

ANNUAL REPORT

2023-2024

(1st April 2023 to 31st March 2024)



TP AJMER DISTRIBUTION LIMITED

CIN: U40100MH2017PLC293914
Registered Office C/o The Tata Power Company Limited
Corporate Center, 34, Sant Tukaram Road,
Carnac Bunder, Mumbai 400009

Board of Directors of TP AJMER DISTRIBUTION LIMITED



Mr. Ganesh Srinivasan
(Chairman)



Mr. Dwijadas Basak
Non-Executive Director



Mr Suranjit Mishra
Non-Executive Director



Ms. Ritu Gupta
Non-Executive Director



Mr. Nilesh Kane
Non-Executive Director



Mr. Manoj Digambar Salvi
Chief Executive Officer

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Annual General Meeting	
Day & Date	: Friday, 26th July 2024
Time	: 10:00 a.m.
Venue	: Board Room, Second Floor, NDPL House, Hudson Lines, Kingsway Camp, Delhi- 110009

BOARD OF DIRECTORS

Mr. Ganesh Srinivasan	Chairman
Mr. Dwijadas Basak	Director
Mr. Suranjit Mishra	Director
Mr. Nilesh Narayan Kane	Director
Ms. Ritu Gupta	Woman Director

REGISTERED OFFICE:

C/o The Tata Power Company Limited, Corporate Center,
34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009

CORPORATE IDENTITY NUMBER (CIN):

U40100MH2017PLC293914

STATUTORY AUDITORS:

Messrs V. Sankar Aiyar & Co., Chartered Accountants (ICAI Firm Registration No. 109208W)

SECRETARIAL AUDITORS:

Messrs Siddiqui & Associates, Company Secretaries (FCS 2229, CP No. 1284)

INTERNAL AUDITORS:

The Tata Power Company Limited

COST AUDITORS:

Messrs Sanjay Gupta & Associates, Cost Accountants (Firm Registration No. 000212)

BANKERS:

ICICI Bank	IndusInd Bank
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TP AJMER DISTRIBUTION LIMITED

NOTICE

NOTICE is hereby given that the **Seventh Annual General Meeting** of the members of TP Ajmer Distribution Limited will be held on **Friday, 26th July 2024 at 10:00 a.m.** through video conferencing (MS Teams) to transact the following business(es):

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2024 together with the reports of the Board of Directors and the Auditors thereon.
2. To confirm the payment of interim dividend on equity shares for the financial year ended 31st March 2024.
3. To appoint a Director in place of Mr. Dwijadas Basak (DIN: 08785527), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

4. Ratification of Cost Auditor's remuneration

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 1,10,000/- (Rupees One lakh ten thousand only) plus other applicable taxes, travelling and out of pocket expenses incurred in connection with the audit, payable to M/s Sanjay Gupta & Associates, Cost Accountants (Firm Registration No. 000212) who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the financial year 2024-25."

5. Appointment of Mr. Gajanan Sampatrao Kale (DIN: 10597438) as Director of the Company

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED that Mr. Gajanan Sampatrao Kale (DIN: 10597438), who was appointed as an Additional Director of the Company with effect from 1st July 2024, by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ("the Act") and Article 64 of the Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

NOTES

- (1) The relative explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") and the rules made thereunder, in regard to the businesses set out in item no. 4 & 5 and the relevant details of the Directors of the Company seeking re-appointment/appointment as set out in item nos. 3 & 5 above as required under Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India, is annexed hereto.
- (2) Pursuant to General Circulars No.14/2020 dated 8th April 2020, No.17/2020 dated 13th April 2020, No.20/2020 dated 5th May 2020, No. 02/2021 dated 13th January 2021, No. 21/2021 dated 14th December 2021, No. 2/2022 dated 5th May 2022 and No. 10/2022 dated 28th December 2022 and No.09/2023 dated 25th September 2023 issued by the Ministry of Corporate Affairs (collectively referred to as 'MCA Circulars'), the Company is convening the Seventh Annual General Meeting (AGM) through Video Conferencing (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and the applicable provisions of the Act, the AGM of the members of the Company is being held through VC/OAVM. The deemed venue for Seventh Annual General Meeting will be Board Room, Second Floor, NDPL House, Hudson Lines, Kingsway Camp, Delhi-110009.
- (3) Corporate Shareholders are required to send a scanned copy (PDF/JPG Format) of its Board or governing body resolution/authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote in the meeting to be held through VC/OAVM.
- (4) In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report for FY 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company. Members may note that the Notice for FY 2023-24 will also be available on the Company's website <https://www.tpadl.com/>
- (5) Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- (6) Since the AGM will be held through VC/OAVM, the Route Map and Attendance Slip are not annexed in this Notice.
- (7) In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- (8) To support the 'Green Initiative', Members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses for receiving all communication including annual reports, notices, circulars etc. from the Company electronically.
- (9) Updation of members' details:
The format of the register of members prescribed by the Ministry of Corporate Affairs under the Act, requires the Company to record additional details of members, including their PAN details, e-mail address, bank details for payment of dividend etc.

A form for capturing additional details is appended at the end of this annual report. Members holding shares in physical form are requested to submit the filled in form to the Company. Members holding shares in electronic form are requested to submit the details to their respective DPs.

- (10) Members seeking any information with regard to the accounts, are requested to write to the Company at an early date, at the email id i.e. bhupinderjeet.kaur@tatapower-ddl.com so as to enable the Management to keep the information ready at the AGM.
- (11) Members may obtain meeting link and password by sending scanned copy of: i) a signed request letter mentioning your name, folio number and complete address; and ii) self attested scanned copy of the PAN Card and any document (such as Driving License, Bank Statement, Election Card, Passport, Aadhaar Card) in support of the address of the Member as registered with the Company; to the email address of the Company i.e. bhupinderjeet.kaur@tatapower-ddl.com
- (12) The Company will provide facility for audio visual participation in AGM Weblink/recording etc.
- (13) The Company ensures that all other compliances associated with the provisions relating to general meetings viz. making of disclosures, inspection of related documents and registers, by members, including Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice or authorizations for voting by bodies corporate etc. as provided in the Act and the Articles of Association of the Company are made available for inspection through electronic mode.
- (14) The Company ensures that the AGM through VC/OAVM facility allows two way videoconferencing or webex for the ease of participation of the members and the participants are allowed to pose questions concurrently or given time to submit questions in advance on the e-mail address of the Company i.e. bhupinderjeet.kaur@tatapower-ddl.com
- (15) The facility for joining the meeting shall be kept open for at least 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 15 minutes after such scheduled time.
- (16) A proxy is allowed to be appointed under Section 105 of the Act to attend and vote at a general meeting on behalf of a member who is not able to attend personally. Since AGM will be held through VC/OAVM, where physical attendance of members in any case has been dispensed with, there is no requirement for appointment of proxies. Accordingly, in terms of the MCA circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence, the proxy form is not annexed to this notice. However, in pursuance of Sections 112 and 113 of the Act, representatives of the members may be appointed for the purpose of participation and voting in the meeting to be held through VC/OAVM.
- (17) The confidentiality of the password and other privacy issues associated with the designated email address shall be strictly maintained by the Company at all times. Due safeguards with regard to authenticity or email address(es) and other details of the members shall also be taken by the Company.

- (18) The meeting will be conducted through audio visual means (MS Teams). Members may participate in the meeting through the following link:

[Join the meeting now](#)

Meeting ID: 464 623 559 915

Passcode: g5zfwz

- (19) Disclosures with regard to the manner in which framework available for use by the members and clear instructions on how to access and participate in the meeting are clearly mentioned in this AGM Notice. 9654915833 is the helpline number for those shareholders who need assistance with using the technology before or during the meeting.
- (20) The Chairman may decide to conduct voting by show of hands, unless a demand for poll is made by any member, in accordance with Section 109 of the Act and the rules made thereunder.

Delhi, 2nd July 2024

Corporate Identity No. :U40100MH2017PLC293914

By order of the Board
For **TP Ajmer Distribution Limited**

Registered Office:

C/o The Tata Power Company Limited
34, Sant Tukaram Road
Carnac Bunder, Mumbai 400 009, Maharashtra
Tel: 0145-2643091
email: Customercare.tpadl@tatapower.com
Website: <https://tpadl.com/>

Sd/-
(Bhupinder Jeet Kaur)
Company Secretary
Membership No. 33905

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 ("the Act"), the following explanatory statement sets out all material facts relating to the business mentioned under item nos. 4 and 5 of the accompanying notice dated 17th April 2024.

Item no. 4: Pursuant to the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the Company is required to have the audit of its cost records conducted by a cost accountant in practice and the remuneration payable to the Cost Auditors is required to be ratified by the shareholders of the Company at the General Meeting. The Board of Directors have approved the re-appointment of M/s Sanjay Gupta & Associates, Cost Accountants (Firm Registration No. 000212), as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the financial year 2024-25, at a remuneration of ₹ 1,10,000/- (Rupees One lakh ten thousand only) plus other applicable taxes, travelling and out of pocket expenses

M/s Sanjay Gupta & Associates, Cost Accountants, have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of Cost Audit and have conducted the audit of cost records of the Company for the previous year under the provisions of the Act.

The Board recommends the resolution at item no. 4 of the accompanying notice for ratification of the Cost Auditors' remuneration for FY 2024-25, by the Members of the Company.

None of the Directors, Key Managerial Personnel or their respective relatives is concerned or interested, financial or otherwise, in the resolution set out at item no. 4 of the accompanying notice.

Item no. 5: The Board of Directors had appointed Mr. Gajanan Sampatrao Kale (DIN:10597438), as an Additional Director of the Company with effect from 1st July 2024 in terms of Article 64 of Company's Articles of Association, Section 161(1) of the Act and the rules made thereunder, as amended from time to time.

In terms of Section 161(1) of the Act, Mr. Gajanan S Kale holds office only upto the date of the forthcoming AGM of the Company but is eligible for appointment as a Director. A notice under Section 160(1) of the Act has been received from a member signifying his intention to propose Mr. Gajanan S Kale's appointment as a Director.

In the opinion of the Board, Mr. Gajanan S Kale fulfills the conditions specified in the Act and the rules made thereunder for appointment as a Director.

Mr. Gajanan S Kale is B.E.- Electrical Power System (Amravati University), M. Tech - integrated Power System (National Institute of Technology- Nagpur), MBA – Finance (Sikkim Manipal University) and Advance Management Program (Indian Institute of Management -Ahmedabad) under senior leadership development program of Tata Power.

He has more than three decades of experience in different electricity utilities like BHEL Bhopal, Central Railway Nagpur, Delhi Vidyut Board, Tata Power Delhi Distribution Limited. The Tata Power Company Limited (Tata Power) and TP Ajmer Distribution Limited. He has rich experience in Power Distribution utilities with special focus on Profit and Loss, Aggregate Technical & Commercial (AT&C) Loss Reduction & Customer delight with emphasis on managing the change of government

undertakings to private, managing people process improvement, network improvement, strategic business growth and developing contacts with different stakeholders.

He is presently the Chief Executive Officer of Tata Power Delhi Distribution Limited. Prior to this, he was the Chief Executive Officer of TP Western Odisha Distribution Limited.

In compliance with the applicable provisions of the Act, the appointment of Mr. Gajanan S Kale as a Director is now being placed before the members for their approval. The Board recommends the resolution at Item no. 5 of the accompanying notice for the approval by the members of the Company.

Other than Mr. Gajanan S Kale, none of the Directors of the Company or their respective relatives are concerned or interested in the resolution set out at item no. 5 of the accompanying notice. Mr. Gajanan S Kale is not related to any other Director of the Company.

Delhi, 2nd July 2024
Corporate Identity No. :U40100MH2017PLC293914

By order of the Board
For **TP Ajmer Distribution Limited**

Registered Office:

C/o The Tata Power Company Limited
34, Sant Tukaram Road, Carnac Bunder,
Mumbai 400 009, Maharashtra
Tel:0145-2643091, email:
Customercare.tpadl@tatapower.com
Website: <https://tpadl.com/>

Sd/-
(Bhupinder Jeet Kaur)
Company Secretary
Membership No. 33905

Details of the Directors, seeking re-appointment/appointment at Seventh Annual General Meeting:

(In pursuance of Secretarial Standard 2 on General Meetings):

Name of Directors	Mr. Dwijadas Basak	Mr. Gajanan Sampatrao Kale
DIN	08785527	10597438
Designation	Non-Executive Director	Additional (Non-Executive) Director
Date of birth Age	15 th December 1966 (57 years)	26 th June 1969 (54 years)
Date of appointment	15 th July 2020	1 st July 2024
Expertise in functional areas	Mr. Dwijadas Basak is the Chief Executive Officer of TP Northern Odisha Distribution Limited (TPNODL), a joint venture between Tata Power and the Government of Odisha, supplying electricity to over 2 million consumers in Northern Odisha. He brings over three decades' experience in power distribution management. Prior to joining TPNODL, he served as Chief Operating Officer (COO) at TP Central Odisha Distribution Ltd (TPCODL), where he played a pivotal role in driving operational excellence. A seasoned electrical engineer, Mr. Basak has held various leadership positions within the Tata Power Group. Before moving to Odisha, he was Chief of the Commercial and Social Impact Group at Tata Power-DDL in New Delhi. Mr Basak has worked in India and Brazil. Between 1991-2000, he worked with three major private power distribution companies in India. During the 2000-2002 period, he served at AES Electro Paulo, and was involved in the business of power distribution in the State of Sao Paulo, Brazil. Since 2003, he has been associated with the Tata Power Group in various roles. He played a key role in the transformation journey of Distribution business in North and Northwest of Delhi (Tata Power-DDL). He had successfully completed Advanced Management Program (SLDP)- 2022-2023 from IIM Ahmedabad and holds Alumni status of IIM-A. He pursued Advanced Leadership Course from IIM- Bangalore and Certification Program on General Management (TGELS) by Stephen M. Ross School of Business, University of Michigan and Tata Management Training Centre (TMTTC).	Mr. Gajanan Sampatrao Kale has more than three decades of experience in different electricity utilities like BHEL Bhopal, Central Railway Nagpur, Delhi Vidyut Board, Tata Power Delhi Distribution Limited. The Tata Power Company Limited (Tata Power) and TP Ajmer Distribution Limited. He has rich experience in Power Distribution utilities with special focus on Profit and Loss, Aggregate Technical & Commercial (AT&C) Loss Reduction & Customer delight with emphasis on managing the change of government undertakings to private, managing people process improvement, network improvement, strategic business growth and developing contacts with different stakeholders. He is presently the Chief Executive Officer of Tata Power Delhi Distribution Limited. Prior to this, he was the Chief Executive Officer of TP Western Odisha Distribution Limited.
Qualifications	Graduate (Electrical Engineering)	B.E.- Electrical Power System (Amravati University), M. Tech - integrated Power System (National Institute of Technology- Nagpur), MBA – Finance (Sikkim Manipal University) and Advance Management Program (Indian

Name of Directors	Mr. Dwijadas Basak	Mr. Gajanan Sampatrao Kale
		Institute of Management -Ahmedabad) under senior leadership development program of Tata Power.
Terms & conditions of appointment	Appointed as Non-Executive Director	Appointed as Additional (Non-Executive) Director
Remuneration	Nil	Nil
Directorships held in other Companies (excluding Foreign Companies)	Director of NDPL Infra Limited	Director of the following companies: 1. TP Power Plus Limited 2. NDPL Infra Limited 3. Tata Power Trading Capital Limited 4. Mandakini Coal Company Limited 5. Tata Power Transmission Company Limited
Committee positions held in other Companies	Nil	Tata Power Trading Capital Limited – Member (Commercial Committee of Directors)
Number of shares held	1	Nil
Number of Meetings of the Board attended during FY 2023-24	5	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	None

TP AJMER DISTRIBUTION LIMITED

Board's Report

To the Members,

The Directors present Seventh Annual Report of TP Ajmer Distribution Limited ("the Company" or "TPADL") along with the Audited Financial Statements for the financial year ended 31st March 2024.

TP AJMER DISTRIBUTION LIMITED

1. FINANCIAL RESULTS

	(₹ crore)	
Particulars	2022-23	2023-24
Net Sales / Income from Other Operations	417.55	442.45
Less: Operating Expenditure	411.25	433.22
Operating Profit/(Loss)	6.30	9.23
Add: Other Income	7.20	10.02
(Less): Finance Cost	3.90	0.79
Profit/(Loss) before Depreciation and Tax	9.60	18.46
(Less): Depreciation/Amortization	6.98	8.21
Profit/(Loss) before tax	2.62	10.25
Add/(Less): Tax Expenses	Nil	2.44
Profit/(Loss) after tax	2.62	7.81
Other Comprehensive Income	0.11	-0.65
Total comprehensive income for the year ended attributable to:	2.73	7.16
Owners of the Company	2.73	7.16
Non-controlling interests	Nil	Nil

2. DIVIDEND

The Board had paid an interim dividend @ 3% on the equity share capital for the financial year 2023-24 i.e., a total of ₹ ₹ 0.30 crore was paid out of the profits of the Company for the financial year 2023-24, to the equity shareholders of the Company. The Company has declared Interim Dividend first time since its incorporation in the Board Meeting held on 28th March 2024.

The Interim Dividend has been fully paid in accordance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder.

3. STATE OF THE COMPANY'S AFFAIRS

- **FINANCIAL HIGHLIGHTS**

The Company had reported revenue from operations aggregating ₹ 442.45 crore in FY 2023-24 as compared to ₹ 417.55 crore in FY 2022-23.

The Company had earned profit of ₹ 7.16 crore in FY 2023-24 as compared to profit of ₹ 2.73 crore in FY 2022-23 due to improvement in billing efficiency, increase in input (MUs) and lower finance charges in FY 2023-24.

- **BUSINESS ENVIRONMENT**

Generation, Transmission, Distribution and Trading of power are the four distinct components of the electricity sector, which are governed by the provisions of the Electricity Act, 2003 and various regulations issued by the Central Electricity Regulatory Commission (CERC) and State Electricity Regulatory Commission (SERC).

Our Company operates as a Distribution Franchisee in the retail end of the electricity chain and is a Power Distribution Company.

Distribution is the most important link in the entire power sector value chain. As the only interface between utilities and consumers, it is the cash register for the entire sector. Under the Indian Constitution, Power is a concurrent list subject and the responsibility for distribution and supply of power to rural and urban consumers rests within the States.

AT&C losses in India is approx. 15.41% (FY 2022-23), which is higher as compared to world average. The commercial losses which are a pre-dominant part of AT&C losses are mainly due to low billing efficiency, collection deficiency and theft of electricity.

The progress in distribution reform has been difficult and slower than originally expected. The major factors responsible for underperformance of Discoms have been absence of timely tariff revisions and increasing fuel costs leading to increased gap between Average Cost of Supply and Average Revenue Realized. Integrated Power Development Scheme (IPDS), Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and SAUBHAGYA Yojana, which were launched to improve the system, provide stable supply and reliable electricity to end consumers.

As per report published by Power Finance Corporation Limited in May 2017 on performance of the State Distribution Utilities, Ministry of Power formulated an Integrated Rating Methodology in July 2012 for evaluating performance of State Power Distribution utilities on a range of parameters covering operational, financial, regulatory and reform parameters. The rating exercise is on an annual basis and covers 41 States distribution utilities spread across 22 States.

With growing focus on improving distribution business, further reduction in AT&C losses, increase in efficiency and customer satisfaction, Government of Rajasthan has adopted an input-based Distribution Franchisee (DF) model in Ajmer, Kota, Bikaner and Bharatpur.

- **CURRENT BUSINESS**

The Company was incorporated on 17th April 2017 as a Special Purpose Vehicle (SPV) to take-over the supply and distribution of power in Ajmer city after The Tata Power Company Limited (Tata Power) successfully won the bid floated by Ajmer Vidyut Vitran Nigam Limited (AVVNL) for appointment of a Distribution Franchisee (DF) in Ajmer city, Rajasthan.

The Company entered into an agreement with AVVNL on 19th April 2017 for distribution of power supply for 20 years and started its operations with effect from 1st July 2017 with minimum capital expenditure of ₹ 37.60 crore to be incurred over a period of 5 years.

The Ajmer city circle consists of seven subdivisions. The total area under the franchisee is around 200 sq. km. The total consumer base was around 1.65 lakh and total peak demand in FY 2023-24 was 109.51 MW.

- **OPPORTUNITIES & THREATS**

The Company is governed by the rules and regulations specified by the Rajasthan Electricity Regulatory Commission (RERC) and also the terms and conditions mentioned in the Distribution Franchisee Agreement (DFA) signed with AVVNL.

The opportunities are:

- Sustained long term growth
- Promote digital payment
- Sales Growth by enhancing DF area and sales promoting initiatives
- Cost optimization

And threats are:

- Power theft
- Improper financial risk sharing
- Limited input growth in DF area
- Pandemic and other disaster situations like Biporjoy
- Non-revision of tariff

- **INPUT**

The Company procured 605.02 MUs input energy in FY 2023-24 as compared to 602.39 MUs in FY 2022-23 through five nos.220/132 kV GSS through 20 input energy points at 33 kV.

- **RELIABILITY**

To improve the reliability and quality of power supply in Ajmer City, the Company has undertaken the following initiatives in FY 2023-24:

- Installation of 57.70 kms. of Low-Tension Aerial Bunched Conductor
- Thermo vision to identify hotspots so that proactively action could be taken (821 nos. identified and rectified)
- 11 kV Group Operated Disconnector installation (52 nos.)
- Installation of Low-Tension feeder pillar (55 nos.)
- Installation of 700 LT Distribution boxes

- Improvement in remote operation success rate to 94.80%
- Installation of lightning arrester (60 sets)
- Installation of insulated weasel conductor 2 kms
- Medium voltage line cover installation (3 kms. network covered)

• **LOAD GROWTH**

- Consumer base has increased to 1,65,971 in FY 2023-24.
- DT capacity was enhanced to 2.32 MVA.
- Load growth of 36.77 MW was achieved through new connection and load enhancement.

• **LOSS REDUCTION**

There has been increase in AT&C losses from 8% in FY 2022-23 to 8.67% in FY 2023-24. Billing efficiency has increased from 91.05% in FY 2022-23 to 91.73% in FY 2023-24. the Company has undertaken the following initiatives in FY 2023-24:

- Theft load of 2.5 MW and misuse load of 1.2 MW were booked through various initiatives i.e. mass raid, door to door checking for hidden service line and meter testing.
- 9713 old meters of AVVNL period were replaced.
- Meter Faulty Assessment – 14,774 cases analyzed and 196 cases found fit for assessment. Total assessment raised was ₹ 60.35 lakh with 0.67 MUs.
- Broken meter box replacement: 1176 nos.
- Recovery of ₹ 2.46 crore was done through enforcement cases. Total load of 3754 kW was booked (2509 kW booked u/s 135 and 1245 kW booked u/s 126).

• **RECOVERY**

There was decrease in collection efficiency from 101.05% in FY 2022-23 to 99.67% in FY 2023-24. Govt. of Rajasthan issued order in March 2024 not to disconnect any electricity connection. This lead to lower collection efficiency along with some default from the Govt. consumers due to their budgetary issues.

• **CUSTOMER SERVICES**

On the consumer front, the Company has undertaken the following initiatives:

- WhatsApp Chatbot services for consumers to register power supply and safety related complaints.
- Mobile app launched.
- Pay & Win draw of lots Scheme for consumers making digital payment: Online payment increased from 74% in FY 2022-23 to 77% in FY 2023-24.
- Customer Satisfaction Survey was conducted and achieved 94.04% score in FY 2023-24.
- Optical Character Reading (OCR) launched for accurate meter reading.
- Jansunwai Chaired by the CEO for addressing consumer grievances.
- Call centre technology upgradation (Copper line to sip trunk).

- **FINANCIAL**

- The Company executed distribution related capital expenditure works (CAPEX) amounting to ₹ 21.42 crore in FY 2023-24 as compared to ₹ 16.27 crore in FY 2022-23. It includes company funded capital expenditure works of ₹ 12.33 crore in FY 2023-24 as compared to ₹ 9.17 crore in FY 2022-23. This amount had been judiciously utilized for enhancement of reliability of system through network improvements, reduction of AT&C losses and improvement in consumer services in line with the terms & conditions of the Distribution Franchisee Agreement with AVVNL.

4. RESERVES

There has been no transfer to general reserves during FY 2023-24 (Previous year - Nil).

5. SUBSIDIARIES/JOINT VENTURES/ASSOCIATES

TP Ajmer Distribution Limited is a wholly owned subsidiary of The Tata Power Company Limited. Currently, there is no subsidiary, joint venture and associate Company of the Company. There has been no major change in the nature of business of your Company.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

- **Company's Policy on Directors' appointment and remuneration for the Directors, Key Managerial Personnel and other employees**

As per Section 178 of the Companies Act, 2013 ("the Act") read with rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company being a wholly owned subsidiary of The Tata Power Company Limited is not required to formulate Nomination and Remuneration Committee. Therefore, the provisions of Section 134(3)(e) of the Act are not applicable to the Company.

- **Additions/ Retirements/Resignations of Directors**

As on 31st March 2024, the Company has five Non-Executive Directors i.e. Mr. Ganesh Srinivasan, Mr. Dwijadas Basak, Mr. Suranjit Mishra, Mr. Nilesh Narayan Kane and Ms. Ritu Gupta.

Mr. Ganesh Srinivasan resigned as Director and Chairman of the Company w.e.f. close of working hours of 17th April 2024, due to personal reasons.

Mr. Gajanan Sampatrao Kale was appointed by the Board of Directors as an Additional Director of the Company with effect from 1st July 2024.

The Company has received a notice under Section 160(1) of the Act from shareholder proposing the name of Mr. Gajanan Sampatrao Kale, for his appointment for the office of Director at the forthcoming AGM.

In accordance with the requirements of the Act and Company's Articles of Association, Mr. Dwijadas Basak retires by rotation and is eligible for reappointment.

None of the Company's Directors are disqualified from being appointed as Directors as specified in Section 164 of the Act.

Members' approval is being sought at the ensuing AGM for the aforesaid re-appointment/appointment of Directors.

- **Key Managerial Personnel:** As on 31st March 2024, following are the Key Managerial Personnel (KMP) of the Company:

- (i) Mr. Manoj Digambar Salvi, Chief Executive Officer (CEO)
- (ii) Mr. Bhupendra Sharma, Chief Financial Officer (CFO)
- (iii) Ms. Bhupinder Jeet Kaur, Company Secretary (CS)

During FY 2023-24, there were no changes in the composition of KMPs of the Company.

- **Number of Board meetings and dates:**

Meetings are scheduled well in advance and minimum seven (7) days' advance notice of each Board meeting is given in writing to the Directors. The Board meets atleast four (4) times in a year to review quarterly performance and financial results.

The Company Secretary in consultation with the Chairman, Chief Executive Officer (CEO) and Chief Financial Officer (CFO) prepares a detailed agenda for the meetings. The Board papers comprising the agenda and other explanatory notes are circulated to the Directors in advance. The members of the Board have complete access to all information of the Company. The members of the Board are also free to recommend inclusion of any matter in the agenda for discussion. Senior Management is invited to attend the Board meetings so as to provide additional inputs to the items being discussed by the Board as well as get Board's first hand perspective on critical issues. The directions of the Board are further communicated down the line by the Senior Management through various town hall meetings and dialogue sessions.

Five (5) meetings of the Board of Directors were held during the year 2023-24 and the gap between two meetings did not exceed 120 days. The meetings were held on 14th April 2023, 14th July 2023, 13th October 2023, 15th January 2024 and 28th March 2024.

Sixth Annual General Meeting of the Company was held on 7th July 2023.

No Extra-Ordinary General Meeting was held during the year 2023-24.

The attendance of each Director at the Board Meetings and last Annual General Meeting held during the year is listed below:

S. No.	Name of the Directors	Nature of Relationship	No. of Board meetings held	No. of Board meetings attended	Attendance at the 6 th AGM
1.	Mr. Ganesh Srinivasan	Chairman Non-Executive Director	5	3	No

		(Nominated by Tata Power)			
2.	Mr. Dwijadas Basak	Non-Executive Director (Nominated by Tata Power)	5	5	Yes
3.	Mr. Suranjit Mishra	Non-Executive Director (Nominated by Tata Power)	5	5	Yes
4.	Mr. Nilesh Narayan Kane	Non-Executive Director (Nominated by Tata Power)	5	5	Yes
5.	Ms. Ritu Gupta	Woman Director (Nominated by Tata Power)	5	4	Yes

- **A statement on declaration given by Independent Directors under Section 149 of the Act:** The Company is not required to appoint Independent Directors, therefore, the provisions of Section 149 are not applicable to the Company.
- **A statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the Independent Directors appointed during the year:** Not Applicable
- **Compliance by Independent Directors with the Code for Independent Directors prescribed in Schedule IV to the Act:** Not Applicable
- **Statement indicating all pecuniary relationship or transactions of the Non-Executive Directors (NED) vis-à-vis the Company:** None of the NEDs had any pecuniary relation or transactions with the Company.
- **COMMITTEES OF THE BOARD:**

(i) Committee of Directors

The Committee of Directors considers and approves capital expenditure and revenue expenditure proposals/ plans/ schemes/orders etc. of the Company, in accordance with the schedule of authorities approved by the Board, does all such other things/matters as may be delegated to it by the Board of Directors from time to time and as may be required for operations of the Company.

As on 31st March 2024, the Committee of Directors comprises of the following Directors:

1. Mr. Ganesh Srinivasan, Chairman
2. Mr. Suranjit Mishra, Member
3. Ms. Ritu Gupta, Member

The Board in its meeting held on 17th April 2024 approved reconstitution of the Committee of Directors as under:

1. Mr. Dwijadas Basak, Chairman
2. Mr. Suranjit Mishra, Member

3. Ms. Ritu Gupta, Member
4. Mr. Nilesh Narayan Kane, Member

(ii) Loans and Borrowings Committee

The Loans and Borrowings Committee reviews and approves terms and conditions pertaining to loans and borrowings and such other matters as may be delegated to it by the Board of Directors from time to time.

As on 31st March 2024, the Loans and Borrowings Committee comprises of the following Directors:

1. Mr. Ganesh Srinivasan, Chairman
2. Mr. Suranjit Mishra, Member

The Board in its meeting held on 17th April 2024 approved reconstitution of the Loans and Borrowings Committee as under:

1. Mr. Suranjit Mishra, Chairman
2. Ms. Ritu Gupta, Member

7. EVALUATION OF BOARD PERFORMANCE

- **Every Company with a paid-up capital of ₹ 25 crore or more shall include a statement indicating the manner in which formal annual evaluation has been made by the Board of: Board as a whole, Board Committees, Chairperson, Independent Directors and other Directors:** The Company has a paid up capital of ₹ 10 crore, hence, formal evaluation of Board's performance is not applicable on the Company.
- **Criteria for evaluation of performance of Independent Directors (as indicated by NRC):** The Company does not have any Independent Director as the requirement to appoint Independent Directors is not applicable on the Company.

8. There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

9. REGULATORY & LEGAL

The Company is governed by rules and regulations framed by the Rajasthan Electricity Regulatory Commission (RERC) and Electricity Act, 2003 in supplying and distributing power in the Distribution Franchisee Area. The Company is not required to apply to RERC for tariff petition and revision of tariff. Currently, there is no legal case pending against the Company. However, the Company has filed a petition with Commercial Court, Ajmer and challenged the award passed by the Arbitration Tribunal for some disputes with AVVNL.

10. RISK MANAGEMENT FRAMEWORK

Risk Management Committee/Framework/Policy/Review Mechanism

Enterprise Risk Management at TPADL is reviewed by Board. Based on the suggestions of the Board, a comprehensive model covering the qualitative/quantitative impact of risks has been adopted. The Board reviews the actions taken by the Company to value and mitigate these risks.

Top risks of the Company are:

- Risk of not meeting committed AT&C losses reduction.
- Lower Energy demand.
- Risk of fire and explosion.
- Risk of exceeding capital expenditure against what was committed in DF Agreement.
- No increment in tariff.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Under the supervision of the Company's Chief Executive Officer and Chief Financial Officer and effected by the Company's Board of Directors, Management and other personnel, the Company has a robust system of internal control over financial reporting 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.

Some significant features of the internal controls over financial reporting are:

- The Board of Directors regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with accounting standards as well as reasons for changes in accounting policies and practices, if any.
- Reinforcement of Tata Code of Conduct is prevalent across the organization. The Code covers integrity of financial reporting, ethical conduct, regulatory compliance, conflict of interests review and reporting of concerns etc.
- Anti-Fraud programs such as proactive vigilance, vigil mechanism are operative across the organization.
- A comprehensive delegation of power exists for smooth decision making which is being reviewed periodically to align it with changing business environment.

11. SUSTAINABILITY

11.1 SAFETY – CARE FOR OUR PEOPLE

S. No.	Safety Parameters (Employees and contractors)	FY 2022-23	FY 2023-24
1	Fatality (Number)	0	0
2	LTIFR (Lost Time Injuries Frequency Rate per million man hours)	0.60	0
3	First Aid Cases (Number)	6	3

For developing culture of safety in the organization, the Company has undertaken the following initiatives:

Road Safety

- 45 reflective stickers on 2 wheelers helmets
- Road Safety Month Advisory
- Road Safety Awareness Session in coordination with Traffic department, Ajmer covering (50+ Employee)
- Road Safety Month Advisory

Environment

- Pollution Control Check-49 vehicles
- Plantation Drive – 50 saplings
- Saplings distribution- 700 nos.

Training

- Competency Assessment of 120 BA employees
- Behavior based safety training (455 employees)
- Classroom sessions 28 nos. (500 employees) field and hands on training 62 nos. (1228 no)
- 20 Installation Safety Sessions through EI office
- 20 Electrical Installation Safety Sessions through EI office
- 142 Senior Leadership Site Visits
- Head Safety (T&D) visit to TPADL and interaction with TPADL Management as well as 26 BA employees
- Chief Operation TPC-D visited TPADL for HVST. 6 out of 6 action points were completed
- Chief BD (Pumps, DGMS & Micro Grid) visited TPADL for HVST in February 2024
- Line Man Diwas was celebrated from 4th March 2024 to 11th March 2024 at various locations of TPADL

Audit and Inspection

- ELCB checking in all offices (28 nos.)
- Cleaning of water logging points (all 7 Zones/offices)
- Thermo-scanning done on Electrical Equipments (14,951 nos.) - 821 Hotspots detected and rectified
- Leakage current checking drive, total 20,000+ points checked

Design Change

- Helmet Mounted Induction Sensor – 48 nos.
- Honey-Bee Protection Cap provided to all HTM staff - 7 nos.
- DTs HT bushing – 50 nos.

11.2 AFFIRMATIVE ACTION

Presently, 11% management cadre employees are from scheduled caste. The Company has taken specific initiative under Affirmative Action during selection of employees wherein eligibility criteria was relaxed by 5% for prospective candidates from SC/ST community.

11.3 CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135(1) of the Act and Rule 3(2) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 [“CSR Rules”], the Company is required to constitute a CSR Committee and comply with the provisions contained in Section 135 (2) to (6) of the Act.

The Board in its meeting held on 17th April 2024 approved the constitution of the CSR Committee as under:

1. Mr. Dwijadas Basak
2. Mr. Nilesh Narayan Kane
3. Ms. Ritu Gupta

12. HUMAN RESOURCES

- **Organizational Workforce**

- The Company has sourced and inducted 119 management cadre employees out of which 13 employees are from AVVNL, 16 from Fixed Duration Associate cadres and 13 Operation and Maintenance Supervisory Trainee.
- The Company has engaged more than 559 contract workforces through various agencies in areas of operation, maintenance, metering, billing, security and facility services etc.
- Despite various challenges and location constraint, the Company has been able to restrict employee attrition at 13.44% during FY 2023-24.

- **Gender Diversity & Delight**

In line with Tata Group's vision to increase gender diversity, the Company has also started engaging women employees in different departments and is in the process of developing women for leadership position. Presently, gender diversity is 17.64% of the regular workforce and 6.6% in Outsource. During FY 2023-24, number of initiatives were driven and participation was recognized by the management of the Company i.e. volunteering, organizing cultural events, sports etc. To make feel women more special 'International Women Day' was celebrated, wherein 100% of women employees witness their presence and participation. Mentoring program and career plan have been implemented for women employees to promote equality and provide career development opportunities.

- **Employee Connect & Engagement**

The Company is a seven-year-old organization. During this short span, it has adopted a holistic approach to engage its employees towards creating a performance driven and consumer centric organization. Several leadership communication platforms and social engagement initiatives have been undertaken in this direction, which are as under:

- Town Hall Session: 1 CEO Town Hall Session was conducted during FY 2023-24 wherein employees came forward and raised 26 nos. of issues/suggestions. The Company is happy to share that 56% of the issues had since been resolved, which reflects commitment of the management and trust towards its employees.
- Employee Engagement - Various employee engagement initiatives were organized which include the following:
 - Founder's Day Celebration at Corporate Office and sweets were distributed at all locations of the Company.
 - National Festival - Republic Day and Independence Day were celebrated at Corporate Office, Vaishali.
 - Festival Celebration - Festivals viz. Holi, Diwali, etc. were celebrated at different occasions., Ethnic Dress and Best Zone decoration competition had been organized on the eve of Diwali wherein all employees including associates, actively participated. Reward trophies were also given to the winners and runners.
 - Birthday Celebrations - Birthday of every employee is being celebrated every month at his respective location in the presence of Manager, followed by Birthday card and Cadbury Celebration Pack.
 - Women's Day Celebration - Women's Day was celebrated for all its female permanent roll women and associates wherein 100% of women ensured their presence. The session was Chaired by CEO, TPADL.

- **Integrated Management System**

The Company has been continuously demonstrating and reflecting its significant improvements since its inception. One of the main reasons for the Company's success is Committed and Multitasking Workforce. It has secured position under Integrated Management System – IMS (ISO 9001:2015, ISO 14001:2015, ISO 45001:2018) on 24th February 2023. On 22nd February 2023, the Company undergone IMS Certificate Renewal audit from 11th April 2024 to 13th April 2024 and successfully cleared the audit with no non-conformities and Opportunity for Improvements.

- **Reward & Recognition**

To recognize exceptional achievements, reinforce and institutionalized Culture of Meritocracy, the Management team of the Company has recognized its employees by nominating their names for different R&R as per R&R Policy. The Company had also been recognized at different forums. Below is the list of R&R given to the Company, its employees and allied workforce:

S. No	Award Category	Rewards Count
1.	Customer Service Excellence Award	3
2.	Going Beyond Award	3
3.	ILLUMINOUS Award	10
4.	Star of the month	33
5.	Safety Maestro Award	26
6.	WoW Appreciation Card	22
7.	Peer to peer Award	11
8.	WOW Award	108
9.	Well done Award	6
Total		220

The achievements of the Company in external and internal forums are as under:

- TPADL won- GOLD Award at 48th International Convention on Quality Control circles (Beijing, China).
- TPADL won Excellence Award in National Quality Circle Forum Nagpur.
- TPADL two teams won -Gold Award at Quality Circle Forum of India –Delhi chapter.
- TPADL won -Gold Award at Quality Circle Forum of India –Delhi Sub chapter Jaipur.
- Mr. Narottam Tewary, Head of Human Resources at TPADL, has earned a prestigious accolade, the "50 under 50 Award," by the Human Resource Association of India (HRAI).
- TPADL was honoured with the Resonance Award in Environment Meet 2023 at Trombay, Mumbai for our outstanding commitment to environmental protection.
- Ms. Pooja Karwani, Lead Associate – Finance, TPADL won Power trainee award in Bronze Category.

- **Capability Development**

The Company has complied Tata Power's L&D Policy for its employees and various training needs viz. technical training needs, behavioral training needs, safety training needs, organizational training needs and Focus Group Training (FGT) which have been identified by individual appraiser during KRA finalization and senior management team. Based on

training needs, various trainings have been designed throughout the year. TPADL follows July 2023 to June 2024 annual training calendars in line with Tata Power. All behavioral Training Need Identification are assigned to employees in GYANKOSH. 100% employees have completed their assigned courses. 100% employees have logged in GYANKOSH and are also doing different courses in GYANKOSH as per their needs and interests. Forty-five FGTs were also identified and organized. Training Mandays was 4.36 against target of 4 Mandays. All training records has been captured in SAP.

- **Performance Management System (PMS)**

The Company ensures PMS for all its management cadre employees during FY 2023-24. Annual PMS started through Goal Setting for all employees as per the Company's KPI followed by KRA audit by HR team. Midyear review carried out by each employee was performed and each employee was given performance feedback by respective managers. This was followed by Annual Performance Assessment for annual increment and consideration for career progression.

- **Succession Planning at TPADL**

The Company has identified successors for 18 critical positions. Individual Development Plan for all successors have been prepared and executed for their short and long-term development. As per succession planning, few employees were uplifted and given higher responsibilities.

- **Industrial Relations**

Industrial Relations situation in the Company was peaceful during the year under review. The Company has engaged 119 management cadre employees and 559 outsourced employees from different backgrounds, MMG, MRBD, AMC etc. and is driven by different people policies. Hence, maintaining healthy industrial relation is of prime importance. The Company has customized an IR strategy which includes strong communication and feedback mechanism. Issues raised at various communication platform(s) have been addressed. Different engagement initiatives were also conducted for allied workforce viz. sports event, trekking, festival celebration, regular interaction with BA employees etc. For the capability development for these employees, competency was conducted.

- **Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"), notified in December, 2013 requires an organization employing 10 or more persons to constitute an Internal Complaints Committee ("ICC") for hearing complaints of sexual harassment and to include in its annual report the number of cases filed with the ICC and disposed of under the POSH Act in the previous financial year.

In line with the POSH Act, an Internal Committee has also been constituted to investigate/redress grievances relating to sexual harassment.

Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder, for prevention and redressal of complaints of sexual harassment at workplace.

The following is a summary of sexual harassment issues raised, attended and dispensed during FY 2023-24:

S. No.	Particulars	Nos.
1.	Complaints received	1
2.	Complaints disposed of	0
3.	Cases pending	1((case pending in Posh committed)
4.	Cases pending for more than 90 days	0
5.	Established cases of Sexual Harassment	0
6.	Nature of action taken by the employer or District Officer	N.A.

Creating Awareness

Sessions are conducted and posters are displayed at all locations for creating awareness amongst the employees of the Company.

Pursuant to the provisions of Rule (8)(5)(x) of the Companies (Accounts) Rules, 2014, the Company has complied with provisions relating to the constitution of Internal Complaints Committee under the POSH Act.

- **Ethics Management**

Ethics Management has been institutionalized through Tata Code of Conduct. To create and sustain an ethical culture, govern and implement ethics management across the organization, the Company has appointed Local Ethics Counsellor (LEC) in line with the Tata Power practices. The LEC assists in addressing issues at local level and also spreads awareness among employees and BA employees. Moreover, Ethics is practiced and discussed in most of the forums and meetings. Ethics week was celebrated in the Company which was followed by Nukkad Natak, Quiz, Poster making, Poem writing, Slogan and drawing competition for children.

- **Vigil Mechanism**

As per the requirements of the Act and the rules made thereunder, the Company has also formulated Vigil Mechanism with a view to provide a mechanism for the Directors, employees and stakeholders of the Company to approach the Chief Ethics Counselor of the Company to report concerns of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. This mechanism shall provide adequate safeguards against victimization of persons who use such mechanism and shall also ensure direct access to the Chief Ethics Counselor in appropriate or exceptional cases.

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. In line with the Tata Code of Conduct (TCOC), any actual or potential violation, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the TCOC cannot be undermined.

13. CREDIT RATING

The Company's borrowing facilities (both fund and non-fund based) are rated by Care Ratings, the credit rating agency. As on 31st March 2024, the Company had long term credit rating as **AA** Stable with stable outlook.

14. LOANS, GUARANTEES, SECURITIES AND INVESTMENTS

The Company, being an infrastructure Company, is exempt from the provisions as applicable to loans, guarantees and securities under Section 186 of the Act. The details of investments are provided in the notes forming part of the financial statements.

15. FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no foreign exchange transaction during FY 2023-24 (Previous Year-Nil).

16. DISCLOSURE OF PARTICULARS

Particulars of employees who are employed throughout the financial year or part of financial year and were in receipt of remuneration not less than Rupees One Crore and Two Lakh per annum or Rupees Eight Lakh and Fifty Thousand per month, respectively - This is not applicable as Section 197(12) of the Act read with rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is applicable only to listed companies.

17. AUDITORS

Statutory Audit: The shareholders in their 6th Annual General Meeting held on 7th July 2023 had approved re-appointment of M/s V. Sankar Aiyar & Co., Chartered Accountants (ICAI Firm Registration No. 109208W), as Statutory Auditors, to examine and audit the accounts of the Company, for a second term of five years to hold office from the conclusion of 6th AGM till the conclusion of 11th AGM of the Company (i.e. from FY 2023-24 to FY 2027-28).

Internal Audit: The Tata Power Company Limited was re-appointed as Internal Auditor of the Company for FY 2023-24 at the Board Meeting held on 13th April 2023.

At its meeting held on 17th April 2024, the Board had approved re-appointment of The Tata Power Company Limited as Internal Auditor of the Company for the financial year 2024-25.

Secretarial Audit: M/s Siddiqui & Associates, Company Secretaries were re-appointed as Secretarial Auditors of the Company for FY 2023-24 at the Board Meeting held on 13th April 2023 to conduct the secretarial audit for the year under review.

At its meeting held on 17th April 2024, the Board had approved re-appointment of M/s Siddiqui & Associates, Company Secretaries, as the Secretarial Auditors of the Company for FY 2024-25. They have, pursuant to provisions of the Act and the rules made thereunder, furnished a certificate regarding their eligibility for appointment as the Secretarial Auditors of the Company.

18. AUDITORS' REPORT

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IndAS) notified under Section 133 of the Act.

We are pleased to append herewith the auditors' report comments of the auditors in their report and the notes forming part of the accounts are self-explanatory. There are no qualifications, reservations, remarks or disclaimers made by the auditors in their auditors' report.

19. COST ACCOUNTS, COST AUDITOR AND COST AUDIT REPORT

Pursuant to provisions of Rule 8(5)(ix) of the Companies (Accounts) Rules, 2014, the Company is required to maintain cost records as specified by the Central Government under Section 148(1) of the Act. Further, in accordance with the requirements of the Central Government and pursuant to Section 148 of the Act and the rules made thereunder, the Company carries out an audit of the cost accounts relating to electricity every year.

M/s Sanjay Gupta & Associates, Cost Accountants (Firm Registration No. 000212) were re-appointed as Cost Auditors of the Company for FY 2022-23 at the Board Meeting held on 13th April 2023 to conduct the cost audit for the year under review.

The Cost Audit Report of the Company for the financial year ended 31st March 2023 was filed with the Central Government, Ministry of Corporate Affairs on 26th July 2023 through Extensive Business Reporting Language (XBRL), before the due date of 30th September 2023.

The Board at its meeting held on 17th April 2024 has approved the re-appointment of M/s Sanjay Gupta & Associates, Cost Accountants (Firm Registration No. 000212) as the Cost Auditors of the Company for the financial year 2024-25, to audit the cost accounts relating to electricity, subject to the ratification of remuneration by the members in the ensuing Annual General Meeting of the Company. They have, pursuant to Section 148 of the Act, furnished a certificate regarding their eligibility for appointment as the Cost Auditors of the Company. They have also certified their independence and arm's length relationship with the Company.

20. SECRETARIAL AUDIT REPORT

M/s Siddiqui & Associates, Company secretaries, were re-appointed as Secretarial Auditor to conduct Secretarial Audit of records and documents of the Company for FY 2023-24 at the Board Meeting held on 13th April 2023 and Secretarial Audit was conducted by them. The Secretarial Audit report confirms that the Company has generally complied with the provisions of the Act, rules, regulations and guidelines.

The Secretarial Audit Report is provided in Annexure-I.

21. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The information on conservation of energy and technology absorption stipulated under Section 134 (3) (m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is attached as Annexure II.

22. RELATED PARTY TRANSACTIONS

Details of related party transactions as per AOC-2 are provided in Annexure III.

23. ANNUAL RETURN

Pursuant to the provisions of Sections 92(3) and 134(3)(a) of the Act and the rules made thereunder, as amended from time to time, Annual Return as on 31st March 2024 in the Form MGT-7 is available on the Company's website at the following link:

https://www.tpadl.com/Editor_UploadedDocuments/Content/Form_MGT7TPADL2023_24.pdf

24. DEPOSITS

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

25. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE

- (I) By the Auditor in his report: There are no qualifications, reservations or adverse remarks or disclaimers.
- (II) By the Company Secretary in Practice in his Secretarial Audit Report: There are no qualifications, reservations or adverse remarks or disclaimers.

26. There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and date of the Board Report.

27. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company complies with all applicable secretarial standards issued by the Institute of Company Secretaries of India.

28. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures therefrom;
- b) They had, in the selection of the accounting policies, consulted the statutory auditors and had applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs

of the Company at the end of the financial year and of the profit of the Company for that period;

- c) They had taken proper and sufficient care for the 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 fraud and other irregularities;
- d) They had prepared the annual accounts on a going concern basis;
- e) They had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. INSOLVENCY AND BANKRUPTCY CODE, 2016

No application under Insolvency and Bankruptcy Code, 2016 has been made by the Company for initiating its corporate insolvency resolution process nor any such proceedings are pending against the Company as per Company's records.

30. VALUATION

The details of difference between the amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof: Nil

31. FRAUD REPORTING

No frauds have been reported to the Board during FY 2023-24, therefore, section 134(3)(ca) of the Act pertaining to details of frauds reported by auditors under sub-section (12) of Section 143 other than those which are reportable to the Central Government is not applicable to the Company.

32. APPRECIATION

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functions and areas as well as the efficient utilization of the Company's resources for sustainable and profitable growth.

The Directors hereby wish to place on record their appreciation of the efficient and loyal services rendered by each and every employee, without whose whole-hearted efforts, the overall satisfactory performance would not have been possible. Your Directors look forward to the long-term future with confidence.

33. ACKNOWLEDGEMENTS

The Board of Directors wish to thank the Government of India (including Ministry of Power), Rajasthan Electricity Regulatory Commission (RERC), The Tata Power Company Limited (Tata Power), Ajmer Vidyut Vitran Nigam Limited (AVVNL), suppliers, their associates, financial institutions, bankers, customers, shareholders, employees of the Company and all individuals and agencies that have contributed in one or the other way, for their co-operation and support extended to the Company.

On behalf of the Board of Directors
For **TP Ajmer Distribution Limited**

Sd/-
Dwijadas Basak
Director
(DIN: 08785527)

Sd/-
Suranjit Mishra
Director
(DIN: 08176957)

Delhi, 17th April 2024

Annexures to Board's Report

ANNEXURE I – SECRETARIAL AUDIT REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
TP Ajmer Distribution Limited
C/o The Tata Power Company Limited,
34, Sant Tukaram Road, Carnac Bunder,
Mumbai, Maharashtra-400009

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TP Ajmer Distribution Limited** having **CIN U40100MH2017PLC293914** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of **TP Ajmer Distribution Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **TP Ajmer Distribution Limited** ("the Company") for the financial year ended on **31st March 2024** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **Not Applicable**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **Not Applicable**
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not Applicable**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') including any statutory modification or re-enactment thereof:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable**
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **Not Applicable**
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable**

- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable**
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable** and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**

We further report that, having regard to the compliance system prevailing in the Company and on the examination of relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following laws applicable specifically to the Company

- The Electricity Act, 2003
- The Electricity (Supply) Act 1948
- The Indian Electricity Rules, 1956
- The Rules, regulations and applicable order(s) under Central and State Electricity Regulatory Commission/Authority
- The Energy Conservation Act, 2001

The Company has also complied with various provisions of Labour Laws and Environment Laws to the extent applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India: Secretarial Standard-1 on the Meetings of the Board of Directors and Secretarial Standard-2 on General Meetings.
- ii. The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable; **Not Applicable**

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as aforesaid.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Woman Director. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company had no specific events or actions which are having a major bearing on the Company's Affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**For Siddiqui & Associates
Company Secretaries**

**Place: New Delhi
Date: 10th April 2024**

**K.O.SIDDIQUI
FCS 2229; CP 1284
UDIN: F002229F000079757
Peer Review Certificate No. 2149/2022
Firm Registration No. S1988DE004300**

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To,
**The Members,
TP Ajmer Distribution Limited
C/o The Tata Power Company Limited,
34, Sant Tukaram Road, Carnac Bunder,
Mumbai, Maharashtra-400009**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Siddiqui & Associates
Company Secretaries**

**Place: New Delhi
Date: 10th April 2024**

**K.O.SIDDIQUI
FCS 2229; CP 1284
UDIN: F002229F000079757
Peer Review Certificate No. 2149/2022
Firm Registration No. S1988DE004300**

ANNEXURE- II: CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

A. Conservation of Energy

- i) The steps taken or impact on conservation of energy: NA
- ii) The steps taken by the Company for utilizing alternate sources of energy: 10 KWp rooftop solar plant in FY 2021-22.
- iii) The capital investment on energy conservation equipment: Nil

B. Technology Absorption

i)	The efforts, made towards technology absorption	NA		
ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	NA		
iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): a) the details of technology imported b) the year of import c) whether the technology been fully absorbed d) if not fully absorbed, areas where absorption has not taken place and reasons thereof	(a) Technology imported	(b) Year of Import	(c) Has technology been fully absorbed
		Enforcement & Energy Audit in SAP	2021	Fully absorbed
iv)	Expenditure incurred on Research and Development	Nil		

TECHNOLOGIES BEING REVIEWED/ADOPTED

- Pilot Project on Optical Character Recognition (OCR) technology completed for error free meter reading.
- IVR facility provided in call center on toll free number.

On behalf of the Board of Directors
For **TP Ajmer Distribution Limited**

Sd/-
Dwijadas Basak
Director
(DIN: 08785527)

Sd/-
Suranjit Mishra
Director
(DIN: 08176957)

Delhi, 17th April 2024

Annexure III – Related Party Transactions

FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient terms of the contracts/ arrangements/ transactions including the value, if any	Justification for entering into such contracts/ arrangements/ transactions	Date (s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

2. Details of material contracts or arrangements or transactions at arm's length basis: NA

(a)	(b)	(c)	(d)	(e)	(f)
Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts/ arrangements/ transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
NA	NA	NA	NA	NA	NA

On behalf of the Board of Directors
For **TP Ajmer Distribution Limited**

Sd/-
Dwijadas Basak
Director
(DIN: 08785527)

Sd/-
Suranjit Mishra
Director
(DIN: 08176957)

Delhi, 17th April 2024



INDEPENDENT AUDITOR'S REPORT

To the Members of TP Ajmer Distribution Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **TP Ajmer Distribution Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year on that date and notes to the Financial Statements, including a summary of the material accounting policies and other explanatory information.

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

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information; we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.



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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report that:

- i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- ii. 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.
- iii. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this report are in agreement with the books of account.
- iv. In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- v. On the basis of written representations received from the directors as on 31st March, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- vi. With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid or provided any managerial remuneration within the meaning of section 197 of the Act, therefore, the provisions of section 197(16) of the Act are not applicable.
- viii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 25 to the Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March 2024.
 - iii. There were no amounts, which were required to be transferred during the year to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



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

(c) Based on audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditors) Rules 2014, as provided under (a) and (b) above, contain any material misstatement.

- v. The interim dividend declared and paid by the Company during the year is in compliance with Section 123 of the Act.
- vi. Based on our examination, which included test checks, the company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

**For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn No. 109208W**

Ajay Gupta

**(Ajay Gupta)
Partner**

**Membership No. 090104
ICAI UDIN :24090104BKFOMN1059**

**Place: New Delhi
Date : 17th April 2024**



“Annexure A” referred to in the Independent Auditors’ Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of TP Ajmer Distribution Limited of even date)

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of sub section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls with reference to Financial Statements of the Company as of March 31, 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls with reference to Financial Statements 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 with reference to Financial Statements (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

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

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

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



Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn No. 109208W**



**(Ajay Gupta)
Partner**

**Membership No. 090104
ICAI UDIN : 24090104BKFOMN1059**

**Place: New Delhi
Date : 17th April 2024**



“Annexure B” referred to in the Independent Auditors’ Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the shareholders of TP Ajmer Distribution Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit and the representation obtained from the management,

- i a) (A) The Company does not have property, plant and equipment. Hence reporting under clause 3(i)(a)(A) of the Order is not applicable.

 (B) The Company is maintaining proper records showing full particulars of intangible assets (service concession arrangements – Refer Note 32)

b) The Company does not have Property, Plant and Equipment. Hence reporting under clause 3(i)(b) of the Order is not applicable.

c) The Company does not have any immovable properties. Hence reporting under clause 3(i)(c) of the Order is not applicable.

d) The Company has not revalued its property, plant and equipment (including right of use assets) and intangible assets during the year.

e) No proceedings have been initiated during the year or are pending against the company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules thereunder.
- ii a) The inventories consisting of stores and spares have been physically verified by the management at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification is appropriate. According to the information and explanations given to us, no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification by the management.

b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the year. The quarterly return or statement filed with them are in agreement with the books of accounts of the Company. (Refer Note 30(ix) the Financial Statements)
- iii The Company, during the year, has not made investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Hence the provisions of clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.
- iv (i) The Company has not granted any loans to any of its directors or any other person in whom director is interested or given guarantee or provided any security in connection with any loan taken by him or such other person within the meaning of section 185 of the Act and

(ii) the Company has not given any loan, given any guarantee or provided any security and acquired securities within the meaning of section 186 of the Act.
- v The Company has not accepted any deposits or amounts which are deemed to be deposit within the provisions of sections 73 to 76 of the Act and the Rules framed there under. Hence reporting under clause 3(v) of the Order is not applicable.
- vi We have broadly reviewed the books of accounts maintained by the Company, pursuant to rules made by the Central Government for the maintenance of cost records under clause (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.



vii In respect of statutory dues

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues including goods and services tax (GST) provident fund, employees' state insurance, income tax, and other material statutory dues with the appropriate authorities. We are informed that there is no liability on the Company on account of sales tax, service tax, duty of customs, excise duty and value added tax. There were no arrears of undisputed statutory dues as at 31st March, 2024, which were outstanding for a period of more than six months from the date they became payable.

b) There are no disputed dues as referred to in sub-clause (a) which have remained unpaid as on 31st March, 2024 except GST on ancillary services relating to electricity distribution business. The Company has discontinued charging and collecting GST on such services from its customer's w.e.f. 19.07.2019 and it is not paying GST on such services to Government. (Refer Note 25 of Financial Statements)

viii The Company, during the year, has not surrendered or disclosed as income any transaction not recorded in the books of accounts in the tax assessments under the Income Tax Act, 1961.

ix a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) The Company is not declared wilful defaulter by any bank or financial institution or other lender;

c) The Company has not taken any term loans during the year. Hence reporting under clause 3(ix)(c) of the Order is not applicable.

d) On the overall examination of the balance sheet of the Company, funds raised on short term basis have not been used for long term purposes.

The Company does not have any subsidiaries, associates or joint ventures company. Hence the provision of clause 3(ix)(e) and (f) of the Order are not applicable.

x a) The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) during the year. Hence reporting under clause 3(x)(a) of the Order is not applicable.

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

xi a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the audit.

b) No report under section 143(12) of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report

c) The Company has not received any whistle blower complaints during the year.

xii The Company is not a Nidhi Company. Hence reporting under of clause 3(xii)(a) to (c) of the Order is not applicable.

xiii In our opinion, the Company is in compliance with section 188 of the Act with respect to applicable transactions with related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards. The Company is not required to form Audit Committee under section 177 of the Act. Therefore, the provisions of clause 3(xiii) with respect to section 177 of the Order are not applicable.



- xiv a) The Company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered, the internal audit report for the period under audit, issued to the Company during the year and till date.
- xv In our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with him. Hence reporting under clause 3(xv) of the Order are not applicable.
- xvi (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (d) The Group has five CICs which are registered with the Reserve Bank of India and two CICs which are not required to be registered with the Reserve Bank of India. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year .
- xviii) There has been no resignation of the statutory auditors during the year. Hence reporting under clause 3(xviii) of the Order is not applicable.
- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) The Company is not required to spend any amount on corporate social responsibility under section 135 of the Companies Act. Hence reporting under clause 3(xx)(a) and (b) of the Order is not applicable.
- xxi) The Company is not required to prepare consolidated Financial Statements. Hence reporting under clause 3(xxi) of the Order is not applicable.

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn No. 109208W

Ajay Gupta

(Ajay Gupta)
Partner

Membership No. 090104
ICAI UDIN : 24090104BKFOMN1059

Place: New Delhi
Date :17th April 2024



TP AJMER DISTRIBUTION LIMITED
BALANCE SHEET AS AT 31ST MARCH 2024

		Rs./Lacs 31-Mar-24	Rs./Lacs 31-Mar-23
ASSETS			
	Note No.		
Non-Current Assets			
Intangible assets	3	11,801.33	10,688.85
Financial assets			
Service Concession Arrangement		583.69	387.14
Other non-current assets	5	60.29	44.46
Total non-current assets		12,445.31	11,120.45
Current assets			
Inventories	6	536.93	508.71
Financial assets			
Investments	7	3,665.55	-
Trade receivables	8	1,598.09	1,347.25
Cash and bank balances			
Cash and cash equivalents	9.1	83.20	26.29
Bank balance other than above	9.2	8,205.00	8,207.00
Other financial assets	10	2,835.10	2,604.46
Other Current assets	10.1	-	2.46
Total current assets		16,923.87	12,696.17
Total Assets		29,369.18	23,816.62
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	11	1,000.00	1,000.00
Unsecured Perpetual Securities	12	9,500.00	9,500.00
Other equity		435.92	35.71
Total Equity		10,935.92	10,535.71
LIABILITIES			
Non-current liabilities			
Deferred Tax Liabilities (Net)	4	244.06	-
Provisions	13	427.22	358.49
Other non-current liabilities	14	4,497.39	4,254.66
Total non-current liabilities		5,168.67	4,613.15
Current liabilities			
Financial liabilities			
Short-term borrowings	15	376.15	697.99
Trade payables	16		
Total outstanding dues of micro enterprises and small enterprises		559.12	217.71
Total outstanding dues of trade payables other than micro enterprises and small enterprises		9,948.92	5,433.88
Other financial liabilities	17	2,016.79	2,098.69
Provisions	13	28.29	14.00
Other current liabilities	14	335.32	205.49
Total current liabilities		13,264.59	8,667.76
Total Equity and Liabilities		29,369.18	23,816.62

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208W

Ajay Gupta
Ajay Gupta
Partner
Membership No. 090104

For and on behalf of the Board of Directors

Suranjit Mishra
Suranjit Mishra
Director
DIN - 08176957

Ritu Gupta
Ritu Gupta
Director
DIN - 09027178

Manoj Digambar Salvi
Manoj Digambar Salvi
Chief Executive Officer

Bhupendra Sharma
Bhupendra Sharma
Chief Financial Officer

Ms. Bhupinderjeet Kaur
Ms. Bhupinderjeet Kaur
Company Secretary

Place : Ajmer *NEW DELHI*
Date : 17.04.2024

Place : Ajmer
Date : 17.04.2024



TP AJMER DISTRIBUTION LIMITED

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

	Note No.	Rs./Lacs 31-Mar-24	Rs./Lacs 31-Mar-23
INCOME			
Revenue from Operations	18	44,244.53	41,754.62
Other income	19	1,002.46	719.94
Total income		45,246.99	42,474.56
EXPENSES			
Cost of power purchased		39,970.20	38,138.28
Less : Rebate on early payment		(53.61)	(54.26)
Cost of power purchased (net)		39,916.59	38,084.02
Employee benefits expense	20	1,077.84	918.55
Finance costs	21	78.94	389.86
Amortisation expense	22	821.41	697.72
Other Expenses	23	2,327.72	2,122.86
Total expenses		44,222.50	42,213.01
Profit for the year before tax		1,024.49	261.55
Tax expense			
Current tax		-	-
Deferred tax	4	244.06	-
Profit for the year after tax		780.43	261.55
Other comprehensive income			
Remeasurement of Defined Benefit Plans gain / (loss)		(65.22)	11.54
Income tax effect on above (Refer Note 5)		(65.22)	11.54
Total comprehensive Income for the year		715.21	273.09
Earnings per equity share:			
(Face value Rs. 10 per share)	24	7.80	2.62

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208W

Ajay Gupta
Ajay Gupta
Partner
Membership No. 090104

For and on behalf of the Board of Directors

Surajit Mishra
Surajit Mishra
Director
DIN - 08176957

Ritu Gupta
Ritu Gupta
Director
DIN - 09027178

Manoj Digambar Salvi
Manoj Digambar Salvi
Chief Executive Officer

Bhupendra Sharma
Bhupendra Sharma
Chief Financial Officer

Ms. Bhupinderjeet Kaur
Ms. Bhupinderjeet Kaur
Company Secretary

Place : Ajmer *NEW DELHI*
Date : 17.04.2024

Place : Ajmer
Date : 17.04.2024



TP AJMER DISTRIBUTION LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

Rs./Lacs
31-Mar-24

Rs./Lacs
31-Mar-23

A. Cash flow from operating activities

Net Profit / (Loss) before tax for the year	1,024.49	261.55
<u>Adjustments for:</u>		
Amortisation expense	821.41	697.72
Finance cost	78.94	389.86
Gain on sale of Current Investment	(62.45)	-
Unrealised Gain on Current Investment measured at FVTPL	(25.55)	-
Interest on financial assets	(40.32)	(33.49)
Interest on fixed deposits	(582.26)	(424.07)
Inventory loss by fire	-	(10.63)
Loss on disposal of assets including write offs	39.74	1.65
Provision for Doubtful Debts	(9.97)	3.97
Interest on Overdue Trade Receivable (including Delayed Payment Charges)	(212.24)	(202.42)
Operating profit before working capital changes	1,031.79	684.14

Changes in working capital:

Adjustments for (increase) / decrease in operating assets:

Trade receivables	(240.87)	326.47
Inventories	(28.22)	(88.72)
Other current financial assets	(159.61)	139.06
Prepaid Expenses	2.46	3.53

Adjustments for increase / (decrease) in operating liabilities:

Trade payables	4,856.45	(128.35)
Provision	17.80	(45.92)
Other current liabilities	129.83	(37.37)
Other current financial liabilities	(81.90)	605.95

Cash generated from operations

Income tax (paid) / refund - Net	5,527.73	1,458.79
	(15.83)	60.61
NET CASH FROM OPERATING ACTIVITIES	5,511.90	1,519.40

B. Cash flow from Investing Activities

Payments for assets acquired under SCA	(2,141.73)	(1,626.66)
Sale Proceeds from assets of SCA	11.87	(1.12)
Interest received on Fixed Deposits	511.23	405.03
Investment in short term bank deposits (Net)	2.00	(191.59)
(Purchase)/ proceeds from sale of Current Investments (Net)	(3,577.55)	-
Interest on Overdue Trade Receivable (including Delayed Payment Charges)	212.24	202.42
NET CASH (USED) / FROM INVESTING ACTIVITIES	(4,981.94)	(1,211.92)

C. Cash flow from Finance Activities

Loan from Bank (Net of Repayment)	(321.84)	(186.18)
Proceeds from contribution for capital works & service line charges	242.73	365.69
Interest on Unsecured perpetual Securities (Refer Note 12)	(285.00)	-
Payment of Dividend	(30.00)	-
Payment of Finance costs	(78.94)	(505.60)
NET CASH USED IN/(FROM) FINANCING ACTIVITIES	(473.05)	(326.09)

Net Increase/ (Decrease) in Cash and cash equivalents	56.91	(18.61)
Cash and cash equivalents at the beginning of the year	26.29	44.90
Cash and cash equivalents at the end of the year	83.20	26.29

Notes:

I) The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 - 'Statement of Cash Flows'.

II) Break up of Closing Cash & Cash Equivalent

Current Account	0.19	0.25
Escrow Account	83.01	26.04
	83.20	26.29

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208W

Ajay Gupta
Ajay Gupta
Partner
Membership No. 090104

For and on behalf of the Board of Directors

Suranjit Mishra
Suranjit Mishra
Director
DIN - 08176957

Ritu Gupta
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Manoj Digambar Salvi
Manoj Digambar Salvi
Chief Executive Officer

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Bhupinderjeet Kaur
Chief Financial Officer

Ms. Bhupinderjeet Kaur
Ms. Bhupinderjeet Kaur
Company Secretary

Place : ~~Ajmer~~ **NEW DELHI**
Date : 17.04.2024

Place : Ajmer
Date : 17.04.2024



TP AJMER DISTRIBUTION LIMITED
Statement of Changes in Equity

(a) Equity Share Capital

Rs./Lacs

Particulars	Amount
As at 01st April 2022	1,000.00
Changes during the year	-
As at 31st March 2023	1,000.00
Changes during the year	-
Balance as at 31st March 2024	1,000.00

(b) Unsecured Perpetual Securities

Particulars	Amount
As at 01st April 2022	-
Changes during the year	9,500.00
As at 31st March 2023	9,500.00
Changes during the year	-
Balance as at 31st March 2024	9,500.00

(c) Other Equity

Particulars	Retained Earnings
As at 01st April 2022	(237.38)
Adjustments:	
Profit for the year	261.55
Other Comprehensive Income	
Re-measurement gains (losses) on defined benefit plans	11.54
Balance as at 31st March 2023	35.71
Adjustments:	
Profit for the year	780.43
Other Comprehensive Income	
Re-measurement gains / (losses) on defined benefit plans	(65.22)
Payment of Dividend	(30.00)
Interest on Unsecured perpetual Securities (Refer Note 12)	(285.00)
Balance as at 31st March 2024	435.92

The accompanying notes form an integral part of the Financial Statements
As per our report of even date attached

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208W

For and on behalf of the Board of Directors

Ajay Gupta

Ajay Gupta
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Ms. Bhupinderjeet Kaur

Ms. Bhupinderjeet Kaur
Company Secretary

Place : Ajmer *NEW DELHI*
Date : 17.04.2024

Place : Ajmer
Date : 17.04.2024



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 Background

TP Ajmer Distribution Limited (TPADL) or (the Company) is a public limited company incorporated and domiciled in India and is primarily engaged in the business of supply and distribution of electricity in Ajmer City (City Division I & II), Rajasthan. The Company was set up as an Special Purpose Vehicle (SPV) after Tata Power Company Limited won the Ajmer Vidyut Vitran Nigam Limited (AVVNL) franchisee bid for the Ajmer City, Rajasthan. The Company was incorporated on 17th April 2017.

AVVNL is a statutory body constituted in the year 1999 from the erstwhile Rajasthan State Electricity Board and has been engaged in distribution of electricity in the eastern part of the State of Rajasthan. In an endeavour to improve operational efficiency of the distribution system and provide quality services to its consumers, Ajmer Discom seeks to bring in management expertise through Public-Private Partnership in distribution of electricity through appointing Input and Investment Based Distribution Franchisee for Ajmer City Circle adhering to open and transparent competitive bidding process.

Tata Power Company Limited won the bid and formed a SPV named "TP Ajmer Distribution Limited" (TPADL) and entered into an agreement with AVVNL on 19th April 2017. AVVNL transferred all the right of the distribution assets to TPADL with effect from 1st July 2017 which also marked the commencement of commercial operations for the Company.

The address of its registered office of the company is c/o Tata Power Company Limited, 34 Sant Tukaram Road, Carnac Bunder, Mumbai, Maharashtra, India - 400009. The address of the place of business and records is Vaishali Nagar, Ajmer, Rajasthan. The Company has been granted authorisation by Rajasthan Electricity Regulatory Commission to act as "Distribution Franchisee of AVVNL". The term of the agreement and authorisation is valid for a period of twenty years.

The Company is a wholly owned subsidiary of Tata Power Company Limited (TPCL), which holds 100% equity shares and controlling stake.

2 Material Accounting Policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 (as amended from time to time).

2.2 Basis of preparation and presentation

These 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

2.3 Use of Estimates

The preparation of these 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 periods presented.

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

2.4 Revenue recognition

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

2.4.1 Sale of power

Revenue from sale of power is recognised net of estimated rebates and other similar allowances when the units of electricity is delivered. Revenue from such contracts is recognised over time for each unit of electricity delivered at the pre determined rate. As the customer simultaneously receives and consumes the benefits of the Company's performance obligation, as it best depicts the value to the customer and complete satisfaction of performance obligation.

Consumers are billed on a monthly / Bi-Monthly basis and are given average credit period of 15 to 18 days for payment. No delayed payment charges ('DPC') is charged for the initial Credit Period allowed from the date of issue of invoice to customers. Thereafter, DPC is charged at the rate prescribed by the Rajasthan State Regulatory Commission (RERC) on the outstanding balance. Revenue in respect of delayed payment charges and interest on delayed payment is recognized as and when recovered because its ultimate collection is uncertain.

There is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.



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2.4.2 Service Concession Arrangement

The Company has been set up to operate and maintain the Ajmer City I & II Distribution business on behalf of the Ajmer Vidyut Vitran Nigam Limited (AVVNL), a public company on franchisee basis. As per the Distribution Franchise Agreement (DFA), the Company will operate and maintain the infrastructure for a period of 20 years and is obligated to construct or upgrade the infrastructure used to provide electricity supply to the public.

In terms of the application of IND AS 115 Revenue from Contract with Customers, Appendix D "Service Concession Arrangement (SCA)", value of the construction services obligation as per the agreement with AVVNL has been initially recognised as Intangible Assets representing Power Distribution rights under the Service Concession Arrangement at fair value of the consideration received or receivable for the construction services delivered and subsequently as and when the Company completes the construction obligation. Construction revenue and cost shall be recorded in accordance with the IND AS 115 by reference to the stage of completion of construction. Any subsequent capital expenditure incurred shall be capitalised as an addition to intangible asset, if and only, if it is incurred to satisfy an obligation as per the agreement.

As per the terms of the Distribution Franchise Agreement (DFA) the company shall have the right to receive depreciated value of the asset at the end of its term. Accordingly the residual value of the infrastructure constructed or upgraded shall be accounted for as a financial assets initially at fair value and subsequently at amortised cost over the period of the agreement. Value of the Intangible Assets get reduced by the Financial Asset thus created.

Intangible asset created on account of such Service Concession Arrangement is amortised over the remaining life of DFA on straight line basis from the effective date of agreement i.e. 1st July 2017.

2.4.3 Rendering of services

Revenue from a contract to provide services is recognized based on:

Input method where the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of performance obligation. Revenue, including estimated fees or profits, are recorded proportionally based on measure of progress. Output method where direct measurements of value to the customer based on survey's of performance completed to date.

2.4.4 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 time basis, by reference to the principal outstanding and at the effective interest rate applicable. It 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.

2.4.5 Contribution for capital works and service line charges

Consumers' contribution towards cost of capital assets and service line charges are treated as capital receipts and they are recognised as income to the statement of profit and loss over the balance life of the DFA.

2.5 Ind AS 116 – Leases

At inception of contract, the Company assesses whether the Contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative stand alone price.

As a lessee

i) Right-of-use assets

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

The Company presents right-to-use assets that do not meet the definition of investment property in 'Property, plant and equipment'.

ii) Lease liabilities

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

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

The Company presents lease liabilities separately on face of the Balance Sheet.

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

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term. (Para 60 of Ind AS 116)



As a lessor

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

The Company has evaluated that all its existing lease agreements are either short term leases or low value leases and have availed exemptions from lease accounting in respect of such agreements as provided in the standard. Accordingly there is no impact on the financial statements of the Company due to adoption of Ind AS 116 on the date of transition i.e. 1st April 2019.

2.6 Foreign Currencies

The functional currency of the Company is Indian rupee.

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

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

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

2.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred

2.8 Employee benefits

Employee benefits include salaries and wages, provident fund, gratuity, compensated absences and other terminal benefits including employees on deputation from AVVNL. Salaries of employees directly engaged in new connection and metering related activities is treated as part of capital expenditure in terms of DFA and is capitalised.

2.8.1 Defined contribution plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions

2.8.2 Defined benefits plans

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. 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 period in which they occur.

Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

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.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.8.3 Short-term and other long-term employee benefits

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

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8.4 Deputation Employee from AVVNL

Current service cost -

Recognised as expenses on accrual basis and paid to the respective employees on deputation.

Short-term and other long-term employee benefits

.Recognised as expenses on the basis of invoices raised by Ajmer Vidyut Vitran Nigam Limited (AVVNL)



2.8.5 Share Based Payments

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

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

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

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

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

2.9 Income Tax

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

2.9.1 Current tax and Deferred Tax for the year

Income tax expense comprises of current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or 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.

2.9.2 Current Tax

The tax currently payable is based on taxable profit for the year. 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 taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

2.9.3 Deferred Tax

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

The carrying amount of deferred tax assets is reviewed at 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 period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2.10 Inventories

Inventories consisting of stores and spares are stated at the lower of cost and net realisable value. Costs of inventories are determined on weighted average basis.

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

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Unserviceable / damaged stores and spares are identified and written down based on technical evaluation.



2.11 Provision

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

The amount 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).

2.11.1 Onerous Contracts

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

2.12 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 the profit and loss.

2.13 Financial assets

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

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

2.13.1 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the 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.

2.13.2 Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the 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

On initial recognition, the Company makes 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, other than equity investment which are held for trading. 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 profit or loss on disposal of the investments.

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

Investments in equity instruments which are not held for trading are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income.

Other financial assets are measured at fair value through profit or loss unless it is measured on initial recognition at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

2.13.4 Impairment of financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises life-time expected losses for all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition



2.14 Financial liabilities and equity instruments

2.14.1 Classification as debt or equity

Debt and equity instruments issued by a 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

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments

2.14.3 Financial liability

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

2.15 Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

2.16 Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.17 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.

2.18 Critical Accounting Estimates and Judgements

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

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

The areas involving estimates are :

Estimation of current tax and deferred tax - Refer Note 4

Estimation of defined benefit obligation - Refer Note 28

Estimation of unbilled revenue- Refer Note 10

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



Bhupendra

TP AJMER DISTRIBUTION LIMITED

	Rs./Lacs 31-Mar-24	Rs./Lacs 31-Mar-23
3 Intangible Assets-		
<u>Service Concession Arrangement (Power Distribution rights)</u>		
<u>Cost</u>		
Balance as at beginning of the year	12,937.71	11,420.06
Add : Additions	2,141.73	1,626.66
Less : Transfer to financial assets	156.23	106.41
Less : Deletion of assets	74.16	2.60
Balance at end of the year	14,849.05	12,937.71
<u>Accumulated Amortisation</u>		
Balance as at beginning of the year	2,248.86	1,553.21
Add : Amortization	821.41	697.72
Less : Amortization written back on asset discarded	22.55	2.07
Balance at year end	3,047.72	2,248.86
<u>Net Carrying Amount</u>		
At the beginning of the year	10,688.85	9,866.85
At the end of the year	11,801.33	10,688.85
4 Deferred Tax Liabilities (Net)		
<u>Deferred tax assets</u>		
Provision for employee benefits	65.22	48.65
Carried forward losses	544.40	674.06
Provision for loss allowance on trade receivables	58.92	61.43
	668.54	784.14
<u>Deferred tax liabilities</u>		
Service concession arrangement / fixed assets	912.60	764.94
	912.60	764.94
Net deferred tax assets / (liabilities)	(244.06)	19.20
Charge / (Credit) for the year	263.26	47.74
Recognised in P&L	244.06	
Note - Till 31.03.2023, the Company was having net deferred tax assets mainly on account of carried forward losses, which were being recognized only to the extent of deferred tax liabilities as a matter of prudence. However, the Company has recognised deferred tax liability as at 31.03.2024 amounting to Rs.244.06 lacs in its financial statements with a corresponding deferred tax charge in the Statement of P&L for the year.		
5 Other Non-Current Assets		
Advance payment of income taxes (Including TDS / TCS)	60.29	44.46
	60.29	44.46
6 Inventories		
Stores and spare parts	536.93	508.71
	536.93	508.71



TP AJMER DISTRIBUTION LIMITED
Rs./Lacs
31-Mar-24
Rs./Lacs
31-Mar-23
7 Investments
Investments carried at fair value through profit or loss
Unquoted
Investment in Mutual Funds

 DSP Liquidity Fund - Direct Plan - Growth
 Bandhan Liquid Fund - Direct Plan - Growth
 SBI Liquid Fund - Direct - Growth

NAV
No of units

3,451.36	22,987.26	793.37
2,917.36	48,386.65	1,411.61
3,779.28	38,646.72	1,460.57
		3,665.55

Notes:

1) Aggregate Carrying Value of Unquoted Investments

3,665.55

8 Trade Receivable - Current

 Considered good - Secured
 Considered good - Unsecured
 Trade Receivables which have significant increase in credit risk

683.92	521.62
914.17	825.63
234.10	244.07
1,832.19	1,591.32
234.10	244.07
1,598.09	1,347.25

Less:- Allowance for doubtful trade receivables

* Include receivable from related parties ₹ 0.00 lakhs (31st March 2023: ₹ 0.00 Lakhs)

For ageing schedule of trade receivables - refer Note 32(xx)

Note 1:

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

Movement in the Allowance for Doubtful Trade Receivables

 Balance at the beginning of the year
 Add: Addition during the year
 Less: Provision written back during the year
 Balance at the end of the year

244.07	240.10
-	3.97
9.97	-
234.10	244.07

Note:

(i) There are no outstanding receivables due from directors or other officers of the Company.

9 Cash & Bank Balances
9.1 Cash and cash equivalents

 Balance with banks - in current accounts
 Balance with banks - in escrow account (Refer note below)

0.19	0.25
83.01	26.04
83.20	26.29

9.2 Other Balances with Bank
Current

 Balance In Deposit Account with maturity of less than 12 months
 (Refer note below)

8,205.00	8,207.00
8,205.00	8,207.00

Note -

As per the terms and conditions of Distribution Franchisee Agreement, the Company is required to maintain an amount equal to 2 months of Input Energy charges and taxes as security. Accordingly the Company has hypothecated the balance in escrow account and these bank deposits by way of first charge in favour of AVVNL.



TP AJMER DISTRIBUTION LIMITED

	Rs./Lacs 31-Mar-24	Rs./Lacs 31-Mar-23
10 Other Financial Assets - Current (Unsecured, Considered Good)		
Unbilled revenue	2,507.48	2,363.11
Security deposits for rented accommodation	7.10	5.97
Interest accrued on fixed deposits	305.83	234.80
Other recoverable from related parties	0.18	0.58
	2,835.10	2,604.46
10.1 Other Assets- Current		
Prepaid expenses	0.00	2.46
	0.00	2.46
11 Equity Share Capital		
<u>Authorised</u>		
1,00,00,000 equity shares (PY 1,00,00,000) of Rs. 10 each	1,000.00	1,000.00
	1,000.00	1,000.00
<u>Issued, Subscribed and Paid up</u>		
1,00,00,000 equity shares (PY 1,00,00,000) of Rs. 10 each, fully paid up	1,000.00	1,000.00
	1,000.00	1,000.00
Of the above:		
11.1 100,00,000 Equity shares i.e. 100% equity shares of Rs. 10 each with voting rights, are held by Tata Power Company Limited, being the holding company and promoter (including shares held by the nominee shareholders).		
11.2 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.		
11.3 <u>Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:</u>		
<u>Particulars</u>	<u>No of Shares</u>	<u>No of Shares</u>
Opening Balance	1,00,00,000	1,00,00,000
Add : Shares issued during the year	-	-
Closing Balance	1,00,00,000	1,00,00,000
11.4 The board of directors in their board meeting held on 29.03.2024 have recommended interim dividend on equity shares @ Rs.3 per equity share and the Company has paid this dividend during the year.		
12 Unsecured Perpetual Securities		
Opening Balance	9,500.00	-
Add : Amount converted from short term borrowings	-	9,500.00
Closing balance	9,500.00	9,500.00
Note : During the FY 2022-23, unsecured short term borrowings taken by the company from its holding company in earlier years aggregating to Rs.95,00.00 lakhs carrying interest rate of 5.49% pa. have been converted into unsecured perpetual debt. Such loan is repayable at the sole option and discretion of the Company or subject to any mutual agreement of the parties in writing in relation to the repayment of the loans or any part thereof. Further, this perpetual debt / loan amount can be converted into equity in the future at the option of the holding company or TPADL. The Company, on a non-cumulative basis, may pay interest on the loans in a given financial year, based on the availability of profits, if any dividend is declared by the Company to its shareholders in such financial year. The rate of interest payable, if any, shall be the rate at which dividend has been declared by the Company on equity shares for the relevant financial year. The Company has paid interest on these securities @ 3% during the year aggregating to Rs.285.00 lacs. Such interest expenses has been adjusted directly from retained earnings in the statement of changes in equity.		
13 Provision		
Non-Current		
Provision for employee benefits (Refer note 28)	427.22	358.49
	427.22	358.49
Current		
Provision for employee benefits (Refer note 28)	28.29	14.00
	28.29	14.00



TP AJMER DISTRIBUTION LIMITED

	Rs./Lacs 31-Mar-24	Rs./Lacs 31-Mar-23
14 Other Liabilities		
Non-Current		
(a) <u>Service Line Charges:</u>		
Opening balance	1,252.67	1,005.84
Add: Additions during the year	390.33	322.11
Less: Transfer to the statement of profit and loss	107.25	75.28
Closing balance	<u>1,535.75</u>	<u>1,252.67</u>
(b) <u>Consumer contribution for deposit works:</u>		
Opening balance	3,001.99	2,883.13
Add: Additions during the year	178.03	320.80
Less: Transfer to the statement of profit and loss	218.38	201.94
Closing balance	<u>2,961.64</u>	<u>3,001.99</u>
	4,497.39	4,254.66
Current		
Statutory dues	70.70	31.38
Advance deposit towards electricity consumption charges	260.88	171.68
Other liabilities	3.74	2.43
	<u>335.32</u>	<u>205.49</u>
15 Short Term Borrowings		
<u>From bank - Secured:</u>		
{a} Short term loan from IndusInd Bank Ltd (Refer note below)	-	254.08
(b) Cash Credit from Bank	376.15	443.91
	<u>376.15</u>	<u>697.99</u>

Note - Secured by exclusive first charge over the entire current assets present and future except balance in escrow and deposit account with banks.

16 Trade Payables		
- Outstanding dues of micro enterprises and small enterprises ("MSE")	559.12	217.71
- Outstanding dues other than micro enterprises and small enterprises	9,948.92	5,433.88
	<u>10,508.04</u>	<u>5,651.59</u>

For ageing schedule of trade payables - refer Note 32(xxi)

Note -

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

a) Principal amount remaining unpaid as on 31st March	559.12	217.71
b) Interest due thereon as on 31st March #	-	-
c) The amount of Interest paid along with the amounts of the payment made to the supplier beyond the appointed day #	-	-
d) The amount of Interest due and payable for the year #	-	-
e) The amount of Interest accrued and remaining unpaid as at 31st March #	-	-
f) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid #	-	-

Amounts payable to MSM vendors on account of retention money have not been considered for the purpose of interest calculation since it is not due.



TP AJMER DISTRIBUTION LIMITED

Rs./Lacs
31-Mar-24

Rs./Lacs
31-Mar-23

17 Other Financial Liabilities- Current

Deposits from customers:

Security deposit from customers (Permanent Consumers)
Sundry deposits from customers (Temporary Consumers)

4,494.06
240.70
4,734.76
4,552.17
182.59

4,129.80
231.79
4,361.59
4,187.90
173.69

Less: Security deposits of customers transferred to AVVNL

Security deposit from vendors
Accrued salary and benefits

187.36
230.19

159.37
154.57

Payable to AVVNL:

Electricity duty, water cess tax and urban cess tax
Other dues

129.73
1,282.06
1,829.34

140.22
1,470.84
1,925.00

Payable towards employee stock option plan to the Holding Company

4.86

2,016.79
2,098.69

18 Revenue from Operations

Revenue from sale of power

43,826.94

41,389.43

Other Operating Income:

Transfer from service line charges
Transfer from consumer contribution for capital works
Miscellaneous revenue

107.25
218.38
91.96

75.28
201.94
87.97

44,244.53
41,754.62

19 Other Income

Interest Income on bank deposits
Interest on financial assets
Interest on income tax refund
Delayed payment charges
Miscellaneous income
Gain on sale/Fair Value of current investment measured at FVTPL

582.26
40.32
1.94
212.24
77.70
88.00

424.07
33.49
4.56
202.42
55.40
-

1,002.46
719.94

20 Employee Benefits Expenses

(a) Employee on Company payroll:

Salaries, allowances and incentives
Contribution to provident and other funds
Employees Stock Option Expenses expense (Refer note 29)
Retiral benefits
Staff welfare expenses

1,018.49
48.87
4.86
30.80
19.58
1,122.60

799.99
38.78
-
55.43
6.14
900.34

(b) Employee from AVVNL & TPDDL:

Deputation from AVVNL & TPDDL

163.77

178.53

(c) Employee Cost Capitalised:

Employee cost capitalised

(208.53)

(160.32)

1,077.84
918.55



TP AJMER DISTRIBUTION LIMITED**Rs./Lacs**
31-Mar-24**Rs./Lacs**
31-Mar-23**21 Finance Costs**(a) Interest Expense:**Borrowings**

Interest on loan - Bank

39.36

151.23

Interest on loan - Holding Company

205.76

Others

Interest on late payment of statutory dues

0.02

0.24

39.38

357.23

(b) Finance Charges:

Other finance costs

39.56

32.63

78.94**389.86****22 Amortisation Expense**

Amortization of intangible assets

821.41

697.72

821.41**697.72****23 Other Expenses**Operating and Maintenance:

Consumption of stores

57.90

12.03

Repair and maintenance

7.55

3.07

Building

851.12

775.66

Plant & machinery

0.03

0.05

Others

916.60

790.81

Administrative and General:

Rent

13.99

12.01

Cost of services procured

722.66

659.37

Other operation expenses

20.78

14.59

Insurance

33.11

22.12

Advertisement, publicity and business promotion

13.23

8.27

Communication

116.31

85.90

Electricity charges

40.61

46.21

Travelling and conveyance

82.47

35.59

IT expenses

126.76

131.07

Printing and stationery

27.18

23.95

Training

3.36

3.38

Legal and professional charges

132.36

238.20

Foreign exchange loss

0.03

-

Rates and taxes

15.95

15.43

Provision for doubtful debts

(9.97)

3.97

Loss on disposal of assets including write offs (Note)

39.74

1.65

Miscellaneous & other administrative expenses

32.55

30.34

1,411.12

1,332.05

2,327.72**2,122.86**

Note - It is net off Rs.14.50 lacs on account of insurance claim receivable due to loss of assets by theft.

24 Earnings Per Share

The computation of basic / diluted earning/ (loss) per share is set out below:

Net Profit / (Loss) after current and deferred tax

780.43

261.55

Weighted average number of equity shares of Rs. 10/- each

1,00,00,000

1,00,00,000

EPS (Rs.) - Basic and Diluted (Not Annualised)

7.80

2.62



TP AJMER DISTRIBUTION LIMITED
Rs./Lacs
31-Mar-24
Rs./Lacs
31-Mar-23
25 Commitments and Contingencies
a) Contingent Liabilities

Claims against the Company not acknowledged as debts

Nil

Nil

Guarantees and Letter of credit

The holding Company has given performance bank guarantees and Letter of Credit on behalf of the Company to Ajmer Vidyut Vitran Nigam Limited in terms of the Distribution Franchise Agreement.

Bank Guarantee

2,600.00

2,600.00

Letter of Credit

8,205.00

8,205.00

10,805.00

10,805.00

b) Goods and Service Tax (GST)

The Company has been charging GST on ancillary services relating to electricity distribution business based on advance ruling obtained from Authority for Advance Ruling, Rajasthan in the previous years. However, during the previous years, in view of petition filed by Ajmer Vidyut Vitran Nigam Limited (AVVNL) and other distribution licensees in Hon'ble High Court of Rajasthan for non-applicability of GST on such ancillary services as these relate to distribution of electricity which is a product exempt from supply of GST, AVVNL has directed the Company not to charge GST from its customers on such ancillary services. In view of this, the Company has discontinued to charge GST on such services from its customers wef 19.07.2019 and it is not paying GST on such services to Government.

The Company has estimated GST liability of Rs. 746.24 Lakhs (Previous Year Rs. 739.53 Lakh) which has been neither billed nor collected from the consumers on such ancillary services for the period 19.07.2019 to 31.03.2024. Besides this, in some cases, Company has made refunds of GST paid by certain consumers on the basis of bills raised before 19.07.2019 aggregating to Rs. 48.46 lakhs (Previous Year 48.46 Lakhs).

AVVNL has obtained a favourable order from Honourable Rajasthan high court dated 12.08.2021 stating that if the principal supply of transmission and distribution of electricity is exempt from levy of service tax, the tax liability of the related services shall be determined accordingly. Subsequently, GST department has filed an appeal against this order in Supreme Court of India which has not yet come up for hearing.

26 Auditors Remuneration (Including taxes)

Statutory audit

5.58

5.31

Limited Review

3.72

3.54

Tax Audit Fees

1.24

1.03

Certification Fees

0.35

0.35

Re-imbursement of out of pocket expenses

1.03

0.70

11.92

10.93

27 Taxation (Including deferred taxes)
Effective tax Reconciliation

Total Comprehensive Income

1,024.49

261.55

Enacted tax rates

0.25

0.25

Computed tax Income / (expense)

257.84

65.83

Tax Expenses

Current Tax

Deferred Tax (Refer Note 4)

263.26

47.74

Total tax expense / (credit)

263.26

47.74

Items of Reconciliation

Prior period adjustments

(3.27)

18.09

259.99

65.83



28 Retirement benefit obligations

1. Defined Contribution plan

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

2. Defined benefit plans

The Company participates in defined contribution and benefit scheme.

2.1 Defined Contribution Plans

The Company makes contribution towards provident fund to a defined contribution plan for qualifying employees. The Company's contribution to Employee Provident fund is deposited with the regional provident fund commissioner. The Company recognises provident fund contribution as expense in the statement of Profit and Loss.

Expense recognised during the Year

27.91

22.40

2.2 Defined Benefit Plans (Unfunded)**Post-Employment Medical Benefits**

The Company provides certain post-employment health care benefits to superannuated employees. In terms of the plan, the retired employees can avail free medical check-up and medicines at Company's facilities.

Pension

The Company operates a defined benefit pension plan for employees who have completed 15 years of continuous service. The plan provides benefits to members in the form of a pre-determined lump sum payment on retirement.

Ex-Gratia Death Benefit

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

Retirement Gift

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

Gratuity

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and the retirement date.

2.3 The principal assumptions used for the purposes of the actuarial valuations were as follows:

Discount Rate	0.07	0.07
Expected Rate of Increase in salary	0.07	0.07
Attrition Rate		
Age - 21 to 44 Years	0.06	0.08
Age - 45 and above	0.02	0.02
Mortality Rate	Indian Assured Lives Mortality (2006-08) UT	

Rs./Lacs
As at 31-03-2024Rs./Lacs
As at 31-03-2023

Below tables sets forth the movement in the defined benefit obligation amounts recognised in the Balance sheet and Statement of Profit and Loss

Movement in obligation	Gratuity	Other Defined benefit plans	Gratuity	Other Defined benefit plans
Particulars				
Present value of obligation at the beginning of the year	245.38	47.28	279.96	53.87
Current service cost	(5.81)	6.29	19.59	6.16
Interest cost	15.74	3.51	14.85	3.66
Benefits paid	(14.20)	-	(123.08)	(0.78)
Acquisitions credit/ (cost)	12.34	-	56.86	-
Remeasurements - actuarial loss/ (gain)	35.05	7.38	(2.80)	(15.63)
Present value of obligation at the year end	288.49	64.46	245.38	47.28

The components of defined benefit cost recognised in Statement of Profit and Loss are as follows:

Current Service cost	(5.81)	6.29	19.59	6.16
Interest cost	15.74	3.51	14.85	3.66
Expense for the year	9.93	9.80	34.44	9.82

Recognised in Other Comprehensive Income

Remeasurement - Actuarial loss/(gain) for the year	35.05	7.38	(2.80)	(15.63)
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TP AJMER DISTRIBUTION LIMITED

	Rs./Lacs As at 31-03-2024		Rs./Lacs As at 31-03-2023	
	Gratuity	Other Defined benefit plans	Gratuity	Other Defined benefit plans
Sensitivity analysis for the year				
<u>Effect on Defined benefit obligation on</u>				
Increase of 0.50% in discount rate	(13.13)	(4.99)	(10.45)	(3.71)
Decrease of 0.50% in discount rate	14.26	5.71	11.35	4.24
<u>Effect on Defined benefit obligation on</u>				
Increase of 0.50% in salary escalation rate	14.20	5.30	11.33	3.93
Decrease of 0.50% in salary escalation rate	(13.20)	(5.75)	(10.53)	(4.30)

Maturity profile of Defined Benefit obligation

Particulars	Gratuity	Other Defined benefit plans
March 31, 2025	10.74	2.31
March 31, 2026	12.46	2.34
March 31, 2027	12.61	4.12
March 31, 2028	14.84	2.14
March 31, 2029	145.68	3.58
March 31, 2030 to March 31, 2034	119.17	31.99
Total	315.50	46.48

29 Share-based payment arrangements
Equity-settled share option plan
The Tata Power Company Limited – Employee Stock Option Plan 2023

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

Accordingly, the Company has recognised cost of Rs 4.86. lakhs for the current year.

	Rs./Lacs 31-Mar-24	Rs./Lacs 31-Mar-23
The expense recognised for employee services received during the year is shown in the following table:		
Expense arising from equity-settled share-based payment transactions	4.86	Nil
Total expense arising from share-based payment transactions		

Movements during the year

Option exercisable at the beginning of the year	Nil	Nil
Granted during the year	35,820	Nil
Forfeited/Expired during the year	Nil	Nil
Exercised during the year	Nil	Nil
Expired during the year	Nil	Nil
Option exercisable at the end of the year	35,820	Nil

Number of shares to be issued for outstanding options (conditional on performance measures)

Share price for options exercised during the year	Not Applicable
Remaining contractual life	2.58 Years

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

Assumption factor

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

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



TP AJMER DISTRIBUTION LIMITED

Rs./Lacs
31-Mar-24

Rs./Lacs
31-Mar-23

30 Related Party disclosures as per Ind AS 24

A). Holding Company:

Tata Power Company Limited

Interest expenses on loan / Perpetual Securities (Refer Note 12)	285.00	205.76
IT Service cost	43.36	58.39
Internal audit fees	6.81	5.19
Payment of Dividend	30.00	-
Sale of Laptop	0.46	0.23
Employee benefit expense	18.59	19.89
Conversion of unsecured loan into Unsecured perpetual debt	-	9,500.00
Amount (payable) / receivable at the year end	(64.40)	(29.41)
Bank Guarantee / Letter of credit received	10,805.00	10,805.00

B). Fellow Subsidiary :

i) Tata Power Delhi Distribution Limited

Management contract for deputation of employees	20.27	9.72
Employees related retiral liabilities received on transfer	21.79	0.31
Employees related retiral liabilities paid on transfer	-	0.73
Purchase of Material	0.58	-
laptop buyback	1.03	-
IT Service Cost	-	2.14
Amount (payable) / receivable at the year end	-	(6.34)

ii) Walwhan Renewable Energy Limited (WREL)

Employees related retiral liabilities receivable on transfer	-	0.58
Performance pay received	0.30	-
Amount (payable) / receivable at the year end	-	0.58

iii) Maithon Power Limited

Performance liabilities payable	-	(0.13)
Amount (payable) / receivable at the year end	0.00	(0.06)

iv) Industrial Energy Limited

Amount (payable) / receivable at the year end	-	(4.95)
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v) TP Renewable Microgrid Limited

Employees related retiral liabilities payable on transfer	-	2.99
Sale of Laptop	0.47	-
Performance liabilities Paid	(0.93)	-
Amount (payable) / receivable at the year end	-	(2.99)

vi) TP Western Odisha Limited

Employees related retiral liabilities receivable on transfer	0.18	-
Amount (payable) / receivable at the year end	0.18	(61.61)

vii) TP Central Odisha Limited

Employees related retiral liabilities payable on transfer	-	0.59
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viii) Tata Capital Financial Services Ltd.

Car Lease Expenses to employees	9.62	4.84
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ix) Tata AIG General Insurance CO. LTD.

Insurance Expense	45.32	52.64
Insurance Claim Received	10.49	59.50
Amount (payable) / receivable at the year end	(0.10)	(0.10)



TP AJMER DISTRIBUTION LIMITED

	Rs./Lacs 31-Mar-24	Rs./Lacs 31-Mar-23
<u>x) Tata Power Solar System Limited</u>		
Sale of Laptop	0.16	0.03
Performance liabilities Paid	(3.74)	-
Employees related retiral liabilities payable on transfer	-	12.36
Amount (payable) / receivable at the year end	-	(12.28)
<u>xi) Tata Power Northern Odisha Dist. Ltd</u>		
Buyback of Laptop	-	0.65
Employees related retiral liabilities payable on transfer	-	0.94
Employees related retiral liabilities receivable on transfer	-	90.84
Amount (payable) / receivable at the year end	-	(0.94)
<u>xii) Tata Power South Odisha Distribution Limited</u>		
Employees related retiral liabilities paid on transfer	-	16.56
<u>xiii) Tata Steel Long Products Ltd</u>		
Employees related retiral liabilities paid on transfer	6.96	-
<u>xiv) TATA AIA Life Insurance Company Ltd</u>		
Insurance Expense	6.41	-
<u>xv) Tata International Limited</u>		
Purchase of material	0.53	-
<u>xvi) Tata Power Trading Company Limited</u>		
Employees related retiral liabilities payable on transfer	(0.63)	-
C) Key Management Personnel :		
Remuneration *		
i) Mr. Manoj Digambar Salvi - Chief Executive Officer (w.e.f 1st May 22)	106.79	72.78
i) Mr. Shriprakash Joshi - Chief Executive Officer (Upto 15th May 22)	-	6.46
ii) Mr. Bhupendra Sharma - Chief Finance Officer	27.28	24.06

* Key Management Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

31 Operating Segment as per Ind AS 108

In line with the provisions of Ind AS 108 – operating segments and on the basis of review of operations being done by the senior management, the operation of the Company fall under Electricity distribution, which is considered to be the only reportable segment by the management and the Chief Operating Decision Maker.



TP AJMER DISTRIBUTION LIMITED

32 Additional disclosure / Regulatory Information as required by Notification no. GSR 207(E) dated 24.03.2021

- (i) The Company does not have any immovable property
- (ii) The Company does not have any investment property
- (iii) The Company has not revalued its Property, Plant and Equipment (including Right to Use Assets)
- (iv) The Company has not revalued its intangible assets.
- (v) Loan or advances granted to the promoters, directors and KMPs and the related parties:
No loan or advances in the nature of loans have been granted to the promoters, directors, key managerial persons and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:
(a) repayable on demand or
(b) without specifying any terms or period of repayment
- (vi) The Company does not have any Capital Work in progress at the balance sheet date.
- (vii) The Company does not have intangible assets under development.
- (viii) No proceedings have been initiated or pending against the company for holding any benami property under benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (ix) Reconciliation of quarterly statement of current assets filed with banks or financial statements
The quarterly statement of current assets filed, during the year, with banks are in agreement with books of accounts.
- (x) Willful Defaulter
No bank has declared the company as "willful defaulter".
- (xi) Relationship with Struck off Companies:
There are no transaction with the companies whose name is struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2023 and the year ended 31 March 2022.
- (xii) Registration of charges or satisfaction with Registrar of Companies:
The Company has filed registration of charges or satisfaction of charges with Registrar of Companies, wherever applicable. No registration or satisfaction is pending at end of financial year.
- (xiii) Compliance with number of layers of companies
No layers of companies has been established beyond the limit prescribed as per above said section / rules.



Bhupendra



TP AJMER DISTRIBUTION LIMITED

TP AJMER DISTRIBUTION LIMITED

(xiv) Financial Ratios

		As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023		
Sr No	Ratios	Numerator / Denominator	Numerator / Denominator	Ratio	Ratio	% of Variance	Reason for Variance
a)	Current Ratio = Current assets divided by Current Liabilities	16,923.87 13,264.59	12,696.17 8,667.76	1.28	1.46	-13%	
b)	Debt equity ratio = total debt divided by total shareholder's equity	376.15 10,935.92	697.99 10,535.71	0.03	0.07	-48%	Refer Note 1 below
c)	Debt service coverage ratio = earnings available for debt services divided by total interest and principal repayments	1,930.97 324.38	1,307.52 357.23	5.95	3.66	63%	Refer Note 1 below
d)	Return on equity ratio/ return on investment ratio = Net profit after tax divided by Average shareholder's equity	780.43 10,935.92	261.55 10,535.71	7.14	2.48	187%	Refer Note 2 below
e)	Inventory turnover ratio = Net sales divided by average Inventory	Not Applicable					
f)	Trade receivables turnover ratio = Net sales divided by average trade receivables	44,244.53 1,472.67	41,754.62 1,512.47	30.04	27.61	9%	
g)	Trade Payables turnover ratio = Net Purchases divided by average trade Payables	39,916.59 8,079.82	38,084.02 5,715.77	4.94	6.66	-26%	Refer Note 3 below
h)	Net capital turnover ratio = Net sales divided by capital	44,244.53 10,935.92	41,754.62 10,535.71	4.05	3.96	2%	
i)	Net profit turnover ratio = Net profit after tax divided by Net sales	780.43 44,244.53	261.55 41,754.62	1.76	0.63	182%	Refer Note 2 below
j)	Return on Capital employed = Earnings before interest and taxes(EBIT) divided by Capital Employed	1,063.87 11,272.89	618.78 11,287.99	0.09	0.05	72%	Refer Note 2 below
k)	Return on investment (Net Income/Cost of Investment)	Not Applicable					

- Note : 1. The variance is due to conversion of interest bearing loan to interest free perpetual debt during the year.
2. Variance is due to increase in profit during the year
3. Variance is due to increase in trade payables during the year.

(xv) Compliance with approved Scheme(s) of Arrangements

No scheme of arrangements has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

(xvi) Utilisation of Borrowed funds and share premium:

Particulars	Description
Transactions where an entity has provided any advance, loan, or invested funds to any other person (s) or entity/ entities, including foreign entities.	No such transaction has taken place during the year
Transactions where an entity has received any fund from any person (s) or entity/ entities, including foreign entity.	

(xvii) Undisclosed income

There is no such income which has not been disclosed in the books of accounts. No such income is surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961.

(xviii) Details of Crypto Currency or Virtual Currency

Particulars	31-Mar-24	31-Mar-23
Profit or loss on transactions involving Crypto currency or Virtual Currency	No Such Transaction during the years	
Amount of currency held as at the reporting date		
Deposits or advances from any person for the purpose of trading or investing in Crypto Currency / virtual currency		

(xix) Corporate Social Responsibility Expenditure

The Company is not covered by provisions of Section 135 of the Companies Act relating to Corporate Social Responsibility Expenditure.



TP AJMER DISTRIBUTION LIMITED

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(xx) Ageing schedule Trade Receivables

As at 31st March , 2024

Rs./Lacs

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables						
a) Considered good	1,363.08	89.28	64.53	39.41	41.79	1,598.09
b) Significant increase in credit risk	2.32	5.34	16.60	23.34	186.50	234.10
c) Credit Impaired	-	-	-	-	-	-
(ii) Disputed Trade Receivables						
a) Considered good	-	-	-	-	-	-
b) Significant increase in credit risk	-	-	-	-	-	-
c) Credit Impaired	-	-	-	-	-	-
Total	1,365.40	94.62	81.13	62.75	228.29	1,832.19

As at 31st March , 2023

Rs./Lacs

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables						
a) Considered good	1,139.10	70.70	66.40	53.39	17.67	1,347.26
b) Significant increase in credit risk	2.47	5.30	27.00	49.11	160.18	244.06
c) Credit Impaired	-	-	-	-	-	-
(ii) Disputed Trade Receivables						
a) Considered good	-	-	-	-	-	-
b) Significant increase in credit risk	-	-	-	-	-	-
c) Credit Impaired	-	-	-	-	-	-
Total	1,141.57	76.00	93.40	102.50	177.85	1,591.32

31-03-2024 31-03-2023

Unbilled Dues (Not due)

2,507.48 2,363.11

Total

2,507.48 2,363.11

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

(xxi) Ageing schedule Trade Payables

As at 31st March , 2024

Rs./Lacs

Particulars	Unbilled Dues*	Outstanding for following periods from due date of payment #					Total
		Not Due	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade Payables							
a) MSE			559.12	-	-	-	559.12
b) Others	139.43		1,201.01	1,210.92	138.00	665.47	3,354.83
(ii) Disputed Trade Payables							
a) MSE							-
b) Others			3,916.74	2,677.35	-	-	6,594.09
Total	139.43		5,676.87	3,888.27	138.00	665.47	10,608.04

Note- Ageing wise outstanding amounts are reported here after netting off payment made under protest to vendors.

As at 31st March , 2023

Rs./Lacs

Particulars	Unbilled Dues*	Outstanding for following periods from due date of payment #					Total
		Not Due	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade Payables							
a) MSE			217.71	-	-	-	217.71
b) Others	114.77		1,838.29	138.00	665.47	-	2,756.53
(ii) Disputed Trade Payable							
a) MSE							-
b) Others			2,677.35			-	2,677.35
Total	114.77		4,733.35	138.00	665.47	-	5,651.59

Note- Ageing wise outstanding amounts are reported here after netting off payment made under protest to vendors.

* Includes provision for expenses, where invoices not received.

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



TP AJMER DISTRIBUTION LIMITED

33 Financial Instruments

33.1 Financial Assets and Financial Liabilities

Rs./Lacs

The carrying value of financial instruments by categories is as follows:

Particulars	As at March 31, 2024			As at March 31, 2023		
	At Cost	Fair value through profit or loss	At Amortised Cost	At Cost	Fair value through profit or loss	At Amortised Cost
Financial assets						
Trade Receivables	1,598.09	-	-	1,347.25	-	-
Cash and cash equivalent	83.20	-	-	26.29	-	-
Other Bank Balances	8,205.00	-	-	8,207.00	-	-
Other Financial assets- Service Concession Arrangement	-	-	583.69	-	-	387.14
Other Financial Assets - Current	2,835.10	-	-	2,604.46	-	-
Total	12,721.39	-	583.69	12,185.00	-	387.14
Financial Liabilities						
Short term borrowings	376.15	-	-	697.99	-	-
Trade payables	10,508.04	-	-	5,651.59	-	-
Other financial liabilities	2,016.79	-	-	2,098.69	-	-
Total	12,900.98	-	-	8,448.27	-	-

Since there are no financial assets or financial liabilities at the balance sheet date for which fair value is adopted therefore classification of hierarchy of fair valuation of financial instruments is not required to be given.

33.2 Capital risk management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of its long-term and short-term goals. Its Capital structure consists of net debt (borrowings as detailed in notes below) and total equity.

Gearing Ratio

The gearing ratio at the end of the reporting year was as follows:

	31-Mar-24	31-Mar-23
Debt	376.15	697.99
Cash and bank balances	8,288.20	8,233.29
Net Debt	(7,912.05)	(7,535.30)
Total Equity	10,935.92	10,535.71
Net debt to equity ratio	(0.72)	(0.72)

(i) Debt consists of short-term borrowings

(ii) Equity is defined as Equity share capital and other equity including Profit / Loss.

33.3 Financial risk management

Financial risk factors

In its ordinary operations, the Company's activities expose it to the various types of risks, which are associated with the financial instruments and markets in which it operates. The Company has a risk management policy which covers various risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The following is the summary of the main risks:

i) Market Risk Management

Market risk is the risk that changes in market prices, such as 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.



TP AJMER DISTRIBUTION LIMITED

ii) Credit Risk Management

The Company takes on exposure to credit risk, which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. Financial assets that potentially expose the Company to credit risks are listed below:

	31-Mar-24	31-Mar-23
Trade Receivables	1,598.09	1,347.25
Other Financial Assets	2,835.10	2,604.46
	<u>4,433.19</u>	<u>3,951.71</u>

Refer Note No. 10 for further information in respect of Other financial assets. The Company believes exposure to credit risk to be minimal in respect of these receivables.

(iii) Liquidity Risk 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 matching the maturity profiles of financial assets and liabilities. The maturity profile of the financial liabilities are listed below:

Expected contractual maturity for Financial Liabilities	31-Mar-24			31-Mar-23		
	Repayable on Demand	Due within 1 Year	Total	Repayable on Demand	Due within 1 Year	Total
Short term borrowings	-	-	-	-	254.08	254.08
Trade Payables	-	10,508.04	10,508.04	-	5,651.59	5,651.59
Other Financial Liabilities	182.59	1,834.20	2,016.79	173.69	1,925.00	2,098.69
	<u>182.59</u>	<u>12,342.24</u>	<u>12,524.83</u>	<u>173.69</u>	<u>7,830.67</u>	<u>8,004.36</u>

The Company expects to meet its obligations from operating cash flows and proceeds of maturing financial assets.

34 Service Concession Arrangements –

TP Ajmer Distribution Limited ("The Company", "The Operator") has been granted rights for Supply and Distribution of Electricity in Ajmer City from Ajmer Vidyut Vitran Nigam Limited (AVVNL) for a period of 20 years starting from 1st July 2017 to 30th June 2037 in pursuance of Distribution Franchise Agreement ("DFA", "Agreement") dated 19th April 2017.

Following are significant terms of this agreement –

- The operator would be entitled to use the existing distribution infrastructure set up by AVVNL without any additional charge
- The operator is required to incur minimum capital expenditure of Rs.3760.00 lacs to improve efficiencies, augment and upgrade infrastructure, reduction in distribution losses and improvement in quality of supply in the franchise area etc. over a period of 5 years from the effective date i.e. 1st July 2017
- After the expiry of the term of this agreement, all the existing infrastructure including assets created by the Operator would be handed over to the grantor. The grantor would compensate the operator an amount equal to the depreciated value of assets created by it.
- The operator would purchase the electricity from the grantor at a price derived from the formula given in the agreement and sell the electricity to consumers at a price tariff decided by Rajasthan Electricity Regulatory Commission
- The grantor would supply electricity to the operator for supply in the franchise area to fulfill its obligations under the agreement

The Company has considered this agreement to be covered by Appendix D related to Service Concession Arrangement of Ind AS 115 – Revenue from Contract with Customers and have carried out accounting based on the guidance provided in the standard. Accordingly, it has recognised the discounted value of the minimum future obligations it is expected to incur in terms of this agreement as an intangible asset i.e. Service Concession Arrangement. It has also recognised a financial asset on account of receivables due from the grantor at the time of transfer of assets created by it at the time of expiry of this agreement. It is recognised at an amount equal to the discounting value of depreciated value of assets created by it.

The Company has used weighted average cost of capital of its parent Company i.e. Tata Power Company Limited as discount rate.



TP AJMER DISTRIBUTION LIMITED

- 35 The cost of power purchased represents power purchased from Ajmer Vidyut Vitran Nigam Limited (AVVNL) in terms of Distribution Franchise Agreement (DFA). As per the term of the DFA, the cost of the power purchase is subject to audit by an outside agency appointed jointly by the Company and AVVNL. The cost of power purchase has been calculated provisionally based on the methodology of DFA and best estimate by the management of the company. Till 31.03.2022, Independent auditor has completed the audit for period 01.07.2017 to 31.03.2021 and necessary adjustments in the power purchase cost are made in the respective periods based on the report of independent auditor.

Some of the matters impacting power purchase cost were disputed by the Company and it filed an arbitration application, in accordance with the dispute resolution mechanism as per DFA during FY 2021-22.

In current FY 2022-23, the Company received arbitral award dated 20.06.2022 and the Company did not accept the award and have filed a petition against the arbitral award in Commercial Court, Ajmer.

The Company has made adequate provision towards power purchase cost in its books and does not anticipate any additional liabilities pending outcome of the case.

- 36 The Code on Social Security 2020 has been notified in the Official Gazette on 29th September, 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact if any of the change will be assessed and accounted in the period in which said Code becomes effective and the rules framed thereunder are notified.

- 37 Previous year figures have been regrouped / reclassified, wherever considered necessary, to conform to current year classification.

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208W

Ajay Gupta

Ajay Gupta
Partner
Membership No. 90104

For and on behalf of the Board of Directors

Surajit Mishra

Surajit Mishra
Director
DIN - 08176957

Ritu Gupta

Ritu Gupta
Director
DIN - 09027178

Manoj Digambar Salvi

Manoj Digambar Salvi
Chief Executive Officer

Bhupendra Sharma

Bhupendra Sharma
Chief Financial Officer

Ms. Bhupinderjeet Kaur

Ms. Bhupinderjeet Kaur
Company Secretary

Place : Ajmer *NEW DELHI*
Date : 17.04.2024

Place : Ajmer
Date : 17.04.2024



Shareholder Information

To,
Company Secretary,
TP Ajmer Distribution Limited
C/o The Tata Power Company Limited,
Corporate Center, 34, Sant Tukaram Road
Carnac Bunder, Mumbai 400 009, Maharashtra

Updation of Shareholder Information

I/We request you to record the following information against our Folio No.:

General Information:

Folio No.:	
Name of the first named Shareholder:	
PAN: *	
CIN/ Registration No.: *(applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No.:	
Email Id:	

*Self attested copy of the document(s) enclosed

Bank Details:

IFSC: (11 digit)	MICR: (9 digit)
Bank A/c Type:	Bank A/c No.: *
Name of the Bank:	
Bank Branch Address:	

* A blank cancelled cheque is enclosed to enable verification of bank details

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/we would not hold the Company/RTA responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that the above details shall be maintained by you till I/we hold the securities under the above mentioned Folio No.

Place:

Date:

Signature of Sole/ First holder