

Notes to the Standalone Financial Statements

1. Corporate Information:

The Tata Power Company Limited (the 'Company') is a public limited company domiciled and incorporated in India under the Indian Companies Act, 1913. The registered office of the Company is located at Bombay House, 24, Homi Mody Street, Mumbai 400001, India. The Company is listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The principal business of the Company is generation, transmission and distribution of electricity.

The Company was amongst the pioneers in generation of electricity in India more than a century ago.

The Company has an installed generation capacity of 2,304 MW in India and a presence in all the segments of the power sector viz. Generation (thermal, hydro, solar and wind), Transmission and Distribution.

2. Significant Accounting Policies:

2.1 Statement of compliance

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

2.2 Basis of preparation and presentation

The Standalone Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value

- derivative financial instruments;
- certain financial assets and liabilities measured at fair value (Refer accounting policy regarding financial instruments);
- employee benefit expenses (Refer Note 26 for accounting policy)

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

3. Other Significant Accounting Policies

3.1 Foreign Currencies

The functional currency of the Company is Indian Rupee (₹).

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated. Exchange differences on monetary items are recognised in the statement of profit and 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.

3.2 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting period, or

3. Other Significant Accounting Policies (Contd.)

- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle,
- it is held primarily for the purpose of trading,
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3.3 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the Company 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 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 measured at fair value through profit or loss are recognised immediately in the statement of profit and loss.

3.4 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3.5 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Equity Instruments through Other Comprehensive Income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Notes to the Standalone Financial Statements

3. Other Significant Accounting Policies (Contd.)

3.5.2 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. Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

3.5.3 Investment in subsidiaries, jointly controlled entities and associates

Investment in subsidiaries, jointly controlled entities and associates are measured at cost less impairment as per Ind AS 27 - 'Separate Financial Statements'.

Impairment of investments:

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in statement of profit or loss.

3.5.4 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- the right to receive cash flows from the asset have expired, or
- the Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

3.5.5 Impairment of financial assets

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

3.6 Financial liabilities and equity instruments

3.6.1 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.

3.6.2 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.

3.6.3 Financial liabilities

Financial liabilities are subsequently measured at amortised cost using the effective interest method or FVTPL. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on

3. Other Significant Accounting Policies (Contd.)

acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss.

3.6.4 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

3.6.5 Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 - 'Financial Instruments' and the amount recognised less cumulative amortisation.

3.7 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately.

3.8 Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

3.9 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.10 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. A corresponding amount is recognised directly in equity.

4. Critical accounting estimates and judgements

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

Notes to the Standalone Financial Statements

4. Critical accounting estimates and judgements (Contd.)

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

The areas involving critical estimates or judgements are:

Estimations used for impairment of property, plant and equipments of certain cash generating units (CGU) - Note 5

Estimations used for fair value of unquoted securities and impairment of investments - Note 7

Estimation of defined benefit obligation - Note 26

Estimations used for determination of tax expenses and tax balances (including Minimum Alternate Tax credit) - Note 35

Estimates related to accrual of regulatory deferrals and revenue recognition - Note 19 and Note 30

Estimates and judgements related to the assessment of liquidity risk - Note 42.4.3

Judgement to estimate the amount of provision required or to determine required disclosure related to litigation and claims against the Company - Note 38

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

5. Property, Plant and Equipments Accounting Policy

Property, plant and equipments is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price (net of trade discount and 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 Ind AS 23. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. When significant parts of plant and equipments are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipments as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

The accounting policy related to Right-of-Use Assets has been disclosed in Note 23.

Depreciation

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale are not depreciated.

Regulated Assets:

Depreciation on Property, plant and equipments in respect of electricity business of the Company covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates specified in tariff regulation notified by respective state electricity regulatory commission.

Non-Regulated Assets:

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated 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. The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

5. Property, Plant and Equipments (Contd.)

Estimated useful lives of the Regulated and Non-Regulated assets are as follows:

Type of assets	Useful lives
Hydraulic Works	40 years
Buildings-Plant	5 to 40 years
Buildings-Others	25 to 60 years
Coal Jetty	25 years
Railway Sidings, Roads, Crossings, etc.	25 to 40 years
Plant and Equipments (excluding Computers and Data Processing units)	5 to 40 years
Plant and Equipments (Computers and Data Processing units)	3 years
Transmission Lines, Cable Network, etc.	25 to 40 years
Furniture and Fixtures	10 to 40 years
Office equipments	5 years
Motor Cars	5 years
Motor Lorries, Launches, Barges etc.	25 to 40 years
Helicopters	25 years

Derecognition

An item of Property, plant and equipments 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 equipments is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Impairment

Impairment of tangible and intangible assets

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.

Impairment losses of tangible and intangible assets are recognised in the statement of profit and loss.

5. Property, Plant and Equipments (Contd.)

A. Owned Assets

Description	Freehold Land	Hydraulic Works	Buildings - Plant	Buildings - Others @	Coal Jetty	Roads, Railway sidings, crossings	Plant and Equipment	Transmission lines and cable network	Furniture and Fixtures	Office Equipment	Motor Vehicles, Launches, Barges	Helicopters	Total
Cost													
Balance as at 1st April, 2020	117.25	536.37	1,001.07	240.38	106.10	46.76	9,896.78	3,413.96	61.79	25.88	36.19	35.30	15,517.83
Additions	73.43	9.35	109.86	1.05	Nil	Nil	340.41	371.44	1.20	2.23	1.31	Nil	910.28
Disposals	Nil	(0.43)	(1.46)	(1.02)	Nil	Nil	(49.09)	(4.06)	(2.13)	(1.72)	(8.88)	Nil	(68.79)
Balance as at 31st March, 2021	190.68	545.29	1,109.47	240.41	106.10	46.76	10,188.10	3,781.34	60.86	26.39	28.62	35.30	16,359.32
Accumulated depreciation and impairment (Refer Note 1 below)													
Balance as at 1st April, 2020	Nil	306.23	297.56	101.84	61.61	24.74	5,684.76	1,336.41	40.50	22.58	28.40	31.73	7,936.36
Depreciation Expense - Continuing Operations	Nil	10.33	33.84	8.37	5.60	1.18	400.90	154.03	3.58	0.82	2.21	0.02	620.88
Disposals	Nil	(0.31)	(0.67)	(1.01)	Nil	(0.04)	(41.07)	(3.18)	(1.83)	(1.64)	(8.00)	Nil	(57.75)
Balance as at 31st March, 2021	Nil	316.25	330.73	109.20	67.21	25.88	6,044.59	1,487.26	42.25	21.76	22.61	31.75	8,499.49
Net carrying amount As at 31st March, 2021	190.68	229.04	778.74	131.21	38.89	20.88	4,143.51	2,294.08	18.61	4.63	6.01	3.55	7,859.83

Description	Freehold Land	Hydraulic Works	Buildings - Plant	Buildings - Others @	Coal Jetty	Roads, Railway sidings, crossings	Plant and Equipment	Transmission lines and cable network	Furniture and Fixtures	Office Equipment	Motor Vehicles, Launches, Barges	Helicopters	Total
Cost													
Balance as at 1st April, 2019	143.63	536.46	937.09	217.35	106.10	46.51	9,583.14	3,163.18	65.47	27.09	42.44	37.01	14,905.47
Additions	Nil	0.04	64.24	24.41	Nil	0.53	333.45	251.57	1.97	0.84	0.94	Nil	677.99
Disposals	Nil	Nil	(0.58)	(0.93)	Nil	(0.05)	(49.02)	(0.10)	(5.66)	(2.05)	(7.19)	Nil	(65.58)
Reclassified from held for sale (Refer Note 18a.)	0.04	Nil	0.97	0.34	Nil	Nil	29.23	Nil	0.01	Nil	Nil	Nil	30.60
Reclassified as held for sale (Refer Note 18a.)	(26.42)	(0.13)	(0.65)	(0.79)	Nil	(0.23)	(0.02)	(0.69)	Nil	(0.01)	Nil	(1.71)	(30.65)
Balance as at 31st March, 2020	117.25	536.37	1,001.07	240.38	106.10	46.76	9,896.78	3,413.96	61.79	25.88	36.19	35.30	15,517.83
Accumulated depreciation and impairment (Refer Note 1 below)													
Balance as at 1st April, 2019	Nil	293.86	266.80	95.99	56.01	23.49	5,297.08	1,198.70	41.53	22.99	29.81	33.25	7,359.51
Depreciation Expense - Continuing Operations	Nil	12.37	30.22	6.64	5.60	1.30	404.16	137.79	4.20	1.52	4.67	0.01	608.48
Disposals	Nil	Nil	(0.31)	(0.91)	Nil	(0.05)	(41.16)	(0.08)	(5.24)	(1.94)	(6.08)	Nil	(55.77)
Reclassified from held for sale (Refer Note 18a.)	Nil	Nil	0.85	0.12	Nil	Nil	24.68	Nil	0.01	0.01	Nil	Nil	25.67
Reclassified as held for sale (Refer Note 18a.)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(1.53)
Balance as at 31st March, 2020	Nil	306.23	297.56	101.84	61.61	24.74	5,684.76	1,336.41	40.50	22.58	28.40	31.73	7,936.36
Net carrying amount As at 31st March, 2020	117.25	230.14	703.51	138.54	44.49	22.02	4,212.02	2,077.55	21.29	3.30	7.79	3.57	7,581.47

@ Buildings include cost of ordinary shares in co-operative housing societies.

Notes:

- During the earlier years, the Company had recorded an impairment charge of ₹ 100 crore in respect of Unit 6 generating station (Generation Segment) located at Trombay.
- Refer Note 22 for charge created on Property, Plant and Equipments.
- The title deeds of immovable properties included in Property, Plant and Equipments are held in the name of the Company, except for:
 - immovable properties aggregating to ₹ 0.88 crore (31st March, 2020 - ₹ 0.88 crore) acquired during merger of Chemical Terminal Trombay Ltd. in the earlier years for which registration of title of deeds is in progress;
 - immovable properties aggregating to ₹ 8.01 crore (31st March, 2020 - ₹ 8.01 crore) acquired in earlier years for which registration of title of deeds is in progress;
 - immovable properties aggregating to ₹ Nil (31st March, 2020 - ₹ 27.57 crore) for which the title deed is in dispute and pending resolution as at 31st March, 2021.
- The Company has received advance of ₹ 113.56 crore towards the sale of Dehrad 'land having net book value of ₹ 215.55 crore (31st March, 2020 - ₹ 215.55 crore) (Gross value ₹ 225.65 crore). The title deed of the above land is pending registration. (Refer Note 18b)
- During the year ended 31st March, 2021, the Company has entered into a Business Transfer Agreement with Tata Power Renewable Energy Limited and Tata Power Green Energy Limited, wholly owned subsidiaries, for transfer of renewable assets (forming part of renewable segment) as a 'going concern' on a slump sale basis effective on or after 1st April, 2021.

5. Property, Plant and Equipments (Contd.)

B. Right-of-Use Assets (Refer Note 23)

Description	₹ crore		
	Leasehold Land and Sub-surface rights	Plant and Equipments	Total
Cost			
Balance as at 1st April, 2020	420.95	11.43	432.38
Additions	Nil	Nil	Nil
Disposals	(48.72)	Nil	(48.72)
Balance as at 31st March, 2021	372.23	11.43	383.66
Accumulated depreciation and impairment			
Balance as at 1st April, 2020	35.21	4.57	39.78
Depreciation Expense	18.35	4.57	22.92
Disposals	(19.96)	Nil	(19.96)
Balance as at 31st March, 2021	33.60	9.14	42.74
Net carrying amount			
As at 31st March, 2021	338.63	2.29	340.92

Description	₹ crore		
	Leasehold Land and Sub-surface rights	Plant and Equipments	Total
Cost			
Balance on transition to Ind AS 116 as at 1 April 2019	395.56	11.43	406.99
Additions during the year	69.31	Nil	69.31
Reclassified as held for sale	(43.92)	Nil	(43.92)
Balance as at 31st March, 2020	420.95	11.43	432.38
Accumulated depreciation and impairment			
Balance as at 1st April, 2019	Nil	Nil	Nil
Depreciation Expense	35.21	4.57	39.78
Balance as at 31st March, 2020	35.21	4.57	39.78
Net carrying amount			
As at 31st March, 2020	385.74	6.86	392.60

Description	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Net carrying amount		
A. Owned Assets	7,859.83	7,581.47
B. Right-of-Use Assets	340.92	392.60
Total	8,200.75	7,974.07

Notes to the Standalone Financial Statements

6. Intangible Assets

Accounting Policy

Intangible Assets acquired separately

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Internally generated Intangible Assets

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

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, are recognised in statement of profit and loss when the asset is derecognised.

Useful lives of Intangible Assets

Intangible assets with finite lives are amortised over the useful economic life on straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Estimated useful lives of the intangible assets are as follows:

Type of assets	Useful lives
Computer softwares	5 years
Copyrights, patents, other intellectual property rights, services and operating rights	5 years
Licences and franchises	5 years

6. Intangible Assets (Contd.)

Description				₹ crore
	Computer softwares \$	Copyrights, patents, other intellectual property rights, services and operating rights #	Licences and franchises \$	Total
Cost				
Balance as at 1st April, 2020	249.79	0.57	0.26	250.62
Additions	18.26	Nil	Nil	18.26
Disposals	(0.11)	Nil	(0.26)	(0.37)
Balance as at 31st March, 2021	267.94	0.57	Nil	268.51
Accumulated amortisation and impairment				
Balance as at 1st April, 2020	187.64	0.50	0.26	188.40
Amortisation expense	25.04	0.05	Nil	25.09
Disposals	(0.11)	Nil	(0.26)	(0.37)
Balance as at 31st March, 2021	212.57	0.55	Nil	213.12
Net carrying amount				
As at 31st March, 2021	55.37	0.02	Nil	55.39

Description				₹ crore
	Computer softwares \$	Copyrights, patents, other intellectual property rights, services and operating rights #	Licences and franchises \$	Total
Cost				
Balance as at 1st April, 2019	233.97	0.57	0.26	234.80
Additions	15.82	Nil	Nil	15.82
Balance as at 31st March, 2020	249.79	0.57	0.26	250.62
Accumulated amortisation and impairment				
Balance as at 1st April, 2019	150.16	0.49	0.26	150.91
Amortisation expense	37.48	0.01	Nil	37.49
Balance as at 31st March, 2020	187.64	0.50	0.26	188.40
Net carrying amount				
As at 31st March, 2020	62.15	0.07	Nil	62.22

Notes:

Internally generated intangible assets.

\$ Other than internally generated intangible assets.

Depreciation/Amortisation - Continuing Operations:

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Depreciation on Tangible assets	620.88	608.48
Depreciation on Right-of-Use Assets	22.92	39.78
Amortisation on Intangible assets	25.09	37.49
Total	668.89	685.75

Notes to the Standalone Financial Statements

7. Non-Current Investments

	As at 31st March, 2021	As at 31st March, 2020	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2021	As at 31st March, 2020
	Quantity	Quantity		₹ crore	₹ crore
I Investments carried at cost less accumulated impairment, if any					
(A) Investment in Subsidiaries					
(i) Investment in Equity Shares fully paid-up					
Quoted					
NELCO Ltd.	1,10,99,630	1,10,99,630	10	11.07	11.07
				11.07	11.07
Unquoted					
Tata Power Trading Co. Ltd.	1,60,00,000	1,60,00,000	10	37.09	37.09
Maithon Power Ltd.	111,65,99,120	111,65,99,120	10	1,116.83	1,116.83
Coastal Gujarat Power Ltd. (Refer Note 9 below)	800,04,20,000	800,04,20,000	10	8,593.25**	8,593.25**
Bhira Investments Pte. Ltd.	10,00,000	10,00,000	USD 1	4.10	4.10
Bhivpuri Investments Ltd.	7,46,250	7,46,250	Euro 1	4.08	4.08
Tata Power Green Energy Ltd.	50,000	50,000	10	0.02	0.02
Khopoli Investments Ltd.	4,70,07,350	4,70,07,350	USD 1	255.20	255.20
Trust Energy Resources Pte. Ltd.	12,91,53,344	12,91,53,344	USD 1	607.95	607.95
Tata Power Delhi Distribution Ltd. (Refer Note 8 below)	53,65,20,000	28,15,20,000	10	200.93	200.93
TP Ajmer Distribution Ltd.	1,00,00,000	1,00,00,000	10	10.00	10.00
Tata Power Jamshedpur Distribution Ltd.	80,50,000	80,50,000	10	8.05**	8.05**
TP Renewable Microgrid Ltd. (formerly Industrial Power Utility Ltd.)	4,01,00,000	1,10,000	10	40.10	0.11
TCL Ceramics Ltd.(Refer Note 6 Below) (formerly Tata Ceramics Ltd.)	Nil	Nil	2	Nil*	Nil*
Tata Power Renewable Energy Ltd. (Refer Note 9 below)	104,51,07,715	104,51,07,715	10	1,054.03	1,054.03
Tata Power Solar Systems Ltd.	2,29,77,567	2,29,77,567	100	322.98	322.98
Tata Power International Pte. Ltd.	6,77,30,650	6,77,30,650	USD 1	577.55**	577.55**
Af-Taab Investment Co. Ltd.	10,73,000	10,73,000	100	68.68	68.68
TP Central Odisha Distribution Ltd. (Refer Note 7 below)	15,30,00,000	Nil	10	178.95	Nil
TP Southern Odisha Distribution Ltd (Refer Note 7 below)	10,20,00,000	Nil	10	127.52	Nil
TP Western Odisha Distribution Ltd (Refer Note 7 below)	15,30,00,000	Nil	10	255.04	Nil
Supa Windfarm Ltd.	1,10,00,000	Nil	10	10.95	Nil
TP Kirnali Solar Ltd.	1,15,65,090	Nil	10	11.57	Nil
TP Solapur Solar Ltd.	50,000	Nil	10	0.05	Nil
TP Saurya Ltd.	50,000	Nil	10	0.05	Nil
TP Akkalkot Renewable Energy Ltd	50,000	Nil	10	0.05	Nil
				13,485.02	12,860.85
** Less: Impairment in the value of Investments (Refer Note 11 below)				4,009.14	4,009.14
				9,475.88	8,851.71
Carried forward.....				9,486.95	8,862.78

7. Non-current Investments (Contd.)

	As at 31st March, 2021	As at 31st March, 2020	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2021	As at 31st March, 2020
	Quantity	Quantity		₹ crore	₹ crore
Brought forward.....				9,486.95	8,862.78
(ii) Investment in Perpetual Securities					
Unquoted					
Tata Power Renewable Energy Ltd. (Refer Note 5 below)	N.A.	N.A.		3,895.00	3,895.00
Coastal Gujarat Power Ltd. (Refer Note 5 below)	N.A.	N.A.		11,183.89	7,035.89
				15,078.89	10,930.89
				24,565.84	19,793.67
(B) Investment in Associates					
Investment in Equity Shares fully Paid-up					
Unquoted					
Yashmun Engineers Ltd.	19,200	19,200	100	0.01	0.01
The Associated Building Co. Ltd.	1,400	1,400	900	0.13	0.13
Tata Projects Ltd.	9,67,500	9,67,500	100	85.01	85.01
Dagachhu Hydro Power Corporation Ltd.	10,74,320	10,74,320	Nu 1,000	107.43	107.43
				192.58	192.58
(C) Investment in Joint Ventures					
Investment in Equity Shares fully Paid-up					
Unquoted					
Tubed Coal Mines Ltd.	1,01,97,800	1,01,97,800	10	10.20**	10.20**
Itezhi Tezhi Power Corporation (Refer Note 9 below)	Nil	Nil	ZMW 1	Nil*	Nil*
Mandakini Coal Company Ltd. (Refer Note 9 below)	3,93,00,000	3,93,00,000	10	39.30**	39.30**
Powerlinks Transmission Ltd. (Refer Note 9 below)	23,86,80,000	23,86,80,000	10	238.68	238.68
Industrial Energy Ltd. (Refer Note 9 below)	49,28,40,000	49,28,40,000	10	492.84	492.84
LTH Milcom Pvt. Ltd.	Nil	Nil	10	Nil*	Nil*
Dugar Hydro Power Ltd.	4,34,25,002	4,34,25,002	10	43.42**	43.42**
				824.44	824.44
** Less: Impairment in the value of Investments				59.50	67.50
				764.94	756.94
Sub-total I (A) + I (B) + I (C)				25,523.36	20,743.19
Carried forward.....				25,523.36	20,743.19

Notes to the Standalone Financial Statements

7. Non-current Investments (Contd.)

	As at 31st March, 2021	As at 31st March, 2020	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2021	As at 31st March, 2020
	Quantity	Quantity		₹ crore	₹ crore
Brought forward.....				25,523.36	20,743.19
II Investments designated at Fair Value through Other Comprehensive Income					
Investment in Equity Shares fully Paid-up					
Quoted					
Voltas Ltd.	2,33,420	2,33,420	1	23.39	11.13
Tata Consultancy Services Ltd.	766	766	1	0.24	0.14
Tata Teleservices (Maharashtra) Ltd.	Nil	Nil	10	Nil*	Nil*
Bharti Airtel Ltd.	62,919	Nil	10	3.25	Nil
				26.88	11.27
Unquoted					
Tata Services Ltd.	1,112	1,112	1,000	Nil	Nil
Tata Industries Ltd. #	58,28,126	58,28,126	100	102.69	102.69
Tata Sons Pvt. Ltd. #	6,673	6,673	1,000	241.95	241.95
Haldia Petrochemicals Ltd.	2,24,99,999	2,24,99,999	10	56.48	56.48
Tata International Ltd. (Refer Note 8 below)	5,250	3,500	1,000	8.67	3.75
Tata Teleservices Ltd.	Nil	Nil	10	Nil*	Nil*
Others				0.50	Nil
				410.29	404.87
				437.17	416.14
III Investments carried at Amortised Cost					
(A) Investment in Subsidiaries					
Investment in Preference Shares fully Paid-up					
TCL Ceramics Ltd.(Refer note 6 below) (formerly Tata Ceramics Ltd.)	Nil	Nil	100	Nil*	Nil*
				Nil	Nil
(B) Government Securities (Unquoted) fully Paid-up					
				3.03	40.00
(C) Statutory Investments					
Contingencies Reserve Fund Investments					
Government Securities (Unquoted) fully Paid-up				164.84	127.87
Sub-total III (A) + III (B) +III (C)				167.87	167.87
Total				26,128.40	21,327.20

* Refer Asset Held For Sale (Refer Note 18a.).

The cost of these 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.

Notes:

- Aggregate Market Value of Quoted Investments 236.28 161.01
- Aggregate Carrying Value of Quoted Investments 37.95 22.34
- Aggregate Carrying Value of Unquoted Investments (Net) 26,090.45 21,304.86
- Aggregate amount of impairment in value of Investments 4,068.64 4,076.64
- The Company has invested in unsecured subordinated perpetual securities issued by Tata Power Renewable Energy Ltd. and Coastal Gujarat Power Ltd., its subsidiary companies. These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of dividend paid on the issuer's ordinary shares. The interest can be deferred if the issuer does not pay any dividend on its ordinary shares for the financial year. The issuer has classified this instrument as equity under Ind AS - 32 'Financial Instruments Presentation'. Accordingly, the Company has classified this investment as Equity Instrument and has accounted at cost as per Ind AS - 27 'Separate Financial Statements'.

7. Non-current Investments (Contd.)

6. The Company, along with its subsidiary, has 30.68% shareholding in TCL Ceramics Ltd (formerly known as Tata Ceramics Ltd.). Further, TCL Ceramics Ltd. has issued Redeemable Cumulative Convertible Preference Shares which have been fully subscribed by the Company and its subsidiaries. As the dividend on the said Preference Shares has remained unpaid for more than two years, the preference shareholders have assumed voting rights along with the equity shareholders. The aggregate voting power (together with voting power on preference shares) with the Company along with its subsidiaries is at 57.07%. As the Company has sufficient dominant voting interest to direct TCL Ceramics Ltd.'s relevant activities, investment in the said Company has been considered as investment in subsidiary.

Pursuant to the Share Purchase Agreement ('Agreement') dated 4th January, 2020, the Company had transferred its Equity and Preference share to the purchasers as a part of the conditions mentioned in the Agreement subject to final closing. The said shares has been pledged back to the Company by the purchasers till the final closure. As all the conditions related to the closing has not been completed, the Company believes that it still controls TCL Ceramics Ltd. till all the conditions are fulfilled. Hence, no impact of sale of share has been accounted in the Standalone financial statements. The impact of the sale on the Company's Standalone financial statement will not be significant.

7. During the year ended 31st March, 2021, the Company has acquired 51 % stake in TP Central Odisha Distribution Limited ('TPCODL'), TP Western Odisha Distribution Limited ('TPWODL') and TP Southern Odisha Distribution Limited ('TPSODL') for ₹ 178.95 crore, ₹ 255.04 crore and ₹ 127.52 crore respectively. TPCODL, TPWODL and TPSODL are the licensees to carry out the function of distribution and retail supply of electricity covering the distribution circles of Central, Western and Southern Odisha for a period of 25 years effective from 1st June, 2020, 1st January, 2021 and 1st January, 2021 respectively.

8. During the year, the Company has received bonus equity shares 25,50,00,000 Nos from Tata Power Delhi Distribution Ltd and subscribed to right issue of equity shares 1,750 Nos from Tata International Ltd.

9. Shares pledged :
The Company has pledged shares of subsidiaries and joint ventures with the lenders for borrowings availed by the respective subsidiaries and joint ventures.

Details	Category	31st March, 2021 Nos.	31st March, 2020 Nos.
Coastal Gujarat Power Ltd.	Subsidiary	4,08,02,14,200	3,10,25,44,200
Tata Power Renewable Energy Ltd.	Subsidiary	25,81,14,935	25,81,14,935
Itezhi Tezhi Power Corporation *	Joint Venture	4,52,500	4,52,500
Mandakini Coal Company Ltd.	Joint Venture	2,00,43,000	2,00,43,000
Powerlinks Transmission Ltd.	Joint Venture	23,86,80,000	23,86,80,000
Industrial Energy Ltd.	Joint Venture	25,13,48,400	25,13,48,400

* Classified as Asset Held For Sale (Refer Note 18a.)

10. The Board of Directors of the Company in its meeting held on 12th August, 2020, have approved the Composite scheme of Arrangement for merger of Coastal Gujarat Power Limited and Tata Power Solar Systems Limited (wholly owned subsidiaries) with the Company along with the capital reorganisation after the merger. The Board of Directors have also approved the Scheme of Amalgamation for merger of Af-taab Investment Company Limited (a wholly owned subsidiary) with the Company. The aforesaid schemes have been approved by shareholders of the Company and are subject to the necessary approvals from regulatory authorities including National Company Law Tribunal. Post necessary approvals, the merger will be accounted in accordance with Appendix C of Ind AS 103 - 'Business combinations of entities under common control' using pooling of interest method.

11. (a) The Company holds investments in Coastal Gujarat Power Ltd. (CGPL) (a wholly owned subsidiary of the Company operating 4,000 MW Mundra power plant), Indonesian mining companies PT Kaltim Prima Coal (KPC) and PT Baramulti Suksessarana TBK (BSSR) through intermediate holding companies (associates operating coal mines in Indonesia and supplying coal to CGPL) and Trust Energy Resources Pte. Ltd. (TERPL) (shipping company in Singapore providing freight services for coal shipment to CGPL). All these companies constitute a single cash generating unit (CGU) and form part of same segment due to interdependency of cash flows. CGPL is incurring significant losses on account of significant increase in coal prices due to change in Indonesian laws which is offset by the profits earned by the mining companies.

Notes to the Standalone Financial Statements

7. Non-current Investments (Contd.)

The Company has performed the impairment assessment and determined the value in use based on estimated cash flow projections over the life of the assets included in CGU. 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. For Mundra power plant, future cash flows is estimated based on remaining period of long term power purchase agreement (PPA) and thereafter based on management's estimate on tariff and other assumptions. Cash flow projection of Mines is derived based on estimated coal production considering the renewal of license for operating the Mines. In the past, the Company had recognised an impairment provision of ₹ 3,555 crore in CGU. A reassessment of the assumptions used in estimating the impact of impairment of the cash generating unit (CGU) comprising of Coastal Gujarat Power Ltd. and the Indonesian coal mines, combined with the significant impact of unwinding of a year's discount on the cash flows, would have resulted in a reversal of ₹ 1,625 crore of provision for impairment. Considering the significant uncertainties arising from ongoing renegotiation of the Mundra Power Purchase Agreement, as recommended by the High Powered Committee, and the pending renewal of the mining license at the Indonesian coal mines, the Company has not effected such a reversal. The reversal of impairment has not resulted from any significant improvement in the estimated service potential of the concerned CGU.

Key assumptions used for value in use calculation include coal prices, energy prices post the PPA period, discount rates and exchange rates. Short term coal prices and energy prices used in three to five years projections are based on market survey and expert analysis report. Afterwards increase in cost of coal and exchange rates are considered based on long term historical trend. Further, the Management strongly believes that mine licenses will be renewed post expiry. Discount rate represents the current market assessment of the risk specific to CGU taking into consideration the time value of money. Pre tax discount rate used in the calculation of value in use of investment in power plant is 10.50% p.a. (31st March, 2020: 10.87% p.a.) and investment in coal mines and related infrastructure companies is 14.11% p.a. (31st March, 2020: 12.68% p.a.).

- (b) Tata Power International Pte. Ltd. (TPIPL) (a wholly owned subsidiary of the Company) holds investments in Adjaristsqali Netherlands B.V.(ABV) (a joint venture of TPIPL) operating 187 MW hydro power plant in Georgia. During the previous year, the Company has recognised a reversal of ₹ 235.00 crore comprising of reversal of ₹ 103.74 crore towards financial guarantee obligation and impairment loss reversal of ₹131.26 crore which was disclosed as an exceptional item in the statement of profit and loss.

8. Trade Receivables

(Unsecured unless otherwise stated)

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Current		
Considered Good - Secured (Refer Note 1 below)	245.75	234.48
Considered Good (Refer Note 2 below)	689.41	886.82
Credit Impaired	31.51	30.09
	966.67	1,151.39
<i>Less: Allowance for Doubtful Trade Receivables</i>	55.80	42.71
Total	910.87	1,108.68

Note:

- Company holds security deposits of ₹ 245.75 crore (31st March, 2020 - ₹ 234.48 crore) in respect of electricity receivables.
- The carrying amount of trade receivable of ₹ 205.00 crore does not include receivables which are subject to a factoring arrangement. Under this arrangement, the Company has transferred the relevant receivables to the factor in exchange for cash on non recourse basis. The Company, therefore, has derecognised the said receivables under the factoring arrangement.

8.1 Trade Receivables

As at 31st March, 2021, ₹ 495.13 crore (31st March, 2020 - ₹ 639.18 crore) is due from Brihanmumbai Electric Supply & Transport Undertaking, Maharashtra State Electricity Transmission Company Ltd., Tamil Nadu Generation and Distribution Corporation and Tata Steel Ltd. which represents Company's large customers who owe more than 5% of the total balance of trade receivables.

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 given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing of Receivables	Expected Credit loss (%)	
	As at 31st March, 2021	As at 31st March, 2020
Within the credit period	0.28%	0.00%
1-90 days past due	0.20%	0.03%
91-182 days past due	0.37%	0.10%
More than 182 days past due	15.28%	5.92%

Age of Receivables	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Within the credit period	515.68	550.31
1-90 days past due	210.85	340.41
91-182 days past due	95.64	50.04
More than 182 days past due	144.50	210.63

Movement in the allowance for doubtful trade receivables	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Balance at the beginning of the year	42.71	46.75
<i>Add: Expected credit loss allowance on trade receivables calculated at lifetime expected credit losses for the year</i>	13.09	(4.04)
Balance at the end of the year	55.80	42.71

The concentration of credit risk is very limited due to the fact that the large customers are mainly government entities and remaining customer base is large and widely dispersed and secured with security deposit.

Notes to the Standalone Financial Statements

9. Loans

(Unsecured unless otherwise stated)

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Non-current - At Amortised Cost		
(i) Security Deposits		
Considered Good	35.90	36.59
Credit Impaired	32.01	30.16
	67.91	66.75
<i>Less: Allowance for Doubtful Deposits</i>	32.01	30.16
	35.90	36.59
(ii) Loans to Related Parties (Refer Note 41)		
Considered Good	450.00	Nil
Credit Impaired	54.38	55.66
	504.38	55.66
<i>Less: Allowance for Doubtful Loans</i>	54.38	55.66
	450.00	Nil
(iii) Other Loans		
Loans to Employees		
Considered Good	4.28	5.51
Total	490.18	42.10
Current - At Amortised Cost		
(i) Security Deposits		
Considered Good	5.48	3.47
	5.48	3.47
(ii) Loans to Related Parties (Refer Note 41)		
Considered Good	1,518.41	546.62
Credit Impaired	12.00	12.00
	1,530.41	558.62
<i>Less: Allowance for Doubtful Loans</i>	12.00	12.00
	1,518.41	546.62
Total	1,523.89	550.09



9. Loans (Contd.)

Disclosure under Regulation 53(f) and 34(3) read together with paragraph A Schedule V of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Loans and advances in the nature of loans given to Subsidiaries, Joint Ventures and Associates:

Name of the Company	Relationship	₹ crore			
		Amount Outstanding as at the year end		Maximum Principal Amount Outstanding during the year (excluding interest accrued)	
		31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
Chirasthaayee Saurya Ltd.	Subsidiary	255.00	Nil	255.00	Nil
Coastal Gujarat Power Ltd.	Subsidiary	182.00	Nil	740.70	252.00
TP Wind Power Limited (formerly Indo Rama Renewables Jath Ltd.)	Subsidiary	8.00	Nil	8.00	Nil
Industrial Energy Ltd.	Joint Venture	Nil	Nil	2.60	Nil
Maithon Power Ltd.	Subsidiary	Nil	Nil	Nil	200.00
Mandakini Coal Company Ltd. \$	Joint Venture	54.39	54.39	54.39	54.39
Nelito Systems Ltd. \$ (ceased to be an Associate w.e.f. 6th June, 2019)	Associate	Nil	1.27	Nil	1.27
Powerlinks Transmission Ltd.	Joint Venture	Nil	Nil	Nil	1.00
Prayagraj Power Generation Company Ltd	Joint Venture	Nil	Nil	Nil	13.43
Tata Power Green Energy Ltd.	Subsidiary	29.82	0.07	37.07	0.07
Tata Power Renewable Energy Ltd.	Subsidiary	789.60	450.00	1,974.50	450.00
Tata Power Solar Systems Ltd	Subsidiary	509.83	Nil	586.82	100.00
Tata Power Trading Company Ltd.	Subsidiary	Nil	Nil	30.00	80.00
TCL Ceramics Ltd. \$	Subsidiary	12.00	12.00	12.00	17.69
TP Ajmer Distribution Ltd.	Subsidiary	95.00	95.00	115.00	190.00
TP Kirnali Ltd.	Subsidiary	4.00	Nil	4.00	Nil
TP Kirnali Solar Ltd.	Subsidiary	24.70	Nil	40.00	Nil
TP Renewable Microgrid Ltd. (formerly Industrial Power Utility Ltd)	Subsidiary	27.95	1.55	39.74	1.55
TP Saurya Ltd.	Subsidiary	1.00	Nil	1.00	Nil
TP Solapur Solar Ltd.	Subsidiary	33.00	Nil	33.00	Nil
Vagarai Windfarm Ltd.	Subsidiary	8.50	Nil	8.50	Nil
Walwhan Solar MP Ltd.	Subsidiary	Nil	Nil	Nil	15.09
Walwhan Solar TN Ltd.	Subsidiary	Nil	Nil	Nil	81.00
Welspun Renewable Energy Pvt Ltd.	Subsidiary	Nil	Nil	207.00	200.00
		2,034.79	614.28		
Itezhi Tezhi Power Corporation #	Joint Venture	18.59	18.59	18.59	18.59
Total		2,053.38	632.87		

Notes:

\$ Provided for.

Reclassified as held for sale (including interest accrued).

Notes to the Standalone Financial Statements

10. Finance Lease Receivable - At Amortised Cost

(Unsecured unless otherwise stated)

Accounting Policy

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. Amount due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Finance Lease Receivable - Non-current	529.57	553.03
Finance Lease Receivable - Current	36.52	31.89
Total	566.09	584.92

10.1 Leasing Arrangements

The Company has entered into Power Purchase Agreements (PPA) with a customer for its assets located at Jojobera. The assets relate to 30 years of take or pay agreements with the customer to supply electricity at a fixed plus variable charge. The customer, during the term of the PPAs has a right to purchase the assets and at the end of the contract is obligated to purchase the same on the basis of the valuation to be determined as per the PPAs. The Company has recognised an amount of ₹ 84.66 crore (31st March, 2020 - ₹ 88.91 crore) as income for finance lease during the year ended 31st March, 2021.

10.2 Amount receivable under Finance Lease

	Minimum Lease Payments as at 31st March, 2021	Minimum Lease Payments as at 31st March, 2020
	₹ crore	
Less than a year	113.49	111.96
One to two years	109.62	108.66
Two to three years	108.46	107.66
Three to four years	107.36	106.57
Four to five years	105.56	105.57
Total (A)	544.49	540.42
More than five years (B)	535.95	630.10
Total (A+B)	1,080.44	1,170.52
Unearned finance income	514.35	585.60
Present Value of Minimum Lease Payments Receivable	566.09	584.92

Lessor - Operating Lease

The Company has entered into operating leases for its certain building, plant and machinery and other equipments. These typically have lease terms of between 1 and 10 years. The Company has recognized an amount of ₹ 13.29 crore (31st March, 2020 - ₹ 11.16 crore) as rental income for operating lease during the year ended 31st March, 2021.

11. Other Financial Assets - At Amortised Cost (Unless otherwise stated)

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Non-current		
(i) Accruals		
Doubtful		
Interest Accrued on Loans to Related Parties	1.24	1.24
	1.24	1.24
Less: Allowance for Doubtful Interest	1.24	1.24
	Nil	Nil
(ii) Others		
Unsecured, considered good		
Advance towards Equity (Refer Note 1a,1b,1c below)	204.16	178.50
Balances with Banks:		
In Deposit Accounts (with remaining maturity of more than twelve months) (Refer Note 2 below)	0.96	3.14
Receivable on sale of Strategic Engineering Division (at fair value through profit or loss) (Refer Note 18c) (Refer Note 3 below)	365.99	Nil
Other Assets	48.77	41.13
Total	619.88	222.77

Notes:

- Odisha Electricity Regulatory Commission ('OERC') had issued a request for proposal (RFP) for sale of controlling interest in distribution business of North Electricity Supply Utility of Odisha. The Company had bid for it and has been identified as the successful bidder. As per the requirement of RFP, the Company had deposited ₹ 191.24 crore with OERC. Pending signing of sale agreements for the completion of sale, the amount deposited is disclosed as non-current financial assets and will be converted to equity after signing of sale agreements.
- During the year, the company paid an advance of ₹ 12.92 crore for subscription of equity shares of TP Akkalkot Renewable Ltd. Pending allotment of the shares as on 31st March, 2021, it has been disclosed as non-current financial asset.
- During the year, pursuant to the vesting order by the OERC for the completion of sale, the amount deposited of ₹ 178.50 crore with OERC in the previous year for the acquisition of Central Electricity Supply Utility of Odisha has been converted to equity shares.
- Balances with Banks held as Margin Money Deposits against Guarantees.
- Represents contingent consideration on sale of SED, receivable by the company on achievement of certain milestone.

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Current		
(i) Accruals		
Unsecured, considered good		
Interest Accrued on Inter-corporate/Bank Deposits	0.64	0.50
Interest Accrued on Investments	3.48	3.51
Interest Accrued on Finance Lease Receivable	6.63	6.85
Interest Accrued on Loans to Related Parties	47.28	3.09
Doubtful		
Interest Accrued on Loans to Related Parties	0.55	0.55
Interest Accrued on Inter-corporate Deposits	1.40	1.40
	59.98	15.90
Less: Allowance for Doubtful Interest	1.95	1.95
	58.03	13.95
(ii) Others		
Unsecured, considered good		
Recoverable from Consumers	58.13	221.45
Other Receivables	0.03	0.18
Balances with Banks: (Refer Note 1 below)		
In Deposit Accounts (with remaining maturity of less than twelve months)	4.19	Nil
	62.35	221.63
Total	120.38	235.58

Note:

- Balances with Banks held as Margin Money Deposits against Guarantees.

Notes to the Standalone Financial Statements

12. Non-Current Tax Assets

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Advance Income-tax (Net)	135.00	135.00
Total	135.00	135.00

13. Other Assets

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Non-current		
(i) Capital Advances		
Unsecured, considered good	8.87	5.06
Doubtful	0.11	0.12
	8.98	5.18
<i>Less: Allowance for Doubtful Advances</i>	0.11	0.12
	8.87	5.06
(ii) Balances with Government Authorities		
Unsecured, considered good		
Advances	0.61	0.90
Amount Paid Under Protest	0.33	16.22
VAT/Sales Tax Receivable	7.81	25.73
	8.75	42.85
(iii) Others		
Unsecured, considered good		
Prepaid Expenses	0.82	0.89
Recoverable from Consumers	1,161.06	960.84
	1,161.88	961.73
Total	1,179.50	1,009.64
Current		
(i) Balances with Government Authorities		
Unsecured, considered good		
Advances	6.83	4.86
VAT/Sales Tax Receivable	7.89	Nil
Doubtful	0.37	0.46
	15.09	5.32
<i>Less: Allowance for Doubtful Advances</i>	0.37	0.46
	14.72	4.86
(ii) Others		
Unsecured, considered good		
Prepaid Expenses	93.39	38.58
Advances to Vendors	57.49	102.07
Other Advances	26.25	0.75
Doubtful	0.19	0.13
	177.32	141.53
<i>Less: Allowance for Doubtful Advances</i>	0.19	0.13
	177.13	141.40
Total	191.85	146.26

14. Inventories

Accounting Policy

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on moving weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Unserviceable/damaged stores and spares are identified and written down based on technical evaluation.

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Inventories		
(a) Fuel	226.36	289.75
Fuel-in-Transit	89.13	60.62
(b) Stores and Spares (Refer Note 2 below)	129.19	133.80
(c) Loose Tools	0.28	0.27
(d) Others		
Property under development	187.98	150.57
Total	632.94	635.01

Notes:

- Refer Note 22 for Inventories pledged as security for liabilities.
- During the year ended 31st March, 2021, the Company has recognised ₹ 1.67 crore (31st March, 2020 - ₹ 6.83 crore) as an expense for the write down of unserviceable stores and spares inventory.

15. Current Investments

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Investments carried at Fair Value through Profit and Loss		
Mutual Funds (Unquoted)	240.01	20.00
Total	240.01	20.00

Note:

Aggregate Carrying Value of Unquoted Investments.	240.01	20.00
---	--------	-------

Notes to the Standalone Financial Statements

16. Cash and Cash Equivalents - At Amortised Cost

Accounting Policy

Cash and cash equivalents comprise cash at banks 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 comprise of cash at banks and short-term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Company's cash management.

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Balances with Banks:		
In Current Accounts	123.67	158.54
Cash and Cash Equivalents as per Balance Sheet	123.67	158.54
Bank Overdraft	Nil	(1.05)
Cash and Cash Equivalents as per Statement of Cash Flows - Continuing Operations	123.67	157.49
(i) Balances with Banks:		
In Current Accounts	Nil	7.62
(ii) Book Overdraft	Nil	(0.02)
Cash and Cash Equivalents as per Statement of Cash Flows - Discontinued Operations	Nil	7.60
Cash and Cash Equivalents as per Statement of Cash Flows	123.67	165.09

Reconciliation of Liabilities from Financing Activities

Particulars	As at 1st April, 2020	Cash flows		Changes related to Discontinued Operations	Non-cash Transactions	₹ crore
		Proceeds	Repayment			As at 31st March, 2021
Non-current Borrowings (including Current Maturities of Non-current Borrowings)	11,589.35	5,318.58	(2,107.27)	57.83	97.58	14,956.07
Current Borrowings (excluding Bank Overdraft)	6,211.26	20,542.23	(21,157.79)	Nil	Nil	5,595.70
Lease liabilities	278.85	Nil	(30.99)	Nil	(10.75)	237.11
Total	18,079.46	25,860.81	(23,296.05)	57.83	86.83	20,788.88

Particulars	As at 1st April, 2019	Cash flows		Reclassified as part of Discontinued Operations	Non-cash Transactions	₹ crore
		Proceeds	Repayment			As at 31st March, 2020
Non-current Borrowings (including Current Maturities of Non-current Borrowings)	10,720.72	3,403.59	(2,568.35)	28.59	4.80	11,589.35
Current Borrowings (excluding Bank Overdraft)	6,729.61	30,776.85	(31,295.20)	Nil	Nil	6,211.26
Lease liabilities	225.00	Nil	(11.78)	Nil	65.63	278.85
Total	17,675.33	34,180.44	(33,875.33)	28.59	70.43	18,079.46

17. Other Balances with Banks - At Amortised Cost

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
(a) In Deposit Accounts (Refer Note below)	Nil	2.00
(b) In Earmarked Accounts-		
Unpaid Dividend Account	19.00	18.40
Total	19.00	20.40

Note:

Balances with banks held as margin money deposits against guarantees.

18a. Assets Classified as Held For Sale

Accounting Policy

Non-current assets or disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset or disposal group and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. As at each balance sheet date, the management reviews the appropriateness of such classification.

Non-current assets or disposal group classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Property, plant and equipments and intangible assets once classified as held for sale are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss. Additional disclosures are provided hereunder. All other notes to the Standalone financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Land (Refer Note (i) below)	301.58	301.66
Building and Plant and Equipments (Refer Note (ii,iii and iv) below)	8.67	8.67
Investments carried at Fair Value through Other Comprehensive Income	178.68	22.81
Investments carried at Cost in Associates and Joint Ventures	275.75	275.75
Loans and other receivables from Joint Venture	22.74	22.74
Transmission Lines - Capital Work in Progress (Refer Note (v) below)	9.31	127.70
Assets of Discontinued Operations (Refer Note 18c)	Nil	1,880.07
Total	796.73	2,639.40

Notes:

- (i) During the year, the Company sold Hadapsar land at the sale value of ₹ 26.44 crore (Book Value ₹ 0.08 crore) which was classified as held for sale. The resultant gain of ₹ 26.36 crore has been disclosed in statement of profit and loss under Other Income.
- (ii) During the previous year, the Company sold Metropolitan building at the sale value of ₹ 13.90 crore (Book Value ₹ 0.89 crore) The resultant gain of ₹ 13.01 crore has been disclosed in the statement of profit and loss.

Notes to the Standalone Financial Statements

18a. Assets Classified as Held For Sale (Contd.)

- (iii) During the previous year, the Company has reclassified following assets from held for sale to Property, Plant and Equipments :
- Building at Erangal ₹ 0.23 crore.
 - Oil Tankage unit at Trombay (Land ₹ 0.04 crore, Building and Plant and Equipments ₹ 4.68 crore).
- (iv) During the previous year, the Company has classified Helicopter (Book Value ₹ 0.17 crore) from Property, Plant and Equipments to held for sale.
- (v) During the previous year, Maharashtra Electricity Regulatory Commission ("MERC") had ordered termination of Vikhroli Transmission Lines project, carried out by the Company and decided to invite fresh bids for completion of the project. MERC had also ordered that cost incurred by the Company shall be reimbursed by the successful bidder. Accordingly, the Company reclassified the said project as held for sale. During the year, the Company has received an amount of ₹ 118.27 crore against the said project.

18b. Liabilities directly associated with Assets Classified as Held For Sale

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Liabilities of Discontinued Operations	Nil	1,032.07
Advance received for land classified as held for sale	113.56	4.25
Total	113.56	1,036.32

18c. Assets Classified as Held For Sale - Discontinued Operations

During the earlier year, the Company approved sale of its Strategic Engineering Division (SED) to Tata Advanced Systems Ltd. (TASL) [a wholly owned subsidiary of Tata Sons Pvt. Ltd.] as a going concern on slump sale basis, subject to regulatory approvals at an enterprise value of ₹ 2,230 crore (out of which ₹ 1,040 crore payable at the time of closing and ₹ 1,190 crore payable on achieving certain milestones). Accordingly, defence business segment is presented as discontinued operations. On 31st October, 2020, the Company has completed the sale of its SED to TASL and has received upfront consideration of ₹ 597.00 crores (net of borrowings of ₹ 537.00 crore transferred to TASL) after certain adjustments as specified in the scheme.

Results of Strategic Engineering Division for the year are presented below:

Particulars	For the year ended 31st March, 2021 ₹ crore	For the year ended 31st March, 2020 ₹ crore
Income		
Revenue from Operations	193.63	343.77
Other Income	23.52	Nil
Total Income	217.15	343.77
Expenditure		
Cost of Components Consumed	139.28	244.22
Employee Benefits Expense	52.66	90.04
Finance Costs	24.91	36.15
Other Expenses	60.14	55.00
Total Expenses	276.99	425.41
Profit/(Loss) before tax from Discontinued Operations	(59.84)	(81.64)
Impairment Loss on Remeasurement of Fair Value (Refer Note below)	(160.00)	(361.00)
Tax Expense/(Income)		
Current Tax/(Credit)	(101.48)	Nil
Deferred Tax	(72.17)	(32.41)
	(173.65)	(32.41)
Profit/(Loss) after tax from Discontinued Operations	(46.19)	(410.23)
Other Comprehensive Income/(Expense)	(0.34)	0.20
Tax on Other Comprehensive Income	Nil	Nil
Total Comprehensive Income/(Expense)	(46.53)	(410.03)

18c. Assets Classified as Held For Sale - Discontinued Operations (Contd.)

Major classes of Assets and Liabilities of Strategic Engineering Division which was classified as held for sale are as follows:

Particulars	As at 31st March, 2020 ₹ crore
Assets	
Non-Current Assets	
Property, Plant and Equipments	382.27
Capital Work-in-Progress	422.58
Intangible Assets	124.13
Intangible Assets Under Development	356.71
Non-current Financial Assets	3.68
Other Non-current Assets	35.40
Current Assets	
Inventories	83.30
Current Financial Assets	663.67
Other Current Assets	169.33
Assets Classified as Held For Sale	2,241.07
Less: Impairment Loss on Remeasurement of Fair Value	(361.00)
Total Assets Classified as Held For Sale	1,880.07
Liabilities	
Non-current Liabilities	
Financial Liabilities	594.76
Provisions	27.68
Current Liabilities	
Financial Liabilities	258.99
Provisions	9.76
Other Current Liabilities	140.88
Total Liabilities directly associated with Assets Classified as Held For Sale	1,032.07
Net Assets directly associated with Discontinued Operations	848.00

Note:

During the year the Company had reassessed the fair value of consideration receivable from TASL and had recognised an impairment loss of ₹ 160.00 crore (31st March, 2020, ₹ 361.00 crore) in the Standalone financial statements. The fair value on consideration had been determined based on the expected value of the consideration using discounted present value technique. The fair value had been categorised under Level 3 inputs, the key assumption being achievement/non achievement of milestones as defined in the scheme of arrangement.

Net cash flows attributable to Strategic Engineering Division are as follows:

Particulars	From 01 April 2020 to 31st October, 2020	For the year ended 31st March, 2020
	₹ crore	₹ crore
Net Cash Flow from/(used in) in Operating Activities	286.62	127.80
Net Cash Flow from/(used in) in Investing Activities	(32.30)	(44.99)
Net Cash Flow from/(used in) in Financing Activities	(85.62)	(81.32)
Net Increase/(Decrease) in Cash and Cash Equivalents	168.70	1.49
Cash and Cash Equivalents as at 1st April (Opening Balance)	7.60	6.11
Cash and Cash Equivalents (Closing Balance)	176.30	7.60
Less: Transferred on sale of Strategic Engineering Division	(176.30)	Nil
Total of cash and cash equivalents (Net)	Nil	7.60

Notes to the Standalone Financial Statements

19. Regulatory Deferral Account

Accounting Policy

The Company determines revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) in respect of its regulated operations in accordance with the provisions of Ind AS 114 - 'Regulatory Deferral Accounts' read with the Guidance Note on Rate Regulated Activities issued by The Institute of Chartered Accountants of India (ICAI) and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the Electricity Regulator and the actual or expected actions of the regulator under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the regulatory deferral account of the respective year for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments/accruals representing revenue gaps are carried forward as Regulatory deferral accounts debit/credit balances (Regulatory Assets/Regulatory Liabilities) as the case may be in the Standalone financial statements, which would be recovered/refunded through future billing based on future tariff determination by the regulator in accordance with the electricity regulations. The Company presents separate line items in the balance sheet for:

- the total of all regulatory deferral account debit balances and related deferred tax balances; and
- the total of all regulatory deferral account credit balances and related deferred tax balances.

A separate line item is presented in the Statement of Profit and Loss for the net movement in regulatory deferral account.

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Regulatory Deferral Account - Liability - Current		
Regulatory Liabilities	Nil	Nil
Regulatory Deferral Account - Assets - Non-current		
Regulatory Assets	573.60	258.32
Net Regulatory Assets/(Liabilities)	573.60	258.32

Rate Regulated Activities

- As per Ind AS 114 - 'Regulatory Deferral Accounts', the business of electricity distribution is a Rate Regulated activity wherein Maharashtra Electricity Regulatory Commission ('MERC'), determines Tariff to be charged from consumers based on prevailing regulations.

MERC Multi Year Tariff Regulations, 2019 ('MYT Regulations'), is applicable for the period beginning from 1st April, 2020 to 31st March, 2024. These regulations require MERC to determine tariff in a manner wherein the Company can recover its fixed and variable costs including assured rate of return on approved equity base, from its consumers. The Company determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in MYT Regulations.

- Reconciliation of Regulatory Assets/Liabilities of distribution business as per Rate Regulated Activities is as follows:

		As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Opening Regulatory Assets (Net of Liabilities)	(A)	258.32	999.00
Regulatory Income/(Expenses) during the year			
(i) Power Purchase Cost		1,885.99	2,212.00
(ii) Other expenses as per the terms of Tariff Regulations including return on equity		892.10	779.00
(iii) Billed during the year as per approved Tariff		(2,520.09)	(3,460.00)
(iv) Amount Collected in respect of earlier years (Net)		Nil	(323.24)
Net Movement in Regulatory Deferral Balances (i + ii + iii + iv)	(B)	258.00	(792.24)
Regulatory Assets/(Liabilities) on carrying cost recognised as revenue	(C)	3.00	24.00
Recovery from/(Payable to) Company's Generation Business	(D)	12.66	(15.28)
Net Movement in Regulatory Deferral Balances in respect of earlier years (Refer Note below)	(E)	Nil	(21.32)
Regulatory Assets/(Liabilities) on Deferred Tax Expense/(Income)	(F)	41.62	162.16
Regulatory Assets/(Liabilities) on Deferred Tax Expense/(Income) on account of New Tax Regime (Refer Note 35)	(G)	Nil	(98.00)
Closing Regulatory Assets (Net of Liabilities)	(A + B + C + D + E + F + G)	573.60	258.32

Note:

During the previous year, pursuant to receipt of true-up tariff order from the MERC for the year 2017-18 and 2018-19, the Company had recognised a charge of ₹ 21.32 crore to revenue from operations.

20a. Share Capital

	As at 31st March, 2021		As at 31st March, 2020	
	Number	₹ crore	Number	₹ crore
Authorised				
Equity Shares of ₹ 1/- each				
At the beginning of the year	350,00,00,000	350.00	350,00,00,000	350.00
Add: Increase during the year	200,00,00,000	200.00	Nil	Nil
Outstanding at the end of the year		550.00		350.00
Cumulative Redeemable Preference Shares of ₹ 100/- each	2,29,00,000	229.00	2,29,00,000	229.00
		579.00		579.00
Issued				
Equity Shares [including 28,32,060 shares (31st March, 2020 - 28,32,060 shares) not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Ltd cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]	325,22,67,007	325.23	276,17,00,970	276.17
Subscribed and Paid-up				
Equity Shares fully Paid-up [excluding 28,32,060 shares (31st March, 2020 - 28,32,060 shares) not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Ltd cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]	319,53,39,547	319.54	270,47,73,510	270.48
Less: Calls in arrears [including ₹ 0.01 crore (31st March, 2020 - ₹ 0.01 crore) in respect of the erstwhile The Andhra Valley Power Supply Company Ltd and the erstwhile The Tata Hydro-Electric Power Supply Company Ltd]		0.04		0.04
		319.50		270.44
Add: Equity Shares forfeited - Amount paid	16,52,300	0.06	16,52,300	0.06
Total Subscribed and Paid-up Share Capital		319.56		270.50

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

	As at 31st March, 2021		As at 31st March, 2020	
	Number	₹ crore	Number	₹ crore
Equity Shares				
At the beginning of the year	270,64,25,810	270.50	270,64,25,810	270.50
Issued during the year [Refer Note 21(5)]	49,05,66,037	49.06	Nil	Nil
Outstanding at the end of the year	319,69,91,847	319.56	270,64,25,810	270.50

(ii) Terms/rights attached to Equity Shares

The Company has issued only one class of Equity Shares having a par value of ₹ 1/- per share. Each holder of Equity Shares is entitled to one vote per share. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

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

	As at 31st March, 2021		As at 31st March, 2020	
	Number	% Holding	Number	% Holding
Equity Shares of ₹ 1/- each fully paid				
Tata Sons Pvt. Ltd.	144,45,13,021	45.21	95,39,46,984	35.27
Life Insurance Corporation of India	16,41,25,329	5.14	17,15,81,237	6.34
Matthews Pacific Tiger Fund	14,93,84,497	4.68	18,03,16,487	6.67
ICICI Prudential Bharat Consumption Funds *	8,91,12,249	2.79	21,83,11,309	8.07

* Shareholding has been reported based on common Permanent Account Number

Notes to the Standalone Financial Statements

20b. Unsecured Perpetual Securities

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
11.40% Unsecured Perpetual Securities	1,500.00	1,500.00
Movement during the year	Nil	Nil
Total	1,500.00	1,500.00

In an earlier year, the Company raised ₹ 1,500 crore through issue of Unsecured Perpetual Securities (the "Securities"). These Securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. As these Securities are perpetual in nature and ranked senior only to the Share Capital of the Company and the Company does not have any redemption obligation, these are considered to be in the nature of equity instruments. Subsequent to the year end, pursuant to debenture trust deed dated 23rd June, 2011, the Company has exercised the call option to redeem the Securities on 2nd June, 2021 along with final interest.

21. Other Equity

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
General Reserve	3,853.98	3,853.98
Securities Premium		
Opening Balance	5,634.98	5,634.98
Add: Increase on issue of shares during the year (Refer Note 5 below)	2,550.94	Nil
Closing Balance	8,185.92	5,634.98
Capital Redemption Reserve	1.85	1.85
Capital Reserves	61.66	61.66
Statutory Reserve	660.08	660.08
Debenture Redemption Reserve		
Opening Balance	296.95	421.95
Add/(Less): Amount transferred from/(to) Retained Earnings (Net)	Nil	(125.00)
Closing Balance	296.95	296.95
Retained Earnings (Refer Note 1 below)		
Opening Balance	3,027.08	2,954.12
Add/(Less): Profit/(Loss) for the year	921.45	148.12
Transfer from Debenture Redemption Reserve (Net)	Nil	125.00
Transfer from Equity Instrument through Other Comprehensive Income (Refer Note 3 below)	Nil	356.25
Other Comprehensive Income/(Expense) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	11.88	(33.42)
Payment of Dividend (Refer Note 2 below)	(419.24)	(351.99)
Distribution on Unsecured Perpetual Securities	(171.00)	(171.00)
Closing Balance	3,433.09	72.96
Closing Balance	3,370.17	3,027.08

21. Other Equity (Contd.)

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Equity Instruments through Other Comprehensive Income		
Opening Balance	(45.11)	330.48
Add/(Less): Transfer to Retained Earnings (Refer Note 3)	Nil	(356.25)
Change in Fair Value of Equity Instruments through Other Comprehensive Income	17.63	(3.50)
Change in Fair Value of Equity Instruments classified as held for sale	155.87	(15.84)
Closing Balance	128.39	(45.11)
Total	16,559.00	13,491.47

Notes:

1. Includes gain on fair valuation of land which is not available for distribution ₹ 222.31 crore (31st March, 2020 - ₹ 222.31 crore).
2. The shareholders of the Company in their meeting held on 30th July, 2020 approved final dividend of ₹ 1.55 per share aggregating ₹ 419.24 crore for the financial year 2019-20. The said dividend was paid to the holders of fully paid equity shares on 3rd August, 2020.
3. Represents gain/(loss) on sale of certain investments carried at fair value through other comprehensive income transferred to Retained Earnings.
4. In respect of the year ended 31st March, 2021, the directors have proposed a dividend of ₹1.55 per share to be paid on fully paid shares. This equity dividend is subject to approval at the annual general meeting and has not been included as a liability in the Standalone financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 495.72 crore.
5. During the year, the shareholders in the Annual General Meeting dated 30th July, 2020 has approved the issuance of 49,05,66,037 equity shares of the face value of ₹ 1 each at ₹ 53 per equity share for an amount aggregating to ₹ 2,600 crores to Tata Sons Pvt Ltd on preferential basis. The Company has allotted the said equity shares to Tata Sons Pvt Ltd on 13th August, 2020.

Nature and purpose of reserves:

General Reserve

General Reserve is used to transfer profits from retained earnings for appropriation purposes. The amount is to be utilised in accordance with the provision of the Companies Act, 2013.

Securities Premium

Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

Debenture Redemption Reserve

The Company was required to create a Debenture Redemption Reserve out of the profits which are available for payment of dividend for the purpose of redemption of debentures. Pursuant to Companies (Share Capital and Debentures) Amendment Rules, 2019 dated 16th August, 2019, the Company is not creating additional debenture redemption reserve (DRR) from the effective date of amendment. DRR created till previous years will be transferred to retained earnings on redemption of debentures.

Capital Redemption Reserve

Capital Redemption Reserve represents amounts set aside on redemption of preference shares.

Capital Reserve

Capital Reserve consists of forfeiture of the amount received from Tata Sons Pvt. Ltd. on preferential allotment of convertible warrants in the Company, on the lapse of the period to exercise right to convert the said warrants and on forfeiture of amounts paid on Debentures.

Statutory Reserve

Statutory Reserve consists of Special Appropriation towards Project Cost, Development Reserve and Investment Allowance Reserve.

Special appropriation to project cost - Due to high capital investment required for the expansion in the electricity industry, the Maharashtra State Government permits part of the capital cost of approved projects to be collected through the electricity tariff and held as a special appropriation.

Development Reserve / Investment Allowance Reserve - Until 1978, the Companies made appropriations to a Development Reserve and an Investment Allowance Reserve as required by the Income Tax Act, 1956. New appropriations to these reserves are no longer required due to changes in law.

Notes to the Standalone Financial Statements

21. Other Equity (Contd.)

Retained Earnings

Retained Earnings are the profits of the Company earned till date net of appropriations.

Equity Instruments through Other Comprehensive Income

This reserve represents the cumulative gains and losses arising on revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those equity instruments are disposed off.

22. Non-current Borrowings - At Amortised Cost

	As at 31st March, 2021		As at 31st March, 2020	
	Non-current	Current* Maturities ₹ crore	Non-current	Current* Maturities ₹ crore
(i) Unsecured				
Redeemable Non-Convertible Debentures				
(a) 10.75% Series 2072	1,496.25	Nil	1,494.40	Nil
(b) 7.77% Series 2031	197.47	Nil	Nil	Nil
(c) 7.77% Series 2030	148.09	Nil	Nil	Nil
(d) 7.77% Series 2029	148.09	Nil	Nil	Nil
(e) 7.05% Series 2026	495.74	Nil	Nil	Nil
(f) 9.00% Series 2025	249.81	Nil	249.74	Nil
(g) 7.99% Series 2024	898.16	300.00	1,197.21	300.00
(h) 6.18% Series 2024	396.64	Nil	Nil	Nil
(i) 8.84% Series 2023	748.43	Nil	749.12	Nil
(j) 8.21% Series 2023	300.07	Nil	Nil	Nil
(k) 7.60% Series 2023	995.39	Nil	Nil	Nil
(l) 6.00% Series 2023	985.96	Nil	Nil	Nil
(m) 8.84% Series 2022	499.55	Nil	499.40	Nil
	7,559.65	300.00	4,189.87	300.00
Term Loans from Banks				
(n) ICICI Bank	Nil	225.00	223.56	337.50
(o) Axis Bank	Nil	166.67	166.58	166.67
(p) First Abu Dhabi Bank	65.74	67.00	132.54	67.00
(q) Sumitomo Mitsui Banking Corporation	283.53	215.00	199.70	100.00
	349.27	673.67	722.38	671.17
Deferred Payment Liabilities				
(r) Sales Tax Deferral	Nil	2.83	2.83	5.67
	(A) 7,908.92	976.50	4,915.08	976.84
(ii) Secured				
Redeemable Non-Convertible Debentures				
(a) 8.85% Series 2028	180.95	16.25	197.19	16.25
(b) 9.15% Series 2025	73.92	16.00	89.88	16.00
(c) 9.15% Series 2025	80.00	20.00	99.94	25.00
(d) 9.40% Series 2022	209.80	Nil	209.68	Nil
	544.67	52.25	596.69	57.25
Term Loans from Banks				
(e) HDFC Bank	1,450.44	140.00	1,590.27	74.37
(f) ICICI Bank	386.61	120.00	505.78	150.00
(g) Kotak Mahindra Bank	487.25	161.48	561.77	150.95
(h) State Bank of India	1,078.07	75.64	1,139.25	118.68
(i) Canara Bank	55.00	5.00	Nil	Nil
(j) Axis Bank	290.36	226.67	516.49	226.66
	3,747.73	728.79	4,313.56	720.66
Term Loans from Others				
(k) Housing Development Corporation Ltd	967.20	30.00	Nil	Nil
(l) Asian Development Bank	Nil	Nil	Nil	6.33
(m) Indian Renewable Energy Development Agency Ltd.	Nil	Nil	Nil	2.94
	967.20	30.00	Nil	9.27
	(B) 5,259.60	811.04	4,910.25	787.18
Total	(A) + (B) 13,168.52	1,787.54	9,825.33	1,764.02

* Amount disclosed under Other Current Financial Liabilities (Refer Note 24)

22. Non-current Borrowings (Contd.)

Security

- (i) The Debentures mentioned in (b) have been secured by a charge on movable properties and assets of the Company at Agaswadi and Visapur in Satara District of Maharashtra and Poolavadi in Tirupur District of Tamil Nadu.
- (ii) The Debentures mentioned in (c) have been secured by a *pari passu* charge on the assets of the wind farms situated at Samana in Gujarat, Gadag in Karnataka and immovable properties in Jamnagar, Gujarat.
- (iii) The Debentures mentioned in (d) have been secured by a charge on the land situated at Village Takve Khurd (Maharashtra) and movable fixed assets (except the Wind assets) including movable machinery, machinery spares, tools and accessories but excluding vehicles, launches and barges, present and future.
- (iv) The Loans mentioned in (a), (e), (g), (h), (i), (j) and (k) have been secured by *pari passu* charge on all movable Fixed Assets (excluding land and building), present and future (except assets of all wind projects both present and future) including movable machinery, machinery spares, tools and accessories, present and future, but excluding vehicles, launches and barges.
- (v) The Loans mentioned in (f) have also been secured by whole of current assets of the Company, present and future, in a first *pari passu* manner.
- (vi) Part of Loan mentioned in (g) is also secured by second charge on all movable fixed assets and current assets.
- (vii) The Loans from Asian Development Bank and Indian Renewable Energy Development Agency Limited mentioned in (l) and (m) respectively have been secured by a charge on the movable and immovable properties situated at Khandke, Brahmanvel and Sadawaghapur in Maharashtra including the projects' current and future receivables.

Terms of Repayment

Particulars	Amount Outstanding as at 31st March, 2021	Financial Year							₹ crore
		FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-31	FY 31-32 and onwards	
(i) Unsecured - At Amortised Cost									
Redeemable Non-Convertible Debentures									
(a) 10.75% Series 2072 (Refer Note 1 below)	1,500.00	-	-	-	-	-	-	-	1,500.00
(b) 7.77% Series 2031	200.00	-	-	-	-	-	-	200.00	-
(c) 7.77% Series 2030	150.00	-	-	-	-	-	-	150.00	-
(d) 7.77% Series 2029	150.00	-	-	-	-	-	-	150.00	-
(e) 7.05% Series 2026	500.00	-	-	-	-	500.00	-	-	-
(f) 9.00% Series 2025	250.00	-	-	-	250.00	-	-	-	-
(g) 7.99% Series 2024	1,200.00	300.00	300.00	300.00	300.00	-	-	-	-
(h) 6.18% Series 2024	400.00	-	-	400.00	-	-	-	-	-
(i) 8.84% Series 2023	750.00	-	-	750.00	-	-	-	-	-
(j) 7.60% Series 2023	1,000.00	-	-	1,000.00	-	-	-	-	-
(k) 8.21% Series 2023	300.00	-	-	300.00	-	-	-	-	-
(l) 6.00% Series 2023	1,000.00	-	-	1,000.00	-	-	-	-	-
(m) 8.84% Series 2022	500.00	-	500.00	-	-	-	-	-	-
Term Loans from Banks (Refer Note 3 below)									
(n) ICICI Bank	225.00	225.00	-	-	-	-	-	-	-
(o) Axis Bank	166.67	166.67	-	-	-	-	-	-	-
(p) First Abu Dhabi Bank	133.00	67.00	66.00	-	-	-	-	-	-
(q) Sumitomo Mitsui Banking Corporation	500.00	215.00	100.00	105.00	45.00	35.00	-	-	-
Deferred Payment Liabilities									
(r) Sales Tax Deferral (Refer Note 2 below)	2.83	2.83	-	-	-	-	-	-	-

Notes to the Standalone Financial Statements

22. Non-current Borrowings (Contd.)

Particulars	Amount Outstanding as at 31st March, 2021	Financial Year							₹ crore
		FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-31	FY 31-32 and onwards	
(ii) Secured - At Amortised Cost									
Redeemable Non-Convertible Debentures									
(a) 8.85% Series 2028	197.19	16.25	16.25	16.25	16.25	16.25	115.94	-	
(b) 9.15% Series 2025	90.00	16.00	16.00	16.00	16.00	16.00	10.00	-	
(c) 9.15% Series 2025	100.00	20.00	20.00	20.00	20.00	20.00	-	-	
(d) 9.40% Series 2022	210.00	-	210.00	-	-	-	-	-	
Term Loans from Banks (Refer Note 3 below)									
(e) HDFC Bank	1,593.42	140.00	140.00	140.00	140.00	166.25	648.42	218.75	
(f) ICICI Bank	510.00	120.00	150.00	240.00	-	-	-	-	
(g) Kotak Mahindra Bank	648.75	161.48	61.48	61.48	61.48	87.73	215.10	-	
(h) State Bank of India	1,153.71	75.64	75.65	151.35	302.59	548.48	-	-	
(i) Canara Bank	60.00	5.00	5.00	5.00	5.00	5.00	25.00	10.00	
(j) Axis Bank	516.67	226.67	60.00	130.00	100.00	-	-	-	
Term Loans from Others (Refer Note 3 below)									
(k) Housing Development Corporation Ltd	1,000.00	30.00	60.00	70.00	90.00	120.00	630.00	-	
	15,007.24	1,787.54	1,780.38	4,705.08	1,346.32	1,514.71	2,144.46	1,728.75	
Less: Impact of recognition of borrowing at amortised cost using effective interest method.	51.18								
	14,956.06								

Notes:

- The 10.75% Redeemable Non-Convertible Debentures are redeemable at par at the end of 60 years from the date of allotment viz. 21st August, 2072. The Company has the call option to redeem the same at the end of 10 years viz. 21st August, 2022 and at the end of every year thereafter.
- Sales Tax Deferral is repayable in 150 installments commencing from April, 2013 and repayable in full by March, 2022.
- The rate of interest for term loans from banks ranges from 5.45% to 8.50 % (31st March, 2020 - 7.25% to 9.25%) and rate of interest for term loans from others is 7.60% (31st March, 2020 - 9.36%).

23. Lease Liabilities

Accounting Policy

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 standalone 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, as follows:

- Plant and Equipment - 2 years
- Leasehold land including Sub-surface rights - 2 to 25 years

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

ii) Lease Liabilities

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

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

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.

Leasing arrangement as Lessee

The Company has lease contracts for various items of plant, machinery, land, vehicles and other equipments used in its operations. Leases of Leasehold land including sub-surface rights and plant and equipment generally have lease term between 2 and 25 years. Generally, the Company is restricted from assigning and subleasing the leased assets.

Amount recognised in the statement of profit and loss	₹ crore	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Depreciation of Right-of-Use Assets	22.92	39.78
Interest on lease liabilities	19.36	17.56
Expenses related to short term leases	28.85	29.07
Expenses related to leases of low value assets, excluding short term leases of low value assets	0.33	0.38

Refer Note 5B for additions to Right-of-Use Assets and the carrying amount of Right-of-Use Assets. Further, Refer Note 42.4.3 for maturity analysis of lease liabilities.

Notes to the Standalone Financial Statements

23. Lease Liabilities (Contd.)

Amount as per the Statement of Cash Flows	₹ crore	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Total cash outflow of leases	30.99	29.34
	As at 31 st March, 2021	As at 31 st March, 2020
	₹ crore	₹ crore
Non-current		
(i) Lease Liabilities	209.72	237.03
Total	209.72	237.03
Current		
(i) Lease Liabilities	27.39	41.82
Total	27.39	41.82

24. Other Financial Liabilities - At Amortised Cost (Unless otherwise stated)

	As at	
	31 st March, 2021	31 st March, 2020
	₹ crore	₹ crore
Non-Current		
(a) Security Deposits from Customers	9.77	9.48
(b) Guarantee Commission Obligation	2.32	5.12
Total	12.09	14.60
Current		
(a) Current Maturities of Non-current Borrowings (Refer Note 22)	1,787.54	1,764.02
(b) Interest accrued but not due on Borrowings	284.76	202.23
(c) Interest accrued but not due on Borrowings from Related Party	4.15	Nil
(d) Investor Education and Protection Fund shall be credited by the following amounts namely: **		
Unpaid Dividend	23.16	22.56
Unpaid Matured Debentures	0.09	0.09
(e) Other Payables		
Payables for capital supplies and services	271.22	350.18
Security deposits from electricity consumers	245.75	234.48
Security deposits from others	31.23	6.74
Payable to Consumers	310.53	Nil
Other Financial Liabilities	77.23	41.32
Derivative contracts (Net) (at Fair Value through Profit and Loss)	6.94	Nil
Total	3,042.60	2,621.62

** Includes amounts outstanding aggregating ₹ 1.69 crore (31st March, 2020 - ₹ 1.48 crore) for more than seven years pending disputes and legal cases.

25. Deferred Tax Liabilities (Net)

(Refer Note 35)

	As at	
	31 st March, 2021	31 st March, 2020
	₹ crore	₹ crore
Deferred Tax Assets	1,028.59	940.99
Deferred Tax Liabilities	1,163.95	1,248.24
Net Deferred Tax Liabilities	135.36	307.25

26. 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).

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.

Restructuring provisions are recognised only when the Company has a constructive obligation, which is when: (i) a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, and the timeline; and (ii) the employees affected have been notified of the plan's main features.

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.

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 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 OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in the 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.

The cost of the defined benefit gratuity plan and other post-employment medical benefits 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 sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. 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 are based on expected future inflation rates.

Notes to the Standalone Financial Statements

26. Provisions (Contd.)

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.

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Non-current		
Provision for Employee Benefits		
Compensated Absences	82.70	87.99
Post-Employment Medical Benefits [Refer Note 26 (2.1) and (2.3)]	57.67	59.12
Other Defined Benefit Plans [Refer Note 26 (2.1) and (2.3)]	106.35	63.49
Other Employee Benefits	14.66	11.86
Total	261.38	222.46
Current		
Provision for Employee Benefits		
Compensated Absences	5.80	6.17
Post-Employment Medical Benefits [Refer Note 26 (2.1) and (2.3)]	2.19	2.09
Other Defined Benefit Plans [Refer Note 26 (2.1) and (2.3)]	15.16	53.21
Other Employee Benefits	2.22	0.55
Total	25.37	62.02

Employee Benefit Plans

1. Defined Contribution plan

The Company makes superannuation fund contributions to defined contribution plan for eligible employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs. The Company has no obligation, other than the contribution payable to the fund. The Company recognises contribution payable to the superannuation fund scheme as an expense, when an employee renders the related service.

The Company has recognised ₹ 7.84 crore (31st March, 2020 - ₹ 9.32 crore) for superannuation contribution in the statement of profit and loss. The said amount is excluding of amounts recognised by the Strategic Engineering Division (SED) (Discontinued operations). The contribution payable to the plan by the Company is at rates specified in the rules of the plan.

2. Defined benefit plans

2.1 The Company operates the following unfunded/funded defined benefit plans:

Funded:

Provident Fund

The Company makes Provident Fund contributions to defined benefit plans for eligible employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified are paid to the provident fund trust set by the Company. The Company is generally liable for annual contributions. However, any shortfall in the fund assets based on the government specified minimum rates of return are recognised as an expense in the year it is incurred.

26. Provisions (Contd.)

Having regard to the assets of the fund and the return on the investments, the Company expects net shortfall of ₹ 6.50 crore which has been provided as an expenditure during the year.

The actuary has provided a valuation of provident fund liability based on the assumptions listed and determined the net short fall of ₹ 6.50 crore as at 31st March, 2021 (31st March, 2020 - ₹ 10.52 crore) which has been recognised as an expense during the year.

The significant assumptions used for the purpose of the actuarial valuations were as follows:

Particulars	As at	As at
	31st March, 2021	31st March, 2020
Interest rate	7.50% p.a.	8.50% p.a.
Discount rate	6.60% p.a.	6.50% p.a.
Contribution during the year (₹ crore)	19.92	21.15
Short fall recognised as an expenditure for the year (₹ crore)	6.50	10.52

The movements in the net defined benefit obligation for provident fund are as follows:

Funded Plan:	Present value of obligation	Fair value of plan assets	Net Amount
	₹ crore	₹ crore	₹ crore
Balance as at 1st April, 2019	760.31	752.04	8.27
Current service cost	22.02	Nil	22.02
Interest Cost/(Income)	56.34	57.21	(0.87)
Amount recognised in statement of profit and loss	78.36	57.21	21.15
<u>Remeasurement (gains)/losses</u>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	(40.00)	40.00
Actuarial (gains)/losses arising from changes in demographic assumptions	(1.59)	Nil	(1.59)
Actuarial (gains)/losses arising from changes in financial assumptions	(3.30)	Nil	(3.30)
Actuarial (gains)/losses arising from experience	13.84	Nil	13.84
Amount recognised in Other Comprehensive Income	8.95	(40.00)	48.95
Employer contribution	Nil	21.13	(21.13)
Employee contribution	49.34	49.34	Nil
Benefits paid	(98.17)	(98.17)	Nil
Acquisitions credit/(cost)	8.97	8.97	Nil
Balance as at 31st March, 2020	807.76	750.52	57.24
Balance as at 1st April, 2020	807.76	750.52	57.24
Current service cost	18.87	Nil	18.87
Interest Cost/(Income)	48.84	47.79	1.05
Amount recognised in statement of profit and loss	67.71	47.79	19.92
<u>Remeasurement (gains)/losses</u>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	68.73	(68.73)
Actuarial (gains)/losses arising from changes in demographic assumptions	Nil	Nil	Nil
Actuarial (gains)/losses arising from changes in financial assumptions	52.89	Nil	52.89
Actuarial (gains)/losses arising from experience	22.34	Nil	22.34

Notes to the Standalone Financial Statements

26. Provisions (Contd.)

Funded Plan:	Present value of obligation	Fair value of plan assets	Net Amount
	₹ crore	₹ crore	₹ crore
Amount recognised in Other Comprehensive Income	75.23	68.73	6.50
Employer contribution	Nil	18.62	(18.62)
Employee contribution	44.14	44.14	Nil
Benefits paid	(124.23)	(116.10)	(8.13)
Acquisitions credit/(cost)	22.80	22.80	Nil
Balance as at 31st March, 2021	893.41	836.51	56.91

Gratuity

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. The gratuity plan is funded plan. The fund has the form of a trust and is governed by Trustees appointed by the Company. The Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy in accordance with the trust regulations.

2.2 The principal assumptions used for the purposes of the actuarial valuations for funded and unfunded plan were as follows:

Valuation as at	As at 31st March, 2021	As at 31st March, 2020
Discount Rate	6.60% p.a.	6.50% p.a.
Salary Growth Rate		
- Management	7% p.a.	7% p.a.
- Non-Management	5% p.a.	5% p.a.
Turnover Rate - Age 21 to 44 years		
- Management	6% p.a.	6% p.a.
- Non-Management	0.50% p.a.	0.50% p.a.
Turnover Rate - Age 45 years and above		
- Management	2% p.a.	2% p.a.
- Non-Management	0.50% p.a.	0.50% p.a.
Pension Increase Rate	4% p.a.	3% p.a.
Mortality Table	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult
Annual Increase in Healthcare Cost	8% p.a.	8% p.a.

26. Provisions (Contd.)

2.3 The amounts recognised in the Standalone financial statements and the movements in the net defined benefit obligations over the year are as follows:

Gratuity Fund Plan:	Present value of obligation	Fair value of plan assets	Net Amount
	₹ crore	₹ crore	₹ crore
Balance as at 1st April, 2019*	260.83	(280.29)	(19.46)
Current service cost	15.80	Nil	15.80
Interest Cost/(Income)	20.72	(20.74)	(0.02)
Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations	1.30	Nil	1.30
Amount recognised in statement of profit and loss - Continuing Operations	37.82	(20.74)	17.08
<u>Remeasurement (gains)/losses</u>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	(8.32)	(8.32)
Actuarial (gains)/losses arising from changes in demographic assumptions	(2.27)	Nil	(2.27)
Actuarial (gains)/losses arising from changes in financial assumptions	16.61	Nil	16.61
Actuarial (gains)/losses arising from experience	(0.95)	Nil	(0.95)
Add/(Less): Amount recognised in Other Comprehensive Income - Discontinued Operations	(0.21)	Nil	(0.21)
Amount recognised in Other Comprehensive Income	13.18	(8.32)	4.86
Benefits paid	(35.80)	Nil	(35.80)
Acquisitions credit/(cost)	(1.05)	Nil	(1.05)
Add: Amounts recognised in current year - Discontinued Operations	(1.08)	Nil	(1.08)
Balance as at 31st March, 2020 *	273.90	(309.35)	(35.45)
Balance as at 1st April, 2020*	273.90	(309.35)	(35.45)
Current service cost	17.38	Nil	17.38
Interest Cost/(Income)	17.49	(20.11)	(2.62)
Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations	(0.89)	Nil	(0.89)
Amount recognised in statement of profit and loss - Continuing Operations	33.98	(20.11)	13.87
<u>Remeasurement (gains)/losses</u>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	(16.60)	(16.60)
Actuarial (gains)/losses arising from changes in demographic assumptions	Nil	Nil	Nil
Actuarial (gains)/losses arising from changes in financial assumptions	(1.76)	Nil	(1.76)
Actuarial (gains)/losses arising from experience	(3.16)	Nil	(3.16)
Less: Amount recognised in Other Comprehensive Income - Discontinued Operations	(0.34)	Nil	(0.34)
Amount recognised in Other Comprehensive Income	(5.26)	(16.60)	(21.86)
Benefits paid	(24.61)	Nil	(24.61)
Acquisitions credit/(cost)	(22.36)	Nil	(22.36)
Add: Amounts recognised in current year - Discontinued Operations	0.89	Nil	0.89
Balance as at 31st March, 2021 *	256.54	(346.06)	(89.52)

* Net asset is classified as "Other Current Assets".

Notes to the Standalone Financial Statements

26. Provisions (Contd.)

Unfunded:

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.

Pension (including Director pension)

The Company operates a defined benefit pension plan for employees who have completed 15 years of continuous service. The plan provides benefits to members in the form of a pre-determined lumpsum payment on retirement. Executive Director, on retirement, is entitled to pension payable for life including HRA benefit. The level of benefit is approved by the Board of Directors of the Company from time to time.

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 along with a sum determined based on the last drawn basic salary per month and the length of service.

Retirement Gift

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

Unfunded Plan:	Amount ₹ crore
Balance as at 1st April, 2019	102.69
Current service cost	5.24
Past service cost	Nil
Past service cost - Plan amendments	13.21
Interest Cost/(Income)	9.15
Add/(Less): Amount recognised in statement of profit and loss - Discontinued Operations	0.07
Amount recognised in statement of profit and loss - Continuing Operations	27.67
<u>Remeasurement (gains)/losses</u>	
Actuarial (gains)/losses arising from changes in demographic assumptions	(4.31)
Actuarial (gains)/losses arising from changes in financial assumptions	11.36
Actuarial (gains)/losses arising from experience	(9.48)
Add/(Less): Amount recognised in Other Comprehensive Income - Discontinued Operations	0.41
Amount recognised in Other Comprehensive Income	(2.02)
Benefits paid	(7.19)
Acquisitions credit/(cost)	Nil
Add: Amounts recognised in current year - Discontinued Operations	(0.48)
Less: Transferred to Assets/Liabilities held for sale - Discontinued Operations	Nil
Balance as at 31st March, 2020	120.67
Balance as at 1st April, 2020	120.67
Current service cost	5.38
Past service cost	Nil
Past service cost - Plan amendments	Nil
Interest Cost/(Income)	7.77
Add/(Less): Amount recognised in statement of profit and loss - Discontinued Operations	Nil
Amount recognised in statement of profit and loss - Continuing Operations	13.15

26. Provisions (Contd.)

Unfunded Plan:	Amount
	₹ crore
Remeasurement (gains)/losses	
Actuarial (gains)/losses arising from changes in demographic assumptions	Nil
Actuarial (gains)/losses arising from changes in financial assumptions	1.55
Actuarial (gains)/losses arising from experience	(2.68)
(Less): Amount recognised in Other Comprehensive Income - Discontinued Operations	Nil
Amount recognised in Other Comprehensive Income	(1.13)
Benefits paid	(5.54)
Acquisitions credit/(cost)	(2.79)
Add: Amounts recognised in current year - Discontinued Operations	0.10
Less: Transferred to Assets/Liabilities held for sale - Discontinued Operations	Nil
Balance as at 31st March, 2021	124.46

Employee Benefit Plans

2.4 Sensitivity analysis

The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

Change in assumption	31st		Increase in assumption		Decrease in assumption	
	March, 2021	March, 2020	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
			₹ crore	₹ crore	₹ crore	₹ crore
Discount rate	0.50%	0.50%	Decrease by 17.09	15.83	Increase by 18.08	17.19
Salary/Pension growth rate	0.50%	0.50%	Increase by 11.05	11.32	Decrease by 10.44	10.70
Mortality rates	1 year	1 year	Decrease by 5.81	5.43	Increase by 5.73	5.35
Healthcare cost	0.50%	0.50%	Increase by 4.60	4.81	Decrease by 4.14	4.30

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

These plans typically expose the Company to actuarial risks such as: Investment Risk, Interest Risk, Longevity Risk and 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 on government bonds.
- Interest Risk A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.
- Longevity 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 their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
- Salary Risk The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Notes to the Standalone Financial Statements

26. Provisions (Contd.)

2.5 The expected maturity analysis of undiscounted defined benefit obligation is as follows:

	Funded - Provident Fund		Funded - Gratuity		Unfunded	
	31st March, 2021 ₹ crore	31st March, 2020 ₹ crore	31st March, 2021 ₹ crore	31st March, 2020 ₹ crore	31st March, 2021 ₹ crore	31st March, 2020 ₹ crore
Within 1 year	61.74	67.02	19.83	20.87	8.98	8.85
Between 1 - 2 years	101.81	105.84	31.63	33.66	9.41	9.08
Between 2 - 3 years	94.42	96.20	31.53	32.08	9.59	9.16
Between 3 - 4 years	93.72	85.16	31.68	30.55	9.48	9.29
Between 4 - 5 years	86.54	84.05	26.77	34.41	9.61	9.15
Beyond 5 years	533.46	413.74	166.99	167.80	54.45	65.39

The weighted average duration of:	As at	As at
	31st March, 2021	31st March, 2020
Provident Fund	7.0 Years	7.0 Years
Gratuity Fund	7.4 Years	7.4 Years

The contribution expected to be made by the Company during the financial year 2021-22 is ₹ 19.20 crore.

2.6 Risk exposure:

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility:

The plan liabilities are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit. These are subject to interest rate risk. To offset the risk, the plan assets have been deployed in high grade insurer managed funds.

Inflation rate risk:

Higher than expected increase in salary and medical cost will increase the defined benefit obligation.

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.

2.7 Major categories of plan assets:

Plan assets are funded with the trust set up by the Company. The trust invests the funds in various financial instruments. Major categories of plan assets are as follows:

	Provident Fund				Gratuity			
	As at 31st March, 2021		As at 31st March, 2020		As at 31st March, 2021		As at 31st March, 2020	
	₹ crore	%	₹ crore	%	₹ crore	%	₹ crore	%
Quoted								
Equity Instruments	43.33	5%	30.02	4%	65.75	19%	58.78	19%
Government Securities	450.96	54%	405.28	54%	88.63	26%	89.71	29%
Debt and other Instruments	342.22	41%	315.22	42%	191.68	55%	160.86	52%
	836.51	100%	750.52	100%	346.06	100%	309.35	100%

27. Other Liabilities

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Non-current		
Deferred Revenue - Service Line Contributions from Consumers	112.95	115.91
Deferred Rent Liability	42.75	45.43
Total	155.70	161.34
Current		
Statutory Liabilities	101.00	121.97
Advance from Customers/Public Utilities	178.09	149.68
Statutory Consumer Reserves	179.00	168.00
Liabilities towards Consumers	12.61	60.76
Other Liabilities	1.83	2.46
Total	472.53	502.87

28. Current Borrowings - At Amortised Cost

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Unsecured		
From Banks		
(a) Term Loans		
(i) Repayable on Demand	999.69	500.00
(ii) Others	90.00	90.00
(b) Bank Overdraft - Repayable on Demand	Nil	1.05
From Related Parties	922.20	105.45
From Others		
Commercial Paper [maximum amount outstanding during the year is ₹ 6,925 crore (31st March, 2020 - ₹ 6,700 crore)]	3,523.81	5,455.81
Total	5,535.70	6,152.31
Secured		
From Banks		
(a) Term Loans	60.00	60.00
Total	60.00	60.00
Total	5,595.70	6,212.31

Notes:

- The rate of interest for term loans from banks ranges from 6.50% to 8.90% (31st March, 2020 - 8.00% to 9.40%) and loan from others ranges from 3.13% to 7.50% (31st March, 2020 - 5.56% to 8.04%).
- The term loan mentioned in (a) above have been secured by pari passu first charge over all current assets of the Company, present and future, except for specific wind assets.

29. Current Tax Liabilities

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore	₹ crore
Income Tax Payable (Net)	133.47	107.67
Total	133.47	107.67

Notes to the Standalone Financial Statements

30. Revenue from Operations

Revenue recognition

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.

Description of performance obligations are as follows :

(i) Sale of Power - Generation (Thermal and Hydro)

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered.

The Company as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of fuel cost, operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies. Accordingly, rate per unit is determined using input method based on the Company's efforts to the satisfaction of a performance obligation to deliver power.

As per tariff regulations, the Company determines ARR and any surplus/shortfall in recovery of the same is accounted as revenue.

(ii) Sale of Power - Generation (Wind and Solar)

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the contracted rate.

(iii) Transmission of Power

Revenue from transmission of power is recognised net of cash discount over time for transmission of electricity. The Company as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies.

Input method is used to recognize revenue based on the Company's efforts or inputs to the satisfaction of a performance obligation to deliver power.

As per tariff regulations, the Company determines ARR and any surplus/shortfall in recovery of the same is accounted as revenue.

(iv) Sale of Power - Distribution

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the pre determined rate.

(v) Rendering of Services

Revenue from a contract to provide services is recognised over time based on :

Input method where the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of performance obligation. Revenue, including estimated fees or profits, are recorded proportionally based on measure of progress.

Output method where direct measurements of value to the customer based on survey's of performance completed to date.

Revenue is recognised net of cash discount at a point in time at the contracted rate.

(vi) Consumers are billed on a monthly basis and are given average credit period of 30 to 45 days for payment. No delayed payment charges ('DPC') is charged for the initial 30 days from the date of receipt of invoice by customers. Thereafter, DPC is charged as per the relevant contracts on the outstanding balance once the dues are received. Revenue in respect of delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realisation supported by either an acknowledgement from customers or on receipt of favourable order from regulator / authorities.

(vii) In the regulated operations of the Company where tariff recovered from consumers is determined on cost plus return on equity, the Income tax cost is pass through cost and accordingly the Company recognises Deferred tax recoverable/ payable against any Deferred tax expense/ income. The same is included in 'Revenue from Operations' in case of Generation and Transmission business.

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

30. Revenue from Operations (Contd.)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
(a) Revenue from Power Supply and Transmission Charges	4,656.54	6,410.55
<i>Add/(Less):</i> Income to be adjusted in future tariff determination (Net)	157.00	(198.98)
<i>Add/(Less):</i> Income to be adjusted in future tariff determination (Net) in respect of earlier years	(8.53)	5.49
<i>Add/(Less):</i> Deferred Tax Recoverable / (Payable)	44.80	31.41
	4,849.81	6,248.47
(b) Revenue from Power Supply - Assets Under Finance Lease	942.03	1,051.27
(c) Project/Operation Management Services	173.90	140.71
(d) Income from Finance Lease	84.66	88.91
(e) Other Operating Revenue		
Rental of Land, Buildings, Plant and Equipments, etc.	13.29	12.15
Income in respect of Services Rendered	60.94	97.60
Income from Storage and Terminalling	16.31	15.22
Amortisation of Service Line Contributions	8.25	7.99
Sale of Fly Ash	0.28	1.86
Sale of Carbon Credits	Nil	6.25
Sale of Renewable Energy certificates	Nil	14.66
Miscellaneous Revenue	31.12	41.30
	130.19	197.03
Total	6,180.59	7,726.39

Details of Revenue from Contract with Customers

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Total Revenue from Contract with Customers	6,048.34	7,590.18
<i>Add:</i> Cash Discount/Rebates etc.	27.24	38.28
Total Revenue as per Contracted Price	6,075.58	7,628.46

Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

The aggregate value of performance obligations that are partially unsatisfied as at 31st March, 2021, other than those meeting the exclusion criteria mentioned above is ₹ Nil (31st March, 2020 - ₹ 18.59 crore). The Company expects to recognise it as revenue within next one year.

Notes to the Standalone Financial Statements

30. Revenue from Operations (Contd.)

Revenue is disaggregated by type and nature of product or services. The table also includes the reconciliation of the disaggregated revenue with the Company's reportable segment.

Nature of Goods/Services	Revenue from Contracts with Customers		Others		Total	
	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
Generation of Power - Thermal and Hydro						
Sale of Power	1,393.22	1,588.73	Nil	Nil	1,393.22	1,588.73
Sale of Power from Assets Under Lease	942.03	1,051.27	Nil	Nil	942.03	1,051.27
Project/Operation Management Services	144.60	100.94	Nil	Nil	144.60	100.94
Income from Finance Lease	Nil	Nil	84.66	88.91	84.66	88.91
Others	3.37	21.70	14.58	15.52	17.95	37.22
Total (A)	2,483.22	2,762.64	99.24	104.43	2,582.46	2,867.07
Generation of Power - Wind and Solar						
Sale of Power	107.70	95.24	Nil	Nil	107.70	95.24
Others	Nil	14.64	Nil	8.02	Nil	22.66
Total (B)	107.70	109.88	Nil	8.02	107.70	117.90
Transmission and Distribution of Power						
Transmission of Power	828.79	775.15	Nil	Nil	828.79	775.15
Distribution of Power	2,520.09	3,789.37	Nil	Nil	2,520.09	3,789.37
Net Movement in Regulatory Deferral Balances	Nil	Nil	299.62	(651.40)	299.62	(651.40)
Project/Operation Management Services	22.45	33.83	Nil	Nil	22.45	33.83
Others	10.82	44.45	27.23	20.76	38.05	65.21
Total (C)	3,382.15	4,642.80	326.85	(630.64)	3,709.00	4,012.16
Others (D)	34.40	30.76	Nil	Nil	34.40	30.76
Unallocable Revenue (E)	40.87	44.10	5.78	3.00	46.65	47.10
Revenue from Continuing Operations (including Net Movement in Regulatory Deferral Balances) (A + B + C +D + E)	6,048.34	7,590.18	431.87	(515.19)	6,480.21	7,074.99
Revenue from Discontinued Operations	193.63	343.74	Nil	Nil	193.63	343.74
Reconciliation of Revenue					For the year ended	For the year ended
					31st March, 2021	31st March, 2020
					₹ crore	₹ crore
Revenue from Continuing Operations as per above table					6,480.21	7,074.99
Less: Net Movement in Regulatory Deferral Balances					299.62	(651.40)
Total Revenue from Operations					6,180.59	7,726.39

30. Revenue from Operations (Contd.)

Contract Balances	As at	As at
	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Contract Assets		
Recoverable from Consumers		
Non-current	1,161.06	960.84
Total Contract Assets	1,161.06	960.84
Contract liabilities		
Liabilities towards Consumers		
Current	12.61	60.76
Total Contract Liabilities	12.61	60.76
Receivables		
Trade Receivables (Gross)	966.67	1,151.39
Unbilled Revenue for passage of time	75.37	83.41
Recoverable from Consumers	58.13	221.45
(Less): Allowances for Doubtful Debts	(55.80)	(42.71)
Net Receivables	1,044.37	1,413.54
Total	2,218.04	2,435.14

Contract Assets

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

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the performance obligation is satisfied.

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

Particulars	As at	As at
	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Opening Balance		
Recoverable from consumers	960.84	1,191.79
Liabilities towards consumers	(60.76)	(11.50)
	(A)	900.08
Income to be adjusted in future tariff determination (Net)	157.00	(198.98)
Income to be adjusted in future tariff determination in respect of earlier years (Net)	(8.53)	5.49
Refund to customers (including Company's distribution business)	57.59	48.87
Deferred tax recoverable/(payable)	44.80	31.41
Deferred tax recoverable/(payable) on account of New Tax Regime [Refer Note 35(i)]	Nil	(167.00)
Others	(2.49)	Nil
	(B)	248.37
Closing Balance		
Recoverable from consumers	1,161.06	960.84
Liabilities towards consumers	(12.61)	(60.76)
	(A + B)	1,148.45

Notes to the Standalone Financial Statements

31. Other Income

Accounting Policy

Dividend and Interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

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 the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
(a) Interest Income		
(i) On Financial Assets carried at Amortised Cost		
Interest on Banks Deposits	2.36	4.82
Interest on Overdue Trade Receivables	38.59	65.69
Interest on Non-current Investment	11.80	17.43
Interest on Financial Assets - Subsidiaries	124.37	18.58
	177.12	106.52
(ii) Interest on Income-tax Refund		
	Nil	13.03
	177.12	119.55
(b) Dividend Income		
From Non-current Investments		
Subsidiaries	941.51	267.18
Joint Ventures	47.74	85.09
Associates	Nil	9.68
Others - Equity Investments designated as FVTOCI	6.78	6.86
	996.03	368.81
(c) Gain/(Loss) on Investments		
Gain on sale/Fair Value of current investment measured at FVTPL	16.93	13.41
Gain on sale of Non-current investment measured at Amortised cost	Nil	9.06
	16.93	22.47
(d) Other Non-operating Income		
Guarantee Commission from Subsidiaries and Joint Ventures (Refer Note below)	21.82	60.63
Gain/(Loss) on Disposal of Property, Plant and Equipments (Net)	17.17	3.52
Delayed Payment Charges	7.02	6.61
Other Income	12.87	1.03
	58.88	71.79
Total	1,248.96	582.62

Note:

During the previous year, pursuant to Advance Pricing Agreement with Income Tax Department, the Company has recognised guarantee commission income of ₹ 38.30 crore from its subsidiaries and joint ventures pertaining to earlier years.

32. Employee Benefits Expense

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Salaries and Wages	521.68	468.42
Contribution to Provident Fund	19.92	21.15
Contribution to Superannuation Fund	7.84	9.32
Gratuity	13.87	17.08
Compensated Absences	13.21	24.96
Pension	14.39	10.78
Staff Welfare Expenses	95.72	93.58
	686.63	645.29
<i>Less:</i>		
Employee Cost Capitalised	27.12	24.59
Employee Cost Inventorised	10.44	9.99
	37.56	34.58
Total	649.07	610.71

33. Finance Costs

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

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

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
(a) Interest Expense:		
On Borrowings - At Amortised Cost		
Interest on Debentures	583.03	412.38
Interest on Loans - Banks, Financial Institutions and Commercial Papers	863.68	1,049.22
Interest on Loans - Related Parties	18.44	4.91
Others		
Interest on Consumer Security Deposits - At Amortised cost	11.05	21.99
Interest on Lease Liabilities - At Amortised cost	19.36	17.56
Other Interest and Commitment Charges	1.70	0.48
	1,497.26	1,506.54
<i>Less: Interest Capitalised</i>	8.38	16.44
<i>Less: Interest Inventorised</i>	10.23	Nil
	1,478.65	1,490.10
(b) Other Borrowing Costs:		
Other Finance Costs	40.12	20.28
	40.12	20.28
Total	1,518.77	1,510.38

Note:

The weighted average capitalisation rate on the Company's general borrowings is 7.64 % p.a. (31st March, 2020 - 8.23 % p.a.).

Notes to the Standalone Financial Statements

34. Other Expenses

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Consumption of Stores and Oil	39.34	36.61
Rental of Land, Buildings, Plant and Equipments	12.17	3.89
Repairs and Maintenance -		
(i) To Buildings and Civil Works	82.22	96.09
(ii) To Machinery and Hydraulic Works	242.26	211.60
(iii) To Furniture and Vehicles	4.54	4.63
	329.02	312.32
Rates and Taxes	53.10	67.62
Insurance	33.92	29.37
Other Operation Expenses	91.35	86.58
Ash Disposal Expenses	12.21	16.84
Travelling and Conveyance Expenses	16.06	18.60
Consultants' Fees	15.14	10.38
Auditors' Remuneration [Refer Note (i) below]	5.23	5.14
Cost of Services Procured	96.77	93.71
Bad Debts	2.43	6.05
Net (gain)/ Loss on Foreign Exchange	(24.08)	10.59
Allowance for Doubtful Debts and Advances (Net)	13.62	(0.19)
Legal Charges	16.47	21.61
Corporate Social Responsibility [Refer Note (ii) below]	3.45	3.80
Transfer to Statutory Consumer Reserve	11.00	17.00
Miscellaneous Expenses	38.48	16.77
Total	765.68	756.69

(i) Payment to the auditors

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
For Statutory Audit	4.03	3.54
For Taxation Matters	0.15	0.12
For Other Services	0.23	0.55
For Reimbursement of Expenses	0.02	0.15
Goods and Service Tax on above	0.80	0.78
Total	5.23	5.14

(ii) Corporate Social Responsibility

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Contribution to Tata Power Community Development Trust	3.28	3.16
Other expenses	0.17	0.64
Total	3.45	3.80

34. Other Expenses (Contd.)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ crore	₹ crore
Amount required to be spent as per section 135 of the Companies Act 2013	3.45	3.04
Amount spent during the year on:		
(a) Construction/Acquisition of asset	Nil	Nil
(b) On purposes other than (a) above	3.45	3.80

35. Income taxes

Accounting Policy

Current Tax

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.

Current income tax related to items recognised outside Statement of Profit and Loss are recognised either in other comprehensive income or 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.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

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. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

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.

For operations carried out under tax holiday period (Section 80IA of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been recorded for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax related to items recognised outside profit or loss is recognised either in other comprehensive income or in equity. 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.

Notes to the Standalone Financial Statements

35. Income taxes (Contd.)

(i) Income Tax Expenses

1. Income taxes recognised in the statement of profit and loss (Continuing Operations)

	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
	₹ crore	₹ crore
Current tax	205.31	18.61
Deferred tax	(104.34)	73.08
Deferred tax relating to earlier years	Nil	(24.51)
Remeasurement of Deferred Tax on account of New Tax Regime (Net) (Refer Note below)	Nil	(275.00)
Total income tax expense	100.97	(207.82)

Note:

Pursuant to the Taxation Laws (Amendment) Act, 2019 domestic companies have option to pay income tax at 22% plus applicable surcharge and cess ('New Tax Regime') subject to certain conditions. Based on the Company's assessment of the expected year of transition to the New Tax Regime, the Company in the previous year recognised deferred tax income of ₹ 275.00 crores after adjusting the Minimum Alternate Tax credit write off. Further, the Company had also remeasured its regulatory asset balance against deferred tax liabilities and had recognised expense of ₹ 98.00 crores pertaining to distribution business and ₹ 167.00 crores for generation and transmission business.

2. Income taxes recognised in the statement of profit and loss (Discontinued Operations)

	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
	₹ crore	₹ crore
Current tax	(101.48)	Nil
Deferred tax	(72.17)	(32.41)
Total income tax expense	(173.65)	(32.41)

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

	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
	₹ crore	₹ crore
Profit/(Loss) before tax Continuing Operation	1,068.61	350.53
Profit/(Loss) before tax Discontinuing Operation	(219.84)	(442.64)
Profit/(Loss) Before Tax	848.77	(92.11)
Income tax expense @34.944% being the statutory enacted rate	296.59	(32.19)
Add/(Less) tax effect on account of :		
Dividend income not taxable	(146.65)	(83.27)
Income taxed at lower rate	(72.35)	(3.80)
Non-Deductible expenses	49.50	88.57
Effect of tax holiday period	(66.77)	34.08
Remeasurement of past deferred tax balances on the expected sale of assets (Refer Note 2 below)	(131.00)	Nil
Utilisation of unrecognised capital loss on sale of asset	(11.52)	Nil
Unrecognised tax credit (MAT) for the year	31.30	15.38
Provision for impairment	Nil	122.63
Measurement of deferred tax at 25.17% expected to be reversed in the new tax regime	(20.38)	(275.00)
Reversal of impairment of non-current investments and related obligations	Nil	(82.12)
True up impact basis income tax return	Nil	(24.51)
Others	(1.40)	Nil

35. Income taxes (Contd.)

	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
	₹ crore	₹ crore
Income tax expenses recognised in Statement of Profit and Loss	(72.68)	(240.23)
Tax expense for the Continuing Operations	100.97	(207.82)
Tax expense for the Discontinued Operations	(173.65)	(32.41)
Income tax expense recognised in Statement of Profit and Loss	(72.68)	(240.23)

Notes:

1. The rate used for calculation of deferred tax is 34.94% and 25.17% for balances expected to be reversed in the new tax regime.
2. During the year ended 31st March, 2021, the Company has entered into a Business Transfer Agreement with Tata Power Renewable Energy Limited and Tata Power Green Energy Limited, wholly owned subsidiaries, for transfer of renewable assets (forming part of renewable segment) as a "going concern" on a slump sale basis effective on or after 1st April, 2021. Consequently, as per the requirement of Ind AS 12, the Company has reassessed its deferred tax balances including its unrecognized deferred tax assets on capital losses and has recognized gain of ₹ 131.00 crore in the Standalone Financial Statements.

3. Income tax recognised in other comprehensive income

	31st March, 2021	31st March, 2020
	₹ crore	₹ crore
Current Tax		
Remeasurement of defined benefit obligation	Nil	(0.77)
Deferred tax		
Remeasurements of defined benefit obligation	4.61	(17.40)
Total income tax recognised in other comprehensive income	4.61	(18.17)
Items that will not be reclassified to statement of profit and loss	4.61	(18.17)

(ii) Deferred Tax

	As at 31 st March, 2021	As at 31 st March, 2020
	₹ crore	₹ crore
Deferred Tax Assets	1,028.59	940.99
Deferred Tax Liabilities	1,163.95	1,248.24
Deferred Tax Liabilities (Net)	135.36	307.25

Notes to the Standalone Financial Statements

35. Income taxes (Contd.)

	₹ crore			
2020-21	Opening balance	Recognised in profit or loss (including discontinued operation)	Recognised in other comprehensive Income (including discontinued operation)	Closing balance
Deferred tax assets in relation to				
Allowance for Doubtful Debts, Deposits and Advances	26.85	2.74	Nil	29.59
Provision for Employee Benefits and Others	66.37	5.52	(4.61)	67.28
Minimum Alternate Tax Credit	437.51	Nil	Nil	437.51
Capital loss on sale of investments and indexation benefit available on investments	379.97	112.59	Nil	492.56
Lease liability	12.40	(10.75)	Nil	1.65
Unabsorbed losses	17.89	(17.89)	Nil	Nil
	940.99	92.21	(4.61)	1,028.59
Deferred tax liabilities in relation to				
Property, Plant and Equipments (including finance leases)	1,233.48	(76.29)	Nil	1,157.19
Right-of-use asset	10.00	(8.01)	Nil	1.99
Others	4.76	Nil	Nil	4.76
	1,248.24	(84.30)	Nil	1,163.95
Deferred Tax Liabilities (Net)	307.25	(176.51)	4.61	135.36
	₹ crore			
2019-20	Opening balance	Recognised in profit or loss (including discontinued operation)	Recognised in other comprehensive Income (including discontinued operation)	Closing balance
Deferred tax assets in relation to				
Allowance for Doubtful Debts, Deposits and Advances	29.24	(2.39)	Nil	26.85
Provision for Employee Benefits and Others	51.84	(2.87)	17.40	66.37
Minimum Alternate Tax Credit	517.51	(80.00)	Nil	437.51
Capital loss on sale of investments and indexation benefit available on investments	425.62	(45.65)	Nil	379.97
Lease liability	Nil	12.40	Nil	12.40
Unabsorbed losses	Nil	17.89	Nil	17.89
	1,024.21	(100.62)	17.40	940.99
Deferred tax liabilities in relation to				
Property, Plant and Equipments (including finance leases)	1,578.04	(344.56)	Nil	1,233.48
Right of use asset	Nil	10.00	Nil	10.00
Others	29.66	(24.90)	Nil	4.76
	1,607.70	(359.46)	Nil	1,248.24
Deferred Tax Liabilities (Net)	583.49	(258.84)	(17.40)	307.25

The amount and the expiry of unrecognised deferred tax asset is as detailed below:

	₹ crore			
As at 31st March, 2021	Within one year	Greater than one year, less than five years	Greater than five years	Closing balance
Capital Loss on sale of investment and indexation benefit*	Nil	Nil	1,306.80	1,306.80
MAT credit	Nil	Nil	124.94	124.94
Total	Nil	Nil	1,431.74	1,431.74

35. Income taxes (Contd.)

As at 31st March, 2020	Within one year	Greater than one year, less than five years	Greater than five years	₹ crore Closing balance
Capital Loss on sale of investment and indexation benefit*	Nil	Nil	1,310.03	1,310.03
MAT credit	Nil	Nil	97.52	97.52
Total	Nil	Nil	1,407.55	1,407.55

* The unrecognised deferred tax asset on impairment of investments of ₹ 947.99 crore (31st March, 2020 - ₹ 949.86 crore) relating to capital loss shall expire within 8 years from the date of sale of investment.

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

	31st March, 2021 ₹ crore	31st March, 2020 ₹ crore
(a) Principal amount remaining unpaid	23.09	7.72
(b) Interest due thereon	0.20	Nil
(c) The amount of Interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil
(d) The amount of Interest due and payable for the year	Nil	Nil
(e) The amount of Interest accrued and remaining unpaid	Nil	Nil
(f) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid, for the purpose of disallowance under section 23.	0.20	Nil

37. Commitments

- (a) Estimated amount of Contracts remaining to be executed on capital account and not provided for ₹ 284.17 crore (31st March, 2020 - ₹ 413.08 crore.)
- (b) Other Commitments
 - (i) In terms of the Sponsor Support agreement entered into between the Company, Coastal Gujarat Power Ltd. (CGPL) and INR term lenders (SBI led consortium) of CGPL, the Company has undertaken to provide support by way of base equity contribution to the extent of 25% of CGPL's project cost and additional equity or subordinated loans to be made or arranged for, if required as per the financing agreements to finance the project. The Sponsor Support Agreement also includes support by way of additional financial support for any overrun in project costs, operational loss and Debt Service Reserve Guarantee as provided under the financing agreements. In terms of the conditions of the financing agreements, the Company has provided support through Unsecured Perpetual securities and Equity of ₹ 19,777.14 crore (31st March, 2020 - ₹ 15,629.14 crore) to CGPL.
 - (ii) The Company has undertaken to arrange for the necessary financial support to its subsidiaries Bhira Investments Pte. Ltd., Khopoli Investments Ltd., Bhivpuri Investments Ltd., TP Renewable Microgrid Ltd. (formerly Industrial Power Utility Ltd.), Tata Power Jamshedpur Distribution Ltd. and Tata Power International Pte. Ltd.
 - (iii) In respect of Maithon Power Ltd. (MPL), the Company jointly with Damodar Valley Corporation (DVC) has undertaken to the lenders of MPL, to provide support by way of base equity contribution and additional equity or subordinated loans to meet the increase in Project Cost. Further, the Company has given an undertaking to MPL to fulfil payment obligations of Tata Power Trading Company Ltd. (TPTCL) and Tata Power Delhi Distribution Ltd. (TPDDL) in case of their default.

Notes to the Standalone Financial Statements

38. Contingent liabilities

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Contingent liabilities including:		
(a) Claims against the Company not probable and hence not acknowledged as debts consists of		
(i) Demand disputed by the Company relating to Service tax on transmission charges received for July 2012 to June 2017 (excluding interest and penalty).	375.29	375.29
(ii) Way Leave fees (including interest) claims disputed by the Company relating to rates charged.	45.87	43.18
(iii) Custom duty claims disputed by the Company relating to applicability and classification of coal.	34.49	34.49
(iv) Access Charges demand for laying underground cables.	30.14	30.14
(v) Rates, Cess, Excise and Custom Duty claims disputed by the Company.	10.20	26.63
(vi) Compensation disputed by private land owners on private land acquired under the provisions of Maharashtra Industrial Development Act, 1961.	Nil	22.00
(vii) Octroi claims disputed by the Company in respect of octroi exemption claimed by the Company.	Nil	5.03
(viii) Other claims against the Company not acknowledged as debts.	44.28	34.51
	540.27	571.27

Notes:

1. Amounts in respect of employee related claims/disputes, regulatory matters is not ascertainable.
2. Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.
3. The above Contingent Liabilities include those pertaining to regulated business which on unfavourable outcome can be recovered from consumers.

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
(b) Other Contingent Liabilities:		
Taxation matters for which liability is disputed by the Company and not provided for (computed on the basis of assessments which have been re-opened / remaining to be completed).	50.93	50.93
In an earlier year, Maharashtra State Electricity Distribution Company Limited (MSEDCL) had raised a demand for determination of fixed charges for unscheduled interchange of power. The Company had filed a petition against the said demand for which stay has been granted by the ATE till the methodology for the determination is fixed. Considering the same, currently, the amount of charges payable is not ascertainable and hence, no provision has been recognized during the year. Further, in case of unfavourable outcome, the Company believes that it will be allowed to recover the same from consumers through future adjustment in tariff.	215.02	215.02
	As at 31st March, 2021 ₹ crore*	As at 31st March, 2020 ₹ crore*
(c) Indirect exposures of the Company:		
Guarantees given:		
(i) Coastal Gujarat Power Ltd.	6,909.94	7,544.17
(ii) Khopoli Investments Ltd.	913.97	1,676.21
	(equivalent to USD 125.01 million)	(equivalent to USD 221.89 million)
(iii) Bhira Investments Pte. Ltd.	1,425.75	1,462.64
	(equivalent to USD 195.01 million)	(equivalent to USD 193.62 million)
(iv) Trust Energy Resources Pte. Ltd.	Nil	348.31
	(equivalent to USD Nil)	(equivalent to USD 46.11 million)
(v) Tata Power Renewable Energy Ltd.	2,962.87	1,612.53

38. Contingent liabilities (Contd.)

	As at 31st March, 2021	As at 31st March, 2020
	₹ crore*	₹ crore*
(vi) Tata Power International Pte. Ltd.	732.49	Nil
	(equivalent to USD 100.19 million)	(equivalent to USD Nil)
(vii) Chirasthaayee Saurya Ltd.	Nil	272.12
(viii) Walwhan Renewable Energy Ltd.	1,320.55	1,450.51
(ix) Walwhan Solar TN Ltd.	33.98	126.56
(x) Walwhan Wind RJ Ltd.	83.28	86.03

* The exposure is considered to the extent of borrowings outstanding (including accrued interest) of the respective subsidiaries.

- (d) The Company has provided a Bank Guarantee of USD 90 Million (₹ 657.99 crore) and Corporate Guarantee of USD 40 Million (₹ 292.44 crore) to Oldendorff as per the affreightment contract entered by Trust Energy Resources Pte. Ltd., wholly owned subsidiary of the Company.
- (e) During the year, the Company has acquired 51% stake in TP Central Odisha Distribution Limited ('TPCODL'), TP Western Odisha Distribution Limited ('TPWODL') and TP Southern Odisha Distribution Limited ('TPSODL') to carry out the function of distribution and retail supply of electricity covering the distribution circles of central, western and southern parts of Odisha. Pursuant to these acquisition and as per the terms of the vesting order, the Company has issued bank guarantee to Odisha Electricity Regulatory Commission ('OERC') of ₹150.00 crore, ₹150.00 crore, ₹100.00 crore respectively.
- (f) OERC had issued a request for proposal for sale of controlling interest in distribution business of North Electricity Supply Utility of Odisha. The Company had bid for it and has been identified as the successful bidder and accordingly the Company issued bank guarantees to OERC of ₹150 crore.
- (g) The Company has given performance guarantee and letter of credit on behalf of TP Ajmer Distribution Ltd of ₹106.17 crore (31st March, 2020 ₹105.00 crore) to Ajmer Vidyut Vitran Nigam Ltd as per the distribution franchisee agreement.
- (h) The Company has given performance guarantee on behalf of Trust Energy Resources Pte. Ltd. to Maxpente Shipping Corporation of USD 10 Million (₹ 73.11 crore) (31st March, 2020 USD 10 Million (₹ 74.88 crore) for its obligation under the cost of affreightment contract.

The Company, in respect of the above mentioned contingent liabilities has assessed that it is only possible but not probable that outflow of economic resources will be required.

39. Other disputes

- a. In the previous year, the Company has recognised an expense of ₹ 276.35 crore net of amount recoverable from customers including adjustment with consumer reserve in relation to Hon'ble Supreme Court's judgement on standby litigation.
Further in the previous year, Maharashtra Electricity Regulatory Commission (MERC) vide its order dated 30th March, 2020 had allowed the recovery of part of the standby charges amount from the consumers. During the year ended 31st March, 2021, MERC vide its order dated 21st December, 2020, has revised its earlier order and disallowed the recovery of the said amount. Consequently, the Company has recognized an expense of ₹109.29 crore (including carrying cost) and disclosed as an exceptional item.
- b. In the earlier years, Maharashtra Electricity Regulatory Commission has disallowed certain costs amounting to ₹ 419.00 crore (adjusted upto the current year) (31st March, 2020 ₹359.85 crore) recoverable from consumers in the tariff true up order. The Company has filed appeal against the said order to Appellate Tribunal for Electricity which is pending for final disposal.
- c. In an earlier year, Maharashtra Electricity Regulatory Commission has disallowed carrying cost and other costs amounting to ₹269.00 (31st March, 2020 ₹269.00) which was upheld by the Appellate Tribunal for Electricity (ATE). The Company has filed Special Leave Petition (SLP) against the order of ATE with the Supreme Court which is pending for final disposal.

Notes to the Standalone Financial Statements

40. Earnings Per Share (EPS)

Accounting Policy

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the standalone financial statements by the Board of Directors.

Particulars		For the year ended	For the year ended
		31st March, 2021	31st March, 2020
		₹ crore*	₹ crore*
A. EPS - Continuing operations (before net movement in Regulatory Deferral Balances)			
Net Profit/ (Loss) from Continuing Operations	A	967.64	558.35
Net movement in Regulatory Deferral Balances	B	299.62	(651.40)
Remeasurement of Deferred Tax Recoverable on account of New Tax Regime (Net) [Refer Note 35(i)]	C	Nil	(98.00)
Income-tax attributable to Regulatory Deferral Balances	D	(104.70)	261.87
Net movement in Regulatory Deferral Balances (Net of tax)	E=(B+C+D)	194.92	(487.53)
Net Profit/ (Loss) (before net movement in Regulatory Deferral Balances)	F=(A-E)	772.72	1,045.88
Less: Distribution on Perpetual Securities (on accrual basis)	G	(171.00)	(171.00)
Profit/ (Loss) from Continuing Operations attributable to equity shareholders (before net movement in Regulatory Deferral Balances)	H=(F+G)	601.72	874.88
Weighted average number of equity shares for Basic and Diluted EPS		3,01,80,73,391	2,70,76,05,570
EPS - Continuing Operations (before net movement in Regulatory Deferral Balances)			
- Basic and Diluted (In ₹)		1.99	3.23
B. EPS - Continuing Operations (after net movement in Regulatory Deferral Balances)			
Net Profit/ (Loss) from Continuing Operations		967.64	558.35
Less: Distribution on Perpetual Securities (on accrual basis)		(171.00)	(171.00)
Profit/ (Loss) attributable to equity shareholders (after net movement in Regulatory Deferral Balances)		796.64	387.35
Weighted average number of equity shares for Basic and Diluted EPS		3,01,80,73,391	2,70,76,05,570
EPS - Continuing operations (after net movement in Regulatory Deferral Balances)			
- Basic and Diluted (In ₹)		2.64	1.44
C. EPS - Discontinued operations			
Net Profit/ (Loss) from Discontinued Operations		(46.19)	(410.23)
Weighted average number of equity shares for Basic and Diluted EPS		3,01,80,73,391	2,70,76,05,570
EPS - Discontinued Operations			
- Basic and Diluted (In ₹)		(0.15)	(1.52)

40. Earnings Per Share (Contd.)

Particulars	For the year ended	For the year ended
	31st March, 2021	31st March, 2020
	₹ crore*	₹ crore*
D. EPS - Total Operations (after net movement in Regulatory Deferral Balances)		
Net Profit/(Loss) from Operations (after net movement in Regulatory Deferral Balances)	921.45	148.12
Less: Distribution on Perpetual Securities (on accrual basis)	(171.00)	(171.00)
Net Profit/ (Loss) from Total Operations attributable to equity shareholders (after net movement in Regulatory Deferral Balances)	750.45	(22.88)
Weighted average number of equity shares for Basic and Diluted EPS	3,01,80,73,391	2,70,76,05,570
EPS - Total Operations (after net movement in Regulatory Deferral Balances)		
- Basic and Diluted (In ₹)	2.49	(0.08)

* All numbers are in ₹ crore except weighted average number of equity shares and Basic and Diluted EPS

41. Related Party Disclosures

Disclosure as required by Ind AS 24 - "Related Party Disclosures" is as follows:

Names of the related parties and description of relationship:

(a) Related parties where control exists:

(i) Subsidiaries

- | | |
|---|--|
| 1) Af-Taab Investment Company Ltd. | 2) Tata Power Solar Systems Ltd. |
| 3) Tata Power Trading Company Ltd. | 4) Tata Power Green Energy Ltd. |
| 5) NELCO Ltd. | 6) Tatanet Services Ltd. ** |
| 7) Maithon Power Ltd. | 8) Coastal Gujarat Power Ltd. |
| 9) Tata Power Renewable Energy Ltd. | 10) TP Renewable Microgrid Ltd. (Formerly Industrial Power Utility Ltd.) |
| 11) Bhira Investments Pte Limited (Formerly known as Bhira Investments Limited) | 12) Bhivpuri Investments Ltd. |
| 13) Khopoli Investments Ltd. | 14) Tata Power International Pte. Ltd. |
| 15) Trust Energy Resources Pte. Ltd. | 16) Energy Eastern Pte. Ltd.** (Merged with Trust Energy Resources Pte. Ltd. w.e.f. 10th June, 2019) |
| 17) NDPL Infra Ltd. ** | 18) Tata Power Jamshedpur Distribution Ltd. |
| 19) PT Sumber Energi Andalan Tbk ** | 20) Supa Windfarm Ltd. |
| 21) TCL Ceramics Ltd. (Formerly Tata Ceramics Ltd.) | 22) Nivade Windfarm Ltd. ** |
| 23) Poolavadi Windfarm Ltd. ** | 24) Walwhan Renewable Energy Ltd. ** |
| 25) TP Wind Power Limited (Formerly known as Indo Rama Renewables Jath Ltd.)** | 26) Walwhan Solar AP Ltd. ** |
| 27) Walwhan Urja Anjar Ltd. ** | 28) Northwest Energy Pvt. Ltd. ** |
| 29) Walwhan Solar Raj Ltd. ** | 30) Dreisatz MySolar24 Pvt. Ltd. ** |
| 31) Walwhan Solar Energy GJ Ltd. ** | 32) Walwhan Energy RJ Ltd. ** |
| 33) MI MySolar24 Pvt. Ltd. ** | 34) Walwhan Solar MH Ltd. ** |
| 35) Walwhan Solar MP Ltd. ** | 36) Walwhan Solar PB Ltd. ** |
| 37) Walwhan Solar KA Ltd. ** | 38) Walwhan Wind RJ Ltd. ** |
| 39) Walwhan Solar RJ Ltd. ** | 40) Walwhan Solar BH Ltd. ** |
| 41) Walwhan Solar TN Ltd. ** | 42) Walwhan Urja India Ltd. ** |
| 43) Clean Sustainable Solar Energy Pvt. Ltd. ** | 44) Chirasthaayee Saurya Ltd. ** |

Notes to the Standalone Financial Statements

41. Related Party Disclosures (Contd.)

- | | |
|--|--|
| 45) Solarsys Renewable Energy Pvt. Ltd. ** | 46) Vagarai Windfarm Ltd. ** |
| 47) Nelco Network Products Ltd. ** | 48) Far Eastern Natural Resources LLC ** |
| 49) TP Ajmer Distribution Ltd. | 50) Tata Power Delhi Distribution Ltd. |
| 51) TP Solapur Ltd.** | 52) TP Kirnali Ltd.** |
| 53) TP Central Odisha Distribution Ltd. | 54) TP Kirnali Solar Ltd. |
| 55) TP Western Odisha Distribution Ltd. | 56) TP Akkalkot Renewable Ltd |
| 57) TP Southern Odisha Distribution Ltd. | 58) TP Solapur Solar Ltd. |
| 59) TP Saurya Ltd | |

** Through Subsidiary Companies

(ii) Employment Benefit Funds

- | | |
|---|-----------------------------|
| 1) Tata Power Superannuation Fund | 2) Tata Power Gratuity Fund |
| 3) Tata Power Consolidated Provident Fund | |

(b) Other related parties (where transactions have taken place during the year or previous year / balances outstanding) :

(i) Associates and its related entities

- | | |
|---|--|
| 1) Tata Projects Ltd. | 2) Yashmun Engineers Ltd. |
| 3) The Associated Building Co. Ltd. | 4) Dagacchu Hydro Power Corporation Ltd. |
| 5) Nelito Systems Ltd (ceased to be an Associate w.e.f. 6th June, 2019) | 6) Ind Project Engineering (Sanghai) Co Ltd ** |
| 7) TP Luminaire Pvt Ltd. ** | 8) Tata Projects Provident Fund Trust* |

* Fund of Associates

** 100% Subsidiary of Associates

(ii) Joint Venture Companies

- | | |
|--|---|
| 1) Tubed Coal Mines Ltd. | 2) Mandakini Coal Company Ltd. |
| 3) Powerlinks Transmission Ltd. | 4) Itezhi Tezhi Power Corporation |
| 5) PT Antang Gunung Meratus** | 6) PT Kaltim Prima Coal** |
| 7) Adjaristsqali Netherlands BV** | 8) Industrial Energy Ltd. |
| 9) LTH Milcom Pvt. Ltd. | 10) Dugar Hydro Power Ltd. |
| 11) Renascent Power Ventures Pvt. Ltd. ** | 12) Cennergi Pty. Ltd. ** (ceased to be JV w.e.f. 31st March, 2020) |
| 13) Prayagraj Power Generation Co Ltd. ** (w.e.f. 12th December, 2019) | 14) Adjaristsqali Georgia LLC ** |

** Joint Venture of Subsidiaries

- (c) (i) Promoters holding more than 20% - 'Promoter'
- | |
|------------------------|
| 1) Tata Sons Pvt. Ltd. |
|------------------------|
- (ii) Subsidiaries and Jointly Controlled Entities of Promoter - Promoter Group (where transactions have taken place during the year or previous year / balances outstanding) :
- | | |
|--|---|
| 1) Ewart Investments Ltd. | 2) Tata AIG General Insurance Company Ltd. |
| 3) Tata Industries Ltd. (ceased to be Subsidiary and became a Joint Venture w.e.f. 27th March, 2019) | 4) Tata Communications Ltd. |
| 5) Tata Investment Corporation Ltd. | 6) Tata International Ltd. |
| 7) Tata Consultancy Services Ltd. | 8) Tata Ltd. |
| 9) Tata Realty and Infrastructure Ltd. | 10) Tata Sky Ltd. |
| 11) Infiniti Retail Ltd. | 12) Ecofirst Services Ltd. |
| 13) Tata Consulting Engineers Ltd. | 14) Tata Housing Development Co. Ltd.
Employees Provident Fund |

41. Related Party Disclosures (Contd.)

- 15) Niskalp Infrastructure Services Ltd. (Formerly Niskalp Energy Ltd.)
- 17) Tata Housing Development Company Ltd.
- 19) Tata AIA Life Insurance Company Ltd.
- 21) Tata Teleservices Ltd.
- 23) Tata Unistore Limited (Formerly Tata Industrial Services Limited) (ceased to be a Subsidiary w.e.f. 27th March, 2019)
- 25) Tata Autocomp Systems Limited
- 16) Tata Consultancy Services Employees Provident Fund
- 18) Tata Capital Financial Services Ltd.
- 20) Tata Teleservices (Maharashtra) Ltd.
- 22) Tata Advanced System Ltd.
- 24) Tata Communications Payment Solutions Ltd.
- 26) Tata International DLT Pvt Ltd

(d) Key Management Personnel

- 1) N. Chandrasekaran
- 3) Banmali Agrawala
- 5) Kesava Menon Chandrasekhar
- 7) Vibha U. Padalkar
- 9) Sanjay V. Bhandarkar
- 11) Ramesh N. Subramanyam - Chief Financial Officer
- 13) Deepak M. Satwalekar (ceased to be Director w.e.f. 12th August, 2019)
- 15) Ashok Sethi (ceased to be COO and Executive Director w.e.f. 30th April, 2019)
- 2) Praveer Sinha CEO and Managing Director
- 4) Saurabh Agrawal
- 6) Ashok Sinha (w.e.f. 2nd May, 2019)
- 8) Anjali Bansal
- 10) Hemant Bhargava
- 12) Hanoz Minoo Mistry - Company Secretary
- 14) Nawshir H. Mirza (ceased to be Director w.e.f. 12th August, 2019)

- (e) Relative of Key Managerial Personnel (where transactions have taken place during the year or previous year / balances outstanding) :
- 1) Neville Minoo Mistry (Brother of Hanoz Minoo Mistry - Company Secretary)

(f) Details of Transactions:

									₹ crore
Sr. No.	Particulars	Subsidiaries	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds / Trust	Promoter Group	Promoter	
1)	Purchase of goods/power (Net of Discount Received on Prompt Payment)	64.49	-	-	-	-	0.90	-	
		62.39	-	-	-	-	-	-	
2)	Sale of goods/power (Net of Discount on Prompt Payment)	176.37	-	-	-	-	15.59	-	
		221.60	0.01	-	-	-	33.70	-	
3)	Purchase of Property, Plant and Equipments and Intangibles	86.07	0.70	-	-	-	7.82	-	
		1.20	12.84	-	-	-	0.22	-	
4)	Sale of Property, Plant and Equipments	0.02	-	-	0.00 #	-	0.68	-	
		-	0.05	-	-	-	-	0.07	
5)	Rendering of services	127.57	7.59	83.48	-	-	9.11	2.38	
		102.33	7.17	39.76	-	-	8.58	1.25	
6)	Receiving of services	9.84	12.46	0.06	0.18	-	40.93	0.33	
		4.03	13.55	0.80	0.01	-	27.02	0.42	
7)	Brand equity contribution	-	-	-	-	-	-	18.21	
		-	-	-	-	-	-	0.87	

Notes to the Standalone Financial Statements

41. Related Party Disclosures (Contd.)

Sr. No.	Particulars	Subsidiaries	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds / Trust	Promoter Group	Promoter
8)	Contribution to Employee Benefit Plans	-	-	-	-	29.93	-	-
		-	-	-	-	34.04	-	-
9)	Guarantee, collaterals etc. given	10,532.81 \$	-	-	-	-	-	-
		5,743.33 \$	-	-	-	-	-	-
10)	Guarantee, collaterals etc. cancelled	9,420.64 \$	-	-	-	-	-	-
		7,717.53 \$	-	-	-	-	-	-
11)	Remuneration paid - short term employee benefits	-	-	-	12.37 *	-	-	-
		-	-	-	10.58 *	-	-	-
12)	Long term employee benefits paid	-	-	-	-	-	-	-
		-	-	-	2.80	-	-	-
13)	Short term employee benefits paid	-	-	-	0.13	-	-	-
		-	-	-	0.68	-	-	-
14)	Interest income	124.37	-	0.00 #	-	-	0.00 #	-
		18.57	-	0.01	-	-	0.01	-
15)	Interest paid (including distribution on unsecured perpetual securities)	18.35	0.08	0.09	-	-	26.44	-
		4.91	0.08	-	-	-	26.44	-
16)	Dividend income	941.51	-	47.74	-	-	0.00 #	6.67
		267.18	9.68	85.09	-	-	0.09	6.67
17)	Dividend paid	-	-	-	-	-	2.11	147.86
		-	-	-	-	-	1.77	109.17
18)	Guarantee commission earned	21.82	-	-	-	-	-	-
		60.63	-	-	-	-	-	-
19)	Loan Taken	3,886.09	-	120.00	-	-	-	-
		5,400.65	-	-	-	-	-	-
20)	Loans given	6,512.35	-	2.60	-	-	-	-
		3,244.98	-	14.57	-	-	-	-
21)	Reversal of Impairment of Investments and related obligation	-	-	8.00	-	-	-	-
		131.46	-	-	-	-	-	-
22)	Equity contribution (includes advance towards equity contribution, rights issue and perpetual bonds)	4,785.08	-	-	-	2.89	-	-
		50.00	-	-	-	-	-	-
23)	Loans provided for as doubtful advances (including interest)	-	-	-	-	-	-	-
		6.85	-	0.14	-	-	-	-
24)	Loans given written off	-	-	-	-	-	-	-
		5.69	-	-	-	-	-	-
25)	Loans taken repaid	3,069.34	-	120.00	-	-	-	-
		5,295.58	-	-	-	-	-	-

41. Related Party Disclosures (Contd.)

Sr. No.	Particulars	Subsidiaries	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds / Trust	Promoter Group	Promoter
26)	Loans repaid	5,090.55	-	2.60	-	-	-	-
		2,809.63	-	14.43	-	-	-	-
27)	Deposits taken	22.50	-	-	-	-	0.01	-
		-	-	-	-	-	0.19	-
28)	Liability written back	-	-	-	-	-	-	-
		103.54	-	-	-	-	-	-
29)	Advance Given	0.01	13.39	-	-	-	-	-
		-	11.11	-	-	-	-	-
30)	Advance adjusted	-	2.51	-	-	-	-	-
		-	-	-	-	-	-	-
31)	Bad Debts	-	1.16	-	-	-	-	-
		-	-	-	-	-	-	-
32)	Allotment of Equity shares (including securities premium paid)	-	-	-	-	-	-	2,600.00
		-	-	-	-	-	-	-
33)	Consideration received on Sale of SED (Note 18c)	-	-	-	-	-	597.00 **	-
		-	-	-	-	-	-	-
	Balances outstanding							
1)	Unsecured Perpetual Securities	-	0.70	-	-	-	197.50	-
		-	0.70	-	-	-	197.50	-
2)	Redeemable Non-Convertible Debentures	-	-	-	-	-	36.50	-
		-	-	-	-	-	36.50	-
3)	Investments	28,574.98	192.58	1,100.19 @	-	-	290.28 @	241.95
		23,802.81	192.58	1,100.19 @	-	-	129.39 @	241.95
4)	Impairment in value of investments	4,009.14	-	59.50	-	-	-	-
		4,009.14	-	67.50	-	-	-	-
5)	Other receivables	80.44	8.84	17.81 @	-	89.52	371.33	2.12
		27.21	4.17	32.91 @	-	35.45	4.59	1.73
6)	Loans given (including interest thereon)	2030.87	-	72.98 @	-	-	-	-
		561.70	1.27	72.98 @	-	-	-	-
7)	Loans taken (including interest thereon)	926.35	-	-	-	-	-	-
		105.52	-	-	-	-	-	-
8)	Loans provided for as doubtful advances (including interest thereon)	12.00	-	54.39	-	-	-	-
		12.00	1.27	54.39	-	-	-	-
9)	Deposits taken outstanding	22.50	-	-	-	-	0.22	2.00
		-	-	-	-	-	0.21	2.00
10)	Advance given outstanding	0.01	19.64	-	-	-	-	-
		-	8.76	-	-	-	-	-
11)	Guarantees, collaterals etc. outstanding	15,951.26	-	-	-	-	-	-
		14,839.09	-	-	-	-	-	-
12)	Advance towards Equity	12.91	-	-	-	-	-	-
		-	-	-	-	-	-	-

Overview

Our Emphasis on Value

Our Value-creation Paradigm

Statutory Reports

Financial Statements

Notes to the Standalone Financial Statements

41. Related Party Disclosures (Contd.)

Sr. No.	Particulars	Subsidiaries	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds / Trust	Promoter Group	₹ crore
								Promoter
13)	Other payables	68.85	3.33	0.09	7.32	56.91	21.31	16.86
		9.95	4.24	0.27	8.04	43.63	3.66	0.04

Notes:

All outstanding balances are unsecured.

\$ Includes guarantees given and cancelled in foreign currency, converted in Indian currency by applying average exchange rates.

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

** Net off borrowings of ₹ 537 crore transferred to TASL.

Denotes below ₹ 50,000.

@ Includes amount reclassified as held for sale.

42. Financial Instruments

42.1 Fair values

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

	Carrying value		Fair Value	
	As at	31st March,	As at	31st March,
	31st March,	2021	31st March,	2020
Financial assets #				
Cash and Cash Equivalents	123.67	158.54	123.67	158.54
Other Balances with banks	19.00	20.40	19.00	20.40
Trade Receivables	910.87	1,108.68	910.87	1,108.68
Unbilled Revenues	75.37	83.41	75.37	83.41
Loans	2,014.07	592.19	2,014.07	592.19
Finance Lease Receivables	566.09	584.92	566.09	584.92
FVTPL Financial Investments	240.01	20.00	240.01	20.00
FVTOCI Financial Investments (Refer Note below)	437.17	416.14	437.17	416.14
Amortised Cost financial investments	171.35	171.38	176.76	176.79
Receivable on sale of Strategic Engineering Division (Refer Note 18c)	365.99	Nil	365.99	Nil
Other Financial Assets	370.79	454.84	370.79	454.84
Asset Classified as Held For Sale (Refer Note 18)#				
- Strategic Engineering Division (SED)	Nil	667.35	Nil	667.35
- FVTOCI Financial Investments (Refer Note below)	178.68	22.81	178.68	22.81
- Loans and other receivables (including accrued interest)	22.74	22.74	22.74	22.74
Total	5,495.80	4,323.40	5501.21	4,328.81
Financial liabilities				
Trade Payables	1,137.00	1,001.87	1,137.00	1,001.87
Floating rate borrowings (including current maturities)	7,981.41	6,579.58	7,981.41	6,579.58
Fixed rate borrowings (including current maturities)	12,836.56	11,386.65	12,811.90	11,397.63
Derivative contracts (Net)	6.94	Nil	6.94	Nil
Other financial liabilities	994.21	707.64	994.21	707.64
	22,956.12	19,675.74	22,931.46	19,686.72

other than investments in subsidiaries, associates and joint ventures accounted at cost in accordance with Ind AS 27 'Separate Financial Statements'.

42. Financial Instruments (Contd.)

Note:

Certain unquoted investments are not held for trading, instead they are held for medium or long term strategic purpose. Upon the application of Ind AS 109 'Financial Instruments', the Company has chosen to designate these investments in equity instruments as at FVTOCI as the management believe this provides more meaningful presentation for medium and long term strategic investments, then reflecting changes in fair value immediately in profit or loss.

The management assessed that the fair value of cash and cash equivalents, other balances with banks, trade receivables, loans, finance lease 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.

- Fair value of the government securities are based on the price quotations near the reporting date. Fair value of the unquoted equity shares have been estimated using market comparable method. The valuation requires management to make certain assumptions about the marketability, active market price, discount rate, credit risk and volatility. 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 equity investments.
- The fair value of the remaining FVTOCI financial assets are derived from quoted market price in active markets.
- The fair value of debentures is determined by using the quoted prices. The own non-performance risk as on 31st March, 2021 was assessed to be insignificant.
- 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 fair value of loans from banks, other current financial liabilities and other non-current financial liabilities is estimated by discounting future cash flow using rates currently available for debt on similar terms, credit risk and remaining maturities.

Reconciliation of Level 3 fair value measurement of unquoted equity shares classified as FVTOCI:

	₹ crore	
Unlisted shares irrevocably designated as at FVTOCI (Refer Note below)	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Opening balance	404.87	404.87
Gain/(Loss)		
- in other comprehensive income	2.03	Nil
- in profit or loss	Nil	Nil
- changes on purchase of equity shares	3.39	Nil
Closing balance	410.29	404.87

Note:

All gains and losses included in other comprehensive income related to unlisted shares held at the end of the reporting period and are reported under "Equity Instruments through Other Comprehensive Income".

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
Investments in unquoted equity shares	Price of recent transaction (PORT)	Transaction price	Varies on case to case basis	5% (31st March, 2020: 5%) increase (decrease) in the transaction price would result in increase (decrease) in fair value by ₹ 3.26 crores (31st March, 2020: ₹ 2.82 crore).

42.2 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:

Quoted prices in an active market (Level 1): Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes quoted equity instruments, government securities and quoted borrowings (fixed rate) that have quoted price.

Notes to the Standalone Financial Statements

42. Financial Instruments (Contd.)

Valuation techniques with observable inputs (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 derivative financial instruments and unquoted floating and fixed rate borrowings.

Valuation techniques with significant unobservable inputs (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 and contingent consideration receivable.

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) :

	Date of valuation	Fair value hierarchy as at 31st March, 2021			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
		₹ crore	₹ crore	₹ crore	
Asset measured at fair value					
FVTPL Financial Investments	31st March, 2021	240.01	Nil	Nil	240.01
FVTOCI Financial Investments:					
- Quoted equity shares	31st March, 2021	26.88	Nil	Nil	26.88
- Unquoted equity shares	31st March, 2021	Nil	Nil	410.29	410.29
- Assets classified as held for sale	31st March, 2021	178.68	Nil	Nil	178.68
Receivable on sale of Strategic Engineering Division	31st March, 2021	Nil	Nil	365.99	365.99
Asset for which fair values are disclosed					
Amortised cost Financial Investments:					
- Government securities	31st March, 2021	176.76	Nil	Nil	176.76
		622.33	Nil	776.28	1,398.61

	Date of valuation	Fair value hierarchy as at 31st March, 2021			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
		₹ crore	₹ crore	₹ crore	
Liabilities measured at fair value					
Derivative financial liabilities	31st March, 2021	Nil	6.94	Nil	6.94
Liabilities for which fair values are disclosed					
Fixed rate borrowings	31st March, 2021	7,430.32	5,381.58	Nil	12,811.90
Floating rate borrowings	31st March, 2021	1,261.88	6,719.53	Nil	7,981.41
Total		8,692.20	12,108.05	Nil	20,800.25

	Date of valuation	Fair value hierarchy as at 31st March, 2020			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
		₹ crore	₹ crore	₹ crore	
Asset measured at fair value					
FVTPL financial investments	31st March, 2020	20.00	Nil	Nil	20.00
FVTOCI financial investments:					
- Quoted equity shares	31st March, 2020	11.27	Nil	Nil	11.27
- Unquoted equity shares	31st March, 2020	Nil	Nil	404.87	404.87
- Assets Classified as Held For Sale	31st March, 2020	22.81	Nil	Nil	22.81
Asset for which fair values are disclosed					
Amortised Cost financial investments:					
- Government securities	31st March, 2020	176.79	Nil	Nil	176.79
		230.87	Nil	404.87	635.74

42. Financial Instruments (Contd.)

	Date of valuation	Fair value hierarchy as at 31st March, 2020			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
		₹ crore	₹ crore	₹ crore	
Liabilities for which fair values are disclosed					
Fixed rate borrowings	31st March, 2020	5,337.13	6,060.50	Nil	11,397.63
Floating rate borrowings	31st March, 2020	Nil	6,579.58	Nil	6,579.58
Total		5,337.13	12,640.08	Nil	17,977.21

There has been no transfer between level 1 and level 2 during the period.

42.3 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 value for shareholders.

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 around 50%. The Company includes within net debt, interest bearing loans and borrowings, less cash and bank balances as detailed in the notes below.

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:

	As at 31st March, 2021	As at 31st March, 2020
Debt (i)	20,840.67	18,003.89
Less: Cash and Bank balances	123.67	160.54
Net debt	20,717.00	17,843.35
Total Capital (ii)	18,378.56	15,261.97
Capital and net debt	39,095.56	33,105.32
Net debt to Total Capital plus net debt ratio (%)	52.99	53.90

(i) Debt is defined as Non-current borrowings (including current maturities) and Current borrowings (excluding derivative, financial guarantee contracts and contingent considerations) and interest accrued on Non-current and Current borrowings.

(ii) Equity is defined as Equity share capital, Unsecured perpetual securities and other equity.

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 significant breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2021 and 31st March, 2020.

Notes to the Standalone Financial Statements

42. Financial Instruments (Contd.)

42.4 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, financial guarantee contracts and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents, other bank balances, unbilled receivables, finance lease receivables and other financial assets that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

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. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The risk management policies is approved by the board of directors.

42.4.1 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 three types of risk: currency risk, interest rate risk and equity price risk. The impact of equity price risk is not significant. Financial instruments affected by market risk include loans and borrowings, derivative financial instruments and FVTOCI investments.

The sensitivity analysis in the following sections relate to the position as at 31st March, 2021 and 31st March, 2020.

The sensitivity analysis has been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant. The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets.

a. Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk through its operations in international projects and purchase of coal from Indonesia. The results of the Company's operations can be affected as the rupee appreciates/depreciates against these currencies.

The following table analyses foreign currency assets and liabilities on balance sheet dates:

Foreign Currency Liabilities	As at 31st March, 2021		As at 31st March, 2020	
	Foreign Currency (In Millions)	₹ crore	Foreign Currency (In Millions)	₹ crore
In USD	46.79	342.11	20.50	154.88
In EURO	0.06	0.54	0.31	2.60
In JPY	-	-	300.78	20.92
In CAD	-	-	0.02	0.08
In VND	-	-	790.21	0.25

Foreign Currency Assets	As at 31st March, 2021		As at 31st March, 2020	
	Foreign Currency (In Millions)	₹ crore	Foreign Currency (In Millions)	₹ crore
In USD	9.05	66.16	6.42	48.53
In ZAR	0.41	0.20	0.03	0.01
In SGD	0.04	0.21	0.08	0.41
In VND	56.76	0.02	35.88	0.01
In TAKA	0.20	0.02	0.21	0.02

(i) Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's equity is due to changes in the fair value of monetary assets and liabilities is given as under.

42. Financial Instruments (Contd.)

		₹ crore
		Effect on profit before tax and consequential impact on equity
As of 31st March, 2021	Rupee depreciate by ₹ 1 against USD	(-) ₹ 3.77
	Rupee appreciate by ₹ 1 against USD	(+) ₹ 3.77
As of 31st March, 2020	Rupee depreciate by ₹ 1 against USD	(-) ₹ 1.41
	Rupee appreciate by ₹ 1 against USD	(+) ₹ 1.41

Notes:

- +/- Gain/Loss
- The impact of depreciation/appreciation on foreign currency other than USD on profit before tax of the Company is not significant.

ii. Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a Bank or a Financial Institution. These derivative financial instrument are valued based on quoted prices for similar asset and liabilities in active markets or inputs that is directly or indirectly observable in the marketplace.

The following table gives details in respect of outstanding foreign exchange forward :

Outstanding Contracts

	Buy/ Sell	As at 31st March, 2021		
		Foreign Currency (in millions)	Nominal Value in ₹ crore	Fair Value in ₹ crore
Other Derivatives				
Forward contracts				
In USD	sell	130.00	950.46	(6.94)

	Buy/ Sell	As at 31st March, 2020		
		Foreign Currency (in millions)	Nominal Value in ₹ crore	Fair Value in ₹ crore
Other Derivatives				
Forward contracts				
In USD		Nil	Nil	Nil

Note: Fair Value in () denote liability

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's equity is due to changes in the fair value of non-designated foreign currency forward contracts is given as under.

		₹ crore
		Effect on profit before tax and consequential impact on equity
As of 31st March, 2021	Rupee depreciate by ₹ 1 against USD	(-) 13.00
	Rupee appreciate by ₹ 1 against USD	(+) 13.00
As of 31st March, 2020	Rupee depreciate by ₹ 1 against USD	Nil
	Rupee appreciate by ₹ 1 against USD	Nil

b. Interest rate risk management

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

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. The Company's policy is to keep between 40% and 60% of its borrowings at fixed rates of interest. To manage this, the Company enters into fixed rate borrowings, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

Interest rate sensitivity:

The sensitivity analysis below have been determined based on exposure to interest rates for term loans and debentures that have floating rate 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.

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:

Notes to the Standalone Financial Statements

42. Financial Instruments (Contd.)

	As at 31st March, 2021		As at 31st March, 2020	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on loan	(+) ₹ 32.55	(-) ₹ 32.55	(+) ₹ 37.54	(-) ₹ 37.54
Effect on equity/profit before tax	(-) ₹ 32.55	(+) ₹ 32.55	(-) ₹ 37.54	(+) ₹ 37.54

42.4.2 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) and from its financing activities including loans and other financial instruments.

	As at 31st March, 2021	As at 31st March, 2020
Trade receivables	910.87	1,108.68
Loans	2,014.07	592.19
Finance lease receivables	566.09	584.92
Other financial assets	740.26	458.35
Unbilled Revenue	75.37	83.41
Financial Assets Held for Sale	201.42	712.90
Total	4,508.08	3,540.45

Refer Note 8 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.

The Company has not acquired any credit impaired asset.

42.4.3 Liquidity risk management

The current liabilities of the Company exceeds the current assets. 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. 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, the Company, from time to time, funds its long-term investment from short-term sources. The short-term borrowings can be rollforward or, if required, can be refinanced from long term borrowings. Hence, the Company considers the liquidity risk as low.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Up to 1 year	1 to 5 years	5+ years	Total	Carrying Amount
31st March, 2021					
Non-Derivatives					
Borrowings #	8,850.76	12,157.80	11,828.56	32,837.12	20,840.67
Trade Payables	1,137.00	Nil	Nil	1,137.00	1,137.00
Lease Liabilities	43.58	106.22	312.01	461.81	237.11
Other Financial Liabilities	959.21	12.09	Nil	971.30	971.30
Total Non-Derivative Liabilities	10,990.55	12,276.11	12,140.57	35,407.23	23,186.08
Derivatives					
Other Financial Liabilities	6.94	Nil	Nil	6.94	6.94
Total Derivative Liabilities	6.94	Nil	Nil	6.94	6.94
31st March, 2020					
Non-Derivatives					
Borrowings #	9,323.93	9,118.34	11,479.38	29,921.65	18,003.89
Trade Payables	1,001.87	Nil	Nil	1,001.87	1,001.87
Lease Liabilities	61.26	143.49	333.45	538.20	278.85
Other Financial Liabilities	655.37	14.60	Nil	669.97	669.97
Total Non-Derivative Liabilities	11,042.43	9,276.43	11,812.83	32,131.69	19,954.58

The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Company. The amounts included above for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

42. Financial Instruments (Contd.)

The amount included in Note 38(c) for financial guarantee contracts are the maximum amounts the Company could be forced to settle under respective arrangements for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Company considers that it is more likely than not that such amount will not be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

43. Segment Reporting

Information reported to the CODM for the purpose of resource allocation and assessment of segment performance focuses on business segment which comprises of Generation, Renewables, Transmission and Distribution and Others. Specifically, the Company's reportable segments under Ind AS are as follows:

Generation: Comprises of generation of power from hydroelectric sources and thermal sources (coal, gas and oil) from plants owned and operated under lease arrangement and related ancillary services.

Renewables: Comprises of generation of power from renewable energy sources i.e. wind and solar and related ancillary services.

Transmission and Distribution: Comprises of transmission and distribution network, sale of power to retail customers through distribution network and related ancillary services.

Others: Comprises of project management contracts/infrastructure management services, property development and lease rent of oil tanks.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue/assets of the segment and manpower efforts. All other revenue/expenses which are not attributable or allocable to segments have been disclosed as unallocable. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

(a) Segment Information:

Particulars	₹ crore	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Segment Revenue		
Generation	3,843.06	4,456.33
Renewables	228.90	283.49
Transmission and Distribution	3,709.00	4,012.16
Others	34.40	30.76
	7,815.36	8,782.74
(Less): Inter Segment Revenue - Generation	(1,260.60)	(1,589.26)
(Less): Inter Segment Revenue - Renewables	(121.20)	(165.59)
Total Segment Revenue	6,433.56	7,027.89
Discontinued Operations- Others #	193.63	343.74
Revenue / Income from Operations (including Net Movement in Regulatory Deferral Balances)	6,627.19	7,371.63
Segment Results		
Generation	739.58	739.16
Renewables	45.73	102.43
Transmission and Distribution	724.69	825.29
Others	(7.22)	7.78
Total Segment Results	1,502.78	1,674.66
(Less): Finance Costs	(1,518.77)	(1,510.38)
Add/(Less): Exceptional Item - Generation (Refer Note 35(i) and 39a.)	(109.29)	(351.35)
Add/(Less): Exceptional Item - Transmission and Distribution (Refer Note 35(ii))	Nil	(190.00)
Add/(Less): Exceptional Item - Unallocable [Refer Note 7(11) (b)]	Nil	235.00
Add/(Less): Unallocable Income/(Expense) (Net)	1,193.89	492.60
Profit/(Loss) Before Tax from Continuing Operations	1,068.61	350.53
Profit/(Loss) Before Tax from Discontinued Operations	(59.84)	(81.64)
Impairment Loss on Remeasurement to Fair Value #	(160.00)	(361.00)
Profit/(Loss) Before Tax from Discontinued Operations	(219.84)	(442.64)

Notes to the Standalone Financial Statements

43. Segment Reporting (Contd.)

Particulars	₹ crore	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Segment Assets		
Generation	4,500.96	5,068.61
Renewables	651.96	779.56
Transmission and Distribution	6,819.98	6,123.68
Others	362.23	193.22
Unallocable*	30,533.82	23,571.34
Assets classified as held for sale #	Nil	1,880.07
Total Assets	42,868.95	37,616.48
Segment Liabilities		
Generation	875.94	682.46
Renewables	32.97	21.97
Transmission and Distribution	1,618.77	1,599.16
Others	95.81	20.20
Unallocable*	21,866.90	18,998.65
Liabilities classified as held for sale #	Nil	1,032.07
Total Liabilities	24,490.39	22,354.51
Capital Expenditure		
Generation	51.05	75.22
Renewables	5.40	12.94
Transmission and Distribution	743.19	537.40
Others	66.83	4.04
Discontinued Operations	32.97	45.74
	899.44	675.34
Depreciation/Amortisation (to the extent allocable to the segment)		
Generation	194.84	223.61
Renewables	95.61	133.09
Transmission and Distribution	331.12	318.00
Others	3.17	2.51
	624.74	677.21

Reconciliation of Revenue

Particulars	₹ crore	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue from Operations	6,180.59	7,726.39
Add/(Less): Net Movement in Regulatory Deferral Balances	258.00	(792.24)
Add/(Less): Net Movement in Regulatory Deferral Balances in respect of earlier years	Nil	(21.32)
Add/(Less): Deferred Tax Recoverable/(Payable)	41.62	162.16
Add/(Less): Unallocable Revenue	(46.65)	(47.10)
Total Segment Revenue	6,433.56	7,027.89
Discontinued Operations- Others #	193.63	343.74
Total Segment Revenue as reported above	6,627.19	7,371.63

Pertains to Strategic Engineering Division being classified as Discontinued Operation and disposed of during the year ended 31 March, 2021 (Refer note 18c).

* Includes amount classified as held for sale other than Strategic Engineering Division.

Notes:

- Revenue from a DISCOM on sale of electricity with which Company has entered into a Power Purchase Agreement
 - Revenue from another customer (Industrial undertaking) pertaining to Finance lease
 - Revenue from one customer (transmission company) in the current year accounts for more than 10% of Revenue
- Transfer pricing between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

43. Segment Reporting (Contd.)

(b) Geographic Information:

The Company's operations is majorly confined within India. Accordingly there are no reportable geographical segments.

44. Recent pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

45. Impact of COVID-19

India and other global markets experienced significant disruption in operations resulting from uncertainty caused by the worldwide coronavirus pandemic. Management believes that there is not much of an impact likely due to this pandemic on the business of the Company and its subsidiaries, joint ventures and associates except that there exists some uncertainty over impact of COVID-19 on future business performance of its coal mining companies which form part of Mundra CGU (comprising of investment in companies owning Mundra power plant, coal mines and related infrastructure). Based on sensitivity analysis, management believes that the said uncertainty is not likely to impact the recoverability of Mundra CGU. As the situation is still continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these Financial Statements.

46. The Code on Social Security, 2020

The Code on Social Security 2020 ('Code') has been notified in the Official Gazette on 29th September, 2020. The Code is not yet effective and related rules are yet to be notified. Impact if any of the change will be assessed and recognized in the period in which said Code becomes effective and the rules framed thereunder are notified.

47. Significant Events after the Reporting Period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

48. Approval of Standalone Financial Statements

The Standalone financial statements were approved for issue by the Board of Directors on 12th May, 2021.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
 ICAI Firm Registration No.324982E/E300003

per ABHISHEK AGARWAL
Partner
 Membership No. 112773
 Mumbai, 12th May, 2021

For and on behalf of the Board,
PRAVEER SINHA
CEO & Managing Director
 DIN 01785164

RAMESH SUBRAMANYAM
Chief Financial Officer
 Mumbai, 12th May, 2021

BANMALI AGRAWALA
Director
 DIN 00120029

HANOZ M. MISTRY
Company Secretary