,355.47	97,196.95	97,196.95	87,100.69
(c) Transmission Lines and Cable Network		113,555.50	19,344.54	2.73	132,897.31	47,952.37	3,936.86	0.92	81,009.00	81,009.00	65,603.13
(d) Furniture & Fittings and Office Equipment		2,813.49	179.73	7.67	2,985.55	857.78	176.32	4.29	1,955.74	1,955.74	1,955.71
(e) Vehicles		1,521.42	472.39	156.36	1,837.45	313.36	159.51	54.15	1,418.73	1,418.73	1,208.06
TOTAL		262,152.65	37,579.82	3,491.06	296,241.41	93,354.58	11,102.49	2,414.83	102,042.24	104,199.17	166,793.07
As at 31.03.2009		229,995.56	33,715.92	1,558.83	262,152.65	84,967.59	9,528.20	1,141.21	93,354.58	168,798.07	145,027.97
2 CAPITAL WORK - IN - PROGRESS (CWIP) (See note 1, ii, iii & iv below)											
(a) Power Distribution		22,475.59	35,527.79	35,698.45	22,304.93	-	-	-	-	22,304.93	22,475.59
(b) Power Generation		10,604.45	9,260.59	-	19,865.04	-	-	-	-	19,865.04	10,604.45
TOTAL		33,080.04	44,788.38	35,698.45	42,169.97	-	-	-	-	42,169.97	33,080.04
As at 31.03.2009		32,723.64	32,116.75	31,760.35	33,080.04	-	-	-	-	33,080.04	32,723.64

Notes :
(i) Deduction in CWIP is amount capitalised during the year
(ii) CWIP includes closing capital inventory of Rs. 7,122.28 lacs (Previous year Rs. 6,691.24 lacs)
(iii) CWIP/Fixed Assets includes interest capitalised aggregating to Rs. 1,893.91 lacs during the year (Previous year Rs. 1,842.56 lacs)
(iv) CWIP includes advances against capital expenditure aggregating to Rs. 2,992.50 lacs (Previous year Rs. 1,904.92 lacs)

Signature



NORTH DELHI POWER LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET

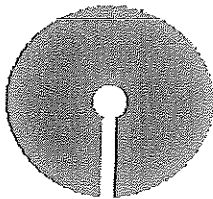
SCHEDULE Z											
1 FIXED ASSETS (See note 2 (b)) (At Cost)											
Particulars	GROSS BLOCK				DEPRECIATION				All amounts in Rs. / Lacs		
	As at 01.04.2010	Additions	Deletions	As at 31.03.2011	As at 01.04.2010	For the Year	Deletions	As at 31.03.2011	As at 31.03.2011	As at 31.03.2010	NET BLOCK
A) Power Distribution											
(a) Buildings	19,340.84	1,284.18	-	20,625.02	6,722.09	596.07	-	7,318.16	13,306.86	12,618.75	
(b) Plant and Machinery	139,180.26	19,741.42	3,422.51	155,499.17	41,983.31	7,160.95	1,912.37	47,231.89	108,267.28	97,196.95	
(c) Transmission Lines and Cable Network	132,897.31	17,185.60	-	150,082.91	51,888.31	4,574.08	-	56,462.39	93,620.52	81,009.00	
(d) Furniture & Fittings and Office Equipment	2,985.55	294.79	54.91	3,225.43	1,029.81	188.61	42.48	1,175.94	2,049.49	1,955.74	
(e) Vehicles	1,837.45	496.09	556.08	1,777.46	418.72	159.39	171.17	406.94	1,370.52	1,418.73	
B) Power Generation											
(a) Building	-	1,512.62	-	1,512.62	-	13.90	-	13.90	1,498.72	-	
(b) Plant and Machinery	-	17,412.65	-	17,412.65	-	398.59	-	398.59	17,014.06	-	
TOTAL	296,241.41	57,827.35	4,033.50	350,135.26	102,042.24	13,091.59	2,126.02	113,007.81	237,127.45	194,199.17	
As at 31.03.2010	262,152.65	37,579.82	3,491.06	296,241.41	93,354.58	11,102.49	2,414.83	102,042.24	194,199.17	168,798.07	
2 CAPITAL WORK - IN - PROGRESS (CWIP) (See note 1, ii, iii & iv below)											
(a) Power Distribution	22,304.93	45,086.54	37,536.46	29,855.01	-	-	-	-	29,855.01	22,304.93	
(b) Power Generation	19,865.04	12,329.40	18,925.27	13,269.17	-	-	-	-	13,269.17	19,865.04	
TOTAL	42,169.97	57,415.94	56,461.73	43,124.18	-	-	-	-	-	-	
As at 31.03.2010	33,080.04	44,788.38	35,698.45	42,169.97	-	-	-	-	43,124.18	42,169.97	
Notes :									42,169.97	33,080.04	

TATA POWER DELHI DISTRIBUTION LIMITED
(FORMERLY NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 15		DEPRECIATION AND AMORTIZATION									
2. FIXED ASSETS		NET VALUE									
(At Cost)		GROSS BLOCK									
Particulars	As at 01.04.2011	Additions	Derecognition	Deletions	As at 31.03.2012	As at 01.04.2011	For the Year	Deletions	As at 31.03.2012	As at 31.03.2012	As at 31.03.2011
A) TANGIBLE											
(a) Buildings - Plant	10,705.71	4,579.11	05.40	-	23,450.22	5,863.50	802.09	-	6,665.07	16,784.55	12,922.13
(b) Buildings - Others	3,351.93	-	-	-	3,351.93	1,468.40	40.38	-	1,508.06	1,835.07	1,003.65
(c) Plant and machinery	169,510.15	26,721.88	221.41	1,682.07	194,771.37	46,232.38	9,046.95	1,491.48	54,447.35	140,623.52	123,357.77
(d) Transmission lines and cable network	150,416.02	14,892.14	126.09	8.99	164,655.25	56,466.04	5,127.10	3.59	61,591.55	203,063.70	99,977.98
(e) Furniture and fixtures	928.02	57.86	-	-	985.88	514.92	52.96	-	567.90	417.98	413.10
(f) Vehicles	1,777.46	1,012.05	-	316.65	2,452.86	406.94	189.87	113.35	403.56	1,969.30	1,370.52
(g) Office equipment	2,297.41	396.36	1.35	46.88	2,650.14	661.02	152.21	24.32	708.91	1,861.23	1,636.39
Total	347,996.70	46,861.40	434.24	2,074.60	392,317.66	111,635.26	19,489.06	1,332.64	125,762.30	286,556.35	235,161.34
Previous year	293,450.30	56,410.20	1,269.62	4,033.50	347,096.70	103,031.60	12,729.78	2,126.02	111,531.36	235,461.34	-
B) INTANGIBLE											
Computer software	3,038.56	1,550.96	11.79	-	4,601.31	1,372.45	473.90	-	1,846.35	2,754.96	1,666.11
Total	3,038.56	1,550.96	11.79	-	4,601.31	1,372.45	473.90	-	1,846.35	2,754.96	1,666.11
Previous year	2,791.03	247.53	-	-	3,038.56	1,810.64	361.81	-	1,372.45	1,866.11	-
Grand Total	350,435.26	48,412.36	446.03	2,074.60	396,918.98	113,007.01	19,963.01	1,332.64	127,608.65	289,310.31	237,127.45
As at 31.03.2011	296,741.41	56,657.73	1,269.62	4,033.50	350,135.26	102,042.24	11,091.59	2,126.02	113,007.81	237,127.45	-
2. CAPITAL WORK - IN - PROGRESS (CWIP) (See Note below)											
	39,761.68	25,062.85	604.63	47,217.61	29,190.29	-	-	-	-	29,190.29	39,761.68
As at 31.03.2011	39,177.47	26,550.43	495.31	56,161.73	39,751.68	-	-	-	-	29,190.29	39,761.68

CWIP includes closing capital inventory of Rs. 7,306.18 lacs (Previous year Rs. 0,590.77 lacs)





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STATE BANK OF INDIA
INDUSTRIAL FINANCE BRANCH
CREDIT DIVISION

14th Floor, Jawahar Vyapar Bhavan,
 1, Tolstoy Marg,
 New Delhi - 110 001.
 Fax: +91-11- 23721041
 Tel: 23374601, 23374617

NORTH DELHI POWER LTD.,
 Grid Sub Stn. Bldg.,
 Hudson Lines,
 Kingsway Camp,
 Delhi-110 009

No. IFB/RM-I/06-07/

2053

7th March 2007

Dear Sir,

NORTH DELHI POWER LTD. (NDPL)
RENEWAL / ENHANCEMENT OF WORKING CAPITAL LIMITS

With reference to your request for renewal and enhancement of working capital limits, we are pleased to advise that we have renewed and enhanced the existing limits as follows:

(Rs. in Crores)

LIMITS	EXISTING			PROPOSED			CHANGE	
	SBI	%	Cons.	SBI	%	Cons.	SBI	Cons.
Fund Based								
Cash Credit	62.50	50	125.00	62.50	50	125.00	-	-
Corporate Loan #	66.50	100	66.50	66.50	100	66.50	-	-
Term Loans	-	-	677.00	-	-	677.00	-	-
Total Fund based	129.00	15	868.50	129.00	15	868.50	-	-
Non Fund Based								
Bank Guarantees	10.00	100	10.00	10.00	100	10.00	-	-
Letters of Credit	12.00	100	12.00	-	-	-	-12.00	-12.00
Stand-by Letters of Credit *	103.00	61	170.00	103.00	54	190.00	-	20.00
Stand-by Letters of Credit **	-	-	-	40.00	100	40.00	40.00	40.00
Total NFB Limits	125.00	65	192.00	153.00	64	240.00	28.00	48.00
SLC	5.00	100	5.00	-	-	-	-5.00	-5.00
Total Indebtedness	259.00	24	1,065.50	282.00	25	1,108.50	23.00	43.00

Present outstandings under the loan of Rs.100.00 crs. sanctioned on 5th Mar, 2004.

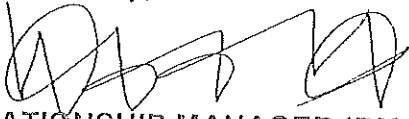
* Provided to Delhi Transco Ltd. against supply of power.

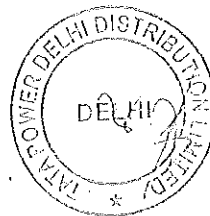
** To be provided to term lenders as security.

2. The relative covenants and other terms and conditions governing the conduct of facilities mentioned above are contained in the Annexures I and II. We request you to return to us the duplicate copy of this letter along with the Annexures, duly signed by such authorised official(s) / Director(s) of the Company as are empowered to accept the said terms and conditions on behalf of the Company.

3. Please arrange to adopt a resolution for availing of credit facilities from the Bank and forward to us a certified copy thereof for our record. We may add that resolution of the Company should inter alia contain the following particulars:
- Acceptance of terms and conditions of credit facilities sanctioned to the Company.
 - Authority in favour of Officials / Directors to execute the documents for availing of the facilities, arranging for filing of documents with Registrar of Companies for creating charge on assets of the company in favour of the Bank.
 - Affixation of Common Seal of the Company on documents and vesting of authority to witness the Common Seal.
 - The entire collections pooled will be subordinated to the WC consortium's exposure. The workers' dues will, however, have a prior charge.
4. Please, also arrange to provide us a certified copy of the resolution passed by the Company in annual general meeting under sections 293(1) (a) and 293 (1) (d) of the Companies Act, 1956, empowering Board of Directors of the Company to borrow moneys in excess of the aggregate of the paid up capital and free reserves of the company, if applicable.
5. Please arrange to execute the documents for the limits as stated in the 'terms and conditions' and arrange for creating charge in Bank's favour and to file the charge with ROC for registration of charge in our favour, within the prescribed period.

Yours faithfully,


RELATIONSHIP MANAGER (RM-I)



NORTH DELHI POWER LTD. (NDPL)TERMS AND CONDITIONS

A) Nature of facility: Cash Credit:

1	Limit	Cash Credit – Rs.62.50 crores
2	Margin	Stores & Spares - 25% Receivables (Cover period: 90 days) - 15%
3	Security	Primary: i) First pari-passu charge over Stores & Spares, with WC consortium banks, and (ii) Third pari-passu charge over receivables with other WC consortium bankers, our Corporate Loan, other term lenders, i.e. PFC, IDFC and those taking over DPCL Loan (IDBI, IDFC, SBM and SBS) (the first and second charge holders being Stand-by LC issuing banks and Delhi Transco Ltd., respectively) Collateral: First pari-passu charge over existing and future fixed assets of the Company with other term lenders and other WC consortium banks.
4	Documents	1) Acceptance letter for terms and conditions of the limits. 2) Board resolution authorising the company to avail of the proposed credit facilities (both fund based and non-fund based). 3) Suitable board resolution under Section 293 (1) (a) and 293 (1) (d) of the Company's act 1956, if applicable. 4) Consortium documents. 5) CDR document. 6) CIBIL document.
5	Rate of Interest	Cash Credit: At 1.00% below SBAR, i.e. minimum 11.25% p.a. with monthly rests. (Subject to change as per SBI/RBI guidelines).
6	Periodicity of stock statements	The company should submit the stock statement monthly, by 15 th of subsequent month. The stock statement should invariably contain the full details of stocks, debtors, creditors & details of usance LCs opened and insurance details. It is essential that the outstanding borrowings at all times be fully covered by the value of security hypothecated less the stipulated margins. If at any time, the drawing power yielded by the stocks etc held by the company falls below the amount borrowed, the company shall forthwith adjust such excess borrowings. It is necessary that appropriate books and records (i.e. control ledger/ registers) are maintained by the company showing details of day-to-day relevant particulars. Further, the company shall furnish details of credits/acceptances along with the stock statement each month.
7	Valuation of Stock	1) Raw materials, stores and spares at cost price or market price or Govt. controlled rate, invoice rate whichever is the lowest. 2) Stock in process at cost of production. 3) Finished goods at cost price, invoice price or market price / export prices whichever is the lowest.

8	FFRs	FFR I is to be submitted quarterly within 6 weeks from the close of a quarter and FFR-II is to be submitted half yearly within eight weeks from the close of half year. Non submission of FFR's will be treated as default in complying with the terms of sanction and bank will be free to take necessary action in this regard if such default occurs.
9	Insurance	Full Value of Stocks / fixed assets will be insured against fire, theft & burglary, with Bank clause noted therein, for all the stocks hypothecated to the bank held in the company's premises, factories, godowns and in-transit. A list of current insurance policies should be submitted to the bank detailing therein the name of the insurer, brief description of the goods covered, types of cover and date of expiry of each policy.
10	Inspection	Waived
11	Processing Fee	Waived
12	Commitment charge	Waived
13	Validity of sanction	The Cash credit facility will be valid for a period of 12 months. However, in terms of the conditions governing the cash credit facility, the loans are repayable on demand and as such the bank reserves the right to recall the loans as provided for in the agreements executed for the overall limits/cash credit facility, inter-alia, if the performance of your unit is not satisfactory or where your company is found to have used the amounts for purposes other than for which the working capital facilities are sanctioned or for any other reasons considered necessary. However, the Company has to accept the terms and conditions within 3 months.
14	Others	<ol style="list-style-type: none"> 1) SBI, Chandni Chowk Branch shall continue to be the 'Escrow Agent' with a right to enforce a lien over all the Company's collections pooled with the consortium member banks. 2) The Company to accept the RBI disclosure clause for defaulters / willful defaulters. 3) The Company will sign CIBIL agreement. 4) The Company will sign a CDR agreement with the Banks as formatted under the CDR scheme. 5) The Company to route its entire collections through WC Consortium banks, as far as possible. 6) The entire collections will be subordinated to the WC Consortium's exposure by means of a Board Resolution. 7) Outstanding dues to Delhi Transco Ltd. under the SBLCs issued by WC consortium banks will be deducted from the amount of receivables within the cover period of 90 days, for the purpose of arriving at Advance Value and Drawing Power.
15	Other Covenants	All Standard covenants applicable.

B) Nature of facility: Stand-by Letter of Credit (favouring Delhi Transco Ltd.)

1	Limit	Rs.103.00 crores
2	Purpose	Favouring Delhi Transco Ltd. for payment of purchase of power.
3	Nature	Revolving, subject to prior recovery of amounts of invocations, if any.
4	Margin	Nil
5	Documents	As applicable for Cash Credit facility.
6	Security	<p>Primary: First pari-passu charge over receivables of the Company with other WC consortium banks for their SBLC limits.</p> <p>Collateral: Second pari-passu charge over existing and future fixed assets of the Company with other WC consortium banks for their SBLC limits and our Corporate Loan.</p> <p>Guarantee: Counter guarantee of the Company.</p>
7	Commission	As per Bank's extant instructions.
8	Others	<p>a. The SBLC will be reinstated / revolved to its original value only upon funding of prior withdrawals by the Company, which has to be acceptable to Delhi Transco Ltd.</p> <p>b. The Bank shall not grant any additional accommodation for meeting the Company's liabilities under the SBLCs opened on their behalf and the Company shall arrange to meet the liabilities out of their funds or existing FB limits.</p> <p>c. If the Company fails to meet its commitments under the SBLC it will not be revolved further.</p> <p>d. The format of the SBLC will be approved by the Bank before it is issued.</p>

C) Nature of facility: Bank Guarantee

1	Limit	Rs.10.00 Crores
2	Purpose	To provide guarantee to the Govt. authorities towards various works undertaken on public property and to Sales Tax Dept. / Custom authorities for import of cables.
3	Margin	Nil (100% cash margin against disputed Bank Guarantees.)
4	Period of Guarantee	Maximum 18 months (inclusive of claim period).
5	Documents	As prescribed in case of Cash Credit facility
6	Security	a. As prescribed in case of Cash Credit facility, and b. Counter Guarantee of the Company.
7	Commission	As per Bank's extant instructions.
8	Other conditions	a. Guarantees to be executed in a format acceptable to the bank and with quantum and duration of the liability clearly specified in unequivocal terms. The guarantee should contain our usual limitation clause. b. The company will honour commitment under the guarantees out of their own resources.

D) Nature of facility: Stand-by Letter of Credit (favouring term lenders)

1	Limit	Rs.40.00 Crores
2	Purpose	Favouring various term lenders for part-securing their term loans to the extent of one quarter's instalments and interest, on an ongoing basis.
3	Nature	Revolving, subject to prior recovery of amounts of invocations, if any.
4	Margin	Nil
5	Documents	As applicable for Cash Credit facility.
6	Security	As applicable for Cash Credit facility.
7	Commission	As per Bank's extant instructions.
8	Others	i) The SBLC will be reinstated / revolved to its original value only upon funding of prior withdrawals by the Company. ii) The Bank shall not grant any additional accommodation for meeting the Company's liabilities under the SBLCs opened on their behalf and the Company shall arrange to meet the liabilities out of their funds or existing FB limits. iii) If the Company fails to meet its commitments under the SBLC it will not be revolved further. iv) The format of the SBLC will be approved by the Bank before it is issued.

Standard covenants forming part of terms and conditions:

1. Basic covenants:

- (i) Bank will have the right to examine at all times the company's books of accounts and to have the company's factories inspected, from time to time, by officer(s) of the Bank and / or qualified auditors and/ or technical experts and / or management consultants of the Bank's choice. Cost of such inspection shall be borne by the company.
- (ii) The company should maintain adequate books of accounts, which should correctly reflect its financial position and scale of operations and should not radically change its accounting system without notice to the Bank.
- (iii) The company should submit to the Bank such financial statements as may be required by the Bank from time to time, apart from the set of such statements to be furnished by the company to the Bank as on the date of publication of the company's annual accounts.
- (iv) The Bank will have a first charge on the profits of the company, after provision for taxation and dividend where applicable, for repayment of instalments under term loans granted / deferred payment guarantees executed by the Bank or other repayment obligation, if any, due from the company to the Bank.
- (v) The Bank shall have the right to securitise the secured assets and in the event of such securitisation the Bank is not bound to send an individual intimation as to the said securitisation to the borrower and/or guarantor(s).
- (vi) In case of default in repayment of the loan / advances or in the payment of the interest thereon or any of the agreed instalments of the loan on due date/s by the borrower, the Bank and / or the RBI will have an unqualified right to disclose or publish the borrower's name or the name of the borrower's company / unit and its directors/ partners / proprietors as defaulter in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.
- (vii) The Bank will have the right to share credit information as deemed appropriate with CIBIL or any other institution as approved by RBI from time to time.
- (viii) The company should not induct into its Board a person whose name appears in the willful defaulters list of RBI/ CIBIL (other than as a Nominee/ Professional/ Honorary director). In case such a person is already on the Board of the borrowing company, it would take expeditious and effective steps for removal of that person from its Board.
- (ix) The company shall keep the Bank informed of the happening of any event likely to have substantial effect on their profit or business; if, for instance, monthly production or sales are substantially less than what had been indicated to the Bank, the company will inform the Bank accordingly, with explanations and the remedial steps proposed to be taken.

(x) Each of following events will attract penal interest at applicable rate as indicated, over and above the normal interest applicable in the account:

- a) Irregularities in cash credit accounts: On the entire outstandings, if continuously irregular for a period beyond 60 days; in other cases, on the irregular portion (at 2%p.a).
- b) Non-submission of stock statements: Delay beyond 15 days of the succeeding month to be considered as non-submission (at 1%p.a).
- c) Non-submission of renewal data beyond three months from the due date of renewal (at 1%p.a).
- d) Non-compliance with covenants (at 1%p.a).

However, the total penal interest charged due to various non-compliances will not exceed 3%p.a.

2. Negative covenants:

- i) Effect any change in the company's capital structure.
- ii) Formulate any scheme of amalgamation or reconstruction.
- iii) Undertake any new project, implement any scheme of expansion or acquire fixed assets except those indicated in the funds flow statement submitted to the Bank from time to time and approved by the Bank.
- iv) Invest by way of share capital in or lend or advance funds to or place deposits with any other concern (including group companies); normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended.
- v) Enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, company or otherwise or accept deposits apart from the arrangement indicated in the funds flow statements submitted to the Bank from time to time and approved by the Bank.
- vi) Undertake any guarantee obligation on behalf of any other company (including group companies).
- vii) Declare dividends for any year out of the profits relating to that year or of the previous years. It is however necessary for the borrower to ensure first that provisions are made and that no repayment obligations remain unmet at the time of making the request for Bank's approval for the declaration of dividend.
- viii) Create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons.
- ix) Sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the Bank.
- x) Enter into any contractual obligation of a long-term nature or affecting the company financially to a significant extent.

- xi) Change the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees, etc.
- xii) Undertake any trading activity other than the sale of products arising out of its own manufacturing operations,
- xiii) Permit any transfer of the controlling interest or make any drastic change in the management set-up.
- xiv) Repay monies brought in by the promoters/ directors/ principal shareholders and their friends and relatives by way of deposits/ loans / advances. Further, the rate of interest, if any, payable on such deposits/ loans/ advances should be lower than the rate of interest charged by the Bank on its term loan and payment of such interest will be subject to regular repayment of instalments under term loans granted/ deferred payment guarantees executed by the Bank or other repayment obligations, if any, due from the company to the Bank. All unsecured loans/ deposits raised by the company for financing a project are always subordinate to the loans of the banks/ financial institutions and should be permitted to be repaid only with the prior approval of the all the banks and the financial institutions concerned.

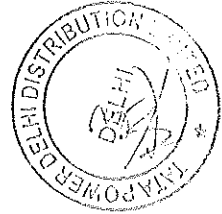
3. Optional covenants:

- (i) The company shall keep the Bank advised of any circumstance adversely affecting the financial position of their subsidiaries/ group companies or companies in which it has invested, including any action taken by any creditor against the said companies legally or otherwise.
- (ii) The Bank will have the option of appointing its nominee on the Board of directors of the company to look after its interest. The director's normal fees and expenses will be defrayed by the company. Such director shall not be required to hold qualification shares and shall not be liable to retirement so long as the credit facilities granted by the Bank to the company are outstanding. When the option is exercised by the Bank, the company shall submit sufficiently in advance agenda papers relating to meetings of the Board of director or any committees thereof and forward duly certified copies of the proceedings of such meetings. The Bank will have the right to appoint a nominee to attend any meeting of shareholders, where the right is exercised, the agenda papers and proceedings should be sent to the Bank sufficiently in advance.
- (iii) The company agrees to offer to the Bank, on a right to first refusal basis at least pro-rata business relating to remittances, bills / cheque purchase, non-fund based transactions including LCs and BGs, forex transactions and any interest rate or currency hedging business contemplated.
- (iv) The Bank will have the right to convert the debt into equity, at a time felt appropriate by the Bank, at a mutually acceptable formula.

TATA Power Delhi Distribution Limited

Computation of Weighted Average Rate of Interest for Working Capital

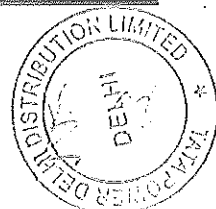
Name of Lender	Limit (Rs. Cr.)	Period From	Period To	No of Days	PLR	Spread	Effective Rate of Interest	Weighted Rate of Interest	Weighted Rate of Interest
Punjab National Bank	31.25	1-Apr-07	15-Apr-07	15	12.25%	2.75%	9.50%	10.22%	
		16-Apr-07	31-Mar-08	351	13.00%	2.75%	10.25%		
State Bank of Travancore	18.75	1-Apr-07	8-Apr-07	8	12.50%	2.75%	9.75%	10.24%	
		9-Apr-07	31-Mar-08	358	13.00%	2.75%	10.25%		
HDFC Bank	12.50	1-Apr-07	9-Apr-07	9	14.50%	3.75%	10.75%	11.24%	11.06%
		10-Apr-07	31-Mar-08	357	15.00%	3.75%	11.25%		
State Bank of India	62.50	1-Apr-07	8-Apr-07	8	12.25%	1.00%	11.25%	11.69%	
		9-Apr-07	15-Feb-08	313	12.75%	1.00%	11.75%		
		16-Feb-08	26-Feb-08	11	12.50%	1.00%	11.50%		
		27-Feb-08	31-Mar-08	34	12.25%	1.00%	11.25%		
Total CC Limits	125.00								



TATA Power Delhi Distribution Limited

Computation of Weighted Average Rate of Interest for Working Capital

Name of Lender	FY 08-09							Weighted Rate of Interest
	Limit (Rs. Cr.)	Period From	Period To	No of Days	PLR	Spread	Effective Rate of Interest	
Punjab National Bank	31.25	1-Apr-08	13-Jun-08	74	12.50%	2.75%	9.75%	11.15%
	31.25	14-Jun-08	30-Jun-08	17	12.50%	2.25%	10.25%	
	31.25	1-Jul-08	31-Jul-08	31	13.00%	2.25%	10.75%	
	31.25	1-Aug-08	31-Oct-08	92	14.00%	2.25%	11.75%	
	31.25	1-Nov-08	30-Nov-08	30	13.50%	1.75%	11.75%	
	31.25	1-Dec-08	31-Dec-08	31	12.50%	0.75%	11.75%	
	31.25	1-Jan-09	31-Jan-09	31	12.00%	0.25%	11.75%	
	31.25	1-Feb-09	31-Mar-09	59	11.50%	0.00%	11.50%	
State Bank of Travancore	18.75	1-Apr-08	30-Jun-08	91	13.25%	2.75%	10.50%	11.35%
	18.75	1-Jul-08	3-Aug-08	34	13.50%	1.75%	11.75%	
	18.75	4-Aug-08	9-Nov-08	98	14.00%	1.75%	12.25%	
	18.75	10-Nov-08	31-Dec-08	52	13.25%	1.75%	11.50%	
	18.75	1-Jan-09	31-Mar-09	90	12.75%	1.75%	11.00%	
HDFC Bank	12.50	1-Apr-08	12-Jun-08	73	15.00%	3.75%	11.25%	12.64%
	12.50	13-Jun-08	7-Aug-08	56	16.00%	3.75%	12.25%	
	12.50	8-Aug-08	25-Sep-08	49	16.50%	3.75%	12.75%	
	12.50	26-Sep-08	19-Nov-08	55	16.50%	2.00%	14.50%	
	12.50	20-Nov-08	30-Nov-08	11	16.00%	2.00%	14.00%	
	12.50	1-Dec-08	19-Jan-09	50	16.00%	1.00%	15.00%	
	12.50	20-Jan-09	31-Mar-09	71	15.00%	4.00%	11.00%	
	62.50	1-Apr-08	26-Jun-08	87	12.25%	1.00%	11.25%	
State Bank of India	62.50	27-Jun-08	11-Aug-08	46	12.75%	1.00%	11.75%	11.86%
	62.50	12-Aug-08	9-Nov-08	90	13.75%	1.00%	12.75%	
	62.50	10-Nov-08	31-Dec-08	52	13.00%	1.00%	12.00%	
	62.50	1-Jan-09	8-Feb-09	39	12.25%	1.00%	11.25%	
	62.50	9-Feb-09	31-Mar-09	51	12.25%	0.50%	11.75%	



TATA Power Delhi Distribution Limited

Computation of Weighted Average Rate of Interest for Working Capital

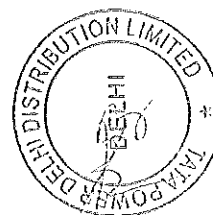
FY 09-10									
Name of Lender	Limit (Rs. Cr.)	Period From	Period To	No of Days	PLR	Spread	Effective Rate of Interest	Weighted Rate of Interest	Weighted Rate of Interest
Punjab National Bank	36.25	1-Apr-09	30-Apr-09	30	11.50%	0.00%	11.50%	11.02%	11.02%
	36.25	1-May-09	28-Feb-10	304	11.00%	0.00%	11.00%		
	36.25	1-Mar-10	31-Mar-10	31	10.75%	0.00%	10.75%		
State Bank of Travancore	21.75	1-Apr-09	30-Jun-09	91	12.75%	1.50%	11.25%	10.87%	11.02%
	21.75	1-Jul-09	31-Mar-10	274	12.25%	1.50%	10.75%		
HDFC Bank	14.50	1-Apr-09	30-Jun-09	91	15.00%	4.00%	11.00%	10.62%	11.14%
	14.50	1-Jul-09	31-Mar-10	274	14.50%	4.00%	10.50%		
State Bank of India	72.50	1-Apr-09	16-Jul-09	107	12.25%	0.50%	11.75%	11.14%	11.14%
	72.50	17-Jul-09	30-Nov-09	137	12.00%	1.00%	11.00%		
	72.50	1-Dec-09	31-Mar-10	121	11.75%	1.00%	10.75%		



TATA Power Delhi Distribution Limited

Computation of Weighted Average Rate of Interest for Working Capital

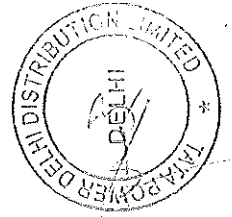
Name of Lender	FY 10-11						
	Limit (Rs. Cr.)	Effective Rate of Interest	Period From	Period To	No of Days	Basis	Weighted Rate of Interest
State Bank of India	72.50	10.75%	01/04/2010	16/08/2010	138	SBAR + 1% Spread	10.92%
	72.50	10.75%	17/08/2010	20/10/2010	65	Base Rate + 3.25% Spread	
	72.50	10.85%	21/10/2010	02/01/2011	74		
	72.50	11.25%	03/01/2011	13/02/2011	42		
	72.50	11.50%	14/02/2011	31/03/2011	46		
Punjab National Bank	36.25	10.75%	01/04/2010	31/07/2010	122	PNBLR - 0.25%	11.26%
	36.25	11.50%	01/08/2010	07/12/2010	129		
	36.25	12.25%	08/12/2010	29/12/2010	22		
	36.25	10.85%	30/12/2010	02/01/2011	4	In line with SBI	
	36.25	11.25%	03/01/2011	13/02/2011	42		
	36.25	11.50%	14/02/2011	31/03/2011	46		
	21.75	10.75%	01/04/2010	30/06/2010	91		
State Bank of Travancore	21.75	10.75%	01/07/2010	10/10/2010	102	Base Rate + 3% Spread	11.05%
	21.75	11.00%	11/10/2010	02/01/2011	84		
	21.75	11.50%	03/01/2011	13/02/2011	42		
	21.75	12.00%	14/02/2011	31/03/2011	46		
	14.50	10.50%	01/04/2010	23/03/2011	357		
HDFC Bank Limited	14.50	11.50%	24/03/2011	31/03/2011	8		10.52%
							10.99%



TATA Power Delhi Distribution Limited

Computation of Weighted Average Rate of Interest for Working Capital

Name of Lender	FY 11-12							Weighted Rate of Interest
	Limit (Rs. Cr.)	Period From	Period To	No of Days	PLR	Spread	Effective Rate of Interest	
Punjab National Bank	36.25	1-Apr-11	24-Apr-11	24		1.85%	11.50%	12.93%
	36.25	25-Apr-11	11-May-11	17		1.85%	11.75%	
	36.25	12-May-11	10-Jul-11	60	10.00%	2.00%	12.50%	
	36.25	11-Jul-11	12-Aug-11	33		2.00%	12.75%	
	36.25	13-Aug-11	31-Mar-12	232		2.00%	13.25%	
State Bank of Travancore	21.75	1-Apr-11	8-May-11	38	9.00%	3.00%	12.00%	12.03%
	21.75	9-May-11	26-Jun-11	49	9.50%	3.00%	12.50%	
	21.75	27-Jun-11	6-Jul-11	10	9.75%	3.00%	12.75%	
	21.75	7-Jul-11	7-Aug-11	32	9.75%	3.00%	12.75%	
	21.75	8-Aug-11	31-Aug-11	24	10.25%	3.00%	13.25%	
	21.75	1-Oct-11	31-Mar-12	183	10.50%	3.00%	13.50%	
	14.50	1-Apr-11	30-Apr-11	30	8.70%	2.80%	11.50%	
HDFC Bank	14.50	1-May-11	10-Jul-11	71	9.25%	2.80%	12.05%	12.71%
	14.50	11-Jul-11	12-Aug-11	33	9.50%	2.80%	12.30%	
	14.50	13-Aug-11	15-Nov-11	95	10.00%	2.80%	12.80%	
	14.50	16-Nov-11	31-Mar-12	137	10.00%	3.25%	13.25%	
	72.50	1-Apr-11	24-Apr-11	24	8.25%	3.25%	11.50%	
State Bank of India	72.50	25-Apr-11	11-May-11	17	8.50%	3.25%	11.75%	12.93%
	72.50	12-May-11	10-Jul-11	60	9.25%	3.25%	12.50%	
	72.50	11-Jul-11	12-Aug-11	33	9.50%	3.25%	12.75%	
	72.50	13-Aug-11	31-Mar-12	232	10.00%	3.25%	13.25%	





TATA POWER-DDL

TPDDL/DERC/2012-13

October 12, 2012

The Secretary
Delhi Electricity Regulatory Commission
Vinnyamak Bhawan,
C-Block, Shivalik,
Malviya Nagar,
New Delhi - 110017

Subject : Submission of Audited billed data for FY 2010-11

Dear Ma'am,

This is pursuant to our letter dated Sep 3, 2012 on the subject of submission of misuse data for FY 2002-03 to FY 2010-11.

With respect to audited form 2.1 related to billing data for FY 2010-11, we submitted that the audit of the same is under progress. The audit thereof has been completed and we are submitting the audited billing data for the FY 2010-11 which is attached as Annexure - "A".

In light of this, we request the Hon'ble Commission to kindly finalise our AT&C Loss for the FY 2010-11.

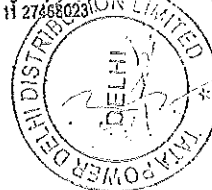
We shall be pleased to provide any further information/clarification in this regard.

Thanking You,

For Tata Power Delhi Distribution Limited

(Hemant Goyal)
Addl. GM (Finance)

TATA POWER DELHI DISTRIBUTION LIMITED
(A Tata Power and Delhi Government Joint Venture)
Corporate Office : NDPL House Hudson Lines Kingsway Camp Delhi - 110 009
Tel. +91 11 66112222 Fax. +91 11 27468023



CERTIFICATE

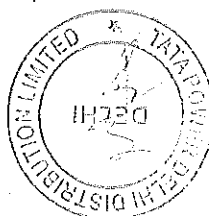
1. We have examined the books of account and related records of Tata Power Delhi Distribution Limited (Formerly North Delhi Power Limited) ('the Company') for the year ended 31 March, 2011 as part of the audit of the Financial Statements of the Company for the year then ended.
2. We have been requested by the management of the Company to provide a certificate on the attached Statement (Attachment I) containing details relating to billed revenue for sale of power to consumers for the year ended 31 March, 2011 for submission to Delhi Electricity Regulatory Commission (DERC), which has been prepared by the Company based on the books of account and other relevant records and documents of the Company for the year ended 31 March, 2011.
3. The management of the Company is responsible for preparation of the Statement and maintenance of proper books of account and such other records. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls.
4. Our responsibility, for the purpose of this certificate, is limited to certifying the particulars contained in Attachment I which has been prepared by the Company based on the books of account and other relevant records and documents of the Company for the year ended 31 March, 2011. We conducted our verification in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India, which include the concept of test checks and materiality.
5. On the basis of our examination of the audited books of account and other relevant records of the Company for the year ended 31 March, 2011 and according to the information and explanations given to us by the management of the Company, we certify that the billed units and billed revenue as contained in Part A of Attachment I and billed revenue as contained in Part B of Attachment I "Billed revenue for sale of power to consumers for the year ended 31 March, 2011" read with the notes thereon have been extracted from the books of account and other relevant records of the Company.
6. This certificate is being issued at the request of the Company to be submitted to Delhi Electricity Regulatory Commission (DERC) and should not be used for any other purpose without our prior written consent.

For Deloitte Haskins & Sells
Chartered Accountants
(ICAI Reg. No. 015125N)

Alka Chadha

Partner
Alka Chadha-93474

GURGAON, 11 October, 2012
Ref: AC/2012/257



Tata Power Delhi Distribution Limited
(Formerly North Delhi Power Limited)

Billed revenue for sale of power to consumers for the year ended 31 March, 2011

S.No.	Category	Billed units (MU)	Billed revenue (Rupees in crores)
PART A			
1	Domestic category		
1.1	Domestic Lighting / Fan and Power	2,648.93	937.91
1.2	Domestic Lighting / Fan and Power on 11KV single delivery point for Central Group Housing Societies (CGHS) and other similar group housing complexes		
1.2.1	CGHS	26.81	8.27
1.2.2	Hospital	30.65	15.27
	Sub total (1)	2,706.39	961.45
2	Non-Domestic		
2.1	Non-Domestic (Low Tension) (NDLT- I)	694.14	434.96
2.2	Non-Domestic Light / Power on 11 kV Single Delivery Point for Commercial Complexes (NDLT-II)	25.67	12.28
2.3	Mixed Load (High tension) >100 KW (MLHT)	347.19	234.09
	Sub total (2)	1,067.00	681.33
3	Industrial		
3.1	Small Industrial Power (SIP)	1,576.01	825.73
3.2	Industrial Power (SIP) on 11 kV Single Delivery Point for Group of SIP	0.46	0.21
3.3	Large Industrial Power > 100 KW (LIP)	381.55	199.54
	Sub total (3)	1,958.02	1,025.48
4	Agriculture	9.91	2.07
5	Mushroom Cultivation	0.23	0.07
6	Street Lighting (metered)	16.64	7.97
7	Railway Traction (Other than DMRC)	52.24	21.79
8	Delhi Metro Rail Corporation (DMRC)	156.55	53.88
9	Temporary Supply		
9.1	Non Domestic	28.43	22.46
9.2	Industrial	0.08	0.05
9.3	For residential cooperative group housing connections	18.02	8.10
9.4	For threshers - during the threshing season for 30 days	0.84	0.23
	Sub total (9)	47.37	30.84
10	Staff	15.68	3.16
11	Delhi Jal Board	182.11	108.49
12	Misuse	12.19	12.14
	Total (PART A) (See note 2 below)	6,224.33	2,908.67



Attachment I (contd.)
(As referred to in our certificate No. AC/2012/257
dated 11 October, 2012)

Tata Power Delhi Distribution Limited
(Formerly North Delhi Power Limited)

Billed revenue for sale of power to consumers for the year ended 31 March, 2011

S.No.	Category	Billed revenue (Rupees in crores)
PART B		
1	Street Lighting (Unmetered)	29.09
2	Signals & Blinkers	0.53
3	Enforcement	20.86
4	J J Clusters	0.82
5	Prepaid - Domestic	1.36
6	Prepaid - Non Domestic	8.99
7	Own Consumption	-
	Total (PART B)	61.65

Notes:

- 1 Details stated in Part A and Part B have been compiled by the management based on the information / details stated in Attachment II, which has been prepared by the Company based on the books of account and other relevant records and documents of the Company for the year ended 31 March, 2011.
- 2 Total billed units and billed revenue aggregating to 6,224.33 MU and Rs. 2,908.67 crores respectively for the year ended 31 March, 2011 included in Part A are net of adjustments on account of rectifications / corrections of billed units and billed revenue aggregating to approximately 12.63 MU and Rs. 2.86 crores respectively. For the purpose of computing of units relating to rectifications / corrections, the management has considered yearly average billing rate of the respective consumer category.
- 3 Billed units pertaining to billed revenue of Rs. 61.65 crores aggregates to 153.77 MU and is based on management estimates.



Deloitte Haskins & Sells

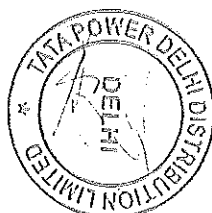
Chartered Accountants
7th Floor, Building 10, Tower B
DLF Cyber City Complex
DLF City Phase-II
Gurgaon - 122 002, Haryana
India

Tel : + 91 (124) 679 2000
Fax : + 91 (124) 679 2010

AUDITORS' REPORT

TO THE MEMBERS OF TATA POWER DELHI DISTRIBUTION LIMITED (FORMERLY NORTH DELHI POWER LIMITED)

1. We have audited the attached Balance Sheet of Tata Power Delhi Distribution Limited (formerly North Delhi Power Limited) ('the Company'), as at 31 March, 2012, Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
 - a. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in compliance with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956;



- e. in our opinion and to the best of our information and according to the explanations given to us, the said accounts, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2012;
 - ii. in the case of Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
 - iii. in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of written representations received from the Directors, as at 31 March, 2012, taken on record by the Board of Directors, none of the Directors is disqualified as on 31 March, 2012, from being appointed as a director in terms of Section 274 (1)(g) of the Companies Act, 1956.

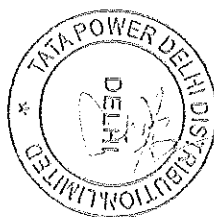
For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 015125N)



Alka Chadha
Partner
(Membership No. 93474)



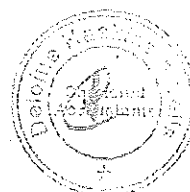
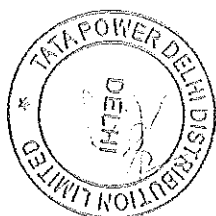
NEW DELHI, 4 May, 2012



ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

- i. Having regard to the nature of the Company's business/activities/result, clause 4(xiii) of the Order is not applicable.
- ii. In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Company has a programme of physically verifying all its fixed assets in a phased manner designed to cover all assets 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 business. In accordance with this programme, the Management had carried out a physical verification of fixed assets at some locations during the year and according to the explanations given to us no material discrepancies were noticed on such verification.
 - c. The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- iii. In respect of its inventories:
 - a. As explained to us, inventory in the Company's possession has been physically verified by the Management at reasonable intervals.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iv. The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
- v. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchase of inventory and fixed assets and for sale of services. The Company's operations did not give rise to sale of goods during the current year. During the course of our audit, we have not observed any major weakness in such internal control system.



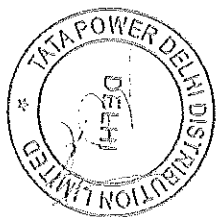
- vi. Based on the examination of the books of account and related records and according to the information and explanations provided to us, there are no contracts or arrangements with companies, firms or other parties which need to be listed in the register maintained under Section 301 of the Companies Act, 1956.
- vii. The Company has not accepted any deposits from the public, within the meaning of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- viii. In our opinion, the Company has an adequate internal audit system commensurate with the size of the Company and nature of its business.
- ix. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that *prima facie* the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- x. According to the information and explanations given to us in respect of statutory dues:
 - a. the Company has been generally regular in depositing undisputed dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

The operations of the Company during the year did not give rise to Investor Education and Protection Fund and Excise Duty.

- b. there are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at 31 March, 2012 for a period of more than six months from the date they became payable.

The operations of the Company during the year did not give rise to Investor Education and Protection Fund and Excise Duty.

- c. details of dues of Income Tax which have not been deposited as on 31 March, 2012 on account of disputes are given below:

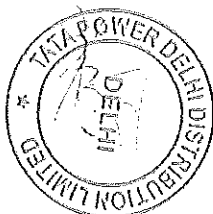


Statute	Nature of Dues	Forum where Dispute is pending	Period to which amount relates	Amount (Rs. /lacs)
Income Tax Act, 1961	Penalty imposed under section 271(1)(c).	Commissioner of Income Tax (Appeals)	2002-03	310.65
Income Tax Act, 1961	Disallowance of unpaid energy tax, provision for bad and doubtful debts and depreciation.	Commissioner of Income Tax (Appeals)	2003-04	16.69
Income Tax Act, 1961	Penalty imposed under section 271(1)(c).	Commissioner of Income Tax (Appeals)	2005-06	1,893.04
Income Tax Act, 1961	Derecognition of revenue and disallowance of expenses.	Commissioner of Income Tax (Appeals)	2006-07	948.35
Income Tax Act, 1961	Demand of interest on short deduction of TDS on open excess charges and tax on interest income. Penalty imposed under section 271(1)(c) and under section 271(1)(b).	Commissioner of Income Tax (Appeals)	2007-08	171.84
Income Tax Act, 1961	Demand of interest on short deduction of TDS on open excess charges and on late deposit of TDS. Demand on derecognition of revenue and disallowance of expenses.	Commissioner of Income Tax (Appeals)	2008-09	1,151.78

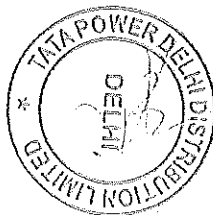
According to the information and explanations given to us, there were no dues in respect of Sales Tax, Wealth Tax, Service Tax, Customs Duty and Cess which had not been deposited as on 31 March, 2012 on account of any disputes.

The Company's operations do not give rise to any Excise duty.

- xi. The Company does not have any accumulated losses nor has incurred any cash losses during the current and the immediately preceding financial year.
- xii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions. The Company has not issued any debentures.



- xiii. In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us the Company is not dealing in shares, securities and debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- xvi. In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the term loans raised by the Company have been applied for the purpose for which these were obtained.
- xvii. In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, as at 31 March, 2012, we report that funds raised on short term basis aggregating to Rs. 64,121.51 lacs have been used during the year for funding of long term assets comprising tariff recoverable account.
- xviii. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix. According to the information and explanations given to us, the Company has not issued any debentures during the period covered by our audit report. Accordingly, the provisions of clause (xix) of the Order are not applicable to the Company.
- xx. The Company has not raised any money by way of public issue during the year.



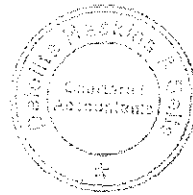
Deloitte
Haskins & Sells

xxi. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

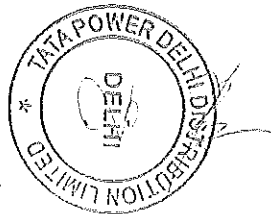
For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 015125N)

Alka Chadha

Alka Chadha
Partner
(Membership No. 93474)



NEW DELHI, 4 May, 2012



TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
BALANCE SHEET AS AT 31 MARCH, 2012

	Note No.	As at 31.03.2012 Rs./Lacs	As at 31.03.2011 Rs./Lacs
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	55,200.00	55,200.00
(b) Reserves and surplus	4	134,514.81	100,649.88
		<u>189,714.81</u>	<u>155,849.88</u>
(2) Capital grants	5	939.69	723.06
(3) Consumer contribution for capital works (CCCW)	6	33,730.26	31,791.95
(4) Non-current liabilities			
(a) Long-term borrowings	7	303,504.32	163,024.41
(b) Deferred tax liabilities (Net)	8	27,934.42	22,653.09
Less: Adjustable in future tariff		<u>27,934.42</u>	<u>22,653.09</u>
(c) Other long term liabilities	9	68,212.06	45,736.73
(d) Long-term provisions	10	1,281.81	954.76
		<u>372,998.19</u>	<u>209,715.90</u>
(5) Current liabilities			
(a) Short-term borrowings	11	41,216.13	56,277.02
(b) Trade payables	12	52,033.99	51,743.73
(c) Other current liabilities	13	65,392.01	40,966.99
(d) Short-term provisions	14	2,172.34	327.61
		<u>160,814.47</u>	<u>149,315.35</u>
TOTAL		<u>758,197.42</u>	<u>547,396.14</u>
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	15		
Tangible assets		266,555.35	235,461.34
Intangible assets		2,754.96	1,666.11
Capital work-in-progress		29,190.75	39,761.68
(b) Non-current investments	16	753.94	1,925.54
(c) Long-term loans and advances	17	12,907.63	8,045.72
(d) Other non-current assets	18	395,369.00	217,206.00
		<u>707,531.63</u>	<u>504,066.39</u>
(2) Current assets			
(a) Current investments	19	1,157.14	-
(b) Inventories	20	1,252.28	1,521.56
(c) Trade receivables	21	10,860.34	11,863.62
(d) Cash and cash equivalents	22	10,375.54	8,204.16
(e) Short-term loans and advances	23	5,474.18	6,791.77
(f) Other current assets	24	21,546.31	14,948.64
		<u>50,665.79</u>	<u>43,329.75</u>
TOTAL		<u>758,197.42</u>	<u>547,396.14</u>

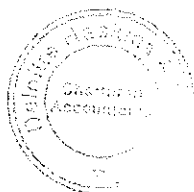
See accompanying notes forming part of financial statements

1 to 42

In terms of our report attached

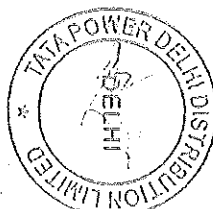
For Deloitte Haskins & Sells
Chartered Accountants

Alka Chadha
Partner



New Delhi
Date:

04 MAY 2012



For and on behalf of the Board of Directors

Praveer Sinha
CEO & Executive
Director

S. Ramakrishnan
Director

Ajay Kalsie
Company Secretary

New Delhi
Date:

04 MAY 2012

TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2012

	Note No.	Year ended 31.03.2012 Rs./Lacs	Year ended 31.03.2011 Rs./Lacs
INCOME			
1 Sale of power		356,515.32	295,919.12
Less: energy tax		15,210.32	12,750.83
2 Other operating income	26	14,419.75	13,090.71
3 Revenue from operations		355,724.75	296,259.00
4 Other Income	27	1,670.68	392.02
5 Total income excluding income recoverable from future tariff		357,395.43	296,651.02
EXPENSES			
6 Fuel cost	28	13,692.51	1,797.97
7 Cost of power purchased (net) (excludes own generation)	29	381,021.85	308,970.80
8 Employee benefit expenses	30	28,354.56	23,635.18
9 Finance costs	31	34,911.69	17,284.32
10 Depreciation and amortisation expense	15	15,933.48	13,091.59
11 Other expenses	32	18,851.54	15,512.58
12 Total		492,765.63	380,292.44
LOSS BEFORE INCOME RECOVERABLE FROM FUTURE TARIFF		(135,370.20)	(83,641.42)
13 Income recoverable from future tariff	33	178,163.00	115,643.00
PROFIT BEFORE TAX		42,792.80	32,001.58
14 Tax expense			
- Current tax	34	8,927.87	6,183.54
- Deferred tax	8		
Provision for the current year		5,281.33	4,275.35
Less: Adjustable in future tariff		(5,281.33)	(4,275.35)
PROFIT AFTER TAX		33,864.93	25,818.04
Basic and Diluted Earnings per share (Rs.)	35	6.13	4.68

See accompanying notes forming part of financial statements

1 to 42

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Alka Chadha
Partner



New Delhi
Date:

04 MAY 2012

For and on behalf of the Board of Directors

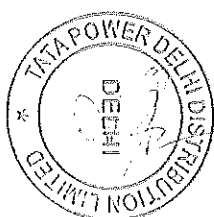
Praveer Sinha
CEO & Executive
Director

S. Ramakrishnan
Director

Ajay Kalsie
Company Secretary

New Delhi
Date:

04 MAY 2012



TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2012

	Year ended 31.03.2012 Rs./Lacs	Year ended 31.03.2011 Rs./Lacs
A. Cash flow from Operating Activities		
Net profit before tax	42,792.80	32,001.58
Adjustments for :		
Depreciation and amortisation	15,933.48	13,091.59
Finance costs	34,911.69	17,284.32
Interest income	(509.83)	(277.85)
Net gain on sale of current investments (non-trade)	(630.84)	(2.39)
Loss on sale / retirement of assets	4.35	861.00
Transfer of capital grants / CCCW	(1,445.93)	(1,238.91)
Obsolete inventory written off / provision for obsolete inventory	108.51	14.61
Bad Debts written off	3.97	102.32
Provision for doubtful debts / advances	1,001.27	-
Provision for doubtful debts / advances (written back)	-	(1,618.01)
Operating profit before working capital changes	92,169.47	60,218.26
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	160.77	(442.91)
Trade receivables	(318.63)	(4,288.80)
Short term loans and advances	339.41	6,756.00
Long term loans and advances	(4,133.34)	(668.41)
Other non current assets	(178,163.00)	(115,643.00)
Other current assets	(6,631.14)	1,055.43
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	290.26	12,564.60
Other current liabilities	1,610.36	1,410.94
Other long term liabilities	13,051.97	9,132.51
Short term provisions	132.73	81.80
Long term provisions	327.05	274.52
Cash generated from operations	(81,164.09)	(29,549.05)
Taxes paid (including tax deducted at source)	(6,237.69)	(5,374.39)
Net Cash used in Operating Activities	(A) (87,401.78)	(34,923.44)
B. Cash Flow from Investing Activities		
Purchase of fixed assets	(39,366.87)	(58,293.74)
Proceeds from sale of fixed assets	737.70	1,046.48
Interest received	562.78	316.06
Investment in subsidiary	(5.00)	-
Purchase of current investments	(225,524.17)	(5,750.00)
Sale of current investments	226,155.01	5,752.39
Net Cash used in Investing Activities	(B) (37,440.55)	(56,928.81)
C. Cash Flow from Financing Activities		
Interest paid on long term loans	(14,992.89)	(10,319.05)
Interest paid on short term loans	(17,918.68)	(5,144.80)
Interest paid on consumer security deposits	(2,166.20)	(1,839.39)
Proceeds of short term loans	40,000.00	118,500.00
Repayments of short term loans	(51,000.00)	(44,500.00)
(Repayments)/proceeds from cash credit accounts	(4,060.89)	(638.54)
Proceeds of long term loans	202,500.00	40,000.00
Repayments of long term loans	(38,123.92)	(13,863.94)
Proceeds from capital grants/CCCW	3,600.87	5,509.36
Consumers' security deposits	9,175.42	4,081.51
Net Cash from Financing Activities	(C) 127,013.71	91,785.15
Net increase in Cash and Cash Equivalents	(A+B+C) 2,171.38	(67.10)
Cash and cash equivalents at the beginning of the year	8,204.16	8,271.26
Cash and cash equivalents at the end of the year (See note 22)	10,375.54	8,204.16

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Alka Chadha
Partner



New Delhi

Date: 04 MAY 2012

For and on behalf of the Board of Directors

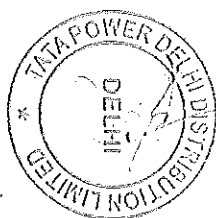
Praveer Sinha
CEO & Executive
Director

S. Ramakrishnan
Director

Ajay Kalsie
Company Secretary

New Delhi

Date: 04 MAY 2012



TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 1

Background

Tata Power Delhi Distribution Limited (TPDDL) (Formerly North Delhi Power Limited) 'The Company' primarily engaged in the business of distribution of electricity in North and North-West Delhi 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 together 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. During the year the Company applied for change in its name from North Delhi Power Limited to Tata Power Delhi Distribution Limited. Subsequently, a fresh certificate of incorporation consequent to the change in name to Tata Power Delhi Distribution Limited ('the Company') was issued by the Registrar of Companies, N.C.T. of Delhi & Haryana on 29 November, 2011 under section 23(1) of the Companies Act, 1956.

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 1 July, 2002 to the date of grant of License, TPDDL was a deemed Licensee.

NOTE 2

Significant Accounting Policies

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles ('GAAP') in India and comply with the accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006, and in accordance with the provisions of the Companies Act, 1956. 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 they are inconsistent with the provisions of the Companies Act, 1956. The significant accounting policies are as follows:

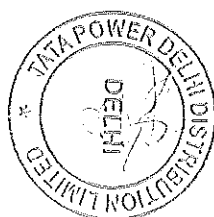
a. Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles in India requires the Management to make estimates and assumptions that affect the reporting balances of assets and liabilities including disclosures relating to contingent assets and liabilities as at the date of the financial statements and reporting amounts of income and expenses during the year. Examples of such estimates include provision for doubtful debts, future obligations under employee retirement benefit plans, income taxes, foreseeable estimated contract losses and useful life of fixed and intangible assets. Contingencies are recorded when it is probable that a liability may be incurred, and the amount can be reasonably estimated. Actual results could differ from such estimates.

b. Fixed assets and depreciation

- i. All fixed assets are stated at cost. Cost includes its purchase price and any attributable cost of bringing the assets to their working condition for their intended use.
- ii. Assets transferred from erstwhile DVB are stated at the transaction value as notified by the Government of National Territory of Delhi (GNCTD) under the Transfer Scheme. Values assigned to different heads of individual fixed assets as on the date of the transfer i.e. 1 July, 2002 as per an independent technical valuer's estimation.
- iii. Fixed Assets are eliminated from financial statements, either on disposal or when retired from active use or on becoming redundant. Generally, such retired assets are disposed off soon thereafter.
- iv. Depreciation for the year in respect of electricity distribution business fixed assets has been provided on the straight line method. In terms of the order issued by Ministry of Company Affairs (MCA) dated 27 November, 2008 the Company may provide depreciation on assets for which no specific rate of depreciation is mentioned in Schedule XIV of Companies Act, 1956 on the basis of useful life as notified by Central Electricity Regulatory Commission (CERC) vide notification number L-7/25(5)/2003-CERC dated 26 March, 2004 and calculated in a manner which has the effect of writing off by way of depreciation, ninety five percent (95%) of the original cost of each such depreciable asset on the expiry of the specified useful life. The Company had further engaged an independent valuer to validate the life of assets as specified in the CERC notification. Based on the report of the independent valuer the Company has provided depreciation at the rates calculated by taking the life of assets as mentioned in CERC notification or as per independent valuer whichever is lower.

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TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Based on the above, the depreciation rates computed and used for various classes of assets are:

Description of Assets	Rate of Depreciation
Plant and machinery (other than computers, batteries and meters)	3.80% to 6.33%
Transmission lines, cable network	2.71% to 6.33%
Meters	9.50%
Batteries	19.00%
Office Equipment	6.33%

- v. Depreciation for the year in respect of fixed assets used for electricity generation has been provided on straight line method as per rates prescribed in Generation Tariff Regulation of DERC. In case of second hand assets, where DERC is yet to determine the life of such assets, depreciation has been provided based on the life as determined by an Independent valuer. The depreciation has been calculated in a manner which has the effect of depreciating ninety percent (90%) of the original cost of each such depreciable asset on the expiry of the specified useful life. (Also see note 33(e))

Based on the above, the depreciation rates computed and used for various classes of assets are:

Description of Assets	Rate of Depreciation
Building	3.34%
Plant & Machinery (other than computers)	3.80% to 15.83%
Computer	16.21%

- vi. Assets costing less than Rs. 5,000 on which depreciation rate is applicable as per Schedule XIV of Companies Act 1956, are depreciated fully in the year of first use for both distribution and generation business.

- vii. Depreciation in respect of other fixed assets of distribution and generation business in respect of which specific rate of depreciation is mentioned in Schedule XIV of Companies Act, 1956 have been recognised in the Statement of profit and loss at the rate mentioned therein.

c. Accounting for Grants

- i. Grants relating to depreciable fixed assets are treated as deferred income to be recognised in the statement of profit and loss over the useful life of the asset in the proportion in which depreciation on the related assets is charged.
- ii. Grants relating to the revenue are recognised in the statement of profit and loss and are deducted in reporting the related expense.

d. Revenue Recognition

- i. 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 accounting year.
- ii. 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 subject to achievement of Aggregate Technical and Commercial (AT&C) loss reduction 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 as 'Income payable/recoverable from future tariff'.

In respect of power generation, the Company is required to recover fuel cost, and return on equity as stated in Delhi Electricity Regulatory Commission (Terms and Conditions for determination of Generation Tariff) regulations subject to the achievement of prescribed plant load factor.

- iii. 'Late Payment Surcharge' on electricity billed and bills raised for dishonest abstraction of power are recognised, on grounds of prudence, as and when recovered from the consumers.

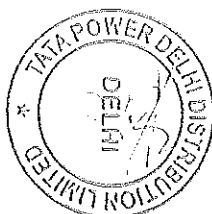
- iv. The amount received from consumers on account of Service Line charges are treated as Income on installation of connection.

e. Inventories

Inventories of stores and spares parts and loose tools are valued at lower of cost net of provision for diminution in value or net realisable value. Cost is determined on the 'Weighted average' basis.

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

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TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

f. Foreign currency transactions

Foreign exchange transactions are recorded at the rates of exchange prevailing on the date of the transaction. Realised gains and losses on foreign exchange transactions during the year are recognised in the profit and loss account. Foreign currency assets and liabilities denominated in foreign currencies, at the year end are translated into rupees at the year end rates and resultant gains/losses on foreign exchange translations are recognised in the statement of profit and loss.

In respect of forward exchange contracts, the difference between the forward rate and the rate at the inception of a forward contract is recognised as income or expense over the life of the contract. Any income or expense on account of exchange differences either on settlement of the contract or on translation of the unmatured foreign currency contract at the rate prevailing on the date of the Balance Sheet date is recognised in the statement of profit and loss.

g. Employee benefits

A. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by employees is recognised during the period when the employee renders the services. These benefits include salaries, wages, bonus, performance incentives and leave travel allowance.

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

B. Post-employment benefits

i. Defined Contribution Plans

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.

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.

ii. Defined Benefit Plans

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 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 market yields on government securities as at the balance sheet date. Actuarial gains and losses are recognised immediately in the statement of profit and loss.

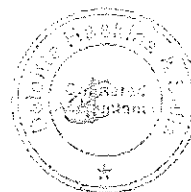
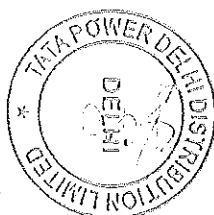
The Company has taken the group policy with Life Insurance Corporation of India (LIC) to meet its obligation towards gratuity. Liability with respect to the gratuity plan is determined based on an actuarial valuation done by an independent actuary at the year end and any differential between the fund amount as per LIC and the actuarial valuation is charged immediately to the statement of profit and loss.

C. Other Long Term Employee Benefits

Employees other than from Erstwhile DVB

Benefits comprising compensated absences 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 year end. Actuarial gains and losses are recognised immediately in the statement of profit and loss.

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

h. Taxation

Income tax comprises current income tax and deferred tax. Current income tax is measured at the amounts expected to be paid to the tax authorities in accordance with the Income Tax Act 1961.

Deferred tax assets and liabilities are recognised for the future tax consequences of timing differences subject to the consideration of prudence. Deferred tax assets and liabilities are measured using the tax rates enacted or substantively enacted at the balance sheet date.

Minimum alternative tax (MAT) paid in accordance to 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.

i. Consumer contribution to capital works

Consumer's contribution towards cost of capital assets is treated as capital receipt and credited in current liabilities until transferred to a separate account on commissioning of the assets. An amount equivalent to the depreciation charge for the year on such assets is appropriated from this account as income to the statement of profit and loss over the useful life of the assets.

j. Earnings per share (EPS)

The Company reports basic and diluted earnings per equity share in accordance with Accounting Standard 20, Earnings Per Share. Basic earnings per equity share has been computed by dividing net profit after tax and transfer to statutory contingency reserve, if any by the weighted average number of equity shares outstanding for the year. Diluted earnings per share is computed by dividing the net profit for the year by the weighted average number of equity shares during the year as adjusted to the effects of all dilutive potential equity shares, except where results are anti dilutive.

k. Borrowing Cost

Borrowing cost incurred for qualifying assets is capitalised upto 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.

l. Investment

Long term investments are stated at cost, less provision for diminution in value other than temporary, if any. Current investments are stated at lower of cost or fair value at the balance sheet date.

m. Impairment

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

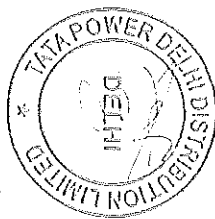
Impaired Assets are eliminated from financial statements, either on disposal or when retired from active use or on becoming redundant. Generally, such retired assets are disposed off soon thereafter.

Impairment loss and reversal of the same is recognised immediately in the Statement of profit and loss.

n. Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. A contingent liability is recognised where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

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TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2012 Rs./Lacs	As at 31.03.2011 Rs./Lacs
NOTE 3		
SHARE CAPITAL		
Authorised		
7,500 lacs [Previous year 7,500 lacs] equity shares of Rs. 10 each with voting rights.	<u>75,000.00</u>	<u>75,000.00</u>
Issued, Subscribed and Paid up		
5,520 lacs [Previous year 5,520 lacs] equity shares of Rs.10 each fully paid up with voting rights.	<u>55,200.00</u>	<u>55,200.00</u>
Of the above:		
1. 2,815.20 lacs [Previous year 2,815.20 lacs] i.e. 51% (Previous year 51%) equity shares of Rs. 10 each with voting rights are held by Tata Power Company Limited, the holding company		
2. 2,704.80 lacs [Previous year 2,704.80 lacs] i.e. 49% (Previous year 49%) equity shares of Rs.10 each with voting rights are held by Delhi Power Company Limited		
3. 1,840 lacs [Previous year 1,840 lacs] equity shares of Rs. 10 each with voting rights are allotted as fully paid up bonus shares		
4. The Company has one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held.		

NOTE 4

RESERVES AND SURPLUS

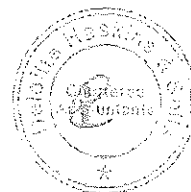
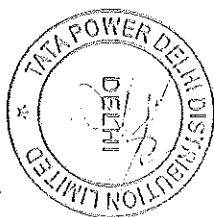
(a) General Reserve	5,300.00	5,300.00
(b) Contingency Fund (See note below)	2,053.74	2,053.74
(c) Surplus in Statement of Profit and Loss		
(i) Opening balance	93,296.14	67,478.10
(ii) Add: Additions during the year	<u>33,864.93</u>	<u>25,818.04</u>
(iii) Closing balance	<u>127,161.07</u>	<u>93,296.14</u>
	<u>134,514.81</u>	<u>100,649.88</u>

Note:

Contingency fund represents the transfer of such fund in terms of para IV of the sixth schedule to the Electricity (Supply) Act, 1948. Since Electricity (Supply) Act, 1948 has been repealed and replaced by Electricity Act, 2003 which does not have any such stipulation with regards to contingency fund; no appropriation was made from financial year 2005-06 onwards.

DERC, vide the Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2007 issued on 30 May, 2007, has stipulated that the profits arising from achieving loss levels better (i.e. lower) than specified by the DERC shall be partly retained by the Licensee in addition to the assured returns and balance transferred to the Contingency Fund. Since there is a large Revenue Gap yet to be recovered through future tariff, the Company has given representation to DERC that the consumers' share of over achievement of incentive should be transferred to Contingency Fund only when revenue surplus is determined. Pending outcome of such representation no amount has been transferred to Contingency Fund during the current year.

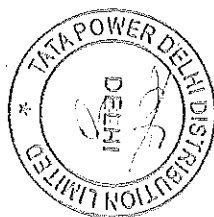
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TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2012 Rs./Lacs	As at 31.03.2011 Rs./Lacs
NOTE 5		
CAPITAL GRANTS		
(i) Opening balance	723.06	698.78
(ii) Add: Additions during the year	257.05	62.41
(iii) Less: Transfer to Statement of profit and loss	40.42	38.13
(iv) Closing balance	<u>939.69</u>	<u>723.06</u>
NOTE 6		
CONSUMER CONTRIBUTION FOR CAPITAL WORKS		
(i) Opening balance	31,791.95	27,493.76
(ii) Add: Additions during the year	3,343.82	5,498.97
(iii) Less: Transfer to Statement of profit and loss	1,405.51	1,200.78
(iv) Closing balance	<u>33,730.26</u>	<u>31,791.95</u>
NOTE 7		
LONG-TERM BORROWINGS		
(a) TERM LOANS		
From banks		
(i) Secured		
(a) Industrial Development Bank of India	-	10,208.00
(b) State Bank of Mysore	-	2,850.00
(c) State Bank of Saurashtra	2,250.00	2,850.00
(d) United Bank of India	5,500.00	6,500.00
(e) Punjab & Sind Bank	10,253.12	11,842.08
(f) Dhanlaxmi Bank	8,330.00	9,520.00
(g) Union Bank of India	19,385.93	22,076.00
(h) South Indian Bank	19,000.00	-
(i) Canara Bank	3,500.00	-
(j) Dena Bank	10,500.00	-
(k) Allahabad Bank	21,527.77	14,583.33
	<u>100,256.82</u>	<u>80,429.41</u>
(ii) Unsecured		
(a) Union Bank of India	-	10,000.00
(b) Dena Bank	15,000.00	-
(c) Syndicate Bank	50,000.00	-
(d) Canara bank	60,000.00	-
	<u>125,000.00</u>	<u>10,000.00</u>
TOTAL LONG TERM BORROWINGS FROM BANKS	<u>225,256.82</u>	<u>90,429.41</u>

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TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2012 Rs./Lacs	As at 31.03.2011 Rs./Lacs
(b) TERM LOANS		
From other parties		
(i) Secured		
(a) Infrastructure Development Finance Company Limited	55,772.50	31,782.50
(b) Power Finance Corporation Limited	1,100.00	1,500.00
(c) Axis Bank CLSS 7 Trust 2010	8,750.00	10,312.50
	<u>65,622.50</u>	<u>43,595.00</u>
(ii) Unsecured		
(a) Axis Bank CLSS 8 Trust 2010	4,500.00	6,500.00
(b) Axis Bank CLSS 2 Trust 2011	3,125.00	12,500.00
(c) Axis Bank CLSS 15 Trust 2011	5,000.00	10,000.00
	<u>12,625.00</u>	<u>29,000.00</u>
TOTAL LONG TERM BORROWINGS FROM OTHER PARTIES	<u>78,247.50</u>	<u>72,595.00</u>
TOTAL LONG TERM BORROWINGS	<u>303,504.32</u>	<u>163,024.41</u>

NOTES:

TERM LOANS - From banks

(i) Secured

(a) Industrial Development Bank of India

Term loan from Industrial Development Bank of India Limited (IDBI) was secured by first pari-passu charge on all the present and future immovable and movable assets (except book debts), a third pari-passu charge on the receivables and a first charge on a Debt Service Reserve Account (Exclusive to this loan). Repayment of 40% of the loan commenced from 15 January, 2007 and was repayable in 20 quarterly installments. The balance 60% of the loan was repayable in 20 equal quarterly installments from 15 January, 2012. This loan has been short closed in August 2011 on Reset Date.

(b) State Bank of Mysore

Term loan from State Bank of Mysore was secured by first pari-passu charge on all the present and future immovable and movable assets (except book debts), a third pari-passu charge on the receivables and a first charge on a Debt Service Reserve Account (Exclusive to this loan). Repayment of 40% of the loan commenced from 15 January, 2007 and was repayable in 20 equal quarterly installments. The balance 60% of the loan was repayable in 20 equal quarterly installments. This loan has been short closed in July 2011 on reset date.

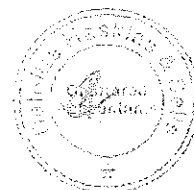
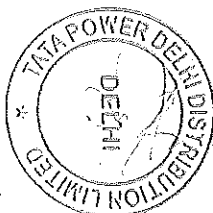
(c) State Bank of Saurashtra

Term loan from State Bank of Saurashtra at an interest rate of 9.53% per annum (p.a.) is secured by first pari-passu charge on all the present and future immovable and movable assets (except book debts), a third pari-passu charge on the receivables and a first charge on a Debt Service Reserve Account (Exclusive to this loan). Repayment of 40% of the loan had commenced from 15 January, 2007 and will be repaid in 20 equal quarterly installments of Rs. 100 lacs each. The balance 60% of the loan is repayable in 20 equal quarterly installments of Rs. 150 lacs each whose repayment has also commenced from 15 January 2012.

(d) United Bank of India

Term loan from United Bank of India at an interest rate of 9.15% p.a. is secured by first pari passu charge on all the present and future immovable and movable assets (except book debts), intangibles, rights etc. in the project documents, clearances, claims and demands of the Company in any letter of credit/ guarantee, etc., all insurance contracts/ proceeds, and a third pari passu charge over the receivables. The repayment of loan has commenced from 15 October, 2008 and will be repaid in 40 quarterly installments of Rs. 250 lacs each.

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TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(e) Punjab & Sind Bank

Term loan from Punjab & Sind Bank at an interest rate of 9.30% p.a. is secured by first pari-passu charge on all the present and future movable and immovable assets, stores and spares and a third pari-passu charge on the receivables. The repayment of loans has commenced from 15 April 2010 and 15 May 2010 and will be repaid in 38 quarterly installments of Rs. 263.16 lacs and Rs. 131.58 lacs respectively.

(f) Dhanlakshmi Bank

Term loan from Dhanlakshmi Bank at an interest rate of 13.75% p.a. is secured by first pari-passu charge on all the present and future movable and immovable assets, stores and spares and a third pari-passu charge on the receivables. Repayment of 50% of the loan had commenced from 15 April, 2010 and will be repaid in 20 quarterly installments of Rs. 297.50 lacs. The balance 50% of the loan is repayable in 8 equal quarterly installments of Rs. 743.75 lacs each, whose repayment shall commence from 15 April, 2015.

(g) Union Bank of India

The Company has entered into a term loan agreement with Union Bank of India on 5 May, 2010 for Rs. 15,000 lacs at an interest rate of BPLR of Union Bank of India minus 2.75% spread and on 24 March, 2011 for another Rs. 10,000 lacs at an interest rate of 1.75% plus Union Bank of India base rate with reset at every three years on anniversary date at 1.75% plus Union Bank of India base rate at the date of reset. Both the loans are to finance capital expenditure projects/working capital requirements of the Company. The loan of Rs. 15,000 lacs is repayable in 38 quarterly installments of Rs. 394.74 lacs each starting from 15 October, 2010 and loan of Rs. 10,000 lacs is repayable in 36 quarterly installments of Rs. 277.78 lacs each starting from 15 October, 2011. Both the loans are secured by first pari-passu charge on all the present and future movable and immovable fixed assets, stores and spares and a third pari-passu charge on the receivables.

(h) South Indian Bank

The Company has entered into a term loan agreement with South Indian Bank in current financial year for Rs. 30,000 lacs at an interest rate 12% per annum payable monthly (Base Rate 10.50% plus margin 1.50%) to be reset annually. The loan is secured by fourth pari-passu charge on all the present and future receivables and is repayable in 24 quarterly installments of Rs. 1,250 lacs each after initial two years moratorium period. The Company has drawn Rs. 19,000 lacs upto 31 March, 2012.

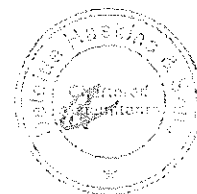
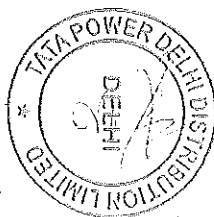
(i) Canara Bank

The Company has entered into a term loan agreement with Canara Bank in current financial year for Rs. 15,000 lacs at an interest rate 11.40% per annum payable monthly (Base Rate 10.75% plus margin 0.65%) to be reset annually. The Company has drawn Rs. 3,500 lacs upto 31 March, 2012. The loan is secured by first pari-passu charge on all the present and future movable and immovable fixed assets, stores and spares and a third pari-passu charge on the receivables and is repayable in 16 quarterly installments of Rs. 937.50 lacs each after initial two years moratorium period.

(j) Dena Bank

The Company has entered into a term loan agreement with Dena Bank in current financial year for Rs. 15,000 lacs at an interest rate 11.00% per annum payable monthly (Base Rate 10.50% plus margin 0.50%) to be reset annually. The loan is secured by first pari-passu charge on all the present and future movable and immovable fixed assets, stores and spares and a third pari-passu charge on the receivables and is repayable in 20 quarterly installments of Rs. 750 lacs each starting from 15 October, 2011.

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TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(k) Allahabad Bank

The Company has entered into term loan agreements with Allahabad Bank:

- i. For Rs. 10,000 lacs at an interest rate of 9.50% with reset at every three years, repayable in 36 quarterly installments of Rs. 277.78 lacs each starting from 15 January, 2012.
- ii. For Rs. 15,000 lacs at an interest rate of 10.50% with reset at every three years, repayable in 36 quarterly installments of Rs. 416.67 lacs each starting from 15 March, 2012.

The aforesaid loans are to finance the capital expenditure requirements of the Company and are secured by first pari-passu charge on entire fixed assets, stores and spares and a third pari-passu charge on the receivables.

- (l) Secured loans outstanding from banks amounting Rs. 9,350.00 lacs (Previous Year Rs. 25,716.00 lacs) and from other parties amounting Rs. 33,282.50 lacs (Previous Year Rs. 39,692.50 lacs) have been guaranteed by Tata Power Company Limited (the holding company).

(ii) Unsecured

(a) Union Bank of India

The Company has availed a short term loan of Rs. 10,000 lacs for working capital requirements from Union Bank of India in August, 2010 (Drawn Rs 4,500 lacs on 30 August, 2010 and Rs 5,500 lacs on 31 August, 2010) at interest rate of 9.50% payable monthly. The loan is repayable in two quarterly installments of Rs. 5,000 lacs each starting from 1 June, 2012.

(b) Dena Bank

The Company has been sanctioned a unsecured term loan of Rs. 15,000 lacs during the current year for general corporate purpose from Dena Bank at the fixed interest rate of 11.10% payable monthly with reset option every three years. The loan is repayable in two equal installments of Rs. 7,500 lacs each at the end of 4th and 5th year.

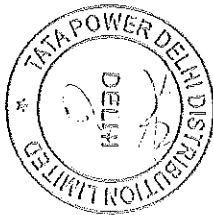
(c) Syndicate Bank

The Company has availed a term loan of Rs. 50,000 lacs during the current year for working capital requirements from Syndicate Bank at interest rate of 11.25% per annum payable monthly for a tenure of two years. The loan is repayable in bullet payment at the end of 2nd year from first disbursement.

(d) Canara Bank

The Company has entered into a term loan agreement with Canara Bank during the current year for Rs. 60,000 lacs at an interest rate 11.55% per annum payable monthly (Base Rate 10.75% plus margin 0.80%) to be reset annually. The loan is repayable in 16 quarterly installments of Rs. 3,750 lacs each after initial two years moratorium period.

Signature



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

TERM LOANS - From other parties

(i) Secured

(a) Industrial Development Finance Company Limited (IDFC)

S.No. Repayment Terms

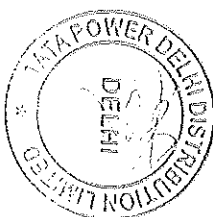
**Year end balance
(Rs./lacs)**

- | | | |
|-----|---|-----------|
| I | The Company has entered into a term loan agreement during the previous years for Rs. 27,600 lacs at an interest rate of 11.60% p.a. Repayment of the loan had commenced from 15 October, 2006 and will be repaid in 40 quarterly installments of Rs. 690 lacs each. The loan is secured by first pari-passu charge on all the present and future movable and immovable assets, intangibles, rights etc. in the project documents, clearances, claims and demands of the Company in any letter of credit/ guarantee etc., all insurance contracts/proceeds, a third pari-passu charge on the receivables and a first charge on a Debt Service Reserve Account (exclusive to this loan). | 12,420.00 |
| II | The Company has entered into a term loan agreement during the previous years for Rs. 10,000 lacs at an interest rate of 9.65% p.a. Repayment of Rs. 7,000 lacs had commenced from 15 April, 2005 and will be repaid in 40 quarterly installments of Rs. 175 lacs each. Also repayment of Rs. 3,000 lacs had commenced from 15 April, 2006 and will be repaid in 40 quarterly installments of Rs. 75 lacs each. The loan is secured by first pari-passu charge on all the present and future movable and immovable assets, intangibles, rights etc. in the project documents, clearances, claims and demands of the Company in any letter of credit/ guarantee etc., all insurance contracts/proceeds, a third pari-passu charge on the receivables and a first charge on a Debt Service Reserve Account (exclusive to this loan). | 3,300.00 |
| III | The Company has entered into term loan agreement during the previous years for Rs. 17,500 lacs at an interest rate of 10.68%. Repayment of the loan had commenced from 15 January, 2009 and will be repaid in 40 quarterly installments of Rs. 437.50 lacs thereafter. The loan is secured by first pari-passu charge on all the present and future movable and immovable assets, intangibles, rights etc. in the project documents, clearances, claims and demands of the Company in any letter of credit/ guarantee etc., all insurance contracts/proceeds, a third pari-passu charge on the receivables and a first charge on a Debt Service Reserve Account (exclusive to this loan). | 11,812.50 |
| IV | The Company has entered into term loan agreement during the previous years for Rs. 5,000 lacs at an interest rate 10.10% p.a. Repayment of the loan had commenced from 15 October 2010 and will be repaid in 40 quarterly installments of Rs. 125 lacs each. The loan is secured by first pari-passu charge on all the present and future movable and immovable assets, intangibles, rights etc. in the project documents, clearances, claims and demands of the Company in any letter of credit/ guarantee etc., all insurance contracts/proceeds, a third pari-passu charge on the receivables and a first charge on a Debt Service Reserve Account (exclusive to this loan). | 4,250.00 |
| V | The Company has entered into a term loan agreement during the current year for Rs. 30,000 lacs at an interest rate 12% per annum payable monthly (Base Rate 10.50% plus margin 1.50%) to be reset annually. The loan is secured by fourth pari-passu charge on all the present and future receivables and is repayable in 24 quarterly installments of Rs. 1250 lacs each after initial 51 months moratorium period. | 30,000.00 |

(b) Power Finance Corporation Limited

Term loan from Power Finance Corporation Limited at an interest rate of 9.00% p.a. is secured by first pari-passu charge on all the present and future movable and immovable assets, stores and spares, intangibles, a third pari-passu charge on the receivables and a first charge on a Debt Service Reserve Account (exclusive to this loan). The repayment of the loan had commenced from 15 January, 2006 and will be repaid in 40 quarterly installments of Rs. 100 lacs each thereafter.

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

(c) Axis Bank CLSS 7 Trust 2010

Term loan from Axis Bank CLSS 7 Trust 2010 at an interest rate of 9.20% p.a. is secured by first pari-passu charge on all the present and future movable and immovable assets, stores and spares, intangibles and a third pari-passu charge on the receivables. The loan is repayable in 40 equal quarterly installments of Rs. 312.50 lacs each commencing from 15 July 2010.

(ii) Unsecured

(a) Axis Bank CLSS 8 Trust 2010

Term loan from Axis Bank CLSS 8 Trust 2010 at an interest rate of 9.50% p.a. The repayment of loan availed in FY 2009-10 has commenced from 15 July, 2010 and is repayable in 20 quarterly installments of Rs. 500 lacs each thereafter.

(b) Axis Bank CLSS 2 Trust 2011

The Company has availed term loan of Rs. 12,500 lacs for capital expenditure and general corporate purposes from Kotak Mahindra Prime Limited in April 2010 at interest rate of 9.00% payable monthly. The loan has further been assigned in favor of Axis Bank CLSS 2 Trust 2011 and is repayable in 4 equal quarterly installments of Rs. 3125 lacs each commencing from 13 July, 2012.

(c) Axis Bank CLSS 15 Trust 2011

The Company has availed loan of Rs. 10,000 lacs for general corporate purpose from Kotak Mahindra Prime Limited on 14 July, 2010 at interest rate of 9.50% payable monthly. The loan has further been assigned in favor of Axis Bank CLSS 15 Trust 2011 and is repayable in 4 equal quarterly installments of Rs. 2500 lacs each commencing from 15 October, 2012.

(d) Tata Capital Limited

The Company has availed term loan of Rs. 5,000 lacs for general corporate purpose from Tata Capital Limited on 30 July, 2010 at interest rate of 9.45% payable monthly. The loan is repayable in 3 monthly installments commencing from 1 December, 2011 and same has been repaid during the year

NOTE 8

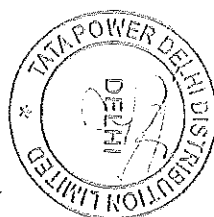
Deferred Tax (Assets) / Liabilities

- a. Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.
- b. Deferred tax liabilities as on 31 March, 2012, as detailed below reflect the quantum of tax liabilities accrued up to 31 March, 2012.

Particulars	Opening	(All amounts in Rs./lacs) Charged/ (Credited) to Statement of Profit and	Closing
Deferred Tax Liabilities			
Tax Impact of difference between carrying amount of fixed assets in the financial statements and the Income tax return	22,653.09	5,281.33	27,934.42
	<u>22,653.09</u>	<u>5,281.33</u>	<u>27,934.42</u>

- c. In accordance with MYT regulations for determination of tariff, deferred tax liability 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 tax that is actually payable and the deferred tax liability as at 31 March, 2012 of Rs. 27,934.42 lacs (Previous Year Rs. 22,653.09 lacs) including deferred tax charge of Rs. 5,281.33 lacs (Previous Year Rs. 4,275.35 lacs) for the year ended 31 March, 2012 has been shown as adjustable from future tariff.

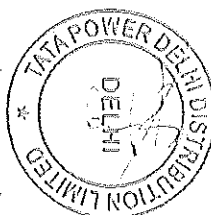
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TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2012 Rs./Lacs	As at 31.03.2011 Rs./Lacs
NOTE 9		
OTHER LONG TERM LIABILITIES		
(a) Trade payables	-	-
(b) Trade deposits and security deposits		
(i) Consumers' security deposit	35,999.54	26,576.18
(ii) Consumers' deposits for works	32,119.80	19,053.78
(iii) Other security deposits	92.72	106.77
(c) Other payables	-	-
	<u>68,212.06</u>	<u>45,736.73</u>
NOTE 10		
LONG TERM PROVISIONS		
(a) Provision for employees benefits	1,281.81	954.76
	<u>1,281.81</u>	<u>954.76</u>
NOTE 11		
SHORT-TERM BORROWINGS		
(a) LOANS REPAYABLE ON DEMAND		
From banks		
(i) Secured		
(a) Cash credit	6,216.13	10,277.02
(b) TERM LOANS		
From banks		
(i) Unsecured		
(a) Punjab National Bank	-	10,000.00
(b) Punjab & Sind Bank	10,000.00	15,000.00
(c) Yes Bank	5,000.00	-
(d) Karnataka Bank Limited	10,000.00	5,000.00
(e) Dena Bank	-	6,000.00
(f) South Indian Bank	-	10,000.00
	<u>31,216.13</u>	<u>56,277.02</u>
From other parties		
(i) Unsecured		
(a) Yes Bank Commercial Paper	10,000.00	-
	<u>10,000.00</u>	<u>-</u>
	<u>41,216.13</u>	<u>56,277.02</u>

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TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTES:

LOANS REPAYABLE ON DEMAND - From Banks

Secured

Cash credit

The Company has availed cash credit limits from consortium of four banks led by State Bank of India. These cash credits are secured by a third charge on receivables and first charge on stores and spares (not relating to plant and machinery) and first pari passu charge on fixed assets.

TERM LOANS - From Banks

(i) Unsecured

(a) Punjab National Bank

The Company has availed a short term loan of Rs. 10,000 lacs for working capital requirements from Punjab National Bank in October, 2010 (Drawn Rs 5,000 lacs on October 29, 2010 and Rs 5,000 lacs on October 30, 2010) at floating interest rate of 0.75 % plus PNB base rate payable monthly. The loan was repayable after twelve months from the date of first disbursement and the same has been repaid during the year.

(b) Punjab & Sind Bank

The Company has availed a short term loan of Rs. 5,000 lacs on February 04, 2011 at interest rate of 11.25% payable monthly and another short term loan of Rs. 10,000 lacs on March 28, 2011 at interest rate of 11.00% for working capital requirements from Punjab & Sind Bank. Both the loans have been repaid during the year after 12 months from the date of respective disbursement.

The Company has availed a short term loan of Rs. 10,000 lacs for working capital requirements from Punjab & Sind Bank on April 29, 2011 at interest rate of 11.25% per annum payable monthly. The loan is repayable after twelve months from the date of first disbursement.

(c) Yes Bank

The Company has availed a short term loan of Rs. 5,000 lacs for working capital requirements from Yes Bank on May 6, 2011 at interest rate of 12.60% per annum payable monthly. The loan is repayable after twelve months from the date of first disbursement.

(d) Karnataka Bank Limited

The Company has availed a short term loan of Rs. 7,000 lacs on May 31, 2011 and Rs. 3,000 lacs on June 03, 2011 for working capital requirements from Karnataka Bank at interest rate of 12.50% per annum payable monthly. The loan is repayable after twelve months from the date of first disbursement.

(e) Dena Bank

The Company had availed a short term loan of Rs. 6,000 lacs for working capital requirements from Dena Bank in October, 2010 (Drawn Rs 2,500 lacs on October 30, 2010 and Rs 3,500 lacs on November 30, 2010) at interest rate of 9.25% payable monthly. The loan was repayable after twelve months from the date of first disbursement and same has been repaid during the year.

(f) South Indian Bank

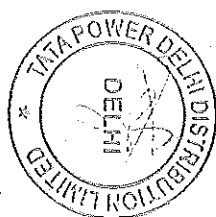
The Company had availed a short term loan of Rs. 10,000 lacs for working capital requirements from South Indian Bank in February 2011 (Drawn Rs. 5,000 lacs on 10 February, 2011 and Rs. 5,000 lacs on 28 February, 2011) at interest rate of 11.00% payable monthly. The loan is repayable after twelve months from the date of first disbursement and the same has been repaid during the year.

TERM LOANS - From other parties

(i) Unsecured - Yes Bank Commercial Paper

The Company has issued commercial papers at Rs. 8,976.16 lacs, face value Rs. 10,000 lacs to Yes Bank at a discount equivalent of 11.41% per annum on 13 June, 2011. Maturity date of these commercial papers is 12 June, 2012.

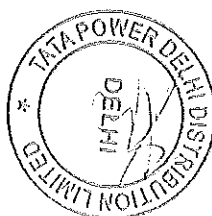
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TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2012 Rs./Lacs	As at 31.03.2011 Rs./Lacs
NOTE 12		
TRADE PAYABLES		
Other than acceptances (See note below)	52,033.99	51,743.73
	<u>52,033.99</u>	<u>51,743.73</u>
Based on the information available with the Company, the balance due to Micro and Small Enterprise as defined under the MSMED Act, 2006 is Rs. 104.08 lacs. (Previous year Rs. 19.12 lacs) and no interest during the year has been paid or payable under the terms of the MSMED Act, 2006. This has been relied upon by the auditors.		
NOTE 13		
OTHER CURRENT LIABILITIES		
(a) Current Maturities Of Long Term Loans		
From banks		
(i) Secured		
(a) Industrial Development Bank of India	-	1,408.00
(b) State Bank of Mysore	-	450.00
(c) State Bank of Saurashtra	600.00	450.00
(d) United Bank of India	1,000.00	1,000.00
(e) Punjab & Sind Bank	1,578.96	1,578.96
(f) Dhanlaxmi Bank	1,190.00	1,190.00
(g) Union Bank of India	2,690.07	2,134.52
(h) Dena Bank	3,000.00	-
(i) Allahabad Bank	2,777.78	416.67
	<u>12,836.81</u>	<u>8,628.15</u>
(ii) Unsecured		
Union Bank of India	10,000.00	-
	<u>10,000.00</u>	<u>-</u>

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TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

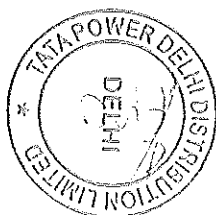
	As at 31.03.2012 Rs./Lacs	As at 31.03.2011 Rs./Lacs
From other parties		
(i) Secured		
(a) Infrastructure Development Finance Company Limited	6,010.00	6,010.00
(b) Power Finance Corporation Limited	400.00	400.00
(c) Axis Bank CLSS 7 Trust 2010	1,562.50	1,250.00
	<u>7,972.50</u>	<u>7,660.00</u>
(ii) Unsecured		
(a) Axis Bank CLSS 8 Trust 2010	2,000.00	2,000.00
(b) Axis Bank CLSS 2 Trust 2011	9,375.00	-
(c) Axis Bank CLSS 15 Trust 2011	5,000.00	-
(d) Tata Capital Limited		5,000.00
	<u>16,375.00</u>	<u>7,000.00</u>
(b) Interest accrued but not due on borrowings	681.25	639.26
(c) Income received in advance	-	3.60
(d) Bank overdraft	14.10	367.84
(e) Trade deposits and security deposits		
(i) Consumers' security deposit	1,230.00	1,477.94
(ii) Consumers' deposits for works	1,507.37	1,246.57
(iii) Other security deposits	6,725.30	6,332.07
(f) Other payables	8,049.68	7,611.56
	<u>18,207.70</u>	<u>17,678.84</u>
	<u>65,392.01</u>	<u>40,966.99</u>
Other payables includes:		
Statutory dues	3,226.46	3,471.43
Payables on purchase of fixed assets	778.54	1,129.35
Advance from consumers	2,879.00	2,007.81
Others	1,165.68	1,002.97

NOTE 14

SHORT TERM PROVISIONS

(a) Provision for employees benefits	450.50	313.72
(b) Provision for taxation [Net of payment of Income tax and FBT Rs. 28,170.69 lacs and Rs. 0.09 lacs respectively]	1,712.00	-
(c) Provision for wealth tax	9.84	13.89
	<u>2,172.34</u>	<u>327.61</u>

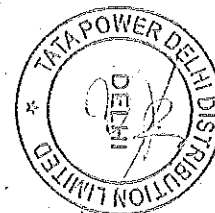
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TATA POWER DELHI DISTRIBUTION LIMITED
(FORMERLY NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 15		DEPRECIATION AND AMORTISATION									
1. FIXED ASSETS (At Cost)		GROSS BLOCK					NET BLOCK				
Particulars	As at 01.04.2011	Additions	Borrowing Costs	Deletions	As at 31.03.2012	As at 01.04.2011	For the Year	Deletions	As at 31.03.2012	As at 31.03.2011	As at 31.03.2011
A) TANGIBLE											
(a) Buildings - Plant	10,705.71	4,579.11	05.40	-	25,450.22	5,063.50	902.09	-	6,665.67	16,704.55	12,922.13
(b) Building - Others	3,351.93	-	-	-	3,351.93	1,468.48	48.38	-	1,516.86	1,035.07	1,003.65
(c) Plant and machinery	169,510.15	26,721.88	221.41	1,682.07	194,771.37	46,232.38	9,086.95	1,191.46	54,147.05	140,623.52	125,257.77
(d) Transmission lines and cable network	150,446.02	14,092.14	126.08	3.99	164,655.25	56,468.04	5,127.10	3.59	61,591.55	103,063.70	93,977.98
(e) Furniture and fixtures	928.02	57.06	-	-	985.08	514.92	52.98	-	567.90	417.90	413.10
(f) Vehicles	1,777.46	1,012.05	-	113.65	2,652.85	406.94	189.87	113.35	487.56	1,969.30	1,370.52
(g) Office equipment	2,297.41	390.36	1.35	46.98	2,650.14	661.02	152.21	24.32	780.91	1,061.23	1,636.30
Total	347,096.70	46,861.40	434.24	2,074.69	392,317.65	111,655.36	13,459.58	1,332.66	125,762.30	246,856.95	225,461.34
Previous year	293,450.38	56,410.20	3,269.62	4,031.98	347,096.70	101,031.60	12,729.78	2,126.02	111,632.36	235,461.34	
B) INTANGIBLE											
Computer software	3,030.56	1,550.96	11.79	-	4,601.31	1,372.45	473.99	-	1,046.23	2,754.96	1,666.11
Total	3,030.56	1,550.96	11.79	-	4,601.31	1,372.45	473.99	-	1,046.23	2,754.96	1,666.11
Previous year	2,791.03	247.53	-	-	3,030.56	1,010.64	361.81	-	1,372.45	1,666.11	
Grand Total	350,127.26	48,412.36	446.03	2,074.69	396,918.96	113,027.81	13,933.48	1,332.66	127,608.65	249,210.34	227,127.45
As at 31.03.2011	296,241.41	56,652.73	1,269.62	4,033.50	352,135.26	102,043.24	11,091.59	2,126.02	113,002.61	237,127.45	
2. CAPITAL WORK - IN - PROGRESS (CWIP) (See note below)											
	39,761.68	25,962.05	804.63	47,217.61	29,100.75	-	-	-	-	29,100.75	39,708.60
As at 31.03.2011	39,177.47	50,550.43	493.51	36,061.73	39,761.68	-	-	-	-	39,761.68	

CWIP includes dwelling capital inventory of Rs. 7,306.10 lacs (Previous year Rs. 8,599.77 lacs)



TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2012 Rs./Lacs	As at 31.03.2011 Rs./Lacs
NOTE 16		
NON - CURRENT INVESTMENTS (See note 2(I))		
Long term, Trade Investments (unquoted) Investments in equity instruments of subsidiary company		
(a) NDPL Infra Limited 0.50 lacs (Previous year Nil) Equity Shares of Rs. 10 each	5.00	-
Other Investments, Non Trade Investments (quoted)* Investment in Government Securities		
(a) 11.56 lacs (Previous year 11.56 lacs) units of Rs 100 each in 7.40% GOI securities (2012)	-	1,175.34
(b) 7.40 lacs (Previous year 7.40 lacs) units of Rs 100 each in 7.49% GOI securities (2017)**	748.94	750.20
	<u>753.94</u>	<u>1,925.54</u>
* earmarked against Contingency Fund ** Market Value Rs. 707.22 lacs (Previous year Rs. 723.42 lacs)		

NOTE 17

LONG TERM LOANS AND ADVANCES
Unsecured and considered good

(a) Capital advances	4,091.07	3,362.50
(b) Security deposits	92.02	92.03
(c) Recoverable from SVRS Trust (See note 25f)	1,138.75	1,780.51
(d) Other loans and advances	7,585.79	2,810.68
	<u>12,907.63</u>	<u>8,045.72</u>
Other loans and advances include:		
Recoverable on account of short supply of gas	2,097.59	952.35
Income tax paid under protest against demand	5,414.79	1,850.00
Others	73.41	8.33

NOTE 18

OTHER NON CURRENT ASSETS
Unsecured and considered good

Tariff recoverable account	<u>395,369.00</u>	<u>217,206.00</u>
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NOTE 19

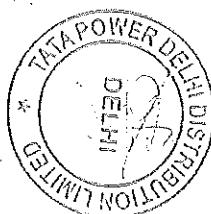
CURRENT INVESTMENTS
(See note 2(I))
Other Investments (quoted)*

Investment in Government Securities

(a) 11,55,500 (Previous year 11,55,500) units of Rs 100 each in 7.40% GOI securities (2012) *	<u>1,157.14</u>	<u>-</u>
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* Market Value Rs 1,154.49 lacs (Previous year Rs. 1,154.92 lacs)

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

	As at 31.03.2012 Rs./Lacs	As at 31.03.2011 Rs./Lacs
NOTE 20		
INVENTORIES		
(a) Stores and spares	1,185.02	1,501.85
(b) Loose tools	67.26	19.71
	<u>1,252.28</u>	<u>1,521.56</u>

Inventories of stores and spares parts and loose tools are valued at lower of cost net of provision for diminution in value or net realisable value.

NOTE 21

TRADE RECEIVABLES

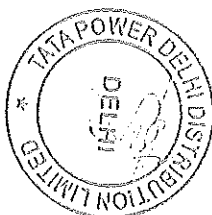
(a) Debtors for billed revenue*		
(i) Debts outstanding for a period exceeding six months from the date they were due for payment	11,007.45	9,263.34
Less: Provision for doubtful debts	<u>11,007.45</u>	<u>9,263.34</u>
(ii) Other Debts	11,454.06	13,056.54
Less: Provision for doubtful debts	<u>1,064.37</u>	<u>1,493.69</u>
	10,389.69	11,562.85
(b) Debtors for sale of power other than TPDDL license area		
Other debts - unsecured	153.58	59.13
(c) Other debtors		
Other debts - unsecured	<u>317.07</u>	<u>241.64</u>
	<u>10,860.34</u>	<u>11,863.62</u>
Of the above amounts,		
Considered good	10,860.34	11,863.62
Considered doubtful	<u>12,071.82</u>	<u>10,757.03</u>
* Secured	5,590.51	4,201.05
Unsecured	16,871.00	18,118.83

NOTE 22

CASH AND CASH EQUIVALENTS

(i) Balance with banks		
- In current accounts	8,647.48	6,125.33
- In deposits accounts	210.00	1,006.00
(ii) Cheques, drafts on hand	1,462.32	1,008.71
(iii) Cash on hand	55.74	64.12
	<u>10,375.54</u>	<u>8,204.16</u>
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements	10,375.54	8,204.16

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TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
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As at 31.03.2012 Rs./Lacs	As at 31.03.2011 Rs./Lacs
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NOTE 23

SHORT TERM LOANS AND ADVANCES

Unsecured and considered good

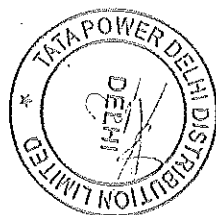
(a) Security deposits	339.23	388.53
(b) Income tax paid and tax deducted at source [Net of provision for income tax and FBT (Previous year Rs. 20,954.91 lacs and Rs. 322.90 lacs respectively)]	-	978.18
(c) Recoverable from SVRS Trust (See note 25f)	1,629.21	2,168.01
(a) Other loans and advances	3,505.74	3,257.05
	<u>5,474.18</u>	<u>6,791.77</u>
Other loans and advances includes:		
Recoverable on account of short supply of gas	659.79	912.01
Prepaid expenses	474.40	562.82
Unamortised discount on commercial paper	201.96	-
Insurance claims recoverable	1,694.45	370.84
Others	475.14	1,411.38

NOTE 24

OTHER CURRENTS ASSETS

Unsecured and considered good

(a) Interest accrued but not due	70.57	104.06
(b) Unbilled revenue	21,475.74	14,844.58
	<u>21,546.31</u>	<u>14,948.64</u>



TATA POWER DELHI DISTRIBUTION LIMITED
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NOTE 25

Contingent Liabilities and commitments
(to the extent not provided for)
Particulars

	As at 31.03.12 Rs./lacs	As at 31.03.11 Rs./lacs
a. Claims against the Company not acknowledged as debts:		
i. Legal cases filed by consumers, employees and others under litigation	782.47	681.22
ii. Property tax demands raised by municipal authorities	692.00	632.00
iii. Water charges demand raised by Delhi Jal Board (DJB)	28.14	38.99
iv. Sales tax authorities	1,005.00	1,005.00
b. Liabilities arising out of litigation etc due to provisions of Transfer Scheme pursuant to Delhi Electricity Reforms Act, 2002	100.00	100.00
c. Taxation matters for which liability, relating to issues of deductibility and taxability, is disputed by the Company and provision is not made (computed on the basis of assessments which have been re-opened and assessments remaining to be completed):		
(i) Matters on which there are decisions of the appellate authorities in the Company's favor, not accepted by the tax authorities (this includes where case is pending before CIT (A))	7,551.65	4,327.97
(ii) Interest demanded (as per demand order and appeal effect order)	2,840.64	2,889.33
(iii) TOTAL DEMAND*	10,392.29	7,217.30
(iv) Advance paid under protest / adjusted by Income tax authority	5,414.79	3,391.69
*No provision is considered necessary since the Company expects favorable decisions.		
d. 'C' Forms pending issue from Sales Tax Department for the financial year 2002-03, 2003-04, 2008-09, 2009-10, 2010-11 and 2011-12	65.87	59.44
e. Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	35,478.87	39,167.41

f. The Company had introduced a Voluntary Separation Scheme (VSS) for its employees in December 2003, in response to which 1,798 employees were separated. As per the Scheme, the retiring employees were paid Ex-gratia separation amount by the Company. They were further entitled to Retiral Benefits (i.e. gratuity, leave encashment, pension commutation, pension, medical and leave travel concession), the payment obligation of which became a matter of dispute between the Company and the DVB Employees Terminal Benefit Fund 2002 ('the Trust'). The Trust is, however, 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. On 1 November, 2004, the Company entered into a Memorandum of Understanding with the Government of National Capital territory of Delhi (GNCTD) and a special Trust namely Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 Trust (SVRS RTBF, 2004 Trust) was created.

For resolution of the issue through the process of law, the Company had filed a Writ, before the Hon'ble Delhi High Court. The Hon'ble Court has pronounced its judgement on this issue on 2 July, 2007 whereby it has provided two options to the Discoms for paying terminal benefits / residual pension to the Trust:

- (i) Terminal benefits due to the VSS optees and to be paid by Discoms which shall be reimbursed to Discoms by the Trust without interest on normal retirement / death (whichever is earlier) of such VSS optees. In addition, the Discoms shall pay the Retiral Pension to VSS optees till their respective dates of normal retirement, after which the Trust shall commence payment to such optees.
- (ii) The Trust to pay the terminal benefits and all dues of the VSS optees and Discoms to pay to the trust an 'Additional Contribution' required on account of premature payout by the Trust which shall be computed by an Arbitral Tribunal of Actuaries.

The Company considers the second option as more appropriate and also estimates that the liability under this option shall be lower than under the first option which is presently being followed. Pending computation of the liability by the Arbitral Tribunal of Actuaries due to delay in appointment of the same, no adjustment has been made in these financial statements. Though the Hon'ble Delhi High Court had pronounced that Actuaries are to be appointed within a stipulated period.

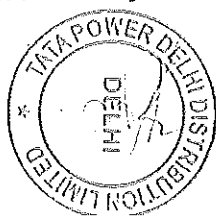
While the writ petition was pending, the Company had already advanced Rs. 7,774.35 lacs (Previous Year Rs. 7,774.35 lacs) to the SVRS Trust for payment of retiral dues to separated employees. Against this, the Company had recovered Rs. 2,971.04 lacs (Previous Year Rs. 2,971.04 lacs) and adjusted an amount of Rs. 2,836.61 lacs (Previous Year Rs. 1,655.90 lacs) from pension, leave salary and other contribution totaling to Rs. 5,807.65 lacs (Previous Year Rs. 4,626.94 lacs), against a claim of Rs. 6,441.68 lacs (Previous Year Rs. 5,674.44 lacs) from the SVRS Trust in respect of retirees, who have expired or attained the age of superannuation till 31 March, 2012.

In addition to the payment of terminal benefits / residual pension to the Trust, the Hon'ble Delhi High Court in its above Order has held that the Discoms are liable to pay interest @ 8% per annum on the amount of terminal benefits for the period from the date of voluntary retirement to the date of disbursement. Consequently, the Company has paid Rs. 801.27 lacs in FY 2008-09 as interest to VSS optees.

The Company is of the opinion that the total liability for payment of terminal benefits to the trust based on actuarial valuation including payment of interest to VSS optees, would be less than the amount of retiral pensions already paid to the VSS optees and charged to statement of profit and loss. Consequently, pending valuation of 'Additional Contribution' to be computed by an Arbitral Tribunal of Actuaries, the Company has shown interest of Rs. 801.27 lacs (Previous Year Rs. 801.27 lacs) paid to VSS optees, in addition to retiral dues of Rs. 1,966.70 lacs (Previous Year Rs. 3147.41 lacs), as recoverable.

Apart from this, the Company has also been paying the retiral pension to the VSS optees till their respective dates of normal retirement or death (whichever is earlier). DERC has approved the aforesaid retiral pension amount in its Aggregate Revenue Requirement (ARR) and the same has therefore been charged to the statement of profit and loss.

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

	Year ended 31.03.2012 Rs./Lacs	Year ended 31.03.2011 Rs./Lacs
NOTE 26		
OTHER OPERATING INCOME		
(a) Late payment surcharge collected	2,114.39	1,743.87
(b) Service line charges	4,062.62	3,555.56
(c) Commission on		
- DVB arrears collection	10.26	3.11
- Energy tax collection	429.70	379.52
(d) Maintenance charges	1,939.52	1,557.85
(e) Rebate on power purchase	3,586.54	2,345.23
(f) Interest on investment in Government Securities	-	122.28
(g) Transfer from capital grants	40.42	38.13
(h) Transfer from consumer contribution for capital works	1,405.51	1,200.78
(i) Provision for doubtful debts/advances no longer required written back	-	1,618.01
(j) Foreign exchange fluctuation gain (net)	4.42	0.94
(k) Miscellaneous operating income	826.37	525.43
	<u>14,419.75</u>	<u>13,090.71</u>

NOTE 27

OTHER INCOME

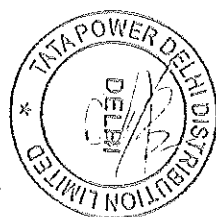
(a) Interest	509.83	155.57
(b) Net gain on sale of current investments (non trade)	630.84	2.39
(c) Income other than energy business	429.87	200.13
(d) Other non operating income	100.14	33.93
	<u>1,670.68</u>	<u>392.02</u>

NOTE 28

FUEL COST

(a) Fuel cost (gross)	13,692.51	5,907.51
(b) Less: Capitalised/during trial - run	-	4,109.54
(c) Fuel cost (net)	<u>13,692.51</u>	<u>1,797.97</u>

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TATA POWER DELHI DISTRIBUTION LIMITED
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NOTE 29

Power Purchase Cost

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 a Unscheduled Interchange (UI) charge. During the current year, the Company has sold/under-drawn 1,654.87 (Previous Year 1,051.34) million units of power to / in favour of other utilities. The power purchase cost Rs. 381,021.85 lacs (Previous Year Rs. 308,970.80 lacs) is net of sale of power/ UI receivables Rs. 49,292.24 lacs (Previous Year Rs. 31,397.25 lacs) and excludes in- house power generation cost.

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 agreed period. Power banking transactions both ways are recorded at the rate of Rs. 4.00 per unit being the applicable rate as per directive of DERC/ contract rate. Details of power banked during the year ended 31 March, 2012 are as follows:

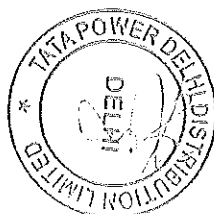
	Year ended 31.03.2012	Year ended 31.03.2011
	Mus	Mus
Opening balance as at 1-April, 2011 (A)	(35.71)	195.70
Power banked (Outflow) (B)	35.71	158.28
Power due against banked (C)	35.71	157.86
Actual receipt (D)	-	383.17
Power due against receipt (E)	-	389.27
Balance receivable/ (payable) (F) = A + C - E	-	(35.71)
	Year ended 31.03.2012	Year ended 31.03.2011
	Rs./Lacs	Rs./Lacs

NOTE 30

EMPLOYEE BENEFIT EXPENSES

(a) Salaries, allowances and incentives	25,858.39	21,742.91
(b) Contribution to provident and other funds	2,562.61	2,263.15
(c) Staff welfare expenses	1,855.13	1,360.45
(d) Other personnel cost	515.26	450.49
	30,791.39	25,817.00
Less: Transferred to Capital-work-in-progress	3,126.68	2,991.42
	27,664.71	22,825.58
(e) Pension and other payment to VSS retirees	689.85	809.60
	28,354.56	23,635.18

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

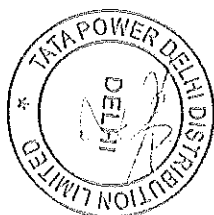
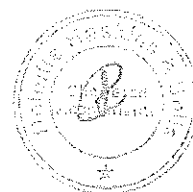
	Year ended 31.03.2012 Rs./Lacs	Year ended 31.03.2011 Rs./Lacs
NOTE 31		
FINANCE COSTS		
(a) Interest on term loan (gross)	16,165.54	12,141.51
Less: Capitalised	1,130.66	1,765.13
Interest on term loans (net)	15,034.88	10,376.38
(b) Interest on cash credit accounts/short term loans	17,687.89	5,241.44
(c) Interest on consumer security deposits (See note below)	1,958.13	1,640.99
(d) Other borrowing costs	230.79	25.51
	<u>34,911.69</u>	<u>17,284.32</u>

Note:

Interest on Consumer Security Deposit

As per the provisions of section 47(4) of the Electricity Supply Act, 2003 interest on consumer security deposits is payable at the bank rate as per the notification by DERC. During the year 2007, DERC had issued Delhi Electric Supply Code and Performance Standards Regulations, which came into force from 18 April, 2007 through notification in the Official Gazette. As per clause 16 (vi) of the Regulations, interest at the rate of 6% per annum is payable on consumer security deposits received from all consumers. In view of the fact that the matter of liability on account of opening consumer security deposits in excess of Rs. 1,000 lacs (Previous Year Rs. 1,000 lacs) 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 Rs. 1,000 lacs (Previous Year Rs. 1,000 lacs), the Company has provided interest expense aggregating to Rs. 1,958.13 lacs (Previous Year Rs. 1,640.99 lacs) 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 Rs. 222.43 lacs (Previous Year Rs. 192.07 lacs) 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 Rs. 1,000 lacs liability transferred to it as per the statutory transfer scheme.

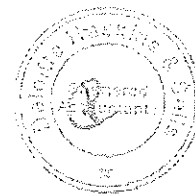
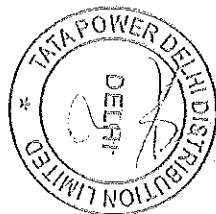
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TATA POWER DELHI DISTRIBUTION LIMITED
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Year ended 31.03.2012 Rs./Lacs	Year ended 31.03.2011 Rs./Lacs
NOTE 32		
OTHER EXPENSES		
OPERATING AND MAINTENANCE EXPENSES		
(a) Stores and spares consumed (Net of recoveries)	2,281.21	1,707.24
(b) Repairs and maintenance:		
(i) Building	238.18	287.12
(ii) Plant and machinery	7,037.36	4,552.67
(iii) Others	3,404.22	3,277.83
(c) Loss on sale / retirement of assets	4.35	861.00
	<u>12,965.32</u>	<u>10,685.86</u>
ADMINISTRATIVE AND GENERAL EXPENSES		
(a) Communication expenses	313.39	308.32
(b) Printing and stationery	279.14	276.73
(c) Legal and professional charges (see note 41)	810.76	876.13
(d) Travelling and conveyance	273.35	267.40
(e) Insurance	222.64	189.40
(f) Advertisement, publicity and business promotion	228.40	265.12
(g) Rent and hire charges	38.29	74.58
(h) Rates and taxes	175.28	168.39
(i) Freight, handling and packing expenses	83.55	77.51
(j) Bill collection and distribution expenses	646.47	663.26
(k) Postage and courier charges	37.82	30.47
(l) EDP expenses	528.64	476.00
(m) Housekeeping expenses	410.97	336.35
(n) Bad debts written off	3.97	102.32
(o) Provision for doubtful debts/advances	1,001.27	-
(p) Miscellaneous expenses	832.28	714.74
	<u>5,886.22</u>	<u>4,826.72</u>
	<u>18,851.54</u>	<u>15,512.58</u>

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TATA POWER DELHI DISTRIBUTION LIMITED
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NOTE 33

Income recoverable from future tariffs

a. For the First Multi Year Control Period from 1 April, 2007 till 31 March, 2011, determination of Retail Supply Tariff (RST) chargeable by the Company to its consumers was governed by DERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2007 dated 30 May, 2007 (MYT Regulations). DERC vide its order dated 10 May, 2011 has extended applicability of the aforesaid regulation for another one year and also fixed the AT&C loss target for FY 11-12 at 13%. According to these regulations DERC shall determine the RST in a manner that the Company recovers its power purchase costs as well as other prudently incurred distribution expenses and earns an assured return of 16% p.a. on DERC approved equity subject to achievement of Aggregate Transmission and Commercial (AT&C) loss reduction targets. In the event of over-achievement of AT&C loss reduction targets, the Company is entitled to retain a portion of such additional revenue realised which is in addition to the assured return of 16% p.a. on DERC approved equity. The balance additional profits from overachievement, after adjustments for any amounts recoverable by the Company through future tariffs are required to be transferred to the contingency reserve account or as directed by DERC for utilisation in future tariff determinations.

b. The deficit with respect to power purchase costs and other uncontrollable parameters which are recoverable from future tariffs in accordance with the provisions of the MYT Regulations aggregates to Rs. 178,163.00 lacs (including Rs. 3,243.05 lacs pertaining to prior period) (Previous period Rs. 115,643.00 lacs) for year ended 31 March, 2012. This includes Rs. 7352.00 lacs, arising out of issues adjudicated in favour of the Company by the Hon'ble Appellate Tribunal for Electricity (ATE Orders).

ATE orders as stated above were in respect of appeals filed by the Company against the Orders passed by DERC for:

- Petition filed on 29 September, 2007 seeking true up of Annual Revenue Requirement (ARR) of respective years in the Policy Direction period (i.e. FY 03 to FY 07) and approval of ARR for the Multi Year Tariff (MYT) period FY 2007-08 to FY 2010-11 based on regulations which was disposed of by the DERC vide its MYT Order dated 23 February, 2008.
- Petition filed on 1 December, 2008 for true-up of the ARR for the First year of the Control Period i.e. 2007-08 and for approval of Revised ARR for FY 2008-09, FY 2009-10. This Petition was disposed of by the DERC vide order dated 28 May, 2009.
- c. The Company had filed a true up petition for FY 2008-09 and an ARR petition for FY 2010-11 on 1 December, 2009. The Company and other discoms had represented to GoNCTD and DERC that a Cost Reflective Tariff should be fixed by DERC, keeping in view the revenue gap that had arisen in FY 2009-10 due to the power purchase costs being higher than what was factored by DERC in the prevailing tariffs and sixth pay commission payouts. GoNCTD had issued a Policy Direction to DERC to keep the tariff order in abeyance until the Statutory Advice sought by GoNCTD from DERC in respect of the issues raised by the Discoms was issued. The DERC on 15 December, 2010 had submitted a Statutory Advice to GoNCTD confirming that a large Revenue Gap existed due to increase in power purchase costs and that the tariffs were lower than what they ought to be.

A public interest litigation (PIL) had been also been filed by Mr. N K Garg with the Hon'ble Delhi High Court seeking amongst others withdrawal of policy directions by GoNCTD and issuance of tariff order by DERC. The PIL had been disposed of by the Hon'ble Delhi High Court vide order date 23 May, 2011 directing DERC to determine the Tariff afresh.

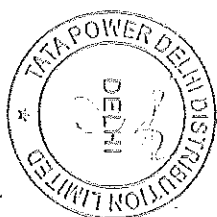
Further, the Company had filed a true up petition for FY 2009-10 on 29 June, 2010 and also filed a petition for 'Approval of the ARR for financial year 2011-12 and review of financial year 2010-11 had been filed with DERC on 22 March, 2011.

The above stated petitions were disposed off and the Order for True Up for FY 2008-09, 2009-10 and Aggregate Revenue Requirement (ARR) for FY 2011-12 ('Tariff Order') has subsequently been released by DERC on 26 August, 2011. The Tariff Order has stipulated an upward revision with effect from 1 September, 2011. As per DERC press note dated 26 August, 2011 the revised tariffs represent 21.77% increase over the tariffs determined by DERC in May 2009. Further, in its Order, DERC has also allowed implementation of fuel surcharge adjustment wherein the difference in the actual variable cost incurred and the variable cost factored by DERC in Tariff Computation shall be allowed to be recovered on a quarterly basis. The above fuel price adjustment was applicable from the quarter ended 31 December, 2011 in terms of the Tariff Order.

- d. During the year DERC has released MYT Regulations which are applicable for the period FY 2012-13 to FY 2014-15. According to these Regulations the Company was required to file petitions for true up of FY 2010-11, ARR for FY 2012-13 to FY 2014-15 and tariff determination for FY 2012-13. The Company has filed these petitions on 7 February, 2012 and the proceedings are in progress. The earlier MYT Regulations were applicable for the extended period of FY 2011-12.
- e. The Company has filed a petition before DERC seeking determination of provisional Generation Tariff for 108 MW Rithala Combined Cycle Power Plant (Purchased as second hand) ('Generation Plant') under Section 62 read with Part VII of the Electricity Act, 2003 and the Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Generation Tariff) Regulations, 2007 in October 2011 and the proceedings are in progress.

During the process of determination of Generation Tariff DERC may also determine the life of Generation Plant.

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NOTE 34

Current Tax

The Company had made provision for bad debts out of its receivables from the customers for the FY 2002-03 to FY 2006-07. The Company did not add back the provision for doubtful debts while computing book profits u/s 115JB of the Income Tax Act, 1961 as the Company was of the view that provision for doubtful debts is not a provision for unascertained liability but a provision for diminution in value of an asset. Further there were judicial precedents saying that provision in doubtful debts is a diminution in value of asset and therefore is not to be added back to book profits.

The Finance Act 2009 has made a retrospective amendment in Section 115JB for adding back the provision for diminution in value of an asset while computing book profits under this section. Since the provisions of Section 115JB has been amended retrospectively w.e.f. assessment year 1 April 2001, the Company has made a provision for tax on provision for doubtful debts for FY 2002-03 to FY 2006-07 amounting to Rs. 1,416.13.

NOTE 35

Earnings Per Share

The earnings considered in ascertaining the Company's EPS comprises the profit available for shareholders (i.e. profit after tax and statutory/regulatory appropriations).

Particulars	Units	Year ended 31.03.12	Year ended 31.03.11
Profit after tax	Rs./lacs	33,864.93	25,818.04
Weighted average number of equity shares	Nos./lacs	5,520.00	5,520.00
Basic and diluted earnings per share of Rs. 10 each	Rs.	6.13	4.68
Nominal Value of equity shares	Rs.	10	10

The Company did not have any potential dilutive equity shares

NOTE 36

Disclosure pursuant to Accounting Standard 15 (revised 2005) on 'Employee benefits'

a. Defined contribution plan

i. Provident Fund Plan

The Company makes contributions 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.

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 Rs. 1,606.15 lacs (Previous Year 1,527.67 lacs) has been charged to statement of profit and loss during the year.

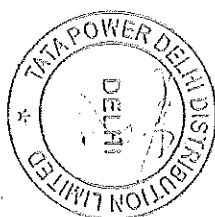
b. Defined Benefit plan (Gratuity Plan)

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.

c. Policy for recognising actuarial gains and losses

Actuarial gains and losses arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognised in the statement of profit and loss as income or expense.

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TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

d. 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, 2012:

i. Change in benefit obligations:

Particulars		Gratuity (Funded)	
		31.03.12 (Rs./lacs)	31.03.11 (Rs./lacs)
Present value of obligations as on 1 April	A	621.61	446.24
Current Service Cost	B	149.54	119.52
Interest Cost	C	58.78	40.03
Past Service Cost	D	-	-
Actuarial (gain)/loss on obligation	E	98.61	67.21
Benefits Paid	F	47.81	51.39
Present Value of obligation as on 31 March (A+B+C+D+E-F)		880.73	621.61

ii. Change in Plan Assets

Fair Value of Plan Assets as on 1 April	A	571.78	428.15
Expected Return on plan assets	B	51.45	38.20
Employer's Contribution	C	275.03	157.17
Actuarial Gain / (loss)	D	(0.59)	(0.35)
Benefits Paid	E	47.82	51.39
Fair Value of plan asset as on 31 March (A+B+C+D-E)		849.85	571.76

iii. Net Liability / (Asset) recognised in Balance Sheet

Net Liability/(Asset) (i-ii)		30.88	49.83
------------------------------	--	-------	-------

iv. Expense recognised in the Statement of profit and loss

Particulars		Gratuity (Funded)	
		2011-12 (Rs./lacs)	2010-11 (Rs./lacs)
Current Service cost	A	149.54	119.52
Interest cost	B	58.78	40.03
Expected return on plan assets	C	51.45	38.20
Actuarial (gain) / loss recognised during the year	D	99.20	67.56
Past service cost	E	-	-
Other adjustment	F	6.20	5.25
Net charge/(credit) (A+B-C+D+E+F)		262.27	194.16

v. Principal actuarial assumptions:

Particulars	Refer Notes	Year ended 31.03.12	Year ended 31.03.11
Discount Rate (p.a.)	1	8.60%	8.00%
Expected rate of return on plan assets (p. a.)	2	9.30%	9.25%
Salary escalation rate (p.a.)	3	8.00%	8.00%

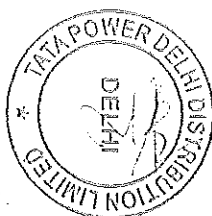
Notes:

1 The Discount Rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.

2 The expected return is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

3 The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

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TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Year ended 31.03.12	Year ended 31.03.11
Demographic assumptions:		
Retirement age	60 years	60 years
Mortality rate	Published rates under LIC (1994-96) mortality rates	Published rates under LIC (1994-96) mortality rates
Withdrawal rate	15%	15%

vi. The major categories of plan assets as a percentage of total plan assets are as follows:

Particulars	31.03.12	31.03.11
Government of India Securities	56.00%	76.85%
Debt instruments	36.00%	18.14%
Equity and preference shares	6.00%	4.77%
Other deposits	2.00%	0.24%
	100.00%	100.00%

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

vii. Particulars	Year ended 31.03.2012	Year ended 31.03.2011	Year ended 31.03.2010	Year ended 31.03.2009	Year ended 31.03.2008
	Rs. /lacs	Rs. /lacs	Rs. /lacs	Rs. /lacs	Rs. /lacs
Present Value of Benefit Obligation	880.73	621.61	446.24	306.33	279.06
Fair Value of Plan Assets	849.85	571.78	428.15	146.71	165.27
Net liability	30.88	49.83	18.09	159.62	113.79

viii. The contribution expected to be made by the Company during the financial year 2012-13 has not been ascertained.

e. Principal actuarial assumptions for long term compensated absences

Particulars	Refer Notes	Year ended 31.03.12	Year ended 31.03.11
Discount Rate (p.a.)	1	8.60%	8.00%
Salary escalation rate (p.a.)	2	8.00%	8.00%

Notes:

1 The Discount Rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated

2 The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

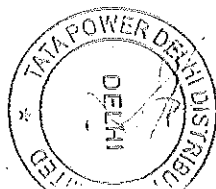
	Year ended 31.03.12	Year ended 31.03.11
Demographic assumptions:		
Retirement age	60 years	60 years
Mortality rate	Published rates under LIC (1994-96) mortality rates	Published rates under LIC (1994-96) mortality rates
Withdrawal rate	15%	15%

NOTE 37

Power Generation Plant at Rithala

- The Company has set up a 108 MW Gas Based Combined Cycle Power Project in its area of supply at Rithala for supply of power to its consumers. The project consists of 3 units for generation of power out of which 2 gas turbine units commenced commercial operations in February, 2011 and the third unit steam turbine had started commercial operation in September, 2011.
- Gas Turbine unit 2 (GT 2) which has been insured, suffered a technical breakdown during the current year. Based on a technical evaluation of the underlying reasons for the breakdown received in February 2012, management is of the view that the expenditure incurred towards repairs of the turbine aggregating to Rs 1,694.45 lacs upto March 2012 is recoverable from the insurance company and hence the said expenditure has been accounted as insurance claims recoverable.

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TATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 38

Segmental Reporting

The Company is engaged in the business of distribution and generation of power in North and North West of Delhi. As the Company operates in a single business and geographical segment, the reporting requirement for primary and secondary segment disclosure prescribed by paragraphs 39 to 51 of Accounting Standard 17 - Segment reporting have not been provided in these financial statements.

NOTE 39

Related Party Disclosures

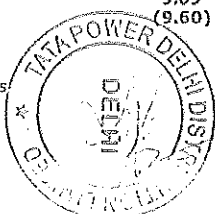
a. List of related parties

- i. Companies exercising control by holding more than one half in voting power of the Company
Tata Power Company Limited (TPCL)
- ii. Companies holding substantial interest in voting power of the Company
Delhi Power Company Limited (DPCL)
- iii. Subsidiary Company
NDPL Infra Limited (NDPLIL) (w.e.f. 23 August, 2011)
- iv. Fellow Subsidiaries
Tata Power Trading Company Limited (TPTCL)
Maithon Power Limited (MPL)
- v. Key Management Personnel
Mr. Sunil Wadhwa, Managing Director (w.e.f 1 August, 2010 to 30 March, 2012)
CEO and Executive Director (upto 31 July, 2010)
Mr. Parveer Sinha, CEO and Executive Director (w.e.f 1 March, 2012)

b. Transaction/ balances outstanding with Related Parties:

Transaction / Outstanding Balances	(All amounts in Rs. /lacs)				
	Holding Company	Companies Holding Substantial Interest	Fellow Subsidiaries	Subsidiary	Key Management Personnel
Purchase of goods/services	-	-	39,317.10 (26,796.49)	-	-
- TPTCL	(-)	(-)	23,842.31 (26,796.49)	(-)	(-)
- MPL			15,474.79 (-)		
Sale of goods/ services	146.31 (44.12)	-	7,496.56 (-)	-	-
- TPTCL			7,496.56 (-)	(-)	(-)
Commission earned	-	10.26 (3.11)	-	-	-
Managerial remuneration	-	-	-	-	218.25 (175.14)
- Mr. Sunil Wadhwa	(-)	(-)	(-)	(-)	208.30 (175.14)
- Mr. Parveer Sinha					9.95 (-)
Other expenses	980.33 (455.70)	-	-	-	-
Rebate on power purchase	-	-	616.74 (22.96)	-	-
- TPTCL	(-)	(-)	404.60 (22.96)	(-)	(-)
- MPL			212.14 (-)		
Rebate on sale of power	-	-	149.93 (-)	-	-
- TPTCL	(-)	(-)	(-)	(-)	(-)
Investment in equity shares of subsidiary company	-	-	-	5.00	-
Payables	-	1,148.66 (1,123.22)	3,423.22 (-)	-	-
- MPL	(-)	(-)	3,423.22 (-)	(-)	(-)
Receivables	9.69 (9.60)	-	1.69 (-)	0.31 (-)	-
- TPTCL		(-)	1.69 (-)		

* Figures in brackets represent the previous year figures



YATA POWER DELHI DISTRIBUTION LIMITED
(Formerly NORTH DELHI POWER LIMITED)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 40

	Year ended 31.03.12	Year ended 31.03.11
	Rs./lacs	Rs./lacs
a. Expenditure in foreign currency		
Consultancy and other expenditure	0.77	14.13
Traveling	33.98	30.04
	<u>34.75</u>	<u>44.17</u>
b. CIF Value of Imports		
Capital goods	52.01	126.52
c. Earnings in Foreign Currency		
Consultancy income	14.84	9.07

NOTE 41

Detail of Auditors Remuneration*

Other expenses include Auditor's remuneration as follows:

Particulars	Year ended 31.03.12	Year ended 31.03.11
	Rs./lacs	Rs./lacs
Audit fee (including quarterly audits)	59.00	54.00
Tax audit	7.50	7.00
Other services	29.00	40.00
Reimbursement of out-of-pocket expenses	0.50	0.46
Total	<u>96.00</u>	<u>101.46</u>
* Exclusive of service tax		

NOTE 42

These financial statements have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act, 1956. Previous years' figures have been restated / restated.

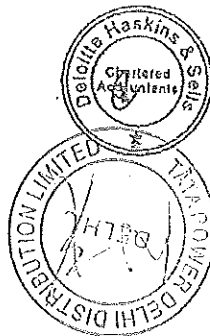
For and on behalf of the Board of Directors

Praveer Sinha
Praveer Sinha
CEO & Executive
Director

S. Ramakrishnan
S. Ramakrishnan
Director

Ajay Kalsio
Ajay Kalsio
Company Secretary

New Delhi
Date: 04 MAY 2012





NDPL\DERC\ARR\2011-12\

June 21, 2011

Executive Director (Tariff)
Delhi Electricity Regulatory Commission
Vinnyamak Bhawan, Shivalik
Malviya Nagar, New Delhi

Sub: ARR Petition for 2011-12 and True up Petition FY 2009-10

Dear Sir,

In continuation to our letter dated 14th June 2011, as desired by the Hon'ble Commission, please find below the further information:

1. **Head wise Breakup of VI pay Commission:** Year wise/head wise breakup of VI Pay commission arrears is attached herewith as Annexure 1.
2. **Detail of Power Factor:** Vide our letter dated 14.06.11, Form 2.1a of respective years containing power factor were submitted. Category wise summary containing power factor is attached herewith for your reference as Annexure 2.
3. **Breakup of Capitalization:** NDPL in its petition for True up of 09-10 and ARR for FY 11-12 has estimated the capitalization of Rs 400 Cr during FY 11-12. However, the Commission has sought the breakup of the provision figure of Rs 269 Cr as approved by it for capitalization of FY 11-12. As the actual capitalization will be known at the year end; hence breakup of capitalization is done based on actual capitalization of FY 09-10 as Annexure 3.
4. **Consumer Contribution Capitalised during the year:** During the FY 09-10, Rs 128.32 Cr has been capitalized towards consumer contribution for capital works (Refer Schedule 4 of Balance Sheet of FY 09-10)

North Delhi Power Limited
(A Tata Power and Delhi Government joint venture)
Grid Sub Station Building, Hudson Lines, Kingsway Camp, Delhi-110 009
Tel: 91-11-66112222 Fax: 91-11 27468042



We trust that the Hon'ble Commission shall find our reply in order.

Thanking you,

Yours faithfully

For North Delhi Power Limited

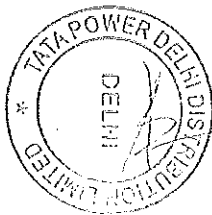

(Ajay Jindal)
Sr. Manager Finance



Annex - 1

VI Pay Commission (Excluding for VSS cases)

Summary	Basic	DP	Gp	DA	NPA	HRA	TPA	DA on TPA	IR	CCA	Stag Pay	DP-Doctor	Pension/Leave Salary	QT/HP	Total	Remarks
2005-06	495.23	(228.53)	245.70	(166.11)	1.17	-	-	-	(35.69)	-	(0.01)	(2.02)	50.00	27.23	386.96	Month wise breakup & count attached
2006-07	2,219.54	(991.82)	1,074.17	(745.34)	4.61	0.00	(0.00)	-	(153.56)	(0.00)	(0.10)	(7.80)	481.00	138.58	2,019.27	
2007-08	2,369.89	(1,035.43)	1,132.81	(777.93)	3.82	0.03	0.03	-	(155.80)	(0.00)	(0.06)	(6.22)	604.00	43.30	2,178.43	
2008-09	2,474.44	(1,053.60)	1,150.42	(792.44)	4.05	417.95	266.81	57.32	(154.42)	(53.75)	-	(6.64)	686.00	37.93	3,034.07	
2009-10 (10 months)	2,120.26	(878.44)	951.98	(629.40)	3.82	604.15	372.53	110.14	(126.18)	(75.48)	(0.02)	(5.95)		53.97	3,117.38	
2009-10 (2 months prorata)	417.14	(172.70)	187.42	(123.63)	0.76	118.93	73.48	21.74	(24.87)	(14.88)	(0.00)	(1.19)	616.00	10.79	493.00	
Total	10,096.50	(4,360.52)	4,742.50	(3,234.83)	18.24	1,141.06	712.84	189.20	(650.53)	(144.11)	(0.20)	(29.82)	2,437.00	311.80	11,229.12	
Add:																
VI Pay arrears for suspended/absconding															13.00	
Total															11,242.12	



TATA Power Delhi Distribution Limited

Details of Closed Banking Transactions

Bilateral Party	Month	FY 2011-12			
		Mu's			
		Sent	Received	Payable / (Recoverable)	Statuts
		1	2	3=1-2	
NVVNL - Meghalaya	Jul-10		(17.36)		Closed
	Aug-10		(17.36)		
	Sep-10		(16.80)		
	Dec-10	7.82			
	Jan-11	7.82		3.09	
	Feb-11	6.62			
	Mar-11	18.32			
	Apr'12	12.08			
	May'12	1.96			
Sub Total		54.61	(51.52)	3.09	
NVVNL - WB	Oct-10		(10.20)		Closed
	Apr'12	10.81		0.61	
Sub Total		10.81	(10.20)	0.61	
NVVNL - Meghalaya	Oct-10		(4.20)		Closed
	May'12	4.45		0.25	
Sub Total		4.45	(4.20)	0.25	
GMR - Kerala	Oct-10		(54.00)		Closed
	Feb-11	0.10			
	Mar-11	50.18		2.70	
	Apr'12	5.62			
	May'12	0.79			
Sub Total		56.70	(54.00)	2.70	
Total		126.58	(119.92)	6.66	



Annexure - II

Yearly Wholesale Price Index

Base Year 2004-05 = 100



Name of Commodity : ALL COMMODITIES

Type : Group Item

Weight : 100

Calendar Year	2011	2010	2009	2008	2007	2006	2005
Index	153.35	140.08	127.86	124.92	114.94	109.59	103.37

Financial Year	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006
Index	156.13	143.32	130.81	126.02	116.63	111.35	104.47

1. Figure 9999.9 may be treated as index for particular item not-available.

Senior Economic Adviser,

Room No. 126-E, Ministry of Commerce and Industry,
Udyog Bhawan, Rafi Marg, New Delhi - 110 011, INDIA
Telephone : 91-11-2306 2721 Fax : 91-11-2306 3502
E-mail to the Senior Economic Adviser



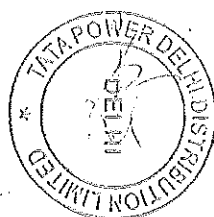
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Labour Bureau, Government of India

STATISTICS



INDEX Numbers

I. All-India Average Consumer Price Index Numbers for Industrial Workers
(Base 2001=100) ^{NEW}

Item	January 2012	February 2012	March 2012	April 2012	May 2012	June 2012	July 2012	August 2012	September 2012	October 2012	November 2012	December 2012	Average
General Index	198	199	201	205	206	208	212	214	215				

(Linking Factor between 1982 and 2001 Series for the All-India is 4.63)

II. Monthly All India Consumer Price Index (General) for Industrial Workers

ALL INDIA CONSUMER PRICE INDEX FOR INDUSTRIAL WORKERS (BASE:1960=100)												
YEAR	MONTH											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
1968								178	179	180	176	171
1969	170	169	170	171	173	178	179	179	179	178	177	177
1970	177	177	179	181	183	185	186	187	188	189	189	186
1971	184	184	184	184	184	187	190	194	196	196	197	195
1972	194	193	194	195	195	201	205	207	208	209	210	210
1973	210	213	216	221	228	233	243	247	248	254	259	260
1974	264	267	275	283	294	301	311	321	334	335	331	326
1975	326	325	321	323	327	328	324	321	319	316	315	306
1976	298	290	286	289	290	291	297	298	302	304	306	306
1977	307	310	312	313	318	320	325	327	331	330	330	330
1978	325	320	321	322	323	327	330	331	336	340	340	335
1979	332	329	332	337	339	345	353	360	363	365	368	374
1980	371	369	373	375	382	386	394	397	402	406	411	408
1981	411	418	420	427	433	439	447	454	456	460	462	460
1982	459	458	457	459	462	470	478	488	489	491	496	497
1983	495	500	502	508	521	533	541	549	554	558	561	559
1984	563	561	558	559	562	574	585	586	589	592	595	588
1985	588	585	586	594	600	606	615	618	619	625	630	630
1986	629	633	638	643	651	658	668	672	676	685	692	688
1987	688	686	686	691	703	715	724	736	745	750	755	752
1988	753	749	753	763	771	782	795	800	806			



TOP

BASE 1982=100

Year	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec	Average
1988										167	168	166	
1989	165	165	166	167	169	170	172	174	176	176	176	175	171
1990	174	175	177	180	182	185	189	190	191	195	198	199	186
1991	202	202	201	202	204	209	214	217	221	223	225	225	212
1992	228	229	229	231	234	236	242	242	243	244	244	243	237
1993	241	241	243	245	246	250	253	256	259	262	265	264	252
1994	263	265	267	269	272	277	281	284	288	289	291	289	278
1995	289	291	293	295	300	306	313	315	317	319	321	317	306
1996	315	316	319	324	328	333	339	343	344	346	349	350	334
1997	350	350	351	354	352	355	358	359	361	365	366	372	358
1998	384	382	380	383	389	399	411	413	420	433	438	429	405



Statistical Data for Labour

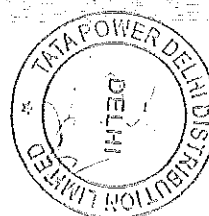
1999	420	415	414	415	419	420	424	426	429	437	438	431	424
2000	431	430	434	438	440	442	445	443	444	449	450	446	441
2001	445	443	445	448	451	457	463	466	465	468	472	469	458
2002	467	466	468	469	472	476	481	484	485	487	489	484	477
2003	483	484	487	493	494	497	501	499	499	503	504	502	496
2004	504	504	504	504	508	512	517	522	523	526	525	521	514
2005	526	525	525	529	527	529	538	540	542	548	553	550	536

Base 2001=100^{NEW}

Year	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec	Average
2006	119	119	119	120	121	123	124	124	125	127	127	127	123
2007	127	128	127	128	129	130	132	133	133	134	134	134	131
2008	134	135	137	138	139	140	143	145	146	148	148	147	141.66
2009	148	148	148	150	151	153	160	162	163	165	168	169	157
2010	172	170	170	170	172	174	178	178	179	181	182	185	175.9
2011	188	185	185	186	187	189	193	194	197	198	199	197	191.5
2012	198	199	201	205	206	208	212	214	215				

III. POINT TO POINT RATE OF INFLATION IN CONSUMER PRICE INDEX NUMBERS FOR INDUSTRIAL WORKERS (Base 1982=100)

RATE OF INFLATION													
Year	January	February	March	April	May	June	July	August	September	October	November	December	
1993	5.7	5.7	6.1	6.1	5.1	5.9	4.5	5.8	6.6	7.4	8.6	8.6	
1994	9.1	9.5	9.9	9.8	10.6	10.8	11.1	10.9	11.2	10.3	9.8	9.5	
1995	9.9	9.8	9.7	9.7	10.3	10.5	11.4	10.9	10.1	10.4	10.3	9.7	
1996	9.0	8.6	8.9	9.8	9.3	8.8	8.3	8.9	8.5	8.5	8.7	10.4	
1997	11.1	10.8	10.0	9.3	7.3	6.6	5.6	4.7	4.9	5.5	4.9	6.3	
1998	9.7	9.1	8.3	8.2	10.5	12.4	14.8	15.0	16.3	18.6	19.7	15.3	
1999	9.38	8.64	8.95	8.36	7.71	5.26	3.16	3.15	2.14	0.92	0.0	0.47	
2000	2.62	3.61	4.83	5.54	5.01	5.24	4.95	3.99	3.50	2.75	2.74	3.48	
2001	3.25	3.02	2.53	2.28	2.50	3.39	4.04	5.19	4.73	4.23	4.89	5.16	
2002	4.94	5.19	5.17	4.69	4.66	4.16	3.89	3.86	4.30	4.06	3.60	3.20	
2003	3.43	3.86	4.06	5.12	4.66	4.41	4.16	3.10	2.89	3.29	3.07	3.72	
2004	4.35	4.13	3.49	2.23	2.83	3.02	3.19	4.61	4.81	4.57	4.17	3.78	
2005	4.37	4.17	4.17	4.96	3.74	3.32	4.06	3.45	3.63	4.18	5.33	5.57	
2006	4.75	4.95	4.95	5.10	6.26	7.56	6.69	6.30	6.83	7.30	6.33	6.91	
Base 2001=100													
2007	6.72	7.56	6.72	6.67	6.61	5.69	6.45	7.26	6.40	5.51	5.51	5.51	
2008	5.51	5.47	7.87	7.81	7.75	7.69	8.33	9.02	9.77	10.45	10.45	9.70	
2009	10.45	9.63	8.03	8.70	8.63	9.29	11.89	11.72	11.64	11.49	13.51	14.97	



TATA Power Delhi Distribution Limited

Calculation of PPAC billed in (Q4) FY 12-13				
Parameter	Details	Unit	Value	Source
a	Power purchased from CSGS having long term	MU	2329.46	as per Projections
b	Power purchased from delhi gencos	MU	402.13	as per Projections
c (=a+b)	Total long term power purchase in Q1 FY12-13	MU	2731.60	as per Projections
d	Approved PGCIL losses	MU	515.92	as per Tariff order
e	Approved DTL losses	MU	160.70	as per Tariff order
f	Power purchase from CSGS having long term	MU	11507.91	as per Tariff order
g	Power available at Delhi periphery	MU	13356.93	as per Tariff order
h=100*(d/f)	PGCIL losses calculated in percentage	%	4.48	as per Tariff order
i=100*(e/g)	DTL losses calculated in percentage	%	1.20	as per Tariff order
j	Avg power purchase cost (PPC) - Base	Rs./kWh	3.77	as per Tariff order
k	Average PPC - Actual	Rs./kWh	4.12	as per Projections
l	ABR	Rs./kWh	6.46	as per Projections
m	Distribution Losses	%	12.06%	Tariff order
n	Total Bulk Sale of Power	MU	911.38	as per Projections
o	Total Power Purchase - ST + LT	MU	2731.60	as per Projections
Calculation of PPA (%)				
A=c	Total units procured from long term PPAs	MU	2731.60	as per Projections
B=(n/o)*A	Proportionate Bulk Sale of Power	MU	911.38	as per Projections
C=k-j	Difference in base and actual PPC	Rs./kWh	0.35	
Z=a*(1-h/100) +b*(1-i/100)-B	Units on which PPAC shall be applicable	MU	1710.94	
PPA= ((A-B)*C)/((Z- Dist Losses)*ABR)		%	5.748%	
Computation of Amount of PPAC for Q4 FY 12-13				
A	Total Billed amount for the year	Rs. Cr.	4540.16	
B	For Q4 (i.e. A/4)	Rs. Cr.	1135.04	
C	PPAC (%)	%	5.748%	
D	Amount of PPAC (B*C)	Rs. Cr.	65.24	



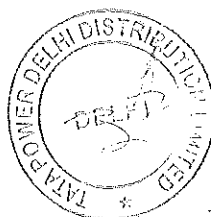
TATA Power Delhi Distribution Limited

Calculation of PPAC billed in (Q1) FY 13-14				
Parameter	Details	Unit	Value	Source
a	Power purchased from CSGS having long term	MU	2523.70	as per Projections
b	Power purchased from delhi gencos	MU	388.53	as per Projections
c (=a+b)	Total long term power purchase in Q1 FY12-13	MU	2912.23	as per Projections
d	Approved PGCIL losses	MU	515.92	as per Tariff order
e	Approved DTL losses	MU	160.70	as per Tariff order
f	Power purchase from CSGS having long term	MU	11507.91	as per Tariff order
g	Power available at Delhi periphery	MU	13356.93	as per Tariff order
h=100*(d/f)	PGCIL losses calculated in percentage	%	4.48	as per Tariff order
i=100*(e/g)	DTL losses calculated in percentage	%	1.20	as per Tariff order
j	Avg power purchase cost (PPC) - Base	Rs./kWh	3.77	as per Tariff order
k	Average PPC - Actual	Rs./kWh	4.21	as per Projections
l	ABR	Rs./kWh	6.46	as per Projections
m	Distribution Losses	%	12.06%	Tariff order
n	Total Bulk Sale of Power	MU	1016.71	as per Projections
o	Total Power Purchase - ST + LT	MU	2912.23	as per Projections
Calculation of PPA (%)				
A=c	Total units procured from long term PPAs	MU	2912.23	as per Projections
B=(n/o)*A	Proportionate Bulk Sale of Power	MU	1016.71	as per Projections
C=k-j	Difference in base and actual PPC	Rs./kWh	0.44	
Z=a*(1-h/100) +b*(1-i/100)-B	Units on which PPAC shall be applicable	MU	1777.71	
PPA= ((A-B)*C)/((Z- Dist Losses)*ABR)		%	7.303%	
Computation of Amount of PPAC for Q1 FY 13-14				
A	Total Billed amount for the year	Rs. Cr.	5109.27	
B	For Q4 (i.e. A/4)	Rs. Cr.	1277.32	
C	PPAC (%)	%	7.303%	
D	Amount of PPAC (B*C)	Rs. Cr.	93.28	



TATA Power Delhi Distribution Limited

Calculation of PPAC billed in (Q2, Q3, Q4) FY 13-14 (Based on Q1,Q2, Q3 power purchase cost)				
Parameter	Details	Unit	Value	Remark
a	Power purchased from CSGS having long term	MU	9079.04	as per Projections (Q1,Q2, Q3)
b	Power purchased from delhi gencos	MU	857.34	as per Projections (Q1,Q2, Q3)
c (=a+b)	Total long term power purchase in Q1 FY12-13	MU	9936.38	as per Projections (Q1,Q2, Q3)
d	Approved PGCIL losses	MU	700.48	as per Tariff order
e	Approved DTL losses	MU	205.57	as per Tariff order
f	Power purchase from CSGS having long term	MU	15422.31	as per Tariff order
g	Power available at Delhi periphery	MU	17086.77	as per Tariff order
h=100*(d/f)	PGCIL losses calculated in percentage	%	4.54	as per Tariff order
i=100*(e/g)	DTL losses calculated in percentage	%	1.20	as per Tariff order
j	Avg power purchase cost (PPC) - Base	Rs./kWh	3.89	as per Tariff order
k	Average PPC - Actual	Rs./kWh	4.16	as per Projections (Q1,Q2, Q3)
l	ABR	Rs./kWh	6.64	as per Projections (Q1,Q2, Q3)
m	Distribution Losses	%	11.56%	Tariff order
n	Total Bulk Sale of Power	MU	2758.15	as per Projections (Q1,Q2, Q3)
o	Total Power Purchase - ST + LT	MU	9936.38	as per Projections (Q1,Q2, Q3)
Calculation of PPA (%)				
A=c	Total units procured from long term PPAs	MU	9936.38	as per Projections (Q1,Q2, Q3)
B=(n/o)*A	Proportionate Bulk Sale of Power	MU	2758.15	as per Projections (Q1,Q2, Q3)
C=k-j	Difference in base and actual PPC	Rs./kWh	0.27	
Z=a*(1-h/100) +b*(1-i/100)-B	Units on which PPAC shall be applicable	MU	6755.54	
PPA= ((A-B)*C)/((Z- Dist Losses)*ABR)		%	4.269%	
Computation of Amount of PPAC for 9 months (Q2, Q3, Q4) FY 13-14				
A	Total Billed amount for the year	Rs. Cr.	5109.27	
B	For Q4 (i.e. A/4*3)	Rs. Cr.	3831.95	
C	PPAC (%)	%	4.269%	
D	Amount of PPAC (B*C)	Rs. Cr.	163.60	



Cost to Serve

FY 2011-12

&

FY 2013-14



Allocation of Cost between Wheeling and Retail Supply Activity and Computation of Cost to Serve at different Voltages

The methodology adopted for allocation of costs between Wheeling (i.e. Distribution as per Cost Records) and Retail Supply business (i.e Supply as per Cost Records) for FY 11-12 is in line with the Cost Accounting Records as prescribed by the Cost Accounting Record (Electricity) Rules issued by Government of India.

The allocation statement has been approved by the Board of Directors as part of Cost Records.

The salient features of this methodology are as follows:

Allocation between Wheeling and Retail Supply Business

1. All Network Assets upto consumer premises have been taken for Wheeling Business and beyond that have been considered as part of Retail Supply Business.

The Common assets such as buildings, furniture, etc have been considered 60% for Wheeling and 40% for Retail Supply Business.

2. Employee expenses have been segregated between Wheeling and Retail Supply business based on the activity being performed by the employees. Salaries of employees engaged in Commercial activities have being taken to Retail Supply Business whereas that of employees engaged in operation activities have been considered in Wheeling Business. The employee expenditure of management and corporate support functions have been considered in the ratio of 60% and 40% between Wheeling and Retail Supply Business.
3. Administrative and General Expenses have been segregated between Wheeling and Retail Supply business based on activity to which they pertain. Common expenses have been considered in the ratio of 60% and 40% between Wheeling and Retail Supply Business.
4. Repair & Maintenance (R&M) Expenses have been identified to the type of activity i.e. wheeling and retail supply business and accordingly taken part of respective business. Common R&M expenses being apportioned between Wheeling and Retail supply in the ration of 60% and 40%.
5. Supply Margin has been taken in Retail Supply business.
6. Working Capital has been allocated into wheeling and retail supply on the basis of expenses pertaining each activity. Power Purchase cost and Revenue is considered in Retail supply business whereas revenue upto the requirement of wheeling ARR is considered in Wheeling activity.



7. Return on Capital Employed has been allocated to Wheeling and Retail Supply business on the basis of RRB considered for both the business of respectively.
8. Expenses on account of DVB arrears/carrying cost have not been allocated into wheeling and retail business as these pertain to earlier year.

Explanation to Cost Allocation Statement

The complete head wise details are given below:

Employee Expenses:

Allocation of Expenses into Wheeling and Retail Supply Business

The actual expenditure on account of salary is identified with different Functions. Expenses pertaining to particular activity are retained in the respective activity and common costs are allocated into Wheeling and Retail supply business in the ratio of 60:40. Summary is given below:

Table No: 1 Function wise Employee Expenses

Particular	Actual % for FY 11-12	Considered for FY 13-14
Administration	41.37%	41.37%
System	6.87%	6.87%
Direct districts	31.11%	31.11%
Street light	0.82%	0.82%
Billing & metering	17.24%	17.24%
Cenpeid	0.14%	0.14%
Pension	2.46%	2.46%
Net Employee Cost	100.00%	100.00%

Table No: 2 Base of Allocation of Employee Expenses in Wheeling and Retail Supply Business

Functions	Wheeling	Retail Supply
Administration	60%	40%
System	100%	0%
Direct Districts	100%	0%
Street Light	0%	100%
Billing & Metering	0%	100%

The expenses incurred towards pension liability are apportioned in the proportion of net employee cost calculated above for the respective businesses.



Table No: 3 Y-o-Y allocations of Employee Expenses into Wheeling and Retail Supply Business

Particular	Actual for FY 11-12	Considered for FY 13-14
	Rs. Cr.	
Employee		
Employee – Wheeling	128.87	177.92
Employee - Retail	70.20	98.45
Total	197.07	276.37

Repair and Maintenance Expenses:

Allocation of Expenses into Wheeling and Retail Supply Business

Table No: 4 Y-o-Y Breakup of R&M expense under different heads

Particulars	Actual for FY 11-12	Considered for FY 13-14
	Rs. Cr.	
Stores & Spares	21.61	22.86
Street Light	2.88	3.04
Building	2.62	2.77
Computer/Off Equip/Other	4.28	4.52
Street Light	7.41	7.83
Automatic Meter Reading	2.49	2.64
Security Expenses	8.33	8.82
Call Centre Charges	2.79	2.95
Others	42.86	45.34
Total	95.26	100.77

Table No: 5 Y-o-Y Breakup of R&M expenses under different heads

Particulars	Actual for FY 11-12	Considered for FY 13-14
	%	
Stores & Spares	22.7%	22.7%
Street Light	3.0%	3.0%
Building	2.7%	2.7%
Computer/Off Equip/Other	4.5%	4.5%
Street Light	7.8%	7.8%
Automatic Meter Reading	2.6%	2.6%
Security Exp.	8.7%	8.7%
Call Centre Charges	2.9%	2.9%
Others	45.0%	45.0%
Total	100.0%	100.0%

Based on the above allocation has been carried out as follows:



1. First of all normative amount of R&M cost allowed for FY 11-12 (Rs 95.26 Cr) are allocated in different heads in the proportion of actual expenses incurred.
2. Based on head wise actual expense for FY 11-12 expenses for FY 14 has been projected.
3. Thereafter budgeted expenses are allocated in different heads in the portion of Specific expenses pertaining to Wheeling and Retail Supply business are allocated to respective business.
4. Common Expenses have been allocated in the proportion of 60% & 40% between Wheeling and Retail Supply business.

Table No: 6 Base of Allocation of R&M expenses into Wheeling & Retail Supply Business

Particular	Wheeling	Retail
Stores & Spares	100%	0%
Street Light	0%	100%
Building	60%	40%
Computer/Off Equip/Other	60%	40%
Street Light	0%	100%
Automatic Meter Reading	0%	100%
Security Expenses	0%	100%
Call Centre Charges	0%	100%
Others	60%	40%

Table No: 7 Y-o-Y allocations of R&M expenses to Wheeling & Retail Supply Business

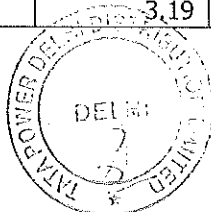
Particulars	Actual for FY 11-12	Considered for FY 13-14
	Rs. Cr.	
R&M Total	95.26	100.77
R&M – Wheeling	51.46	54.44
R&M – Retail	43.80	46.33

Administrative Expenses

Breakup of the A&G expenses under different heads is given below:

Table No: 8 Y-o-Y actual A&G expenses incurred under various heads

Particulars	Actual for FY 11-12	Considered for FY 13-14
	Rs. Cr.	
1 Cash Pick Up	0.26	0.35
2 Bill Distribution /Collection	3.54	4.65
3 Legal	3.19	4.20



Particulars		Actual for FY 11-12	Considered for FY 13-14
		Rs. Cr.	
4	License fee	1.24	1.63
5	Brokerage Commission	1.15	1.52
6	Freight	0.64	0.84
7	Credit Card		
8	Disconnection Exp	0.79	1.04
9	Computer Expenses	4.04	5.31
10	Advertisement Expenses	1.68	2.21
11	Other Cost	20.76	27.31
12	Net A&G Expenses	37.29	49.05

Table No: 9 Y-o-Y Head wise break up of A&G Expense (%) to total A&G Expense

Particulars		Actual for FY 11-12	Considered for FY 13-14
1	Cash Pick Up	1%	1%
2	Bill Distribution /Collection	9%	9%
3	Legal	9%	9%
4	License fee	3%	3%
5	Brokerage Commission	3%	3%
6	Freight	2%	2%
7	Credit Card		
8	Disconnection Exp	2%	2%
9	Computer Expenses	11%	11%
10	Advertisement Expenses	5%	5%
11	Other Cost	56%	56%
12	Net A&G Expenses	100%	100%

Expenses at Sr No 1-10 pertains specifically to Retail activity so these are considered in Retail activity whereas the Other Cost which is common for both Retail and Retail Supply businesses is apportioned in the ratio of 60:40 between the two businesses.

Table no: 10 Y-o-Y allocations of A&G Expenses to Wheeling & Retail Supply Business

Particulars	Actual for FY 11-12	Considered for FY 13-14
	Rs. Cr.	
A&G Total	37.29	49.05
A&G – Wheeling	12.46	16.38
A&G – Retail	24.83	32.67



New Initiatives

Expenses on new Initiatives/Other cost incurred in FY 11-12 pertain to Retail Business, so the same are considered in Retail Business in allocation statement.

Table no: 11 Y-o-Y New Initiatives Cost apportioned into Wheeling & Retail Supply Business

Particulars	FY 11-12
	Rs. Cr.
A&G Total	2.67
A&G – Wheeling	0
A&G – Retail	2.67

Gross Fixed Assets

Network assets upto the consumer's premises are considered as wheeling assets and beyond that the assets are considered as Retail assets. Common Assets such as building, furniture etc are considered 60% for Wheeling and 40% for Retail Supply Business. Summary of the allocation Statement is as follows:

Table no: 12 Allocation of GFA into Wheeling & Retail Supply Business

Particular	Wheeling	Retail
Buildings and Civil Work	60%	40%
Energy Meters	0%	100%
Transformers	100%	0%
EHV Switch Gears	100%	0%
11KV Switch Gears	100%	0%
LT Switch Gears	100%	0%
Capacitors	100%	0%
SCADA/ Control & Instrumentation	100%	0%
Lightening Arrestors	100%	0%
Other Plant & Machinery	100%	0%
Computers	60%	40%
Batteries & Battery Chargers	100%	0%
Lines and Cables	100%	0%
Street Lightening	0%	100%
Office Equipment	60%	40%
Furniture & Fittings	60%	40%
Vehicle	60%	40%

Gross Fixed Assets used for RRB are allocated into Wheeling and Retail Supply business in the ratio of Actual Gross Fixed Assets at the end of FY 12 as per Audited Accounts.

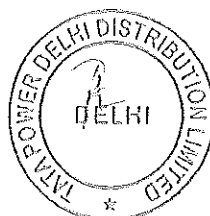


Table no: 13 Y-o-Y Gross Fixed Assets allocated into Wheeling & Retail Supply Business

Particulars	Actual for FY 11-12	Considered for FY 13-14
	Rs. Cr.	
Closing GFA Total	3,569.52	4,700.61
GFA – Wheeling	2,960.02	3,899.27
GFA – Retail	609.51	801.33

Depreciation

Depreciation is allocated between wheeling and Retail Supply business in proportion of depreciation calculated on GFA's of respective businesses.

Table no: 14 Y-o- Y Depreciation allocated into Wheeling & Retail Supply Business

Particulars	Actual for FY 11-12	Considered for FY 13-14
	Rs. Cr.	
Depreciation Total	119.97	153.43
Depreciation – Wheeling	89.67	114.23
Depreciation – Retail	30.30	39.19

Working Capital

Based on the revised revenue requirement working capital is allocated as below

Table no: 15 Y-o-Y Working Capital allocated into Wheeling & Retail Supply Business

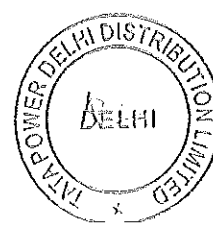
Particulars	Actual for FY 11-12	Considered for FY 13-14
	Rs. Cr.	
W C Total	480.15	581.41
W C – Wheeling	99.47	125.64
W C – Retail	380.69	455.77

Regulatory Rate Base

Based on the revised estimates of GFA/Depreciation, the RRB for wheeling and retail Supply Business is calculated as below:

Table no: 16 RRB allocated into Wheeling & Retail Supply Business (Rs. Cr.)

Particulars		FY 11-12		
		TOTAL	Wheeling	Retail
		Rs. Cr.		
1	RRB			
A	Opening Balance of OCFA	3,245.38	2690.84	554.53
B	Opening Balance of Working Capital	382.30	79.63	302.67



Particulars		FY 11-12		
		TOTAL	Wheeling	Retail
C	Opening Balance of Accumulated Depreciation	1,115.39	941.10	174.29
D	Opening balance of Accumulated Consumer Contribution (in proportion of OCFA to total OCFA + CWIP + Stores)	272.33	222.07	50.06
2	For the year			
G	Investments in capital expenditure during the year	324.15	269.17	54.97
H	Depreciation for the year (Including AAD)	119.97	89.67	30.30
I	Consumer Contribution, Grants, etc for the year	52.92	43.95	8.97
J	Change in Working Capital	97.86	19.84	78.01
3	RRB(i)	2,413.44	1694.72	718.72

Particulars		FY 13-14		
		TOTAL	Wheeling	Retail
Rs. Cr.				
1	RRB			
A	Opening Balance of OCFA	4,165.17	3454.64	710.53
B	Opening Balance of Working Capital	536.61	116.73	419.88
C	Opening Balance of Accumulated Depreciation	1,370.44	1131.53	238.91
D	Opening balance of Accumulated Consumer Contribution (in proportion of OCFA to total OCFA + CWIP + Stores)	425.25	349.26	75.99
2	For the year			
G	Investments in capital expenditure during the year	535.44	444.63	90.81
H	Depreciation for the year (Including AAD)	153.43	114.23	39.19
I	Consumer Contribution, Grants, etc for the year	100.00	83.04	16.96
J	Change in Working Capital	44.80	8.91	35.89
3	RRB(i)	3,091.90	2233.17	868.72

Table no: 17 Y-o-Y ROCE allocated into Wheeling & Retail Supply Business

Particulars	Actual for FY 11-12	Considered for FY 13-14
	Rs. Cr.	
ROCE	306.99	407.77
ROCE- Wheeling	215.57	293.20
ROCE- Retail	91.42	114.57



Table no: 18 Y-o-Y Income Tax allocated into Wheeling & Retail Supply Business

Particulars	Actual for FY 11-12	Considered for FY 13-14
	Rs. Cr.	
Income Tax	89.28	44.14
Income Tax- Wheeling	62.69	31.74
Income Tax – Retail	26.59	12.40

The tax expenses have been allocated into wheeling and Retail Supply in the ratio of ROCE for Wheeling Business and for Retail Supply Business.

Apportionment of expenses at different voltage level

Voltage Level wise y-o-y sale is given below (Actual for FY 11-12 and estimated for FY 13-14 onwards)

Table no:19 Y-o-Y Voltage Level wise Sales

Particulars	Actual for FY 11-12	Considered for FY 13-14
	Mu's	
Sales Above 66KV level	120.69	128.39
Sales at 33/ 66KV level	99.16	100.59
Sales at 11KV level	984.97	1,117.16
Sales at LT level	5,493.81	6,347.95
Total	6,698.62	7,694.10

Sales (MUs) are grossed up at specific voltage levels by respective distribution losses estimated at each level in order to ascertain energy requirement at respective voltage levels.

Table no: 20 Y-o-Y Voltage Wise Cumulative Distribution Losses (Actual for FY 11-12 and estimated for FY 13-14 onwards)

Particulars	Actual for FY 11-12	Considered for FY 13-14
Loss at 220KV level	0.00%	0.00%
Loss at 33/ 66KV level	1.50%	1.50%
Loss at 11KV level	4.95%	4.95%
Loss at LT level	12.69%	12.97%
Over all	11.27%	11.56%

Table no: 21 Y-o-Y Energy Input at each voltage level

Particulars	Actual for FY 11-12	Considered for FY 13-14
	Mu's	
Inputs for 66KV level	120.69	128.39
Inputs for 33/ 66KV level	100.67	102.13
Inputs for 11KV level	1,036.26	1,175.34
Inputs for LT level	6,291.98	7,294.20
Total	7,549.60	8,700.06



Voltage wise allocation between Wheeling and Retail Supply business

Wheeling Activity

Wheeling Costs has been allocated to different voltage levels in the ratio of assets at each voltage level.

Table no: 22 Y-o-Y Wheeling Cost allocation Assets wise

Particulars	Actual for FY 11-12	Considered for FY 13-14
	Rs. Cr.	
Asset at 220 KV level	-	-
Asset at 33/ 66KV level	95.17	119.09
Asset at 11KV level	218.59	273.52
Asset at LT level	194.36	243.20
Total	508.12	635.81

Wheeling Costs so allocated are further apportioned to different voltage levels in proportion to the energy input required for sale at that level.

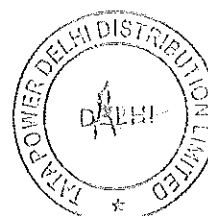
Table no: 23 Y-o-Y Wheeling Cost allocation at different Voltage Level

Particulars	Actual for FY 11-12	Considered for FY 13-14
	Rs. Cr.	
Asset at 220 KV level	-	-
Asset at 33/ 66KV level	1.29	1.42
Asset at 11KV level	44.19	54.29
Asset at LT level	462.65	580.10
Total	508.12	635.81

Based on the energy sales at each level, wheeling charges per unit have been arrived.

Table no: 24 Y-o-Y Wheeling charges at different voltage level

Particulars	Actual for FY 11-12	Considered for FY 13-14
	Paisa per Unit	
Asset at 220 KV level	0.00	0.00
Asset at 33/ 66KV level	13.01	14.10
Asset at 11KV level	44.86	48.59
Asset at LT level	84.21	91.38
Total	75.85	82.64



Allocation of Supply Margin and Balance Retail Supply ARR

Employee Exp/Admin exp/Other Income are allocated across all the voltage level in the ratio of input at that level whereas other retail supply expenses are allocated from 66KV or below in the ratio of input at that level. After that cost per unit sold is determine by the cost at that particular voltage level by the unit sold at that level.

Table no: 25 Y-o-Y Retail Supply charges (Paisa per unit)

Particulars	Actual for FY 11-12	Considered for FY 13-14*
Above 66KV level	532.67	575.55
At 33/ 66KV level	540.78	584.31
At 11KV level	560.41	605.52
At LT level	610.06	661.34
Average	600.34	650.80

*includes supply margin

Table no: 25 Y-o-Y Supply Margin (Paisa per unit)

Particulars	FY 11-12
Above 66KV level	27.03
At 33/ 66KV level	27.44
At 11KV level	28.44
At LT level	30.96
Average	30.47

Table no: 29 Cost of Supply for FY 13-14 (Paisa per unit)

Particular	Wheeling	RST	SM	Total	Wheeling	RST	Total
	FY 2011-12				FY 2013-14		
Above 66KV level	0.00	532.67	27.03	559.70	0.00	575.55	575.55
At 33/ 66KV level	13.01	540.78	27.44	581.23	14.10	584.31	598.42
At 11KV level	44.86	560.41	28.44	633.71	48.59	605.52	654.11
At LT level	84.21	610.06	30.96	725.23	91.38	661.34	752.72
Average	75.86	600.34	30.47	706.66	82.64	650.80	733.43



Government of India
Ministry of Finance
Department of Revenue
(Tax Research Unit)

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Joint Secretary (Tax Research Unit)
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D. O. F. No 334/1/2012-TRU
New Delhi, dated 16th March, 2012.

Dear Sir/Madam,

Subject: Union Budget 2012: Changes in Service Tax-reg.

It is said that in matters relating to taxes, questions rarely change, but the answers do. Budget 2012 has, however, changed a number of questions relating to service tax.

2. No more will the most often-asked question "which taxable service is being provided?" be relevant; no more will an exporter be asked whether an input service has been used in export to claim a Cenvat refund; and no more will a host of questions confront a tax-payer filing his new one page return.

3. Budgetary changes relating to service tax this year are aimed at addressing a number of basic issues: simplicity and certainty in tax processes, neutrality of business to tax by mitigating cascading, encouraging exports, optimizing compliance. And these are largely driven by the desire to create the required setting for the eventual launch of GST in a far more familiar environment.

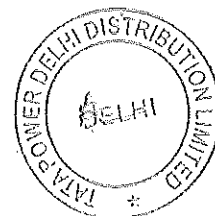
4. Clauses 143 to 145 of the Finance Bill, 2012 cover the legislative changes relating to Service Tax. Changes have also been made in the rules as well as exemptions. A number of other changes are slated to be introduced in subordinate legislation at the time the legislative provisions are operationalized.

5. These changes can be broadly captured as follows:

A. Rate changes:

1. The rate of service tax is being restored to the statutory rate of 12% - same as goods-and Notification No. 8/2009-ST dated February 24, 2009 reducing the rate to 10% has been rescinded effective April 1, 2012.

2. Consequent changes have also been made in composition rates as follows:

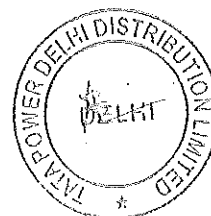


- i For life insurance: 3% for the first year premiums while retaining the rate @1.5% for the subsequent years(simultaneously restoring full Cenvat credit);
 - ii Money changing: raising the existing rates proportionately by 20%;
 - iii Distributor or selling agent of lotteries: Raising the specified amounts proportionately and suitably rounded off to Rs 7,000 and 11,000;
 - iv For works contracts from 4% to 4.8%.
3. The rate for Cenvat reversal for exempt services has been revised likewise from 5% to 6% in Rule 6(3) of Cenvat Credit Rules (CCR), 2004.
4. The dual tax structure for air transportation: partly specific, partly ad valorem - is being replaced with a uniform ad-valorem levy at standard rate with an abatement of 60% on all sectors and all classes.
5. All these changes will be effective April 1, 2012.

B. Taxation of services:

B.1. Negative List:

1. There is paradigm shift in the way services are proposed to be taxed in future. Taxation will be based on what is popularly known as "Negative List of Services".
2. In simple words, it means that if an activity meets the characteristics of a "service" it is taxable unless specified in the Negative list, comprising 17 heads listed in proposed new section 66D, or otherwise exempted by a notification issued under section 93 of the Act. Most of the 88 exemptions at present will be either rescinded, being no more needed, or modified in some manner, or merged in a mega notification, leaving the final tally of exemptions to just 10.
3. The word "service" is defined in clause (44) of the new section 65B. This will also include certain activities that have been specified as declared services in section 66E. Most of these declared services are presently taxed as positive list.
4. The new charging section is contained in section 66B and levies taxes on all services, other than those in the negative list, provided or agreed to be provided in the taxable territory by one person to another.
5. The entire concept, including the key to understanding the various dimensions of the new taxation, together with answers to possible questions, is contained in a detailed draft Guidance Paper: A (GPA for short) and is attached as Annexure A to this letter. The negative list, the mega-exemption notification and list of other exemptions, being retained, are a part of GPA as Exhibits "A1", "A2" and "A3" respectively.
6. On the coming into force of the new provisions, the earlier provisions contained in sections 65, 65A, 66, 66A will cease to apply but will remain relevant in respect of services provided prior to the coming into force of the new provisions.



[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II,
SECTION 3, SUB SECTION (I)]

Government of India
Ministry of Finance
(Department of Revenue)

New Delhi, the 17th March, 2012

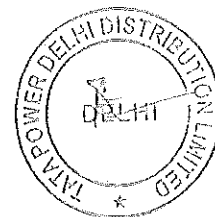
Notification No.2/2012 - Service Tax

G.S.R. (E).- In exercise of the powers conferred by sub-section (1) of section 93 of the Finance Act, 1994 (32 of 1994), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby rescinds the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 8/2009 – Service Tax, dated the 24th February, 2009, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) *vide* number G.S.R. 120 (E), dated the 24th February, 2009, except as respects things done or omitted to be done before such rescission.

2. This notification shall come into force on the 1st day of April, 2012.

[F. No. 334/1/2012-TRU]

(Samar Nanda)
Under Secretary to the Government of India



Lakshmi Kumaran
& Sridharan

Update: 15/2012

Date: 05.06.2012

UPDATE

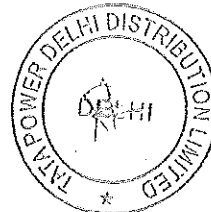
SERVICE TAX - NEGATIVE LIST REGIME TO BE EFFECTIVE FROM 01.07.2012

PROVISIONS EFFECTIVE FROM 01.07.2012

S.No.	Section (The Finance Act, 2012)	Section (The Finance Act, 1994)	Particulars	Notification No.
1.	143(C)	65B	Interpretations	19/2012-ST, dated 05.06.2012
2.	143(F)	66B	Charge of service tax	19/2012-ST, dated 05.06.2012
		66C	Determination of place of provision of service	
		66D	Negative list of services	
		66E	Declared services	
		66F	Principles of interpretation	
3.	143(I)	68(2)	Payment of service tax (Reverse charge provisions)	19/2012-ST, dated 05.06.2012

PROVISIONS CEASED TO APPLY FROM 01.07.2012

S.No.	Section (The Finance Act, 2012)	Section (The Finance Act, 1994)	Particulars	Notification No.
1.	143(A)	65	Definitions	18/2012-ST, dated 01.06.2012 read with 20/2012-ST, dated 05.06.2012
2.	143(B)	65A	Classification of taxable services	18/2012-ST, dated 01.06.2012 read with 21/2012-ST, dated 05.06.2012
3.	143(D)	66	Charge of service tax	18/2012-ST, dated 01.06.2012 read with 22/2012-ST, dated 05.06.2012



Lakshmi Kumaran
& Sridharan



4.	143(E)	66A	Charge of service tax on services received from outside India	18/2012-ST, dated 01.06.2012 read with 23/2012-ST, dated 05.06.2012
5.	143(G)	Clause (b) in the explanation to Section 67	Valuation of taxable services	19/2012-ST, dated 05.06.2012

Disclaimer: The contents of this update are of general nature and should not be considered as legal advice.

