

INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Power Trading Company Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Tata Power Trading Company Limited ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant 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 IND AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Other Information

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

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibility of Management for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;



- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 31 to the Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign 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 represented that, to the best of its knowledge and belief, no funds 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 such audit procedures that were 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 (a) and (b) contain any material misstatement.
 - v. The dividend declared subsequent to the year-end by the Company which is subject to payment after the approval by the members in the annual general meeting is in compliance with section 123 of the Act.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

T. Das Mahapatra

per Tanmoy Dasmahapatra

Partner

Membership Number: 058259

UDIN: 22058259AHJJTL6772



Place of Signature: Gurugram

Date: April 14, 2022

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT ON EVEN DATE"**Re: Tata Power Trading Company Limited ('the Company')**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (a) (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) As disclosed in note 18 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- (iii) (a) During the year the Company has provided and rolled over/ renewed existing loans to holding company as follows:

Particulars	Amount in INR
Aggregate of amount of loans granted / rolled over / renewed during the year: Tata Power Company Limited (Holding company) (This includes loans granted during the previous and current financial year and rolled over /renewed during the year.)	385,00,00,000
Balance outstanding as at balance sheet date in respect of above case	150,00,00,000

- (b) During the year the Company has not made investments, provided guarantees, security deposits and advances in the nature of loans to the companies. The Company has granted loans to the holding company and the terms and conditions of such loans are not prejudicial to the Company's interest.



- a. The Company has granted loans during the year to holding company where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular except the following case:

Name of the Entity	Amount in INR	Due date	Extent of delay	Remarks
Tata Power Company Limited (holding company)- Interest	1,15,31,507	01-06-2021	41 days	The interest was paid on July 12, 2021

For the loans on which interest was payable on maturity and which were rolled over /renewed during the year have been excluded from reporting on the above clause considering the interest is payable on maturity of loans.

- (c) There are no amounts of loans granted to holding company which are overdue for more than ninety days.
- (d) During the year, the Company had renewed/rolled-over loans to holding company to settle the loan granted to holding company which had fallen due during the year.

The aggregate amount of such loan dues renewed and the percentage of the aggregate to the total loans granted during the year are as follows:

Name of Parties	Aggregate amount (in INR) of overdues of existing loans renewed or extended or settled by fresh loans	Percentage of the aggregate to the total loans granted / renewed/ rolled over during the year	Dates on which loan was renewed/ rolled over/ extended
Tata Power Company Limited	50,00,00,000	35.29%	June 18, 2021 and September 15, 2021
Tata Power Company Limited	40,00,00,000		June 18, 2021, September 16, 2021 and December 15, 2021

- (e) As disclosed in note 28 to the financial statements, the Company has granted /rolled over/ renewed loans specifying the terms and period of repayment. Such loans are repayable on demand with one day notice to the holding company. Following are the details of the aggregate amount of loans granted to holding company as defined in clause (76) of section 2 of the Companies Act, 2013:

Aggregate amount of loans (Amount in INR)	385,00,00,000
Percentage of loans to the total loans (%)	100%

- (iv) Loans, investments, guarantees and security in respect of which provisions of 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

Further there are no loans, in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable and hence not commented upon.

- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules



made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. Undisputed statutory dues including duty of custom, duty of excise, value added tax, sales-tax, service tax, are not applicable to the Company. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (INR in lacs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1956	Income tax	1,345.62	AY 2014-15	Joint/Assistant Commissioner
Income Tax Act, 1956	Income tax	12.05	AY 2018-19	CIT(A)
MVAT ACT, 2002	Maharashtra VAT	8.95 (0.89)#	AY 2018-19	Joint/Assistant Commissioner
Jharkhand VAT Act, 2005	Jharkhand VAT	99.46 (19.89)#	AY 2016-17	Joint/Assistant Commissioner

- The Company has deposited amount under protest in connection with a dispute with the concerned authorities.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(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 has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.



(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

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

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

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(b) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.

(c) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period April 1, 2021 to December 31, 2021 have been considered by us.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.



S.R. BATLIBOI & Co. LLP

Chartered Accountants

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) As represented to us, the Group has six Core Investment Company as part of the Group.

(xvii) The Company has not incurred cash losses in the current financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 29.5 to the financial statements, 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 and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 24.1 to the financial statements.

(b) The Company has not transferred the amount remaining unspent in respect of ongoing projects, to a Special Account, till the date of the report. However, the period for such transfer i.e., thirty days from the end of the financial year as permitted under sub section (6) of section 135 of the Companies Act, has not elapsed till the date of our report.

(xxi) The company does not have any subsidiaries, associates, joint ventures. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the company.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

T. Das Mahapatra

per Tanmoy Dasmahapatra

Partner

Membership Number: 058259

UDIN: 22058259AHJJTL6772



Place of Signature: Gurugram

Date: April 14, 2022

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF TATA POWER TRADING COMPANY LIMITED**Report on the Internal Financial Controls 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 Tata Power Trading Company Limited ("the Company") as of March 31, 2022 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 based on [the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both 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 these 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 with reference to these 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 these 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 judgement, 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 with reference to these financial statements.

Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to these 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 controls 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 these Financial Statements

Because of the inherent limitations of internal financial controls with reference to these 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 these financial statements to future periods are subject to the risk that the internal financial control with reference to these 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, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2022, 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 **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

T. Das Mahapatra

per **Tanmoy Dasmahapatra**

Partner

Membership Number: 058259

UDIN: 22058259AHJJTL6772



Place of Signature: Gurugram

Date: April 14, 2022

Tata Power Trading Company Limited
Balance sheet as at 31st March, 2022

	Notes	As at 31st March, 2022 ₹ Lakhs	As at 31st March, 2021 ₹ Lakhs
ASSETS			
Non-current Assets			
(a) Property, plant and equipment and Intangible Assets			
(i) Property, plant and equipment	4	3,670.82	4,017.32
(ii) Capital Work-in-Progress	5.1	0.62	9.24
(iii) Intangible Assets	5	38.64	16.44
(b) Financial Assets			
(i) Investments	6	-	-
(i) Other financial assets	8	70.38	4,322.49
(c) Non-current Tax Assets (Net)	9	508.86	582.09
(d) Other Non-current Assets	10	6.80	7.20
Total Non-current Assets		4,296.12	8,954.78
Current Assets			
(a) Financial Assets			
(i) Investments	6.1	-	902.13
(i) Trade Receivables	7	18,594.02	10,877.61
(ii) Unbilled Revenue and agency receivable		21,205.97	11,923.29
(iii) Cash and cash Equivalent	11	6,262.96	5,770.41
(a) Bank Balances other than (iv) above		500.00	-
(iv) Other financial assets	8	16,210.94	15,306.38
(b) Other Current Assets	10	80.67	32.04
Total Current Assets		62,854.56	44,811.86
TOTAL ASSETS		67,150.68	53,766.64
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	1,600.00	1,600.00
(b) Other Equity	13	30,426.41	24,974.64
Total Equity		32,026.41	26,574.64
LIABILITIES			
Non-current Liabilities			
(a) Provisions	15	426.83	327.36
(b) Deferred Tax Liabilities (Net)	16	694.03	783.26
Total Non-current Liabilities		1,120.86	1,110.62
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	-	16.89
(ii) Trade Payables	19	-	-
(a) Total outstanding dues of micro enterprises and small enterprises (Refer note 21(ii))		4.59	0.97
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		31,978.47	24,473.56
(iii) Other Financial Liabilities	14	1,027.31	789.50
(b) Provisions	15	18.23	12.23
(c) Other Current Liabilities	17	974.81	788.23
Total Current Liabilities		34,003.41	26,081.38
TOTAL EQUITY AND LIABILITIES		67,150.68	53,766.64

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S.R.Batlboi & Co. LLP
Chartered Accountants
Firm Registration No: 301003E / E300005

per Tanmoy Dasmahapatra
Partner
Membership No. 058259



For and on behalf of the Board of Directors of
Tata Power Trading Company Limited

Ajay Kapoor
Director
DIN-0046631

Amit Garg
Chief Executive Officer

Komal Jolly
Company Secretary

Kiran Gupta
Director
DIN-08196580

Ritu Gupta
Chief Financial Officer



Place: Gurugram
Date: 14th April, 2022

Place: New Delhi
Date: 14th April, 2022

Tata Power Trading Company Limited

Statement of profit and loss for the period ended 31st March, 2022

	Notes	For Year ended 31st March, 2022	For Year ended 31st March, 2021
		₹ Lakhs	₹ Lakhs
I Revenue from Operations	20	37,409.32	26,515.47
II Other Income	21	1,392.71	606.00
III Total Income		38,802.03	27,121.47
IV Expenses -			
(a) Cost of Power Purchased		28,251.20	19,775.89
(b) Employee Benefits Expense	22	1,152.75	786.53
(c) Finance Costs	23	344.46	498.01
(d) Depreciation and Amortisation Expenses	4 & 5	377.62	404.24
(e) Other Expenses	24	1,450.69	1,245.08
Total Expenses		31,576.72	22,709.75
V Profit Before Tax		7,225.31	4,411.72
VI Tax Expense			
Current Tax	25	1,868.81	1,168.56
Tax for earlier years	25	(46.18)	(22.25)
Deferred Tax	25	(79.13)	(29.91)
		1,743.50	1,116.40
VII Profit for the period		5,481.81	3,295.32
VIII Other Comprehensive Income			
A- Add/(Less): -			
(i) Items that will not be reclassified to profit and loss			
(a) Remeasurement of the Defined Benefit Plans		(40.15)	37.78
(b) Tax expense		10.11	(9.50)
Total Other Comprehensive Income		(30.04)	28.28
IX Total Comprehensive Income for the period (VII+ VIII)		5,451.77	3,323.60
X Earnings Per Equity Share (Face Value ₹ 10/- Per Share)			
Basic (₹) -	26	34.26	20.60
Diluted (₹)	26	34.26	20.60

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R.Batliloi & Co. LLP

Chartered Accountants

Firm Registration No: 301003E / E300005

For and on behalf of the Board of Directors of

Tata Power Trading Company Limited

per Tanmoy Dasmahapatra
Partner
Membership No. 058259



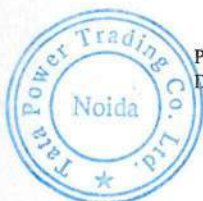
Ajay Kapoor
Director
DIN-00466631

Amit Garg
Chief Executive Officer

Komal Jolly
Company Secretary

Kiran Gupta
Director
DIN-08196580

Ritu Gupta
Chief Financial Officer



Place: Gurugram
Date: 14th April, 2022

Place: New Delhi
Date: 14th April, 2022

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Tata Power Trading Company Limited
Statement of cash flows for the period ended 31st March , 2022

	For Year ended 31st March, 2022 ₹ Lakhs	For Year ended 31st March, 2021 ₹ Lakhs
A. Cash flow from operating activities		
Profit before tax	7,225.31	4,411.72
Depreciation and amortisation expense of property, plant & equipment	377.62	404.24
Interest income	(881.98)	(314.77)
Gain arising on financial assets designated as at FVTPL	(170.71)	(106.51)
Finance cost	344.46	498.01
Loss/(gain) on disposal of property, plant and equipment	(1.24)	0.03
Liability no longer required written back	(340.02)	(184.72)
Provision for doubtful debts and advances (Net)	(72.44)	(123.08)
	6,481.00	4,584.92
(Increase) / Decrease in trade receivables	(7,643.98)	43,780.48
(Increase) / Decrease in other current assets	(48.63)	(17.10)
(Increase) / Decrease in other Non current assets	(3.01)	(0.60)
(Increase) / Decrease in other current financial assets	(9,462.39)	(3,150.50)
Increase / (Decrease) in trade payables	7,848.55	(16,774.66)
Increase /(Decrease) on other current liabilities	186.58	(898.00)
Increase / (Decrease) in other current financial liabilities	237.81	152.83
Increase / (Decrease) in provisions	65.32	48.14
	(8,819.75)	23,140.59
Cash generated from operations	(2,338.75)	27,725.51
Income taxes paid	(1,749.39)	(1,488.83)
Net cash flow from operating activities	(4,088.14)	26,236.68
B. Cash flow from investing activities		
Payments for property, plant and equipment	(48.75)	(40.87)
Proceeds from disposal of property, plant and equipment	4.89	0.55
Inter company loans given (Net)	-	(14,000.00)
Inter company deposits received back (Net)	(1,000.00)	-
(Purchase)/Sale of current investments (net)	1,072.84	(795.62)
Investments in fixed deposits	4,255.12	(4,320.00)
Interest income	1,157.94	37.00
Net cash flow from investing activities	5,442.04	(19,118.94)
C. Cash flow from financing activities		
Proceeds from borrowings	-	18,112.57
Repayments of borrowings	-	(20,974.07)
Inter company deposits taken	1,000.00	3,000.00
Inter company deposits repaid	(1,000.00)	(3,000.00)
Finance costs paid	(344.46)	(518.71)
Net cash flow (used in) financing activities	(344.46)	(3,380.21)
Net (decrease)/increase in cash and cash equivalents	1,009.44	3,737.53
Cash and cash equivalents as at 1st April, 2021	5,753.52	2,015.99
Cash and cash equivalents as at 31st March, 2022 (Refer note 11)	6,762.96	5,753.52
Cash and cash Equivalents (Refer note 11)	6,762.96	5,770.41
Short term borrowings- Bank overdraft (Refer note 18)	-	(16.89)
	6,762.96	5,753.52

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R.Batliloi & Co. LLP
Chartered Accountants
Firm Registration No: 301003E / E300005

per Tanmoy Dasmahapatra
Partner
Membership No. 058259



Place: Gurugram
Date: 14th April, 2022

For and on behalf of the Board of Directors of
Tata Power Trading Company Limited

Ajay Kapoor
Director
DIN-00466631

Amit Garg
Chief Executive Officer

Komal Jolly
Company Secretary

Kiran Gupta
Director
DIN-08196580

Ritu Gupta
Chief Financial Officer

Place: New Delhi
Date: 14th April, 2022

Tata Power Trading Company Limited
Statement of changes in equity for the period ended 31st March, 2022

A. Equity Share Capital					
	No. of Shares	₹ Lakhs			
		Amount			
Balance as at 1st April, 2020	1,60,00,000	1,600			
Issue of Equity Shares during the period	-	-			
Balance as at 31st March, 2021	1,60,00,000	1,600			
Issue of Equity Shares during the year	-	-			
Balance as at 31st March, 2022	1,60,00,000	1,600			

B. Other Equity					
Description	Reserves and Surplus				Total
	General Reserve	Securities Premium Reserve	Retained Earnings	Deemed capital contribution from holding company	
Balance as at 1st April, 2020	1,355.00	2,089.50	18,198.24	8.30	21,651.04
Profit for the period	-	-	3,295.32	-	3,295.32
Other Comprehensive Income/(Expense) for the year (Net of Tax)	-	-	28.28	-	28.28
Total Comprehensive Income	-	-	3,323.60	-	3,323.60
Dividend paid (including tax on dividend)	-	-	-	-	-
Tax on Dividend	-	-	-	-	-
Balance as at 31st March, 2021	1,355.00	2,089.50	21,521.84	8.30	24,974.64
Balance as at 1st April, 2021	1,355.00	2,089.50	21,521.84	8.30	24,974.64
Profit for the year	-	-	5,481.81	-	5,481.81
Other Comprehensive Income/(Expense) for the year (Net of Tax)	-	-	(30.04)	-	(30.04)
Total Comprehensive Income	-	-	5,451.77	-	5,451.77
Balance as at 31st March, 2022	1,355.00	2,089.50	26,973.61	8.30	30,426.41

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S.R.Batlboi & Co. LLP
Chartered Accountants
Firm Registration No: 301003E / E300005

T. Das Mahapatra
per Tanmoy Dasmahapatra
Partner
Membership No. 058259



For and on behalf of the Board of Directors of
Tata Power Trading Company Limited

Ajay Kapoor
Ajay Kapoor
Director
DIN-00466631

Amit Garg
Amit Garg
Chief Executive Officer

Komal Jolly
Komal Jolly
Company Secretary

Kiran Gupta
Kiran Gupta
Director
DIN-08196580

Ritu Gupta
Ritu Gupta
Chief Financial Officer



Place: Gurugram
Date: 14th April, 2022

Place: New Delhi
Date: 14th April, 2022

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1 Corporate Information:

Tata Power Trading Company Limited is a wholly owned subsidiary of The Tata Power Company Limited. The Company is primarily engaged in the business of trading of electricity across the country. Central Electricity Regulatory Commission (CERC) has granted Category "T" certificate to the Company for purpose of power trading, which allows the Company to trade power units without any quantitative restrictions. The Company sources power from different public and private sectors utilities and supplies to various consumers being public and private sectors power utilities. The Company is a public limited company incorporated and domiciled in India and its registered office is Carnac Receiving station, 34, Sant Tukaram Road, Carnac Bunder, Mumbai - 400009, India.

The financial statement were approved for issue by Board of Directors on 14th April 2022.

2 Significant 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 (as amended from time to time) and presentation requirement of Division II of Schedule III of the Companies Act 2013 (INDAS Compliance Schedule III).

2.2 Basis of preparation and presentation

The financial statements have been prepared on a historical cost basis, except for certain financial assets & financial liability measured at fair value (refer note 3.2 accounting policy regarding financial instruments, note 3.3 regarding financial assets & note 3.4 regarding financial liabilities & equity instrument.)

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.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investment, provision for employee benefits, useful life of property, plant & equipment.

3. Other Significant Accounting Policies

3.1 Foreign Currencies

The functional currency of the Company is Indian rupee (₹). These Financial Statements are presented in Indian rupees.

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

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, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

3.2 Financial Instruments

Financial assets and financial liabilities are recognised when entity becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities 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 or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.3 Financial Assets

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



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3.3.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition)

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

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments in fair value through Profit or loss category are measured at fair value with all changes recognised in Profit and loss.

3.3.2 Effective interest method

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

Income is recognised on an effective interest basis for financial assets other than those financial assets classified as at fair value through profit or loss. Interest income is recognised in the Statement of profit and Loss and is included in the "Other income" line item.

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

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

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

3.3.4 Derecognition of financial assets

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

3.3.5 Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a Company of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or 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.

3.4 Financial liabilities and equity instruments

3.4.1 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.

3.4.2 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 the Company are recognised at the proceeds received, net of direct issue costs.



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3.4.3 Financial liabilities

Financial Liabilities at fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

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

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

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

Financial Guarantee contract

A financial guarantee contract is a contract that requires the issuer to make specified payment to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a group entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

3.4.4 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit or Loss.

3.4.5 Leasing arrangement

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.

ii) Lease liabilities

At the commencement 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, 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.

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.

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.



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The following are the amounts recognised in statement of Profit and Loss in respect of short term lease :

(in Lakhs)

Particulars	As at March 31st 2022
Expenses related to short term leases	100.30
Expenses related to leases of low value assets, excluding short term leases of low value assets	-
Particulars	As at March 31st 2021
Expenses related to short term leases	104.05
Expenses related to leases of low value assets, excluding short term leases of low value assets	-

3.4.6 Impairment of tangible and intangible assets other than goodwill

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate Cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future Cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share Prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future Cash flows after the fifth year to estimate Cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates Cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

3.4.7 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 expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3.4.8 Operating cycle

Considering the nature of business activities, the operating cycle has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or noncurrent as per the Company operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

3.4.9 Contingent liabilities

Contingent liabilities are disclosed in the financial statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

3.4.10 Dividend distribution to equity shareholders of the Company

The Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

In case of Interim Dividend, the liability is recognised on its declaration by the Board of Directors.



3.5 The areas involving critical estimates are:

i) Estimation of defined benefit obligation

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables.

ii) Fair Value of Investment

The Company has evaluated the fair value of its investment based on fair valuation conducted by an independent expert (Also refer note 6, 6.1 and note 27.2).

As per management estimate there is no change in the fair value of investment as compared to previous years.

iii) Useful life of property, plant and equipment

As described in note 2.3 above, the company reviews the estimated useful lives of property plant and equipment at end of each annual reporting period.



4. Property, Plant and Equipment

Accounting Policy

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Cost includes purchase price (Net off trade discount & rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy.

Property, Plant and Equipments in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are available for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets whose estimated useful life is assessed based on technical advice, taking into account the regulatory prescribed rates, nature of the asset, the estimated usage of the asset, the operating conditions of the asset, etc.

Plant and Equipments - Wind Mill : 25 years (Initial 10 years at 6% on GERC, thereafter 2%)

Plant and Equipments - Solar Plants : 15 years

Motor Vehicles : 5 years

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

₹ Lakhs

	Plant and Equipment	Furniture and Fixtures	Office Equipment	Motor Vehicles	Total
Cost					
Balance as at 1st April, 2021	5,854.30	3.23	7.41	33.40	5,898.34
Additions	26.75	-	-	-	26.75
Disposals	12.30	-	2.60	-	14.90
Balance as at 31st March, 2022	5,868.75	3.23	4.81	33.40	5,910.19
Accumulated depreciation					
Balance as at 1st April, 2021	1,852.76	1.98	6.08	20.20	1,881.02
Depreciation Expense	366.51	0.23	0.43	3.67	370.84
Disposal of Assets	10.02	-	2.47	-	12.49
Balance as at 31st March, 2022	2,209.25	2.21	4.04	23.87	2,239.37
Net carrying amount					
As at 31st March, 2022	3,659.50	1.02	0.77	9.53	3,670.82
As at 31st March, 2021	4,001.54	1.25	1.33	13.20	4,017.32

₹ Lakhs

	Plant and Equipment	Furniture and Fixtures	Office Equipment	Motor Vehicles	Total
Cost					
Balance as at 1st April, 2020	5,847.80	3.23	7.43	26.65	5,885.11
Additions	7.95	-	-	6.75	14.70
Disposals	1.45	-	0.02	-	1.47
Balance as at 31st March, 2021	5,854.30	3.23	7.41	33.40	5,898.34
Accumulated depreciation					
Balance as at 1st April, 2020	1,489.40	1.75	5.47	17.74	1,514.36
Depreciation Expense	364.23	0.23	0.61	2.48	367.55
Disposal of Assets	0.87	-	-	0.02	0.89
Balance as at 31st March, 2021	1,852.76	1.98	6.08	20.20	1,881.02
Net carrying amount					
As at 31st March, 2021	4,001.54	1.25	1.33	13.20	4,017.32
As at 31st March, 2020	4,358.40	1.48	1.96	8.91	4,370.75



5. Intangible assetsAccounting Policy**Intangible assets acquired separately**

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

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Computer software including IT Platform : 5 years

₹ Lakhs

	Computer software	Total
Cost		
Balance as at 1st April, 2021	752.57	752.57
Additions	28.99	28.99
Disposal	302.31	302.31
Balance as at 31st March, 2022	479.25	479.25
Accumulated amortisation and impairment		
Balance as at 1st April, 2021	736.13	736.13
Amortisation expense	6.79	6.79
Disposal	302.31	302.31
Balance as at 31st March, 2022	440.61	440.61
Net Block		
As at 31st March, 2022	38.64	38.64
As at 31st March, 2021	16.44	16.44

₹ Lakhs

	Computer software	Total
Cost		
Balance as at 1st April, 2020	735.64	735.64
Additions	16.93	16.93
Disposal	-	-
Balance as at 31st March, 2021	752.57	752.57
Accumulated amortisation and impairment		
Balance as at 1st April, 2020	699.44	699.44
Amortisation expense	36.69	36.69
Balance as at 31st March, 2021	736.13	736.13
Net Block		
As at 31st March, 2021	16.44	16.44
As at 31st March, 2020	36.20	36.20

The Company holds intangible assets comprising SAP licences and IT Platform for the ERP system implemented in the Company.

5.1 Capital Work-in-ProgressAccounting Policy

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

CWIP ageing Schedule as at 31st March 2022

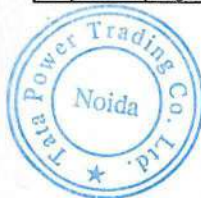
₹ Lakhs

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.62	-	-	-	0.62

CWIP ageing Schedule as at 31st March 2021

₹ Lakhs

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	9.24	-	-	-	9.24



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6. Non-current Investments

	As at 31st March, 2022 Numbers	As at 31st March, 2021 Numbers	As at 31st March, 2022 ₹ Lakhs	As at 31st March, 2021 ₹ Lakhs
Investments carried at fair value				
Unquoted Investments (all fully paid)				
a) Investments in equity instruments at FVTPL-Power Exchange India Limited	25,00,000	25,00,000	250.00	250.00
Less: Fair value changes			(250.00)	(250.00)
			-	-
Total Aggregate Unquoted Investments			-	-

- i) 25,00,000 equity share of ₹ 10 each fully paid up in Power Exchange India Limited

6.1. Current Investments

	As at 31st March, 2022 Numbers	As at 31st March, 2021 Numbers	As at 31st March, 2022 ₹ Lakhs	As at 31st March, 2021 ₹ Lakhs
Unquoted - Mutual Fund				
Investment carried at FVTPL				
SBI Overnight fund - direct growth plan	-	28,002	-	902.13
Aggregate carrying value of unquoted investment	-	28,002	-	902.13

7. Trade Receivables

	As at 31st March, 2022 ₹ Lakhs	As at 31st March, 2021 ₹ Lakhs
Current Trade Receivables		
Considered good	18,594.02	10,877.61
Considered doubtful	262.04	304.47
	18,856.06	11,182.08
Less: Allowance for Doubtful Trade Receivables	(262.04)	(304.47)
Total	18,594.02	10,877.61

The credit period on sale of power up to 90 days. Interest is charged at 15% to 18% per annum on outstanding balance beyond the credit period.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as per the provision matrix computed as per historical experience and expected credit loss.

During the year The Company has booked unbilled revenue by Rs. 21,205.97 lakhs (PY -Rs. 11,923.29 lakhs).

Trade receivables including unbilled receivables Ageing schedule as at 31st March, 2022

₹ Lakhs

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	38,536.67	18.27	8.83	6.24	4.08	38,574.09
b) Significant increase in credit risk	-	-	-	-	-	-
c) Credit Impaired	-	-	0.07	1.92	58.91	60.90
(ii) Disputed Trade Receivables						
a) Considered good	-	-	-	2.45	1,221.66	1,224.11
b) Significant increase in credit risk	-	-	-	-	-	-
c) Credit Impaired	-	-	-	-	202.93	202.93

For Related Party details, refer note 28



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Trade receivables including unbilled receivables Ageing schedule as at 31st March, 2021

₹ Lakhs

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	20,580.13	6.63	301.84	158.79	45.38	21,092.77
b) Significant increase in credit risk	-	-	-	-	-	-
c) Credit Impaired	-	-	2.49	0.78	98.27	101.54
(ii) Disputed Trade Receivables						
a) Considered good	-	-	2.45	801.60	904.08	1,708.13
b) Significant increase in credit risk	-	-	-	-	-	-
c) Credit Impaired	-	-	-	-	202.93	202.93



8. Other Financial Assets

	As at 31st March, 2022	As at 31st March, 2021
	₹ Lakhs	₹ Lakhs
Non-current		
(i) Deposits with Banks	64.88	4,320.00
(ii) Security Deposits		
Unsecured, considered good		
Security Deposits	5.50	2.49
	70.38	4,322.49
Current		
(i) Security Deposits		
Unsecured, considered good	1,178.83	1,011.85
Unsecured, considered doubtful	5.00	5.00
Less: Provision for doubtful deposits	(5.00)	(5.00)
	1,178.83	1,011.85
(ii) Unsecured, considered good		
Inter company deposits (ICD) to related party (refer note 28)	15000.00	14,000.00
Interest accrued on ICD to related party (refer note 28)	0.55	259.36
Interest accrued on fixed deposit	1.61	18.76
	15002.16	14278.12
(iii) Other Receivables		
Unsecured, considered good	29.95	16.41
Unsecured, considered doubtful	25.54	55.54
Less: Provision for doubtful receivables	(25.54)	(55.54)
	29.95	16.41
	16,210.94	15,306.38

9. Non-current tax Assets

	As at 31st March, 2022	As at 31st March, 2021
	₹ Lakhs	₹ Lakhs
Non-current tax assets		
Advance Income-tax (Net of provisions)	508.86	582.09
	508.86	582.09



10. Other Assets

	As at 31st March, 2022	As at 31st March, 2021
	₹ Lakhs	₹ Lakhs
Non-current		
(i) Prepaid expenses	6.80	7.20
	6.80	7.20
Current		
(i) Balances with Government Authorities		
Indirect tax input credit receivable	1.85	1.85
VAT/Sales Tax Receivable	20.79	19.89
	22.64	21.74
(ii) Other Loans and Advances		
Unsecured, considered good	58.03	10.30
Prepaid Expenses and other advances		
	80.67	32.04

11. Cash and Cash Equivalent

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at bank, cash/cheques on hand and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company cash management.

	As at 31st March, 2022	As at 31st March, 2021
	₹ Lakhs	₹ Lakhs
(i) Balances with Banks:		
In Current Accounts	6,262.96	161.10
In Deposit Accounts (with original maturity less than three months)*	-	5,609.31
In Deposit Accounts (with original maturity more than three months but less than a year)*	500.00	-
Cash and Cash Equivalent as per Balance Sheet	6,762.96	5,770.41
Bank Overdraft (Refer Note No.18)	-	(16.89)
Cash and Cash Equivalent as per Statement of Cash Flows	6,762.96	5,753.52
(ii) Changes in liabilities from financing activities		
Opening balance of Non-Current borrowings (including current maturity of non-current borrowings)	-	2,861.50
Proceeds during the year	-	
Repayment during the year	-	(2,861.50)
Closing balance	-	-

*Fixed deposits Rs. 500 Lakhs (Rs.3,319.68 in PY) lakhs under lien for bank guarantee.



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12. Equity - Share Capital

	As at 31st March, 2022		As at 31st March, 2021	
	Number	₹ Lakhs	Number	₹ Lakhs
Authorised				
Equity Shares of ₹ 10/- each	2,00,00,000	2,000	2,00,00,000	2,000
Preference Shares of ₹ 10/- each	1,80,00,000	1,800	1,80,00,000	1,800
		3,800		3,800
Issued and subscribed capital comprises:				
Fully paid equity shares of Rs 10 each.	1,60,00,000	1,600	1,60,00,000	1,600
Total Issued, Subscribed and fully Paid-up Share Capital		1,600		1,600

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at 31st March, 2022		As at 31st March, 2021	
	Number	₹ Lakhs	Number	₹ Lakhs
Equity Shares				
At the beginning of the year	1,60,00,000	1,600	1,60,00,000	1,600
Issued during the year	-	-	-	-
Outstanding at the end of the year	1,60,00,000	1,600	1,60,00,000	1,600

(ii) Terms/rights attached to Equity Shares

- (a) Fully paid equity shares, which have a par value of ₹ 10, carry one vote per share and carry a right to dividends.
- (b) In respect of the year ended 31 March 2022, the directors in their meeting dated 14 April, 2022 have proposed a final dividend of Rs. 45 per share to be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the annual general meeting. The proposed equity dividend is payable to all the holders of fully paid equity shares. The total liability towards equity dividend amounts to Rs. 7200 Lakhs.

(iii) Details of shareholders holding more than 5% shares in the Company

	As at 31st March, 2022		As at 31st March, 2021	
	Number	% Holding	Number	% Holding
Equity Shares of ₹ 10/- each fully paid				
The Tata Power Company Limited, Holding Company	1,60,00,000	100%	1,60,00,000.00	100%

13. Other Equity

	As at 31st March, 2022	As at 31st March, 2021
	₹ Lakhs	₹ Lakhs
General Reserve		
Balance at the end of the period	1,355.00	1,355.00
Securities Premium Account		
Balance at the end of the period	2,089.50	2,089.50
Retained Earnings		
Balance at the beginning of the period	21,521.84	18,198.24
Add: Other Comprehensive Income/(Expense) arising from Remeasurement of Defined Benefit	(30.04)	28.28
Add: Profit for the period	5,481.81	3,295.32
Closing Balance	26,973.61	21,521.84
Deemed capital contribution from Holding company		
Balance at the end of the period	8.30	8.30
Total of Other Equity	30,426.41	24,974.64



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Tata Power Trading Company Limited

Notes to the financial statements for the period ended March 31, 2022

14. Other Financial Liabilities

	As at 31st March, 2022	As at 31st March, 2021
	₹ Lakhs	₹ Lakhs
Current		
(a) Other Payables		
Security Deposits from Customers	1022.69	784.88
Security Deposits from Others	4.62	4.62
Total	1,027.31	789.50

15. Provisions

Accounting Policy

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).

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

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions with charge to statement of profit and loss. 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.

	As at 31st March, 2022	As at 31st March, 2021
	₹ Lakhs	₹ Lakhs
Non-current		
Provision for Employee Benefits		
Compensated Absences	133.84	114.07
Gratuity	237.68	169.95
Post Employment Medical Benefit	15.12	12.09
Ex-Gratia and retirement gift	23.68	19.06
Hospitalisation in Service and long service award	16.51	12.19
Total Non-current Provisions	426.83	327.36
Current		
Provision for Employee Benefits		
Compensated Absences	7.70	5.47
Gratuity	8.07	5.28
Post Retirement Medical	0.13	0.13
Ex-Gratia and retirement gift	2.33	1.35
Total Current Provisions	18.23	12.23



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15.1 Employee benefit plan

15.2 Defined contribution plan

The Company makes contribution towards provident fund which is a defined contribution plan for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits. The only obligation of the Company with respect to the retirement benefit scheme is to make the specified contributions.

The total expense recognised in the Statement of Profit and Loss is Rs. 40.26 Lakhs (for the year ended 31st March, 2021 Rs. 31.99 Lakhs) and represents contribution payable to the Employee Provident Fund. As at 31st March, 2022, contribution of Rs. 7.99 Lakhs (as at 31st March, 2021 Rs. 6.26 Lakhs) due in respect of FY 2021-22 (FY 2020-21) reporting period had not been paid to the plans. The amounts were paid subsequent to the end of the respective reporting periods.

15.3 Defined benefit plan

The Company operates the following unfunded defined benefit plans:

Post Employment Medical Benefits

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

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 pre-determined lumpsum amount alongwith 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 Group 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 salary at the retirement date.

Pension Benefits

The Company has a defined benefit pension plan. Employees who are in continuous service for a period of fifteen years are eligible for pension. The level of benefits provided depends on the member's length of service and salary at the retirement date.

Risks associated with Plan Provisions

Risks associated with the plan provisions are actuarial risks. These risks are: - (i) interest risk (discount rate risk), (ii) mortality risk and (iii) salary risk.

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period of government bonds.

Interest risk (discount rate risk):

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

Mortality risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after the employment. Indian Assured Lives Mortality (2006-08) ultimate table has been used in respect of the above. A change in mortality rate will have a bearing on the plan's liability.

Salary risk:

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

Demographic risk

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straight forward and depends upon the combination of salary increase, discount rate and vesting criterion.

Withdrawals

Actual Withdrawals providing higher or lower than assumed withdrawals and change of withdrawal rate at subsequent valuations can impact plan's liability.



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Principal actuarial assumptions for all the unfunded defined benefits plans:

	As at 31-March-2022	As at 31-March-2021
Discount rate (p.a.)	6.80%	6.60%
Expected rate of salary increase (p.a.) - Management	7.00%	7.00%
Expected rate of salary increase (p.a.) - Non-Management	6.00%	5.00%

Note:

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

Demographic assumptions:

	As at 31-March-2022	As at 31-March-2021
Mortality table	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Withdrawal rate (p.a.) (age 21 to 44 years)	6.00%	6.00%
Withdrawal rate (p.a.) (above 45 years of Age)	2.00%	2.00%

Amounts recognised in statement of profit and loss in respect of these defined benefits plans are as follows:

	Rs. in Lakhs	
	As at 31-March-2022	As at 31-March-2021
Service Cost		
Current Service cost	23.23	24.65
Past Service cost	-	-
Net interest expense	11.90	12.90
Component of defined benefit costs recognised in profit or loss	35.13	37.55
Remeasurement on the net defined benefit liability :		
Actuarial (Gains)/losses arising from changes in demographic assumptions	1.34	-
Actuarial (Gains)/losses arising from changes in financial assumptions	(6.79)	(2.65)
Actuarial (Gains)/losses arising from experience adjustment	45.60	(35.13)
Components of defined benefit costs recognised in other	40.15	(37.78)
Total	75.28	(0.23)

The current service cost and the net interest expense for the year are included in "Employee benefits expense" in the Statement of Profit and Loss.

The remeasurement of the net defined liability is included in other comprehensive income

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefits plans as follows:

	Rs. in Lakhs	
Particulars	As at 31-March-2022	As at 31-March-2021
Present value of defined benefit obligation	(287.00)	(186.81)
Present value of defined benefit obligation	(287.00)	(186.81)



Movements in the present value of the defined benefit obligations are as follows:

	Rs. in Lakhs	
	As at 31-March-2022	As at 31-March-2021
Opening defined benefit obligations	186.81	201.47
Service cost	23.23	24.65
Interest cost	11.90	12.90
Acquisition credit/(cost)*	37.83	(8.46)
Actuarial losses arising from changes in demographic assumptions	1.34	-
Actuarial (gains)/losses arising from changes in financial assumptions	(6.79)	(2.64)
Actuarial gains arising from experience adjustment	45.60	(35.13)
Benefits paid	(12.92)	(5.98)
Closing defined benefit obligations	287.00	186.81

*During the year company has considered Acquisition cost for whole financial year 2021-22.

*However Acquisition cost does not include gratuity liability for employees transferred from group company to our company for previous year after 31st Jan 2021 amounting to Rs. 21.05 lakhs in actuarial report.

Sensitivity Analysis

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

Particulars	As at 31-March-2022 Rs.in Lakhs		As at 31-March-2021 Rs.in Lakhs	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+0.5%)	(15.92)	17.50	(12.46)	13.79
(% change compared to base due to sensitivity)	5.55%	(6.10%)	6.67%	(7.38%)
Growth Rate (-/+0.5%)	17.12	(15.73)	13.45	(12.28)
(% change compared to base due to sensitivity)	(5.97%)	5.48%	(7.20%)	6.57%
Mortality Rate (-/+1 year)	0.72	(0.70)	0.65	(0.64)
(% change compared to base due to sensitivity)	(0.25%)	0.25%	(0.35%)	0.34%
Withdrawal Rate (-/+5%)	(32.59)	-	(29.95)	-
(% change compared to base due to sensitivity)	11.36%	0.00%	16.03%	0.00%

The expected maturity analysis of defined benefit obligation by respective end of financial year's (valued on undiscounted basis) are as follows:

	(Rs. in Lakhs)	
	As at 31-March-2022	As at 31-March-2021
Within 1 Year	10.88	6.98
Between 1 - 2 years	11.37	8.29
Between 2 - 3 years	13.15	8.51
Between 3 - 4 years	14.67	9.97
Between 4 - 5 years	93.34	11.39
Beyond 5 Years	109.13	91.03
	252.54	136.17

	As at 31-March-2022	As at 31-March-2021
The average duration of the defined benefit plan obligation represents average duration for active members (based on discounted cash flows)	7.6 years	7.4 years



16. Deferred Tax Liabilities (Net)

Accounting Policy

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent 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 (other than in a business combination) 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 each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax 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.

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

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

	As at 31st March, 2022		As at 31st March, 2021	
	₹ Lakhs		₹ Lakhs	
Deferred Tax Assets	181.21		155.99	
Deferred Tax Liabilities	(875.24)		(939.25)	
Total - Net Deferred Tax Liabilities	(694.03)		(783.26)	

Year ended March 31, 2022	Opening Balance	Recognised in Profit or loss	Utilised during the year	Recognised in other comprehensive Income	Closing balance
Deferred tax assets in relation to					
Allowance for Doubtful Debts, Deposits and Advances	91.87	(18.24)	-	-	73.63
Provision for Employee Benefits and Others	64.12	33.35	-	10.11	107.58
	155.99	15.11	-	10.11	181.21
Deferred tax liabilities in relation to					
Property, Plant and Equipment	939.25	(64.01)	-	-	875.24
	939.25	(64.01)	-	-	875.24
Net Deferred Tax Liability	783.26	(79.12)	-	(10.11)	694.03

Year ended March 31, 2021	Opening Balance	Recognised in Profit or loss	Utilised during the year	Recognised in other comprehensive Income	Closing balance
Deferred Tax Assets in relation to					
Allowance for Doubtful Debts, Deposits and Advances	122.84	(30.97)	-	-	91.87
Provision for Employee Benefits and Others	76.03	(2.41)	-	(9.50)	64.12
MAT Credit entitlement	-	-	-	-	-
	198.87	(33.38)	-	(9.50)	155.99
Deferred Tax Liabilities in relation to					
Property, Plant and Equipment	1,002.54	(63.29)	-	-	939.25
	1,002.54	(63.29)	-	-	939.25
Net Deferred Tax Liability	803.67	(29.91)	-	9.50	783.26



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Tata Power Trading Company Limited**Notes to the financial statements for the period ended March 31, 2022****17. Other Current Liabilities**

	As at 31st March, 2022	As at 31st March, 2021
	₹ Lakhs	₹ Lakhs
Current		
Statutory Liabilities	230.93	148.87
Advance payments received from Customers	743.88	637.24
Other Liabilities	-	2.12
	974.81	788.23

18. Current Borrowings

	As at 31st March, 2022	As at 31st March, 2021
	₹ Lakhs	₹ Lakhs
Secured - At Amortised Cost		
From Banks		
Bank Overdraft (refer note 1 and 2 below)	-	16.89
	-	16.89

Security

1. Secured by a first charge by way of hypothecation of the Company's moveable including book-debts, bills, outstanding monies, receivables, both present and future ranking pari-passu with other participating banks except project receivables.
2. The weighted average effective interest rate on the bank loans is 7.21% per annum (as at 31 March, 2021: 8.04% per annum).
3. The quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts and there is no discrepancies.



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19. Trade Payables

Current

Outstanding dues of micro enterprises and small enterprises

Outstanding dues of trade payables other than micro enterprises and small enterprises

Total

As at 31st March, 2022 ₹ Lakhs	As at 31st March, 2021 ₹ Lakhs
4.59	0.97
31,978.47	24,473.56
31,983.06	24,474.53

Note:

i. The average credit period is upto 30 days for the Company.

ii. Based on information available with the company, the balance due to micro, small enterprises as defined under the micro, small & medium enterprises development (MSMED) Act, 2006 is Rs Nil (31st March 2021 : Rs Nil) and no interest has been paid or is payable during the year under the terms of the MSMED Act 2006.

Trade Payables Ageing schedule as at 31st March, 2022

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 Payables						
a) MSME	4.59	-	-	-	-	4.59
b) Others	30,628.22	20.70	5.59	9.60	-	30,664.11
(ii) Disputed Trade Payable						
a) MSME	-	-	-	-	-	-
b) Others	-	-	10.19	11.86	1,292.31	1,314.36

Trade Payables Ageing schedule as at 31st March, 2021

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 Payables						
a) MSME	0.97	-	-	-	-	0.97
b) Others	22,112.17	52.80	302.10	209.57	19.03	22695.67
(ii) Disputed Trade Payable						
a) MSME	-	-	-	-	-	-
b) Others	-	-	8.22	786.68	982.99	1777.89



20. Revenue from Operations

Accounting Policy

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services and specific criteria have been met for each of the Company's activities as described below.

i. **Sale of electricity**

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, it best depicts the value to the customer and complete satisfaction of performance obligation.

In the arrangements the Company is acting as an agent, the revenue is recognized on net basis when the units of electricity are delivered to power procurers because this is when the Company transfers control over its services and the customer benefits from the Company's such agency services.

The Company determines its revenue on certain contracts net of power purchase cost based on the following factors:

- another party is primarily responsible for fulfilling the contract as the Company does not have the ability to direct the use of power supplied or obtain benefits from supply of power.
- the Company does not have inventory risk before or after the power has been delivered to customers as the power is directly supplied to customer.
- the Company has no discretion in establishing the price for supply of power. The Company's consideration in these contracts is only based on the difference between sales price charged to procurer and purchase price given to supplier.

For other contract which does not qualify the conditions mentioned above, revenue is determined on gross basis.

Customers are billed based on contractually agreed frequency which is generally monthly or at the end of supply in case supply is for a part of the month and are given credit period on sale of power up to 90 days. Interest is charged at 15% to 18% per annum on the outstanding balance beyond the credit period.

ii. **Rendering of Services**

Revenue in the nature of advisory services rendered towards finalisation of power purchase agreements, load management etc, is recognised as determined under the terms of respective agreements. For sale of power under banking arrangements only margin earned on the transactions is accounted for as revenue.

iii. **Delayed payment and compensation charges**

Delayed payment charges for power supply on grounds of prudence are recognised when recovery is virtually certain.

Compensation recoverable from customers/suppliers for default in purchase/sale of power is accrued as determined under the terms of respective agreements and acknowledged by customers/suppliers.

iv. **Dividend and Interest income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

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

	For Year ended 31st March, 2022 ₹ Lakhs	For Year ended 31st March, 2021 ₹ Lakhs
(a) Revenue from power supply	30,513.81	21,571.31
(b) Revenue from power supply of agency nature (refer note 20.1)	6,165.98	4,461.71
i. Total revenue from power supply	36,679.79	26,033.02
ii. Other Operating Revenue		
(i) Income in respect of services rendered	158.42	106.28
(ii) Delayed payment charges recovered	21.69	10.43
(iii) Written back of Provision for doubtful debts	72.44	123.08
(iv) Income from REC certificate	139.85	37.36
(v) Other income	335.89	205.30
(v) Gain on Disposal of Property, Plant and Equipment (Net)	1.24	-
	729.53	482.45
Total Revenue from Operations	37,409.32	26,515.47

20.1 Revenue from Power Supply of agency nature

	For Year ended 31st March, 2022 ₹ Lakhs	For Year ended 31st March, 2021 ₹ Lakhs
Revenue from Power Supply of agency nature (gross)	7,73,959.50	3,57,741.73
(Less): Cost of power purchase of agency nature (gross)	(7,67,793.53)	(3,53,280.02)
Revenue from power supply of agency nature (Net)	6,165.97	4,461.71



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21. Other Income

	For Year ended 31st March, 2022 ₹ Lakhs	For Year ended 31st March, 2021 ₹ Lakhs
(a) Gain on Investments		
Gain on Current Investment measured at FVTPL-Mutual Funds	170.71	106.51
	170.71	106.51
(b) Other Non-operating Income		
Interest Income from fixed deposits	149.46	20.55
Other interest	732.52	294.22
Liabilities no longer required written back	340.02	184.72
	1222.00	499.49
Total Other Income	1392.71	606.00



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Accounting Policy**22. Employee Benefits Expense****a. 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.

b. Defined benefits plans

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods. Past service costs are recognised in statement of profit and loss on the earlier of:

- the date of the plan amendment or curtailment, and
- the date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- net interest expense or income.

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.

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

c. 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 current 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 non-current 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.

	For Year ended 31st March, 2022	For Year ended 31st March, 2021
	₹ Lakhs	₹ Lakhs
Salaries and Wages	970.58	636.72
Contribution to Provident Fund	47.45	30.85
Gratuity Expense	7.65	29.90
Staff Welfare Expenses	127.07	89.06
	1,152.75	786.53

23. Finance CostsAccounting Policy**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.

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

	For Year ended 31st March, 2022	For Year ended 31st March, 2021
	₹ Lakhs	₹ Lakhs
(a) Interest Expense:		
Borrowings		
Interest on Borrowings from Related Parties	0.15	8.88
Interest on Loans - Banks & Financial Institutions	11.60	253.63
Others		
Interest on Bank Overdraft	12.13	64.54
	23.88	327.05
Bank charges	320.58	170.96
	320.58	170.96
	344.46	498.01



24. Other Expenses

	For Year ended 31st March, 2022	For Year ended 31st March, 2021
	₹ Lakhs	₹ Lakhs
Rental of Land, Buildings, Plant and Equipment, etc.	106.15	105.86
Insurance	2.07	24.28
Other Operation Expenses	192.65	79.81
Travelling and Conveyance Expenses	25.28	15.72
Consultants' Fees	151.96	66.26
Auditors' Remuneration (refer note below)	21.12	20.49
Cost of Services Procured	458.42	554.79
Brand Equity Expenses	102.96	70.70
Legal Charges	46.74	56.29
Corporate Social Responsibility Expenses	103.04	90.21
Bad debts	103.43	-
Rates and taxes	1.08	41.14
Loss on Disposal of Property, Plant and Equipment (Net)	-	0.03
Miscellaneous Expenses	135.79	119.50
Total	1,450.69	1,245.08
Note:		
Payment to Statutory Auditors comprise (inclusive of GST)		
- For Statutory audit & limited review	17.16	13.55
- For Tax audit	2.76	2.12
- For Other services	0.41	4.60
- For Reimbursement of expenses	0.79	2.95
Total	21.12	23.22

24.1 Corporate Social Responsibility

	For Year ended 31st March, 2022	For Year ended 31st March, 2021
	₹ Lakhs	₹ Lakhs
Contribution to Tata Power Community Development Trust	29.86	-
Other expenses	73.18	90.21
Total	103.04	90.21
Amount required to be spent as per section 135 of the Companies Act 2013.	103.04	89.86
Amount spent during as on date:		
(a) Construction/Acquisition of asset	-	-
(b) On purposes other than (a) above	67.72	90.21
Shortfall at the end of the year	35.32	-

Details of ongoing project and other than ongoing project

In case of S. 135(6) (Ongoing Project)						
Opening Balances		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	-	43.58	8.26	-	-	35.32

In case of S. 135(5) (Other than Ongoing Project)				
Opening Balances	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	59.46	59.46	-

25. Income taxes

Accounting Policy

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where company operates and generates taxable income.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



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	For Year ended 31st March, 2022	For Year ended 31st March, 2021
	₹ Lakhs	₹ Lakhs
Current tax		
In respect of the current year	1868.81	1168.56
In respect of the previous years	(46.18)	(22.25)
	1,822.63	1,146.31
Deferred tax		
In respect of the current year	(79.13)	(29.91)
Total Deferred tax expense	(79.13)	(29.91)
Total income tax expense	1,743.50	1,116.40

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

	For Year ended 31st March, 2022	For Year ended 31st March, 2021
	₹ Lakhs	₹ Lakhs
Profit before tax	7,225.31	4,411.72
Income tax expense calculated at 25.17%	1,818.61	1,110.43
Effect of expenses that are not deductible in determining taxable profit	(39.04)	37.73
Effect related to adjustment for previous years	(46.18)	(22.25)
Effect of items not reclassified to profit & loss account	10.11	(9.51)
	1,743.50	1,116.40

The tax rate used for the financial years 2021-22 and 2020-21 is corporate tax rate of 25.17%. Reconciliations above is the corporate tax payable by corporate entities in India on taxable profits under the Indian tax law.

25.2 Income tax recognised in other comprehensive income

Deferred tax	For Year ended 31st March, 2022	For Year ended 31st March, 2021
	₹ Lakhs	₹ Lakhs
Remeasurements of defined benefit obligation	10.11	(9.51)
Total income tax recognised in other comprehensive income	10.11	(9.51)
Bifurcation of the income tax recognised in other comprehensive income into:		
- Item that will not be reclassified to profit or loss	10.11	(9.51)
- Item that may be reclassified to profit or loss	-	-



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Tata Power Trading Company Limited
Notes to the financial statements for the period ended March 31, 2022

26. Earnings per share

Accounting Policy

i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year and excluding treasury shares.

ii) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

	For Year ended 31st March, 2022	For Year ended 31st March, 2021
Basic and Diluted earnings per share	34.26	20.60
The financial statements have been prepared on a historical cost basis, except for certain financial assets & financial liability measured at fair value (refer note 3.2 accounting policy regarding financial instruments & note 3.4.3 regarding financial		
The earnings and weighted average number of equity shares used in the calculation of basic/diluted earnings per share are as follows:		
	For Year ended 31st March, 2022 ₹ Lakhs	For Year ended 31st March, 2021 ₹ Lakhs
Profit for the year attributable to owners of the company	5,481.81	3,295.32
Earnings used in the calculation of basic/ diluted earnings per share (Rs. in Lacs)	5,481.81	3,295.32
	For Year ended 31st March, 2022	For Year ended 31st March, 2021
Weighted average number of equity shares for the purposes of basic/ diluted earnings per share.	1,60,00,000	1,60,00,000
Note: There are no potential equity shares which are anti-dilutive.		

27. Segment information

The Company is mainly engaged in the business of trading of electricity in India. Based on the information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and assessment of performance, there are no reportable segments in accordance with the requirements of Indian Accounting Standard 108-'Operating Segment Reporting', notified under the Companies (Indian Accounting Standards) Rules, 2015.

28. Related party disclosures

(a) Name of related parties and description of relationship:

Controlling entity (CE):	
The Tata Power Company Limited (TPCL) (Holding Company)	
Fellow subsidiaries (where transactions have taken place during the period):	
(i)	Tata Power Delhi Distribution Limited (TPDDL)
(ii)	Maithon Power Limited (MPL)
(iii)	Tata Power Solar Systems Limited (TPSSL)
(iv)	Tata Power Renewal Energy Limited (TPREL)
(v)	Costal Gujarat Power Limited (CGPL)
(vi)	Welspun Renewable Energy Limited (WREL)
(vii)	Welspun Solar Kannada Private Limited (WSKPL)
(viii)	Vagarai Windfarms Limited (VWFL)
(viii)	Tata Power Central Odisha Distribution Limited (TPCODL)
(ix)	Tata Power Northern Odisha Distribution Limited (TPNODL)
(x)	Chirashayee Saurya Limited (CSL)
(xi)	Poolavadi Windfram Limited (PWL)
(xii)	Tata Power Green Energy Limited (TPGEL) (The TPCL Supa wind unit has been transferred to TPGEL w.e.f. 1st April 2021. Accordingly, TPTCL has transferred payable amount from Supa unit of TPCL to TPGEL).
Joint Venture of Controlling entity (where transactions have taken place during the year):	
(i)	Prayagraj Power Generation Company Limited (PPGCL)
Associates of Controlling entity (where transactions have taken place during the year):	
(i)	Dagachhu Hydro Power Corporation Ltd (DHPC)
Promoters together with its subsidiary holding more than 20% in Controlling entity:	
(i)	Tata Sons Private Limited
Subsidiaries and Jointly control entities of promoter:	
(i)	Tata Consultancy Limited
(ii)	Tata AIG General Insurance Company Limited
(iii)	Tata Teleservices Limited (TTL)
(iv)	Tata Communications Ltd (TCL)
Key Management Personnel (KMP)	
(i)	Bhaskar Sarkar, Chief Executive Officer (till 28th Feb 2021)
(ii)	Amit Garg, Chief Executive Officer (wef 1st March 2021)
(iii)	Lalit Narang, Chief Financial Officer (wef 1st August 2019 to 24th January 2020)
(iv)	Ritu Gupta, Chief Financial Officer (wef 25th January 2020)
(v)	Neha Malik, Company Secretary (till 31st Oct 2021)
(vi)	Komal Jolly, Company Secretary (wef 01st Nov. 2021)



(b) Transaction / balances outstanding with related parties

Particulars	CE		Fellow subsidiaries										JE of CE		Associates of CE		KMP	Total
	TPCL		TPDDL	MPL	TPSSL	CGPL	VWFL	WREL	WSRPL	POOLAVADI	TPNODL	TPCODL	CSL	Sub-total	PPCCL	DHPC		
(i) Details of transactions during the nine month ended 31st March, 2022																		
Revenue from power supply and rendering services*	10.16		1,37,862.90	-	355.22	1,885.97	7.91	5.89	1.04	57.71	-	-	3.97	1,40,180.61	42.91	-	-	1,40,233.68
Cash discount allowed	366.35		1,02,297.75	-	465.42	-	19.19	6.11	1.10	24.53	-	-	4.84	1,02,818.94	-	-	-	1,02,885.29
Revenue from sale of REC cert and other services	-		2,801.49	-	-	-	-	-	-	-	-	-	-	2,801.49	-	-	-	2,801.49
Cost of power purchased	30,321.99		-	1,59,308.59	-	69.06	-	-	-	-	-	-	-	1,59,377.65	29,198.44	20,740.83	-	2,39,638.91
Cash discount earned	17,834.42		-	1,30,405.76	-	56.48	-	-	-	5.30	-	-	-	1,30,467.34	3,490.13	19,072.81	-	1,92,864.90
Managerial remuneration (see note 2 below)	324.11		-	3,743.65	-	-	-	-	-	-	-	-	-	3,743.65	386.25	350.08	-	4,804.09
Receiving of services	151.18		-	3,226.69	-	-	-	-	-	-	-	-	-	3,226.69	22.72	341.29	-	3,741.88
Reimbursement of expenses-Paid	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	225.93	225.93
Reimbursement of expenses-Recovered	277.23		1.38	-	49.37	-	-	-	-	-	-	-	-	50.75	-	-	221.77	337.98
Sale of Fixed Assets	370.27		5.41	-	32.34	-	-	-	-	-	-	-	-	37.75	-	-	-	408.02
Interest earned on Inter corporate deposit given	80.39		-	1,226.29	-	-	-	-	-	-	-	-	-	1,226.29	-	-	-	1,277.25
Interest paid on Inter corporate deposit taken	50.96		-	37.20	-	-	-	-	-	-	-	-	-	37.20	-	-	-	117.59
Inter corporate deposit given	731.86		3,138.42	784.67	-	3.04	-	-	-	10.53	-	-	-	3,141.46	216.93	1,543.36	-	3,358.39
Inter corporate deposit received back	292.44		693.39	-	-	1.00	-	-	-	-	-	-	-	1,489.59	3.62	-	-	3,088.51
Inter corporate deposit given	0.15		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.15
Inter corporate deposit received back	8.87		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.87
Inter corporate deposit taken	38,500.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38,500.00
Inter corporate deposit repaid	17,500.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17,500.00
Inter corporate deposit taken	23,500.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23,500.00
Inter corporate deposit repaid	3,500.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,500.00
Inter corporate deposit taken	1,000.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,000.00
Inter corporate deposit repaid	3,000.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,000.00
Inter corporate deposit repaid	1,000.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,000.00
Inter corporate deposit repaid	3,000.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,000.00

*Represent gross agency revenue / cost

Notes:

1. Figures in Italics stated for year ended 31st March, 2021

2. Managerial remuneration for KMP excludes provision for leave encashment and gratuity, as separate figures for KMP is not available.



(c) Transaction / balances outstanding with related parties		Particulars	CE		Fellow subsidiaries							Associates of CE		Total		
			TPCL	TPDDL	MPL	TPSSL	VWFL	WREL	WSKPL	TFGEL	CSL	POOLAVADI	Sub-total		JE OF CE PPGCL	DHPC
		(ii) Balance outstanding														
		Trade receivables														
		As at 31.03.2022	-	7,888.41	1,918.00	1.72	0.12	0.87	0.14	-	0.52	47.16	9,856.94	-	-	9,856.94
		As at 31.03.2021	-	1,807.77	-	9.54	8.85	0.77	0.07	-	0.30	28.43	1,855.73	-	-	1,855.73
		Security Deposit payable														
		As at 31.03.2022	-	-	-	1.25	-	1.53	0.30	-	-	-	3.08	-	-	3.08
		As at 31.03.2021	-	-	-	1.25	-	1.53	0.30	-	-	-	3.08	-	-	3.08
		Trade payables														
		As at 31.03.2022	3,882.05	-	-	-	-	-	-	24.68	-	-	24.68	2,611.39	854.34	7,372.46
		As at 31.03.2021	2,563.96	-	85.63	-	-	-	-	-	-	-	85.63	717.04	572.88	3,939.51
		ICD Receivables														
		As at 31.03.2022	15,000.00	-	-	-	-	-	-	-	-	-	-	-	-	15,000.00
		As at 31.03.2021	14,000.00	-	-	-	-	-	-	-	-	-	-	-	-	14,000.00
		Interest accrued on ICD														
		As at 31.03.2022	0.55	-	-	-	-	-	-	-	-	-	-	-	-	0.55
		As at 31.03.2021	239.91	-	-	-	-	-	-	-	-	-	-	-	-	239.91

Notes:

1. Figures in italics stated are balances as on 31st March, 2021



Tata Power Trading Company Limited

Notes to the financial statements for the period ended March 31, 2022

(d) Balances outstanding with related parties

(In Lakhs)

Particulars		Subsidiaries and Jointly control entities of promoter			Promoter
		Tata Communication Ltd	Tata AIG General Insurance Company Ltd	Tata Teleservices Ltd	Tata Sons Ltd
Receivable	March 31, 2022	-	-	-	-
	March 31, 2021	-	-	38.58	-
Payable	March 31, 2022	1.37	0.34	7.05	90.00
	March 31, 2021	1.37	0.01	-	71.28

Transactions during the year

(In Lakhs)

Particulars		Tata Communication Ltd	Tata AIG General Insurance Company Ltd	Tata Teleservices Ltd	Tata Sons Ltd
Revenue from sale of power and rendering services					
	For the period March 31, 2022	-	-	-	-
	For the period March 31, 2021	-	-	245.48	-
Receiving of services					
	For the period March 31, 2022	-	0.67	-	-
	The financial March 31, 2021	-	24.97	-	-
Reimbursement of expense recovered					
	For the period March 31, 2022	-	-	-	-
	For the period March 31, 2021	-	-	6.84	-
Brand Equity					
	For the period March 31, 2022	-	-	-	100.00
	For the period March 31, 2021	-	-	-	71.28

Notes

1. Figures in italics stated for year ended 31st March, 2021



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29. Categories of financial instrument

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

29.1 Set out below, is a comparison by class of the carrying amount and fair value of the financial instruments:

	Carrying value		Fair Value	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Financial assets				
Cash and Cash Equivalents	6,262.96	5,770.41	6,262.96	5,770.41
Trade Receivables	18,594.02	10,877.61	18,594.02	10,877.61
Investment	-	902.13	-	902.13
Unbilled Revenues and agency receivable	21,205.97	11,923.29	21,205.97	11,923.29
Other Non current & current financial assets	16,281.32	19,628.87	16,281.32	19,628.87
Total	62,344.27	49,102.31	62,344.27	49,102.31
Financial liabilities				
Trade Payables	31,978.47	24,473.56	31,978.47	24,473.56
Floating rate borrowings*	-	-	-	-
Borrowings	-	16.89	-	16.89
Other financial liabilities	1,027.31	789.50	1,027.31	789.50
	33,005.78	25,279.95	33,005.78	25,279.95

* Includes current maturities of non-current borrowings and interest accrued but not due on borrowing.

The management assessed that cash and cash equivalents, other balances with bank, trade receivables, unbilled revenues, trade payables, other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values.

Considering the sustained losses in the companies in which the investment is held, fair value of the unquoted equity shares have been estimated using a Adjusted Net Asset Value Method. The valuation requires management to make certain assumptions about the model inputs, including realizable value of assets. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for those unquoted investments.

The cost of certain unquoted investments approximate their fair value because there is a wide range of possible fair value measurements and the cost represents the best estimate of fair value within that range.

The significant unobservable input used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31st March 2021 and 31st March 2020 are as shown below:

Description of significant unobservable inputs to valuation:

Valuation techniques	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
FVTPL assets in unquoted equity shares of Power Exchange India Limited	Net Asset Value Method	None	N.A

29.2 Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes mutual funds that have quoted price.
- Level 2 Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This includes and investment in redeemable non-cumulative preference shares and equity shares.
- Level 3 Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares.



Notes to the financial statements for the period ended March 31, 2022

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

		Fair value hierarchy as at 31st March, 2022			
	Date of valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Asset measured at fair value					
FVTPL financial investments	-	-	-	-	-
Investment in equity shares of Power Exchange India Limited	31st March, 2022	-	-	-	-
Liabilities for which fair values are disclosed					
Floating rate borrowings	-	-	-	-	-
Total		-	-	-	-
		Fair value hierarchy as at 31st March, 2021			
	Date of valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Asset measured at fair value					
FVTPL financial investments	-	-	-	-	-
Investment in equity shares of Power Exchange India Limited	31st March, 2021	-	-	-	-
Investment in preference shares of Tata Ceramics Limited	21st March, 2019	-	-	-	-
Liabilities for which fair values are disclosed					
Floating rate borrowings	-	-	-	-	-
Total		-	-	-	-

29.3 Capital Management & Gearing Ratio

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. From time to time, the Company reviews its policy related to dividend payment to shareholders, return capital to shareholders or fresh issue of shares. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio up to 20%. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

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

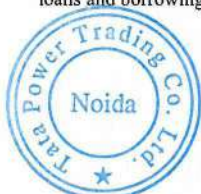
The gearing ratio at the end of the reporting period was as follows:

	₹ Lakhs	
	31st March, 2022	31st March, 2021
Debt (i)	-	16.89
Less: Cash and Bank balances	6,262.96	5,770.41
Net debt	(6,262.96)	(5,753.52)
Total Capital (ii)	32,026.41	26,574.64
Capital and net debt	25,763.45	20,821.12
Net debt to Total Capital plus net debt ratio (%)*	(24.31)	(27.63)

* The Company has no debt obligation for repayment as on 31st March 2022 (Previous year it was Rs. 16.89 Lakhs).

- (i) Debt is defined as long-term borrowings (including current maturities) and short-term borrowings.
(ii) Equity is defined as Equity share capital and other equity including reserves and surplus.

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



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Notes to the financial statements for the period ended March 31, 2022

The Company has been monitoring Net debt to Total Capital plus net debt ratio during the year. there is no change in the overall objectives, policies or processes for managing capital during the years ended 31st March 2022 and 31st March 2021.

29.4 Financial risk management objectives and policies

The Company's principal financial liabilities, comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents, other bank balances, unbilled receivables and other financial assets that derive directly from its operations. The Company also holds FVTPL investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk committee that reviews the financial risks and the appropriate financial risk governance framework for the Company. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of two types of risk: interest rate risk, price risk. Financial instruments affected by market risk include loans and borrowings.

The sensitivity analyses in the following sections relate to the position as at 31st March, 2022 and 31st March, 2021.

The sensitivity analyses have been prepared on the basis that the amount of net debt as at 31st March, 2022. The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets.

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company long-term debt obligations with floating interest rates.

Interest rate sensitivity:

The sensitivity analysis below have been determined based on exposure to interest rates for term loans at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of term loans that have floating rates.

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

		₹ Lakhs	
As of 31st March, 2022		As of 31st March, 2021	
50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on loan*	-	-	-
Effect on profit before tax	-	-	-

*The Company has no term loan obligation for repayment as on 31st March 2022 (Previous year it was nil).

Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables). Credit exposure is controlled by counter party limits for major counter parties that are reviewed and approved by the Management regularly. Ongoing credit evaluation is performed based on the financial condition of receivables and the collaterals are held as security in some of the cases. The Company generally deals with parties which has good credit rating/ worthiness given by external rating agencies or based on Company's internal assessment as listed below:

	31st March, 2022	31st March, 2021
Trade receivables	18,594.02	10,877.61
Other Current & Non Current financial assets	16,281.32	19,628.87
Total	34,875.34	30,506.48

Refer Note 7 for credit risk and other information in respect of trade receivables. Other receivables as stated above are due from the parties under normal course of the business and as such the Company believes exposure to credit risk to be minimal.



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Notes to the financial statements for the period ended March 31, 2022**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 Company has access to a sufficient variety of sources of funding. Having regards to the nature of the business wherein the Company is able to generate fixed cash flows over a period of time and to optimize the cost of funding.

	₹ Lakhs			
	Up to 1 year	1 to 5 years	5+ years	Total Carrying Amount
31st March, 2022				
Non-Derivatives				
Borrowings	-	-	-	-
Interest on above borrowings	-	-	-	-
Trade Payables	31,978.47	-	-	31,978.47
Other Financial Liabilities	1,027.31	-	-	1,027.31
Total Non-Derivative Liabilities	33,005.78	-	-	33,005.78
31st March, 2021				
Non-Derivatives				
Borrowings*	16.89	-	-	16.89
Interest on above borrowings	-	-	-	-
Trade Payables	24,473.56	-	-	24,473.56
Other Financial Liabilities	789.50	-	-	789.50
Total Non-Derivative Liabilities	25,279.95	-	-	25,279.95

* Includes current maturities of long term debts and interest accrued but not due on borrowing.

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

Financing facilities**Secured Long term facility**

Amount used

Amount unused

Secured bank overdraft and other loan facilities

Amount used

Amount unused

₹ Lakhs	
31st March, 2022	31st March, 2021
-	-
-	-
-	16.89
10,228.00	15,671.00



29.5 Financial Ratios

Sl No	Ratios	Numerator	Denominator	As at 31st March, 2022	As at 31st March, 2021	% of Variance	Reason for Variance
a)	Current Ratio	Current Assets	Current Liabilities	1.85	1.72	7.03%	-
b)	Debt-equity ratio	Total Debt	Shareholder's Equity	-	0.0006	0.00%	-
c)	Debt service coverage ratio	Net Profit after tax+Non cash operating exp.	Interest and Principle repayment	246.37	11.71	95.25%	In FY 202-21 all long term debt has been repaid. No debt obligation in FY 2022.
d)	Return on equity ratio	Net Profit after tax	Average Shareholder's Equity	0.33	0.13	60.61%	ROE is better due to Increase in trade volumes and operations.
e)	Trade receivables turnover ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivables	25.72	8.84	65.63%	Average collection period reduced on account of timely recovery from debtors.
f)	Trade payables turnover ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	28.53	11.51	59.66%	Higher ratio is in line with the trade receivables ratio, reflecting effective working capital management of the company.
g)	Net capital turnover ratio	Net Sales	Working capital = current assets-current liab.	27.91	20.25	27.45%	company has generated high sales with effective working capital management.
h)	Net profit ratio	Net Profit	Net Sales	0.01	0.01	0.00%	-
i)	Return on capital employed	Earning before Interest and Taxes	Capital Employed = Tangible net worth+Deferred tax liab	0.22	0.17	22.73%	-
j)	Return on investment	Interest	Investments	0.001	0.001	0.00%	-

30. Relationship with Struck off Companies

Sl No.	Name of struck off Company	Nature of transactions with struck off Company	Nature of transactions with struck off Company	Balance outstanding as on 31st March, 2022	Balance outstanding as on 31st March, 2021	Relationship with the Struck off company
1	Ripe Global Private Limited	Repair and Maintenance of Computer		0.51	0.51	Creditor
2	Goodyear India Limited	Sale of Power		0.30	3.87	Debtor
3	J K Cement Limited	Sale of Power		1.84	1.83	Creditor



Handwritten signature or mark.

Tata Power Trading Company Limited

Notes to the financial statements for the period ended March 31, 2022

31. Contingent Liabilities

- (a). Contingent liabilities are disclosed in the financial statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

		₹ Lakhs	
S.No.	Nature of Contingent Liabilities	31st March, 2022	31st March, 2021
1	Claims against the Company not-probable and hence not acknowledged as debts – consists of (Note1)		-
(a)	CLP – TPDDL case at APTEL on non payment of capacity charges by TPDDL to CLP on account of disputes related to wrongful declaration of COD and associated issues in view of non-availability of coal to CLP.	2353.44	2353.44
(b)	MSEDCL vs DBPL regarding Non-Supply of Power by DBPL & non enforcement of the LOI's by TPTCL for supply of such Power. Further DBPL has additionally claimed illegal recovery of the compensation which is not in line with the contractual terms by TPTCL & MSEDCL. Further, MSEDCL has filed Petition seeking revocation of Trading license in February 2019 on the ground that TPTCL did not force DBPL to honour the LOI.	340.22	340.22
(c)	Power Company of Karnataka Ltd (PCKL)/ SLDC Issue: Appeal filed by TPTCL challenging on the ground that the KERC has misdirected itself in allowing set offs of amounts claimed under PPA*	69.41	69.41
2	Claims against the company acknowledged as debt in its books with a similar amount of liability recognized (note 1)	1,424.59	1,424.59

*The company has filed an appeal against order of Karnataka Electricity Regulatory Commission challenging the ground that the commission has misdirected itself in allowing set offs of amounts claimed under PPAs with Power Company of Karnataka Ltd (PCKL) with the amounts to a different transaction/ PPA. The company has total exposure of Rs 3.24 Cr in its books against which the company has provided Rs 2.55 Cr has been acknowledged as debt in books and Rs 0.69 Cr has been covered under the contingent liabilities.

Note 1: The company being a pass-through entity believes that charges if settled in any of the above cases would not devolve the company and would be recovered in its entirety from its customer. Accordingly, the company is confident that no liability will devolve against it.

- (b). In addition, to the above amounts, there are certain legal cases where the demand/ claim is not ascertainable, however, the company being a pass-through entity believes that charges if settled in any of the above cases would not devolve the company and would be recovered in its entirety from its customer. Accordingly, the company is confident that no liability will devolve against it.
- (c). Based on balance confirmation and reconciliation carried out with seller's, Certain claims with respect to delayed payment surcharge, open access charges, backing down etc have been raised by the sellers which have been informed by the company to the respective purchaser. The Company being a pass-through entity believes that these charges if finalized and settled would not devolve on the company and would be recovered in its entirety from its customer. Accordingly, the Company is confident that no liability will devolve against it.

32. Capital Commitments

As on reporting date open capex purchase order is as follow -

		₹ Lakhs	
Order placed for		31st March, 2022	31st March, 2021
Printer		-	-
Softwares		44.39	37.09
Laptop		-	7.54

33. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

34. Impact of Covid-19 on Business

India and other global markets experienced significant disruption in operations resulting from uncertainty caused by the worldwide coronavirus pandemic. Considering that the entity is in the business of essential services, management believes that there is not much of an impact likely due to this pandemic. However, the Company is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of this unprecedented situation.



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35. Social Security Code

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Effective date from which the changes are applicable is yet to be notified. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stake holders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.



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Tata Power Trading Company Limited

Notes to the financial statement for the period ended March 31, 2022

36. Approval of financial Statements

The Financial Statements for the year ended March 31, 2022 were approved for issue by Board of Directors on April 14, 2022.

As per our report of even date

For S.R.Batliboi & Co. LLP

Chartered Accountants

Firm Registration No: 301003E / E300005

T. Das Mahapatra

per Tanmoy Dasmahapatra

Partner

Membership No. 058259



For and on behalf of the Board of Directors of
Tata Power Trading Company Limited

[Signature]

Ajay Kapoor

Director

DIN-00466631

[Signature]

Kiran Gupta

Director

DIN-08196580

[Signature]

Amit Garg

Chief Executive Officer

[Signature]

Ritu Gupta

Chief Financial Officer

[Signature]

Komal Jolly

Company Secretary

Place: Gurugram

Date: 14th April, 2022

Place: New Delhi

Date: 14th April, 2022

