



TATA POWER-DDL

with you Non-Stop

TRUE UP OF FY 2016-17 & ARR for FY 2018-19

VOLUME- II

TATA POWER DELHI DISTRIBUTION LIMITED

A Tata Power and Delhi Government Joint Venture

Regd. Office: NDPL House, Hudson Lane, Kingsway Camp, Delhi - 110009, India




VISION

TATA POWER DELHI DISTRIBUTION LIMITED
12, T-14 Road, Indraprastha, New Delhi-110 002

**TATA POWER-DDL**

MISSION

TATA POWER DELHI DISTRIBUTION LIMITED
 1A, SINDH PALLY, 1st FLOOR, DOWRY, NEW DELHI - 110001



ROCHESTER
We must account for business 479, with
society and the sciences. I am sorry we
do not have the best of public opinion.

the most primary duty is, to raise the
 the most positive standard in our day to
 day, keep one in the center of the road and

the most were ethnocentric with our
beliefs about the group are with our
economy, and planners to build strong
relationships based on tolerance.

UNDERSTANDING

He must be caring, show respect, compassion and empathy, for a person who is a victim of violence.

RESPONSIBILITY

It's not enough to be responsible and sensitive to the community and environment in which we work. Being socially responsible means taking responsibility for the consequences of our actions.

1. LEGISLATIVE
The Court is a body of judges who interpret the law and make decisions on the basis of the law. It is the highest authority in the country and its decisions are final and binding on all other courts.

YATA POWER DELHI DISTRIBUTION LIMITED
1A Yata Road and TARA Centre, New Delhi 110 014



Affirmative Action Policy

2024 Power-Lock's Affirming and Validating

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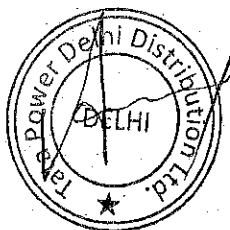
TATA POWER DELHI DISTRIBUTION LIMITED
(A TATA POWER AND TATA CONSULTANCY SERVICES JOINT VENTURE)

Marvyn Dine
CEO & MC
1 February 2000

Tata Power Delhi Distribution Limited

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For kind attention of: **Mr. Ajay Kapoor** (Chief Financial Officer and Chief Legal & Regulatory)

Dear Sirs,

1. This Certificate is issued in accordance with the terms of our agreement dated 18 July 2016.
2. At your request, we have examined the accompanying statement of details of billed and collected revenue for sale of power to consumers during the period 01 April 2016 to 31 March 2017 (the "Statement").

Management's Responsibility

3. The management of the Company is responsible for the preparation of the Statement in accordance with directions issued by Delhi Electricity Regulation Commission. This responsibility also includes maintenance of adequate books of account and other related records as required for collecting, collating and validating information required for the preparation of the Statement, and for designing, implementing and maintaining adequate internal controls for ensuring the accuracy and completeness of such books of account and other related records.

Auditor's Responsibility

4. Our responsibility is to express our conclusion on the information based on our procedures based on the Guidance Note on Audit Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India ("the ICAI") which include the concepts of test checks and materiality. The auditing standards require us to obtain reasonable assurance based on verification, of evidence supporting our opinion.

Our procedures have been planned to obtain all information and explanations that we considered necessary to support our conclusion. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

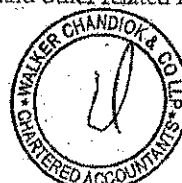
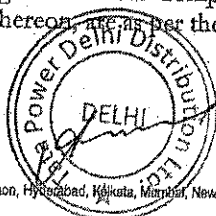
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

6. On the basis of our examination of the books of account and other related records of the Company for the period 01 April 2016 to 31 March 2017 and according to the information and explanations given to us by the management of the Company, we certify that the particulars contained in the Statement along with the notes thereon, are as per the books of account and other related records of the Company.

Chartered Accountants

Offices in Bengaluru, Chandigarh Chennai, Gurgaon, Hyderabad, Kolkata, Mumbai, New Delhi, Noida and Pune



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Restriction on Use

7. This certificate has been issued solely for the purpose of submission to Delhi Electricity Regulatory Commission ('DERC').

For Walker Chandiook & Co LLP

Chartered Accountants

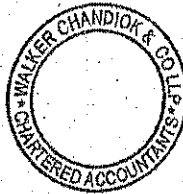
Firm's Registration No.: 001076N/N500013

Neeraj

Per Neeraj Goel

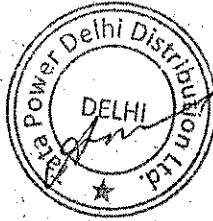
Partner

Membership No.: 099514



Place: New Delhi

Dated: 10 August 2017



Details of the Billed Revenue From 01-Apr-2016 to 31-Mar-2017

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Independent Auditor's Report

To the Members of Tata Power Delhi Distribution Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Tata Power Delhi Distribution Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

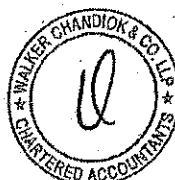
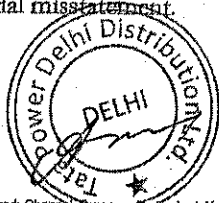
2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these standalone financial statements are free from material misstatement.

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Coimbatore, Hyderabad, Kolkata, Mumbai, New Delhi, Noida and Pune



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6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2017, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

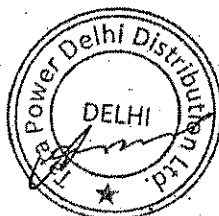
9. We draw attention to note 38(d) to the standalone financial statements in respect of uncertainties of recoverability of Regulatory deferral account balance arising on account of power purchase cost from Rithala generation plant and consequential uncertainties in estimation of recoverable value of the plant for determination of impairment, if any. Our opinion is not qualified in respect of this matter.

Other Matter

10. The comparative financial information for the year ended 31 March 2016 and the transition date opening balance sheet as at 1 April 2015 prepared in accordance with Ind AS included in these standalone financial statements, are based on the previously issued statutory financial statements for the year ended 31 March 2016 and 31 March 2015 respectively prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) which were audited by M/s V. Sankar Aiyar & Co. whose reports dated 13 May 2016 and 8 May 2015 respectively expressed unmodified opinion on those standalone financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

11. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order.
12. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - 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;



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- c) the standalone financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;
- e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164(2) of the Act;
- f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 5 May 2017 as per Annexure B expressing our unmodified opinion on adequacy and operating effectiveness of the internal financial controls over financial reporting;
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in Note 31 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses);
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. the Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. We have relied on details provided by banks, as described in Note 41, for the purpose of testing the details of the disclosure. Based on the audit procedures performed and taking into consideration the information and explanations provided to us by the management, in our opinion, these are in accordance with the books of account maintained by the company.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP

(formerly Walker, Chandiook & Co)

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Neeraj Goel

per Neeraj Goel

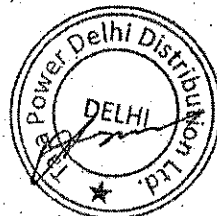
Partner

Membership No.: 99514



Place: New Delhi

Date: 5 May 2017



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Annexure A to the Independent Auditor's Report of even date to the Members of Tata Power Delhi Distribution Limited, on the financial statements for the year ended 31 March 2017

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company does not own any land in its name. As regard the buildings, the Company retains the operational right over the buildings used for the purpose of carrying out distribution business under a license granted by Delhi Electricity Regulatory Commission ('DERC'). Thus, verification of title deeds is not applicable on building.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.



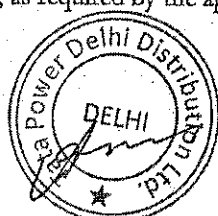
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Annexure A to the Independent Auditor's Report of even date to the members of Tata Power Delhi Distribution Limited, on the financial statements for the year ended 31 March 2017 (Continued)

- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in lacs)	Amount paid under Protest (₹)	Period to which the amount relates (FY)	Forum where dispute is pending
Income Tax Act, 1961	Demand of interest on short deduction of TDS and tax on interest income.	166.33	-	2007-08	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand of interest on short deduction of TDS and late deposit of TDS	114.74	-	2008-09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand on account of disallowance of certain expenses	0.12	-	2009-10	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand on short allowance of TDS and interest thereon	4.54	-	2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand on account of disallowance of certain expenses	46.15	-	2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand on short allowance of TDS and excess interest charged on account of disallowance of certain expenses	19.59	-	2012-13	Commissioner of Income Tax (Appeals)

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid / provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.



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Annexure A to the Independent Auditor's Report of even date to the members of Tata Power Delhi Distribution Limited, on the financial statements for the year ended 31 March 2017 (Continued)

- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

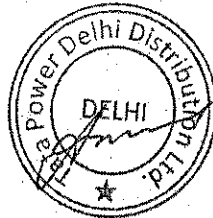
Walker Chandiok & Co LLP
For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj

per Neeraj Goel
Partner
Membership No.: 99514



Place: New Delhi
Date: 5 May 2017



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Annexure B to the Independent Auditor's Report of even date to the Members of Tata Power Delhi Distribution Limited, on the financial statements for the year ended 31 March 2017

Annexure B

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the financial statements of Tata Power Delhi Distribution Limited ("the Company") as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company of as of that date.

Management's Responsibility for Internal Financial Controls

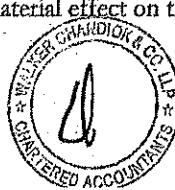
2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note on Audit of Internal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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

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



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Annexure B to the Independent Auditor's Report of even date to the Members of Tata Power Delhi Distribution Limited, on the financial statements for the year ended 31 March 2017

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Walker Chandiok & Co LLP

For Walker Chandiok & Co LLP

(formerly Walker, Chandiok & Co)

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Neeraj Goel

Per Neeraj Goel

Partner

Membership No.: 99514



Place: New Delhi

Date: 5 May 2017



TATA POWER DELHI DISTRIBUTION LIMITED
STANDALONE BALANCE SHEET AS AT 31 MARCH, 2017

	Note No.	As at 31.03.2017 Rs./Lacs	As at 31.03.2016 Rs./Lacs	As at 01.04.2015 Rs./Lacs
I. ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	4	350,911.36	326,671.86	309,570.26
(b) Capital work-in-progress	5	19,008.45	14,922.78	16,191.78
(c) Intangible assets	6	3,182.52	2,649.36	2,577.52
(d) Financial assets				
(i) Investments	7	5.00	5.00	5.00
(ii) Other financial assets	8	249.38	249.17	401.65
(e) Income tax assets (Net)	9	2,391.46	-	-
(f) Deferred tax assets (Net)	21	635.48	-	-
Less: Adjustable in future tariff		(635.48)	-	-
(g) Other non-current assets	10	4,600.87	4,327.71	4,134.71
Total non-current assets		380,349.04	348,825.88	332,860.92
(2) Current assets				
(a) Inventories	11	1,054.58	1,297.45	920.40
(b) Financial assets				
(i) Trade receivables	12	21,425.50	20,678.74	18,062.93
(ii) Cash and cash equivalents	13 (a)	9,998.53	15,006.68	13,237.56
(iii) Bank balances other than (ii) above	13 (b)	3,583.36	3,760.42	3,742.75
(iv) Other financial assets	14	31,015.81	29,876.20	27,573.66
(c) Other current assets	15	16,850.94	52,729.41	18,561.02
Total current assets		83,928.72	123,348.90	82,098.32
Total assets		464,277.76	472,174.78	414,979.24
(3) Regulatory deferral account debit balances	38	457,370.26	472,014.26	535,817.26
Total assets and regulatory deferral account debit balances		921,648.02	944,189.04	950,796.50
II. EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital	16	55,200.00	55,200.00	55,200.00
(b) Other equity	17	213,542.72	203,360.58	195,226.15
Total equity		268,742.72	258,560.58	250,426.15
LIABILITIES				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Long-term borrowings	18	254,996.53	292,923.63	352,321.96
(ii) Other financial liabilities	19	50,555.28	53,277.66	48,862.76
(b) Provisions	20	3,535.30	2,850.36	2,098.11
(c) Deferred tax liabilities (Net)	21	-	52,104.61	47,712.70
Less: Adjustable in future tariff		-	(52,104.61)	(47,712.70)
(d) Capital grants	22	729.99	780.03	830.07
(e) Contributions for capital works and service line charges	23	85,717.14	77,123.93	67,527.11
(f) Other non-current liabilities	24	21,225.72	24,812.80	27,423.49
Total non-current liabilities		416,759.96	451,768.41	499,063.50
(2) Current liabilities				
(a) Financial liabilities				
(i) Short-term borrowings	25	20,169.43	16,660.96	8,252.57
(ii) Trade payables	26	116,156.67	91,940.66	88,449.37
(iii) Other financial liabilities	27	81,294.70	97,949.82	83,811.45
(b) Provisions	28	1,324.20	10,200.62	6,480.92
(c) Other current liabilities	29	17,199.70	15,319.39	11,864.71
(d) Current tax liabilities (Net)	30	0.64	1,788.60	2,447.83
Total current liabilities		236,145.34	233,860.05	201,306.85
Total equity and liabilities		921,648.02	944,189.04	950,796.50

See accompanying notes forming part of standalone financial statements (1-51)

In terms of our report attached
For Walker Chandok & Co LLP
(formerly Walker, Chandok & Co)
Chartered Accountants

per Neeraj Goel
Partner



New Delhi
5 May, 2017

For and on behalf of the Board of Directors

Anil Sardana
Chairman

Ajay Kalsla
Company Secretary

New Delhi
5 May, 2017

Praveer Sinha
CEO & Managing Director

Ajay Kapoor
Chief Financial Officer

TATA POWER DELHI DISTRIBUTION LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2017

	Note No.	Year Ended 31.03.2017 Rs./Lacs	Year ended 31.03.2016 Rs./Lacs
1 Revenue from operations	32	674,542.47	666,152.58
2 Other Income	33	5,706.31	5,799.11
3 Total Income		<u>680,248.78</u>	<u>671,951.69</u>
EXPENSES			
4 Fuel cost			(240.39)
5 Cost of power purchased (net) (excludes own generation)	34	522,376.48	458,945.41
6 Employee benefits expense	35	37,232.52	35,382.52
7 Finance costs	36	40,111.42	47,245.11
8 Depreciation and amortisation expense	4,6	19,290.07	17,850.51
9 Other expenses	37	14,632.75	23,814.54
10 Total expenses		<u>633,643.24</u>	<u>582,997.70</u>
PROFIT BEFORE TAX AND RATE REGULATED ACTIVITIES		46,605.54	88,953.99
11 Net movement in regulatory deferral account balance	38	(14,644.00)	(63,803.00)
PROFIT/(LOSS) BEFORE TAX		31,961.54	25,150.99
12 Tax expense			
(i) Current tax	42	5,748.19	7,650.83
(ii) Deferred tax			
Provision for the year	21	(52,702.15)	4,420.29
Less: Adjustable in future tariff		52,702.15	(4,420.29)
PROFIT/(LOSS) FOR THE YEAR		<u>26,213.35</u>	<u>17,500.16</u>
13 Other comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligation		(109.63)	(81.99)
Income tax relating to above		23.40	17.50
TOTAL OTHER COMPREHENSIVE INCOME		<u>(86.23)</u>	<u>(64.49)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>26,127.12</u>	<u>17,435.67</u>
EARNINGS PER EQUITY SHARE (FACE VALUE Rs. 10/- EACH)	40		
Basic and Diluted earnings per share before net movement in regulatory deferral account balance (Rs.)		7.40	14.73
Basic and Diluted earnings per share after net movement in regulatory deferral account balance (Rs.)		4.75	3.17

See accompanying notes forming part of standalone financial statements (1-51)

In terms of our report attached
Walker Chandniok & Co LLP
For Walker Chandniok & Co LLP
(formerly Walker, Chandniok & Co)
Chartered Accountants

Neeraj Goel
per Neeraj Goel
Partner



New Delhi
5 May, 2017

For and on behalf of the Board of Directors

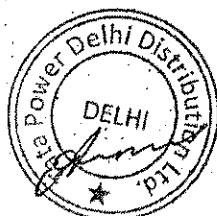
Anil Sardana
Anil Sardana
Chairman

Praveer Sinha
Praveer Sinha
CEO & Managing Director

Ajay Kalsie
Ajay Kalsie
Company Secretary

Ajay Kapoor
Ajay Kapoor
Chief Financial Officer

New Delhi
5 May, 2017



TATA POWER DELHI DISTRIBUTION LIMITED
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2017

A. EQUITY SHARE CAPITAL

Particulars	Amount Rs./Lacs
Balance as at 1 April, 2015 (see note 50.3)	55,200.00
Changes in equity share capital during the year:	
Balance as at 31 March, 2016	55,200.00
Balance as at 1 April, 2016	55,200.00
Changes in equity share capital during the year:	
Balance as at 31 March, 2017	55,200.00

B. OTHER EQUITY

Particulars	(All amounts in Rs./Lacs)		
	Reserves and Surplus		
	General Reserve	Retained Earnings	Total
(a) Balance as at 1 April, 2015 (see note 50.3)	7,850.00	187,376.15	195,226.15
(b) Transfer from retained earnings to general reserve	1,300.00	(1,300.00)	
(c) Dividends on equity share capital for FY 2014-15 approved and paid on equity shares (including dividend distribution tax thereon)	-	(9,301.24)	(9,301.24)
(d) Profit as per the statement of profit and loss for the year ended 31 March, 2016	-	17,500.16	17,500.16
(e) Remeasurement of defined benefit obligation (net of income tax)	-	(64.49)	(64.49)
(f) Total comprehensive income for the year ended 31 March, 2016 (d+e)	-	17,435.67	17,435.67
Balance as at 31 March, 2016 (a+b+c+f)	9,150.00	194,210.58	203,360.58
(a) Balance as at 1 April, 2016	9,150.00	194,210.58	203,360.58
(b) Dividends on equity share capital for FY 2015-16 approved and paid on equity shares (including dividend distribution tax thereon)	-	(9,301.24)	(9,301.24)
(c) Interim dividend on equity share capital for FY 2016-17 approved and paid on equity shares (including dividend distribution tax thereon)	-	(6,643.74)	(6,643.74)
(d) Profit as per statement of profit and loss for the year ended 31 March, 2017	-	26,213.35	26,213.35
(e) Remeasurement of defined benefit obligation (net of income tax)	-	(86.23)	(86.23)
(f) Total comprehensive income for the year ended 31 March, 2017 (d+e)	-	26,127.12	26,127.12
Balance as at 31 March, 2017 (a+b+c+f)	9,150.00	204,392.72	213,542.72

See accompanying notes forming part of standalone financial statements (1-51)

In terms of our report attached
Walker Chandok & Co LLP
 For Walker Chandok & Co LLP
 (formerly Walker, Chandok & Co)
 Chartered Accountants

per Neeraj Goel
 Partner



New Delhi
 5 May, 2017

For and on behalf of the Board of Directors

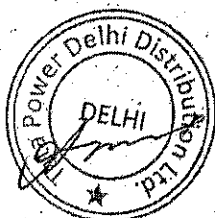
Anil Sardana
 Chairman

Praveer Sinha
 CEO & Managing Director

Ajay Kalsie
 Company Secretary

Ajay Kapoor
 Chief Financial Officer

New Delhi
 5 May, 2017



TATA POWER DELHI DISTRIBUTION LIMITED
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2017

	Year ended 31.03.2017 Rs./Lacs	Year ended 31.03.2016 Rs./Lacs
A. Cash flow from Operating Activities		
Profit after tax	26,213.35	17,500.16
Income tax recognised as expense in statement of profit and loss	5,748.19	7,650.83
Depreciation and amortisation expense	19,290.07	17,850.51
Finance costs	40,111.42	47,245.11
Interest income	(287.29)	(1,246.80)
Net gain on current investments	(23.29)	(176.28)
Loss on disposal of property, plant and equipment	827.88	617.61
Transfer of capital grants	(50.04)	(50.04)
Transfer of contribution for capital works / service line charges	(5,595.86)	(4,933.06)
Obsolete inventory written off / provision for obsolete inventory	26.01	118.05
Bad debts written off	100.37	200.84
Provision for contingencies	(9,059.45)	3,500.45
Provision for doubtful debts	404.98	(1,462.63)
Operating profit before working capital changes	77,706.34	86,814.75
Adjustments for (increase) / decrease in assets:		
Inventories	216.86	(495.10)
Trade receivables	(1,772.11)	(1,790.68)
Other financial assets - current	(1,150.52)	(2,336.47)
Other financial assets - non current	(0.21)	152.48
Other non-current assets	(85.83)	(65.09)
Other current assets	35,878.47	(34,168.39)
Regulatory deferral account debit balances	14,644.00	63,803.00
Adjustments for increase / (decrease) in liabilities:		
Trade payables	24,216.01	3,491.29
Other financial liabilities - current	2,331.57	820.63
Other financial liabilities - non current	115.60	152.08
Other current liabilities	1,880.31	3,454.69
Other non-current liabilities	(3,587.08)	(2,610.69)
Provision for employee benefits - current	183.03	205.04
Provision for employee benefits - non current	575.31	670.26
Cash generated from operations	151,151.75	118,097.80
Taxes paid (including tax deducted at source)	(9,904.47)	(8,305.30)
Net Cash from/(used in) Operating Activities	(A) 141,247.28	(B) 109,792.50
B. Cash Flow from Investing Activities		
Purchase of property, plant and equipment	(49,603.32)	(34,318.73)
Proceeds from sale of property, plant and equipment	620.03	633.03
Purchase of bank deposits	177.06	(17.67)
Proceeds from bank deposits	298.20	1,280.73
Interest received	(51,100.00)	(163,500.00)
Purchase of current investments	51,123.29	163,676.28
Proceeds from sale of current investments	(48,484.74)	(32,246.36)
Net Cash from/(used in) Investing Activities	(B) (48,484.74)	(C) (32,246.36)
C. Cash Flow from Financing Activities		
Finance cost paid	(33,453.80)	(40,757.16)
Proceeds from short-term borrowings	10,000.00	2,000.00
Repayment of short-term borrowings	(10,000.00)	(2,000.00)
Net (repayment)/proceeds from cash credit	3,508.47	8,408.39
Proceeds from long-term borrowings	25,010.00	26,250.00
Repayment of long-term borrowings	(81,148.35)	(72,167.91)
Proceeds from contribution for capital works	11,047.08	10,793.92
Proceeds from service line charges	3,141.99	3,735.96
Net (repayment)/proceeds from consumers' security deposits	(2,709.64)	4,482.48
Dividend paid to preference share holders (including dividend distribution tax)	(7,221.46)	(7,221.46)
Dividend paid to equity share holders (including dividend distribution tax)	(15,944.98)	(9,301.24)
Net Cash from/(used in) Financing Activities	(C) (97,770.69)	(D) (75,777.02)
Net increase/(decrease) in cash and cash equivalents	(A+B+C) (5,008.15)	(E) 1,769.12
Cash and cash equivalents at the beginning of the year (see note 50.6)	15,006.68	13,237.56
Cash and cash equivalents at the end of the year (see note 13(a), 50.5)	9,998.53	15,006.68

See accompanying notes forming part of standalone financial statements (1-51)

In terms of our report attached
Walker Chandok & Co LLP
 For Walker Chandok & Co LLP
 (formerly Walker, Chandok & Co)
 Chartered Accountants

Neeraj Goel
 Partner



New Delhi
 5 May, 2017



For and on behalf of the Board of Directors

Anil Sardana
 Chairman

Praveer Sinha
 CEO & Managing Director

Ajay Kalsie
 Company Secretary

Ajay Kapoor
 Chief Financial Officer

New Delhi
 5 May, 2017

Note 1

General Information

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

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

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

Note 2

Application of new and revised Indian Accounting Standard (Ind AS)

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

2.1 Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7: The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the standalone financial statements is being evaluated.

Amendment to Ind AS 102: The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

The Company has not issued any stock options plans, hence this amendment will have no effect on the Company's standalone financial statements.

Note 3

Significant Accounting Policies

3.1 Statement of compliance

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2016.

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

These are the Company's first Ind AS Standalone Financial Statements. The date of transition to Ind AS is April 1, 2015. The mandatory exceptions and optional exemptions availed by the Company on First-time adoption have been detailed in Note 3.28.

Previous period figures in the Standalone Financial Statements have been restated in compliance to Ind AS.

Up to the year ended March 31, 2016, the Company had prepared the Standalone Financial Statements under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles (Previous GAAP) applicable in India and the applicable Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

In accordance with Ind AS 101-"First Time adoption of Indian accounting Standards" (Ind AS 101), the Company has presented a reconciliation of Shareholders' equity under Previous GAAP and Ind AS as at March 31, 2016, and April 1, 2015 and of the Net Profit as per previous GAAP and Total Comprehensive Income under Ind AS for the year ended March 31, 2016. (see note 50)



3.2 Basis of preparation and presentation

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

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

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

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below:

3.3 Investments in subsidiary

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

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

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

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

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

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

3.4 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

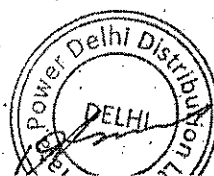
3.4.1 Sale of power

Revenue from the supply of power is recognised net of any trade discounts, cash rebates, etc. when the power is supplied and all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;

Revenue from power supply is accounted for on the basis of billings to consumers and includes unbilled revenues accrued up to the end of the reporting period. Revenue from power supply is recognised net of the applicable taxes which the company collects from the customer on behalf of the government/state authorities.

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 in 'Regulatory Deferral Account Balance'. (see note 3.25)



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

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

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

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

3.5 Rendering of services

Revenue from a contract to provide consultancy services is recognised by reference to the stage of the completion of the contract. Foreseeable losses on such contracts are recognised when probable.

3.6 Interest income

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

3.7 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

3.7.1 Company as a lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in that reporting period in which such benefits accrue.

3.8 Foreign currencies

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

Transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of currency prevailing on the date of the transaction. Realised gains or losses on foreign currency transactions during the reporting period are recognised in the statement of profit and loss. Monetary assets and liabilities denominated in foreign currencies, at the reporting period end are translated into Indian rupees at the reporting period end rates and resultant gains or losses on foreign currency translations are recognised in the statement of profit and loss.

Non-monetary items are not retranslated at period-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

3.9 Borrowing costs

Borrowing costs incurred for qualifying assets are capitalised up to the date the asset is ready for intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset. All other borrowing costs are recognised in the statement of profit and loss in the reporting period in which they accrue.

3.10 Government grants

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

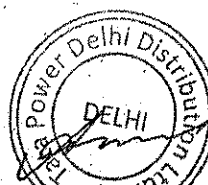
Where the Company receives non-monetary grants, the asset and the grant are recorded gross at fair value and released to the statement of profit and loss over the expected useful life and pattern of consumption of the benefit of the underlying asset.

3.11 Employee benefits

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

3.11.1 Defined contribution plans

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



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.

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

3.11.2 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 reporting period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the prevailing market yields on government securities as at the balance sheet date.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the reporting period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the reporting period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

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

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

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

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

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

3.11.3 Short-term employee benefits

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

3.11.4 Other long-term employee benefits

Employees other than from Erstwhile DVB employees:

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

Erstwhile DVB Employees:

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

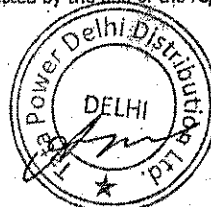
3.12 Income Tax

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

3.12.1 Current tax

The tax currently payable is based on taxable profit for the reporting period. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are treated differently according to Income Tax Act 1961. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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3.12.2 Deferred Tax

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

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

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

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

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

3.12.3 Current and deferred tax for the reporting period

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3.13 Property plant and equipment

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

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

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

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

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

Assets costing less than Rs. 5,000 where useful life is considered as per part C of schedule II to the Companies Act, 2013 are depreciated fully in the year of first use.

Depreciation for the reporting period in respect of property, plant and equipment used for electricity generation has been provided on straight line method as per rates/ useful life prescribed in 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 determined by an independent valuer which is average 15 years. The depreciation has been calculated in a manner which has the effect of depreciating 90% of the capitalized cost of each such depreciable asset.

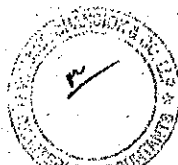
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced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

All other repairs and maintenance are charged to the statement of profit and loss during the financial period in which they are incurred.

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

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

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



TATA POWER DELHI DISTRIBUTION LIMITED
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<u>Description/Class of Assets</u>	<u>Useful life (years)</u>
Office Buildings, Housing Colonies	50
Temporary structures	5
Meters	10
General Plant & Machinery, SCADA (including software), Street lighting, Office equipment, furniture & fittings	15
Computers, End use devices, Server & Network Devices, Software, Batteries etc.	3-6
Overhead Lines, Solar PV	25
Plant & Machinery (not covered in above classes)	25
Underground Cables	35
Motor Vehicles	8-10

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

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

3.14 Intangible assets

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

3.15 Impairment of tangible and intangible assets

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

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

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

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

3.16 Inventories

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

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

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

3.17 Provision and contingent liability

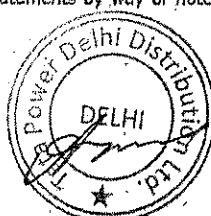
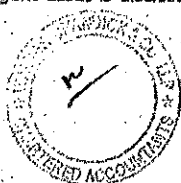
A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

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

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

A contingent liability is disclosed in the financial statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote. A contingent asset is disclosed in the financial statements by way of notes of accounts when an inflow of economic benefits is probable.

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3.18 Financial Instruments

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

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

3.19 Financial assets

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

3.19.1 Amortized cost

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

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

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

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

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

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

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

A financial asset is held for trading if:

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

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

3.19.4 Impairment of financial asset

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

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses using the simplified approach permitted under Ind AS 109.

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

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

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3.19.5 Derecognition of financial asset

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

3.20 Financial liabilities and equity instruments

3.20.1 Classification as debt or equity

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

3.20.2 Equity instruments

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

3.20.3 Compound financial instruments

The component parts of compound financial instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible instruments, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in the statement of profit and loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible instruments are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

3.20.4 Financial liability

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

3.20.4.1 Financial liabilities subsequently measured at amortised cost

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

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

3.20.4.2 Derecognition of financial liabilities

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

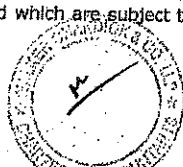
3.21 Contribution for capital works and service line charges

Consumer's contribution towards cost of capital assets is treated as capital receipt and credited in 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.

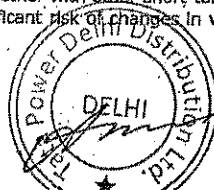
The amount received from consumers on account of service line charges are treated as capital receipt and credited in liabilities until transferred to a separate account on installation of connection. An amount equivalent to the depreciation charge for the reporting period on such assets is appropriated from this account as income to the statement of profit and loss over the useful life of the assets.

3.22 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value and having original maturities of three months or less from the date of purchase.



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3.23 Dividend

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

3.24 Earnings per share (EPS)

Basic earnings per equity share has been computed by dividing the profit/(loss) for the reporting period attributable to equity shareholders by the weighted average number of equity shares outstanding during the reporting period in accordance with Ind AS 33, Earnings per share. Diluted earnings per share is computed by dividing the profit/(loss) for the reporting period attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares by the weighted average number of equity shares outstanding during the reporting period as adjusted to the effects of all dilutive potential equity shares, except where results are anti-dilutive.

The Company also presents Basic earnings per equity share in accordance with Ind AS 114, Regulatory deferral accounts which is computed by dividing the profit/(loss) for the reporting period before and after net movement in regulatory deferral account balance attributable to equity shareholders by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the profit/(loss) for the reporting period before and after net movement in regulatory deferral account balance attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares by the weighted average number of equity shares outstanding during the reporting period as adjusted to the effects of all dilutive potential equity shares, except where results are anti-dilutive.

3.25 Regulatory deferral accounts

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

3.26 Operating cycle

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

3.27 Use of estimate

The preparation of these standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the reporting periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the reporting period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of valuation of deferred tax assets, regulatory deferral accounts, provision and contingent liability and impairment of financial assets.

3.27.1 Valuation of deferred tax

The Company reviews the carrying amount of deferred tax at the end of each reporting period. The policy for the same has been explained under note 3.12.2

3.27.2 Regulatory deferral accounts

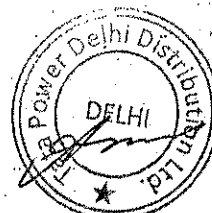
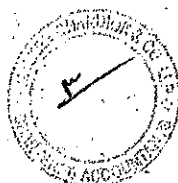
The Company reviews the surplus/deficit in carrying amount of regulatory deferral accounts at the end of each reporting period. The policy for the same has been explained under note 3.25

3.27.3 Provision and contingent liability

The Company reviews its provisions and contingent liability at the end of each reporting period. The policy for the same has been explained under note 3.17

3.27.4 Impairment of financial assets

The Company reviews allowance made for doubtful debts as per expected credit loss model at the end of each reporting period. The policy for the same has been explained under note 3.19.4



3.28 First-time adoption – mandatory exceptions and optional exemptions

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying certain items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below:

3.28.1 Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2015 (the transition date).

3.28.2 Classification of financial assets

The Company has determined the classification of financial assets in terms of whether they meet the amortised cost criteria or the FVTOCI or FVTPL criteria based on the facts and circumstances that existed as of the transition date.

3.28.3 Impairment of financial assets

As permitted under Ind AS 109, the company has used simplified approach of measuring its expected credit losses on trade receivables using life time expected credit loss model. Hence there is no requirement to retrospectively assess whether there has been a significant increase in credit risk since initial measurement.

3.28.4 Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 determining whether an arrangement contains a lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

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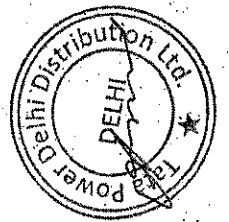
TATA POWER DELHI DISTRIBUTION LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 4

PROPERTY, PLANT AND EQUIPMENT

Particulars	Buildings - Plant	Buildings - Others	Plant and equipment	Transmission lines and cable network	Furniture and fixtures	Vehicles	Office equipment	(Rs./Lacs) Total
Cost								
Balance as at 1 April, 2015	27,837.51	3,798.33	240,323.34	201,916.33	1,172.25	3,182.53	2,974.34	481,154.63
Additions	2,296.06	157.68	16,340.32	14,637.56	158.44	948.46	610.56	35,149.08
Less: Disposals	40.49	-	2,017.33	22.36	6.73	911.20	15.77	2,973.39
Borrowing cost capitalised	30,174.06	3,956.01	178.18	227.92	-	-	-	-
Balance as at 31 March, 2016	2,461.59	62.94	254,824.51	216,759.45	1,323.96	3,219.79	3,519.13	513,776.91
Less: Disposals	16.78	0.16	19,336.50	20,773.78	80.94	975.70	285.18	43,976.63
Borrowing cost capitalised	32,652.43	4,019.11	3,579.64	447.60	-	676.17	126.84	4,830.25
Balance as at 31 March, 2017	-	-	270,677.37	237,236.11	1,404.90	3,519.32	3,677.47	553,186.71
Accumulated Depreciation								
Balance as at 1 April, 2015	9,177.25	1,704.92	82,500.62	75,394.96	731.37	864.03	1,211.22	171,584.37
Less: Eliminated on disposals	622.43	131.11	1,319.07	6.80	3.68	384.77	8.43	1,722.75
Depreciation expense	9,799.68	1,836.03	11,302.11	4,589.35	48.41	371.89	178.13	17,243.43
Balance as at 31 March, 2016	660.05	149.28	2,703.82	79,977.51	776.10	831.15	1,380.92	187,105.05
Less: Eliminated on disposals	10,459.73	1,985.31	12,047.11	5,046.00	54.75	308.19	73.96	3,382.66
Depreciation expense	-	-	101,826.95	84,726.82	830.65	365.02	210.75	18,552.96
Balance as at 31 March, 2017	-	-	-	-	-	927.98	1,517.71	202,275.35
Carrying Amount								
As at 1 April, 2015	18,660.26	2,093.41	157,822.72	126,521.37	440.88	2,318.50	1,713.12	309,570.26
As at 31 March, 2016	20,374.38	2,119.98	162,340.85	136,781.94	547.86	2,368.64	2,138.21	326,671.86
As at 31 March, 2017	22,192.70	2,033.80	168,850.42	152,509.29	574.05	2,591.34	2,159.76	350,911.36

4.1 Property plant and equipment and intangible assets (moveable and immovable) are hypothecated against secured borrowings of Rs. 104,694.04 lacs (as at 31 March, 2016 Rs. 111,046.96 lacs, as at 1 April, 2015 Rs. 124,114.88 lacs) [see note 18(A)(i), 25(a), 27(b)(A)(i), 27(b)(B)].



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

NOTE 5

CAPITAL WORK-IN-PROGRESS (CWIP)

	As at 31.03.2017 Rs./Lacs	As at 31.03.2016 Rs./Lacs
(i) Opening balance	14,922.78	16,191.78
(ii) Additions	46,825.39	32,361.27
(iii) Less: Transfer to property plant and equipment	42,968.59	33,732.75
(iv) Borrowing cost capitalised	228.87	102.48
(v) Closing balance	<u>19,008.45</u>	<u>14,922.78</u>

5.1 CWIP includes closing capital inventory of Rs. 6,311.33 lacs (as at 31 March, 2016 Rs. 5,035.07 lacs).

5.2 Carrying amount of capital inventory hypothecated as security for borrowings is 6,278.02 lacs (as at 31 March, 2016 5,001.76 lacs) [see note 18(A)(i), 18(B)(i), 25(e), 27(b)(A)(i), 27(b)(B)].

NOTE 6

INTANGIBLE ASSETS

Particulars	Computer software Rs./Lacs
Cost	
Balance at 1 April, 2015	5,995.68
Additions	678.92
Balance at 31 March, 2016	6,674.60
Additions	1,270.59
Less: Disposals	185.60
Balance as at 31 March, 2017	<u>7,759.59</u>
Accumulated Amortisation	
Balance at 1 April, 2015	3,418.16
Amortisation expense	607.08
Balance at 31 March, 2016	4,025.24
Amortisation expense	737.11
Less: Eliminated on disposals	185.28
Balance as at 31 March, 2017	<u>4,577.07</u>
Carrying Amount	
As at 1 April, 2015	2,577.52
As at 31 March, 2016	2,649.36
As at 31 March, 2017	3,182.52

6.1 Intangible assets are hypothecated against secured borrowings of the Company (see note 4.1)

NOTE 7

INVESTMENTS - NON CURRENT

Investments (unquoted)
(at cost)

Investments in equity instruments of wholly owned subsidiary company

NDPL Infra Limited
0.50 lacs (as at 31 March, 2016 0.50 lacs, as at 1 April, 2015
0.50 lacs) equity shares of Rs. 10 each, fully paid up

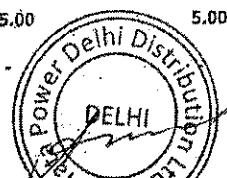
	As at 31.03.2017 Rs./Lacs	As at 31.03.2016 Rs./Lacs	As at 01.04.2015 Rs./Lacs
	5.00	5.00	5.00
	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>

7.1 Aggregate amount of carrying value of unquoted investments

7.2 Aggregate amount of impairment in value of investments

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

	As at 31.03.2017 Rs./Lacs	As at 31.03.2016 Rs./Lacs	As at 01.04.2015 Rs./Lacs
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NOTE 8

OTHER FINANCIAL ASSETS - NON CURRENT

Unsecured and considered good
(at amortised cost)

(a) Security deposits	158.37	89.49	113.23
(b) Recoverable from SVRS Trust (see note 31.7)	91.01	159.68	288.25
(c) Others			0.17
	<u>249.38</u>	<u>249.17</u>	<u>401.65</u>

NOTE 9

INCOME TAX ASSETS (NET)

Income tax
[Net of provision of income tax Rs. 70,772.60 lacs]

2,391.46

NOTE 10

OTHER NON CURRENT ASSETS

Unsecured and considered good

(a) Capital advances	1,575.39	1,388.06	1,260.15
(b) Income tax paid under protest against demand	2,811.57	2,811.57	2,811.57
(c) Prepaid expenses	183.99	98.16	28.58
(d) Others	29.92	29.92	34.41
	<u>4,600.87</u>	<u>4,327.71</u>	<u>4,134.71</u>

NOTE 11

INVENTORIES

(a) Stores and spares	1,308.86	1,552.55	1,151.34
(b) Loose tools	56.46	40.88	48.59
	<u>1,365.32</u>	<u>1,593.43</u>	<u>1,199.93</u>
Less: Provision for non-moving inventories	310.74	295.98	279.53
	<u>1,054.58</u>	<u>1,297.45</u>	<u>920.40</u>

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

11.2 Carrying amount of inventories as above hypothecated as security for borrowings
[see note 18(A)(i), 18(B)(i), 25(a), 27(b)(A)(i), 27(b)(B)]

NOTE 12

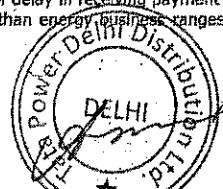
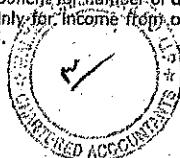
TRADE RECEIVABLES

(at amortized cost)

(a) Debtors for billed revenue (see note 12.2)	26,927.43	27,195.67	26,330.40
Less: Provision for doubtful debts	10,655.31	9,735.33	10,773.69
	<u>16,272.12</u>	<u>17,460.34</u>	<u>15,556.71</u>
(b) Debtors for sale of power other than TPDLL license area - unsecured	374.12	2.90	945.70
(c) Other debtors - unsecured	4,779.26	3,215.50	1,560.52
	<u>21,425.50</u>	<u>20,678.74</u>	<u>18,062.93</u>
Of the above amounts,			
12.1 Considered good	21,425.50	20,678.74	18,062.93
Considered doubtful	10,655.31	9,735.33	10,773.69
12.2 Secured (against consumers' security deposit) [see note 12 (a)]	7,596.21	7,614.49	6,102.22
Unsecured [see note 12 (a)]	19,331.22	19,581.18	20,228.18
12.3 Government subsidy included in 12 (a)	1,136.78	1,070.49	163.85

12.4 The average credit period for the trade receivable in 12 (a) for distribution of power in license area is 15 clear days. Late Payment Surcharge (LPSC) is charged at 1.5 % per month on principal component for number of days of delay in receiving payment as per DERC regulations. The average credit period for trade receivable in 12 (b) for sale of power in other than license area ranges from 7 days to 30 days from date of issue of bill. LPSC is charged at 1.25% per month on principal component for number of days of delay in receiving payment as per DERC regulations. The average credit period for trade receivable in 12 (c) mainly for income from other than energy business ranges from 30 days to 60 days, no interest is charged on delayed payments beyond credit period.

Signature



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

	As at 31.03.2017 Rs./Lacs	As at 31.03.2016 Rs./Lacs	As at 01.04.2015 Rs./Lacs
12.5 Movement in expected credit loss allowance			
Balance at beginning of the year	9,735.33	10,773.69	
Additions/ (reversal) during the year	919.98	(1,038.36)	
Balance at end of the year	<u>10,655.31</u>	<u>9,735.33</u>	

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

Delhi Metro Rail Corporation (DMRC)	3,424.14	2,847.34	2,391.43
Municipal Corporation of Delhi (MCD)	1,356.57	2,105.88	2,238.80

NOTE 13

CASH AND BANK BALANCES

(a) Cash and cash equivalents

(i) Balance with banks - In current accounts	7,806.74	11,599.87	10,188.34
(ii) Cheques, drafts on hand	2,098.86	3,298.66	2,923.00
(iii) Cash on hand	92.93	108.15	125.22
	<u>9,998.53</u>	<u>15,006.68</u>	<u>13,237.56</u>

(b) Other bank balances

(i) Deposits with banks with original maturity more than 3 months up to 12 months	68.93	49.99	46.24
(ii) Restricted bank deposits (Earmarked pursuant to court order or contractual obligations)	3,514.43	3,710.43	3,696.51
	<u>3,583.36</u>	<u>3,760.42</u>	<u>3,742.75</u>
	<u>13,581.89</u>	<u>18,767.10</u>	<u>16,980.31</u>

NOTE 14

OTHER FINANCIAL ASSETS - CURRENT

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

(a) Unbilled revenue	30,265.42	28,702.47	27,246.10
(b) Security deposits	135.09	212.82	111.19
(c) Recoverable from SVRS Trust (see note 31.7)	103.07	134.48	127.38
(d) Interest accrued on fixed deposits	13.76	24.67	58.60
(e) Others (see note 14.1)	677.84	981.13	209.76
Less: Provision for doubtful assets	179.37	179.37	179.37
	<u>498.47</u>	<u>801.76</u>	<u>30.39</u>
	<u>31,015.81</u>	<u>29,876.20</u>	<u>27,573.66</u>

NOTE 15

OTHER CURRENT ASSETS

Unsecured and considered good

(a) Income tax paid under protest against demand	300.00	300.00	300.00
(b) Prepaid Insurance	2,451.23	2,216.16	1,833.97
(c) Prepaid expenses	728.17	1,539.06	925.53
(d) Power banking	11,573.74	47,035.80	13,772.00
(e) Advance to vendors	1,583.51	1,546.95	1,559.66
(f) Others	114.29	91.44	169.86
	<u>16,850.94</u>	<u>52,729.41</u>	<u>18,561.02</u>

Signature



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

NOTE 16

EQUITY SHARE CAPITAL

Authorised

7,500 lacs [as at 31 March, 2016 7,500 lacs, as at 1 April, 2015 7,500 lacs]
equity shares of Rs. 10 each with voting rights.

As at 31.03.2017 Rs./Lacs	As at 31.03.2016 Rs./Lacs	As at 01.04.2015 Rs./Lacs
75,000.00	75,000.00	75,000.00
75,000.00	75,000.00	75,000.00

Issued, Subscribed and Paid up

5,520 lacs [as at 31 March, 2016 5,520 lacs, as at 1 April, 2015 5,520 lacs]
equity shares of Rs. 10 each fully paid up with voting rights.

55,200.00	55,200.00	55,200.00
55,200.00	55,200.00	55,200.00

Of the above:

- 16.1 2,815.20 lacs [as at 31 March, 2016 2,815.20 lacs, as at 1 April, 2015 2,815.20 lacs] i.e. 51% [as at 31 March, 2016 51%, as at 1 April, 2015 51%] equity shares of Rs. 10 each with voting rights, are held by Tata Power Company Limited, the holding company
- 16.2 2,704.80 lacs [as at 31 March, 2016 2,704.80 lacs, as at 1 April, 2015 2,704.80 lacs] i.e. 49% [as at 31 March, 2016 49%, as at 1 April, 2015 49%] equity shares of Rs. 10 each with voting rights, are held by Delhi Power Company Limited.
- 16.3 The equity shares of the Company have a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts.
- 16.4 1,840.00 lacs equity shares were allotted as fully paid up bonus shares, one bonus share for every two equity shares held, during financial year 2008-09 in the respective shareholding ratio of 51% and 49% to Tata Power Company Limited and Delhi Power Company Limited.
- 16.5 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	No. of Shares Lacs	Amount Rs./Lacs
Balance at 1 April, 2015	5,520.00	55,200.00
Fresh issue		
Balance at 31 March, 2016	5,520.00	55,200.00
Fresh issue		
Balance at 31 March, 2017	5,520.00	55,200.00

- 16.6 During the current year the Company paid dividend of Rs. 1.40 per equity share for financial year 2015-16 amounting to Rs. 9,301.24 lacs (including dividend distribution tax of Rs. 1,573.24 lacs) [in financial year 2015-16 Rs. 1.40 per equity share for financial year 2014-15 amounting to Rs. 9,301.24 lacs (including dividend distribution tax of Rs. 1,573.24 lacs)].

Further the Board of Directors at its meeting held on 20 January, 2017 has approved an interim dividend of Rs. 1.00 per equity share amounting to Rs. 6,643.74 lacs (including dividend distribution tax of Rs. 1,123.74 lacs), which since has been paid.

- 16.7 In respect of the year ended 31 March, 2017, the Board of Directors at its meeting held on 5 May, 2017 has proposed a final dividend of Rs. 0.60 per share to be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is Rs. 3,986.25 lacs (including dividend distribution tax thereon amounting to Rs. 674.25 lacs).

As at 31.03.2017 Rs./Lacs	As at 31.03.2016 Rs./Lacs
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NOTE 17

OTHER EQUITY

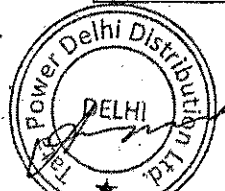
(a) General Reserve

(i) Opening balance	9,150.00	7,850.00
(ii) Add: Transferred from surplus in the statement of profit and loss		1,300.00
(iii) Closing balance	9,150.00	9,150.00

(b) Surplus in Statement of Profit and Loss

(i) Opening balance	194,210.58	187,376.15
(ii) Add: Additions during the year	26,127.12	17,435.67
(iii) Less: Payment of dividend on equity share capital (see note 16.6)	13,248.00	7,728.00
(iv) Less: Dividend distribution tax on dividend paid on equity share capital (see note 16.6)	2,696.98	1,573.24
(v) Less: Transferred to general reserve		1,300.00
(vi) Closing balance	204,392.72	194,210.58
	213,542.72	203,960.58

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

NOTE 18

LONG-TERM BORROWINGS
(at amortized cost)

TERM LOANS

(A) From banks

(i) Secured

- (a) State Bank of India
- (b) Punjab & Sind Bank
- (c) Union Bank of India
- (d) Canara Bank
- (e) Dena Bank
- (f) Karnataka Bank
- (g) Allahabad Bank
- (h) Syndicate Bank
- (i) State Bank of Mysore
- (j) IDFC Bank
- (k) Indian Bank

As at 31.03.2017 Rs./Lacs	As at 31.03.2016 Rs./Lacs	As at 01.04.2015 Rs./Lacs
65,493.32	62,697.28	450.00
5,935.58	8,625.65	11,315.72
32,197.49	44,027.78	52,805.56
-	-	1,500.00
2,500.00	4,500.00	6,500.00
25,607.64	31,510.42	37,413.19
22,500.00	32,500.00	42,500.00
15,625.00	18,125.00	17,750.00
26,312.50	28,562.50	37,192.50
5,000.00	-	-
<u>201,171.53</u>	<u>230,548.63</u>	<u>260,453.21</u>

(ii) Unsecured

- (a) Dena Bank
- (b) Canara bank

-	3,000.00	13,500.00
-	3,750.00	18,750.00
-	<u>6,750.00</u>	<u>32,250.00</u>

(B) From other parties

(i) Secured

- (a) Aditya Birla Finance Limited
- (b) L&T Fincorp Limited
- (c) L&T Infrastructure Finance Company Limited

3,825.00	5,625.00	6,618.75
-	-	1,125.00
-	-	1,875.00
<u>3,825.00</u>	<u>5,625.00</u>	<u>9,618.75</u>

LOANS FROM RELATED PARTIES

Non-convertible cumulative redeemable preference share capital - unsecured

- (a) Tata Power Company Limited
- (b) Delhi Power Company Limited

25,500.00	25,500.00	25,500.00
24,500.00	24,500.00	24,500.00
<u>50,000.00</u>	<u>50,000.00</u>	<u>50,000.00</u>

Total long-term borrowings

<u>254,996.53</u>	<u>292,923.63</u>	<u>352,321.96</u>
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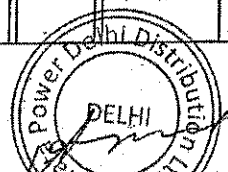
18.1 For the current maturities of long-term borrowings, see item (b) in Note 27 Other financial liabilities -current. Current maturities of long-term borrowings includes repayment to be made before due date of 12 months, due date being a holiday.

18.2 TERM LOANS - From banks

18.2.1 Secured

S. No.	Bank	Sanctioned Amount (Rs./lacs)	Repayment Terms	Reset period	See note	Present EIR (p.a.) (%)	Amount outstanding as on (Rs./lacs)		
							31.03.2017	31.03.2016	01.04.2015
(a)	State Bank of India	5,000.00	40 structured quarterly installment, repayment commenced from 15 January, 2007	-	18.4	9.53	-	450.00	1,050.00
(b) i	Punjab & Sind Bank	10,000.00	38 quarterly installment, repayment commenced from 15 April, 2010	Every 2 years	18.4, 18.6	9.60	2,631.52	3,684.16	4,736.80
ii	Punjab & Sind Bank	5,000.00	38 quarterly installment, repayment commenced from 15 May, 2010	Every 2 years	18.4, 18.6	9.55	1,315.76	1,842.08	2,368.40
iii	Punjab & Sind Bank	10,000.00	32 quarterly installment, repayment to commence from 15 April, 2018	Annually	18.4, 18.6	8.75	10,000.00	3,000.00	-
iv	Punjab & Sind Bank	30,000.00	24 quarterly installment, repayment commenced from 15 July, 2014	Annually	18.5, 18.6	9.65	16,250.00	21,250.00	26,250.00
v	Punjab & Sind Bank	30,000.00	32 quarterly installment, repayment commenced from 15 April, 2015	Annually	18.5, 18.6	8.75	22,500.00	26,250.00	30,000.00
vi	Punjab & Sind Bank	15,000.00	24 quarterly installment, repayment to commence from 15 July, 2017	Annually	18.5, 18.6	9.65	15,000.00	15,000.00	-
vii	Punjab & Sind Bank	20,000.00	24 quarterly installment, repayment to commence from 15 April, 2018	Annually	18.5, 18.6	8.75	10,000.00	2,000.00	-
(c) i	Union Bank of India	15,000.00 (short closed at 5,000)	38 quarterly installment, repayment commenced from 15 October, 2010	Every 3 years	18.4	9.80	4,736.76	6,315.72	7,894.68
ii	Union Bank of India	15,000.00	36 quarterly installment, repayment commenced from 15 October, 2012	Every 3 years	18.4	9.80	3,888.89	5,000.00	6,111.11

Aditya



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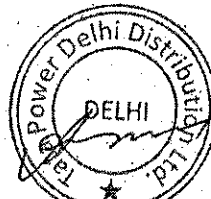
TATA POWER DELHI DISTRIBUTION LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

S. No.	Bank	Sanctioned Amount (Rs./lacs)	Repayment Terms	Reset period	See note	Present EIR (p.a.) (%)	Amount outstanding as on (Rs./lacs)			
							31.03.2017	31.03.2016	01.04.2015	
(d)	i	Canara Bank	15,000.00	16 quarterly installment, repayment commenced from 1 March, 2014	Annually	18.4, 18.6	9.65	2,812.50	6,562.50	10,312.50
	ii	Canara Bank	10,000.00	36 quarterly installment, repayment commenced from 15 July, 2014	Annually	18.4, 18.6	9.65	6,944.44	8,055.56	9,166.67
	iii	Canara Bank	20,000.00	32 quarterly installment, repayment to commence from 1 July, 2016	Annually	18.4, 18.6	9.65	17,500.00	20,000.00	16,000.00
(d)	iv	Canara Bank	10,000.00	32 quarterly installment, repayment to commence from 1 January, 2019	Annually	18.4, 18.6	9.45	10.00		
	v	Canara Bank	15,000.00	16 quarterly installment, repayment commenced from 15 July, 2015	Annually	18.5, 18.6	9.65	8,437.50	12,187.50	15,000.00
	vi	Canara Bank	10,000.00	24 quarterly installment, repayment to commence from 1 July, 2016	Annually	18.5, 18.6	9.65	8,333.33	10,000.00	10,000.00
(e)		Dena Bank	15,000.00	20 quarterly installment, repayment commenced from 15 October, 2011		18.4	10.25			4,500.00
(f)		Karnataka Bank	10,000.00	20 quarterly installment, repayment commenced from 30 August, 2014	Annually	18.5, 18.6	9.65	4,500.00	6,500.00	8,500.00
(g)	i	Allahabad Bank	10,000.00	36 quarterly installment, repayment commenced from 15 January, 2012	Every 3 years	18.4, 18.6	9.45	4,166.67	5,277.78	6,388.89
	ii	Allahabad Bank	15,000.00	36 quarterly installment, repayment commenced from 15 March, 2012	Every 3 years	18.4, 18.6	9.45	6,250.00	7,916.67	9,583.33
	iii	Allahabad Bank	25,000.00	32 quarterly installment, repayment commenced from 15 January, 2016	Annually	18.5, 18.6	9.45	21,093.75	24,218.75	25,000.00
(h)		Syndicate Bank	50,000.00	20 quarterly installment, repayment commenced from 25 September, 2015	Annually	18.5, 18.6	9.65	32,500.00	42,500.00	50,000.00
(i)		State Bank of Mysore	20,000.00	32 quarterly installment, repayment commenced from 15 August, 2016	Annually	18.4, 18.6	9.65	18,125.00	20,000.00	17,750.00
(j)	i	IDFC Bank	27,600.00	40 quarterly installment, repayment commenced from 15 October, 2006		18.4	10.90		1,360.00	4,140.00
	ii	IDFC Bank	17,500.00	40 quarterly installment, repayment commenced from 15 January, 2009	Annually	18.4, 18.6	9.30	3,062.50	4,812.50	6,562.50
	iii	IDFC Bank	5,000.00	40 quarterly installment, repayment commenced from 15 October, 2010	Annually	18.4, 18.6	9.55	1,750.00	2,250.00	2,750.00
	iv	IDFC Bank	5,000.00	24 quarterly installment, repayment to commence from 15 September, 2019	Annually	18.4, 18.6	8.90	3,000.00		
	v	IDFC Bank	30,000.00	24 quarterly installment, repayment commenced from February, 2016	Half Yearly	18.5, 18.6	9.45	23,750.00	28,750.00	30,000.00
	vi	IDFC Bank	5,000.00	24 quarterly installment, repayment to commence from 15 September, 2019	Half Yearly	18.5, 18.6	8.85	2,000.00		
(k)	i	Indian Bank	10,000.00	32 quarterly installment, repayment to commence from 15 April, 2019	Annually	18.4, 18.6	8.75	4,000.00		
	ii	Indian Bank	10,000.00	24 quarterly installment, repayment to commence from 15 April, 2019	Annually	18.5, 18.6	8.75	1,000.00		

18.2.2 Unsecured

S. No.	Bank	Sanctioned Amount (Rs./lacs)	Repayment Terms	Reset period	See note	Present EIR (p.a.) (%)	Amount outstanding as on (Rs./lacs)		
							31.03.2017	31.03.2016	01.04.2015
(a)	i	Dena Bank	15,000.00	2 equal yearly installment commenced from August 2015		11.10		7,500.00	15,000.00
	ii	Dena Bank	6,000.00	2 equal yearly installment commenced starting April 2016	Every 2 years	18.6	9.70	3,000.00	6,000.00
(b)		Canara Bank	60,000.00	16 quarterly installment, repayment commenced from 1 October, 2013	Annually	18.6	9.85	3,750.00	18,750.00

Signature



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

18.3 TERM LOANS - from other parties (Secured)

S. No.	Bank	Sanctioned Amount (Rs./lacs)	Repayment Terms	Reset period	See note	Present EIR (p.a.) (%)	Amount outstanding as on (Rs./lacs)		
							31.03.2017	31.03.2016	01.04.2015
(a)	Aditya Birla Finance Limited	7,500.00	20 quarterly structured instalment, repayment commenced from September, 2014	Annually	10.5	9.80	5,625.00	6,618.75	7,275.00
(b)	I L&T Fincorp Limited	6,000.00 (Short closed at 1,500)	24 quarterly structured instalment, repayment commenced from 15 April, 2014	-	18.5	11.53	-	-	1,350.00
	II L&T Infrastructure Finance Company Limited	13,500.00 (Short closed at 2,500)	24 quarterly structured instalment, repayment commenced from 15 April, 2014	-	18.5	11.53	-	-	2,250.00
(c)	Power Finance Corporation Limited	8,027.50 (Short closed at 4,000)	40 quarterly instalment, repayment commenced from 15 January, 2006	-	16.4	9.00	-	-	300.00

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

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

18.6 As per new RBI guidelines w.e.f. 1 April, 2016 loans are linked to Marginal Cost of Funds based Lending Rate (MCLR) of different tenors, therefore effective interest rate (EIR) will change based on change in corresponding applicable MCLR.

18.7 For secured loans outstanding from banks amounting Rs. 28,562.50 lacs (as at 31 March, 2016 Rs. 37,642.50 lacs, as at 1 April, 2015 44,502.50 lacs) and from other parties amounting Rs. 5,625.00 lacs (as at 31 March, 2016 Rs. 6,618.75 lacs, as at 1 April, 2015 Rs. 7,575.00 lacs) Tata Power Company Limited (the holding company) has given undertaking to retain management control and majority representation on the Board of Directors of the Company.

18.8 Non-Convertible Cumulative Redeemable Preference Share Capital

The Company has issued 500 lacs 12% Non-convertible cumulative redeemable preference shares of Rs. 100 each in 2012-13 out of which 255 lacs i.e. 51% are held by Tata Power Company Limited, the holding company and 245 lacs i.e. 49% are held by Delhi Power Company Limited. The maximum term of the aforesaid preference shares is 20 years (i.e. upto 19th March, 2033). However the Board of Directors of the Company shall have the option to redeem the preference shares at any time after the allotment thereof keeping in view the availability of the profitability/surplus funds.

18.8.1 In respect of the year ended 31 March, 2017, the Board of Directors at its meeting held on 5 May, 2017 has proposed a dividend of Rs. 12 per share be paid on fully paid preference shares. This dividend is subject to approval by shareholders at the Annual General Meeting. This proposed dividend is payable to all holders of fully paid preference shares. The total estimated dividend to be paid is Rs. 6,000.00 lacs and the dividend distribution tax thereon amounting to Rs. 1,221.46 lacs. On accrual concept, preference share dividend for the year ended 31 March, 2017 has already been provided for in financial statements. Only the payment is subject to the recommendation of the Board of Directors and approval of shareholders.

As at 31.03.2017 Rs./Lacs	As at 31.03.2016 Rs./Lacs	As at 01.04.2015 Rs./Lacs
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NOTE 19

OTHER FINANCIAL LIABILITIES - NON CURRENT
(at amortised cost)

Security deposits

- (i) Consumers' security deposit
(ii) Others

50,234.48	53,072.46	48,809.63
320.80	205.20	53.13
<u>50,555.28</u>	<u>53,277.66</u>	<u>48,862.76</u>

NOTE 20

PROVISIONS - NON CURRENT

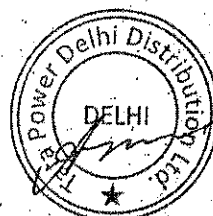
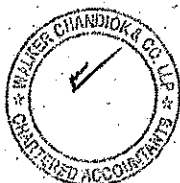
Provision for employees benefits

<u>3,535.30</u>	<u>2,850.36</u>	<u>2,098.11</u>
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20.1 Provision for employee benefits includes provision for gratuity, compensated absences and pension liability to VSS employees.

20.2 See note 43.5 for movement in provision for gratuity

Signature



NOTE 21

DEFERRED TAX LIABILITIES/ASSETS (NET)

Deferred tax liabilities (net) as at 31 March, 2017, as detailed below reflect the quantum of tax liabilities/(asset) accrued up to 31 March, 2017.

Particulars	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
As at 31 March, 2016				
Deferred tax liability/(assets) on account of :				
Property plant and equipment	51,188.63	4,227.58		55,416.21
Provision for doubtful debts	(2,271.95)	506.25		(1,765.70)
Provision for employee benefits	(1,045.16)	(307.85)	(28.38)	(1,381.39)
Others	(158.82)	(5.69)		(164.51)
Deferred tax liabilities/(asset) [net]	47,712.70	4,420.29	(28.38)	52,104.61
As at 31 March, 2017				
Deferred tax liability/(assets) on account of :				
Property plant and equipment	55,416.21	5,177.48		60,593.69
Provision for doubtful debts	(1,765.70)	(659.39)		(2,425.09)
Provision for employee benefits	(1,381.39)	(262.45)	(37.94)	(1,681.78)
MAT credit		(56,952.68)		(56,952.68)
Others	(164.51)	(5.11)		(169.62)
Deferred tax liabilities/(asset) [net]	52,104.61	(52,702.15)	(37.94)	(635.48)

21.1 As per MYT regulations for determination of tariff, tax expense shall be considered in tariff determination as and when and to the extent of income tax actually paid. Accordingly the Company has made provision only for the amount of Income tax that is actually payable and the deferred tax asset (net) as at 31 March, 2017 of Rs. 635.48 lacs (deferred tax liability as at 31 March, 2016 Rs. 52,104.61 lacs, as at 1 April, 2015 Rs. 47,712.70 lacs) and deferred tax reversal of Rs. 52,740.09 lacs for the year ended 31 March, 2017 (deferred tax expense of Rs. 4,391.91 lacs for the year ended 31 March, 2016) has been adjusted with a corresponding deferred asset/liability adjustable in future tariff.

NOTE 22

CAPITAL GRANTS

	As at 31.03.2017 Rs./Lacs	As at 31.03.2016 Rs./Lacs
(a) Opening balance	780.03	836.07
(b) Add: Additions during the year		
(c) Less: Transfer to the statement of profit and loss	50.04	50.04
(d) Closing balance	<u>729.99</u>	<u>780.03</u>

NOTE 23

CONTRIBUTIONS FOR CAPITAL WORKS AND SERVICE LINE CHARGES

(a) Capital works

(i) Opening balance	59,078.40	50,717.65
(ii) Add: Additions during the year	11,047.08	10,793.92
(iii) Less: Transfer to the statement of profit and loss	2,857.52	2,433.17
(iv) Closing balance	<u>67,267.96</u>	<u>59,078.40</u>

(b) Service line charges

(i) Opening balance	18,045.53	16,809.46
(ii) Add: Additions during the year	3,141.99	3,735.96
(iii) Less: Transfer to the statement of profit and loss	2,738.34	2,499.89
(iv) Closing balance	<u>18,449.18</u>	<u>18,045.53</u>

Total contribution for capital works and service line charges:

<u>85,717.14</u>	<u>77,123.93</u>
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TATA POWER DELHI DISTRIBUTION LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

	As at 31.03.2017 Rs./Lacs	As at 31.03.2016 Rs./Lacs	As at 01.04.2015 Rs./Lacs
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NOTE 24

OTHER LIABILITIES - NON CURRENT

Consumers' deposits for works and service line charges	21,225.72	24,812.80	27,423.49
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NOTE 25

SHORT-TERM BORROWINGS
(at amortized cost)

(a) From banks - Secured			
Cash credit	5,576.48	13,550.90	8,252.57
(b) From banks - Unsecured			
Axis Bank Overdraft A/c	14,592.95	3,110.06	
	<u>20,169.43</u>	<u>16,660.96</u>	<u>8,252.57</u>

25.1 Secured - Cash credit

The Company has availed cash credit limits from consortium of four banks led by State Bank of India presently at an effective interest rate ranges from 8.80% to 11.25% p.a. These cash credits are secured by first pari passu charge over present and future property, plant and equipment and stores and spares of the Company (both present and future); and third pari passu charge over receivables of the Company.

25.2 Unsecured - Overdraft Account

The company has an unsecured overdraft facility to the extent of Rs. 20,000 lacs from Axis Bank presently at an effective interest rate of 8.45% p.a.

25.3 Term loans - From other parties

Unsecured

Commercial paper

During the current year, the Company has issued and repaid commercial paper as follows:

Date of issue	Amount (Rs./lacs)	Face Value(Rs./lacs)	Discount Rate (%) p.a.	Repayment Date
13.04.2016	4,927.16	5,000.00	7.60	23.06.2016
13.04.2016	4,923.12	5,000.00	7.60	27.06.2016

NOTE 26

TRADE PAYABLES (at amortized cost)	<u>116,156.67</u>	<u>91,940.66</u>	<u>88,449.37</u>
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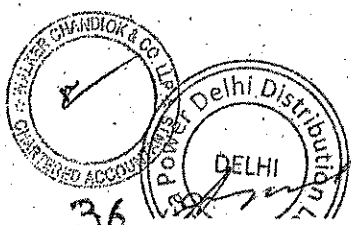
26.1 Based on the information available with the Company, the balance due to Micro and Small Enterprise as defined under the MSMED Act, 2005 is Rs. 352.96 lacs. (as at 31 March, 2016 Rs. 161.61 lacs, as at 1 April, 2015 Rs. 74.88 lacs) and no interest during the year has been paid or is payable under the terms of the MSMED Act, 2006 or otherwise. This has been relied upon by the auditors.

26.2 The average credit period on purchases from long-term power purchase arrangement ranges from 30 days to 60 days. Thereafter interest is charged which generally ranges from 1.25% p.m. to 1.5% p.m. on the unpaid amount. Rebate is generally available @ 2% if payment is made within 2 days from the presentation of bill or @ 1% if payment is made within 30 from date of presentation. In some cases day wise rebate is also available. In case of short-term power purchase arrangement credit period ranges from 1 day to 30 days.

NOTE 27

OTHER FINANCIAL LIABILITIES - CURRENT
(at amortized cost)

(a) Security deposits			
(i) Consumers' security deposit	3,710.14	3,581.80	3,362.14
(ii) Interest accrued on consumer security deposits			142.16
(iii) Others	1,170.33	915.80	1,050.82
	<u>4,880.47</u>	<u>4,497.60</u>	<u>4,555.12</u>
(b) Current maturities of long-term borrowings (see note 18)			
(A) From banks			
(i) Secured			
(a) State Bank of India		450.00	600.00
(b) Punjab & Sind Bank	12,203.96	10,328.96	10,328.96
(c) Union Bank of India	2,690.07	2,690.07	2,690.07
(d) Canara Bank	11,840.28	12,777.78	7,673.61
(e) Dena Bank			3,000.00
(f) Karnataka Bank	2,000.00	2,000.00	2,000.00
(g) Allahabad Bank	5,902.78	5,902.78	3,559.03
(h) Syndicate Bank	10,000.00	10,000.00	7,500.00
(i) State Bank of Mysore	2,500.00	1,875.00	
(j) IDFC Bank	7,250.00	8,630.00	6,260.00



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

	As at 31.03.2017 Rs./Lacs	As at 31.03.2016 Rs./Lacs	As at 01.04.2015 Rs./Lacs
(II) Unsecured			
(a) Dena Bank	3,000.00	10,500.00	7,500.00
(b) Canara bank	3,750.00	15,000.00	15,000.00
(B) From other parties			
(i) Secured			
(a) Power Finance Corporation Limited	-	-	300.00
(b) Aditya Birla Finance Limited	1,800.00	993.75	656.25
(c) L&T Fincorp Limited	-	-	225.00
(d) L&T Infrastructure Finance Company Limited	-	-	375.00
(C) Interest accrued but not due on borrowings	136.53	208.34	277.57
Total current maturities of long-term borrowings	<u>63,073.62</u>	<u>81,356.68</u>	<u>67,945.49</u>
(c) Dividend accrued but not due on non-convertible cumulative redeemable preference shares	6,000.00	6,000.00	6,000.00
(d) Retention money payable	5,324.14	3,901.25	3,181.28
(e) Payables on purchase of property, plant and equipment	641.19	953.16	687.46
(f) Earnest money deposits	387.15	367.07	240.11
(g) LD Deduction	173.33	294.71	653.23
(h) Others	814.80	579.35	548.76
	<u>81,294.70</u>	<u>97,949.82</u>	<u>83,811.45</u>

NOTE 28

PROVISIONS - CURRENT

(a) Provision for employees benefits	1,324.20	1,141.17	921.92
(b) Provision for contingencies (see note 28.1)	-	9,059.45	5,559.00
	<u>1,324.20</u>	<u>10,200.62</u>	<u>6,480.92</u>

28.1 Movement of provisions

Provision for contingencies

Opening Balance	9,059.45
Add: Additions during the year	-
Less: Reversed during the year	-
Closing Balance	<u>9,059.45</u>

28.2 Provision for employee benefits includes provision for gratuity, compensated absences and pension liability to VSS employees.

NOTE 29

OTHER LIABILITIES - CURRENT

(a) Income received in advance	302.15	562.60	337.54
(b) Tax on dividend accrued on non-convertible cumulative redeemable preference shares	1,221.46	1,221.46	1,221.46
(c) Statutory dues	7,924.09	8,798.40	6,306.99
(d) Advance from consumers	3,894.87	4,493.20	3,988.59
(e) Advance government subsidy (to be adjusted upon billing)	3,820.48	162.70	-
(f) Others	36.65	81.03	10.13
	<u>17,199.70</u>	<u>15,319.39</u>	<u>11,864.71</u>

NOTE 30

CURRENT TAX LIABILITIES (NET)

(a) Income tax [Net of payment of income tax as at 31 March, 2016 Rs. 63,259.85 lacs, as at 1 April, 2015 Rs. 54,981.50 lacs]	-	1,787.96	2,432.98
(b) Wealth tax	0.64	0.64	14.85
	<u>0.64</u>	<u>1,788.60</u>	<u>2,447.83</u>

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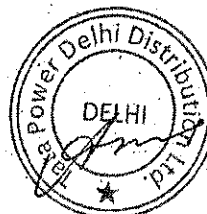
TATA POWER DELHI DISTRIBUTION LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 31

CONTINGENT LIABILITIES AND COMMITMENTS
(to the extent not provided for)

Particulars	As at 31.03.2017 Rs./lacs	As at 31.03.2016 Rs./lacs	As at 01.04.2015 Rs./lacs
31.1 Claims against the Company not acknowledged as debts:			
(i) Legal cases filed by consumers, employees and others under litigation	2,402.09	1,925.44	1,875.96
(ii) Property tax demands raised by municipal authorities	4,241.19	2,027.00	2,027.00
(iii) Water charges demand raised by Delhi Jal Board (DJB)	111.48	73.82	64.05
(iv) Sales tax authorities	439.00	1,344.00	1,005.00
31.2 Liabilities arising out of litigation etc due to provisions of Transfer Scheme pursuant to Delhi Electricity Reforms Act, 2002	100.00	100.00	100.00
31.3 Taxation matters for which liability, relating to issues of deductibility and taxability, is disputed by the Company and provision is not made (computed on the basis of assessments which have been re-opened and assessments remaining to be completed):			
(i) Matters on which decisions with the CIT(A) and various appellate authorities are pending	1,359.33	1,358.72	1,359.14
(ii) Interest demanded (as per demand order and appeal effect order)	1,140.47	1,121.49	1,325.97
(iii) TOTAL DEMAND* (i) + (ii)	2,499.80	2,480.21	2,685.11
(iv) Out of the above demand, amount paid under protest / adjusted by Income tax authorities	1,951.56	1,951.56	2,156.00
*No provision is considered necessary since the Company expects favourable decisions.			
31.4 C. Forms pending issuance from sales tax department for the financial years 2008-09 to 2011-2012, including interest.		146.93	65.87
31.5 Claims of power suppliers, not acknowledged as expense and credits	24,647.46	153,868.02	119,091.12
(Including Rs. NIL [as at 31 March, 2016 Rs. 136,721.02 lacs, as at 1 April 2015 Rs. 100,985.30 lacs] of Damodar Valley Corporation [DVC] on account of fixed charges being claimed by DVC for the generating stations KTPS unit 1&2, MTPS unit 7&8 and DSTPS unit 1&2. Power from above stations had been surrendered by the Company due to delay in commissioning of these stations by DVC as the Company had made adequate power arrangements due to non-availability of power from above stations. Further in line with the approval of DERC and acceptance provided by DVC, TPDDL has entered into a supplementary agreement with DVC for reflecting the above changes in February 2017.)			
31.6 Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	31,304.70	25,647.63	22,075.79
31.7 The Company had introduced a Voluntary Separation Scheme (VSS) for its employees in December 2003, in response to which initially 1,798 employees were separated. 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 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. This Trust was created to exclusively disburse retiral dues of the SVRS optees till these retirees attain the respective ages of superannuation or death, whichever is earlier, after which their dues were to be paid through the Trust already in existence. 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 pronounced its judgement on this issue on 2 July, 2007 whereby while affixing liability on Discoms it has provided two options to the Discoms for paying Retiral benefits to the Trust:			
(i) Retiral benefits other than pension (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 to be appointed within a stipulated period.			
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. The Trust has been opposing it and had filed an appeal LPA No.677/2011 before division bench which was dismissed on 31 August, 2015. Till date no Arbitral Tribunal of Actuaries has been appointed. 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.			

Signature



While the writ petition was pending, the Company had already advanced Rs. 7,774.35 lacs (as at 31 March, 2016 Rs. 7,774.35 lacs, as at 1 April, 2015 Rs. 7,774.35 lacs) to the SVRS Trust for payment of retiral dues to separated employees. In addition to the payment of terminal benefits / residual pension to the Trust, in pursuant to the order of the Hon'ble Delhi High Court dated 02.07.2007 in WP C 4827/2005, the Company has also paid interest @ 8% per annum Rs. 801.27 lacs in FY 2008-09 totalling to Rs. 8,575.62 lacs (as at 31 March, 2016 Rs. 8,575.62 lacs, as at 1 April, 2015 Rs. 8,575.62 lacs) as recoverable from SVRS Trust in case of option "ii". As the Company was entitled to get reimbursement against advanced terminal benefit amount on superannuation age, the Company had recovered/adjusted Rs. 8,381.54 lacs (as at 31 March, 2016 Rs. 8,281.46, as at 1 April, 2015 Rs. 8,159.99 lacs) from monthly pension, leave salary and other contribution, leaving a balance recoverable Rs 194.08 lacs as on 31 March, 2017 (as at 31 March, 2016 Rs 294.16 lacs, as at 1 April, 2015 Rs. 415.63 lacs) from the SVRS Trust which includes current portion of Rs 103.07 lacs for current year (as at 31 March, 2016 Rs 134.48 lacs, as at 1 April, 2015 Rs. 127.38 lacs).

Apart from this, the Company has also been paying the retiral benefit including pension to the VSS optees till their respective dates of normal retirement or death (whichever is earlier). DERC has approved the aforesaid retiral benefit including pension amount in its Aggregate Revenue Requirement (ARR) and the same has been charged to the statement of profit and loss amounting to Rs. 131.09 lacs (for the year ended 31 March, 2016 Rs. 223.48 lacs). In addition to this, during the year the Company has also recognized liability of Rs. 164.38 lacs (as at 31 March, 2016 Rs. 419.69 lacs, as at 1 April, 2015 NIL) for retiral pension payable to the VSS optees till their respective date of normal retirement or death (whichever is earlier) based on actuarial valuation as at 31 March, 2017.

- 31.8 In the tariff order of September 2015, DERC has allowed power purchase cost (Rs. 10,723 lacs) of Anta, Auriya and Dadri plants for financial year 2012-13 and financial year 2013-14 based on monthly average rate of exchange on Northern Region (N2) as per CERC Monthly Market Monitoring Report for respective years instead of actual power purchase cost (Rs. 18,511 lacs) on the premise that approval of the DERC was not obtained for entering into supplementary agreements with these power plants. Aggrieved by the order of the DERC, TPDDL has challenged the aforesaid order in Appeal which is yet to be disposed off. Additionally, while approving the quarterly power purchase adjustment surcharge (PPAC), the PPAC from these plants were also disallowed. Company had challenged the disallowance of these plants in computation of PPAC before the Hon'ble APTEL which has been decided against the Company by APTEL on 1 June 2016. Consequent to the Judgement of the APTEL, the Company has filed an appeal against the said order with the Hon'ble Supreme court of India on 6 August 2016 which has been admitted. The pleadings are to be completed and thereafter, the matter shall be notified for hearing.

No impact of the above has been taken in financial statements, on basis of a legal opinion obtained by the Management. According to the said legal opinion, it would be appropriate if management takes a view on booking of disallowed power purchase cost from these plants after the outcome of the appeal filed with the Hon'ble Supreme court of India. As a result no adjustment has been done in the carrying value of Regulatory deferral account balance. Impact of the disallowance of the power purchased from these plants amounting to Rs. 14,568 lacs, cumulative up to March 2017 excluding carrying cost would be accounted for on the basis of the outcome of our Appeal filed before the Supreme Court of India.

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



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

NOTE 32

REVENUE FROM OPERATIONS

REVENUE FROM SALE OF POWER AND OPEN ACCESS

	Year ended 31.03.2017 Rs./Lacs	Year ended 31.03.2016 Rs./Lacs
(a) Sale of power	694,568.70	687,377.14
Less: rebate on no. of bills	1,674.88	1,583.54
Less: energy tax	29,865.40	29,374.60
	663,028.42	656,419.00
(b) Income from open access charges	723.60	74.51
	663,752.02	656,493.51

OTHER OPERATING REVENUE

(a) Late payment surcharge collected	1,829.40	1,663.99
(b) Transfer from service line charges	2,738.34	2,499.89
(c) Commission on		
- DVB arrears collection	1.67	1.83
- Energy tax collection	878.70	863.89
(d) Maintenance charges (see note 32.1)	2,174.95	2,014.40
(e) Transfer from capital grants	50.04	50.04
(f) Transfer from consumer contribution for capital works	2,857.52	2,433.17
(g) Miscellaneous operating income	259.83	131.86
	10,790.45	9,659.07
	674,542.47	666,152.58

32.1 Includes incentive on street light maintenance of Rs. 159.55 lacs (for the year ended 31 March, 2016 Rs. 143.68 lacs)

NOTE 33

OTHER INCOME

(a) Interest income	287.29	1,246.80
(b) Net gain/(loss) on investments in mutual funds	23.29	176.28
(c) Income other than energy business	5,258.00	4,039.95
(d) Other non operating income	137.73	336.08
	5,706.31	5,799.11

NOTE 34

POWER PURCHASE COST

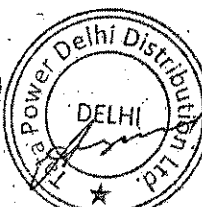
The Company has entered into power purchase agreements based on projected demand of power to be supplied to the consumers. During certain time slots, the power arranged may be in excess of the actual demand and in some time slots, the demand may exceed prior arrangements. In the event power procured 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 an Unscheduled Interchange (UI) charge. During the current year, the Company has sold/under-drawn 1,836.45 million units (for the year ended 31 March, 2016 1,970.84 million units) of power to / in favour of other utilities. The power purchase cost of Rs. 522,376.48 lacs (for the year ended 31 March, 2016 Rs. 458,945.41 lacs) is net of sale of power/ UI receivables Rs. 49,700.23 lacs (for the year ended 31 March, 2016 Rs. 71,956.40 lacs), rebate on power purchase Rs. 6,263.41 lacs (for the year ended 31 March, 2016 Rs. 6,441.31 lacs) and excludes in-house power generation cost.

Power Generation companies such as NTPC have been raising power purchase bills from their coal based generating station to beneficiaries based on the coal price as charged by coal companies, however, Gross Calorific Value (GCV) of coal on received basis used for calculation of Energy Charge Rate (ECR) was not in accordance with the price paid for the coal. In various judgments by Central Electricity Regulatory Commission (CERC) i.e. In petition no 33/MP/2014 and 283/GT/2014 on this issue, CERC had ordered that there cannot be significant variation in GCV of coal at the loading point and unloading point at site. The matter of excess charges refund by Gencos had been further taken up by the Company through a separate petition 311/MP/2015 at CERC which is currently under adjudication. In the above said petition, in compliance to the CERC directive, NTPC furnished the invoices for coal and transportation which also substantiated the fact that there was grade slippage. Accordingly, the Company has computed the difference of estimated excess bill charged by NTPC coal based power generating stations (NTPC comprises of around 50% of the total coal station allocation to the company) and paid by the Company for the period April 2014 to March 2017 (in line with CERC Regulations 2014-19) amounting to Rs. 106,500 lacs approximately (unaudited).

34.1 Bilateral Power Purchase Agreement

The Company has made bilateral arrangements with other power utilities to bank power or vice versa and take back or return the same over the agreed period. 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, 2017 are as follows:

	Year ended 31.03.2017 MUs	Year ended 31.03.2016 MUs
Receivable		
Opening balance as at 1 April of the year (A)	1233.57	351.09
Power banked (Outflow) (B)	440.58	1249.86
Power due against banked (C)	450.84	1309.79
Power receipt/outflow against opening (D)	1233.57	351.09
Power receipt/outflow against current year transactions (E)	153.96	76.22
Balance receivable (A+C-D-E)	296.88	1233.57
Payable		
Opening balance as at 1 April of the year (A)	-	-
Actual receipt (B)	-	199.80
Power due against receipt (C)	-	211.59
Power outflow against opening (D)	-	-
Power outflow against current year transactions (E)	-	211.59
Balance payable (A+C-D-E)	-	-



TATA POWER DELHI DISTRIBUTION LIMITED
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NOTE 35

EMPLOYEE BENEFITS EXPENSE

	Year ended 31.03.2017 Rs./Lacs	Year Ended 31.03.2016 Rs./Lacs
(a) Salaries, allowances and incentives	34,296.56	33,034.40
(b) Contribution to provident and other funds	2,868.51	2,687.06
(c) Staff welfare expenses	2,397.37	1,849.60
(d) Other personnel cost	1,106.41	854.46
	<u>40,668.85</u>	<u>38,425.52</u>
Less: Transferred to Capital work-in-progress	3,731.80	3,686.17
	<u>36,937.05</u>	<u>34,739.35</u>
(e) Pension and other payment to VSS and other retirees (see note 31.7)	295.47	643.17
	<u>37,232.52</u>	<u>35,382.52</u>

NOTE 36

FINANCE COSTS

(a) Interest on term loan (gross)	28,817.77	36,640.95
Less: Capitalised	492.29	549.07
Interest on term loans (net)	<u>28,325.48</u>	<u>36,091.88</u>
(b) Interest on cash credit accounts/short-term borrowings	1,229.57	529.04
(c) Interest on consumer security deposits	3,313.65	3,327.58
(d) Dividend on non-convertible cumulative redeemable preference shares	7,221.46	7,221.46
(e) Other borrowing costs	21.00	48.20
(f) Other interest	0.26	26.95
	<u>40,111.42</u>	<u>47,245.11</u>

36.1 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. 3,313.65 lacs (for the year ended 31 March, 2016 Rs. 3,327.58 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. 200.56 lacs (for the year ended 31 March, 2016 Rs. 207.63 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.

NOTE 37

OTHER EXPENSES

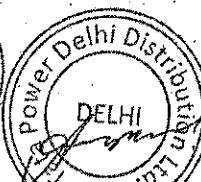
OPERATING AND MAINTENANCE EXPENSES

(a) Stores and spares consumed (net of recoveries)	2,280.16	2,341.85
(b) Repairs and maintenance:		
(i) Building	486.25	470.68
(ii) Plant and equipment	5,668.32	5,308.99
(iii) Others	4,357.31	4,326.41
(c) Loss on disposal of property, plant and equipment	827.88	617.61
	<u>13,619.92</u>	<u>13,065.54</u>

ADMINISTRATIVE AND GENERAL EXPENSES

(a) Communication expenses	257.54	227.20
(b) Printing and stationery	317.56	307.21
(c) Legal and professional charges (see note 46)	1,736.93	1,608.18
(d) Travelling and conveyance	518.17	441.58
(e) Insurance	424.86	455.97
(f) Advertisement, publicity and business promotion	654.94	437.59
(g) Corporate Social Responsibility expenses (excluding 5% administrative expenses) (see note 49)	812.05	855.02
(h) Rent and hire charges	214.90	210.42
(i) Rates and taxes	874.40	531.42
(j) Freight, handling and packing expenses	19.70	21.83
(k) Bill collection and distribution expenses	1,008.96	1,006.62
(l) Postage and courier charges	34.85	33.03
(m) Provision for contingencies	(9,059.45)	3,500.45
(n) EDP expenses	1,044.10	923.07
(o) Housekeeping expenses	624.06	496.27
(p) Foreign exchange fluctuation loss (net)	1.43	1.75
(q) Bad debts written off	100.37	200.84
(r) Provision for doubtful debts	404.98	(1,462.63)
(s) Miscellaneous expenses	1,022.48	953.98
	<u>1,012.83</u>	<u>10,749.00</u>
	<u>14,632.75</u>	<u>23,814.54</u>

Signature



NOTE 39

REGULATORY DEFERRAL ACCOUNT BALANCES

- a. As per Guidance Note on Rate Regulated Activities issued by ICAI which is applicable from 1 April 2015 and Ind AS "Regulatory Deferral Accounts" (Ind AS 114), the business of electricity distribution is a Rate Regulated activity where the Delhi Electricity Regulatory Commission (DERC) determines Retail Supply Tariff (RST) to be charged from consumers based on prevailing Regulations in place. Accordingly, the Company records Regulatory deferral account balance on the basis of accounting policy explained in Note 3.25
- b. For the control period beginning from 1 April 2012 to 31 March 2015, DERC had issued MYT Regulations 2011 (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) on 2 December, 2011 (hereinafter referred to as 2nd MYT Regulation) for determination of Retail Supply Tariff which have further been extended by the DERC for FY 2015-16 vide its Order dated 22 October 2014. These regulations came to an end on 31 March 2016.

Upon expiry of 2nd MYT Regulation, new regulation were to be issued effective from 1 April, 2016 but by extending the 2nd MYT Regulation 2015 for another one year i.e. FY 2016-17, the Hon'ble Commission on 31 January, 2017 has notified the Delhi Electricity Regulatory Commission (Composite Terms and Conditions for Tariff and Accounting) Regulations, 2017 for determination of Annual Revenue Requirement for 3rd control period from FY 2017-18 onwards. The Hon'ble Commission vide its letter F.3(503)/Tariff-Engg/DERC/2016-17/5614/2224 dated 02/02/2017 has further directed to submit True up for FY 2015-16, ARR for FY 2017-18 and information related to the Business Plan Regulations. In compliance to the above said direction, TPDDL on 2 March 2017 had filed the desired information according to applicable Acts, Policies and Regulations. Apart from the above, in compliance to earlier direction issued on 15 February, 2016, TPDDL had also filed its petition for true up of FY 2014-15 and ARR determination for FY 2016-17 on 7 April 2016 against which no Tariff order was issued last year.

In the last tariff order issued by the DERC in September 2015 the DERC has reopened the previous years trued up orders and again revised provisionally trued up Revenue Gap up to FY 2012-13 at Rs. 3,37,583 lacs as against earlier trued up Regulatory deferral account balance at Rs. 3,84,703 lacs vide tariff order dated 23 July 2014. DERC has further trued up Regulatory deferral account balance up to 31 March 2014 at Rs. 3,35,148 lacs as against Rs. 5,14,639 lacs as per financial books of account. The said difference in regulatory deferral account is due to provisional truing up of capitalization, disallowance of decapitalised property, plant and equipment and consequential corresponding impacts, reversal/ partial implementation of APTEL judgements etc. which have been challenged in the appeal no 301 filed with the APTEL.

- c. The movement in Regulatory deferral account balance as at 31 March, 2017 is as follows:

<u>Particulars</u>	<u>Year ended</u> <u>31.03.2017</u> <u>(Rs./lacs)</u>	<u>Year ended</u> <u>31.03.2016</u> <u>(Rs./lacs)</u>
(A) Opening Regulatory deferral account debit balance	472,014.26	535,817.26
(B) Net movement during the year		
(i) Power purchase cost	516,150.00	475,303.00
(ii) All other prudent O&M cost including ROCE, carrying cost etc.	147,478.00	131,045.00
(iii) Collection available for ARR as per MYT order	678,272.00	670,151.00
(C) Net movement shown in the statement of profit and loss (i)+(ii)-(iii)	(14,644.00)	(63,893.00)
Closing Regulatory deferral account debit balance (A)+(C)	457,370.26	472,014.26

d. Rithala Power Generation Plant

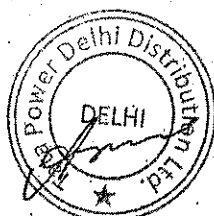
Above Regulatory deferral account balance includes power purchase cost of gas based power generation plant set up by the Company in Rithala, Delhi (Rithala plant).

The Company has filed a petition on 23 November, 2012 with DERC for determination of the final generation tariff for the Rithala 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 (from commercial operation date i.e. 5 February, 2011 to 31 March, 2012) and the Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Generation Tariff) Regulations, 2011 (for MYT period FY 2013 to 2015). Pending determination of the final generation tariff during the period Rithala plant was operational DERC had provisionally allowed the power purchase cost at the rate equivalent to the UI rates for units generated during the time when the Company was under-drawing from the grid and at average rate power purchased during the period when the Company was over-drawing from the grid, instead of the actual cost of generation. Further, no recovery of fixed cost had been allowed for the period when plant was not operational due to non-availability of gas.

Aggrieved by the approach adopted by the DERC for provisional/non-allowance of Rithala power purchase cost, the Company had preferred this issue in Appeal no 271/2013, 246/2014 and 301/2015 before the APTEL. During the reporting period Appeal no 271/2013 has been disposed off, wherein on the issue of Rithala power plant tariff, the DERC has been directed to release the tariff order within four months' time from the date of judgement i.e. 20 July, 2016. Though the time allowed in said appeal is already over but the DERC is still in the process of doing prudence checking and seeking all stakeholders comments vide public notice dated 25 February, 2017. Pending release of Tariff order, the Company has been continuing the billing from Rithala plant based on applicable regulations and also adjusted a sum of Rs 32,119 lacs on the ground of opinion of legal expert/ management, prudence and conservative approach. The next date of hearing of appeal no 246/2014 and 301/2015 has been fixed for 15 May, 2017 and 11 May, 2017 respectively.

Below is the year wise status of billing done by Rithala plant and power purchase cost provisionally allowed by the DERC and adjustment made.

[Signature]



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Description	For the tried up years FY 10-11 to FY 13-14	Yet to be tried up years FY 14-15 & 15 to FY 13-14	Yet to be tried up for year ended 31.03.2017	Total
Billing done by Rithala Generation Plant to TPDDL Distribution	45,467.00	19,173.00	9,660.00	74,300.00
Allowed by DERC for the period plant was operational	12,195.00	-	-	12,195.00
Allowed by DERC for the period plant was not-operational	-	-	-	-
Disallowed power purchase cost	33,272.00	19,173.00	9,660.00	62,105.00
Carrying cost recorded	7,247.00	12,901.00	9,027.00	29,175.00
Power purchase cost including carrying cost for which tariff is yet to be determined by DERC	40,519.00	32,074.00	18,687.00	91,280.00
Adjustment made	-	-	-	32,119.00

- e. Regulatory deferral account balances are exposed to very nominal demand risk or regulatory risk and management expects that it is highly certain that it will be recovered from the consumers through future tariff increase. The Company on a regular basis evaluates the changes in the DERC regulations and other factors which may trigger the impairment of the regulatory deferral balances.
- f. Carrying cost is allowed by regulator as per prevalent MYT regulations/Tariff order.
- g. The Company expects to realise the carrying amount of the regulatory deferral account balances as per the provisions of National Tariff Policy.

NOTE 39

SEGMENTAL REPORTING

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

No consumer individually accounted for more than 10% of the total billed revenue for the year ended 31 March, 2017 and 31 March, 2016.

NOTE 40

EARNINGS PER EQUITY SHARE (EPS)

Particulars	Units	Year ended 31.03.2017	Year ended 31.03.2016
Profit/(Loss) for the year from continuing operations before net movement in regulatory deferral account balance attributable to equity shareholders	Rs./lacs	40,857.35	81,303.16
Weighted average number of equity shares	Nos./lacs	5,520.00	5,520.00
Basic and diluted earnings per equity share of Rs. 10 each	Rs.	7.40	14.73
Face value of equity shares	Rs.	10.00	10.00
Profit/(Loss) for the year from continuing operations after net movement in regulatory deferral account balance attributable to equity shareholders	Rs./lacs	26,213.35	17,500.16
Weighted average number of equity shares	Nos./lacs	5,520.00	5,520.00
Basic and diluted earnings per equity share of Rs. 10 each	Rs.	4.75	3.17
Face value of equity shares	Rs.	10.00	10.00

40.1 The Company does not have any potential dilutive equity shares

NOTE 41

SPECIFIED BANK NOTES (SBNs)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated 30 March, 2017 on the details of Specified Bank Notes (SBNs) held and transacted during the period from 8 November, 2016 to 30 December, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs (Rs.)	Other Denomination Notes (Rs.)	Total (Rs.)
Closing cash in hand as on 8 November, 2016	24,470,000.00	4,370,447.00	28,840,447.00
Add: Permitted receipts	942,460,500.00	150,818,067.00	1,093,278,567.00
Less: Permitted payments	-	-	-
Less: Amount deposited in banks	956,930,500.00	143,475,133.00	1,110,405,633.00
Closing cash in hand as on 30 December, 2016	-	11,713,381.00	11,713,381.00

41.1 During the period from 10 November, 2016 to 15 December 2016, the Company was allowed to receive Specified Bank Notes (SBNs) as a legal tender from its customers towards payment of their electricity dues. The Company has designated collection centres which are permitted to receive cash from its customers. Cash collected at these centres is directly deposited into Company's Bank accounts. The Company has received details of SBNs deposited from respective banks and has considered amount collected as equivalent to amount deposited.

Signature



NOTE 42

INCOME TAX

42.1 Income tax expense in the statement of profit and loss consists of:

	For the year ended	
	31.03.2017	31.03.2016
	Rs./lacs	Rs./lacs
Income tax expense recognised in the statement of profit and loss :		
Current tax		
Current tax expense (see note 42.3)	5,914.03	7,650.83
Less: MAT credit adjusted during the year	165.84	-
Current tax (net)	5,748.19	7,650.83
Deferred tax		
In respect of the current year	(52,702.15)	4,420.29
Less: adjustable from future tariff	52,702.15	(4,420.29)
	-	-
Income tax expense recognised in other comprehensive income :		
Income tax on net loss/(gain) on remeasurement of defined benefit plan	(23.40)	(17.50)
Total	5,724.79	7,633.33

42.2 A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below

	For the year ended	
	31.03.2017	31.03.2016
	Rs./lacs	Rs./lacs
Profit before tax	31,961.54	25,150.99
Enacted income tax rate in India	34.61%	34.61%
Computed expected tax expense	11,061.25	8,704.25
Effect of:		
Expenses not considered in determining taxable profit	2,780.34	2,543.04
Reversal during tax holiday period	(3,603.48)	1,169.43
Deduction under chapter VI-A	(97.29)	(6,114.31)
Adjustment for MAT credit	(57,118.52)	5,708.55
Others	23.74	60.16
Income tax expense in respect of current year	(46,953.96)	12,071.12
Less: Deferred tax adjustable from future tariff	(52,702.15)	4,420.29
Income tax expense recognised in the statement of profit and loss	5,748.19	7,650.83

42.3 The Company has made provision for income tax including deferred tax at rate of 34.61% in accordance with normal provisions of Income Tax Act 1961 for year ended 31 March, 2017. Provision for current tax for the year ended 31 March 2016 was made at the rate of 21.34% as per Section 115JB of the Income Tax Act, 1961 (Minimum Alternate Tax i.e. MAT), whereas provision for deferred tax was made at the rate of 34.61% (substantially enacted tax rate at balance sheet date).

NOTE 43

EMPLOYEE BENEFIT PLANS

43.1. Defined contribution plan

i. Provident Fund Plan and Employees State Insurance Scheme

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

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

ii. Pension and Leave Salary Contribution

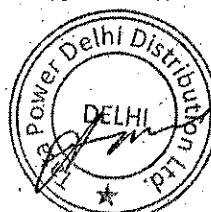
The Company makes contributions towards pension and leave salary to a defined contribution retirement plan for erstwhile DVB employees. The Company's contribution is deposited into the DVB Employees Terminal benefit Fund 2002 ('the Trust') as per the transfer scheme on the basis of the Fundamental Rules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

On account of Defined Contribution Plans, a sum of Rs. 1,717.19 lacs (for the year ended 31 March, 2016 Rs. 1,659.22 lacs) has been charged to the statement of profit and loss during the year.

43.2 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.

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43.3 Policy for recognising actuarial gains and losses

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

43.4 Risks associated with the plan provisions are actuarial risks. These risks are investment risk, interest rate risk, mortality risk and salary risk.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government Bonds Yield. If plan liability is funded and return on plan assets is below this rate, it will create a plan deficit.

Interest rate risk: A decrease in the bond interest rate (discount rate) will increase the plan liability.

Mortality risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. A change in mortality rate will have a bearing on the plan's liability.

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

43.5 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, 2017:

Particulars		Gratuity (Funded)		
		31.03.2017	31.03.2016	01.04.2015
		(Rs./lacs)	(Rs./lacs)	(Rs./lacs)
i. Net liability arising from defined benefit obligation		408.09	266.94	203.25
ii. Change in benefit obligations:				
Present value of obligations as at 1 April	A	2,165.78	1,771.39	
Current Service Cost	B	269.53	236.23	
Interest Cost	C	176.16	147.31	
Past Service Cost	D	-	-	
Remeasurement (gains)/losses: Actuarial (gains) /losses arising from experience adjustments	E	121.88	87.12	
Benefits Paid	F	36.76	76.27	
Present value of obligation as at 31 March (A+B+C+D+E-F)		2,696.59	2,165.78	
iii. Change in Plan Assets				
Fair Value of Plan Assets as at 1 April	A	1,898.84	1,568.14	
Interest Income	B	141.49	122.04	
Employer's Contribution	C	272.68	279.80	
Remeasurement (gains)/losses: Return on plan assets (excluding amounts included in net interest expense)	D	12.25	5.13	
Benefits Paid	E	36.76	76.27	
Fair value of plan asset as at 31 March (A+B+C+D-E)		2,288.50	1,898.84	
iv. Amount recognised in the statement of profit and loss (remeasurements)				
Particulars		Gratuity (Funded)		
		2016-17	2015-16	
		(Rs./lacs)	(Rs./lacs)	
Current service cost	A	269.53	236.23	
Net interest expense/(income)	B	34.67	25.27	
Other adjustment	C	-	(0.93)	
Defined benefit cost recognized in the statement of profit and loss (A+B+C)		304.20	260.57	

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

v. Amount recognised in other comprehensive income (remeasurements)

Particulars		Gratuity (Funded)	
		2016-17 (Rs./lacs)	2015-16 (Rs./lacs)
Actuarial (gains)/losses arising from experience adjustments	A	121.88	87.12
Return on plan assets (excluding amounts included in net interest expense)	B	12.25	5.13
Components of defined benefit costs recognised in other comprehensive income (A-B)		109.63	81.99

vi. Principal actuarial assumptions:

Particulars	Refer Notes	31.03.2017	31.03.2016	01.04.2015
Discount Rate (p.a.)	1	7.00%	7.70%	7.80%
Salary escalation rate (p.a.)	2	8.00%	8.00%	8.00%

Notes:

1 The rate used to discount post-employment benefit obligations is determined by reference to market yields at the balance sheet date on government bonds. The currency and term of the government bonds is consistent with the currency and estimated term of the post-employment benefit obligations.

2 The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Demographic assumptions:

	31.03.2017	31.03.2016	01.04.2015
Retirement age	60 years	60 years	60 years
Mortality rate	Published rates under Indian Assured Lives Mortality (2006-2008) ultimate table.	Published rates under Indian Assured Lives Mortality (2006-2008) ultimate table.	Published rates under Indian Assured Lives Mortality (2006-2008) ultimate table.
Withdrawal rate	15%	15%	15%

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

Particulars	31.03.2017	31.03.2016	01.04.2015
Government of India Securities	54.63%	47.42%	46.61%
Debt Instruments	31.22%	34.01%	34.61%
Equity and preference shares	8.91%	6.20%	4.56%
Other deposits	5.24%	12.37%	14.22%
	100.00%	100.00%	100.00%

The Company's liability on account of gratuity is ascertained by actuarial valuer and planned assets of the Company are managed by Life Insurance Corporation of India in terms of an insurance policy taken to fund obligations of the Company with respect to its gratuity plan. The difference between the liability ascertained on account of gratuity by Life Insurance Corporation of India and actuarial valuer is provided for in the financial statements of the Company. The categories of plan assets as a percentage of total plan assets is based on information provided by Life Insurance Corporation of India with respect to its investment pattern for group gratuity fund for investments managed in total for several other companies.

viii. Sensitivity Analysis

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

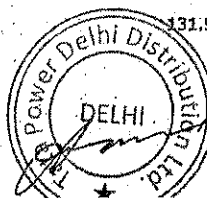
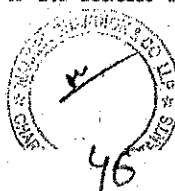
Changes in defined benefit obligation due to 1% increase/decrease in discount rate, if all other assumptions remain constant.

	31.03.2017 (Rs./lacs)	31.03.2016 (Rs./lacs)
a) Decrease in Defined benefit obligation due to 1% increase in discount rate.	131.95	103.91
b) Increase in Defined benefit obligation due to 1% decrease in discount rate.	146.41	115.08

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

	31.03.2017 (Rs./lacs)	31.03.2016 (Rs./lacs)
a) Increase in Defined benefit obligation due to 1% increase in Expected Salary Escalation rate.	143.58	113.64
b) Decrease in Defined benefit obligation due to 1% decrease in Expected Salary Escalation rate.	131.95	104.56

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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

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

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

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

ix. Maturity Profile of Defined Benefit Obligation

	31.03.2017	31.03.2016
(I) Weighted Average duration of the defined benefit obligation	8 years	8 years
(II) Duration of defined benefit obligation		
Duration (Years)	Amount (Rs./lacs)	
1	442.58	340.54
2	334.27	305.04
3	311.05	232.99
4	260.72	215.31
5	218.40	179.76
Above 5	1,129.57	892.14
Total	2,696.59	2,165.78
(III) Duration of defined benefit payments		
Duration (Years)	Amount (Rs./lacs)	
1	457.81	353.35
2	369.98	341.21
3	368.37	280.55
4	330.38	279.09
5	296.13	250.67
Above 5	2,371.72	2,014.56
Total	4,194.39	3,519.43

x. The contribution expected to be made by the Company during the financial year 2017-18 is Rs. 266.45 lacs

xi. The actual return on plan assets was Rs. 153.74 lacs (for the year ended 31 March, 2016: Rs. 127.17 lacs).

43.6 Principal actuarial assumptions for long-term compensated absences

Particulars	Notes	31.03.2017	31.03.2016	01.04.2015
Discount Rate (p.a.)	43.6.1	7.00%	7.70%	7.80%
Salary escalation rate (p.a.)	43.6.2	8.00%	8.00%	8.00%

Notes:

43.6.1 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.

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

Demographic assumptions:

	31.03.2017	31.03.2016	01.04.2015
Retirement age	60 years	60 years	60 years
Mortality rate	Published rates under Indian Assured Lives Mortality (2006-2008) ultimate table.	Published rates under Indian Assured Lives Mortality (2006-2008) ultimate table.	Published rates under Indian Assured Lives Mortality (2006-2008) ultimate table.
Withdrawal rate	15%	15%	15%

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NOTE 44

RELATED PARTY DISCLOSURES

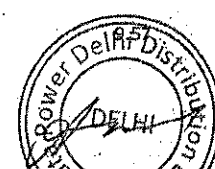
44.1 List of related parties and description of relationship

- A. Holding company**
Tata Power Company Limited (TPCL)
- B. Company exercising significant influence**
Delhi Power Company Limited (DPCL) (Government related entity)
- C. Subsidiaries (Wholly-owned)**
NDPL Infra Limited (NDPLIL)
- D. Fellow Subsidiaries (with whom the Company has transactions)**
(i) Tata Power Trading Company Limited (TPTCL)
(ii) Tata Power Solar Systems Limited (TPSSL)
(iii) Tata Power Jamshedpur Distribution Limited (TPJDL)
(iv) Tata Power International Pte Limited (TPIPL)
- E. Associates of holding company**
(i) Tata Communications Ltd. (TCL)
(ii) Tata Projects Ltd. (TPL)
- F. Post retirement employee benefit trust**
(i) North Delhi Power Limited Employees Group Gratuity Assurance Scheme (Gratuity Fund)
(ii) Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 (SVRS RTBF - 2004)
- G. Key management personnel**
Chief Executive Officer and Managing Director (CEO & MD)
Mr. Praveer Sinha (appointed w.e.f. 8 May, 2015)
- Executive directors (ED)**
(i) Mr. Praveer Sinha (ceased w.e.f. 7 May, 2015)
(ii) Mr. Arup Ghosh (appointed w.e.f. 31 July, 2015 and ceased w.e.f. 30 November, 2015)
- Non-executive directors**
(i) Mr. Anil Sardana
(ii) Mr. Ashok Kumar Basu (ceased w.e.f. 23 March, 2017)
(iii) Mr. Nawshir H. Mirza
(iv) Mr. Ramesh N. Subramanyam (ceased w.e.f. 25 May, 2016)
(v) Mr. Arup Ghosh (appointed w.e.f. 1 December, 2015)
(vi) Ms. Shakuntala Doley Gamlin (ceased w.e.f. 30 July, 2015)
(vii) Mr. Rajendra Kumar (ceased w.e.f. 30 July, 2015)
(viii) Mr. Sanjiv Nandan Sahai (ceased w.e.f. 30 July, 2015)
(ix) Mr. Deepak Mohan Spolia (ceased w.e.f. 30 July, 2015)
(x) Mr. Arun Baroka (ceased w.e.f. 30 July, 2015)
(xi) Mr. Sanjeev Singh (appointed w.e.f. 31 July, 2015 and ceased w.e.f. 3 August, 2016)
(xii) Mr. Sudhir Mohan Varma (appointed w.e.f. 31 July, 2015 and ceased w.e.f. 3 August, 2016)
(xiii) Mr. Prem Prakash (appointed w.e.f. 31 July, 2015 and ceased w.e.f. 3 August, 2016)
(xiv) Mr. Arun Kumar Garg (appointed w.e.f. 31 July, 2015 and ceased w.e.f. 3 August, 2016)
(xv) Mr. Anjeni Kumar Sharma (appointed w.e.f. 31 July, 2015 and ceased w.e.f. 3 August, 2016)
(xvi) Ms. Shailini Yogendranath Singh (appointed w.e.f. 19 October, 2015)
(xvii) Mr. Amarjit Chopra (appointed w.e.f. 23 March, 2017)
(xviii) Mr. Ajay Shankar (appointed w.e.f. 23 March, 2017)

44.2 Transactions with related parties

Particulars		Year ended 31.03.2017	Year ended 31.03.2016
		Rs. / Lacs	Rs. / Lacs
A. Rendering of services			
(i) TPCL	Management contract for deputation of employees	105.67	108.35
(ii) DPCL	Commission earned	1.67	1.83
(iii) NDPLIL	Management contract for consultancy services	325.52	264.37
(iv) TPIPL	Management contract for consultancy services	130.90	90.71
B. Purchase of goods			
(i) TPSSL	Purchase of spares		(0.12)
(ii) TPTCL	Purchase of power	89,134.53	94,252.35
	Rebate on power purchase	1,560.12	1,735.74
(iii) TPL	Purchase of spares	2.87	
C. Sale of property, plant and equipment			
(i) TPCL	Sale of property, plant and equipment		

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Particulars		Year ended	Year ended
		31.03.2017	31.03.2016
		Rs. / Lacs	Rs. / Lacs
D. Receiving of services			
(i) TPCL	Management contract for deputation of key managerial personnel	280.37	398.91
(ii) TPSSL	Annual maintenance contract of solar plants	6.45	-
(iii) TCL	Communication expenses	14.55	12.26
E. Reimbursement of expenses			
(i) TPCL	Travelling and conveyance	1.53	1.04
(ii) DPCL	Advertisement, publicity and business promotion	2.90	0.43
(iii) TPIPL	Travelling and conveyance	6.16	1.56
(iv) NDPLIL	Travelling and conveyance, insurance etc.	102.85	15.24
F. Finance cost			
(i) TPCL	Dividend on preference shares	3,060.00	3,060.00
(ii) DPCL	Dividend on preference shares	2,940.00	2,940.00
G. Dividend (including interim) paid			
(i) TPCL	Dividend on equity shares	6,756.48	3,941.28
(ii) DPCL	Dividend on equity shares	6,491.52	3,786.72
H. Transaction with Trust			
(i) Gratuity Fund	Contribution to trust	272.68	279.80
(ii) SVRS RTBF - 2004	Contribution to trust	92.05	130.29

44.3 Compensation of key managerial personnel

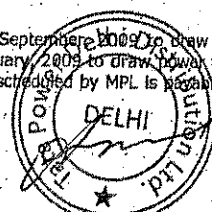
Name of the related party	Nature of transaction	Year ended	Year ended
		31.03.2017	31.03.2016
		Rs. / Lacs	Rs. / Lacs
(i) CEO & MD, ED -Mr. Praveer Sinha -Mr. Arup Ghosh	Deputation pay and other benefits	299.64	291.88
		-	56.33
(ii) Non-executive directors	Sitting fees	23.95	26.28
	Consultancy fees - Mr. Arup Ghosh	44.17	13.74

44.4 Balance outstanding with related parties

Name of the related party	Nature of transaction	As at	As at	As at
		31.03.2017	31.03.2016	01.04.2015
		Rs. / Lacs	Rs. / Lacs	Rs. / Lacs
A. Investment in equity shares				
(i) NDPLIL		5.00	5.00	5.00
B. Receivables				
(i) TPCL	Trade receivables	25.63	28.65	-
(ii) NDPLIL	Trade receivables	0.03	3.78	55.29
(iii) TPIPL	Trade receivables	83.40	22.31	8.12
(iv) TPDDL	Trade receivables	-	-	-
(v) SVRS RTBF - 2004	Other financial assets	194.08	294.16	415.63
C. Payables				
(i) TPCL	Trade payables	-	-	150.81
(ii) DPCL	Trade payables	1,028.66	978.61	904.53
(iii) TPTCL	Trade payables	7,949.04	7,312.25	27,014.27
(iv) TPSSL	Trade payables including retention money	29.41	28.41	28.55
(v) TCL	Trade payables including security deposits	8.15	3.43	1.16
(vi) TPL	Trade payables including retention money	-	-	17.32
D. Unbilled revenues				
(i) NDPLIL	Management contract for consultancy services	76.77	71.71	79.83
E. Accrued expenses				
(i) TPSSL	Annual maintenance contract of solar plants	6.32	-	-
(ii) TPTCL	Purchase of power	0.61	-	21.30
(iii) TCL	Communication expenses	3.04	2.82	2.96
F. Prepaid expenses				
(i) TCL	Communication expenses	-	0.94	-
G. Commitment made				
(i) TPSSL		1.62	1.62	1.62

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

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



NOTE 45

FINANCIAL INSTRUMENTS

45.1 Capital management

The Company's objectives for managing capital comprise safeguarding the business as a going concern, creating value for stakeholders and supporting the development of the Company. In particular, the Company seeks to maintain an adequate capitalization that enables it to achieve a satisfactory return for shareholders and ensure access to external sources of financing, in part by maintaining an adequate rating. In this context, the Company manages its capital structure and adjusts that structure when changes in economic conditions so require.

The management constantly monitors and reviews the debt to equity ratio on a quarterly basis. As part of this review, the management considers the cost of capital and risks associated with each class of capital requirements and maintenance of adequate liquidity buffer. The position on reporting date is summarized in the following table:

Particulars	As at 31.03.2017 Rs./lacs	As at 31.03.2016 Rs./lacs	As at 01.04.2015 Rs./lacs
Long-term borrowings (including non-convertible cumulative redeemable preference share capital)	254,996.53	292,923.63	352,321.96
Current maturities of long-term borrowings	62,937.09	81,148.34	67,667.92
Short-term borrowings	20,169.43	16,660.96	8,252.57
Total Debt (A)	338,103.05	390,732.93	428,242.45
Total Equity (B)	268,742.72	258,560.58	250,426.15
Debt to equity ratio (A/B)	1.26	1.51	1.71

45.2 Categories of financial instruments

Particulars	As at 31.03.2017 Rs./lacs	As at 31.03.2016 Rs./lacs	As at 01.04.2015 Rs./lacs
Financial assets			
(i) Measured at cost			
- Investment in subsidiary	5.00	5.00	5.00
(ii) Measured at amortised cost			
- Trade receivables	21,425.50	20,678.74	18,062.93
- Cash and cash equivalents	9,998.53	15,006.68	13,237.56
- Other Bank Balances other than cash and cash equivalent above	3,583.36	3,760.42	3,742.75
- Unbilled revenue	30,265.42	28,702.47	27,246.10
- Security deposit	293.46	302.31	224.42
- Recoverable from SVRS trust	194.08	294.16	415.63
- Others	512.23	826.43	89.16
	66,277.58	69,576.21	63,023.55
Financial liabilities			
Measured at amortised cost			
- Borrowings (including non-convertible cumulative redeemable preference share capital)	338,239.58	390,941.27	428,520.02
- Trade and other payables	116,156.67	91,940.66	88,449.37
- Security deposits	55,435.75	57,775.26	53,275.72
- Dividend accrued but not due on non-convertible cumulative redeemable preference shares	6,000.00	6,000.00	6,000.00
- Retention money payable	5,324.14	3,901.25	3,181.28
- Others	2,016.47	2,194.29	2,271.72
	523,172.61	552,752.73	581,698.11

45.3 Financial risk management

The Company's activities expose it to a variety of financial risk, notably market risks (including interest rate risk and foreign exchange fluctuation risk), credit risk and liquidity risk. The Company's focus is to ensure liquidity which is sufficient to meet Company's operational requirements, the management also monitors and manages key financial risks so as to minimize potential adverse effects on its financial performance. The management reviews and agrees policies for managing these risks, which are summarised below:

45.3.1 Market risk

Market risk is the risk that the expected cash flows or fair value of a financial instrument could change owing to changes in market prices. Market risks are essentially composed of interest rate risk and foreign currency exchange risk.

(A) Foreign currency risk management

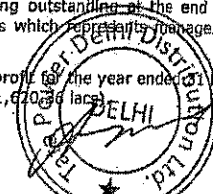
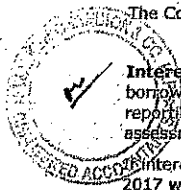
Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in exchange rates. The Company does not have significant foreign currency denominated transactions, hence the Company is not exposed to significant foreign currency risk.

(B) Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because it borrows funds at floating interest rates.

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

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended 31 March, 2017 would decrease/increase by Rs. 1,339.67 lacs (for the year ended 31 March, 2016, decrease/increase by Rs. 1,620.36 lacs).



45.3.2 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 20,662.93 lacs and 17,460.34 lacs as at 31 March, 2017 and 31 March 2016 respectively and unbilled revenue amounting to Rs. 30,026.30 lacs and Rs. 28,702.47 lacs as at 31 March, 2017 and 31 March 2016 respectively.

The Company is engaged in distribution and retail supply of electricity in the North & North-West districts in the National Capital Territory of Delhi. Trade receivables consists of a large number of unrelated consumers spread across diverse industries and credit risk has been managed by the Company through continuously monitoring the creditworthiness of consumers. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors such as credit ratings of consumers and the Company's historical experience for consumers.

Bank balances are held with reputed and creditworthy banking institutions.

As per its investment policy the Company invests only in Debt Based Mutual Funds and Bank Fixed Deposits and investment shall be undertaken in schemes preferably having no locking period with minimum/no entry/exit loads. Investments are normally made in debt/liquid/money market mutual funds of Approved Fund Houses whose Assets under Management (AUM) are in excess of Rs. 500,000 lacs and ranks in the first three of CRISIL's latest available Composite Performance Ranking (CPR) at the time of investment. As per policy, not more than Rs. 30,000 lacs be invested in a single liquid fund scheme and such amount should be within 10% of the scheme corpus, further the Company will restrict the extent of exposure to any Asset management Company to 20% of its invested corpus (only for investment more than 20,000 lacs).

45.3.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Ultimate responsibility for liquidity risk management rests with the management. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Financial Liabilities	Less than 1 year	1-3 years	3-5 years	More than 5 years	(All amounts in Rs./Lacs)- Total
31 March, 2017					
-Trade payables	116,156.67				116,156.67
-Borrowings	83,243.05	108,061.01	58,530.28	88,405.24	338,239.58
-Security deposits (see note 45.4)	4,880.47	190.01	114.30	50,250.97	55,435.75
-Dividend accrued but not due on preference shares	6,000.00				6,000.00
-Retention money payable	5,324.14				5,324.14
-Other financial liabilities	2,016.47				2,016.47
	217,620.80	108,251.02	58,644.58	138,656.21	523,172.61
31 March, 2016					
-Trade payables	91,940.66				91,940.66
-Borrowings	98,017.64	118,407.51	76,380.70	98,135.42	390,941.27
-Security deposits (see note 45.4)	4,497.59	197.01	4.62	53,076.04	57,775.26
-Dividend accrued but not due on preference shares	6,000.00				6,000.00
-Retention money payable	3,901.25				3,901.25
-Other financial liabilities	2,194.29				2,194.29
	206,551.43	118,604.52	76,385.32	151,211.46	552,752.73
1 April, 2015					
-Trade payables	88,449.37				88,449.37
-Borrowings	76,198.06	143,618.24	95,971.95	112,731.77	428,520.02
-Security deposits (see note 45.4)	4,555.12	43.34	9.79	48,809.63	53,417.88
-Dividend accrued but not due on preference shares	6,000.00				6,000.00
-Retention money payable	3,181.28				3,181.28
-Other financial liabilities	2,129.56				2,129.56
	180,513.39	143,661.58	95,981.74	161,541.40	581,698.11

45.4 Consumer security deposits classified under more than 5 years maturity pertain to permanent connection which are refundable only after surrender of connection subject to clearance of outstanding dues.

45.5 Fair value of financial assets and financial liabilities that are not measured at fair value

The management consider that the carrying amount of financial assets and financial liabilities recognised in the financial statements approximates their fair value.

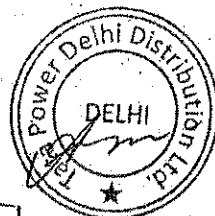
NOTE 46

AUDITORS REMUNERATION*

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

Particulars	Year ended 31.03.2017 Rs./lacs	Year ended 31.03.2016 Rs./lacs
Audit fee (including quarterly audits)	59.50	55.25
Other services	2.70	10.85
Reimbursement of out-of-pocket expenses	2.04	1.70
Total	64.24	67.80

* Exclusive of service tax.



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NOTE 47

Disclosure pursuant to DERC directive 6.13 (j) specified in Tariff order dated 29 September, 2015.

Categorywise billing, collection & subsidy information

47.1 Billing		Year ended 31.03.2017						(All amounts in Rs./Lacs)
S.No	Category	Revenue Billed	Surcharge Billed	PPAC Billed	Electricity Duty	TOD Surcharge	TOD Rebate	
1	Domestic	233,538.18	16,504.78	90.06	10,542.33	-	-	
2	Non-Domestic	168,443.41	11,946.93	59.89	6,960.01	2,406.72	(1,065.82)	
3	Industrial	233,642.56	16,544.61	43.29	10,235.16	4,998.99	(2,752.81)	
4	Agriculture & Mushroom Cultivation	465.40	32.90	0.68	18.77	-	-	
5	Public Lighting	11,821.13	864.10	1.88	136.33	-	-	
6	Delhi Jal Board	21,306.88	1,506.11	1.67	965.34	394.89	(417.37)	
7	Railway Traction	3,801.34	281.19	5.03	-	118.05	(81.07)	
8	DMRC	10,729.03	759.20	(4.37)	484.15	314.41	(158.68)	
9	Advertisement & Hoardings	195.32	14.24	0.83	7.82	-	-	
10	Temporary Supply	6,387.30	448.31	2.84	283.98	70.05	(51.32)	
11	Staff	649.76	46.00	0.17	28.64	-	-	
12	MISUSE	883.43	62.12	5.37	36.06	3.99	(1.78)	
13	Enforcement	1,603.59	121.02	28.39	72.34	-	-	
14	Other Adjustments	96.38	-	-	4.09	-	-	
	Grand Total	693,563.71	49,131.51	235.53	29,775.02	8,307.10	(4,529.05)	

47.2 Collection		Year ended 31.03.2017				(All amounts in Rs./Lacs)
S.No	Category	Revenue Collected	Surcharge Collected	PPAC Collected	Electricity Duty Collected	
1	Domestic	235,367.82	16,582.84	281.60	10,601.88	
2	Non-Domestic	173,266.35	12,265.41	178.28	7,182.06	
3	Industrial	233,781.29	16,541.72	126.11	10,252.41	
4	Agriculture & Mushroom Cultivation	484.10	33.98	1.76	19.27	
5	Public Lighting	12,986.64	952.90	46.60	158.36	
6	Delhi Jal Board	21,386.01	1,509.95	15.09	967.42	
7	Railway Traction	3,801.34	281.19	5.03	-	
8	DMRC	10,152.82	753.94	(4.37)	-	
9	Advertisement & Hoardings	217.90	14.27	0.93	7.75	
10	Staff	651.04	46.11	0.47	28.68	
11	Enforcement	1,603.59	121.02	28.39	72.34	
12	Other Adjustments	96.38	-	-	-	
	Grand Total	693,795.28	49,103.33	679.89	29,290.17	

47.3 Subsidy Disbursed (including amnesty scheme)		Year ended 31.03.2017
S.No	Category	(Rs./Lacs)
1	Agriculture	0.12
2	Domestic	43,714.11
3	Amnesty scheme for JJ cluster	66.29
	Grand Total	43,780.52

47.4 Collection against temporary connection and misuse is included in respective tariff category.

47.5 Energy tax collection include energy tax collected on open access.

47.6 Revenue billed & collected include energy charges, fixed charges, e tax, surcharge, PPAC, TOD surcharge, TOD rebate etc.

47.7 Revenue collected includes deemed collection on account of subsidy, interest on consumption deposit, rebate on number of bills etc.

NOTE 48

As per the Transfer Pricing Rules of the Income Tax Act, 1961 the Company is required to get a transfer pricing study conducted to determine whether the transactions with related parties were undertaken at an arm's length basis for each financial year end. Transfer pricing study for the transactions during the year ended 31 March, 2017 is currently in progress and hence adjustments, if any, which may arise there from will be considered in the financial statements for the year ended 31 March, 2018. However, in the opinion of the Company's management, adjustments, if any, are not expected to be material.

NOTE 49

CORPORATE SOCIAL RESPONSIBILITY

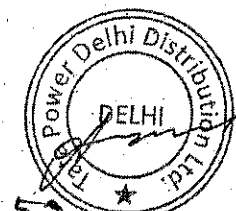
As per Section 135 of the Companies Act, 2013, a company, meeting the eligibility criteria, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. TPDDL's CSR programs/projects focuses on sectors and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

a) Gross amount required to be spent by the Company during the year is Rs. 795.27 lacs.

b) Amount spent during the year on CSR (excluding 5% administrative expenses)

S.No.	Particulars	Yet to be paid		Total
		In Cash	In cash	
		Rs./lacs	Rs./lacs	Rs./lacs
(i)	Construction / acquisition of any asset			
(ii)	On purposes other than (i) above	805.72	6.33	812.05

Signature



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

NOTE 50

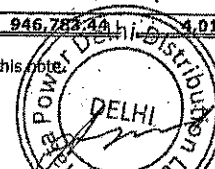
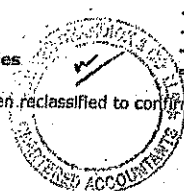
FIRST TIME IND AS ADOPTION RECONCILIATIONS

50.1 Effect of Ind AS adoption on the balance sheet as at 31 March, 2016 and 1 April, 2015

		As at 31.03.2016 (End of last period presented under previous GAAP)			As at 01.04.2015 (Date of transition)		
Note no.		Previous GAAP*	Effect of transition to Ind AS	As per Ind AS	Previous GAAP*	Effect of transition to Ind AS	As per Ind AS
		Rs./Lacs	Rs./Lacs	Rs./Lacs	Rs./Lacs	Rs./Lacs	Rs./Lacs
I. ASSETS							
(1) Non-current assets							
(a) Property, plant and equipment		326,671.86	-	326,671.86	309,570.26	-	309,570.26
(b) Capital work-in-progress		14,922.78	-	14,922.78	16,191.78	-	16,191.78
(c) Intangible assets		2,649.36	-	2,649.36	2,577.52	-	2,577.52
(d) Financial assets							
(i) Investments		5.00	-	5.00	5.00	-	5.00
(ii) Other financial assets		249.17	-	249.17	401.65	-	401.65
(e) Other non-current assets		4,327.71	-	4,327.71	4,134.71	-	4,134.71
Total non-current assets		348,825.88	-	348,825.88	332,880.92	-	332,880.92
(2) Current assets							
(a) Inventories		1,297.45	-	1,297.45	920.40	-	920.40
(b) Financial assets							
(i) Trade receivables	a	16,606.14	4,072.60	20,678.74	14,049.74	4,013.19	18,062.93
(ii) Cash and cash equivalents	b,c	18,779.17	(3,772.49)	15,006.68	16,980.44	(3,742.88)	13,237.56
(iii) Bank balances other than (ii) above	b	-	3,760.42	3,760.42	-	3,742.75	3,742.75
(iv) Other financial asset		29,876.20	-	29,876.20	27,573.66	-	27,573.66
(c) Other current assets		52,729.41	-	52,729.41	18,561.02	-	18,561.02
Total current assets		119,288.37	4,060.53	123,348.90	78,085.26	4,013.06	82,098.32
Total assets		468,114.25	4,060.53	472,174.78	410,966.18	4,013.06	414,979.24
(3) Regulatory deferral account debit balances		472,014.26	-	472,014.26	535,817.26	-	535,817.26
Total assets and regulatory deferral account debit balances		940,128.51	4,060.53	944,189.04	946,783.44	4,013.06	950,796.50
II. EQUITY AND LIABILITIES							
(1) Equity							
(a) Equity share capital	d	105,200.00	(50,000.00)	55,200.00	105,200.00	(50,000.00)	55,200.00
(b) Other equity	a,d,e,f	208,205.95	(4,845.37)	203,360.58	198,892.31	(3,666.16)	195,226.15
Total equity		313,405.95	(54,845.37)	258,560.58	304,092.31	(53,666.16)	250,426.15
(2) Non-current liabilities							
(a) Financial liabilities							
(i) Long-term borrowings	d	242,923.63	50,000.00	292,923.63	302,321.96	50,000.00	352,321.96
(ii) Other financial liabilities		53,277.66	-	53,277.66	48,862.76	-	48,862.76
(b) Provisions		2,850.36	-	2,850.36	2,098.11	-	2,098.11
(c) Deferred tax liabilities	a,f	57,000.47	(4,895.86)	52,104.61	52,200.46	(4,487.76)	47,712.70
Less: Adjustable in Future Tariff		(57,000.47)	4,895.86	(52,104.61)	(52,200.46)	4,487.76	(47,712.70)
(d) Capital grants		780.03	-	780.03	830.07	-	830.07
(e) Contributions for Capital Works and service line charges	f	59,078.40	18,045.53	77,123.93	50,717.65	16,809.46	67,527.11
(f) Other non-current liabilities	f	24,654.36	158.44	24,812.80	27,231.43	192.06	27,423.49
Total non-current liabilities		383,564.44	68,203.97	451,768.41	432,061.98	67,001.52	499,063.50
(3) Current liabilities							
(a) Financial Liabilities							
(i) Short-term borrowings		16,660.96	-	16,660.96	8,252.57	-	8,252.57
(ii) Trade payables		91,940.66	-	91,940.66	88,449.37	-	88,449.37
(iii) Other financial liabilities	c,d	91,961.89	5,987.93	97,949.82	77,811.58	5,999.87	83,811.45
(b) Provisions	e	26,723.32	(16,522.70)	10,200.62	23,003.62	(16,522.70)	6,480.92
(c) Other current liabilities	a,d,f	14,082.69	1,236.70	15,319.39	10,664.18	1,200.53	11,864.71
(d) Current tax liabilities (net)		1,788.60	-	1,788.60	2,447.83	-	2,447.83
Total current liabilities		243,158.12	(9,298.07)	233,860.05	210,629.15	(9,322.30)	201,306.85
Total equity and liabilities		940,128.51	4,060.53	944,189.04	946,783.44	4,013.06	950,796.50

* Previous GAAP figures have been reclassified to conform with Ind AS presentation requirements for the purpose of this note.

Adm



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

50.2 Effect of Ind AS adoption on statement of profit and loss for the year ended 31 March, 2016

		Year ended 31.03.2016 (Presented under previous GAAP)		
	Note no.	Previous GAAP * Rs./Lacs	Effect of transition to Ind AS Rs./Lacs	As per Ind AS Rs./Lacs
1 Revenue from operations	f,g,h	675,413.50	(9,260.92)	666,152.58
2 Other income		5,799.11	-	5,799.11
3 Total income		681,212.61	(9,260.92)	671,951.69
EXPENSES				
4 Fuel cost		(240.39)	-	(240.39)
5 Cost of power purchased (net) (excludes own generation)	h	465,386.72	(6,441.31)	458,945.41
6 Employee benefits expense	i	35,464.51	(81.99)	35,382.52
7 Finance costs	d	40,023.65	7,221.46	47,245.11
8 Depreciation and amortisation expense		17,850.51	-	17,850.51
9 Other expenses	a,g	25,454.94	(1,640.40)	23,814.54
10 Total expenses		583,939.94	(942.24)	582,997.70
PROFIT/(LOSS) BEFORE TAX AND RATE REGULATED ACTIVITIES		97,272.67	(8,318.68)	88,953.99
11 Net movement in regulatory deferral account balance		(63,803.00)	-	(63,803.00)
PROFIT/(LOSS) BEFORE TAX		33,469.67	(8,318.68)	25,150.99
12 Tax expense:				
(i) Current tax	i	7,633.33	17.50	7,650.83
(ii) Deferred tax				
Provision for the year	a,f,i	4,800.01	(379.72)	4,420.29
Less: Adjustable in future tariff	a,f,i	(4,800.01)	379.72	(4,420.29)
PROFIT/(LOSS) FOR THE YEAR		25,836.34	(8,336.18)	17,500.16
13 Other comprehensive income				
(i) Items that will not be reclassified to profit and loss				
-Remeasurement of defined benefit obligation	i	-	(81.99)	(81.99)
-Tax relating to remeasurement of defined benefit obligation	i	-	17.50	17.50
TOTAL OTHER COMPREHENSIVE INCOME		-	(64.49)	(64.49)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		25,836.34	(8,400.67)	17,435.67

* Previous GAAP figures have been reclassified to confirm Ind AS presentation requirements for the purpose of this note.

Signature



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

50.3 Reconciliation of total equity as at 31 March, 2016 and 1 April, 2015

(All amounts in Rs./Lacs)

Note no.	As at 31.03.2016 (End of last period presented under previous GAAP)	As at 01.04.2015 (Date of transition)
Total equity (shareholder's funds) under previous GAAP	313,405.95	304,092.31
RECLASSIFICATIONS UNDER IND AS		
Non-convertible cumulative redeemable preference shares classified as a part of liabilities under Ind AS	d (50,000.00)	(50,000.00)
ADJUSTMENTS UNDER IND AS		
Provision for doubtful debts recognised under Ind AS as per expected credit loss model	a 3,898.92	3,842.06
Dividend on non-convertible cumulative redeemable preference share capital recognised under Ind AS (including tax thereon)	d (7,221.46)	(7,221.46)
Dividends not recognised as liability until declared under Ind AS (including dividend distribution tax thereon)	e 16,522.70	16,522.70
Derecognition of service line charges as income, now to be amortized over useful life of asset	f (18,045.53)	(16,809.46)
Total adjustments to equity	(54,845.37)	(53,666.16)
Total equity under Ind AS	258,560.58	250,426.15

50.4 Reconciliation of total comprehensive income for the year ended 31 March, 2016

Note no.	Year ended 31.03.2016 Rs./Lacs
Profit after tax as per previous GAAP	25,836.34
Derecognition of service line charges as income, now to be amortized over useful life of asset	f (1,236.07)
Provision for doubtful debts recognised under Ind AS as per expected credit loss model	a 56.86
Remeasurement of defined benefit obligation recognised in other comprehensive income under Ind AS (net of tax)	i 64.49
Dividend on non-convertible cumulative redeemable preference share capital recognised under Ind AS (including dividend distribution tax thereon)	d (7,221.46)
Profit for the year as per Ind AS	17,500.16
Other comprehensive income for the year (net of tax)	i (64.49)
Total comprehensive income under Ind AS	17,435.67

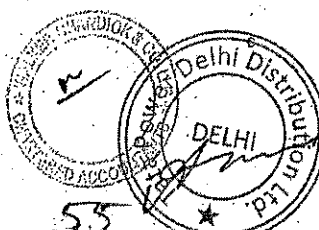
50.5. Effect of Ind AS adoption on the statement of cash flows for the year ended 31 March, 2016

	Year ended 31.03.2016		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
	Rs./Lacs	Rs./Lacs	Rs./Lacs
Net cash flows from/(used in) operating activities	113,540.40	(3,747.90)	109,792.50
Net cash flows from/(used in) investing activities	(32,228.69)	(17.67)	(32,246.36)
Net cash flows from/(used in) financing activities	(79,512.98)	3,735.96	(75,777.02)
Net increase/(decrease) in cash and cash equivalents	1,798.73	(29.61)	1,769.12
Cash and cash equivalents at the beginning of year	16,980.44	(3,742.88)	13,237.56
Cash and cash equivalents at the end of year	18,779.17	(3,772.49)	15,006.68

50.6 Analysis of cash and cash equivalents as at 31 March, 2016 and as at 1 April, 2015 for the purpose of statement of cash flows under Ind AS

Note no.	As at 31.03.2016 Rs./Lacs	As at 01.04.2015 Rs./Lacs
Cash and cash equivalents for the purpose of statement of cash flows as per previous GAAP	18,779.17	16,980.44
Deposits more than 3 months considered under previous GAAP as cash and cash equivalents	b (3,760.42)	(3,742.75)
Bank overdrafts not considered under previous GAAP as cash and cash equivalents	(12.07)	(0.13)
Cash and cash equivalents for the purpose of statement of cash flows under Ind AS	15,006.68	13,237.56

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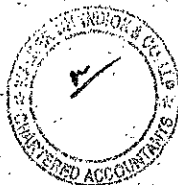


TATA POWER DELHI DISTRIBUTION LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTES TO THE RECONCILIATIONS

- a Under previous GAAP, provision for doubtful debts was recognised for debtors having outstanding for more than 6 months and further bad debts were written off for debtors outstanding more than 3 years subject to meeting certain criteria as decided by management. As per requirements of Ind AS, Expected Credit Loss (ECL) model has been worked out for provision for doubtful debts and the effect of this change is an increase in trade receivables & corresponding decrease in provision for doubtful debts as at 31 March, 2016 by Rs. 4,072.60 lacs (Rs. 4,013.19 lacs as at 1 April, 2015), increase in reserve and surplus as at 31 March, 2016 by Rs. 3,898.92 lacs (Rs. 3,842.06 lacs as at 1 April, 2015), decrease in provision for doubtful debts increases deferred tax liabilities as at 31 March, 2016 by Rs. 1,349.34 lacs (Rs. 1,329.66 lacs as at 1 April, 2015), increase in energy tax assessed on sale in other current liabilities as at 31 March, 2016 by Rs. 173.68 lacs (Rs. 171.13 lacs as at 1 April, 2015), increase in profit before tax as well as total profit for the year ended 31 March, 2016 by Rs. 56.86 lacs. Correspondingly decrease in deferred tax and adjustable in future tariff provided for the year ended 31 March, 2016 amounting to Rs. 19.68 lacs.
- b Under previous GAAP, deposits with bank having maturity period of more than 3 months were part of cash and cash equivalents. As per requirements of Ind AS and revised schedule III of Companies Act 2013, cash and cash equivalents have been bifurcated into two parts (cash and cash equivalents and other bank balances). Consequently, deposits of Rs. 3,760.42 lacs as at 31 March, 2016 (Rs. 3,742.75 lacs as on 1 April, 2015) are separately shown on the face of balance sheet under other bank balances.
- c Under previous GAAP, book overdraft was part of current liabilities. As per requirement of Ind AS, book overdrafts of Rs. 12.07 lacs as at 31 March, 2016 and Rs. 0.13 lacs as at 1 April, 2015 have now been considered as part of cash and cash equivalents.
- d Under previous GAAP, non-convertible cumulative redeemable preference shares were classified as share capital. Correspondingly, dividends paid on these shares were adjusted against retained earnings. Under Ind AS, financial instruments are classified as a liability or equity according to the substance of the contractual arrangement and not its legal form. These preference shares do not have any equity component and hence, have been classified in their entirety as borrowings under Ind AS. The resultant dividends along with tax have been recognised as a finance cost in profit or loss. Reclassification to borrowings has resulted in decrease in equity as at 31 March, 2016 by Rs. 50,000 Lacs (Rs. 50,000 Lacs as at 1 April, 2015). Recognition of dividend (along with tax) as finance cost has resulted in recognition of liability of accrued finance cost in other financial liabilities of Rs. 6,000 lacs (Rs. 6,000 lacs as at 1 April, 2015) and dividend distribution tax on accrued finance cost in other liabilities of Rs. 1,221.46 lacs (Rs. 1,221.46 lacs as at 1 April, 2015), also decrease in profit before tax by Rs. 7,221.46 lacs for the year ended 31 March, 2016.
- e Under previous GAAP, dividend proposed by the board of directors which is subject to Annual General Meeting approval was recognised in the financial statements as a liability. Under Ind AS, such dividends are recognised when approved by the members in Annual General Meeting. The effect of this change is an increase in total equity as at 31 March, 2016 by Rs. 16,522.70 lacs (Rs. 16,522.70 lacs as at 1 April, 2015), but does not affect profit before tax and total comprehensive income for the year ended 31 March, 2016.
- f Under previous GAAP, service line charges were treated as income upfront upon installation of connections. However, under Ind AS, since the customer does not get any identified asset or service upon payment of upfront service line charges, service line charges should be recognised as revenue over the useful life of asset provided to customer. As effect of this change there is a decrease in reserve & surplus as at 31 March, 2016 of Rs. 18,045.53 lacs (Rs. 16,809.46 lacs as at 1 April, 2015), recognition of unamortized service line charges as a liability results decrease in deferred tax liability as at 31 March, 2016 by Rs. 6,245.20 lacs (Rs. 5,817.42 lacs as at 1 April, 2015) service line charges lying as at 31 March, 2016 of Rs. 158.44 lacs (Rs. 192.06 lacs as at 1 April, 2015) in current liabilities, is now reclassified to non-current component of consumer deposit for capital works and increase in unamortized service line charges as at 31 March, 2016 of Rs. 18,045.53 lacs (Rs. 16,809.46 lacs as at 1 April, 2015) which has been clubbed with consumers' contribution towards capital works. Simultaneously there is decrease in profit before tax as well as total profit for the year ended 31 March, 2016 by Rs. 1,236.07 lacs. Correspondingly increase in deferred tax and adjustable in future tariff provided for the year ended 31 March, 2016 amounting to Rs. 427.78 lacs.
- g Under previous GAAP, rebate given on no. of bills as per frequency of billing was part of other expenses. Under Ind AS revenue should be recognised at the fair value of the consideration received or receivable taking into account the amount of any trade discounts and volume rebates allowed by the entity. As effect of this change, rebate given on no. of bills (Rs. 1,583.54 lacs for the year ended 31 March, 2016) adjusted from revenue from sale of power and excluded from other expenses. This change does not affect profit before tax or total comprehensive income for the year ended 31 March, 2016.
- h Under previous GAAP, rebate on power purchase was part of other operating income. Under Ind AS such rebate does not meet the criteria of recognition of revenue either from sale of goods or services. Also this benefit is incidental or ancillary to the main activity as the earning of cash discount on purchases nowhere affects the revenue generation activity. As effect of this change, rebate on power purchase (Rs. 6,441.31 lacs for the year ended 31 March, 2016) adjusted from power purchase cost and excluded from other operating income. This change does not affect profit before tax or total comprehensive income for the year ended 31 March, 2016.
- i Under previous GAAP, actuarial gains and losses were recognised in statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of statement of profit and loss. The actuarial loss for the year ended 31 March, 2016 were Rs. 81.99 lacs and the tax effect thereon Rs. 17.50 lacs. Correspondingly there is an adjustment in deferred tax and adjustable in future tariff provided for the year ended 31 March, 2016 by Rs. 28.38 lacs.
- j Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expense, gains, or losses are required to be presented in other comprehensive income.

Signature



NOTE 51

APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the board of directors on 5 May, 2017.

Walker Chandlok & Co LLP
For Walker Chandlok & Co LLP
(formerly Walker, Chandlok & Co)
Chartered Accountants

Neeraj Goel

per Neeraj Goel
Partner



New Delhi
5 May, 2017

For and on behalf of the Board of Directors

Anil Sardana

Anil Sardana
Chairman

Praveer Sinha

Praveer Sinha
CEO & Managing Director

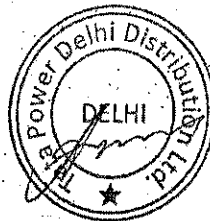
Ajay Kalsie

Ajay Kalsie
Company Secretary

Ajay Kapoor

Ajay Kapoor
Chief Financial Officer

New Delhi
5 May, 2017



Walker Chandlok & Co LLP

The Board of Directors
Tata Power Delhi Distribution Limited (the Company)
NDPL House, Hudson Lines, Kingsway Camp
New Delhi-110009

Walker Chandlok & Co LLP
(Formerly Walker, Chandlok & Co)
L-41 Connaught Circus
New Delhi 110001
India

T +91 11 4278 7070
F +91 11 4278 7071

Dear Sirs,

1. This Certificate is issued in accordance with the terms of our agreement dated 18 July 2016.
2. At your request we have examined the attached statements along with notes thereon of details of power purchase cost incurred during the period from 1 April 2016 to 31 March 2017 as stated in Clause 6.13(K) of tariff order issued by Delhi Electricity Regulatory Commission in September 2015 (the "Statements").

Management's Responsibility

3. The Management of the Company is responsible for the preparation of the Statements in accordance with tariff order issued by Delhi Electricity Regulation Commission. This responsibility also includes maintenance of adequate books of account and other related records as required for collecting, collating and validating information required for the preparation of the Statements, and for designing, implementing and maintaining adequate internal controls for ensuring the accuracy and completeness of such books of account and other related records.

Auditor's Responsibility

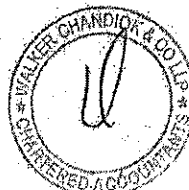
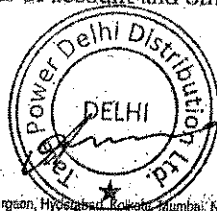
4. Our responsibility is to express our conclusion on the information based on our procedures based on the Guidance Note on Audit Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India ("the ICAI") which include the concepts of test checks and materiality. The auditing standards require us to obtain reasonable assurance based on verification, of evidence supporting our opinion.

Our procedures have been planned to obtain all information and explanations that we considered necessary to support our conclusion. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

6. On the basis of our examination of the books of account and other related records of the Company for the period 1 April 2016 to 31 March 2017 and according to the information and explanations given to us by the management of the Company, we certify that the particulars contained in the Statements, as per the books of account and other related records of the Company.



Chartered Accountants

Offices in Bangalore, Chandigarh, Chennai, Gurgaon, Hyderabad, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandlok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Walker Chandiook & Co LLP

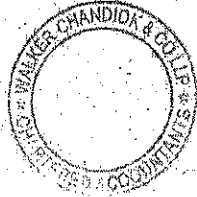
Restriction on Use

7. This certificate has been issued solely for the purpose of submission to Delhi Electricity Regulatory Commission (DERC) and it not to be used, circulated, quoted or otherwise referred to for any other purpose without our prior written consent.

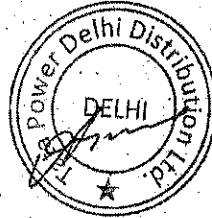
For Walker Chandiook & Co. LLP
(Formerly Walker, Chandiook & Co.)
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj

Per Neeraj Goel
Partner
Membership No.: 099514



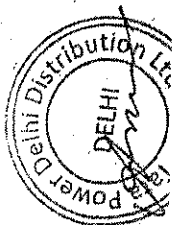
Place: New Delhi
Dated: 27 July 2017



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DELHI

General Information										Financial Data										Operational Data										Compliance & Remarks									
Sl. No.	Project Name	Location	Area (sq. ft.)	Value (Rs.)	Category	Sub-Category	Material	Unit	Quantity	Sl. No.	Project Name	Location	Area (sq. ft.)	Value (Rs.)	Category	Sub-Category	Material	Unit	Quantity	Sl. No.	Project Name	Location	Area (sq. ft.)	Value (Rs.)	Category	Sub-Category	Material	Unit	Quantity	Sl. No.	Project Name	Location	Area (sq. ft.)	Value (Rs.)	Category	Sub-Category	Material	Unit	Quantity
1	11	21	31
2	12	22	32
3	13	23	33
4	14	24	34
5	15	25	35
6	16	26	36
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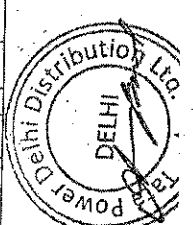
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1457	1458	1459	1460	1461																							

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District		Taluk		Village		Area		Population		Cattle		Horses		Mules		Donkeys		Bullocks		Total	
No.	Name	No.	Name	No.	Name	Sq. M.	Sq. M.	Males	Females	Males	Females	Males	Females	Males	Females	Males	Females	Males	Females	Males	Females
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2	...	2	...	2
3	...	3	...	3
4	...	4	...	4
5	...	5	...	5
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Delhi Dist

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