

Walker Chandlok & Co LLP
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New Delhi 110001
India

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Independent Auditor's Report

To the Members of Tata Power Delhi Distribution Limited

Report on the Standalone Financial Statements

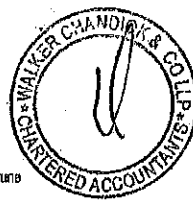
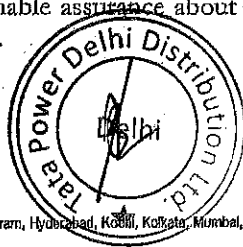
1. We have audited the accompanying standalone financial statements of Tata Power Delhi Distribution Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes 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.



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 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. 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.
10. 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;
 - 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 2018 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 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 26 April 2018 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 28 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 disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

Walker Chandio & Co LLP

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj

per Neeraj Goel
Partner
Membership No.: 99514

Place: New Delhi
Date: 26 April 2018

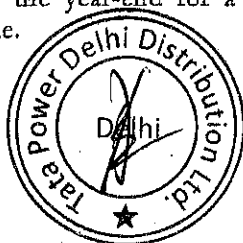


Annexure A to the Independent Auditor's Report of even date to the Members of
Tata Power Delhi Distribution Limited, on the financial statements for the year ended
31 March 2018

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 Section 186 in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, 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 in respect of Company's products/services 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.

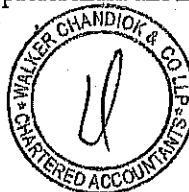
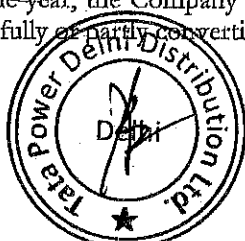


Annexure A to the Independent Auditor's Report of even date to the members of Tata Power Delhi Distribution Limited, on the financial statements for the year ended 31 March 2018 (Continued)

(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 (₹ in lacs)	Period to which the amount relates (FY)	Forum where dispute is pending
Income Tax Act, 1961	Demand on account of disallowance of certain expenses	1951.56	1951.56	2005-06	Income Tax Appellate Tribunal
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	78.39	39.20	2010-11	Income Tax Appellate Tribunal
Income Tax Act, 1961	Demand on account of disallowance of certain expenses	46.15	23.08	2011-12	Income Tax Appellate Tribunal
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.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

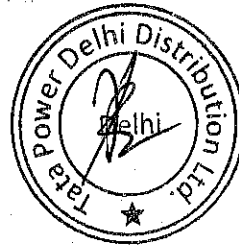


Annexure A to the Independent Auditor's Report of even date to the members of
Tata Power Delhi Distribution Limited, on the financial statements for the year ended
31 March 2018 (Continued)

- (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 Chandio & Co LLP
For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
per Neeraj Goel
Partner
Membership No.: 99514



Place: New Delhi
Date: 26 April 2018

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 2018

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 2018, 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

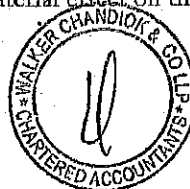
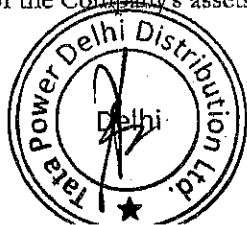
2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note on Audit of Internal 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.



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 2018

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 2018, 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 Chandniok & Co LLP

For Walker Chandniok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Neeraj Goel

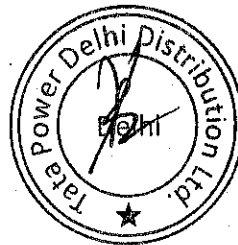
Per Neeraj Goel

Partner

Membership No.: 99514

Place: New Delhi

Date: 26 April 2018



STANDALONE BALANCE SHEET AS AT 31 MARCH, 2018

	Note No.	As at 31.03.2018 Rs./Lakhs	As at 31.03.2017 Rs./Lakhs
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	3,62,558.19	3,50,911.36
(b) Capital work-in-progress	4	27,922.17	19,008.45
(c) Intangible assets	4	3,879.06	3,182.52
(d) Financial assets			
(i) Investments	5	5.00	5.00
(ii) Other financial assets	6	170.49	249.38
(e) Income tax assets (net)	7	2,307.02	2,391.46
(f) Deferred tax assets (net)	19	-	635.48
Less: Adjustable in future tariff		-	(635.48)
(g) Other non-current assets	8	4,780.15	4,600.87
Total non-current assets		4,01,622.08	3,80,349.04
(2) Current assets			
(a) Inventories	9	1,199.90	1,054.58
(b) Financial assets			
(i) Trade receivables	10	22,592.26	21,425.50
(ii) Cash and cash equivalents	11(a)	10,197.05	9,998.53
(iii) Bank balances other than (ii) above	11(b)	3,587.88	3,583.36
(iv) Other financial assets	12	32,295.31	31,015.81
(c) Other current assets	13	49,087.86	16,850.94
Total current assets		1,18,960.26	83,928.72
Total assets		5,20,582.34	4,64,277.76
(3) Regulatory deferral account debit balances			
	35	4,39,985.26	4,57,370.26
Total assets and regulatory deferral account debit balances		9,60,567.60	9,21,648.02
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	14	55,200.00	55,200.00
(b) Other equity	15	2,40,164.92	2,13,542.72
Total equity		2,85,364.92	2,68,742.72
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Long-term borrowings	16	2,43,933.46	2,54,996.53
(ii) Other financial liabilities	17	55,530.13	50,555.28
(b) Provisions	18	4,199.55	3,535.30
(c) Deferred tax liabilities (net)	19	10,951.86	-
Less: Adjustable in future tariff		(10,951.86)	-
(d) Capital grants	20	655.74	729.99
(e) Contributions for capital works and service line charges	21	85,902.49	85,717.14
(f) Other non-current liabilities	22	23,870.61	21,225.72
Total non-current liabilities		4,14,091.98	4,16,759.96
(2) Current liabilities			
(a) Financial liabilities			
(i) Short-term borrowings	23	31,082.32	20,169.43
(ii) Trade payables	24	1,22,501.83	1,16,156.67
(iii) Other financial liabilities	25	73,799.51	81,294.70
(b) Provisions	26	1,167.90	1,324.20
(c) Other current liabilities	27	22,559.14	17,200.34
Total current liabilities		2,51,110.70	2,36,145.34
Total equity and liabilities		9,60,567.60	9,21,648.02

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

In terms of our report attached
For Walker Chandlok & Co LLP
Chartered Accountants

per Neeraj Goel
Partner



New Delhi
26 April, 2018



For and on behalf of the Board of Directors

[Signature]

Anil Sardana
Chairman
DIN: 00006867

[Signature]

Praveer Sinha
CEO & Managing Director
DIN: 01785164

[Signature]
Ajay Kalsie
Company Secretary

[Signature]
Ajay Kapoor
Chief Financial Officer

New Delhi
26 April, 2018

	Note No.	Year ended 31.03.2018 Rs./Lakhs	Year Ended 31.03.2017 Rs./Lakhs
INCOME			
1 Revenue from operations	29	7,10,351.56	6,74,542.47
2 Other Income	30	6,490.11	5,706.31
3 Total Income		<u>7,16,841.67</u>	<u>6,80,248.78</u>
EXPENSES			
4 Cost of power purchased (net) (excludes own generation)	31	5,13,091.38	5,22,376.48
5 Employee benefits expense	32	47,355.79	37,232.52
6 Finance costs	33	34,672.72	40,111.42
7 Depreciation and amortisation expense	4	28,995.52	19,290.07
8 Other expenses	34	31,544.59	14,632.75
9 Total expenses		<u>6,55,660.00</u>	<u>6,33,643.24</u>
PROFIT BEFORE EXCEPTIONAL ITEMS, RATE REGULATED ACTIVITIES AND TAX		61,181.67	46,605.54
10 Net movement in regulatory deferral account balance	35	(17,385.00)	(14,644.00)
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX		43,796.67	31,961.54
11 Exceptional Items:			
(i) Impairment of Property, Plant and Equipment	4,35(d)	(3,757.05)	-
PROFIT/(LOSS) BEFORE TAX		40,039.62	31,961.54
12 Tax expense			
(i) Current tax	40	9,451.59	5,748.19
(ii) Deferred tax			
Provision for the year	19	11,578.27	(52,702.15)
Less: Adjustable in future tariff		(11,578.27)	52,702.15
PROFIT/(LOSS) FOR THE YEAR		30,588.03	26,213.35
13 Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit obligation		25.96	(109.63)
- Income tax relating to above			
(i) Current tax		(5.54)	23.40
(ii) Deferred tax			
Provision for the year		9.07	(37.94)
Less: Adjustable in future tariff		(9.07)	37.94
TOTAL OTHER COMPREHENSIVE INCOME		20.42	(86.23)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		30,608.45	26,127.12
EARNINGS PER EQUITY SHARE (FACE VALUE RS. 10/- EACH)	37		
Basic and Diluted earnings per share before net movement in regulatory deferral account balance (Rs.)		8.69	7.40
Basic and Diluted earnings per share after net movement in regulatory deferral account balance (Rs.)		5.54	4.75

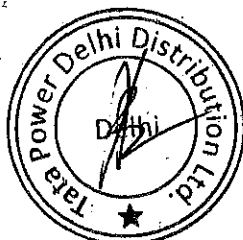
See accompanying notes forming part of standalone financial statements (1-47)

In terms of our report attached

Walker Chandok & Co LLP
For Walker Chandok & Co LLP
Chartered Accountants

Neeraj

per Neeraj Goel
Partner



New Delhi
26 April, 2018

For and on behalf of the Board of Directors

Anil Sardana

Chairman
DIN: 00006867

Ajay Kalsie
Company Secretary

New Delhi
26 April, 2018

Praveer Sinha

CEO & Managing Director
DIN: 01785164

Ajay Kapoor
Chief Financial Officer

A. EQUITY SHARE CAPITAL

Particulars	Amount Rs./Lakhs
(a) Balance as at 1 April, 2016	55,200.00
(b) Changes in equity share capital during the year	
(c) Balance as at 31 March, 2017	55,200.00
(a) Balance as at 1 April, 2017	55,200.00
(b) Changes in equity share capital during the year	
(c) Balance as at 31 March, 2018	55,200.00

B. OTHER EQUITY

Particulars	Reserves and Surplus		Rs./Lakhs Total
	General Reserve	Retained Earnings	
(a) Balance as at 1 April, 2016	9,150.00	1,94,210.58	2,03,360.58
(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) Other comprehensive income (net of income tax) for the year ended 31 March, 2017	-	(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	2,04,392.72	2,13,542.72
(a) Balance as at 1 April, 2017	9,150.00	2,04,392.72	2,13,542.72
(b) Dividends on equity share capital for FY 2016-17 approved and paid on equity shares (including dividend distribution tax thereon)	-	(3,986.25)	(3,986.25)
(c) Profit as per statement of profit and loss for the year ended 31 March, 2018	-	30,588.03	30,588.03
(d) Other comprehensive income (net of income tax) for the year ended 31 March, 2018	-	20.42	20.42
(e) Total comprehensive income for the year ended 31 March, 2018 (c+d)	-	30,608.45	30,608.45
Balance as at 31 March, 2018 (a+b+c)	9,150.00	2,31,014.92	2,40,164.92

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

In terms of our report attached

Walker Chandlok & Co LLP
 For Walker Chandlok & Co LLP
 Chartered Accountants

Neeraj Gdel
 per Neeraj Gdel
 Partner



New Delhi
 26 April, 2018

For and on behalf of the Board of Directors

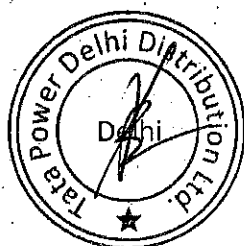
Anil Sardana
 Anil Sardana
 Chairman
 DIN: 00006867

Praveer Sinha
 Praveer Sinha
 CEO & Managing Director
 DIN: 01785164

Ajay Kalsie
 Ajay Kalsie
 Company Secretary

Ajay Kapoor
 Ajay Kapoor
 Chief Financial Officer

New Delhi
 26 April, 2018



CONDENSED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2018

	Year ended 31.03.2018 Rs./Lakhs	Year ended 31.03.2017 Rs./Lakhs
A. Cash flow from operating activities		
Profit for the year	30,588.03	26,213.35
Income tax recognised as expense in statement of profit and loss	9,451.59	5,748.19
Depreciation and amortisation expense	28,995.52	19,290.07
Impairment of property, plant and equipment	3,757.05	-
Finance costs	34,672.72	40,111.42
Interest income	(437.54)	(287.29)
Net gain on current investments	(62.35)	(23.29)
Loss on disposal of property, plant and equipment	1,716.69	827.88
Transfer of capital grants	(74.25)	(50.04)
Transfer of contribution for capital works / service line charges	(7,160.80)	(5,595.86)
Obsolete inventory written off / provision for obsolete inventory	134.05	26.01
Bad debts written off/written back	17.65	100.37
Provision for contingencies	-	(9,059.45)
Provision for doubtful debts	648.66	404.98
Operating profit before working capital changes	1,02,247.02	77,706.34
Adjustments for (increase) / decrease in assets:		
Inventories	(279.37)	216.86
Trade receivables	(2,342.60)	(1,772.11)
Other financial assets - current	(1,279.37)	(1,150.52)
Other financial assets - non current	78.89	(0.21)
Other non-current assets	(17.23)	(85.83)
Other current assets	(32,236.92)	35,878.47
Regulatory deferral account debit balances	17,385.00	14,644.00
Adjustments for increase / (decrease) in liabilities:		
Trade payables	6,345.16	24,216.01
Other financial liabilities - current	3,359.09	2,331.57
Other financial liabilities - non current	(71.58)	115.60
Other current liabilities	5,346.94	1,880.31
Other non-current liabilities	2,644.89	(3,587.08)
Provision for employee benefits - current	(156.30)	183.03
Provision for employee benefits - non current	690.21	575.31
Cash generated from operations	1,01,713.83	1,51,151.75
Taxes paid (including tax deducted at source)	(9,372.69)	(9,904.47)
Net cash from/(used in) operating activities	(A) 92,341.14	1,41,247.28
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(56,096.46)	(49,603.32)
Proceeds from sale of property, plant and equipment	1,121.35	620.03
Proceeds from bank deposits	(4.52)	177.06
Interest received	437.41	298.20
Purchase of current investments	(94,200.00)	(51,100.00)
Proceeds from sale of current investments	94,262.35	51,123.29
Net cash from/(used in) investing activities	(B) (54,479.87)	(48,484.74)
C. Cash flow from financing activities		
Finance cost paid	(28,223.69)	(33,453.80)
Proceeds from short-term borrowings	60,000.00	10,000.00
Repayment of short-term borrowings	(60,000.00)	(10,000.00)
Net (repayment)/proceeds from cash credit and overdraft	10,912.89	3,508.47
Proceeds from long-term borrowings	63,490.00	25,010.00
Repayment of long-term borrowings	(85,437.08)	(81,148.35)
Proceeds from contribution for capital works	4,128.27	11,047.08
Proceeds from service line charges	3,217.88	3,141.99
Net (repayment)/proceeds from consumers' security deposits	5,456.69	(2,709.64)
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)	(3,986.25)	(15,944.98)
Net cash from/(used in) financing activities	(C) (37,662.75)	(97,770.69)
Net increase/(decrease) in cash and cash equivalents	(A+B+C) 198.52	(5,008.15)
Cash and cash equivalents at the beginning of the year	9,998.53	15,006.68
Cash and cash equivalents at the end of the period [see note 11(a)]	10,197.05	9,998.53

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

Reconciliation of liabilities from financing activities:

Particulars	As at 31.03.2017	Cash Flows		Non-cash changes	As at 31.03.2018
		Additions	Repayment	Amortization	
	Rs./Lakhs	Rs./Lakhs	Rs./Lakhs	Rs./Lakhs	Rs./Lakhs
Long-term borrowings (including current maturities)	3,17,933.62	63,490.00	(85,437.08)	-	2,95,986.54
Short-term borrowings	-	60,000.00	(60,000.00)	-	-
Cash credit and overdraft (net)	20,169.43	-	10,912.89	-	31,082.32
Consumer contribution for capital works	67,267.96	4,128.27	-	(4,278.12)	67,118.11
Consumer contribution for service line charges	18,449.18	3,217.88	-	(2,882.66)	18,784.38
Consumer security deposits (net)	53,944.62	5,456.69	-	-	59,401.31
Total	4,77,764.81	1,36,292.84	(1,34,524.19)	(7,160.80)	4,72,372.66

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

In terms of our report attached

Walker Chandio & Co LLP
For Walker Chandio & Co LLP
Chartered Accountants

Neeraj Goel
per Neeraj Goel
Partner



New Delhi
26 April, 2018

For and on behalf of the Board of Directors

Anil Sardana *Praveer Sinha*

Anil Sardana
Chairman
DIN: 00006867

Praveer Sinha
CEO & Managing Director
DIN: 01785154

Ajay Kalsie
Ajay Kalsie
Company Secretary

Ajay Kapoor
Ajay Kapoor
Chief Financial Officer

New Delhi
26 April, 2018



Note 1 General Information

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

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

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

Note 2 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

On March 28, 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115, 'Revenue from Contracts with Customers' and Appendix B, Foreign Currency Transactions and Advance Consideration to Ind AS 21, 'The Effects of Changes in Foreign Exchange Rates'. The effective date for adoption is financial periods beginning on or after April 1, 2018.

2.1.1 Ind AS 115- Revenue from Contract with Customers:

Ind AS 115 establish the principles whereby an entity shall recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The entity shall be required to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.

The standard permits two possible methods of transition:

- (A) Retrospective approach - The standard shall be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.
- (B) Retrospectively with cumulative effect of initial application of the standard recognized at the date of initial application (Cumulative catch-up transition method).

The Company is examining the methods of transition to be adopted. The effect on adoption of Ind AS 115 is expected to be insignificant.

2.1.2 Appendix B, Foreign currency transactions and advance consideration to Ind AS 21:

Appendix B to Ind AS 21 clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will be effective on financial periods beginning on or after April 1, 2018. The Company has evaluated the impact of the amendment and the effects are expected to be insignificant.

Note 3 Significant Accounting Policies

3.1 Statement of compliance

In accordance with the notification dated 16 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 1 April, 2016.

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

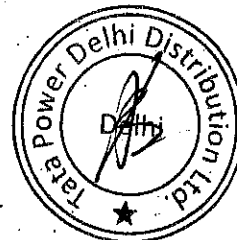
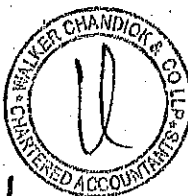
3.2 Basis of preparation and presentation

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 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.

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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 with additional incentive on overachievement of distribution loss and collection efficiency targets. As per the said Tariff Regulations, the Company determines the ARR and any excess/shortfall in recovery of ARR during the year is accounted for in 'Regulatory Deferral Account Balance'. (see note 3.25)

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:

- 'Late Payment Surcharge' (LPSC) on electricity billed
- Bills raised for dishonest abstraction of power
- 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.

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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:

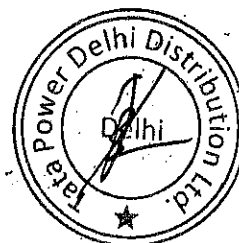
The Company makes contribution towards provident fund to a defined contribution retirement benefit plan for qualifying employees. The Company's contribution to the Employees Provident Fund is deposited by the Company under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is recognised 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.

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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.

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.

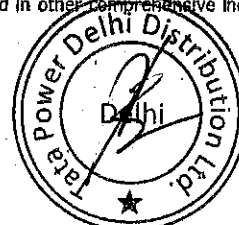
Minimum alternative tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the tax holiday period. 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 as 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.

As per the new regulations notified on 31 January, 2017 for 3rd Multi Year Control period (MYT) applicable from FY 2017-18 onwards, DERC has changed rate of depreciation @ 5.83% up to 12 years of useful life on plant and equipment (comprising of transformers including fixed apparatus, switch gears, lighting arresters, overhead/underground cables) and balance WDV up to 90% over remaining period of useful life of assets instead of equal rate of depreciation applicable in previous regulations. The new regulations have also changed useful life of other class of property, plant and equipment as stated below. Accordingly w.e.f. 1 April, 2017 the Company has started charging the depreciation @ 5.83% p.a. on plant and equipment whose useful life has not yet been over up to 12 years, changed useful life of other class of property plant and equipment as per new regulations and accordingly impact of the same for the year ended 31 March, 2018 has been provided and corresponding amount shown as pass through in the retail supply tariff.

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

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

Assets (other than project 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 new regulations notified by DERC on 31 January, 2017. 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 DERC regulations/Schedule II to the Companies Act, 2013, as applicable.

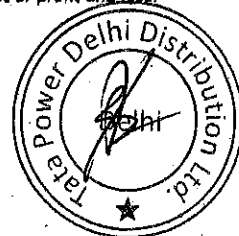
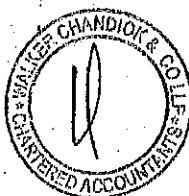
Based on the above, the useful life used for various class of assets are:

Description/Class of Assets	Existing useful life (years)	Revised useful life (years)
Office buildings, housing colonies	50	50
Temporary structures	5	0
Meters	10	10
General plant & machinery, SCADA (including software), street lightening	15	15
Office furniture & related equipments	15	10
Batteries	5	5
IT equipment including software	3-6	6
Overhead lines, solar PV	25	25
Plant & machinery (not covered in above classes)	25	25
Underground cables	35	35
Motor vehicles	8-10	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.

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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.

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

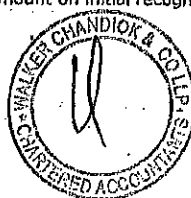
A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met:

- 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.

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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 recognized in the statement of profit and loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

3.19.3 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.

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

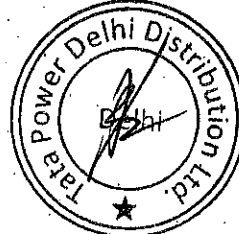
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

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.

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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.

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 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.

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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.

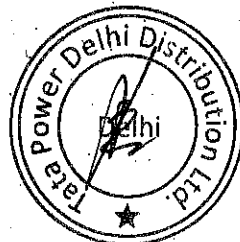
3.27.3 Provision and contingent liability

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.

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

NOTE 4

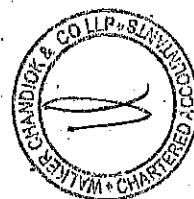
Particulars	COST				ACCUMULATED DEPRECIATION, AMORTISATION AND IMPAIRMENT			Rs. /
	As at 01.04.2017	Additions	Borrowing costs capitalized	Disposals	As at 31.03.2018	As at 01.04.2017	As at 31.03.2018	
A) PROPERTY, PLANT AND EQUIPMENT								
(a) Buildings - Plant	32,652.43	1,606.97	17.75	-	34,277.15	10,459.73	22,283.03	71
(b) Building - Others	4,019.11	50.73	-	-	4,069.84	1,985.31	1,583.87	70
(c) Plant and equipment	2,70,677.37	23,027.38	157.08	5,763.81	2,88,098.02	1,01,826.95	1,71,528.23	161
(d) Transmission lines and cable network	2,37,236.11	20,445.11	191.63	771.69	2,57,101.16	84,726.82	1,62,766.33	153
(e) Furniture and fixtures	1,404.90	32.61	-	444.65	992.86	830.85	443.05	15
(f) Vehicles	3,519.32	695.69	-	721.45	3,493.56	927.98	2,610.49	134
(g) Office equipment	3,677.47	211.81	-	314.68	3,574.60	1,517.71	1,843.19	136
Total	5,53,186.71	46,070.30	366.46	8,016.28	5,91,607.19	2,02,275.35	3,62,558.19	
	(5,13,776.91)	(43,976.63)	(263.42)	(4,830.25)	(5,59,186.71)	(1,87,105.05)	(3,50,911.36)	
B) INTANGIBLE ASSETS								
Computer software	7,759.59	1,497.22	-	-	9,256.81	4,577.07	3,879.06	32
Total	7,759.59	1,497.22	-	-	9,256.81	4,577.07	3,879.06	
	(6,674.60)	(1,270.59)	(-)	(185.60)	(7,759.59)	(4,025.24)	(3,182.57)	
GRAND TOTAL	5,60,946.30	47,567.52	366.46	8,016.28	6,00,864.00	2,06,852.42	3,66,427.25	
	(5,20,451.51)	(45,247.22)	(263.42)	(5,015.85)	(5,60,946.30)	(1,91,430.29)	(3,54,093.88)	
C) CAPITAL WORK - IN - PROGRESS (CWP)	19,008.45	52,849.58	529.35	44,465.21	27,922.17	-	27,922.17	19
	(14,922.78)	(46,825.39)	(228.87)	(42,968.59)	(19,008.45)	(-)	(19,008.45)	

4.1 Property plant and equipment and intangible assets (movable and immovable) are hypothecated against secured borrowings of Rs. 1,04,463.62 lakhs (as at 31 March, 2017 Rs. 104,694.04 lakhs) [see note 16(A)(i), 16(B)(i), 23(a), 25(b)(i)].

4.2 CWP includes closing capital inventory of Rs. 6,397.90 lakhs (as at 31 March, 2017 Rs. 6,311.33 lakhs).

4.3 Carrying amount of capital inventory hypothecated as security for borrowings is Rs. 6,364.59 lakhs (as at 31 March, 2017 Rs. 6,278.02 lakhs) [see note 16(A)(i), 16(B)(i), 23(a), 25(b)(i)(ii), 25(b)(B)(i)]

4.4 Figures in bracket represents previous year figures.

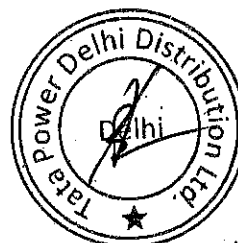
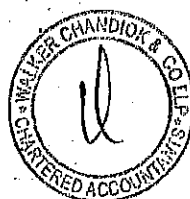


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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

	As at 31.03.2016 Rs./Lakhs	As at 31.03.2017 Rs./Lakhs
NOTE 5		
INVESTMENTS - NON CURRENT		
Investments (unquoted)		
(at cost)		
Investments in equity instruments of wholly owned subsidiary company		
NDPL Infra Limited	5.00	5.00
0.50 lakhs (as at 31 March, 2017 0.50 lakhs) equity shares of Rs. 10 each, fully paid up	<u>5.00</u>	<u>5.00</u>
5.1 Aggregate amount of carrying value of unquoted investments	5.00	5.00
5.2 Aggregate amount of impairment in value of investments		
NOTE 6		
OTHER FINANCIAL ASSETS - NON CURRENT		
Unsecured and considered good		
(at amortised cost)		
(a) Security deposits	136.41	158.37
(b) Recoverable from SVRS Trust (see note 28.6)	34.08	91.01
	<u>170.49</u>	<u>249.38</u>
NOTE 7		
INCOME TAX ASSETS (NET)		
Income tax	2,307.02	2,391.46
(net of provision for income tax of Rs. 80,229.73 lakhs, {as at 31 March, 2017 net of provision of income tax Rs. 70,772.60 lakhs})		
NOTE 8		
OTHER NON CURRENT ASSETS		
Unsecured and considered good		
(a) Capital advances	1,737.44	1,575.39
(b) Income tax paid under protest against demand	2,873.84	2,811.57
(c) Prepaid expenses	121.10	183.99
(d) Others	47.77	29.92
	<u>4,780.15</u>	<u>4,600.87</u>
NOTE 9		
INVENTORIES		
(a) Stores and spares	1,446.47	1,308.86
(b) Loose tools	38.82	56.46
	<u>1,485.29</u>	<u>1,365.32</u>
(c) Less: Provision for non-moving inventories	285.39	310.74
	<u>1,199.90</u>	<u>1,054.58</u>
9.1 Inventories of stores and spares and loose tools are valued at lower of cost or net realisable value.		
9.2 Carrying amount of inventories as above hypothecated as security for borrowings [see note 16(A)(i), 16(B)(i), 23(a), 25(b)(A)(i), 25(b)(B)(i)].		

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 10

TRADE RECEIVABLES

(at amortized cost)

	As at 31.03.2018 Rs./Lakhs	As at 31.03.2017 Rs./Lakhs
(a) Debtors for billed revenue (see note 10.2)	28,574.27	26,927.43
Less: Provision for doubtful debts	<u>11,812.63</u>	<u>10,655.31</u>
	16,761.64	16,272.12
(b) Debtors for sale of power other than Tata Power-DDL license area - unsecured	218.39	374.12
(c) Other debtors - unsecured	<u>5,612.23</u>	<u>4,779.26</u>
	<u>22,592.26</u>	<u>21,425.50</u>
Of the above amounts,		
10.1 Considered good	22,592.26	21,425.50
Considered doubtful (see note 10.5)	11,812.63	10,655.31
10.2 Secured (against consumers' security deposit) [see note 10(a)]	8,104.80	7,596.21
Unsecured [see note 10(a)]	20,469.47	19,331.22
10.3 Government subsidy included in note 10(a)	1,137.55	1,136.78
10.4 The average credit period for the trade receivable in 10(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.		
10.5 Movement in expected credit loss allowance		
Balance at beginning of the year	10,655.31	9,735.33
Additions/ (reversal) during the year	<u>1,157.32</u>	<u>919.98</u>
Balance at end of the year	<u>11,812.63</u>	<u>10,655.31</u>
10.6 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)	3,898.48	3,424.14
North Delhi Municipal Corporation (NDMC)	1,758.05	1,353.99

NOTE 11

CASH AND BANK BALANCES

(a) Cash and cash equivalents		
(i) Balance with banks - In current accounts	7,430.17	7,806.74
(ii) Cheques, drafts on hand	2,677.65	2,098.86
(iii) Cash on hand	89.23	92.93
	<u>10,197.05</u>	<u>9,998.53</u>
(b) Other bank balances		
(i) Deposits with banks with original maturity more than 3 months upto 12 months	73.45	68.93
(ii) Restricted bank deposits (Earmarked pursuant to court order or contractual obligations)	3,514.43	3,514.43
	<u>3,587.88</u>	<u>3,583.36</u>
	<u>13,784.93</u>	<u>13,581.89</u>

NOTE 12

OTHER FINANCIAL ASSETS - CURRENT

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

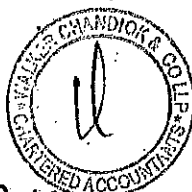
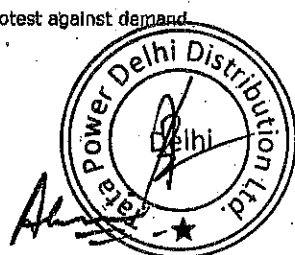
(a) Unbilled revenue	31,897.54	30,265.42
(b) Security deposits	194.64	135.09
(c) Recoverable from SVRS Trust (see note 28.6)	106.68	103.07
(d) Interest accrued on fixed deposits	13.89	13.76
(e) Others (including recoverable against street light)	261.93	677.84
Less: Provision for doubtful assets against street light	<u>179.37</u>	<u>179.37</u>
	82.56	498.47
	<u>32,295.31</u>	<u>31,015.81</u>

NOTE 13

OTHER CURRENT ASSETS

Unsecured and considered good

(a) Income tax paid under protest against demand	-	300.00
(b) Prepaid Insurance	367.54	2,451.23
(c) Prepaid expenses	1,501.20	728.17
(d) Power banking	30,264.00	11,673.74
(e) Advance to vendors	15,824.54	1,640.88
(f) Others	1,130.58	56.92
	<u>49,087.86</u>	<u>16,850.94</u>



NOTE 14

EQUITY SHARE CAPITAL

Authorised

7,500 lakhs (as at 31 March, 2017: 7,500 lakhs) equity shares of Rs. 10 each with voting rights,

As at 31.03.2018 Rs./Lakhs	As at 31.03.2017 Rs./Lakhs
----------------------------------	----------------------------------

75,000.00	75,000.00
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75,000.00	75,000.00
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Issued, subscribed and paid up

5,520 lakhs (as at 31 March, 2017: 5,520 lakhs) equity shares of Rs. 10 each fully paid up with voting rights,

55,200.00	55,200.00
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55,200.00	55,200.00
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Of the above:

14.1 2,815.20 lakhs (as at 31 March, 2017: 2,815.20 lakhs) i.e. 51% (as at 31 March, 2017: 51%) equity shares of Rs. 10 each with voting rights, are held by Tata Power Company Limited, the holding company,

14.2 2,704.80 lakhs (as at 31 March, 2017: 2,704.80 lakhs) i.e. 49% (as at 31 March, 2017: 49%) equity shares of Rs. 10 each with voting rights, are held by Delhi Power Company Limited,

14.3 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,

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

Particulars	No. of Shares Lakhs	Amount Rs./Lakhs
Balance at 1 April, 2017	5,520.00	55,200.00
Fresh Issue	-	-
Balance at 31 March, 2018	5,520.00	55,200.00

14.5 During the current year, the Company paid final dividend of Rs. 0.60 per share on fully paid equity shares for FY 2016-17 amounting to Rs. 3,986.25 lakhs (including dividend distribution tax of Rs. 674.25 lakhs). During previous year, final dividend of Rs. 1.40 per share on fully paid equity shares for FY 2015-16 amounting to Rs. 9,301.24 lakhs (including dividend distribution tax of Rs. 1,573.24 lakhs) and interim dividend of Rs. 1.00 per share on fully paid equity shares amounting to Rs. 6,643.74 lakhs (including dividend distribution tax of Rs. 1,123.74 lakhs) were disbursed.

14.6 For the year ended 31 March, 2018, the Board of Directors at its meeting held on 26 April, 2018 have proposed a final dividend of Rs. 1.60 per share to be paid on fully paid equity shares. The equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been disclosed as a liability in these standalone 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. 10,647.44 lakhs (including dividend distribution tax thereon amounting to Rs. 1,815.44 lakhs).

As at 31.03.2018 Rs./Lakhs	As at 31.03.2017 Rs./Lakhs
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NOTE 15

OTHER EQUITY

(a) General Reserve

(i) Opening balance

9,150.00	9,150.00
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(ii) Add: Transferred from surplus in the statement of profit and loss

(iii) Closing balance

9,150.00	9,150.00
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(b) Surplus in Statement of Profit and Loss

(i) Opening balance

2,04,392.72	1,94,210.58
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(ii) Add : Additions during the year

30,608.45	26,127.12
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(iii) Less : Payment of dividend on equity share capital (see note 14.5)

3,312.00	13,248.00
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(iv) Less : Dividend distribution tax on dividend paid on equity shares (see note 14.5)

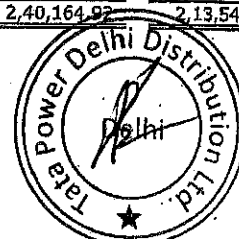
674.25	2,696.98
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(v) Closing balance

2,31,014.92	2,04,392.72
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2,40,164.92	2,13,542.72
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NOTE 16

LONG-TERM BORROWINGS

(at amortized cost)

TERM LOANS

(A) From banks

(i) Secured

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

As at
31.03.2018
Rs./Lakhs

As at
31.03.2017
Rs./Lakhs

53,914.36	65,493.32
3,245.51	5,935.58
42,534.73	32,197.49
1,000.00	-
500.00	2,500.00
19,704.86	25,607.64
-	22,500.00
13,125.00	15,625.00
24,500.00	26,312.50
20,000.00	5,000.00
14,584.00	-
<u>1,93,108.46</u>	<u>2,01,171.53</u>

(B) From other parties

(i) Secured

- (a) Aditya Birla Finance Limited

825.00	3,825.00
<u>825.00</u>	<u>3,825.00</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
<u>24,500.00</u>	<u>24,500.00</u>
<u>50,000.00</u>	<u>50,000.00</u>

Total long-term borrowings

<u>2,43,933.46</u>	<u>2,54,996.53</u>
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16.1 For the current maturities of long-term borrowings, see item (b) in Note 25, Other financial liabilities -current. Current maturities of long term loans includes repayment to be made before due date of 12 months, due date being a holiday.

16.2 TERM LOANS - From banks

16.2.1 Secured

S. No.	Bank	Sanctioned Amount Rs./Lakhs	Repayment Terms	Reset period	See note	Present EIR (p.a.) (%)	Amount outstanding as on	
							31.03.2018	31.03.2017
(a)	I Punjab & Sind Bank	10,000.00	36 quarterly installment, repayment commenced from 15 April, 2010	Annually	16.4 16.6	8.55%	1,576.88	2,631.52
	II Punjab & Sind Bank	5,000.00	36 quarterly installment, repayment commenced from 15 May, 2010	Annually	16.4 16.6	8.40%	789.44	1,315.76
	III Punjab & Sind Bank	10,000.00	32 quarterly installment, repayment to commence from 15 April, 2018	Annually	16.4 16.6	8.75%	10,000.00	10,000.00
	IV Punjab & Sind Bank	30,000.00	24 quarterly installment, repayment commenced from 15 July, 2014	Annually	16.5 16.6	8.75%	11,250.00	16,250.00
	V Punjab & Sind Bank	30,000.00	32 quarterly installment, repayment commenced from 15 April, 2015	Annually	16.5 16.6	8.75%	18,750.00	22,500.00
	VI Punjab & Sind Bank	15,000.00	24 quarterly installment, repayment to commence from 15 July, 2017	Annually	16.5 16.6	8.75%	13,125.00	15,000.00
	VII Punjab & Sind Bank	20,000.00	24 quarterly installment, repayment to commence from 15 April, 2018	Annually	16.5 16.6	8.75%	15,000.00	10,000.00
(b)	I Union Bank of India	15,000.00	36 quarterly installment, repayment commenced from 15 October, 2010	Annually	16.4 16.6	8.85%	3,157.80	4,736.76
	II Union Bank of India	15,000.00 (short closed by 5,000)	36 quarterly installment, repayment commenced from 15 October, 2011	Annually	16.4 16.6	8.85%	2,777.78	3,888.89

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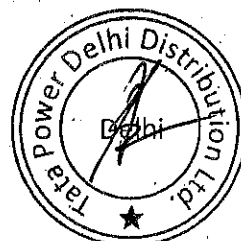
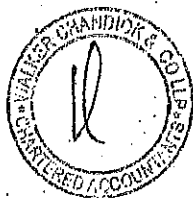


S. No.	Bank	Sanctioned Amount Rs./Lakhs	Repayment Terms	Reset period	See note	Present EIR (p.a.) (%)	Amount outstanding as on Rs./Lakhs	
							31.03.2018	31.03.2017
(c) i	Canara Bank	15,000.00	16 quarterly installment, repayment commenced from 1 March, 2014	-	16.4	8.40%	-	2,812.50
ii	Canara Bank	10,000.00	36 quarterly installment, repayment commenced from 15 July, 2014	Annually	16.4 16.6	8.55%	5,833.33	6,944.44
iii	Canara Bank	20,000.00	32 quarterly installment, repayment to commence from 1 July, 2016	Annually	16.4 16.6	8.65%	15,000.00	17,500.00
iv	Canara Bank	10,000.00	32 quarterly installment, repayment to commence from 1 January, 2019	Annually	16.4 16.6	8.30%	10,000.00	10.00
v	Canara Bank	15,000.00	16 quarterly installment, repayment commenced from 15 July, 2015	Annually	16.5 16.6	8.55%	4,687.50	8,437.50
vi	Canara Bank	10,000.00	24 quarterly installment, repayment to commence from 1 July, 2016	Annually	16.5 16.6	8.65%	6,666.67	8,333.33
vii	Canara Bank	20,000.00	24 quarterly installment, repayment to commence from 1 January, 2020	Annually	16.5 16.6	8.30%	10,000.00	-
(d) i	Dena Bank	10,000.00	24 quarterly installment, repayment to commence from 15 April, 2020	Annually	16.5 16.6	8.30%	1,000.00	-
(e) i	Karnataka Bank	10,000.00	20 quarterly installment, repayment commenced from 30 August, 2014	Annually	16.5 16.6	8.90%	2,500.00	4,500.00
(f) i	Allahabad Bank	10,000.00	36 quarterly installment, repayment commenced from 15 January, 2012	Annually	16.4 16.6	8.50%	3,055.56	4,166.67
ii	Allahabad Bank	15,000.00	36 quarterly installment, repayment commenced from 15 March, 2012	Annually	16.4 16.6	8.50%	4,583.33	6,250.00
iii	Allahabad Bank	25,000.00	32 quarterly installment, repayment commenced from 15 January, 2016	Annually	16.5 16.6	8.50%	17,968.75	21,093.75
(g) i	Syndicate Bank	50,000.00	20 quarterly installment, repayment commenced from 25 September, 2015	-	16.5	8.75%	-	32,500.00
(h) i	State Bank of India	20,000.00	32 quarterly installment, repayment commenced from 15 August, 2016	Annually	16.4 16.6	8.40%	15,625.00	18,125.00
(i) i	IDFC Bank	17,500.00	40 quarterly installment, repayment commenced from 15 January, 2009	-	16.4	8.50%	1,312.50	3,062.50
ii	IDFC Bank	5,000.00	40 quarterly installment, repayment commenced from 15 October, 2010	Annually	16.4 16.6	8.50%	1,250.00	1,750.00
iii	IDFC Bank	5,000.00	24 quarterly installment, repayment to commence from 15 September, 2019	Annually	16.4 16.6	8.90%	5,000.00	3,000.00
iv	IDFC Bank	30,000.00	24 quarterly installment, repayment commenced from February, 2016	Annually	16.5 16.6	8.50%	18,750.00	23,750.00
v	IDFC Bank	2,000.00	24 quarterly installment, repayment to commence from 15 September, 2019	Annually	16.5 16.6	8.50%	2,000.00	2,000.00
vi	IDFC Bank	3,000.00	24 quarterly installment, repayment to commence from 15 September, 2019	Half Yearly	16.5 16.6	8.35%	3,000.00	-
(j) i	Indian Bank	10,000.00	32 quarterly installment, repayment to commence from 15 April, 2019	Annually	16.4 16.6	8.75%	10,000.00	4,000.00
ii	Indian Bank	10,000.00	24 quarterly installment, repayment to commence from 15 April, 2019	Annually	16.5 16.6	8.75%	10,000.00	1,000.00
(k) i	Axis Bank	20,000.00	16 quarterly installment, repayment to commence from 15 August, 2018	Annually	16.5 16.6	8.30%	17,500.00	-

16.2.2 Unsecured

S. No.	Bank	Sanctioned Amount Rs./Lakhs	Repayment Terms	Reset period	See note	Present EIR (p.a.) (%)	Amount outstanding as on Rs./Lakhs	
							31.03.2018	31.03.2017
(a) i	Dena Bank	6,000.00	2 equal yearly installment, repayment commenced from 15 April, 2016	-	-	9.70%	-	3,000.00
(b) i	Canara Bank	60,000.00	16 quarterly installment, repayment commenced from 1 October, 2013	-	-	9.85%	-	3,750.00

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16.3 TERM LOANS - from other parties (Secured)

S. No.	Financial Institution	Sanctioned Amount Rs./Lakhs	Repayment Terms	Reset period	See note	Present EIR (p.a.) (%)	Amount outstanding as on	
							31.03.2018	31.03.2017
(a) 1	Aditya Birla Finance Limited	7,500.00	20 quarterly structured instalment, repayment commenced from September, 2014	Annually	16.5 16.6	8.65%	3,825.00	5,625.00

16.4 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.

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

16.6 Effective Interest rate (EIR) may change on next reset due date of respective loans, however, EIR will remain fixed till the said reset due date.

16.7 For secured loans outstanding from banks amounting Rs. 21,312.50 lakhs (as at 31 March, 2017 Rs. 28,562.50 lakhs) and from other parties amounting Rs. 3,825.00 lakhs (as at 31 March, 2017 Rs. 5,625.00 lakhs), 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.

16.8 Non-convertible cumulative redeemable preference share capital

The Company has issued 500 lakhs 12% Non-convertible cumulative redeemable preference shares of Rs. 100 each in 2012-13 out of which 255 lakhs i.e. 51% are held by Tata Power Company Limited, the holding company and 245 lakhs 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.

16.8.1 In respect of the year ended 31 March, 2018, the Board of Directors at its meeting held on 26 April, 2018 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 lakhs (for the year ended 31 March, 2017 Rs. 6,000.00 lakhs) and the dividend distribution tax thereon amounting to Rs. 1,233.32 lakhs (for the year ended 31 March, 2017 Rs. 1,221.46 lakhs). On accrual concept, preference share dividend for the year ended 31 March, 2018 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.

NOTE 17
OTHER FINANCIAL LIABILITIES - NON CURRENT
(at amortised cost)

Security deposits

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

	As at 31.03.2018 Rs./Lakhs	As at 31.03.2017 Rs./Lakhs
(i) Consumers' security deposit	55,280.91	50,234.48
(ii) Others	249.22	320.80
	<u>55,530.13</u>	<u>50,555.28</u>

NOTE 18
PROVISIONS - NON CURRENT

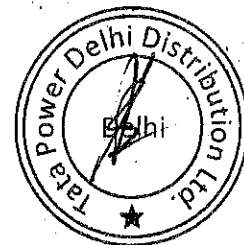
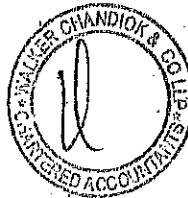
- Provision for employees benefits

	<u>4,199.55</u>	<u>3,535.30</u>
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18.1 Provision for employee benefits includes provision for gratuity, compensated absences and pension liability to VSS employees.

18.2 See note 41.5 for movement in provision for gratuity

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NOTE 19

DEFERRED TAX LIABILITIES/ASSETS (NET)

Deferred tax liabilities/assets.(net) as at 31 March, 2018, as detailed below reflect the quantum of tax liabilities/(asset) accrued up to 31 March, 2018.

Particulars	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Rs./Lakhs Closing Balance
Deferred tax liability/(asset) on account of :				
Property plant and equipment	60,593.69	2,237.55	-	62,831.24
Provision for doubtful debts	(2,425.09)	(250.21)	-	(2,675.30)
Provision for employee benefits	(1,681.78)	(202.89)	9.07	(1,875.60)
MAT credit	(56,952.68)	9,786.61	-	(47,166.07)
Others	(169.62)	7.21	-	(162.41)
Deferred tax liabilities/(asset) [net]	(635.48)	11,578.27	9.07	10,951.86

19.1 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 liability (net) as at 31 March, 2018 of Rs. 10,951.86 lakhs (deferred tax asset (net) as at 31 March, 2017 Rs. 635.48 lakhs) and deferred tax charge of Rs. 11,587.34 lakhs for the year ended 31 March, 2018 (deferred tax reversal of Rs. 52,740.09 lakhs for the year ended 31 March, 2017) has been adjusted with a corresponding deferred asset/liability adjustable in future tariff.

NOTE 20

CAPITAL GRANTS

- (a) Opening balance
(b) Add: Additions during the year
(c) Less: Transfer to the statement of profit and loss
(d) Closing balance

As at 31.03.2018 Rs./Lakhs	As at 31.03.2017 Rs./Lakhs
729.99	780.03
-	-
74.25	50.04
<u>655.74</u>	<u>729.99</u>

NOTE 21

CONTRIBUTIONS FOR CAPITAL WORKS AND SERVICE LINE CHARGES

(a) Capital works

- (i) Opening balance
(ii) Add: Additions during the year
(iii) Less: Transfer to the statement of profit and loss
(iv) Closing balance

67,267.96	59,078.40
4,128.27	11,047.08
4,278.12	2,857.52
<u>67,118.11</u>	<u>67,267.96</u>

(b) Service line charges

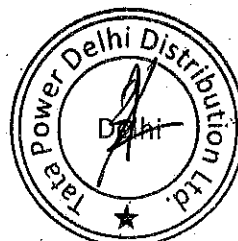
- (i) Opening balance
(ii) Add: Additions during the year
(iii) Less: Transfer to the statement of profit and loss
(iv) Closing balance

18,449.18	18,045.53
3,217.88	3,141.99
2,882.68	2,738.34
<u>18,784.38</u>	<u>18,449.18</u>

Total contribution for capital works and service line charges

<u>85,902.49</u>	<u>85,717.14</u>
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NOTE 22

OTHER LIABILITIES - NON CURRENT

Consumers' deposits for works and service line charges

As at 31.03.2016 Rs./Lakhs	As at 31.03.2017 Rs./Lakhs
23,870.61	21,225.72

NOTE 23

SHORT-TERM BORROWINGS

(at amortized cost)

(a) From banks - Secured

Cash credit

954.77 5,576.48

(b) From banks - Unsecured

(I) Axis Bank Overdraft A/c

15,036.12 14,592.95

(II) Canara Bank Overdraft A/c

15,091.43 -

31,062.32 20,169.43

23.1 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 ranging from 8.50% to 9.25% 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.

23.2 Unsecured - Overdraft Account

The Company has unsecured overdraft facilities to the extent of Rs. 15,000 lakhs each from Axis Bank and Canara Bank presently at an effective interest rate of 8.15% p.a for both.

23.3 Term loans - From other parties

Unsecured

(a) Commercial paper

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

Date of Issue	Amount Rs./Lakhs	Face Value Rs./Lakhs	Discount Rate (%) p.a.	Repayment Date
19.04.2017	9,877.06	10,000.00	6.49	28.06.2017
08.05.2017	14,858.54	15,000.00	6.95	27.06.2017
07.07.2017	9,845.92	10,000.00	6.80	29.09.2017
05.01.2018	19,702.66	20,000.00	6.80	27.03.2018

(b) Short term loan

During the current year, the Company has availed short term loan as follows:

Disbursement taken on	Amount Rs./Lakhs	Interest Rate (%) p.a.	Repayment Date
16.05.2017	5,000.00	7.90	14.08.2017

NOTE 24

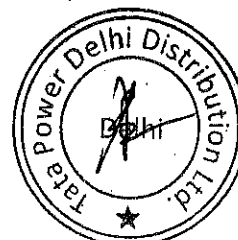
TRADE PAYABLES (at amortized cost)

1,22,501.83 1,16,156.67

24.1 Based on the information available with the Company, the balance due to Micro and Small Enterprise as defined under the MSMED Act, 2006 is Rs. 191.39 lakhs (as at 31 March, 2017 Rs. 352.96 lakhs) and no interest during the year has been paid or is payable under the terms of the MSMED Act, 2006 or otherwise.

24.2 The average credit period on purchases from long-term power purchase arrangement ranges from 30 days to 60 days. Thereafter, interest is charged which generally ranges from 1.25% 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 days from date of presentation. In some cases day wise rebate is also available. In case of short-term power purchase arrangement credit period ranges from 1 day to 30 days.

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NOTES FORMING PART OF THE STANDARD FINANCIAL STATEMENTS

NOTE 25

OTHER FINANCIAL LIABILITIES - CURRENT

(at amortized cost)

	As at 31.03.2016 Rs./Lakhs	As at 31.03.2017 Rs./Lakhs
(a) Security deposits		
(i) Consumers' security deposit	4,120.40	3,710.14
(ii) Others	1,456.00	1,170.33
	<u>5,576.40</u>	<u>4,880.47</u>
(b) Current maturities of long-term borrowings (see note 16)		
(A) From banks		
(i) Secured		
(a) Punjab & Sind Bank	16,578.96	12,203.96
(b) Union Bank of India	2,690.07	2,690.07
(c) Canara Bank	9,652.77	11,840.28
(d) Karnataka Bank	2,000.00	2,000.00
(e) Allahabad Bank	5,902.78	5,902.78
(f) Syndicate Bank	-	10,000.00
(g) State Bank of India	2,500.00	2,500.00
(h) IDFC Bank	6,812.50	7,250.00
(i) Axis Bank	2,916.00	-
	<u>49,053.08</u>	<u>54,387.09</u>
(ii) Unsecured		
(a) Dena Bank	-	3,000.00
(b) Canara bank	-	3,750.00
	-	<u>6,750.00</u>
(B) From other parties		
(i) Secured		
(a) Aditya Birla Finance Limited	3,000.00	1,800.00
(C) Interest accrued but not due on borrowings	248.05	136.53
Total current maturities of long-term borrowings	<u>52,301.13</u>	<u>63,073.62</u>
(c) Dividend accrued but not due on non-convertible cumulative redeemable preference shares	6,000.00	6,000.00
(d) Retention money payable	8,235.71	5,324.14
(e) Payables on purchase of property, plant and equipment	658.67	641.19
(f) Earnest money deposits	372.52	387.15
(g) Others	655.08	988.13
	<u>73,799.51</u>	<u>81,294.70</u>

NOTE 26

PROVISIONS - CURRENT

Provision for employees benefits	<u>1,167.90</u>	<u>1,324.20</u>
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26.1 Provision for employee benefits Includes provision for gratuity, compensated absences and pension liability to VSS employees.

NOTE 27

OTHER LIABILITIES - CURRENT

(a) Income received in advance	145.88	302.15
(b) Tax on dividend accrued on non-convertible cumulative redeemable preference shares	1,233.32	1,221.46
(c) Statutory dues	9,558.46	7,924.73
(d) Advance from consumers	3,544.43	3,894.87
(e) Advance government subsidy (to be adjusted upon billing)	6,514.18	3,820.48
(f) Payable for Pension Trust Surcharge (including unbilled)	1,420.88	-
(g) Others	141.99	36.65
	<u>22,559.14</u>	<u>17,200.34</u>

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 28
CONTINGENT LIABILITIES AND COMMITMENTS
(to the extent not provided for)

Particulars	As at 31.03.2018 Rs./Lakhs	As at 31.03.2017 Rs./Lakhs
28.1 Claims against the Company not acknowledged as debts:		
(i) Legal cases filed by consumers, employees and others under litigation	3,479.46	2,402.09
(ii) Property tax demands raised by municipal authorities	-	4,241.19
(iii) Water charges demand raised by Delhi Jal Board (DJB)	97.65	111.48
(iv) Sales tax authorities	439.00	439.00
28.2 Liabilities arising out of litigation etc. due to provisions of Transfer Scheme pursuant to Delhi Electricity Reforms Act, 2002	100.00	100.00
28.3 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.	1,397.61	1,359.33
(ii) Interest demanded (as per demand order and appeal effect order)	894.97	1,140.47
(iii) Total demand* (i) + (ii)	<u>2,292.58</u>	<u>2,499.80</u>
(iv) Out of the above demand, amount paid under protest/adjusted by Income tax authorities	2,013.84	1,951.56

*No provision is considered necessary since the Company expects favourable decisions.

28.4 Claims of power suppliers, not acknowledged as expense and credits	27,273.03	24,647.46
28.5 Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	30,933.45	31,304.70

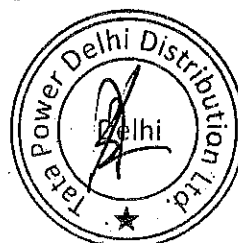
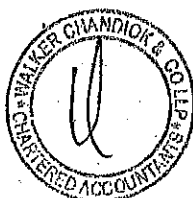
28.6 The Company had introduced a Voluntary Separation Scheme (VSS) for its employees in December 2003, in response to which initially 1,798 employees were separated. As per the Scheme, the retiring employees were paid Ex-gratia separation amount by the Company. They were further entitled to Retiral 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.

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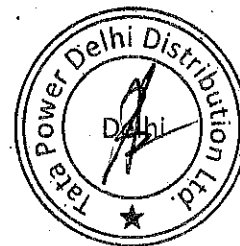
While the writ petition was pending, the Company had already advanced Rs. 7,774.35 lakhs (as at 31 March, 2017 Rs. 7,774.35 lakhs) to the SVRS Trust for payment of retiral dues to separated employees. In addition to the payment of terminal benefits / residual pension to the Trust, in pursuant to the 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 lakhs in FY 2008-09 totalling to Rs. 8,575.62 lakhs (as at 31 March, 2017 Rs. 8,575.62 lakhs) 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. 8,428.96 lakhs (as at 31 March, 2017 Rs. 8,381.54 lakhs) from monthly pension, leave salary and other contribution, leaving a balance recoverable Rs. 146.66 lakhs as at 31 March, 2018 (as at 31 March, 2017 Rs. 194.08 lakhs) from the SVRS Trust which includes current portion of Rs. 106.68 lakhs (net of pension payable Rs. 5.90 lakhs) for current year (as at 31 March, 2017 Rs. 103.07 lakhs).

- 28.7 In the tariff order of September, 2015, August, 2017 and March, 2018, DERC has allowed power purchase cost (Rs. 20,378 lakhs) of Anta, Auriya and Dadri plants from FY 2012-13 to FY 2016-17 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. 33,102 lakhs) on the premise that approval of the DERC was not obtained for entering into supplementary agreements with these power plants, however the DERC has allowed to purchase the power from these plants at a rate to be determined by the CERC for FY 2017-18. Aggrieved by the September, 2015 order of the DERC, Tata Power-DDL 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. The 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. The Company has already challenged partial allowance of power purchase cost upto FY 2015-16 from Anta, Auriya & Dadri and is in the process of filing the appeal against March, 2018 tariff order for FY 2016-17. The Company, as per tariff order of March, 2018, has recorded allowed power purchase cost from Anta, Auriya and Dadri plants for FY 2016-17.

No impact of the above has been taken in these 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. 12,724 lakhs, cumulative up to 31 March, 2018 excluding carrying cost would be accounted for on the basis of the outcome of our appeal filed before the Hon'ble Supreme Court of India.

- 28.8 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 lakhs. The Company had engaged an independent agency to validate the sample data in digitized form of consumer security deposit received by the erstwhile DVB from its consumers. As per the validation report submitted by this agency the amount of security deposit received from consumers aggregated to Rs. 6,670.51 lakhs. The Company has been advised that as per the Transfer Scheme, the liability in excess of Rs. 1,000 lakhs towards refund of the opening consumer deposits and interest thereon is not to the account of the Company. Since the GNCTD was of the view that the aforesaid liability is that of the Company, the matter was referred to Delhi Electricity Regulatory Commission (DERC). During the year 2007-08, DERC vide its letter dated 23 April, 2007 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.

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NOTE 29**REVENUE FROM OPERATIONS****REVENUE FROM SALE OF POWER AND OPEN ACCESS**

	Year ended 31.03.2018 Rs./Lakhs	Year ended 31.03.2017 Rs./Lakhs
(a) Sale of power	7,28,382.52	6,94,568.70
Less: rebate on no. of bills	-	1,674.88
Less: energy tax	31,140.28	29,865.40
	6,97,242.24	6,63,028.42
(b) Income from open access charges	1,149.12	723.60
	6,98,391.36	6,63,752.02

OTHER OPERATING REVENUE

(a) Late payment surcharge collected	1,789.15	1,829.40
(b) Transfer from service line charges	2,882.68	2,738.34
(c) Commission on		
- DVB arrears collection	1.57	1.67
- Energy tax collection	918.70	878.70
(d) Maintenance charges (see note 29.1)	1,668.68	2,174.95
(e) Transfer from capital grants	74.25	50.04
(f) Transfer from consumer contribution for capital works	4,278.12	2,857.52
(g) Miscellaneous operating income	347.05	259.83
	11,960.20	10,790.45
	7,10,351.56	6,74,542.47

29.1 Includes incentive on street light maintenance of Rs. 134.89 lakhs pertaining to FY 2017-18 (for the year ended 31 March, 2017 Rs. 159.55 lakhs).

NOTE 30**OTHER INCOME**

(a) Interest Income	437.54	287.29
(b) Net gain/(loss) on investments in mutual funds	62.35	23.29
(c) Income other than energy business	5,792.21	5,256.00
(d) Other non operating income	198.01	137.73
	6,490.11	5,706.31

NOTE 31**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 1,648.03 million units (for the year ended 31 March, 2017 1,836.45 million units) of power to / in favour of other utilities. The power purchase cost of Rs. 5,13,091.38 lakhs (for the year ended 31 March, 2017 Rs. 5,22,376.48 lakhs) is net of sale of power/ UI receivables Rs. 58,717.72 lakhs (for the year ended 31 March, 2017 Rs. 49,700.23 lakhs), rebate on power purchase Rs. 3,679.66 lakhs (for the year ended 31 March, 2017 Rs. 6,263.41 lakhs) and excludes in-house power generation cost.

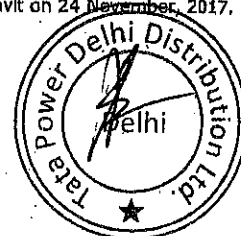
DERC vide notification dated 1 October, 2012 mandated Delhi discoms to meet Renewable Power Purchase obligation (RPO). However, due to non availability of sufficient renewable power source and being additional cost to consumer for purchase of Renewable Power Certificate (REC) in lieu of renewable power, the Company had filed a petition in DERC seeking relaxation in buying REC/waiver of the penalty. During the course of hearing of the petition, the DERC advised the Company to fulfil its entire RPO obligation upto FY 2016-17 by the end of December, 2017 and also submit an affidavit in this regard. The Company has fulfilled its RPO obligation upto FY 2016-17 for Rs. 29,299.14 lakhs (excluding GST) which will be pass through in power purchase cost and submitted the compliance of the same to the DERC. In view of the above, DERC vide order dated 28 February, 2018, has allowed the purchase of REC certificates towards power purchase cost along with the waiver of the penalty of Rs. 2,513 lakhs. Further, in the tariff order 28 March, 2018, the Commission has stated that the impact of waiver of penalty shall be considered in the next tariff order.

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 with a grade slippage to the tune of 5-8 bands. 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 GCV matter, NTPC has admitted 5 grade slippage in the Gross Calorific Value (GCV) of coal received from CIL used for calculation of Energy Charge Rate (ECR). Also, in compliance with the CERC directives in petition no. 311/MP/2015, NTPC furnished the invoices for coal and transportation which also substantiated the fact that there was grade slippage to the tune of 4-7 grades. Hence, the Company has computed the difference of estimated excess bill charged by NTPC coal based power generating stations including Aravali Jhajjar (NTPC comprises of around 50% of the total coal station allocation to the company) for the period April, 2014 to August, 2017 (in line with CERC Regulations 14-19) amounting to Rs. 1,48,350 lakhs approx (unaudited) & the same has been submitted in CERC under affidavit on 24 November, 2017. The amount till 31 March, 2018 works out to Rs. 174,200 lakhs approx. (unaudited).

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31.1 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, 2018 are as follows:

	Year ended 31.03.2018	Year ended 31.03.2017
	Receivable	Receivable
	MUs	MUs
Opening balance as at 1 April of the year (A)	296.88	1,233.57
Power banked (Outflow) (B)	904.17	440.58
Power due against banked (C)	921.37	450.84
Power receipt against opening (D)	296.88	1,233.57
Power receipt against current period transactions (E)	152.14	153.96
Balance receivable (A+C-D+E)	769.23	296.88

NOTE 32

EMPLOYEE BENEFITS EXPENSE

	Year ended 31.03.2018 Rs./Lakhs	Year ended 31.03.2017 Rs./Lakhs
(a) Salaries, allowances and incentives	39,584.68	34,296.56
(b) Contribution to provident and other funds	5,074.71	2,868.51
(c) Seventh pay commission revision for previous years paid/provided	3,779.35	-
(d) Staff welfare expenses	2,576.04	2,397.37
(e) Other personnel cost	1,358.28	1,106.41
	52,373.06	40,668.85
Less: Transferred to capital work-in-progress	4,875.00	3,731.80
	47,498.06	36,937.05
(f) Pension and other payment to VSS and other retirees (See note 28.6)	(142.27)	295.47
	47,355.79	37,232.52

NOTE 33

FINANCE COSTS

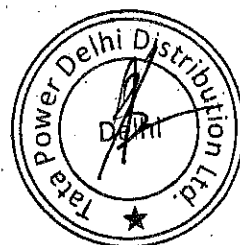
(a) Interest on term loan (gross)	22,121.81	28,817.77
Less: Capitalised	895.81	492.29
Interest on term loans (net)	21,226.00	28,325.48
(b) Interest on cash credit accounts/short-term borrowings	2,101.23	1,229.57
(c) Interest on consumer security deposits	4,065.32	3,313.65
(d) Dividend on non-convertible cumulative redeemable preference shares	7,233.32	7,221.46
(e) Other borrowing costs	45.32	21.00
(f) Other interest	1.53	0.26
	34,672.72	40,111.42

33.1 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 which has been revised from 1 September 2017 vide DERC (Supply Code and Performance Standards) Regulations, 2017 at Marginal Cost of Fund based Lending Rate (MCLR) as notified by State Bank of India prevailing on the 1 April of that financial year.

In view of the fact that the matter of liability on account of opening consumer security deposits in excess of Rs. 1,000 lakhs (Previous Year Rs. 1,000 lakhs) transferred to the Company as per the Transfer Scheme is sub-judice and no stay has been granted on payment of interest on and/or refund of opening consumer security deposits in excess of Rs. 1,000 lakhs (Previous Year Rs. 1,000 lakhs), the Company has provided interest expense aggregating to Rs. 4,065.32 lakhs (for the year ended 31 March, 2017 Rs. 3,313.65 lakhs) during the year on the outstanding consumer security deposits received by the Company since takeover of business in July, 2002 and also on the estimated total consumer security deposits received by the erstwhile DVB as per the Company's records. Out of the above interest expenditure, an amount of Rs. 217.06 lakhs (for the year ended 31 March, 2017 Rs. 200.56 lakhs) would be recoverable from DPCL if the Company's contention is upheld by the Hon'ble High Court that the Company's liability for interest payment/refund on account of opening consumer security deposits is only to the extent of Rs. 1,000 lakhs liability transferred to it as per the statutory transfer scheme.

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 34

OTHER EXPENSES

OPERATING AND MAINTENANCE EXPENSES

	Year ended 31.03.2018 Rs./Lakhs	Year ended 31.03.2017 Rs./Lakhs
(a) Stores and spares consumed (net of recoveries)	2,705.57	2,280.16
(b) Repairs and maintenance:		
(i) Building	507.18	486.25
(ii) Plant and equipment	7,821.12	5,668.32
(iii) Others	5,222.21	4,357.31
(c) Loss on disposal of property, plant and equipment	1,716.69	827.88
	<u>17,972.77</u>	<u>13,619.92</u>

ADMINISTRATIVE AND GENERAL EXPENSES

(a) Communication expenses	232.75	257.54
(b) Printing and stationery	295.91	317.56
(c) Legal and professional charges (see note 43)	1,797.41	1,736.93
(d) Travelling and conveyance	683.39	518.17
(e) Insurance	506.18	424.86
(f) Advertisement, publicity and business promotion	714.40	654.94
(g) Corporate Social Responsibility expenses (excluding 5% administrative expenses) (see note 45)	800.44	812.05
(h) Rent and hire charges	250.17	214.90
(i) Rates and taxes	3,307.15	674.40
(j) Freight, handling and packing expenses	43.60	19.70
(k) Bill collection and distribution expenses	1,200.09	1,008.96
(l) Postage and courier charges	34.09	34.85
(m) Provision for contingencies		(9,059.45)
(n) EDP expenses	1,131.37	1,044.10
(o) Housekeeping expenses	893.36	624.06
(p) Foreign exchange fluctuation loss (net)	2.39	1.43
(q) Bad debts written off/write back	17.65	100.37
(r) Provision for doubtful debts	648.66	404.98
(s) Miscellaneous expenses	1,012.81	1,022.48
	<u>13,571.82</u>	<u>1,012.83</u>
	<u>31,544.59</u>	<u>14,632.75</u>

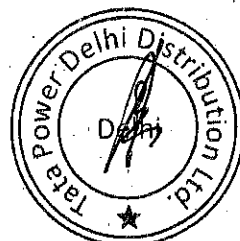
NOTE 34.1

Disclosure under Clause 87 of DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 of statutory levies and taxes [unaudited]

As per the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 , Clause no. 87 has defined the requirement for the disclosure of the total statutory levies and taxes separately. Management considers applicability of GST and increase in minimum wages as changes covered under Clause 87 and estimate the Impact to be as under:

Particulars	Year ended 31.03.2018 Rs./Lakhs	Year ended 31.03.2017 Rs./Lakhs
(a) Taxes on raw materials, labour and administrative and general expenses	3,356.75	2,532.54
(b) Incremental expense in the year 2017-18 vis a vis year 2016-17 on account of increase in minimum wages	1,997.04	NA

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NOTE 35

REGULATORY DEFERRAL ACCOUNT BALANCES

- (a) As per Ind AS 114 "Regulatory Deferral Accounts", the business of electricity distribution is a rate regulated activity where the Delhi Electricity Regulatory Commission (DERC) determines Retail Supply Tariff (RST) to be charged from consumers based on prevailing regulations in place.
- (b) DERC 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 (ARR) for 3rd control period from FY 2017-18 onwards. The DERC vide its letter F.3(503)/Tariff-Engg/DERC/2016-17/5614/2224 dated 2 February, 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 with the above said direction, Tata Power-DDL on 2 March, 2017 had filed the desired information according to applicable acts, policies and regulations. Apart from the above, the Company had also filed its petition for true up of FY 2014-15 and ARR determination for FY 2016-17 according to 2nd MYT regulation against which no tariff order was issued last year. During the current period, DERC has disposed off both the above petitions and issued tariff order for FY 2017-18 on 31 August, 2017. As a part of routine tariff determination on yearly basis, the Company further filed true up petition for FY 2016-17 and ARR for FY 2018-19 on 4 December, 2017 which has also been disposed by the DERC and issued tariff order on 28 March, 2018.

In the latest tariff order, DERC has increased the tariff by marginal 2.50% by increasing the fixed charges for all categories of consumers and levelled the same by reduction in variable charges. Further the DERC has continued to allow additional surcharge at 3.80% for the pension trust from the existing level of 3.70%. The true up regulatory deferral account balance by the DERC up to 31 March, 2017 is at Rs. 2,39,461 lakhs as against Rs. 4,57,370.26 lakhs as per financial books of account. The difference in regulatory deferral account is due to partial disallowance of power purchase cost from Anta, Auriya & Dadri, though recognized as source of power from these plants for FY 2017-18, pending true up order for power purchase from Rithala plant and provisional true up of capitalization, disallowance of de-capitalised property, plant and equipment and corresponding ROCE, income tax and carrying cost. These disallowance have already been challenged in APTEL for the amount disallowed upto FY 2015-16. The Appeal for true up of FY 2016-17 is in progress and shall be filed within the prescribed timelines.

- (c) The movement in Regulatory deferral account balance as at 31 March, 2018 is as follows:

Particulars	Year ended 31.03.2018 Rs./Lakhs	Year ended 31.03.2017 Rs./Lakhs
(A) Opening Regulatory deferral account debit balance	4,57,370.26	4,72,014.26
(B) Net movement during the year		
(i) Power purchase cost	5,19,540.00	5,16,150.00
(ii) All other prudent O&M cost including ROCE, carrying cost etc.	1,75,596.00	1,47,478.00
(iii) Collection available for ARR as per MYT order	7,12,521.00	6,78,272.00
(C) Net movement shown in the statement of profit and loss (i)+(ii)-(iii)	(17,385.00)	(14,644.00)
Closing Regulatory deferral account debit balance (A)+(C)	4,39,985.26	4,57,370.26

- (d) Rithala Power Generation Plant

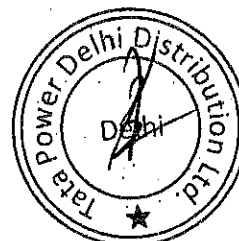
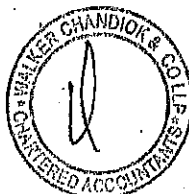
For the period while Rithala plant was operational, DERC had provisionally allowed the power purchase cost at the rate equivalent to the UI rates for units generated during the time when the Company was under-drawing from the grid and at average rate power purchased during the period when the Company was over-drawing from the grid, instead of the actual cost of generation up to FY 2012-13. Further, no recovery of fixed cost had been allowed for the period when plant was not operational due to non-availability of gas from April, 2013.

On 31 August, 2017, the DERC issued the Order fixing the operational norms like station heat rate, auxiliary consumption, plant load factor etc. as specified in the DERC MYT Regulations, 2007 and allowed capital cost of the plant at Rs. 19,770 lakhs against Rs. 30,239 lakhs as per financial books of account. The Company has challenged the order in the APTEL on 17 October, 2017.

Further, in the Order, the DERC has also directed that the petitioner shall file true up petitions based on the applicable regulations for the aforesaid parameters for finalization of generation tariff for the respective years.

In compliance with the direction of filing true up petition up to FY 2016-17 for determination of tariff for power purchase from Rithala plant, the Company has filed the true up petition with the DERC on 3 October, 2017. Pending true up of the said petition and disposal of the appeals, the Company has been continuing the billing from Rithala plant based on applicable regulations and adjusted a sum of Rs. 32,119 lakhs for the year ended 31 March, 2017. Further based on management's analysis and opinion of a legal expert, the management is of the view that Rithala plant's capital cost of Rs. 24,000 lakhs is likely to be approved by the APTEL and accordingly, the Company has adjusted a total sum of Rs. 6,961 lakhs towards Rithala billing (including carrying costs) and has recorded an impairment of Rs. 3,757.05 lakhs against the carrying value of the Rithala plant and from October 2017 onwards, the Company has been raising bill on capital cost of Rs. 24,000 lakhs.

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

Particulars	For the true up years FY 2010-11 to FY 2015-16	Yet to be true up for FY 2016-17	Yet to be true up for year ended 31 March, 2018	Rs./Lakhs Total
Billing done by Rithala Generation Plant to Distribution	64,640.00	9,660.00	7,047.00	81,347.00
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	-	-	-	-
Provisional disallowed power purchase cost/yet to be true up	52,445.00	9,660.00	7,047.00	69,152.00
Carrying cost recorded	20,148.00	9,027.00	6,500.00	35,675.00
Power purchase cost including carrying cost for which tariff is yet to be determined by DERC	72,593.00	18,687.00	13,547.00	1,04,827.00
Adjustment made				39,080.00

- (e) 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.

NOTE 36 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.

NOTE 37 EARNINGS PER EQUITY SHARE (EPS)

Particulars	Units	Year ended 31.03.2018	Year ended 31.03.2017
Profit/(loss) for the year from continuing operations before net movement in regulatory deferral account balance attributable to equity shareholders	Rs./Lakhs	47,973.03	40,857.35
Weighted average number of equity shares	Nos./Lakhs	5,520.00	5,520.00
Basic and diluted earnings per equity share of Rs. 10 each	Rs.	8.69	7.40
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./Lakhs	30,588.03	26,213.35
Weighted average number of equity shares	Nos./Lakhs	5,520.00	5,520.00
Basic and diluted earnings per equity share of Rs. 10 each	Rs.	5.54	4.75
Face value of equity shares	Rs.	10.00	10.00

37.1 The Company does not have any potential dilutive equity shares.

Note 38 Disclosure pursuant to DERC directive 6.10(h)(ix) specified in Tariff order dated 31 August, 2017.

Particulars	Year ended 31.03.2018 Rs./Lakhs	Year ended 31.03.2017 Rs./Lakhs
1. Income from "other than energy business"		
(a) Consultancy Income	5,269.22	5,082.79
(b) Training Income	331.08	19.30
(c) Others	191.91	155.91
Total (refer note 30(c))	5,792.21	5,258.00
2. Expenses related to "other than energy business"		
(a) Employee benefits expense	3,215.75	3,098.82
(b) Other expenses	1,280.85	938.77
Total	4,496.60	4,037.59

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NOTE 39

Disclosure pursuant to DERC directive 6.10(h) specified in Tariff order dated 31 August, 2017.

Category-wise billing, collection & subsidy information

39.1 Billing

S.No.	Category	Year ended 31.03.2018						Rs./Lakhs
		Revenue Billed	Surcharge Billed	PPAC Billed	Electricity Duty	Pension Trust Surcharge	TOD Surcharge	TOD Rebate
1	Domestic	2,47,224.25	17,258.95	(0.20)	11,025.51	3,197.23	-	-
2	Non-Domestic	1,78,942.42	12,517.77	0.03	7,241.72	2,776.14	2,364.62	(1,017.60)
3	Industrial	2,52,545.47	17,573.68	0.69	10,743.02	4,386.19	4,907.94	(2,681.03)
4	Agriculture & Mushroom Cultivation	467.89	32.61	-	18.52	8.19	-	-
5	Public Lighting	12,645.09	917.35	2.52	142.86	238.53	-	-
6	Delhi Jal Board	22,176.58	1,541.23	0.17	986.71	379.31	419.50	(435.86)
7	Railway Traction	4,126.81	300.45	-	-	69.23	129.40	(87.97)
8	DMRC	11,241.86	781.46	-	499.15	192.95	309.23	(159.71)
9	Advertisement & Hoardings	148.95	11.04	-	5.79	2.53	-	-
10	Temporary Supply	6,801.60	473.92	(0.04)	298.14	107.56	59.40	(41.88)
11	Staff	647.28	45.34	-	28.23	6.96	-	-
12	E-Vehicle	12.02	0.82	-	0.55	0.38	-	-
13	Misuse	398.64	28.02	(1.22)	16.31	4.30	4.04	(1.84)
14	Enforcement	1,780.15	125.39	5.36	81.37	9.20	-	-
15	Other Adjustments	76.17	-	-	3.03	-	-	-
Grand Total		7,39,235.18	51,608.04	7.31	31,090.91	11,378.70	8,194.13	(4,425.99)

39.2 Collection

S.No.	Category	Year ended 31.03.2018					Rs./Lakhs
		Revenue Collected	Surcharge Collected	PPAC Collected	Electricity Duty Collected	Pension Trust Surcharge	
1	Domestic	2,48,675.92	17,354.00	6.97	11,083.57	3,014.18	
2	Non-Domestic	1,83,478.33	12,834.03	5.62	7,449.97	2,734.11	
3	Industrial	2,52,654.38	17,582.28	3.95	10,751.44	4,309.73	
4	Agriculture & Mushroom Cultivation	560.38	36.36	0.08	20.58	7.68	
5	Public Lighting	12,551.73	930.80	3.64	151.96	233.84	
6	Delhi Jal Board	22,121.25	1,543.05	0.13	988.10	365.43	
7	Railway Traction	4,140.38	300.45	-	-	69.23	
8	DMRC	10,767.71	783.49	-	-	190.70	
9	Advertisement & Hoardings	193.82	15.87	0.03	8.80	3.19	
10	Staff	647.19	45.33	0.01	28.25	6.70	
11	E-Vehicle	17.03	0.50	-	0.40	0.28	
12	Enforcement	1,780.15	125.39	5.36	81.37	9.20	
13	Other Adjustments	76.17	-	-	-	-	
Grand Total		7,37,664.44	51,551.75	25.79	30,564.44	10,944.27	

39.3 Subsidy Disbursed (Including amnesty scheme)

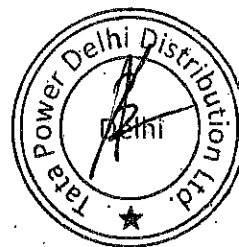
S.No.	Category	Year ended 31.03.2018 Rs./Lakhs
1	Agriculture	0.01
2	Domestic	45,692.28
3	Non-Domestic (Lawyer Chambers)	21.88
Grand Total		45,714.17

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

39.5 The above figures exclude open access billing & collection.

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

39.7 Revenue collected includes deemed collection on account of subsidy, CD Interest, Rebate on number of bills etc.



NOTE 40
INCOME TAX

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

	Year ended 31.03.2018 Rs./Lakhs	Year ended 31.03.2017 Rs./Lakhs
Income tax expense recognised in the statement of profit and loss :		
Current tax		
Current tax expense (see note 40.3)	17,157.64	5,914.03
Less: MAT credit adjusted during the year	7,706.05	165.84
Current tax (net)	9,451.59	5,748.19
Deferred tax		
In respect of the current year	11,578.27	(52,702.15)
Less: adjustable from future tariff	(11,578.27)	52,702.15
	-	-
Income tax expense recognised in other comprehensive income :		
Income tax on net loss/(gain) on remeasurement of defined benefit plan	5.54	(23.40)
Total	9,457.13	5,724.79

40.2 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:

	Year ended 31.03.2018 Rs./Lakhs	Year ended 31.03.2017 Rs./Lakhs
Profit before tax	40,039.62	31,961.54
Enacted income tax rate in India	34.61%	34.61%
Computed expected tax expense	13,856.91	11,061.25
Effect of:		
Expenses not considered in determining taxable profit	2,780.32	2,780.34
Reversal during tax holiday period	1,777.71	(3,603.48)
Deduction under chapter VI-A	(64.51)	(97.29)
Adjustment for MAT credit	2,080.56	(57,118.52)
Effect on deferred tax balances due to change in Income tax rate from 34.61% to 34.94%	558.75	-
Others	40.12	23.74
Income tax expense in respect of current year	21,029.86	(46,953.96)
Less: Deferred tax adjustable from future tariff	11,578.27	(52,702.15)
Income tax expense recognised in the statement of profit and loss	9,451.59	5,748.19

40.3 The Company has made provision for income tax at the rate of 34.61% in accordance with normal provisions of Income Tax Act, 1961 for year ended 31 March, 2018 and 31 March, 2017. The provision for deferred tax has been worked upon at the rate of 34.94% (substantially enacted tax rate at balance sheet date) for the year ended 31 March, 2018 and at the rate of 34.61% for the year ended 31 March, 2017.

NOTE 41
EMPLOYEE BENEFIT PLANS

41.1 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).

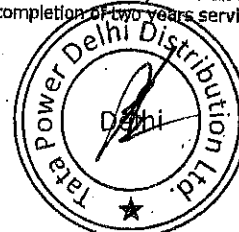
On account of Defined Contribution Plans, a sum of Rs. 5,413.87 lakhs (for the year ended 31 March, 2017 Rs. 1,717.19 lakhs) has been charged to the statement of profit and loss during the year.

41.2 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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41.3 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.

41.4 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.

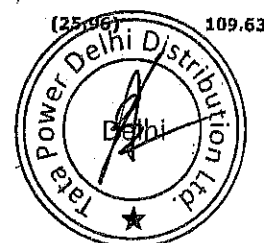
Mortality risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. A change in mortality rate will have a bearing on the plan's liability.

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.

41.5 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, 2018:

Particulars		Gratuity (Funded)	
		31.03.2018 Rs./Lakhs	31.03.2017 Rs./Lakhs
(I) Net liability arising from defined benefit obligation			
		243.96	408.09
(II) Change in benefit obligations:			
Present value of obligations as at 1 April	A	2,696.59	2,165.78
Current Service Cost	B	294.19	269.53
Interest Cost	C	200.84	176.16
Past Service Cost	D		
Remeasurement (gains)/losses: Actuarial (gains)/losses	E	(11.10)	121.88
Benefits Paid	F	132.49	36.76
Present value of obligation as at 31 March (A+B+C+D+E-F)		3,048.03	2,696.59
(III) Change in plan assets			
Fair Value of Plan Assets as at 1 April	A	2,288.50	1,898.84
Interest Income	B	159.11	141.49
Employer's Contribution	C	474.09	272.68
Remeasurement (gains)/losses:			
- Return on plan assets (excluding amounts included in net interest expense)	D	14.86	12.25
Benefits Paid	E	132.49	36.76
Fair value of plan asset as at 31 March (A+B+C+D-E)		2,804.07	2,288.50
(iv) Amount recognised in the statement of profit and loss (remeasurements)			
Particulars		Gratuity (Funded)	
		2017-18 Rs./Lakhs	2016-17 Rs./Lakhs
Current service cost	A	294.20	269.53
Net interest expense/(Income)	B	41.73	34.67
Other adjustment	C	(1.41)	-
Defined benefit cost recognized in the statement of profit and loss (A+B+C)		334.52	304.20
(v) Amount recognised in other comprehensive income (remeasurements)			
Particulars		Gratuity (Funded)	
		2017-18 Rs./Lakhs	2016-17 Rs./Lakhs
Actuarial (gains)/losses arising from:			
(a) changes in demographic assumptions	A	103.86	-
(b) changes in financial assumptions	B	(162.52)	89.13
(c) experience adjustments	C	47.56	32.75
Return on plan assets (excluding amounts included in net interest expense)	D	14.86	12.25
Components of defined benefit costs recognised in other comprehensive income (A+B+C-D)		(25.96)	109.63

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(vi) Principal actuarial assumptions:

Particulars	Refer Notes	Year ended 31.03.2018	Year ended 31.03.2017
Discount Rate (p.a.)	1	7.60%	7.00%
Salary escalation rate (p.a.)	2	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.

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Demographic assumptions:		
Retirement age	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.
Withdrawal rate	8%	15%

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

Particulars	As at 31.03.2018	As at 31.03.2017
Government of India Securities	63.10%	54.63%
Debt Instruments	27.00%	31.22%
Equity and preference shares.	7.71%	8.91%
Other deposits	2.19%	5.24%
	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.

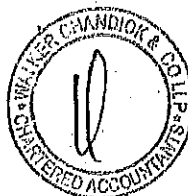
Changes in defined benefit obligation due to 1% increase/decrease in discount rate, if all other assumptions remain constant:

Particulars	As at 31.03.2018 Rs./Lakhs	As at 31.03.2017 Rs./Lakhs
(a) Decrease in defined benefit obligation due to 1% increase in discount rate	225.56	131.95
(b) Increase in Defined benefit obligation due to 1% decrease in discount rate	259.12	146.41

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

Particulars	As at 31.03.2018 Rs./Lakhs	As at 31.03.2017 Rs./Lakhs
(a) Decrease in defined benefit obligation due to 1% decrease in expected salary escalation rate.	226.74	131.95
(b) Increase in defined benefit obligation due to 1% increase in expected salary escalation rate.	255.55	143.58

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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 (vi) above, where assumptions for prior period, if applicable, are given.

(ix) Maturity Profile of Defined Benefit Obligation

Particulars	As at 31.03.2018	As at 31.03.2017
(i) Weighted Average duration of the defined benefit obligation	13 years	8 years
(ii) Duration of defined benefit obligation		
Duration (Years)	Amount (Rs./Lakhs)	
1	254.55	442.58
2	273.18	334.27
3	235.22	311.05
4	223.29	260.72
5	178.26	218.40
Above 5	1,883.53	1,129.57
Total	3,048.03	2,696.59
(iii) Duration of defined benefit payments		
Duration (Years)	Amount (Rs./Lakhs)	
1	264.05	457.81
2	304.91	369.98
3	282.49	368.37
4	288.55	330.38
5	247.86	296.13
Above 5	5,173.01	2,371.72
Total	6,560.87	4,194.39

(x) The contribution expected to be made by the Company during the financial year 2018-19 is Rs. 294.50 lakhs.

(xi) The actual return on plan assets was Rs. 173.97 lakhs (for the year ended 31 March, 2017 Rs. 153.74 lakhs).

41.6 Principal actuarial assumptions for long-term compensated absences

Particulars	Notes	Year ended 31.03.2018	Year ended 31.03.2017
Discount rate (p.a.)	41.6.1	7.60%	7.00%
Salary escalation rate (p.a.)	41.6.2	8.00%	8.00%

Notes:

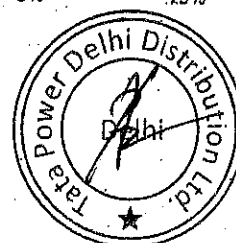
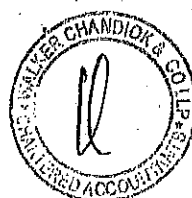
41.6.1 The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.

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

Demographic assumptions:

Particulars	Notes	Year ended 31.03.2018	Year ended 31.03.2017
Retirement age		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.
Withdrawal rate		8%	15%

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NOTE 42
FINANCIAL INSTRUMENTS

42.1 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 Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. As part of this review, the management considers the cost of capital and risks associated with each class of capital requirements and maintenance of adequate liquidity buffer. The position on reporting date is summarized in the following table:

Particulars	As at 31.03.2018 Rs./Lakhs	As at 31.03.2017 Rs./Lakhs
Long-term borrowings (including non-convertible cumulative redeemable preference share capital)	2,43,933.46	2,54,996.53
Current maturities of long-term borrowings	52,053.08	62,937.09
Short-term borrowings	31,082.32	20,169.43
Total debt (A)	3,27,068.86	3,38,103.05
Less: Cash and bank balances (B)	13,784.93	13,581.69
Net debt (C) = (A)-(B)	3,13,283.93	3,24,521.16
Total equity (D)	2,95,364.92	2,68,742.72
Total equity and net debt (E) = (C)+(D)	6,08,648.85	5,93,263.88
Net debt to total equity plus net debt ratio (%) ((F)=(C)/(E))	51.47%	54.70%

42.2 Categories of financial instruments

Particulars	As at 31.03.2018 Rs./Lakhs	As at 31.03.2017 Rs./Lakhs
Financial assets		
(I) Measured at cost		
(a) Investment in subsidiary	5.00	5.00
(II) Measured at amortised cost		
(a) Trade receivables	22,592.26	21,425.50
(b) Cash and cash equivalents	10,197.05	9,998.53
(c) Bank balances other than cash and cash equivalent above	3,587.88	3,583.36
(d) Unbilled revenue	31,897.54	30,265.42
(e) Security deposit	331.05	293.46
(f) Recoverable from SVRS trust	140.76	194.08
(g) Others	96.45	512.23
	68,847.99	66,277.58
Financial liabilities		
Measured at amortised cost		
(a) Borrowings (including current maturities and non-convertible cumulative redeemable preference share capital)	3,27,068.86	3,38,103.05
(b) Interest accrued but not due on borrowings	248.05	136.53
(c) Trade and other payables	1,22,501.83	1,16,156.67
(d) Security deposits	61,106.53	55,435.75
(e) Dividend accrued but not due on non-convertible cumulative redeemable preference shares	6,000.00	6,000.00
(f) Retention money payable	8,235.71	5,324.14
(g) Others	1,686.27	2,016.47
	5,26,847.25	5,23,172.61

42.3 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:

42.3.1 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates (currency risk) and interest rates (interest rate risk), will affect the Company's income or value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

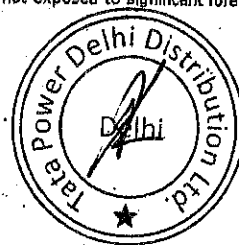
Market risks are essentially composed of foreign currency exchange risk and interest rate risk.

(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.

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(D) 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 the Interest rates had been 50 basis points higher or lower and all the other variables were held constant, the effect on Interest expense for the respective financial years and consequent effect on Company's profit in that financial year would have been as below:

Particulars	As at 31.03.2018		As at 31.03.2017	
	50 bps Rs./Lakhs	50 bps Rs./Lakhs	50 bps Rs./Lakhs	50 bps Rs./Lakhs
Interest expense on loan	1,229.93	(1,229.93)	1,339.67	(1,339.67)
Effect on profit before tax	(1,229.93)	1,229.93	(1,339.67)	1,339.67

42.3.2 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. 22,592.26 lakhs and Rs. 21,425.50 lakhs as at 31 March, 2018 and 31 March, 2017 respectively and unbilled revenue amounting to Rs. 31,897.54 lakhs and Rs. 30,265.42 lakhs as at 31 March, 2018 and 31 March, 2017 respectively. Refer note 10 for trade receivables and note 12(a) for unbilled revenue.

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 deploy its short term surplus funds in debt based mutual funds and/or liquid funds with no exposure to equities or fixed term deposits with scheduled banks or in inter-corporate deposits with such companies of the Tata Group as may be approved. Investments are normally made in debt/liquid/money market mutual funds of approved fund houses whose quarterly Assets Under Management (AUM) are in excess of Rs. 500,000 lakhs and ranks in the first three of CRISIL's latest available Composite Performance Ranking (CPR) at the time of investment. As per policy, the aggregate amounts invested in debt based mutual funds and/or liquid funds with no exposure to equities and in inter-corporate deposits being in nature of investments shall not exceed Rs. 50,000 lakhs at any point of time. Further, the Company will restrict the extent of exposure to any asset management company to 20% of its investible corpus (only for investment above Rs. 20,000 lakhs).

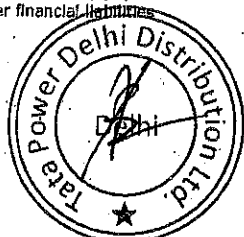
42.3.3 Liquidity risk

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.

Expected contractual maturity for financial liabilities:

Particulars	Upto 1 year	1 to 5 years	5+ years	Rs./Lakhs Total
As at 31 March, 2018				
-Trade payables	1,22,501.83	-	-	1,22,501.83
-Short term borrowings	31,082.32	-	-	31,082.32
-Long term borrowings (including current maturities and excluding preference share capital)	52,053.08	1,57,686.92	36,246.54	2,45,986.54
-Interest accrued but not due on borrowings	248.05	-	-	248.05
-Future interest on above long term borrowings	18,989.41	36,815.04	3,819.03	59,623.48
-Non-convertible cumulative redeemable preference share capital	-	-	50,000.00	50,000.00
-Dividend accrued but not due on above preference shares	6,000.00	-	-	6,000.00
-Future dividend on above preference shares (see note 42.3.3a)	7,233.32	28,933.27	72,095.37	1,08,261.96
-Security deposits (see note 42.3.3b)	5,576.40	228.05	55,302.08	61,106.53
-Retention money payable	8,235.71	-	-	8,235.71
-Other financial liabilities	1,686.27	-	-	1,686.27
	2,53,696.39	2,23,663.28	2,17,463.02	6,94,732.69
As at 31 March, 2017				
-Trade payables	1,16,156.67	-	-	1,16,156.67
-Short term borrowings	20,169.43	-	-	20,169.43
-Long term borrowings (including current maturities and excluding preference share capital)	62,937.09	1,66,591.29	38,405.24	2,67,933.62
-Interest accrued but not due on above borrowings	136.53	-	-	136.53
-Future interest on above long term borrowings	22,252.79	40,260.62	4,286.17	66,799.58
-Non-convertible cumulative redeemable preference share capital	-	-	50,000.00	50,000.00
-Dividend accrued but not due on above preference shares	6,000.00	-	-	6,000.00
-Future dividend on above preference shares (see note 42.3.3a)	7,221.46	28,885.84	79,198.63	1,15,305.93
-Security deposits (see note 42.3.3b)	4,880.47	304.31	50,250.97	55,435.75
-Retention money payable	5,324.14	-	-	5,324.14
-Other financial liabilities	2,016.47	-	-	2,016.47
	2,47,095.05	2,36,042.06	2,22,141.01	7,05,278.12



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42.3.3a Future dividend on non-convertible cumulative redeemable preference share capital has been worked upon considering a tenure of 20 years. It includes dividend distribution tax of Rs. 18,459.22 lakhs and Rs. 19,503.18 lakhs as at 31 March, 2018 and 31 March, 2017 respectively.

42.3.3b Consumer security deposits classified under more than 5 years maturity pertains to permanent connection which are refundable only after surrender of connection subject to clearance of outstanding dues.

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

42.3.4 Financing facilities (short term)

Particulars	As at 31.03.2018 Rs./Lakhs	As at 31.03.2017 Rs./Lakhs
Unsecured bank overdraft, reviewed annually and payable at call		
Amount used and outstanding	30,127.55	14,592.95
Amount unused	-	5,407.05
Secured bank loan facilities with various maturity dates through to 31 March, 2019 and which may be extended by mutual agreement		
Amount used and outstanding	954.77	5,576.48
Amount unused	13,545.23	8,923.52

42.4 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 43

AUDITORS REMUNERATION*

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

Particulars	Year ended 31.03.2018 Rs./Lakhs	Year ended 31.03.2017 Rs./Lakhs
(a) Audit fee (including quarterly audits)	57.00	59.50
(b) Other services	6.90	2.70
(c) Reimbursement of out-of-pocket expenses	3.15	2.04
Total	67.05	64.24

* Exclusive of GST/service tax, as applicable.

NOTE 44

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, 2018 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, 2019. However, in the opinion of the Company's management, adjustments, if any, are not expected to be material.

NOTE 45

CORPORATE SOCIAL RESPONSIBILITY

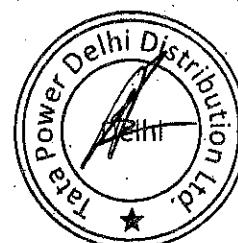
As per Section 135 of the Companies Act, 2013, a company, meeting the eligibility criteria, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. TPDDL's CSR programs/projects focuses on sectors and 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. 726.76 lakhs.

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

Particulars	In Cash Rs./Lakhs	Yet to be paid in cash Rs./Lakhs	Total Rs./Lakhs
(i) Construction / acquisition of any asset			
(ii) On purposes other than (i) above	800.44	-	800.44

Signature



NOTE 46

RELATED PARTY DISCLOSURES

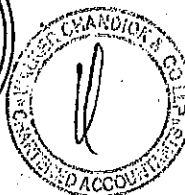
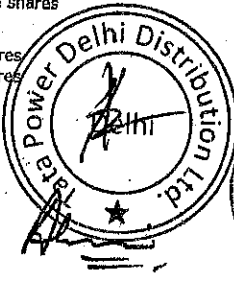
46.1 List of related parties and description of relationship

- 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) TP Ajmer Distribution Limited (TPADL)
(iv) Tata Power International Pte. Limited (TPIPL)
- E. Associates of holding company (with whom the Company has transactions)**
(i) Tata Communications Limited (TCL)
(ii) Tata Projects Limited (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
- 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
(vi) Mr. Sanjeev Singh (ceased w.e.f. 4 August, 2016)
(vii) Mr. Sudhir Mohan Varma (ceased w.e.f. 4 August, 2016)
(viii) Mr. Prem Prakash (ceased w.e.f. 4 August, 2016)
(ix) Mr. Arun Kumar Garg (ceased w.e.f. 4 August, 2016)
(x) Mr. Anjali Kumar Sharma (ceased w.e.f. 4 August, 2016)
(xi) Ms. Shalini Yogendranath Singh
(xii) Mr. Amarjit Chopra (appointed w.e.f. 23 March, 2017)
(xiii) Mr. Ajay Shankar (appointed w.e.f. 23 March, 2017)

46.2 Transactions with related parties

Name of related party	Nature of transaction	Year ended 31.03.2018 Rs./Lakhs	Year ended 31.03.2017 Rs./Lakhs
A. Rendering of services			
(i) TPCL	Management contract for deputation of employees	106.52	106.67
(ii) DPCL	Commission earned	1.57	1.67
(iii) NDPLIL	Management contract for consultancy services	328.94	325.52
(iv) TPSSL	Empanelment fee for rooftop solar plants	0.25	-
(v) TPIPL	Management contract for consultancy services	193.50	130.90
(vi) TPADL	Management contract for consultancy services	137.31	-
B. Purchase of goods			
(i) TPTCL	Purchase of power	70,895.06	89,134.53
(ii) TPSSL	Rebate on power purchase	937.61	1,560.12
(iii) TPL	Purchase of spares	6.47	-
	Purchase of spares	3.23	2.87
C. Sale of property, plant and equipment			
(i) TPCL	Sale of property, plant and equipment	-	9.57
D. Receiving of services			
(i) TPCL	Management contract for deputation of key managerial personnel	368.03	280.37
(ii) TPSSL	Annual maintenance contract of solar plants	28.99	6.45
(iii) TCL	Communication expenses	13.93	14.55
E. Reimbursement of expenses			
(i) TPCL	Travelling and conveyance	0.73	1.53
(ii) DPCL	Advertisement, publicity and business promotion	-	2.90
(iii) NDPLIL	Travelling and conveyance, insurance etc.	68.92	102.85
(iv) TPSSL	Hire charges - vehicles	0.02	-
(v) TPIPL	Travelling and conveyance	6.53	6.16
(vi) TPADL	Travelling and conveyance etc.	0.10	-
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	1,689.12	6,756.48
(ii) DPCL	Dividend on equity shares	1,622.88	6,491.52
H. Transaction with Trust			
(i) Gratuity Fund	Contribution to trust	474.09	272.68
(ii) SVRS RTBF - 2004	Contribution to trust	92.43	92.05

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46.3 Compensation of key managerial personnel

		Year ended 31.03.2018 Rs./Lakhs	Year ended 31.03.2017 Rs./Lakhs
A.	CEO & MD -Mr. Praveer Sinha		
	Deputation pay and other benefits	319.03	299.64
B.	Non-executive directors		
	Sitting fees	33.51	23.95
	Consultancy fees - Mr. Arup Ghosh	52.76	44.17

46.4 Balance outstanding with related parties

Name of the related party	Nature of balances	As at 31.03.2018 Rs./Lakhs	As at 31.03.2017 Rs./Lakhs
A. Investment in equity shares			
(i) NDPLIL		5.00	5.00
B. Receivables			
(i) TPCL	Trade receivables	27.72	25.63
(ii) NDPLIL	Trade receivables	17.74	0.03
(iii) TPTCL	Other current assets	9,521.30	-
(iv) TPIPL	Trade receivables	203.87	83.40
(v) TPADL	Trade receivables	51.06	-
(vi) SVRS RTBF - 2004	Other financial assets	140.76	194.08
C. Payables			
(i) DPCL	Trade payables	604.75	1,028.66
(ii) TPTCL	Trade payables	-	7,949.04
(iii) TPSSL	Trade payables including retention money and advances	52.86	29.41
(iv) TCL	Trade payables including security deposits	24.38	8.15
D. Unbilled revenues			
(i) NDPLIL	Management contract for consultancy services	85.92	76.77
E. Accrued expenses			
(i) TPSSL	Annual maintenance contract of solar plants	-	6.32
(ii) TPTCL	Purchase of power	0.07	0.61
(iii) TCL	Communication expenses	3.11	3.04
F. Commitment made			
(i) TPSSL		1.62	1.62
(ii)	Significant commitments of the Company includes commitment for trading margin with TPTCL.		

The Company has entered into an 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 Tata Power-DDL to TPTCL. A trading margin of 2% of power purchase bill (capacity and energy charges) of JPL is payable by Tata Power-DDL to TPTCL.

NOTE 47

APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved for issue by the board of directors on 26 April, 2018.

Walker Chandok & Co LLP

Chartered Accountants

per Neeraj Goel
Partner



For and on behalf of the Board of Directors

Anil Sardana
Chairman
DIN: 00006867

Praveer Sinha
CEO & Managing Director
DIN: 01785164

Ajay Kalsie
Company Secretary

Ajay Kapoor
Chief Financial Officer

New Delhi
26 April, 2018



New Delhi
26 April, 2018