July 14, 2023

To,
Corporate Relationship Department
BSE Limited
14th Floor, P. J. Towers,
Dalal Street, Fort,
Mumbai-400 001
SCRIP CODE: 532779

To,
Listing Department,
National Stock Exchange of India Limited
"Exchange Plaza", C – 1, Block G
Bandra- Kurla Complex, Bandra (East),
Mumbai 400 051
SYMBOL: TORNTPOWER

Dear Sir/ Madam,

Sub: Notice of 19th Annual General Meeting ("AGM") alongwith Integrated Annual Report of the Company for FY 2022-23

We would like to inform that 19th AGM of the Members of the Company is scheduled to be held on Thursday, August 10, 2023 at 9:30 am IST through Video Conferencing / Other Audio-Visual Means in terms of applicable circulars issued by the Ministry of Corporate Affairs and by Securities and Exchange Board of India (SEBI), to transact the businesses, as set out in the Notice of AGM.

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith Notice of AGM alongwith Integrated Annual Report of the Company for FY 2022-23, which is being sent to all the Members of the Company whose e-mail addresses are registered with the Company / Registrar and Transfer Agent / Depository Participant(s).

Further, the Company is pleased to provide e-voting facility to its Members holding shares in physical or dematerialised form, as on the cut-off date i.e. **Thursday, August 03, 2023** to cast their votes by electronic means on the resolutions as set forth in the Notice of AGM.

Integrated Annual Report containing the Notice of AGM is also uploaded on Company's website at www.torrentpower.com.

You are requested to take the same on record.

Thanking you.

Yours faithfully,
For Torrent Power Limited
RAHUL CHAITANYA BHAI SHAH
Digitally signed by RAHUL CHAITANYABHAI SHAH
Date: 2023.07.14 18:33:03 +05'30'
Rahul Shah
Company Secretary & Compliance Officer
Encl.: As above

Expanding Horizons.

Deepening Trust.

Torrent Power Limited
Integrated Report 2022-23

Expanding Horizons.

As a leading integrated power utility company, Torrent Power is committed to creating value for its stakeholders through profitable and sustainable growth. Our resilient business model and long-standing experience have been instrumental in helping us navigate challenges and capitalise on opportunities in the dynamic energy landscape.

The Indian power sector is undergoing a significant change that is redefining the industry outlook. Sustained economic growth continues to drive power demand in India. Favourable government regulations and policies are creating a conducive climate for power sector growth, led by record investments in non-conventional sources of energy. In the rapidly changing environment, adapting to challenges and embracing opportunities are the key parameters to sustain and prosper. At Torrent Power, we have always believed in exploring new opportunities and innovations that can enhance the value and sustainability of our business as well as serve our consumers with state-of-the-art infrastructure that has environment sustainability at core. ESG is a crucial part of our strategy, and we strive to align our goals with the broader needs of our stakeholders including customers, employees, investors and communities.

Our journey has been driven by organic and inorganic growth, helping us increase our distribution as well as renewable energy portfolio. Our growth strategy has enabled us to strengthen our market presence, diversify our revenue streams and enhance our overall operational efficiency by leveraging synergies and our expertise.

Our unwavering focus on operating efficiently with safety helps us deliver seamless 24x7 power supply that our customers can rely on, leading to high customer trust and satisfaction. Further, while focusing on business growth, we equally prioritise deepening relationships with our stakeholders through active engagement and shared value creation. Being a responsible corporate citizen, we partner with communities to help them develop and grow through targeted CSR initiatives.

As we stride ahead, we believe that these strategic investments and sustainability practices will help us drive business growth. We remain focused on expanding our horizons beyond our existing setup in generation, transmission and distribution segments through mergers and acquisitions and deepening trust with our stakeholders led by our unwavering commitment to provide affordable, clean and reliable power to all.

Deepening Trust.

50.4 MW Mahuva Wind Power Plant, Bhavnagar, Gujarat

Contents

Read this report online **here**

This document includes interactive elements and is best viewed in Adobe Acrobat or Reader.

About the Report

Welcome to the second Integrated Annual Report of Torrent Power Limited, hereafter referred to as 'Torrent Power', 'our Company', 'we'. The report shares disclosures about our Company's financial and non-financial performance and details the value created for our stakeholders in the Financial Year 2022-23 (FY23).

Frameworks Referred

The report is as per the reference framework of the International Integrated Reporting Council (IIRC). The sustainability performance data aligns with the 'Core' option of the Global Reporting Initiative (GRI). In addition, we have referred to other reporting frameworks, such as the Sustainability Accounting Standards Board (SASB) and National Voluntary Guidelines (NVGs). The report also aligns with the United Nations Global Compact (UNGC) principles and showcases our contribution to the United Nations Sustainable Development Goals (UN SDGs).

Furthermore, we have annexed a linkage to various parameters of such frameworks against GRI indicators in this report. The statutory sections of the report have been developed in accordance with the Companies Act, 2013 (including the rules made thereunder), Indian Accounting Standards, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by The Institute of Company Secretaries of India. The Business Responsibility and Sustainability Report (BRSR) is based on the National Guidelines for Responsible Business Conduct (NGRBC).

Reporting Period

The information presented in this report pertains to the period between April 1, 2022 and March 31, 2023.

Reporting Boundary and Scope

The report provides a comprehensive overview of all operations of Torrent Power and its subsidiaries, including Thermal Generation, Renewable Generation, Licensed Distribution, Franchised Distribution, Transmission and Cables manufacturing business.

Responsibility Statement

The Board of Directors acknowledge their accountability for the integrity and completeness of the Report, including its presentation, which is guided by the <IR> framework.

Feedback

We strive to continuously improve our sustainability practices and reporting standards in collaboration with our stakeholders. We welcome your valuable feedback and suggestions via email to esg@torrentpower.com.

Forward-looking Statements

Certain statements in this report may be forward-looking. Actual outcomes may vary from those expressed or implied. The Company assumes no responsibility to publicly amend, modify, update or revise any such statements based on subsequent developments, information or events.

The Values We Live By

At Torrent Power, our core values guide our actions and define who we are as an organisation. They reflect our unwavering commitment to integrity, passion for excellence, participative decision-making, concern for society and the environment, fairness with care and transparency.

Integrity

When truth is paramount

Thoughts and actions entail doing the right thing at all times and in all circumstances, whether or not anyone is watching. This requires inner courage and conviction, no matter what the consequences are. It is honouring one's commitments and being accountable for one's actions, end-to-end.

Passion for Excellence

When best is not enough

Passion for excellence means not doing extra-ordinary things but doing ordinary things in all pursuits exceedingly well. Passion and excellence are forces that fuel each other on the exclusive path to leadership. As we are what we repeatedly do, excellence then is not an act, but a habit.

Participative Decision-making

Involvement that engenders effectiveness

An ideal organisation facilitates participation and involvement of each of its members in various decision-making processes, thus ensuring their commitment to such decisions as well as its outcome. It provides a platform for seeking and nurturing constructive ideas from individuals, teams and units which eventually yields exceptional results.

Concern for Society and Environment

When every smile matters

Concern for Society & Environment is a sense of responsibility and contribution to society that defines our existence. It entails making a difference in the quality of lives and environment surrounding us. It is important to encourage fellow members on collective as well as individual basis to fulfil the responsibility of leaving behind a world rich in flora and fauna and rich in time tested values and ideals and above all rich in social fervour for our future generations.

Fairness with Care

Harnessing equality

Fairness and Care towards all fellow members are inextricably linked. Weaving the threads of equality, irrespective of caste, creed, religion and gender, into the day-to-day fabric, ensures fairness for each and every individual. Empathic care recognises the needs and aspirations of all. Only such fairness and care eventually lead fellow members to the dawn of eternal success.

Transparency

Openness that builds enduring trust

Transparency implies openness. It is the opposite of secrecy. It encourages more informed decision making and aids in creating enduring trust among all stakeholders.

Chairman's Message

Next Horizon of Transformation-led Growth

> "Our long-standing experience, focus on sustainability, reliability and customer-centric solutions positions us as a trusted partner for all stakeholders in the power sector."

Dear Stakeholders,

I am delighted to present our second Integrated Annual Report that encapsulates a comprehensive overview of Torrent Power's journey in FY23 and expected path ahead. During the reporting period, we experienced both growth and challenges across different segments. Despite various challenges, I am pleased to share that our Company delivered robust operational and financial performance, staying committed to shared value creation.

Changing Industry Landscape

The Indian power sector is undergoing a significant change that is redefining the industry outlook. Sustained economic growth continues to drive power demand in India. Favourable government regulations and policies are creating a conducive climate for power sector growth led by record investments in the sector. In FY23, India witnessed record high energy demand, growing by 9.5% compared to the previous year. However, this demand posed challenges in meeting the energy requirements due to power generation deficits caused by various reasons, primarily due to higher fuel costs and shortages. The coal shortage raised from logistical constraints, disruptions in mining operations and environmental regulations put pressure on thermal power plants, affecting their operational efficiency and leading to electricity generation constraints. In addition, the escalating natural gas prices owing to recent geopolitical conflict between Russia and Ukraine, impacted the availability and affordability of gas for power generation.

The Central Electricity Authority (CEA) has projected a need for over 817 GW of generation capacity by 2030. To meet the rising energy demand and fulfil its commitment to a sustainable energy future, India is focusing on increasing its generation capacity.

Renewable energy remains a key focus area for India, with ambitious target to replace 50% of total installed capacity with non-fossil fuel-based power plants by 2030. To support this transition, the government has implemented multiple initiatives and policies to attract investments and promote renewable energy generation. The push towards renewable energy is driven by several factors, including India's commitment to reducing greenhouse gas emissions, improving energy security and harnessing its vast renewable energy potential.

The growth of the power sector is driven by various factors, including a growing population coupled with rapid urbanisation and industrial expansion. As the generation capacity expands, there is a corresponding need for efficient and future-ready transmission and distribution infrastructure, including smart grids, smart meters, energy storage systems, high-voltage direct current (HVDC) transmission, etc. These modern transmission technologies not only improve power reliability and affordability but also enable the integration of renewable energy sources and reduce transmission and distribution losses, contributing to sustainability.

Going forward, the power sector in India is poised for continued growth and transformation. The increasing energy demand, along with the government's focus on renewable energy and sustainable practices, will drive the development of new generation capacities and the integration of clean energy sources into the grid. To meet the projected need for generation capacity and achieve the ambitious targets, the sector will require investments in advanced technologies, efficient transmission infrastructure and smart distribution systems.

Torrent Power, as a leading power utility company is well-positioned to contribute to the future of the power sector in India. Our long-standing experience, focus on sustainability, reliability and customer-centric solutions positions us as a trusted partner for all stakeholders in the power sector. We are dedicated to driving positive change in the power sector, contributing to India's energy security, environmental commitments and the vision of providing uninterrupted power supply to all.

Operational and Financial Performance

In the dynamic power sector landscape, Torrent Power has demonstrated resilience and adaptability. Despite the volatile gas prices caused by geopolitical conflicts, our gas-based plants managed to mitigate an adverse impact by selling RLNG. We also successfully navigated through the volatility in LNG prices on account of the Russia – Ukraine war. Furthermore, our coal-based generation and distribution businesses experienced high volumes and improved electricity demand.

We are proud that our licensed distribution units' have consistently achieved amongst the lowest distribution losses in the country. Our franchised distribution units also significantly reduced distribution losses from 15.19% in FY22 to 12.47% in FY23. Additionally, our newly acquired licensed distribution area of Dadra & Nagar Haveli and Daman & Diu demonstrated a commendable distribution loss of 1.59% in its first year of operation due to various loss reduction as well as reliability improvement measures.

As part of our commitment to renewable energy, we expanded our portfolio by adding an additional 50 MW capacity, taking the total acquired capacity to 281 MW and the total operational capacity to 1,068 MW. Our aim is to contribute to a greener and more sustainable future.

Torrent Power remains dedicated to providing 24x7 power supply and ensuring high reliability in all our areas of operation. We strive to meet the energy needs of our consumers as well contribute to the well-being of the communities we operate in.

In FY23, our EBITDA experienced a significant rise of 34% compared to the previous year. This growth was primarily driven by the newly acquired licensed

Chairman’s Message

distribution business, new renewable projects besides the good performance at our distribution units and sale of RLNG. Total Comprehensive Income (TCI) for FY23 remained higher at ₹2,171 Crore against normalised TCI (excluding net Impairment impact) of ₹1,389 Crore last year.

We continue to prioritise the interests of our shareholders, as evidenced by the total dividend of ₹26 per share for FY23, amounting to ₹1,250 Crore. This represents ~58% of our consolidated total comprehensive income for the year.

Upcoming Projects

In line with the Company’s vision to grow sustainably, in FY23 we added 300 MW of wind power capacity to our portfolio, won under competitive bidding by SECI. Further, the Company also secured C&I projects of ~21 MW. With these, the total upcoming renewable capacity of the Company has reached 736 MW, taking the total renewable portfolio to 1,804 MW (1,068 MW operational capacity + 736 MW under development).

During the year, Company has also been granted parallel license for distribution of power in area of Mandal Becharaji Special Investment Region (MBSIR) for a period of 25 years. MBSIR, spread over total area of ~102 sq km is part of Delhi-Mumbai Industrial Corridor and is being developed as an automobile hub. Uttar Gujarat Vij Company Limited (UGVCL) is the incumbent licensee and will continue to remain a licensee, and consumers will have option to choose between Torrent and UGVCL. However, an appeal has been filed against the grant of license to Torrent and the matter is currently sub-judice.

Torrent Power Grid Limited, our wholly owned subsidiary, in FY23, received communication from Central Transmission Utility of India (CTU) that it has been awarded a transmission scheme to evacuate 4.5 GW of renewable energy power. The project consists of laying 60 km long D/C line and bay upgradation under regulated tariff structure.

Building a Supportive Work Environment

At Torrent Power, we prioritise the growth, development and well-being of our people. They are invaluable contributors to our success. We prioritise their health and safety, promote inclusivity, offer opportunities for professional growth along with maintaining a healthy work-life balance. Recognising that our people's success is key to our organisation's success, we provide them with the necessary resources and support to thrive. We also acknowledge exceptional performance through recognition and rewards, fostering a supportive and engaging workplace.

> “Recognising that our people's success is key to our organisation’s success, we provide them with the necessary resources and support to thrive.”

Impacting Lives Positively

We always aim to make a positive impact in the communities where we operate. We believe in addressing the critical needs of society by focusing on key areas such as healthcare, education and social well-being.

In community healthcare, our flagship REACH programme aims to improve the well-being of children by addressing malnutrition and anaemia. We work closely with communities residing in and around our operational areas to provide nutrition support and raise awareness about healthy living. Additionally, through our UNM Children Hospital and paediatric centres, we offer life-saving surgeries, critical care and essential medical services to children in need.

Education plays a vital role in empowering individuals and shaping a better future. We are committed to knowledge enhancement and have taken initiatives to promote education in various forms. Our efforts include supporting educational institutions, providing scholarships and organising skill development programs to equip young minds with the tools they need to succeed.

Social care and concern are integral parts of our community initiatives. As part of this, our Pratiti programme focuses on revitalising parks, offering accessible green spaces for leisure and recreation.

Through our collective efforts in healthcare, education and social well-being, we aim to create a positive and sustainable impact on the communities we serve. We will continue to drive meaningful change and support the well-being of individuals, fostering a brighter future for all.

Way Forward

As we march ahead, our focus remains on building resilience and charting growth across our operations. Our focus areas remain renewable as well as transmission and distribution segments. We intend to have presence across the renewable energy chain by participating in utility scale Solar, Wind, Hybrid and Pump Storage Hydro projects and also supplying renewable power to C&I customers. The Company is conscious of its impact on the environment and is actively considering both organic and inorganic opportunities in the renewable energy sector in order to reduce its carbon footprint.

In distribution, we are committed to expanding and upgrading networks, reducing distribution losses and exploring privatisation as well franchisee opportunities. Selective participation in transmission projects and a commitment to operational excellence further enhance our prospects.

> "In community healthcare, our flagship REACH programme aims to improve the well-being of children by addressing malnutrition and anaemia."

Strategic capital investments in all of the above will further strengthen our ability to meet evolving customer needs and drive sustainable growth. While focusing on business growth and sustainability, we are also committed to enhance our non-financial performance across Environment, Social and Governance aspects through focused initiatives.

In conclusion, I extend my heartfelt appreciation to all our stakeholders for their continued trust and support. Together, we will navigate challenges, seize opportunities and build a sustainable and thriving path ahead.

Best wishes,

Samir Mehta
Chairman

Key Performance Highlights

Delivering Holistic Value

Our focus on operational excellence, emerging risks and opportunities, fiscal discipline, responsible business conduct and delivering uninterrupted, reliable power to our customers have enabled us to consistently generate value for our shareholders and providers of capital.

Financial Performance Highlights

Over the years, we have delivered strong financial performance, with consistent revenue growth, profitability and market capitalisation. We have maintained a healthy debt-equity ratio and ensured good returns for our shareholders. Our significant capital expenditure and strategic investments testify to our focus on scaling and expanding operations and footprint.

₹25,694 Crore
Revenue from Operations

80.21% ▲ Y-o-Y
17.42% ▲ 5-year CAGR

₹2,171 Crore
Total Comprehensive Income

56.10%* ▲ Y-o-Y
17.85% ▲ 5-year CAGR

₹24,487 Crore
Market Capitalisation

3.57% ▲ Y-o-Y
17.33% ▲ 5-year CAGR

0.92
Debt to Equity

[Previous year – **0.83**]

19.07%
Return on Net Worth

[Previous year – **13.20%***]

₹2,938 Crore
Capital Expenditure

[Previous year – **₹1,906 Crore**]

*excluding exceptional items

Operational Performance Highlights

At Torrent Power, we have achieved significant milestones in expanding our operational generation capacity, primarily focusing on renewable energy. We have also enhanced our distribution network to reduce distribution losses and optimise collection efficiency. These achievements demonstrate our commitment to meeting the growing demand for electricity, promoting sustainability and providing reliable power supply to our customers.

4,160 MW
Operational generation capacity

2.62%
Distribution losses at licensed distribution areas

736 MW
Renewable generation capacity in the pipeline

24x7
Power Availability

28 Bn
Units of power distributed

4 Mn
No. of consumers served

2.72%
Reduction in distribution losses at franchised distribution areas

~100%
Collection efficiency in all distribution areas

Sustainability Performance Highlights

Our ESG commitments are at the core of our business strategy guiding us to operate in a sustainable and responsible manner and deliver long-term holistic value to our stakeholders. This unwavering commitment to ESG principles drives our sustainable growth, fosters stakeholder trust and strengthens our position in the Indian power sector.

Environment

>92%
Clean energy generation capacity

100%
Of power generation facilities are Zero Liquid Discharge (ZLD)

0.21 tCO_2e/GJ
GHG emission intensity

2.44 Lakh m^3
Rainwater harvested during the year

63%
Of total waste is diverted from disposal

100%
Fly ash utilisation in power plants

Social

100%
Customer complaints resolved within the prescribed time

799
New employees hired during the year

14%
Women new hires during the year

>94%
of employees trained during the year

₹54 Crore
Spent on community development during the year

VOTE (Voice of Torrent Employees)
Employee Engagement Survey conducted

Governance

>50%
Independent Directors

30%
Women Directors

Company Overview

Unmatched Commitment to Uninterrupted Power Supply

With a strong presence across the energy value chain, we have established ourselves as one of the leading players in the Indian power sector. Our presence across–Power Generation, Transmission and Distribution–enables us to provide uninterrupted and high-quality power to our customers. Our commitment to operational excellence, strategic investments, adopting the latest technologies and embracing emerging opportunities continues to strengthen our industry leadership.

Generation

We have an operational generation capacity of **4,160 MW** drawn from thermal power plants fuelled by coal and gas as well as renewable power plants comprising solar and wind plants.

1,530 MW SUGEN & UNOSUGEN Plant at Surat

120 MW Gamesa Wind Power Plant at Karnataka

Thermal Generation

Our thermal power generation capacity currently stands at **3,092 MW**, with 88% (2,730 MW) powered by natural gas, a cleaner fuel.

Only 12% (362 MW) of our plants use coal.

4,160 MW
Operational generation capacity

Renewable Generation

Our commitment to energy diversification and sustainability has led us to scale up our operational renewable energy portfolio to **1,068 MW** which includes 263 MW solar and 805 MW wind energy generation facilities. Another **736 MW** of renewable capacity is in the pipeline.

The forthcoming additions will comprise of **415 MW** of wind and **321 MW** of solar capacity.

>92%
Clean generation capacity

Distribution

Torrent Power's expertise in the power distribution sector is unmatched among private-sector organisations. We have broadened and deepened our distribution capabilities by delivering 24x7 power supply to our customers over decades, with one of the lowest distribution losses and highest reliability rates in the industry.

Licensed Distribution

Covering an area of
1,948 sq km

Ahmedabad & Gandhinagar	356 sq km
Surat	52 sq km
Dahej	17 sq km
Dholera	920 sq km
Dadra & Nagar Haveli and Daman & Diu	603 sq km

Franchised Distribution

Covering an area of
1,007 sq km

Bhiwandi	721 sq km
Agra	221 sq km
Shil, Mumbra & Kalwa	65 sq km

400 kV Nikol-2 Substation at Ahmedabad

We proudly serve more than 4 million customers in multiple territories, including Ahmedabad, Gandhinagar, Surat, Dahej SEZ and Dholera SIR in Gujarat; Bhiwandi, Shil, Mumbra and Kalwa in Maharashtra; Agra in Uttar Pradesh and the Union Territory of Dadra & Nagar Haveli and Daman & Diu.

>4 Mn
Customers served across India

Transmission

Our transmission lines span a total of **482 km**, encompassing 249 km and 105 km of 400 kV and 128 km of 220 kV double circuit transmission lines across Ahmedabad, Surat and Navsari districts in Gujarat.

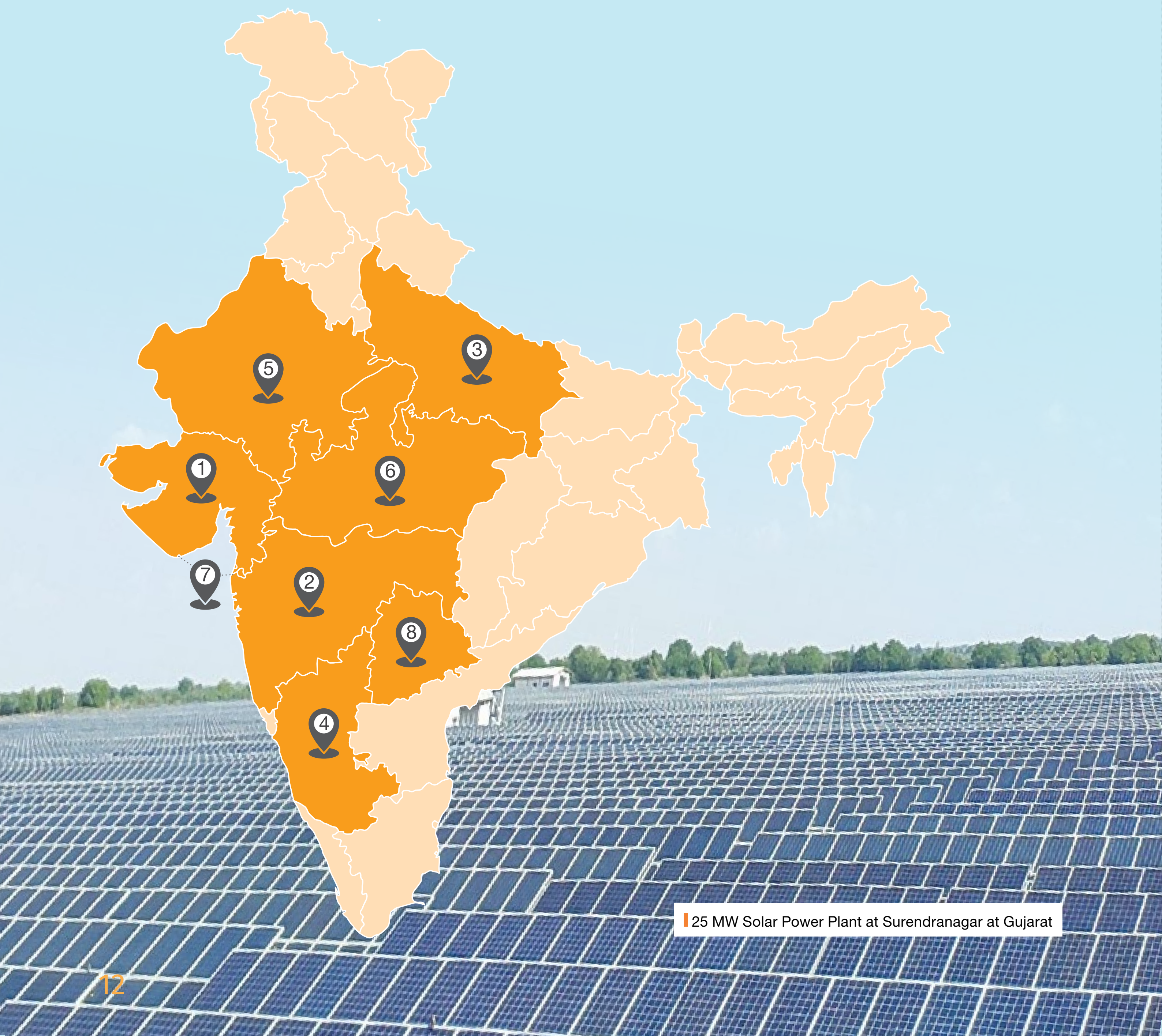
482 km
Transmission lines, including 400 kV and 220 kV double circuit transmission lines

Transmission Tower at Surat

Presence

A Leading Integrated Power Utility Company

Torrent Power is one of India's largest private sector integrated utility company with an end-to-end presence in power generation, transmission, distribution as well as manufacturing and supply of cables. In keeping with the changing energy landscape, Torrent Power has built and scaled considerable renewable energy capacities with solar generation plants and wind farms. We have an aggregate generation capacity of 4,160 MW, of which more than 92% is from cleaner energy. Our portfolio primarily comprise of gas-based and renewable power plants supported by a small share of coal-based capabilities.



25 MW Solar Power Plant at Surendranagar at Gujarat

Our Nationwide Footprint

01 | Gujarat

AMGEN (362 MW)	Coal	Sabarmati, Ahmedabad
DGEN (1,200 MW)	Gas	Dahej, Bharuch
SUGEN & UNOSUGEN (1,530 MW)	Gas	Kamrej, Surat
Wind Power Plant (49.6 MW)	Wind	Jamnagar
Wind Power Plant (251.6 MW)	Wind	Kutch
Wind Power Plant (50.9 MW)	Wind	Rajkot
Wind Power Plant (50.4 MW)	Wind	Bhavnagar
Wind Power Plant (26 MW)	Wind	Surendranagar
Wind Power Plant (70 MW)	Wind	Amreli and Rajkot
Solar Power Plant (87 MW)	Solar	Kamrej, Surat
Solar Power Plant (25 MW)	Solar	Surendranagar
Solar Power Plant (51 MW)	Solar	Patan
Ahmedabad & Gandhinagar	Distribution Licensee	
Surat	Distribution Licensee	
Dahej SEZ	Distribution Licensee	
Dholera	Distribution Licensee	

02 | Maharashtra

Wind Power Plant (126 MW)	Wind	Osmanabad
Solar Power Plant (50 MW)	Solar	Solapur
Bhiwandi	Distribution Franchisee	
Shil, Mumbra & Kalwa	Distribution Franchisee	

03 | Uttar Pradesh

Agra	Distribution Franchisee	

04 | Karnataka

Wind Power Plant (120 MW)	Wind	Gulbarga & Raichur, Karnataka

05 | Rajasthan

Wind Power Plant (24 MW)	Wind	Jaisalmer

06 | Madhya Pradesh

Wind Power Plant (36 MW)	Wind	Mandsaur

07 | Dadra & Nagar Haveli and Daman & Diu

Dadra & Nagar Haveli and Daman & Diu	Distribution Licensee	

08 | Telangana

Solar Power Plant (50 MW)	Solar	Kamareddy

Legend

Power Generation

Gas
Wind
Distribution Licensee
Coal
Solar
Distribution Franchisee

Awards and Certifications

Celebrating Our Achievements

At Torrent Power, we strive for excellence in everything we do. We are committed to delivering reliable and high-quality services to our customers while ensuring the safety of our employees and managing our environmental footprint. Our achievements have earned us industry-leading recognition.

Our distribution units (excluding DNH & DD) and thermal plants comply with legal and other requirements to continually improve the effectiveness of the Integrated Management System (IMS) in accordance with ISO standards. Following are the IMS certificates obtained at these units:

ISO 9001:2015 Quality Management System (QMS)

ISO 14001:2015 Environmental Management system (EMS)

ISO 45001:2018 – OH & S Management System (OH&SMS)

ISO 50001:2018 – Energy Management System (EnMS)

ISO 55001:2014 – Asset Management System (AMS) (For gas-based generation units and distribution units)

ISO 27001:2013 – Information Security Management System (ISMS) (For gas-based generation units)

ISO/IEC 17025:2017 – All laboratories at our generation and distribution units are accredited by NABL (National Accreditation Board for Testing and Calibration Laboratories).

All our renewable sites are certified with IMS for ensuring safe, healthy, and environmentally friendly operations. The IMS includes ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System), and ISO 45001:2018 (Occupational Health and Safety Standard).

Received 'Platinum' Certificates by Indian Green Building Council (IGBC) for all new offices and 'Plug Points' in Ahmedabad.

Received 'Platinum' Certificate for Meghdhanush at DGEN Mega Power Project from IGBC under IGBC Green Residential Societies Rating valid up to 2023.

Our Ahmedabad, Surat and Dahej units have received 5S certification under the 'Par Excellence' category from JUSE & QCFI for successful completion of 5S audit. The scope of 5S implementation under the first phase covered Warehouses & Meter management facilities of these units.

Our Surat and Dahej units participated in the 36th National Convention on Quality Concept organised by QCFI-Aurangabad Chapter in December 2022. The case study of the successful implementation of 5S was represented by both the units and this was appreciated with certification of A-par Excellence.

Our AMGEN plant also won the Gold award in the 44th CII National Kaizen Competition organised by CII IQ-TPM Club India.

Our AMGEN plant won two Gold awards in the Kaizen & Innovation competition organised by QCFI-Ahmedabad Chapter.

Our thermal plants have been re-certified for 5S Workplace Management System with audit from the Union of Japanese Scientists and Engineers (JUSE) & Quality Circle Forum of India (QCFI).

Our gas-based generation plants have been awarded Gold Trophies for FY23 by Quality Circle Forum of India (QCFI) under Ankleshwar Chapter Convention of Quality Concept (ACCQC-22) for Kaizen and 5S categories respectively.

Corporate Governance

Leading with Integrity and Excellence

Our governance philosophy is built on the principles of integrity, transparency and accountability. These principles guide our actions and decisions and help us build trust and long-term relationships with our stakeholders and create long-term sustainable value for them.

Transparent Reporting and Communication

Open and transparent reporting is a fundamental pillar of our governance philosophy. We adhere to globally recognised reporting frameworks, ensuring the accurate and timely disclosure of financial and non-financial information.

Continuous Improvement and Evaluation

We believe in the continuous enhancement of our governance practices through regular evaluation and benchmarking. Our commitment to ongoing improvement ensures we remain at the forefront of global governance standards.

Board of Directors

An empowered Board comprising of eminent leaders from diverse fields bring rich knowledge, expertise and perspectives steers our Company. These leaders strengthen our ability to foresee and mitigate emerging risks, leverage opportunities and lead with values and integrity at all times. Our Board comprises of 50% Independent Directors chosen through a transparent and non-partisan process that allows us to institute a robust and empowered governance body. The Board is responsible for framing our governance mechanisms and policies, set direction for the Company and provide oversight of our progress against business, sustainability and profitability goals.

Fostering Board Diversity and Composition

We recognise the importance of a diverse Board that brings in different perspectives and enrich our decision-making process with their points of view that reflect the diversity of our customers, operational regions and communities. Women Directors form 30% of our Board and play a key role in several strategic mandates to take our Company forward on a path of sustainable progress.

Board Committees

To ensure efficient oversight and decision-making, our Board has established several committees focusing on various operational and governance areas. Each committee plays a crucial role in addressing specific aspects of our operations, ensuring compliance and enhancing transparency.

Board Diversity

Non-Executive Directors	Independent Directors	Women Directors
70%	50%	30%

Audit Committee
100%
Independent Directors

Risk Management Committee
75%
Independent Directors

Nomination & Remuneration Committee
100%
Independent Directors

CSR & Sustainability Committee
100%
Independent Directors

Stakeholder Relationship Committee
33%
Independent Directors

Meet Our Empowered Board of Directors

Sudhir Mehta
Chairman Emeritus
Non-Executive Director
(Promoter)

M

Read more

Samir Mehta
Chairperson
(Promoter)

M

Read more

Pankaj Patel
Independent Director

C C

Read more

Keki Mistry
Independent Director

M

Read more

Usha Sangwan
Independent Director

M C M

Read more

Radhika Haribhakti
Independent Director

M M M M

Read more

Mamta Verma, IAS
Non-Executive Director

Read more

Ketan Dalal
Independent Director
(w.e.f. May 11, 2022)

C M M C

Read more

Jinal Mehta
Managing Director
(Promoter)

M

Read more

Varun Mehta
Wholetime Director
(Promoter)
(w.e.f. August 8, 2022)

Read more

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility and Sustainability Committee
- Risk Management Committee
- Ⓒ Chairperson
- Ⓜ Member

1. Sudhir Mehta ceased to be Member of Nomination and Remuneration Committee w.e.f. April 13, 2023.
2. Jinal Mehta ceased to be Member of Corporate Social Responsibility and Sustainability Committee w.e.f. January 19, 2023.
3. Ketan Dalal was appointed as Chairperson of the Risk Management Committee and Audit Committee w.e.f. January 10, 2023 and November 10, 2022 respectively. Further, he was appointed as Member of Nomination and Remuneration Committee w.e.f. April 13, 2023.
4. Samir Barua retired on September 30, 2022 due to completion of his second and final term as an Independent Director.

Risk Management

A Proactive Approach to Managing Risks

We believe proactive and pragmatic risk management is critical to achieve consistent business momentum by tapping opportunities, mitigating risks and running disruption-free operations. A robust risk management framework with effective practices underpins our decision-making and strategy development process as well as execution imperatives.

Enterprise Risk Management (ERM) Framework

Our comprehensive ERM framework guides our risk management practices and lays down the principles for identifying, managing, and monitoring risks. It consolidates all our risks and focuses on quantifying and managing key risks by implementing effective controls to either reduce or eliminate them.

Alignment of ERM with COSO Framework

A detailed Risk Management Policy aligns our risk management framework with our business strategy in line with the Committee of Sponsoring Organizations (COSO) Framework: Enterprise Risk Management - Integrating with strategy and performance.

Our commitment to robust risk management practices has transformed the way we operate and has positioned us competitively in a dynamic market scenario. By incorporating risk considerations into our strategy-setting process, we have gained the ability to make well-informed decisions. This approach enables us to allocate capital strategically, strengthen our oversight of risks and effectively manage performance. Moreover, it empowers us to identify and seize new opportunities that align with our risk appetite, fostering resilience and enhancing our reputation in the marketplace.

Internal Control Systems

To supplement our ERM framework, we have implemented robust internal control systems to ensure efficiency in operations, optimum utilisation of resources, reliable financial reporting and compliance with all applicable laws and regulations. The internal control system is aligned with the COSO Internal Control Integrated Framework. Our well-defined Risk Control Matrices serve as the primary document for internal control assessment, categorised into entity and process level controls & IT controls.

The design and operating effectiveness of internal controls are evaluated by the Internal Auditors (all controls) as well as by the Statutory Auditors (controls concerning financial statements). The findings are presented to the Audit Committee on a periodic basis.

Risk Governance

Board of Directors

The highest level of authority responsible for overseeing the overall risk management activities of the organisation.

Risk Management Committee (RMC)

Constituted in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the RMC guides the development of the Risk Management framework, monitors and reviews the Risk Management Policy and reports to the Board on Risk Management activities.

Chief Risk Officer (CRO)

At the management level, the CRO is accountable for risk management processes. The CRO reviews reports for briefing the RMC, ensures the achievement of objectives of the risk management framework, acts as a communication link between the RMC and Risk Champions and recommends improvements in the risk management framework in line with global best practices.

Risk Champions

Unit heads designated as Risk Champions are responsible for monitoring the external macro-economic and industry landscape, identifying and assessing risks and developing appropriate mitigation strategies within their respective areas of responsibility.

Risk Coordinators

Individuals designated as Risk Coordinators work closely with Risk Champions to support risk management activities. They assist in monitoring risks, implementing mitigation strategies and ensuring effective communication within their designated areas.

Risk Management Process

Risk Identification

Identifying potential events that may hinder the successful implementation of strategies or the achievement of objectives. These events may arise from both internal and external factors. Identified risks are then classified into three categories: Unit risk, industry risk and macroeconomic risk.

Risk Assessment and Mitigation

To manage risks effectively, we perform a Risk Assessment to evaluate the potential impact of identified risks on achieving objectives. Risks are classified as Low, Medium or High based on their assessed impact and likelihood. To address the risks, we develop mitigation plans with specific timelines for implementation.

Creating/Updating Risk Register

The identified risk together with approved mitigation plan are recorded in the risk register, which is reviewed and updated every quarter.

Risk Monitoring

Keeping a close eye on the approved mitigation plan and regularly reporting the progress of its implementation.

Review and Reporting

We periodically identify and report on top-priority risks. We also review and report on any policy deviations, failures of existing control measures and other significant issues.

Key Risks

Please refer to the Management Discussion and Analysis section of this report which details key risks that may impact our operations.

Stakeholder Engagement

Collaborating for Shared Value Creation

At Torrent Power, we understand the significance of a robust and transparent stakeholder engagement framework in achieving accelerated growth. Through effective engagement, we identify stakeholder concerns and translate their expectations into Company goals, strengthening the foundation of our sustainable business growth. Obtaining feedback from all our stakeholders is an essential aspect of our approach to identifying and addressing stakeholders' concerns.

We have identified and evaluated key stakeholders based on their potential to influence our business and the impact of our operations and performance on them. We regularly communicate with them through a combination of pre-determined, structured and need-based engagement channels, which are summarised below:

Stakeholder Group	Significance	Engagement Method
Capital Providers (Shareholders and Lenders)	Capital providers enable us to realise our business goals and proposed investment strategies. We thrive on creating long-term value for them.	• Investor meetings and presentations • Quarterly earnings call • Annual General Meeting • Regular meetings with bankers & other financial institutions
Board of Directors	The Board provides guidance and decisions on various aspects of the business, including strategy execution and performance.	• Board meetings • Board committee meetings
Government and Regulators	The evolution of policy and regulatory frameworks is crucial for business sustainability. Therefore, engaging with regulatory bodies and the government becomes inevitable.	• Regular liaisoning • Inputs on policy matters • Scheduled meetings
Employees	Our people are the foundation of our success. We leverage their skills and competencies to execute our growth plans and strategies.	• Employee satisfaction surveys • Employee engagement events • Feedback on employee engagement initiatives • Appraisal deliberations

Stakeholder Group	Significance	Engagement Method
Suppliers	We rely on several business partners for smooth and uninterrupted operations.	• Supplier meetings • Contractual arrangements
Customers	Our customers are fundamental to our business. We strive to provide them with quality and reliable power.	• Customer care centres • Customer service • Customer meetings • Customer satisfaction survey & feedback
Community	The support of our communities is crucial to strengthening our social licence to operate. Community engagement allows us to give back to society by catalysing their socio-economic development.	• Community interaction through CSR initiatives • Employee volunteerism for CSR activities
Media	The media helps to keep our stakeholders informed of key business initiatives and developments.	• Media briefings • Press releases
Industry Associations	Industry Associations are valuable platforms for us to further policy advocacy and thought leadership.	• Industry association memberships, meetings and conferences

Materiality Assessment

Mapping Material Issues

Materiality assessment acts as a compass in our sustainability journey, guiding us in designing our ESG strategy to address the most crucial needs of our stakeholders and our business. A structured process that involves garnering stakeholder feedback, peer reviews and aligning with global standards and industry trends enables us to identify and prioritise issues material to the organisation and our stakeholders.

Developing the Universe → **Stakeholder Engagement** → **Prioritisation** → **Material Topics** → **Integration**

Developing the Universe

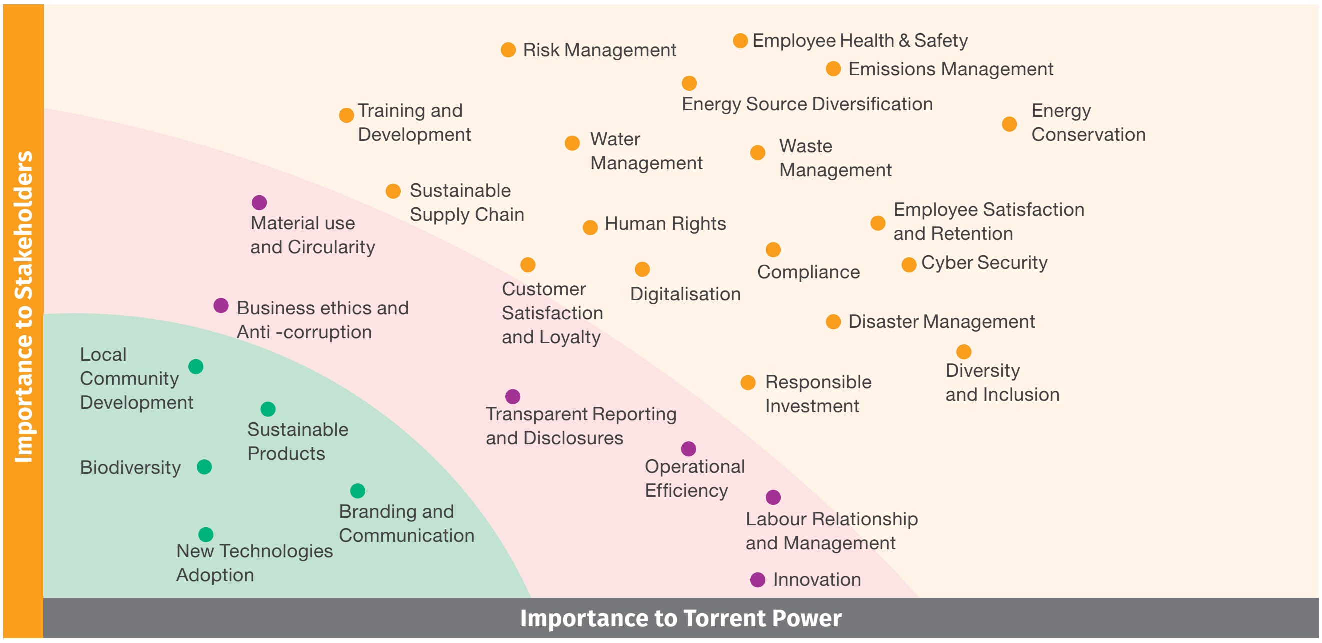
A universe of material issues was created after an extensive review of potential business risks, global standards and guidelines and reporting requirements such as GRI (Global Reporting Initiative), SASB (Sustainability Accounting Standards Board) and IIRC (International Integrated Reporting Council) along with UN SDGs (United Nations Sustainable Development Goals), NVGs (National Voluntary Guidelines), and UNGC (United Nations Global Compact). Additionally, focus areas of various ESG rating platforms, including S&P Global Yearbook, FTSE Russell, MSCI, Sustainalytics, CDP and DJSI, were also considered.

Stakeholder Engagement

To engage stakeholders, questionnaires based on the universe of issues were shared with investors, lenders, top management, employees, suppliers, customers and other relevant parties. Secondary research was also conducted on peers and competitors in the industry to gain a better understanding of sector-specific material issues. Furthermore, senior management was consulted to provide their perspectives on the material issues.

Prioritisation – Materiality Matrix

A materiality matrix was created based on stakeholder feedback helping us prioritise issues critical in scaling our sustainable growth. The matrix considers the level of importance of the issues to the stakeholders and the Company, and those of high importance to both were prioritised to develop a list of material topics. The universe of material topics was finalised through extensive consultations with the senior management team.



Materials Topics	Linkage with Capitals	Linkage with UN SDGs
Climate Change Management MT 1: Emission Management MT 2: Energy Source Diversification MT 3: Energy Conservation	Natural Capital Manufactured Capital	7 Affordable and Clean Energy 9 Industry, Innovation and Infrastructure 11 Sustainable Cities and Communities 12 Responsible Consumption and Production 13 Climate Action
Business Continuity MT 4: Cyber Security MT 5: Responsible Investment MT 6: Disaster Management MT 7: Digitalisation	Intellectual Capital Financial Capital Manufactured Capital	7 Affordable and Clean Energy 8 Decent Work and Economic Growth 9 Industry, Innovation and Infrastructure 11 Sustainable Cities and Communities 12 Responsible Consumption and Production 13 Climate Action
Governance, Risk & Compliance MT 8: Compliance MT 9: Risk Management	Financial Capital Manufactured Capital	8 Decent Work and Economic Growth 16 Peace, Justice and Strong Institutions
Resource Management MT 10: Water Management MT 11: Waste Management MT 12: Sustainable Supply Chain	Natural Capital Social and Relationship Capital	6 Clean Water and Sanitation 11 Sustainable Cities and Communities 12 Responsible Consumption and Production 13 Climate Action 14 Life Below Water 15 Life on Land
People Management MT 13: Employee Satisfaction & Retention MT 14: Employee Health & Safety MT 15: Training and Development MT 16: Diversity and Inclusion MT 17: Human Rights	Human Capital Manufactured Capital	3 Good Health and Well-Being 5 Gender Equality 8 Decent Work and Economic Growth 10 Reduced Inequalities 16 Peace, Justice and Strong Institutions
Customer Delight MT 18: Customer Satisfaction & Loyalty	Social and Relationship Capital	8 Decent Work and Economic Growth 9 Industry, Innovation and Infrastructure 10 Reduced Inequalities 11 Sustainable Cities and Communities

Integration

We have integrated the identified material topics with our business processes, operations and monitoring mechanisms and mapped them to the United Nations Sustainable Development Goals (UN SDGs). This strategic alignment empowers us to adopt a focused approach that creates meaningful value for our stakeholders.

Integrated Strategic Framework

Strategic Approach to Drive Sustainable Growth

Sustainability is deeply ingrained in our business strategy, reflecting our belief that growth extends beyond financial metrics. We embrace a holistic approach that emphasises creating long-term shared value for all our stakeholders. This commitment is a fundamental aspect of our Company's culture, driving our actions and decisions as we strive to make a positive impact on society and the environment.

Our Vision

To be a world-class integrated energy company powering India responsibly and sustainably.

Our Mission

- Reducing GHG emissions through diversifying the energy mix.
- Building a safe and secure workplace to achieve the aspiration of zero-harm.
- Improving customer safety, satisfaction and experience.
- Improving employee satisfaction through work-life balance and planned career development initiatives.
- Contribute positively to the communities where we operate.
- Building a culture of sustainability and responsibility while achieving excellence across operations and leveraging technological capabilities.

Our Core Values

- **Integrity**
- **Passion for Excellence**
- **Participative Decision-Making**
- **Concern for Society & Environment**
- **Fairness with Care**
- **Transparency**

Synergising Our Business and Sustainability Goals

To create a robust and comprehensive ESG framework, we thoroughly analysed the following parameters and sought insights from our senior management to identify significant ESG considerations for our business. This framework serves as a blueprint for guiding our sustainable growth and strengthens our resilience to changing climatic, market and regulatory conditions.

Global Trends	Sectoral Issues	Industry Good Practices	Materiality Assessment	Senior Management Insights
By analysing global trends, we gain insights into emerging sustainability patterns that have the potential to influence and impact our Company.	Challenges and considerations that are widely acknowledged as significant for our Company.	Industry good practices offer valuable insights into effective and exemplary practices adopted within the Power and Utilities Sector to address relevant ESG aspects.	A materiality assessment plays a crucial role in guiding our Company's focus by identifying and prioritising issues that are material for the Company.	Senior management insights on business objectives and risks.

Our Strategic Themes (ST)

Based on the analysis, we have designed a roadmap with five strategic themes that have defined focus areas, Key Performance Indicators (KPIs) and targets to ensure that our actions align with our ESG objectives and we can monitor progress.

ST 1 Invest in Company's Growth Engine

- Focus on sustainable growth
- Increase in generation capacity focusing on renewable energy
- Expanding distribution areas; both franchised as well as licensed
- Enhance investment in the transmission segment
- Opportunity for sale of pooled RTC power [Renewable + Thermal]
- Exploring new business models e.g. green hydrogen, EV charging points, etc.

ST 2 Operational Excellence

- Unmatched distribution model
- Rational allocation of capital
- Strong project management skills
- Risk Management
- Business Continuity

ST 3 Empowered Stakeholders

- Customer Safety & Satisfaction
- Sustainable Supply Chain
- Employee engagement, satisfaction & safety
- Local community engagement
- Corporate Governance
- Human Rights

ST 4 Deploy Digital Technologies

- Enterprise Architecture
- Big data analytics
- Adopting emerging technologies
- Increasing digitalisation
- Focus on cyber security measures

ST 5 Responsible Actions

- Emissions Management
- Energy Conservation
- Water Stewardship
- Waste Management
- Responsible Investment

Supported by Robust Governance and Risk Management

Integrated Strategic Framework

Our strategic theme connect our business goals to our targeted sustainability outcomes and consider their impact on various capitals to ensure meaningful impact.

Capital Employed by Us

Financial Capital | **Manufactured Capital** | **Intellectual Capital** | **Human Capital** | **Social and Relationship Capital** | **Natural Capital**

ST 1: Invest in the Company's Growth Engine

As an integrated power utility, our focus is on consistent portfolio expansion in power generation, transmission and distribution, guided by prudent capital allocation and rational bidding practices. We proactively monitor growth drivers and address any interim issues to ensure sustainable growth and enhanced shareholder returns. Leveraging technology, we drive progress towards our strategic objectives and adapt with effective change management skills as required, keeping in mind the evolving landscape of our industry and the needs of our stakeholders.

KPIs

- Increase in Generation capacity
- Increase in Distribution operation areas
- Increase in Number of consumers served
- Increase in power distributed units

Capitals

ST 2: Operational Excellence

Operational excellence is not only a strategic theme for us, rather it reflects our core value of "Passion for Excellence." It permeates every decision and action we take, as we strive to surpass previous achievements and establish new benchmarks that maximise stakeholder value. Despite facing strategic and operational challenges inherent in our dynamic industry, we remain steadfast in our commitment to develop world-class generation assets and unparalleled distribution models. Our focus on customer satisfaction drives us to ensure uninterrupted 24 x 7 power supply in the regions we serve.

KPIs

- Reduction in distribution losses
- Power reliability > 99%
- 24x7 power availability
- Increase in collection efficiency
- Return on net worth
- Return on capital employed
- Increase in market capitalisation
- Capital expenditure for our operation

Capitals

ST 3: Empower Stakeholders

Synergising our efforts to drive profitable growth and positively impact our employees, customers, business partners, communities, and other stakeholders is key to our long-term success. Our employees are our most valuable asset, and their satisfaction directly contributes to our overall growth. We stay committed to respecting diversity and equality throughout our operations and ensure human rights are adhered to in every aspect of our business. Collaborating with our business partners, we aim to extend the reach and impact of our actions to foster responsible business practices and holistic growth and wellbeing. Our customers are the lifeblood of our business, and we are continuously adopting new technologies and streamlining processes to prioritise their safety and provide them with reliable power. Our culture is deeply rooted in taking forward our Founder's philosophy of giving back to society, and we strive to nurture thriving communities by improving their quality of life and livelihoods.

KPIs

- Better Gender Diversity
- Higher employee retention rate
- Higher employee satisfaction levels
- Lower Lost time Injury Frequency rate (LTIFR)
- Higher customer satisfaction rate
- Better community engagement
- Higher expenditure towards communities
- More number of lives benefitted
- Better supplier assessment on ESG parameters
- Better Board learning and development on ESG
- More training of employees on human rights
- More training of security personnel on human rights

Capitals

ST 4: Deploy Digital Technologies

The key to enhancing our performance lies in our strategy to accelerate digitisation of our operations. We have embraced new technologies along with strengthening our cybersecurity protocols among other measures, to integrate advanced solutions, to tap new opportunities and strengthen our resilience to changing realities. Our approach to the adoption of technology and automation is led by our focus on enhancing customer experience and safety. We collaborate with our various stakeholders to drive adoption and enhance the effectiveness of technology deployments.

KPIs

- Enhanced IT infrastructure & security
- ISO 27001 certification
- Periodic Vulnerability Assessment and Penetration Testing
- Security Incident and Event Management
- High system availability
- Increased automation and digitalisation
- Better cyber-security
- Better data security

Capitals

ST 5: Responsible Actions

We are committed to promoting resource efficiency and pursuing opportunities for abatement led by our strategy to encourage responsible business action. As part of this commitment, we consistently explore and implement measures to minimise our energy consumption and emissions. Through efficient water and waste management, recycling and reuse, air pollution reduction, and other environmentally conscious practices, we actively strive to lower our environmental footprint and achieve our sustainability objectives.

KPIs

- Decrease in our GHG emission intensity
- Efficient water consumption
- Increased rainwater harvesting
- Zero waste diverted to landfills
- Increase in waste recycled and reused
- More carbon offsetting strategies
- Incorporating climate-related financial reporting practices
- Using internal Carbon Pricing and internal Water Pricing for assessment of new projects

Capitals

Value Creation Model

INPUTS

Financial Capital

₹12,417 Crore Net worth

₹9,380 Crore Net debt

Manufactured Capital

4,160 MW operational generational capacity

2,035 sq km of distribution operation areas [Licensed and Franchised]

482 km of transmission lines

₹2,938 Crore Capital expenditure incurred in FY23

Intellectual Capital

Various initiatives undertaken for **cyber risk management**

NABL accredited testing laboratories at our distribution units

Online plant performance monitoring

Adopting **automatic meter reading** infrastructure

Human Capital

8,113 Total permanent workforce

Employee Engagement Survey conducted

921 Total Trainings conducted

₹578 Crore employee benefit spend

Social and Relationship Capital

₹54 Crore incurred on community development

1,200+ villages covered

Creation of new **'Plug Points'** for better customer service

Various initiatives taken for **customer safety**

Natural Capital

₹869 Crore Capital expenditure for renewable energy

2,27,474 MT of gas used

14,62,800 MT of coal used

11,035 Mn litres of water used

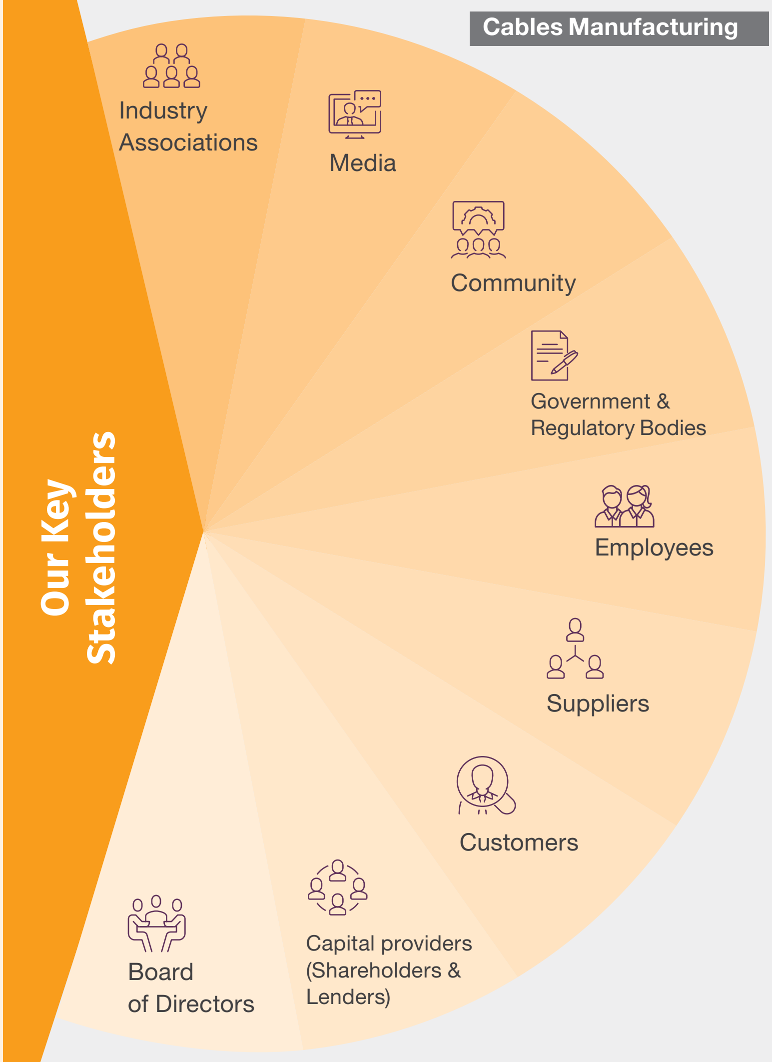
VALUE CREATION APPROACH

Vision

To be a world-class integrated energy company powering India responsibly and sustainably

Business Activities

- Power Generation
- Power Distribution
- Power Transmission
- Cables Manufacturing



Core Values

Integrity

Passion for Excellence

Participative Decision-Making

Mission

- Reducing GHG emissions through diversifying the energy mix
- Building safe and secure workplace to achieve the aspiration of zero-harm
- Improving customer safety, satisfaction and experience
- Improving employee satisfaction through work-life balance and planned career development initiatives
- Contribute positively to the communities where we operate
- Building a culture of sustainability and responsibility while achieving excellence across operations and leveraging technological capabilities

Our Strategic Themes

- Invest in the Company's Growth Engine
- Operational Excellence
- Empowered Stakeholders
- Deploy Digital Technologies
- Responsible Actions

- Concern for Society & Environment
- Fairness With Care
- Transparency

OUTPUT & OUTCOMES

Financial Capital

₹25,694 Crore Revenue from operations

₹5,141 Crore EBITDA

₹24,487 Crore Market capitalisation

₹2,171 Crore Total comprehensive income

19.07% Return on net worth

Long-term Credit rating by CRISIL and India Ratings are **CRISIL AA+ / Stable and IND AA+/ Stable** respectively

Manufactured Capital

28 Bn units of power distributed

2.62% distribution losses at licensed distribution areas

~100% collection efficiency at all distribution areas

24x7 Power availability

4,089 MUs power generated from thermal power plants

2,129 MUs power generated from renewable power plants

Intellectual Capital

Enhanced **Data Security**

Customer friendly technologies

>74% of our payments are received through digital channels

Human Capital

8.5% women representation in the total permanent workforce

~14% women recruited as part of new talent acquisition

17.8 hours of average training per permanent employee

Social and Relationship Capital

95% customer satisfaction score

44,600+ lives impacted through CSR initiatives during FY23

4 Mn Customers served

100% resolution of complaints within prescribed time

1,16,000+ children benefited through our medical services to date

Natural Capital

>92% of clean generation capacity [Gas + Renewable]

0.21 tCO_2eq/GJ Emission Intensity

26,066 GJ reduction in energy consumption

100% of thermal power plants are zero liquid discharged

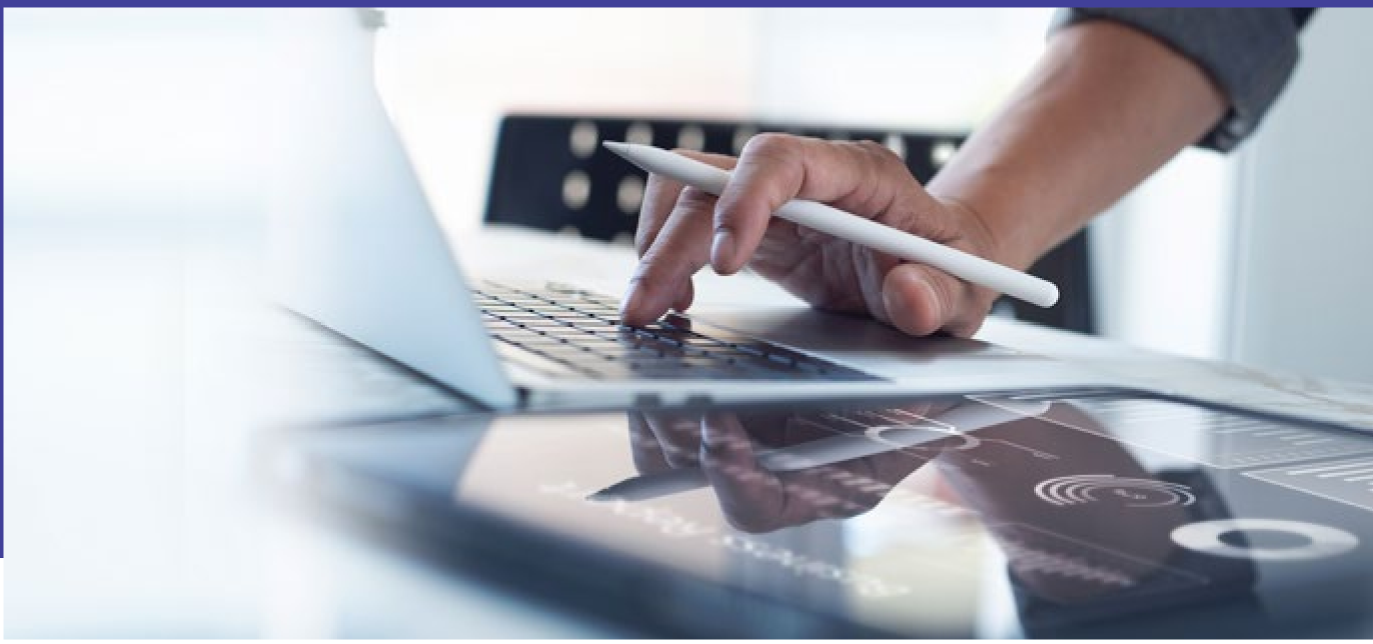
100% fly ash utilisation from coal based plants

Financial Capital

Scaling New Heights with Financial Prudence

Torrent Power recognises that financial health is a critical factor in ensuring the long-term sustainability of any organisation. We make financially prudent, risk-informed decisions and seek to maximise the use of resources to generate value for our shareholders and other stakeholders.

We implement sound financial management practices, invest in our infrastructure and technology and cultivate a culture of innovation and continuous improvement. By maintaining a strong financial position, we are better positioned to weather economic uncertainties and respond to emerging opportunities, which ultimately allows us to continue providing reliable and affordable power to our customers. Our financial stability, demonstrated by a prudent debt profile and strong credit ratings, provides a solid footing for long-term growth.



Key Linkages

UN SDGs

- 7 Affordable and Clean Energy
- 8 Decent Work and Economic Growth
- 9 Industry, Innovation and Infrastructure
- 13 Climate Action

Strategic Themes

- ST1 Invest in the Company's Growth Engine
- ST2 Operational Excellence
- ST4 Deploy Digital Technologies
- ST5 Responsible Actions

Material Topics

- MT5 Responsible Investment
- MT9 Risk Management

Stakeholders Impacted

- Capital providers
- Employees
- Customers
- Suppliers
- Government and Regulators

Highlights FY23

₹24,487 Crore
Market capitalisation

₹33,868 Crore
Enterprise value

₹25,694 Crore
Revenue from operations

₹2,171 Crore
Total comprehensive income

₹5,141 Crore
EBITDA

₹2,124 Crore
TCI excluding minority interest

19.07%
Return on net worth

18.22%
Return on capital employed

1.97
Net debt to EBITDA

0.92
Debt to equity

1.90x
Debt service coverage ratio

5.67x
Interest service coverage ratio

₹2,938 Crore
Capital expenditure

Long-term:
CRISIL AA+/Stable
IND AA+/Stable

Short-term:
CRISIL A1+
IND A1+

Financial Capital

Our unwavering commitment to create value for stakeholders remains our top priority. We continuously strive to enhance our business and financial performance to generate exponential growth for the benefit our shareholders, which is reflected in our higher return on net worth of 19.07% as compared to 13.20% in the previous reporting year. Our focus remains on maintaining a prudent financial management system and efficient capital allocation. Despite facing numerous challenges across the industry with respect to liquidity, higher fuel prices, etc. our profitability grew due to our excellent operational performance and strengthened the balance sheet position. We are committed to maintaining optimum capital structure while actively pursuing growth opportunities. Our net debt to EBITDA has improved to 1.97 as compared to 2.30 last year, despite an increase in debt level on account of higher capital expenditure to drive business growth and expansion. Our strong cashflows continued to support the balance sheet. Our efficient capital management strategies have helped us achieve an optimum balance between growth and returns for our stakeholders.

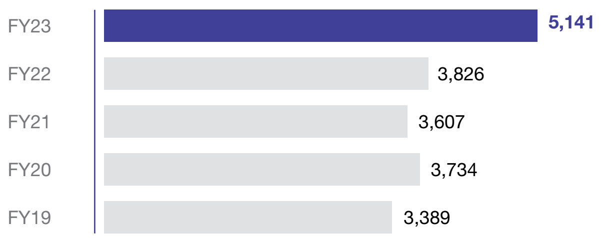
Business Growth and Profitability

Over the past five years, our revenue from operations has exhibited a Compounded Annual Growth Rate (CAGR) of ~17%. In FY23, the high growth was mainly driven by recent acquisitions (Licensed distribution area and Renewables assets), positive impact from the operational parameters of the existing distribution business and the sale of RLNG due to favourable market conditions.

Our ability to maintain steady EBITDA growth demonstrates our resilience and effectiveness in optimising operational efficiency while maximising profitability.

EBITDA

(₹ in Crore)

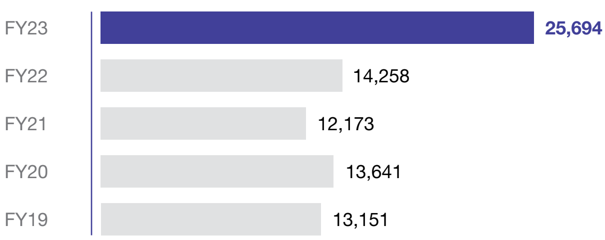


34.37% ▲ Y-o-Y

8.74% ▲ 5-year CAGR

Revenue from Operations

(₹ in Crore)

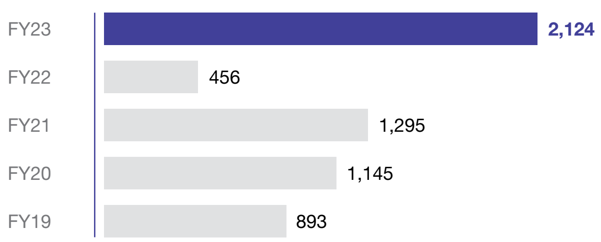


80.21% ▲ Y-o-Y

17.42% ▲ 5-year CAGR

Total Comprehensive Income*

(₹ in Crore)



365.79% ▲ Y-o-Y

17.31% ▲ 5-year CAGR

*without minority interest

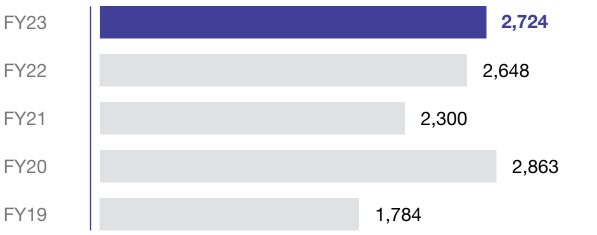
Capital Efficiency

Over the past five years, we have witnessed a positive trend in net cash generated from operating activities despite having challenges related to the under-recovery of power purchase costs in the licensed distribution business. This demonstrates our strong capital efficiency, i.e. effective conversion of operational performance into cash flows, which is vital for funding our growth initiatives and meeting our financial obligations.

With a commitment to long-term growth, we have consistently prioritised allocating substantial financial resources towards capital expenditure to improve our network infrastructure and expand our renewable energy businesses. These strategic investments are designed to enhance operational capabilities, support expansion plans and ensure a robust and sustainable future for our Company.

Net Cash Generated from Operating Activities

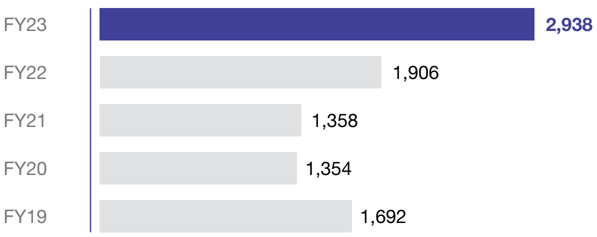
(₹ in Crore)



2.87% ▲
Y-o-Y

Capital Expenditure

(₹ in Crore)



54.14% ▲
Y-o-Y

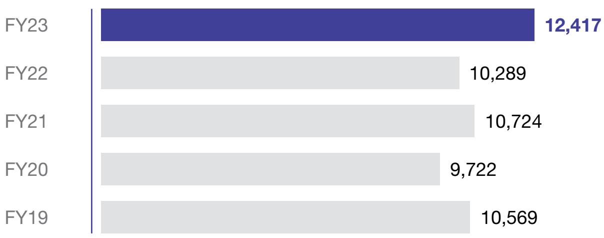
Financial Capital

Financial Stability and Market Value

Consistent growth in market capitalisation reflects rising investor confidence in our Company and its prospects. Further, the growth in net worth signifies the appreciation of our underlying assets and ability to generate value for our stakeholders. We remain committed to delivering long-term sustainability, enhancing shareholder value and positioning ourselves as a leading player in the market.

On the other hand, through diligent management of our debt obligations, we were able to maintain a healthy debt profile. This achievement underscores our commitment to financial stability and risk mitigation. Our prudent approach to debt management ensures that we can effectively manage our financial obligations and maintain a strong foundation for sustained growth.

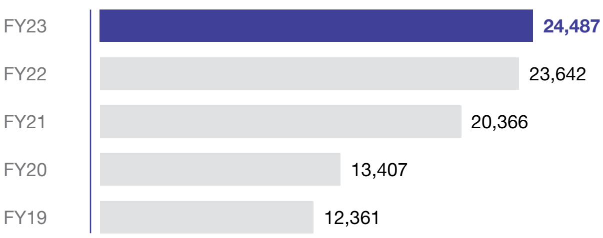
Net Worth (₹ in Crore)



20.68% ▲
Y-o-Y

6.10% ▲
5-year CAGR

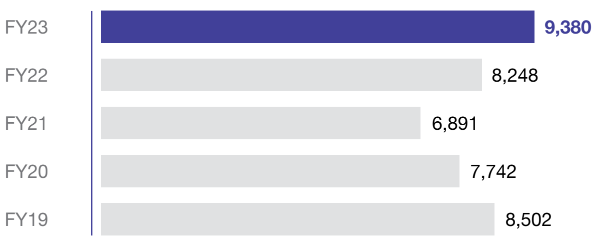
Market Capitalisation (₹ in Crore)



3.57% ▲
Y-o-Y

17.33% ▲
5-year CAGR

Net Debt (₹ in Crore)



13.72% ▲
Y-o-Y

2.75% ▲
5-year CAGR

Credit Ratings

We are proud to have maintained strong credit ratings from leading rating agencies, reflecting our financial strength and creditworthiness. Our consistent ratings signify our ability to meet our financial obligations and inspire confidence among our investors and stakeholders. This financial stability further enhances our attractiveness as an investment opportunity.

The long term rating and short term ratings are as under:

Long term rating : CRISIL AA+ / Stable and IND AA+/Stable

Short term rating : CRISIL A1+ and IND A1+

Our Direct Economic Value Creation

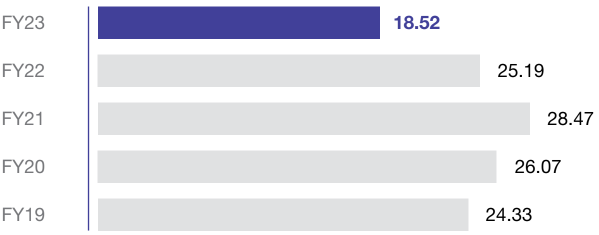
(₹ in Crore)

Particulars	FY23	FY22
Direct Economic Value Generated	**26,077**	**14,493**
Revenues Generated	26,077	14,493
Direct Economic Value Distributed	**24,770**	**13,703**
Operating Cost	21,585	11,410*
Employee Wages and Benefits	578	534
Payment to Providers of Capital	1,880	1,330
Payment to Government	673	372
Community Investment	54	57
Direct Economic Value Retained	**1,307**	**789**

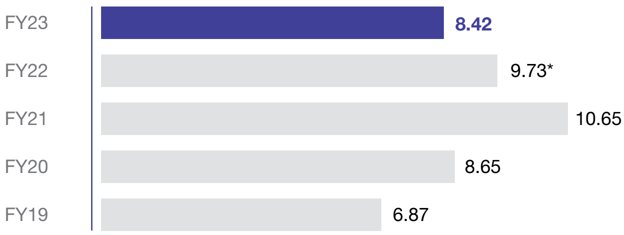
*excluding exceptional items

Key Financial Ratios

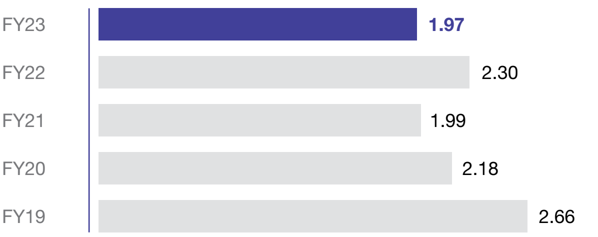
EBITDA Margin
(%)



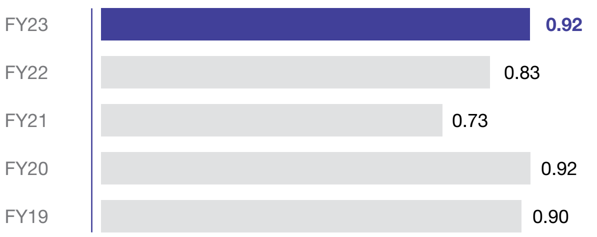
Net Profit Margin
(%)



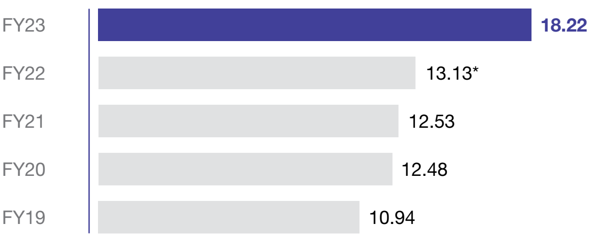
Net Debt to EBITDA



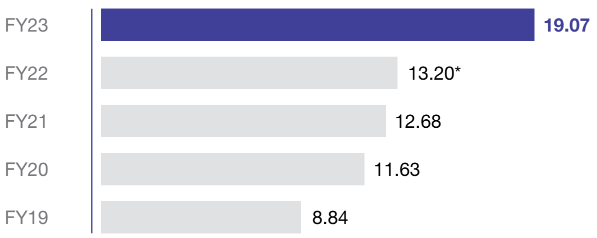
Long-term Debt to Equity



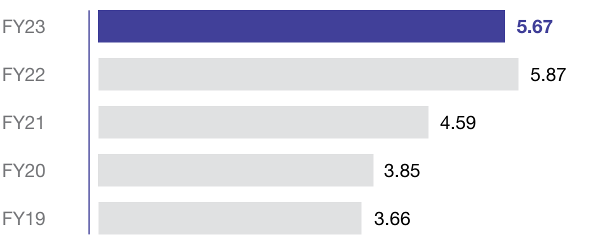
Return on Capital Employed
(%)



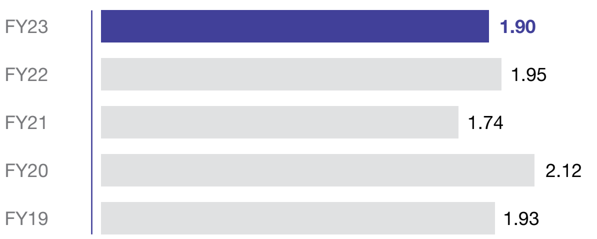
Return on Net Worth
(%)



Interest Service Coverage Ratio
(X)



Debt Service Coverage Ratio
(X)



*excluding exceptional items

Manufactured Capital

Powering India's Sustainable Tomorrows

As India's leading integrated power utility, Torrent Power delivers uninterrupted power to over 4 million customers across India, leveraging our robust foundation of manufactured capital in generation, transmission and distribution. Our ongoing investments in state-of-the-art facilities, agile distribution and transmission strategies, advanced technology solutions & efficient processes and broadening our capabilities for green energy enable us to stay resilient in a dynamic operating environment and increase our competitiveness in the industry.

Aerial view of SUGEN, UNOSUGEN & GENSU

Key Linkages

UN SDGs

Strategic Themes

- ST1 Invest in the company's growth engine
- ST2 Operational Excellence
- ST4 Deploy Digital Technologies
- ST5 Responsible Actions

Material Topics

- MT1 Emissions Management
- MT2 Energy Source Diversification
- MT3 Energy Conservation
- MT5 Responsible Investment
- MT9 Risk Management
- MT14 Employee Health and Safety

Stakeholders Impacted

- Customers
- Suppliers
- Capital providers
- Employees

Highlights FY23

4,160 MW
Operational Generation Capacity

736 MW
Renewable Generation Capacity in the pipeline

2.62%
Distribution losses at licensed distribution areas

2.72%
Reduction in distribution losses at franchised distribution areas

28 Bn
Units of power distributed

4 Mn
Total no. of consumers

24x7
Power Availability

~100%
Collection efficiency at all distribution areas

49.6 MW Lalpur Wind Power Plant at Gujarat

Manufactured Capital

Business Overview

Generation

We have an operational generation capacity of 4,160 MW comprising thermal (coal and gas-based) power plants and renewable power plants.

Upcoming renewable generation capacity of 736 MW comprise of 321 MW Solar and 415 MW Wind.

1,530 MW SUGEN & UNOSUGEN Plant at Surat

Transmission

We operate 249 km and 105 km of 400 kV double circuit transmission lines and 128 km of 220 kV double circuit transmission lines for transmission of power.

During the year, we received a mandate from Central Electricity Authority (CEA) for implementation of transmission scheme that includes laying of 60 km long 400 kV D/C line and bay upgradation. The project is for evacuation of 4.5 GW RE power under Regulated Tariff Mechanism (RTM) model.

Transmission Tower at Surat

Distribution

We distribute power to about 4 million customers in Ahmedabad, Gandhinagar, Surat, Dahej SEZ and Dholera SIR in Gujarat; Bhiwandi, Shil, Mumbra and Kalwa in Maharashtra; Agra in Uttar Pradesh and in the union territory of Dadra & Nagar Haveli and Daman & Diu.

In FY23, the Company was granted parallel license to distribute power in ~102 sq km of area in the region of Mandal Becharaji Special Investment Region (MBSIR). Currently, the matter is sub-judice.

220 kV Substation at Gandhinagar

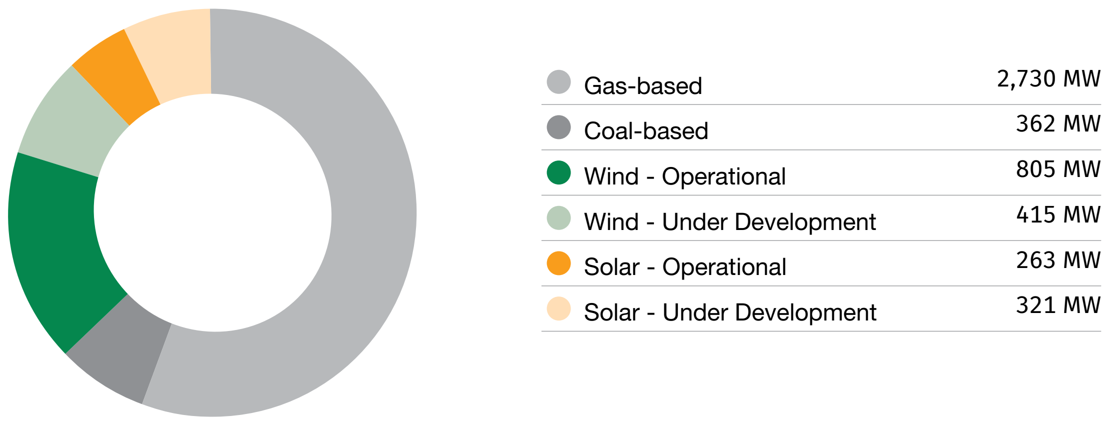
Generation Business

Our diverse generation portfolio includes a mix of conventional and renewable energy sources, to meet the growing energy demands of the nation. We ensure efficient and uninterrupted electricity generation with state-of-the-art infrastructure and latest technologies. With a total capacity of 4,896 MW (including capacity in pipeline), we have harnessed the potential of both thermal and renewable energy sources. In an era where sustainability and reliability are paramount, Torrent Power serves as a catalyst in India's energy sector by having >92% of its generation capacity based on cleaner fuels and renewables.

Fuel Source	Plant	Location	Capacity (MW)	Year of Commercial Operation
Coal-based	AMGEN	Ahmedabad, Gujarat	362	FY88
Gas-based	SUGEN	Near Surat, Gujarat	1,147.5	FY10
	UNOSUGEN	Near Surat, Gujarat	382.5	FY14
	DGEN	Near Bharuch, Gujarat	1,200	FY15
Renewables	Wind	Jamnagar, Gujarat	49.6	FY12
		Kutch, Gujarat	201.6	FY17
		Rajkot, Gujarat	50.9	FY19
		Bhavnagar, Gujarat	50.4	FY19
		Gulbarga & Raichur, Karnataka	120	FY18
		Osmanabad, Maharashtra	126	FY20
		Surendranagar, Gujarat - 26 MW	156	FY15
		Amreli & Rajkot, Gujarat - 70 MW		FY18
		Jaisalmer, Rajasthan - 24 MW		FY13
		Mandsaur, Madhya Pradesh - 36 MW		FY16
		Kutch, Gujarat	50	FY20
	Solar	Patan, Gujarat	51	FY15
		Near Surat, Gujarat	87	FY16
		Surendranagar, Gujarat	25	FY12
		Solapur, Maharashtra	50	FY18
		Kamareddy, Telangana	50*	FY18

*Acquired during FY23. We are also expanding our renewable portfolio by 736 MW which consists of 415 MW of wind and 321 MW of solar.

Generation Capacity Mix as on March 31, 2023



Manufactured Capital

Thermal Generation

Our thermal generation portfolio boasts an impressive capacity of 3,092 MW, ensuring a stable and consistent supply of electricity. ~12% of this capacity is coal-based (i.e. 362 MW) and the remaining 88% capacity is gas-based, a cleaner fuel (i.e. 2,730 MW). Through state-of-the-art facilities and environmentally conscious practices, we continue to set new benchmarks in the industry.

362 MW Coal-based Generation

The AMGEN Power Plant in Ahmedabad, Gujarat, is a testament to our commitment to responsible energy generation. With a capacity of 362 MW, this embedded unit serves the licensed distribution area of Ahmedabad. The plant operates with a fuel mix of 70 % of domestic coal and 30% of imported coal. Despite being a 34-year old plant, it continues to operate at optimal parameters.

362 MW AMGEN Power Plant at Ahmedabad

Performance of AMGEN

With a remarkable 88% Plant Load Factor (PLF) in FY23, the AMGEN power plant showcased resilient performance despite the challenges posed by acute coal shortages across India. Strategic allocation of domestic coal, as per the Fuel Supply Agreement (FSA), enabled us to maintain control over variable costs, ensuring uninterrupted operations and meeting the increased off-take by long-term beneficiaries.

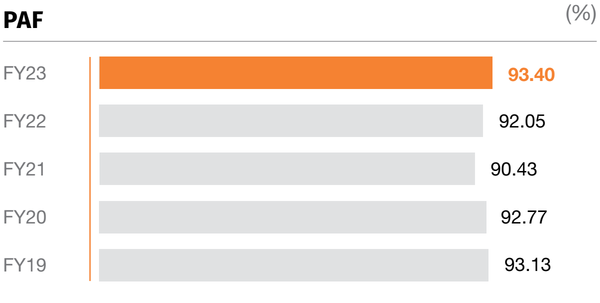
Enhancing availability rate and plant load factor with sustained operational efficiency at AMGEN plant

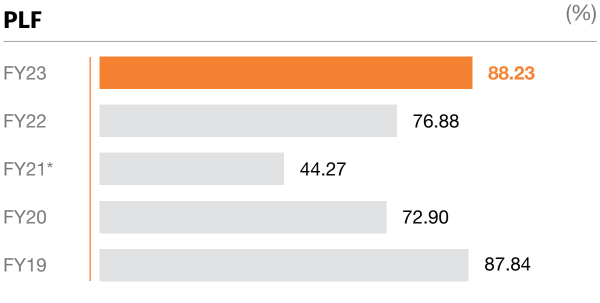
Measures taken for improving Plant Availability Factor (PAF) and Plant Load Factor (PLF) include:

- Implementation of preventive maintenance measures for critical auxiliaries, ensuring their optimal functioning and minimising downtime.
- Condition-based maintenance using advanced techniques such as vibration monitoring and thermography help identify potential issues before they result in failures, thereby maximising availability.
- Optimised coal blending strategies to achieve boiler design parameters.
- Conducted Oxygen (O_2) profile surveys to identify and address air ingress issues.
- Optimised combustion air supply based on oxygen percentage and monitored Carbon Monoxide (CO) levels.
- Optimised ESP power consumption through recti-former tuning.
- Streamlined unit startup processes to minimise wastage.
- Identified and rectified compressed air leakages.
- Managed unit loading based on turbine heat rate merit order.
- Conducted thermography surveys to identify faulty steam traps and steam/turbine leakages.

These initiatives have been instrumental in optimising performance and resource utilisation.

AMGEN





*FY21 PLF was impacted due to COVID.

2,730 MW Gas-based Generation

We operate three gas-based power plants, namely SUGEN Mega Power Plant, UNOSUGEN Power Plant and DGEN Mega Power Plant. Leveraging the best available technology of Combined Cycle Power Plant based on Advanced F-class gas turbines, our gas-based projects have high performance efficiency and low environmental impact in terms of emissions along with higher flexibility of operations to meet peak load.

Overview of Our Gas-based Power Generation Portfolio

Particulars	SUGEN	UNOSUGEN	DGEN
Capacity (MW)	1,147.5 (3 x 382.5)	382.5 (1 x 382.5)	1,200 (3 x 400)
Plant Type	Gas-based CCPP	Gas-based CCPP	Gas-based CCPP
Location	Near Surat, Gujarat	Near Surat, Gujarat	Near Bharuch, Gujarat
COD	August'09	April'13	November'14
Fuel	Domestic Gas & Imported LNG	Domestic Gas & Imported LNG	Imported LNG
PPA	835 MW for distribution areas of Ahmedabad / Gandhinagar & Surat and 50 MW with MPPTC	278 MW for distribution areas of Ahmedabad / Gandhinagar & Surat	No tie-up
Others	Contracted Storage-cum-Regasification capacity of 1 MTPA with Petronet LNG, Dahej Terminal for 20 years from April'17		

Enhancing the Overall Efficiency of our Gas-based Generation Plants

We implemented various process optimisation actions during FY23 to enhance the overall efficiency of our gas-based generation plants. These measures include:

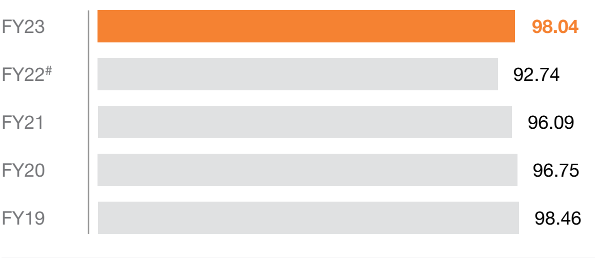
- Evaluating and optimising the unit cold start-up process, resulting in a potential reduction of start time by 30 minutes and additional power generation of approximately 30,000 kWh. This improvement has positively impacted the start-up heat rate.
- Redefining the operational procedure for the common circulating water system, incorporating technological changes that allow optimising circulating water pump operation when only one unit of SUGEN is in operation. This has resulted in savings of ~7 million units of auxiliary power and a reduction of water loss by ~87 million litres.
- Implementing a system for reutilisation of water by diverting it as make-up to the cooling tower, contributing to potential water savings of about 50 million litres per annum per unit during operation.
- Implementing operational procedure changes to utilise UNOSUGEN's raw water pump with variable frequency drive (VFD) control for SUGEN's raw water supply, leading to savings of around 0.8 million units during FY23.
- Implementing operational flexibility by frequently starting and stopping the units based on customer demands, optimising the overall operating load factor and achieving the best efficiency compared to low load operations.

Manufactured Capital

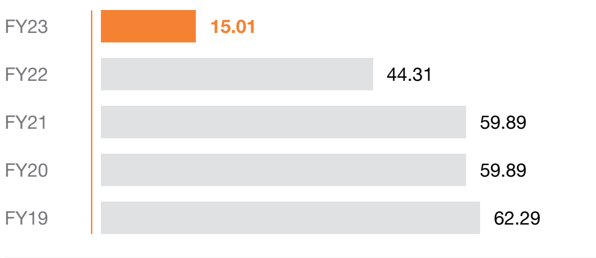
Performance of Our Gas-based Generation Plants

SUGEN

PAF (%)

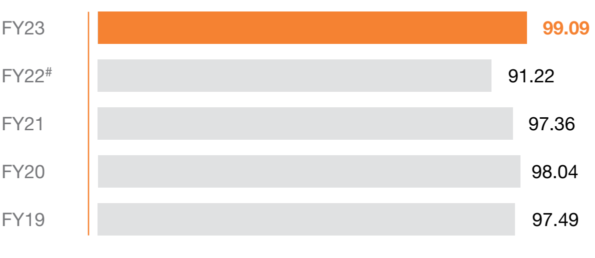


PLF (%)

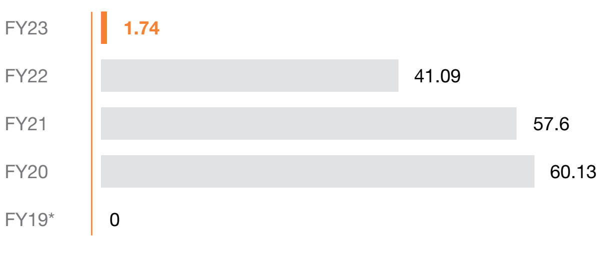


UNOSUGEN

PAF (%)



PLF (%)

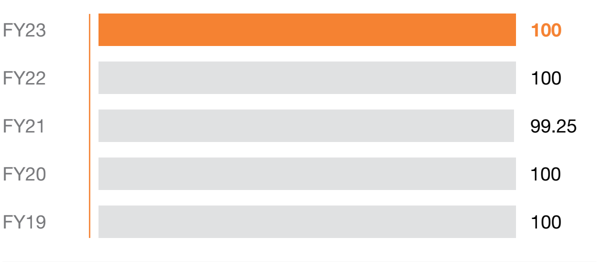


#PAF in FY22 at SUGEN & UNOSUGEN was lower due to major overhauls.

*Long term power purchase agreement for 278 MW of UNOSUGEN was operationalised w.e.f. July 1, 2019.

DGEN

PAF (%)



PAF ~100%

Demonstrating high standards of operation and maintenance (excluding planned outage)

This year the demand from long-term customers reduced due to high gas prices. This resulted in low PLF of our gas-based generating stations despite maintaining high availability. The resultant surplus LNG was sold in the open market.

The DGEN gas-based power plant that operated intermittently over past years balancing the high gas prices and demand, did not operate in FY23.

Renewable Generation

At Torrent Power, we recognise the significance of renewable energy in combating climate change. We have made significant progress in our renewable generation business. Our commitment to grow sustainably sets the stage for future growth and development.

With an impressive capacity of 1,804 MW in the renewable portfolio (including capacity in pipeline), we are actively contributing to a greener future. Currently, all operational renewable projects are secured by long-term Power Purchase Agreements (PPAs) of 25 years with Central and State utilities. Furthermore, 46% of such operational capacities enjoy the advantages of preferential feed-in-tariff based PPAs with our company-operated distribution utilities.

We are strengthening our in-house operation and maintenance capabilities, reducing our reliance on service providers and enhancing our performance and asset life. By leveraging predictive analytics and preventive maintenance systems, we aim to proactively detect and prevent failures, minimising disruptions and optimising asset performance. The implementation of a centralised remote monitoring system is a crucial step in this regard.

87 MW GENSU Solar Plant at Surat

Overview of Our Renewable Operating Portfolio

Particulars	Solar	Wind
Capacity (MW)	263	804.50
Location	Gujarat, Maharashtra & Telangana	Gujarat, Maharashtra, Karnataka, Rajasthan & Madhya Pradesh
COD	FY12 to FY17	FY12 to FY19
Avg Tariff (₹/kWh)	7.46	3.96
PPA	• 138 MW with own Licensed Distribution (FIT) • 25 MW with GUVNL (FIT) • 50 MW with SECI • 50 MW with Telangana State DISCOM (FIT)	• 352.50 MW with our Company's Licensed Distribution business (FIT) • 120 MW with GESCOM, Karnataka (FIT) • 96 MW with GUVNL Gujarat, 36 MW with Madhya Pradesh and 24 MW with Rajasthan State discoms (FIT) • 126 MW with MSEDCL (Bid) • 50 MW with PTC (through SECI)

Manufactured Capital

Highlights of Renewable Projects in the Pipeline

Type	Capacity (MW)	Tariff (₹/kWh)	Long term PPA with	Project under expansion by way of	SCOD	Location of the project
Wind	115	2.76	SECI	Bidding	October'22*	Jam Khambhalia, Gujarat
Solar	300	2.22	Company's licensed distribution business	Bidding	March'24	Surendranagar and Patan, Gujarat
Wind	300	2.94	SECI	Bidding	March'25	Karnataka

*Extension request submitted to SECI/MNRE. 27 MW of capacity has been commissioned in May'23; remaining to be commissioned progressively.

Additionally, ~21 MW of solar power projects have been tied-up with various Commercial & Industrial (C&I) consumers across India, with expected commercial operation by FY24. PPA tenure for these projects ranges between 15 years to 25 years.

Enhancing Overall Efficiency at our Renewable Units

To reduce energy losses and enhance efficiency, the following measures were implemented at our Renewable Units:

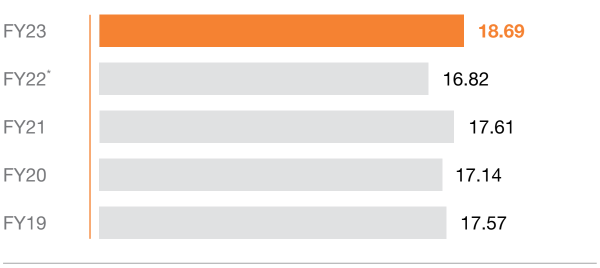
- Drones were used for thermographic inspections, identifying hotspots & diode issues in modules and inspecting wind turbine blades for defects or dirt deposition.
- IV curve/VOC test analysis is conducted proactively to identify underperforming modules for replacement or repair.
- Upgraded wind turbine software to align with power curves for improving generation efficiency.
- Installation of power boosters in selected wind turbines to enhance generation performance.
- Periodic analysis of string current in solar plants to identify faults at an early stage.
- Identified power curve deviations in wind turbines through Supervisory Control and Data Acquisition (SCADA) data analysis and took proactive actions to rectify them.

Our recently acquired 50 MW Solar Power Plant at Kamareddy, Telangana

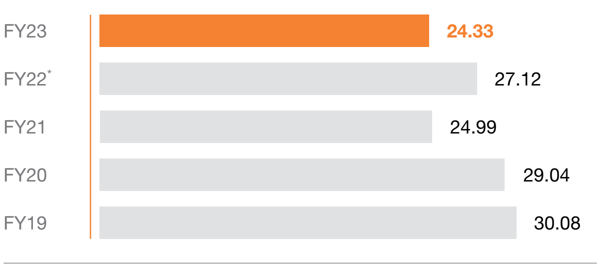
Performance of Our Renewable Power Plants

PLF (%)

Solar



Wind



*New renewable acquisitions of 156 MW of wind power plant and 75 MW of solar power plants have not been considered in FY22 PLF calculation as the plants were acquired towards the end of the financial year.

Wind PLF reduced during the year due to fall in wind speed and non-operation of 50 MW of wind power plant on account of external factors like EHV tower failure, ROW issues etc. Solar PLF grew due to higher irradiation.

Way Forward

We expect our renewable power assets to operate efficiently in the coming years, subject to favourable climatic conditions. With our experience of executing and operating renewable projects, we intend to have a presence across the renewable energy chain by participating in utility scale Solar, Wind, Hybrid and Pump Storage Hydro projects and supplying renewable power to C&I customers. Being a responsible Company, we are conscious of the impact of our activities on the environment and are actively pursuing organic and inorganic opportunities in the renewable energy sector to reduce our carbon footprint. We are also creating a pipeline of ~5GW through land identification and connectivity applications to develop renewable energy projects.

Manufactured Capital

Distribution Business

Our Company is at the forefront of electricity distribution to meet the growing energy needs due to of rapid urbanisation. With a diverse portfolio covering three states and one union territory, we are a leading player committed to providing reliable 24x7 power supply, reducing distribution losses and improving customer service. We look forward to expanding our footprint and embracing new opportunities

Licensed Distribution

Our licensed distribution business in the state of Gujarat operates under the regulatory framework of the Gujarat Electricity Regulatory Commission (GERC), while our licensed distribution business in the union territory of Dadra & Nagar Haveli and Daman & Diu (DNH & DD) is regulated by Joint Electricity Regulatory Commission (JERC). These being regulated businesses ensure fair returns and sustainable growth. Our distribution losses at licensed distribution areas are one of the lowest globally and well below the normative levels, reflective of the highest standards of operations.

During FY23, we secured a parallel distribution license for distribution and supply of electricity in the area of Mandal Becharaji Special Investment Region (MBSIR) spread over ~ 102 sq km for 25 years. However, GUVNL (Gujarat Urja Vikas Nigam Limited) and UGVCL (Uttar Gujarat Vij Company Limited) have filed appeals against GERC's order granting license to our Company and the matter is sub-judice.

Our new licensed distribution area of Dadra & Nagar Haveli

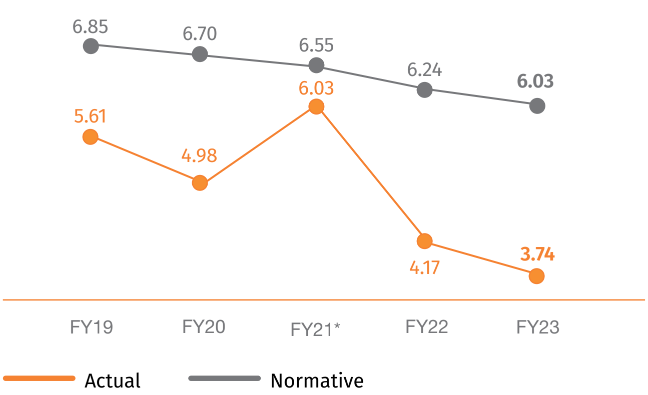
Ahmedabad and Gandhinagar

In the bustling cities of Ahmedabad and Gandhinagar, Torrent Power ensures uninterrupted electricity supply to over 20.71 lakh consumers. In FY23, we grew sales by 7.68%, led by the resurgence of economic activities post-COVID. Notably, distribution losses have been significantly reduced through measures like network improvements, slum electrification and targeted actions against theft, and are below the normative levels.

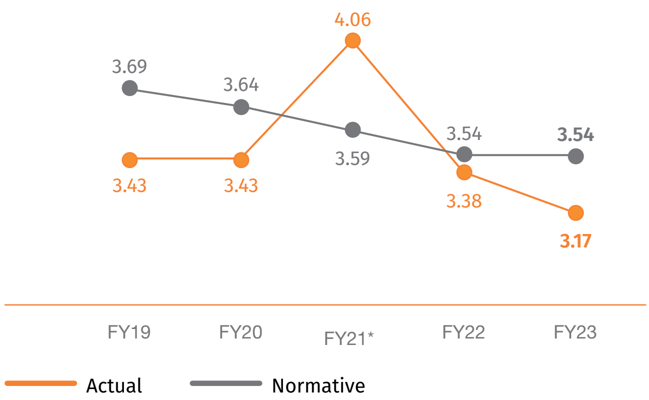
Surat

As a licensed operator in Surat, Torrent Power plays a pivotal role in fuelling industrial activity in the region. In FY23, we witnessed a remarkable growth of 10.64% in sales, driven by increased demand from the industrial and commercial sectors. By curbing distribution losses to as low as 3.17%, Torrent Power ensures efficient power delivery and promotes economic development in Surat.

Distribution Loss at Ahmedabad and Gandhinagar (%)



Distribution Loss at Surat (%)

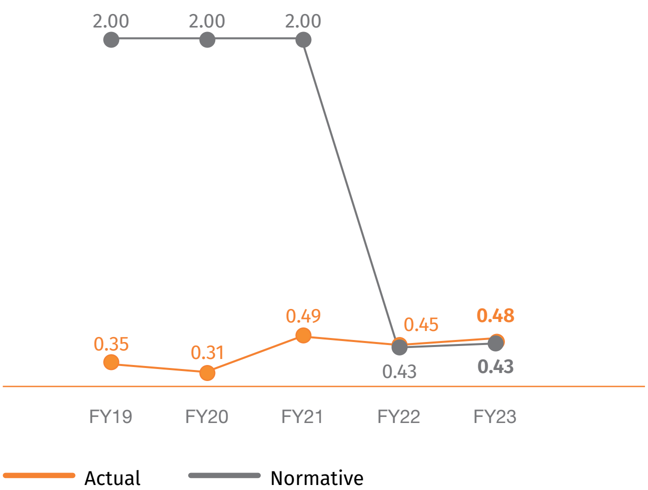


*FY21 was affected by COVID

Dahej Special Economic Zone (SEZ)

Torrent Power caters to the electricity needs of export-oriented manufacturing units in the Dahej SEZ. With a peak demand of 106 MW, Dahej witnessed steady growth of 7.89% in sales during the reporting year. The distribution loss of 0.48% testifies to our focus on operational excellence.

Distribution Loss at Dahej (%)



Dadra & Nagar Haveli and Daman & Diu (DNH & DD)

The licensed distribution business at DNH & DD is the latest addition to our portfolio. We serve as a reliable energy partner for 1.57 lakh customers in this area. In FY23, we achieved sales of almost 10 BUs. The distribution loss of 1.59% is significantly lower than the normative level of 3.35%, and showcases the effectiveness of managing our distribution network.

1.59%

Distribution loss at DNH & DD in the first year of operation

Manufactured Capital

Enhancing Network Safety and Reliability at DNH & DD Distribution Area

In our first year of operation in the DNH & DD distribution area, we identified and undertook various measures to establish a secure and reliable electrical distribution network. Our objective was to ensure the utmost safety for our employees and the public while enhancing the overall performance of the network.

Initiatives Undertaken

To achieve our objectives, we implemented a comprehensive set of network improvement and safety enhancement initiatives:

- Installation of spacers in Low Tension (LT) lines to optimise conductor spacing and reduce the risk of electrical faults.
- Implementation of guarding wire to provide an additional layer of protection and prevent accidental contact with live conductors.
- Removal of idle High Tension (HT) lines to streamline the network and eliminate potential hazards.
- Replacement of overhead conductors with multiple joints to enhance reliability and minimise the chances of faulty connections.
- Provision of effective earthing to divert electrical faults and ensure a safe electrical pathway.
- Re-sagging of HV/LV lines to maintain optimal tension and ensure the integrity of the network.
- Fencing of distribution transformers to secure them and prevent unauthorised access.
- Service revamping to upgrade and improve service connections for enhanced safety and efficiency.
- Replacement of deteriorated assets to enhance network safety and reliability.
- Transition from HT overhead to underground network in selected areas to minimise exposure to external elements.
- Replacement of old distribution transformers with Ester oil filled transformers in densely populated areas for improved safety.
- Installation of Compact Substation Structures (CSS) in city areas to optimise space utilisation and enhance safety.

Benefits of the Initiative

01

Enhanced network asset safety and reliability, resulting in a reduction in electrical faults and improved overall network performance.

02

Heightened employee safety, fostering a culture of safety awareness and minimising potential hazards in the workplace.

03

Improved public safety, reducing the risk of electrical accidents and creating a secure environment for the community.

Idle Line Removal

Before

After

Re-sagging of Line

Before

After

Overhead Line Crossing Removal

Before

After

Manufactured Capital

Improving Customer Service in Licensed Distribution Business

We embraced digitisation, to enhance customer service, introduced new doorstep services, improved safety and reliability and implemented distribution automation solutions throughout the year. These initiatives aimed to optimise operations, reduce losses and provide faster service to our customers.

Initiatives	Description
Enhancing Safety and Reliability	Introduction of fuse-type distribution pillars in the LV network to ensure quick restoration of supply during breakdowns, enhance safety and minimise customer impact during faults. It provides better fault grading and reduces stress on the system.
Distribution Automation	Implementation of automated switchgears in the distribution network to enable remote operations of feeders. This reduces restoration time after breakdowns and minimises transportation requirements and carbon footprint.
Improving Service Installations	Implementation of metering panels for high-rise buildings, reducing space requirements of meters, enhancing safety and improving the aesthetics of power installations at customer premises.
Digitalising Customer Service	Using of WhatsApp/SMS to communicate with customers regarding power failure, shutdowns, restoration time, e-bills and safety messages. We also developed an e-portal and mobile app for faster customer service through digitisation.
New Doorstep Services	Initiation of doorstep services specifically for senior citizens and differently-abled customers who previously faced limitations in accessing customer service facilities

Reducing Distribution Losses, Transformer Failures and Improving Power Quality

Initiatives	Description
Reduction in distribution losses	• Targeted areas with high sales gaps and conducted raids with & without police protection to detect power theft, followed by continuous monitoring in theft-prone areas. This resulted in a substantial reduction in the count of distribution transformers (DTs) with high distribution losses. • Establishment of distribution substations near load centres to reduce LV (low voltage) cable network length. • Procurement of energy efficient DTs. • Monitoring of network loading and carrying out outage analysis to design improvement schemes to reduce technical losses and enhance reliability by laying of new feeders, bifurcation/upgradation of existing feeders and augmentation of DTs.
Preventive Maintenance and DT Failure Reduction	• Initiated preventive maintenance of 11 kV Distribution Substations and replaced DTs with poor oil quality. • Monitored DT loading and took corrective actions to avoid overloading. • Procured energy-efficient DTs and utilised hermetically sealed Ester oil-filled DTs with higher flash points and better loading capacity.
Improving Power Quality	• Installed automatic power factor correction panels to manage reactive power demand effectively. • Ensured adherence to network guidelines while developing new networks and replaced old and obsolete network elements. • Implemented condition-based monitoring and maintenance for sub-stations and LV assets.

Manufactured Capital

Sustainable Process Improvements through The European Foundation for Quality Management's (EFQM) Business Excellence Model

The initiative aims to enhance organisational strategies, establish effective monitoring dashboards and drive continuous process improvements.

Our licensed distribution business at Ahmedabad, Surat and Dahej hold various accreditations, including ISO 9001:2015 for Quality Management Systems, an Integrated Management System (IMS), 5S Workplace Management Systems and National Accreditation Board for Testing and Calibration Laboratories (NABL) accreditation for the Meter Testing Laboratory.

In line with the commitment to be the best-in-class distribution utility, we implemented EFQM's Business Excellence Model across all processes and activities. Equipment, infrastructure and practices were modified to align with the model. Organisational strategies were enhanced to emphasise sustainability, innovation and customer focus. Dashboards were developed to provide real-time data and insights for effective monitoring.

Benefits of the initiative

01 Enhancement of existing processes for time reduction, technological developments and process improvements

02 Scrutinised monitoring and sustained excellence

03 Continuous improvements and enhanced skills of workforce

EFQM Training at Distribution Units

Franchised Distribution

We operate as a franchisee of the licensed utility in the cities of Bhiwandi, Agra and Shil-Mumbra-Kalwa (SMK) and distribute electricity across a combined area of ~1,007 sq km. Our franchise model is based on the Input-Based Distribution Franchisee (IBDF), a comprehensive approach encompassing the entire power distribution cycle, from procurement to network maintenance and delivering reliable electricity to end customers. With a strong focus on transforming the distribution network, we have been ensuring a dependable power supply and enhancing customer services in our operating regions.

FY23 witnessed significant progress in our franchised distribution areas. Through strategic measures and innovative initiatives, we strengthened our infrastructure, reduced distribution losses, improved power quality and enhanced customer satisfaction. We recognise the criticality of robust infrastructure in ensuring reliable power supply to our customers. In line with this, efforts were made to reduce distribution losses, minimise transformer failures and improve the overall quality of power supplied. During the reporting year, we achieved nearly 10% distribution losses at Bhiwandi and Agra. The SMK distribution area also significantly reduced distribution losses to 33.48% in FY23, lower by 7% compared to FY22. Further, the collection efficiency at all our franchised distribution area remained ~100% on account of continuous vigilance and disconnection drives coupled with pick up in economic activities, leading to continuous improvement in AT&C (Aggregate Technical and Commercial) losses.

Further, the System Average Interruption Duration Index (SAIDI) reduced significantly, reflecting our commitment to minimising power interruptions and enhancing service reliability for our customers. The System Average Interruption Frequency Index (SAIFI) demonstrated a notable decrease, highlighting our dedication to providing a stable and uninterrupted power supply.

~10%

Distribution loss at Bhiwandi and Agra franchised distribution areas

Initiatives for Loss Reduction and Improved Customer Satisfaction at Our Franchised Distribution Units

- Distribution Transformer clean-up through rigorous surveillance and network improvements
- Prioritising optimisation of existing meter infrastructure instead of meter building conversions
- Mass meter replacement, reducing assessed bills and conducting illegal wire removal drives
- Inauguration of a new customer care centre at Bhiwandi catering to approx. 70,000 consumers
- Inauguration of Quality Assurance and Quality Control (QAQC) lab at Bhiwandi facilitating in-house material testing
- Improved meter reading efficiency
- Decrease in the number of days needed for providing new connections

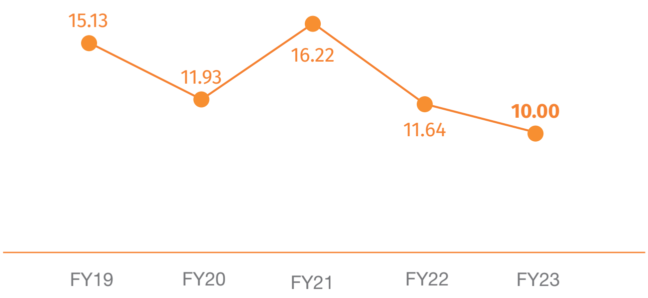
The objective is to improve the accuracy of metering, minimise losses, eliminate unauthorised connections and improve overall customer services, thereby ensuring better power quality and operational efficiencies.

Distribution Transformer at Shil, Mumbra & Kalwa (SMK)

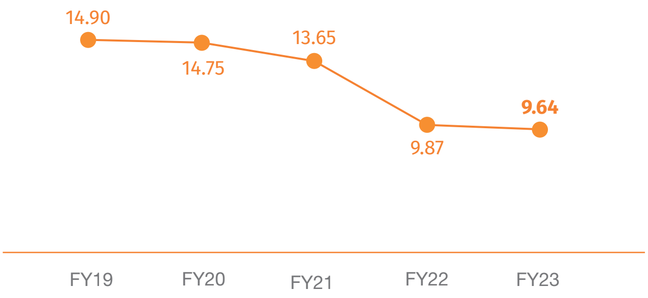
Manufactured Capital

Performance of Bhiwandi Distribution

Distribution Loss (%)

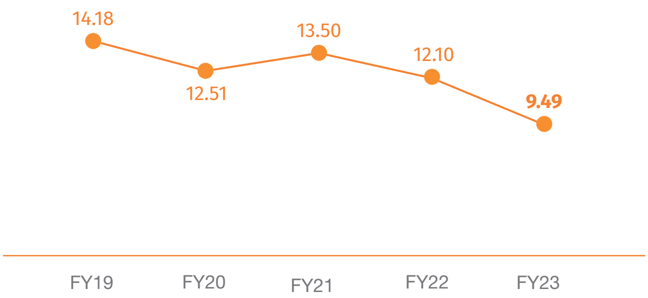


AT&C Loss (%)

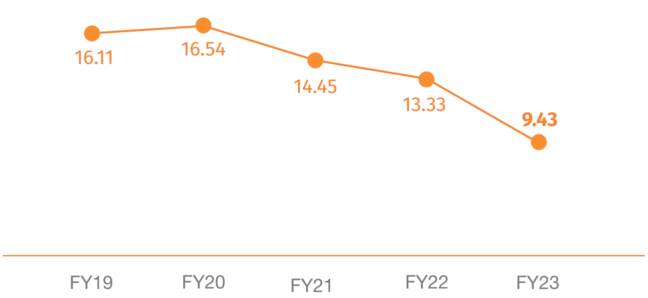


Performance of Agra Distribution

Distribution Loss (%)

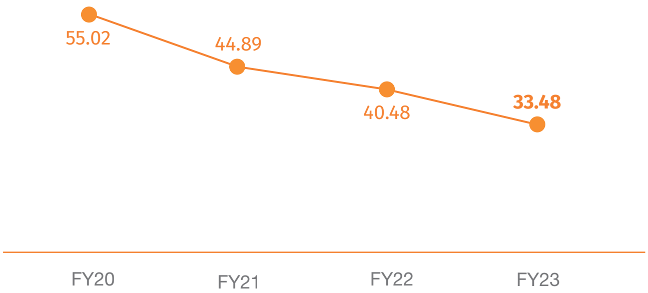


AT&C Loss (%)

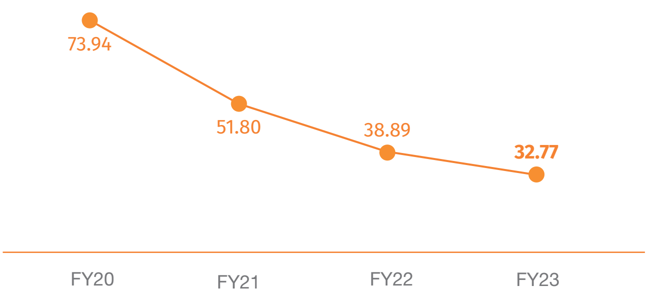


Performance of SMK Distribution*

Distribution Loss (%)



AT&C Loss (%)

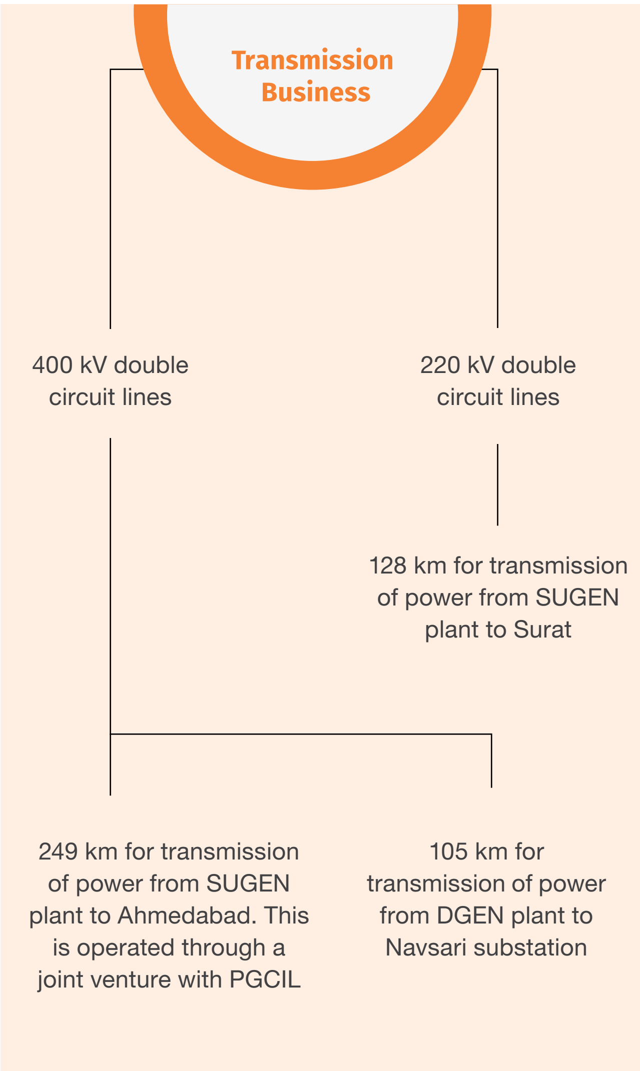


*Operations of SMK were taken over w.e.f. March 1, 2020.

FY23 marked a transformative period for our franchised distribution business at Bhiwandi, Agra and SMK units. Strategic interventions, strengthening infrastructure, technical loss reduction initiatives and customer-centric approaches helped us achieve significant milestones.

Going forward, we will continue to focus on reducing distribution losses, enhancing the efficiency of our distribution network, improving reliability and ensuring round-the-clock power, along with providing superior customer service. Further, we will continue developing the Dholera and MBSIR network (subject to the outcome of appeals) along with the recently acquired distribution area of DNH & DD.

We are actively working on implementing 5S workplace standards, encouraging solar rooftop installations and introducing smart meters. By automating our business processes, we aim to increase efficiency, reduce paper consumption and streamline operations. We will continue to look out for new opportunities in the distribution sector in the form of privatisation or franchise of existing areas.



Transmission Business

Our transmission business plays a crucial role in ensuring the efficient transfer of electricity from our gas-based power plants to various off-take centres. Through our subsidiary, Torrent Power Grid Limited (TPGL), we operate a robust transmission network consisting of 249 km and 105 km of 400 kV double circuit lines and 128 km of 220 kV double circuit lines.

Central Transmission Utility of India has communicated that National Committee of Transmission has awarded TPGL, a transmission scheme to evacuate 4.5 GW of renewable energy power at Khavda. This project is to be implemented under the Regulated Tariff Mechanism (RTM) model, involves laying a 60 km 400 kV D/C line and upgrading the bay from 2,000 Amp to 3,150 Amp. The project is expected to be completed within 24 months and will be regulated by the Central Electricity Regulatory Commission (CERC). Notably, the regulated tariff structure allows for a cost plus post-tax RoE of 15.5%.

We recognise the immense potential in the transmission segment, with upcoming projects worth over ₹30,000 Crore set to be awarded through tariff-based competitive bidding. With a strong financial position and expertise in executing large projects, we aim to selectively participate in inter-state and intra-state transmission projects which offer attractive returns and are supported by robust regulatory mechanisms, mitigating counter-party risks.

Cables Business

Our Company's reach extends beyond just the power business. We are also a major player in the cable manufacturing industry through our entity, TCL Cables Private Limited. We have established ourselves as a leader in HV cable manufacturing and recently increased production of 132 kV XLPE cables in EHV. We take pride in our commitment to quality and have been awarded ISO certifications for our manufacturing processes for our commitment to Environment and Occupational Health and Safety practices. We were the first cable company to receive an ISO 9001:2000 certification, which has since been upgraded to ISO 9001:2015. Our portfolio includes EHV, HV-XLPE, LV-XLPE/PVC power cables and control cables, all of which undergo rigorous testing at both CPRI and ERDA laboratories to maintain our high-quality standards.

Intellectual Capital

Harnessing Our Innovation Edge

At Torrent Power, our intangible wealth of knowledge, expertise and innovative solutions drives our progress and sets us apart in the power industry. Over the years, we have strengthened our intellectual capital by harnessing the expertise of our dedicated workforce, forging strategic partnerships and leveraging industry know-how keeping environment sustainability at core. Our strong foundation of intellectual capital fuels our steady progress to scale operations and efficiencies & optimise resource utilisation by strategically investing in our growth engines and deploying digital technologies led by our strategic themes.

Key Linkages

UN SDGs

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Strategic Themes

- ST1 Invest in the company's growth engine
- ST2 Operational Excellence
- ST4 Deploy Digital Technologies

Material Topics

- MT4 Cyber Security
- MT6 Disaster Management
- MT7 Digitalisation

Stakeholders Impacted

- Customers
- Capital providers
- Employees

Cyber Risk Management

The accelerated pace of digitalisation and automation of our operations is geared to strengthen the resiliency of our Company and enhance value for our stakeholders. However, it is accompanied by rising cyber security threats to the data we host of our customers, employees, partners and other stakeholders. We have a future-fit cyber risk identification and management framework that leverages advanced data security tools and processes, including access control, authentication protocols, firewalls and endpoint management systems. It also includes facilitating ongoing awareness campaigns and training to deepen our employees' understanding of cyber security measures and keep them vigilant of potential risks and breaches.

Zero Trust Network Access

We enforce stringent access controls using Fortinet systems that ensure Zero Trust Network Access. Users are granted access to applications and systems based on individual authorisation. This helps mitigate the risk of unauthorised access and potential breaches.

Data Leakage Prevention (DLP)

We have implemented a robust DLP system that safeguards sensitive information across endpoints, networks and emails. With an intuitive user interface and powerful detection capabilities, our DLP system allows individuals to secure data and prevent leakage effectively.

Unified Endpoint Management System (UEM)

Leveraging UEM agents on all endpoints strengthens our security controls by incorporating critical features such as Patch Management, Asset/Inventory Control and Mobile Device Management (MDM). This approach enhances real-time visibility, saves valuable person-hours and ensures comprehensive endpoint security.

Web Application Firewall (WAF)

A robust WAF embedded across our systems offers round-the-clock protection against cyber threats and generates insights into attack sources in case of any incidents, so we can design appropriate mitigation mechanisms. This enables us to make informed decisions and improve our defences against future attacks.

IT Security Audits

Proactive detection and rectification of vulnerabilities are essential to our cyber risk management strategy. Through a Vulnerability Management System and regular audits, we ensure end-to-end tracking of vulnerabilities and prompt remediation of identified improvement areas in our IT infrastructure.

External Attack Surface Monitoring & Vendor Risk Management

Our security performance is monitored and assessed using a comprehensive scoring system that evaluates 14 parameters with different weightages. Vendor risk management is integral to our strategy to maintain a robust security framework. This holistic approach allows us to effectively manage organisational cybersecurity risks and compliance at acceptable levels.

ISO 27001:2013 Certification

Our Information Security Management System (ISMS) is ISO 27001:2013 certified and adheres to global best practices. Ongoing surveillance audits help us stay compliant and continuously improve the functioning of our ISMS.

Training Initiative and Reskilling

Ongoing training initiatives equip our people with the latest cyber security practices related to the increasing deployment of advanced technologies such as Artificial Intelligence (AI), Big Data, Cloud Architecture and DevOps.

Further, simulation-based ISMS awareness programmes are conducted for all employees, covering various topics. This equips our workforce to stay vigilant against phishing, malware and other security threats.

Awareness Session

Intellectual Capital

Disaster Management

Ensuring a seamless and disruption-free power supply is critical to our Company's growth and deepening customer loyalty. We have implemented several measures to design a scalable and responsive disaster management and business continuity strategy to proactively address related risks.

High Availability Architecture and Disaster Recovery

Our disaster management infrastructure is built on the principles of High Availability Architecture, ensuring seamless operations even in the event of component or system failures. With a well-defined Disaster Recovery (DR) site located in different seismic zones, we maintain business continuity led by defined Key Performance Indicators (KPIs) and regular drills to test the effectiveness of our practices and response mechanisms.

Ransomware Recovery and Advanced Backup Systems

We employ advanced backup systems that promptly detect abnormal data behaviour to protect our operations from ransomware incidents. This proactive approach ensures that previously backed-up data is readily available, minimising the impact of ransomware attacks and enabling swift recovery.

Enhancing Efficiency and Reliability of Generation

Our generation assets are the fulcrum on which our business is built. Enhancing the efficacy and efficiency of these assets through continuous innovation and transformation is critical to delivering on our customer demands and stakeholder commitments. We adopt industry best practices to build and run reliable state-of-the-art facilities.

Centralised Remote Monitoring of Renewable Energy Assets

Effective monitoring of renewable energy (RE) assets is essential for optimising performance and ensuring efficient operations. Previously, our RE sites across Gujarat, Maharashtra, Karnataka, Rajasthan, Madhya Pradesh and Telangana were locally monitored, resulting in limited visibility of asset operations and performance at the central level. To address this challenge, a centralised monitoring cell was set up at the SUGEN Plant in Gujarat for remote access of local Supervisory Control and Data Acquisition (SCADA) Systems, providing real-time information on asset operations and performance. The initiative also facilitated predictive performance analysis and condition monitoring so site teams and original equipment manufacturers (OEMs) could undertake proactive steps to improve performance and optimise operational efficiency.

Key Benefits

- Real-time monitoring
- Managing geographically spread assets
- Predictive analytical tools for proactive actions
- Detection of underperformance and corrective actions
- Optimal performance and operational efficiency

RE Centralised Monitoring Centre

Advancing Infrastructure and Technology for Uninterrupted Power Distribution

We are committed to providing uninterrupted power to our valued customers. Ongoing infrastructure upgrades and the adoption of advanced automation and digitalisation solutions are key to delivering a reliable, uninterrupted power supply to our customers. Some of the related initiatives we undertook include:

Enhanced Distribution Network

- Undergrounding of overhead lines to prevent theft as well as accidents
- Timely cable replacements to fortify the network's resilience by reducing the risk of disruptions and bolstering reliability
- Establishing a seamless Ring Main System to ensure consistent power supply even in challenging circumstances

Load Management and Substation Optimisation

- Intelligent load management strategies implemented to alleviate overload and optimise power distribution
- Substation optimisation to enhance operational efficiency and minimise the likelihood of service interruptions

Field Force Application (FFA)

- Equipping our dedicated field teams with a mobile-based application for seamless operations
- The application gives them real-time access to critical information so they can respond promptly to service requests and perform maintenance tasks with utmost efficiency.

Automatic Meter Reading (AMR)

- Adopting AMR provides access to energy consumption data in real time. It empowers customers to monitor their energy usage, make informed decisions and actively participate in energy conservation efforts.

Efficient Distribution through Automation

We deployed an advanced utility technology solution, 'Distribution Automation', in the Ahmedabad and Surat Distribution areas (TPL Distribution). This enables us to remotely monitor, coordinate and operate distribution components in real-time and improve operational efficiency and customer experience.

Earlier, the 11 kV feeder distribution network relied on manual operations resulting in delays in identifying faults, long restoration times and frequent supply interruptions. TPL Distribution installed automated switch gears along the 11 kV feeders to address these challenges. This initiative commenced as a pilot project in FY17. The project is estimated to be completed by FY29. So far, ~14% of feeders have been covered.

TPL Distribution is also in the process of installing an Advance Distribution Management System (ADMS) to effectively integrate automated distribution substations on the SCADA platform for efficient monitoring and control of assets.

Key Benefits

Improved Reliability: Automation technology enabled feeder segmentation reduces the number of customers affected during power tripping. Additionally, remote sectionalisation improves restoration times, reduces the duration of interruptions and enhances reliability for customers.

Effective Asset Management and Optimisation: The initiative effectively mitigated stress on the system during fault restoration, extending equipment life and reducing costs. Real-time monitoring and control of distribution substation parameters, along with the availability of accurate field data and management information system (MIS) reports elevated overall governance practices.

Environmental Stewardship: Reduced transportation requirements due to automation and remote sensing and management has brought down our emissions and carbon footprint.

Conventional RMU

Distribution Automation Enabled Ring Main Unit (RMU)

Human Capital

Cultivating Growth, Nurturing People's Wellbeing

At Torrent Power, we place utmost importance on the holistic development and well-being of our people who are the bedrock of our success. We continuously invest in their development, recognising their invaluable contributions to our organisation's achievements. We prioritise employee health and safety, foster a diverse and inclusive environment, promote professional growth and strive for high employee engagement.

Our structured people-centric Human Resources (HR) strategy steers our endeavours to attract, develop and retain the talent we need to realise our aspirations and future goals of providing affordable, accessible and reliable power to all. Our policies and practices are designed to nurture a fair workplace that respects diversity and promotes inclusion without prejudice. We encourage a culture of continuous learning and empower our employees to expand their horizons and devise innovative solutions to help the Company redefine the energy landscape in India for a greener tomorrow. Our unwavering focus on health and safety, upholding human rights and running transparent operations deepens the trust employees have in our ability to help them carve enriching careers and fulfilling lives.

Driving Growth Through People

Key Linkages

UN SDGs

3 Good Health and Well-Being
5 Gender Equality
8 Decent Work and Economic Growth
10 Reduced Inequalities
16 Peace, Justice and Strong Institutions

Strategic Themes

ST3 Empowered Stakeholders

ST4 Deploy Digital Technologies

Material Topics

MT13 Employee Satisfaction & Retention

MT14 Employee & safety

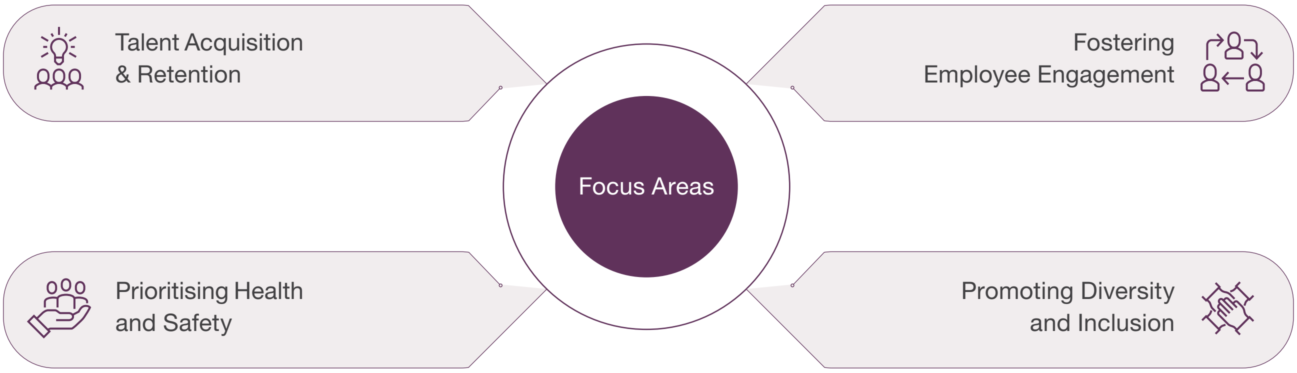
MT15 Training & Development

MT16 Diversity & inclusion

MT17 Human rights

Stakeholders Impacted

Employees



Our Workforce^

Employee Category	Age Group			Gender		Total
	<30 years	30-50 years	>50 years	Male	Female	
Senior Management	-	30	78	107	1	108
Middle Management	27	397	126	515	35	550
Junior Management	1,372	1,293	203	2,524	344	2,868
Staff	981	2,628	978	4,275	312	4,587
Total Permanent Employees	**2,380**	**4,348**	**1,385**	**7,421**	**692**	**8,113**
Other than Permanent Employees				84	-	84
Workers				12,536	778	**13,314**

^Our workforce includes differently abled staff including 23 employees and 22 workers

Streamlining HR Processes and Enhancing Employee Experience through Automation

The Torrent Group has implemented a cloud-based platform, My Space, to optimise HR processes and elevate employee experience. My Space is a centralised hub that integrates core and strategic HR functions, streamlines workflow and fosters greater efficiency across the organisation to enhance productivity and employee engagement. The agile tool integrates with other enterprise systems and helps deliver a range of benefits to employees and:

- Eliminates manual and repetitive tasks, enabling HR teams to focus on strategic initiatives and innovation
- Simplifies document management for easy access and improved record-keeping
- Provides visual-rich reports and dashboards for faster decision-making and data-driven strategies
- Empowers employees to conveniently access HR services and enhance user experience through a mobile app, chatbot and voice command functionalities
- Facilitates collaboration through announcements, post-sharing and discussion forums, fostering engagement and participation
- Promotes open and transparent communication channels

Human Capital

Talent Acquisition and Retention

We continually assess our talent profile as our business objectives evolve to meet the needs of a dynamically changing external environment. Systematic talent acquisition practices that carry forward our focus on diversity, equity and inclusion and meritocracy help us attract employees who are enthused by our sustainable business vision and share our value systems and commitment to ethics and integrity. We have a fair and transparent recruitment process and hire both experienced professionals and freshers to build an optimal balance of skills, experiences and expertise for our organisational needs today and in the future.

New Hires

Employee Category	Age Group			Gender		Total
	<30 years	30-50 years	>50 years	Male	Female	
Senior Management	-	2	3	5	-	**5**
Middle Management	2	23	6	30	1	**31**
Junior Management	524	199	-	634	89	**723**
Staff	34	4	2	17	23	**40**
Total	**560**	**228**	**11**	**686**	**113**	**799**

We welcome new team members and offer them a smooth induction into the company and our culture. An extensive onboarding programme helps them understand our organisational values, operational structure, our processes and business & sustainability goals. This equips them to contribute to our collective success from day one and perform their roles with efficiency and efficacy.

Talent retention is critical to our company to meet current and future business needs. We support our employees in managing their careers and create opportunities for them to learn, acquire enriching experiences and grow professionally. In FY23, we had an attrition rate of 8% for permanent employees.

In FY23

921 training sessions conducted for employees on leadership, technical and functional skill upgradation, integrated management systems, EHS, core values, policy awareness and many more.

94% Employee participation

80% Employees availed of upskilling programmes

71% Underwent Health & Safety training

Training and Development

A rich repository of future-fit learning programmes facilitates ongoing employee development through upskilling, re-skilling and deepening leadership competencies aligned with our business goals and value-creation commitments to stakeholders. The learning needs of every employee are identified as a part of the annual appraisal process. Once identified, we impart training through external experts and in-house teams. Our training initiatives are designed to meet our organisational aspirations, address skill gaps and groom employees for the future. We continually monitor the impact of our training sessions and track progress to ensure the effectiveness of the learning process.

Training on effective communication at AMGEN

Employees attending an awareness session

Average Hours of Training to Permanent Employees

Employee Category	Male	Female
Senior management	7.8	8.0
Middle management	19.0	20.2
Junior management	28.4	32.0
Staff	11.1	10.0
Total	**17.5**	**21.5**

17.8
Avg. no. of training hours/permanent employee

We believe in providing comprehensive training opportunities to all individuals working within our organisation. In addition to our focus on employee development, we also extend our training initiatives to contractual workers ensuring that they possess the necessary skills, knowledge and mindset to contribute effectively towards our goals and objectives. In FY23, ~95% of contract workers across our operations underwent training and awareness programmes on Human Rights, POSH, Safety Hazards Identification, First Aid, using electrical equipments, handling chemicals and fire-fighting equipment and other Health & Safety related topics.

Activity based training programme at Cables

Human Capital

Performance Management

Our Performance Management system encourages a culture of high performance and excellence to achieve organisational and professional goals. The review process ensures timely, transparent, objective and fair performance evaluations. 100% of our employees undergo annual performance and career development reviews, allowing them to discuss their achievements and developmental needs and set expectations for the future. Individual development plans and training programmes are designed to support employee growth, while timely and merit-based increments are provided to motivate and retain our talent.

100%

Employees undergo Annual Performance Review

Building Future Leaders

Our long-term success depends on our ability to identify individuals with high potential for further grooming and strengthening our leadership pipeline and succession planning. We have implemented a range of programmes to map top talent across our organisation through performance and career development reviews at every level. Our customised learning journey enables a smooth transition between job levels while enhancing decision-making and organisational skills. Additionally, we create job rotation plans based on organisational needs and employee aspirations that help our talent gain enriching experiences by working in different functions. These rotations also improve job satisfaction. We prioritise internal career growth opportunities and succession planning through promotions, job rotations and transfers, allowing more employees to build fulfilling careers and become future leaders with Torrent Power and the Group.

Promoting Work-Life Balance

We prioritise work-life balance to support our employees' well-being and retention. We have instituted a broad spectrum of policies and benefits to help them lead healthy lives and balance work-life commitments better. These include:

- 30 days of annual leave with mandatory use of 14 days
- Additional incentive leave to acknowledge the service of long-serving employees, offering them an opportunity to take a well deserved break to rejuvenate and spend quality time with their loved ones
- Compensatory time off for extra hours worked
- Flexible working arrangements

Furthermore, we have specific work-life integration programmes like celebrating festivals together and other events that help our employees bond as a team and stay engaged and energised so they are productive and happy.

Other Benefits

We prioritise the well-being and financial security of our employees and their families and offer support to help them handle life-critical situations. These include a Mediclaim Policy with top-up facility, Voluntary Parental Insurance and financial support in the event of an employee's demise through Conviction for Safety Policy and a Group Accident Policy.

Fostering Employee Engagement

Employee engagement is a cornerstone of our organisational culture. We nurture a work environment where employees feel valued, empowered and motivated to contribute their best.

Recognising the importance of employee engagement in creating a positive work environment and driving organisational success, we have implemented a range of activities. These include:

Building Leadership Pipeline through People Development

Game-a-thon/Khel Mahotsav: Celebrating Oneness and Team Spirit

Sporting events play a key role in promoting team spirit and physical fitness at Torrent Power. Game-a-thon serves as a platform for employees to participate in indoor and outdoor games, such as badminton, table tennis, chess, cricket, football, and volleyball.

Additionally, our annual Khel Mahotsav brings employees together to take part in different kinds of sports and give expression to the athletic spirit within them. This event not only showcases sportsmanship but also strengthens team bonds, fosters camaraderie and contributes to the overall wellbeing and engagement of our employees.

Khel Mahotsav at Agra Unit

National Events Celebrations: Honouring Our Heritage

We commemorate national events such as Independence Day and Republic Day with flag hoisting, patriotic songs and inspiring speeches that instil a sense of pride and nationalism among employees. By honouring our country's heritage, we reinforce our shared values and create a collective sense of purpose among our workforce.

Independence Day celebration

Celebrating Cultural Diversity

Garba Utsav

To celebrate the vibrant cultural diversity within our organisation, we host Garba Utsav. This festive event allows employees to come together and revel in the joyous spirit of Garba, a traditional dance form of Gujarat and promote cultural inclusivity, creating an atmosphere of unity and celebration.

Festivals Across India

We also celebrate various festivals from different regions of India, including Ganesh Utsav, Janmashtami, Holi and Diwali. These celebrations unite our diverse workforce, allowing them to bond and create a joyful work environment.

Raas Garba celebration

Human Capital

Founder's Day Celebration: Reflecting on Our Journey

Each year, we celebrate Founders' Day to commemorate the remarkable achievements and pay tribute to our visionary founder, Shri U.N. Mehta. It is a day filled with gratitude and celebration of his inspiring legacy.

During this event, we acknowledge outstanding contributions made by our employees by honouring them with the prestigious Torrentian Award. This accolade is bestowed upon individuals who consistently surpass expectations, exhibit exemplary conduct, and display unwavering dedication to the Company. Each year, two employees across the Group are chosen as "Torrentians of the Year" through a well-defined selection process and are bestowed with a Citation Scroll and a monetary reward. This year from Torrent Power, Jeevan Clerk was selected as one of the "Torrentians of the Year".

Jeevan Clerk – Torrentian of the Year 2023 (winner from Torrent Power)

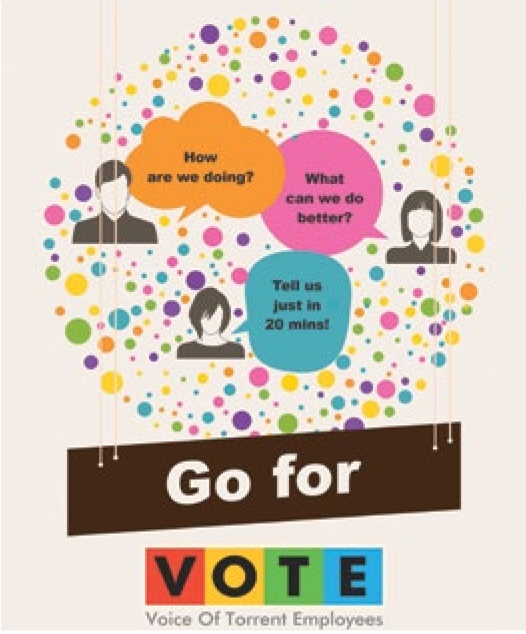
Founder's Day Celebration

International Yoga Day

We organised virtual and in-person camps for employees on International Yoga Day to prioritise mental and physical well-being and raise awareness. The camps provided an opportunity for employees to learn valuable yoga techniques for a healthy lifestyle.

Employee Engagement Survey

Our Human Capital plays a significant role in our success, and we closely monitor our employees' perspectives on their workplace experiences. Towards the end of the year, we conducted an Employee Engagement Survey–VOTE (Voice of Torrent Employees) in collaboration with an external agency. The survey by an independent external agency ensures genuine and fair responses are received from employees while maintaining anonymity. The survey results provide us insights into the strengths as well as areas of improvement which we address through various people-centric initiatives.



Unleashing Talent and Fostering Artistic Expressions at AMGEN

AMGEN introduced an initiative, called 'My Time' as part of its employee engagement programme that showcased the exceptional talents of employees and their family members. It was designed to create a sense of belonging and provide a platform for shared hobbies.

Seven hobby groups were formed to accommodate the diverse interests of people, including Music, Reading, Cooking, Painting and Sketching, Photography, Sports and Traveling. Each Group was supported by dedicated HR SPOCs, for driving activities. Employees and their family members were invited through an online form to participate. The event was supported by a robust communication and awareness plan, which resulted in significant enrolments across various groups.

On February 16, 2023, AMGEN proudly hosted 'Expressions presents My Time: Ye Shaam Mastani,' an exceptional event that brought together employees and their family members. This memorable evening showcased enthralling displays of reading, photography, painting, sketching, travelling, and cooking. The event also featured live orchestra performances by the talented music group 'Tarang Ke Tarane' and engaging interactive activities, resulting in a vibrant fusion of diverse talents and passions.

The event was well received by the attendees and achieved an outstanding rating based on feedback from the attendees. They appreciated the opportunity to discover and celebrate hidden talents and suggested incorporating additional programmes.

Participants at the event

Human Capital

Promoting Diversity and Inclusion

We firmly believe that diversity brings valuable perspectives to the table, which can spur innovation and build a future-ready organisation. Inclusivity is woven into our organisational DNA, and we strive to establish a workplace that rewards merit and welcomes individuals from all walks of life. Our Equal Opportunity Policy takes forward our commitment to fostering diversity and inclusion. It aims to cultivate a harmonious workplace where all employees, regardless of their physical or mental abilities, are empowered to reach their full potential.

For us, diversity is not just a buzzword; it is a core value that defines our identity and strengthens the foundation of our company. From our Board members to entry-level employees, we value diversity of skills, experiences, genders, cultures and socioeconomic backgrounds. This enables us to create a dynamic and resilient organisation that remains steadfast in fulfilling its mission, overcoming challenges and adapting seamlessly to evolving market and customer demands.

We have 45 differently abled employees and workers who live life with dignity and are part of our engaged workforce.

Wellness session for women contract workers

From a gender diversity perspective, we map and support women's career trajectories from recruitment to maintaining work-life balance through various initiatives. We consistently aim to attract women employees at various positions across our organisation. Reflecting our diversity and inclusion philosophy, 30% of our Board constitutes of women directors.

8.5%
Women employees in the workforce

Targeted Initiatives to Support the Women in Our Company

Sangini

We organise bi-annual sessions by experts on women's health and well-being. During the year, these sessions covered topics such as 'Work-life Balance,' 'Unleash your Potential,' 'Self Defence,' 'Corporate Grooming,' 'Stress Management through Naturopathy,' 'Self-Healing,' and more. By providing a platform for women to learn, share and celebrate their womanhood, we aim to support their overall welfare and nurture a vibrant community within our organisation.

Self defence workshop conducted at the corporate office

Women's Day Celebration

Every year, we come together to celebrate Women's Day, and honour the invaluable contributions and indomitable spirit of our female employees. Each unit celebrates this occasion by conducting different events. This year units have conducted sessions on topics such as 'Self-Life Balancing,' 'Innovation and Technology for Gender Equality,' 'Good Parenting, Finance and Health Management,' 'Yog Garba,' 'Accelerate Equality,' and more. Some of our units organised the screening of a Gujarati movie on women empowerment, 'Kutch Express', in gratitude for the remarkable contributions and unwavering spirit of our female colleagues throughout the year.

Women's Day Celebration at Surat Distribution Unit

Maternity Benefits and Support

We offer a supportive and inclusive work environment that prioritises the wellbeing of our female employees. To promote a healthy work-life balance, we not only provide maternity benefits in accordance with statutory requirements but also actively encourage the re-employment of women who have previously left the organisation due to medical, maternity, social constraints or exceptional circumstances. These maternity benefits and opportunities that facilitate career re-entry go a long way to empower talented women to pursue their professional ambitions while balancing personal responsibilities.

	FY22	FY23
No. of females who availed of maternity leave	14	16
Return to work rate	94%	100%
Retained after 12 months from their return to work after maternity leave	100%	73%

Crèche Facilities for Working Mothers

We understand the unique challenges working mothers face in balancing family and work responsibilities and have set up well-equipped crèches or childcare facilities in most of our units. These facilities not only assist women employees in meeting the demands of their professional and personal lives but also serve as a catalyst for their seamless return to work after maternity breaks. By providing these essential resources, we aim to empower working mothers and foster a culture that values their contributions and supports their individual journeys.

Crèche Facility

Prioritising Health and Safety

A healthy and safe workplace is critical for employee engagement, productivity and retention. Our goal is to run operations with zero occupational health and safety-related incidents. A comprehensive occupational health and safety (OHS) framework with a relentless focus on complying with all applicable regulations, following global best practices and implementing behaviour-based systems underlines our safety culture, processes and procedures.

Safety related training at the Ahmedabad distribution unit

Our Approach

Our OHS Management System is based on industry best practices and global standards, with major facilities securing ISO 45001:2018 certification. This system covers all employees and contractual workers, diligently capturing incidents and near misses. Further, periodic reviews, site inspections, mock drills and incident investigations are conducted to ensure compliance with defined processes. The active participation of employees and workers is encouraged in developing and implementing the OHS system. Regular audits by qualified ISO internal auditors and external experts ensures the continual improvement of our safety practices.

As part of an Integrated Management System (IMS), we have implemented a Hazard Identification and Risk Assessment (HIRA) process for all routine and non-routine tasks. Additionally, hazardous tasks are also assessed for potential risks through Method Statement Risk Assessment (MSRA) and other specified assessments.

Human Capital

We have a robust and responsive incident reporting procedure and protocols. All employees are trained to understand and implement these protocols. Incidents can be reported through the following channels:

- SAP enabled real-time incident reporting module
- Safety corrective action request
- Safety suggestion box
- During EHS inspections
- During MSRA, pre-job discussions, safety pep talks, under the EHS suggestion scheme, etc.

Incidents reported by employees are promptly acknowledged by management teams and necessary corrective and preventive actions are taken. All employees are made aware of their authority to immediately stop any activity that poses a risk to them and step away from such conditions.

All work-related accidents/ incidents, including near-misses, are documented and investigated to understand the root cause. The investigation includes visiting and inspecting the incident location and interacting with injured persons and witnesses. Observations are captured and the root cause of hazards is ascertained through methods like 5-Why One-How, Fishbone, etc. After identifying the root cause, appropriate Corrective Action Preventive Action (CAPA) is implemented to stop the recurrence of such incidents or minimise the level of risk.

We have a detailed Emergency Response Plan to outline actions to be taken during a crisis. Visible and legible safety signages are placed at appropriate places on the premises. Periodic mock drills are organised to test readiness for safe evacuation in case of any emergency. We have designated first aiders, emergency response teams and equipment like fire tenders and extinguishers for each operational site to address incidents effectively.

Furthermore, we have in-house Occupational Health Centres with 24x7 experienced medical physician/s and ambulance/s at various units. We have partnered with various multi-speciality hospitals and area doctors to strengthen our access to broader medical facilities.

Inculcating a Safety Culture

Multiple activities are conducted to enhance the safety culture within our organisation. This includes celebrating events like Road Safety Week, National Safety Week, etc., with activities like rangoli competitions depicting safety messages and poster and quiz competitions to engage employees and contractors.

Additionally, we provide regular training to improve the effectiveness of our health, safety and emergency management systems across our operations. In FY23, 5,785 employees and 12,337 workers underwent training on health and safety related topics through hands-on and online sessions.

We conduct periodic medical check-ups, followed by consultations with our medical officers. Awareness programmes to promote healthy practices and emphasise balanced and nutritious meals are run for our employees regularly. We also publish an online newsletter covering the latest health trends, milestones achieved by employees and their families and tips on healthy living.

Zero

Reportable Injury at Gas-based Generation units and Renewable units

Toolbox Talk at Dahej Distribution Unit

Safety-related Incidents

	Category	FY22	FY23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	3.93	2.54
	Workers	1.47	1.18
Total recordable work-related injuries	Employees	60	40
	Workers	36	30
No. of fatalities	Employees	-	-
	Workers	-	3
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

Safety Kiosk–Evaluating Safety Competency of the Workforce at AMGEN

AMGEN introduced a Safety Kiosk, a user-friendly solution for efficient safety induction and competency assessment. The Kiosk delivers essential safety guidelines, including do's and don'ts, emergency procedures and compliance information, taking just 2 to 3 minutes per person.

The Kiosk has pre-loaded safety videos and can convert existing presentations into interactive training modules. It also has provisions to convert the videos into SOPs, GMP processes and safety protocols, ensuring comprehensive training coverage. It facilitates the creation of evaluation questions and quizzes, enabling ongoing competency assessments. After viewing the safety videos, employees undergo an automated test conducted by the Kiosk. Employees who complete the assessment successfully are issued a safety passport, reinforcing our focus on compliance and deepening the safety culture.

Use of safety suits during work execution

Human Capital

Installation of Fuse Type Mini Section Pillars (MSPs) in Low Voltage (LV) Network to enhance the safety of the field team in the Ahmedabad Distribution Area

To ensure our field team stays safe while working on the LV network to minimise power interruptions of a large customer base, we installed MSPs with fuses to facilitate local power isolation. Before the implementation, no local isolation points were available in the LV network. This meant that work on last mile connectivity required network isolation from the upstream side, causing frequent interruptions of 2 to 3 times a day to our customers. In addition, critical activities were being carried out in live lines, requiring extreme caution during work.

Prior to the installation, local isolation points were identified through hazard identification and risk assessment (HIRA). The large customer base who were part of more than 1,25,000 MSPs in LV posed a challenge as we needed to execute the project with extreme dexterity to avoid major power outages which we overcame successfully. The initiative started as a pilot in July'20 was scaled up in the reporting year in the Ahmedabad Distribution area. 20,000 Fuse Type MSPs have been installed in the LV network to date, enhancing safety for our field force and customer experience.

Conventional MSP (without fuse)

Fuse Type MSP

Benefits of the Initiative

Safety Enhancement

- The Fuse Type MSPs have HRC (High Rupturing Capacity) fuse assemblies, enabling field personnel to work in complete isolation downstream from the MSP, eliminating the hazard of electrocution and staying safe.

Improved Power Reliability

- Power shut down is limited to only the MSP in which work is carried out, reducing the number of affected customers during supply interruptions.
- The initiative improves reliability parameters such as System Average Interruption Duration Index (SAIDI) and System Average Interruption Frequency Index (SAIFI).

Design Improvement

- Fuse Type MSPs require less space due to their one-sided door design, making them more compact than conventional non-fuse MSPs.
- Introducing nutless busbars in Fuse Type MSPs allows for convenient cable connection and disconnection from one side without compromising safety.

Policies and Practices for a Safe and Positive Workplace

Creating a safe and positive work culture is paramount for Torrent Power. Our Company has implemented key policies and practices to foster an environment that upholds ethical standards, ensures employee safety, and promotes inclusivity. Our employees and workers receive comprehensive training on our policies which include:

Code of Conduct: Upholding ethical standards, accountability and positive values throughout the organisation.

Whistle Blower Policy: Providing a secure and confidential reporting mechanism for employees to raise concerns about unethical behaviour or wrongdoing.

Adherence to POSH: Prioritising a respectful and inclusive work environment, specifically addressing the prevention of sexual harassment through awareness and action against violations.

Upholding Human Rights: Respecting human rights with stringent policies and actions against slavery, human trafficking, forced labour, child labour, etc. Further, we uphold our employees' right to freedom of association in accordance with applicable laws.

No human rights violation case was reported in FY23. One incident reporting a potential violation of our Prevention of Sexual Harassment (POSH) policy was recorded. We have taken appropriate measures to address the issue, including providing support and interventions to the affected individuals and implementing additional preventive measures for the future.

Zero
Human Rights Violation in FY23

Human rights training session

Social and Relationship Capital

Fostering Meaningful Relationships for Sustainable Impact

At Torrent Power, we believe in progress through collaboration. We actively engage with our customers, suppliers and communities to understand their needs and design initiatives that deliver value. For our customers, we prioritise reliable and uninterrupted power supply, constantly working to enhance their experience. We value our partnerships with our suppliers, who are key to enabling us to meet customer expectations and strive to establish transparent and fair business practices. Our focus on and engagement with our communities to catalyse development and socioeconomic well-being is key to garnering their support and participation in powering our prosperity and growth. Together with our stakeholders, we are tapping into new opportunities and expanding our horizons to drive progress and craft a brighter future for all.

Beneficiaries of our CSR activities

Key Linkages

UN SDGs

- 1 No Poverty
- 2 Zero Hunger
- 3 Good Health and Well-Being
- 4 Quality Education
- 5 Gender Equality
- 8 Decent Work and Economic Growth
- 10 Reduced Inequalities
- 11 Sustainable Cities and Communities

Strategic Theme

S3 Empowered Stakeholders

Materials Topics

MT 12 Sustainable Supply Chain

MT 18 Customer Satisfaction and Loyalty

Stakeholders Impacted

Customers

Community

Suppliers

Revolutionising Customer Service

At Torrent Power, we have built long-term steady relationships with our customers by delivering unparalleled levels of power availability, round-the-clock service and setting new standards for reliability.

Delivering Experiences That Matter

A dedicated Customer Service team works tirelessly to engage with our customers, understand their concerns and provide timely solutions. Our efforts to provide personalised services to our customers make them feel valued and appreciated.

We have transformed our processes and embraced technology solutions to provide efficient and seamless support to our customers. We have established 24x7 call centres and digital interaction hubs to cater to the needs of our valued customers. These platforms serve as convenient channels for consumers to register their concerns and have them resolved promptly. Our service centres have state-of-the-art facilities and highly skilled professional teams constantly seeking ways to enhance customer experience and adapt to their evolving needs.

Plug Point at Narol, Ahmedabad

Expanding Our Reach

We have decentralised our customer service structure and set up state-of-the-art, digitally enabled, physical interaction centres called 'Plug Points'. at different locations across our distribution areas. These centres expand our reach and bring service points closer to customers, making it easier and hassle-free for them to approach our teams with their queries. With strategically located 'Plug Points', customers no longer need to endure lengthy commutes and can access our services almost at their doorsteps, reducing costs, effort and carbon footprint. With an understanding that every customer has unique requirements, these centres offer personalised assistance and tailored solutions.

During the reporting year, we opened 2 new Plug Points and upgraded 2 existing ones to cater to the needs of our valued customers.

Customer interaction at Pratappura Plug Point, Agra

Social and Relationship Capital

Digitising Customer Service

At Torrent Power, we remain committed to adopting innovative solutions to deliver world-class service to our customers while prioritising their safety and convenience. We have introduced 'Virtual Plug-point Services', which offers a personalised experience through video calls to customers without needing physical visits. Customers can easily book a video call at their preferred time and date through our mobile application or customer portal. Our 'Virtual Plug-point Services' exemplify our dedication to leveraging digital technologies to improve customer experiences and ensure they can access the support they need from the comfort of their homes.

To date, we have handled 5,350 customer video calls. The popularity of our video call service continues to grow and is seeing increasing adoption by customers.

Our range of digital customer services extends to activities such as submitting applications, registering complaints, seeking information, making payments and providing feedback through our user-friendly online customer portal. Remarkably, more than 74% of our payments are now received through online modes, reflecting the convenience and popularity of our digital solutions.

In addition, our mobile application boasts many unique features designed to enhance the customer experience. From video calls to employee verification, registering safety concerns or submitting meter readings, our app offers a comprehensive suite of tools to address diverse needs.

Our dedicated team works diligently to deliver satisfactory solutions within the stipulated regulatory timelines. We have consistently demonstrated our ability to effectively address and close complaints to the satisfaction of our valued consumers.

Customer interaction through Video Call

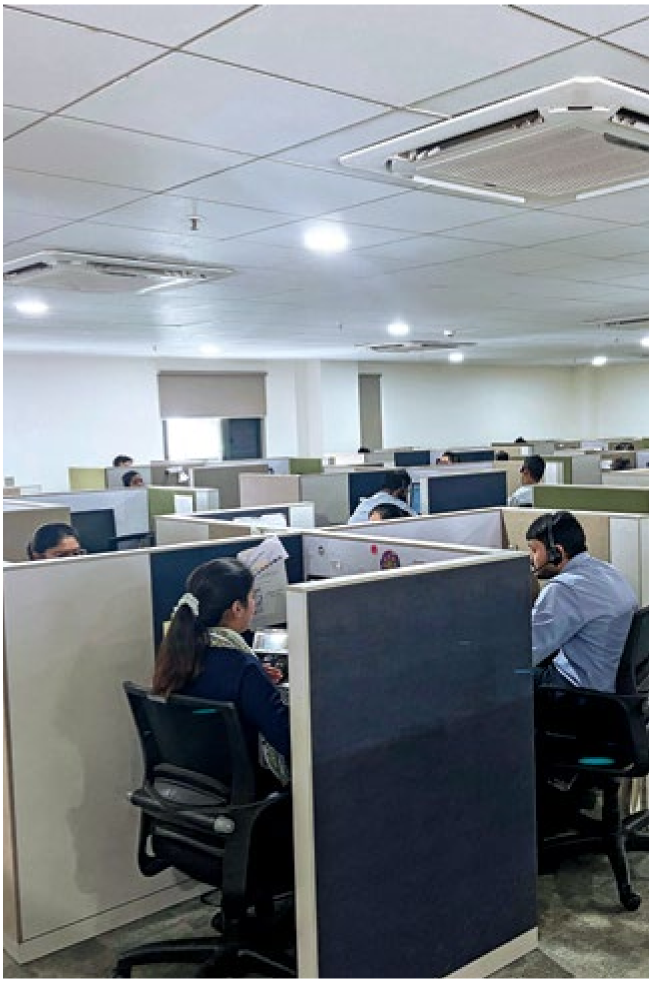
Contact Centre Services

Torrent Power has a centralised call centre with a dedicated in-house team, trained to handle queries, complaints and digital transactions. The contact centre is equipped with state of art facilities like an Interactive Voice Response System (IVRS) with multiple self-service options to help customers register complaints and get information about their service connection automatically. Each interaction is recorded for quality and training purpose and closely monitored to ensure quality and timely response to queries and complaints. A dedicated digital management team at the contact centre works 24x7 to respond to e-mail queries and assist customers with online application and payments.

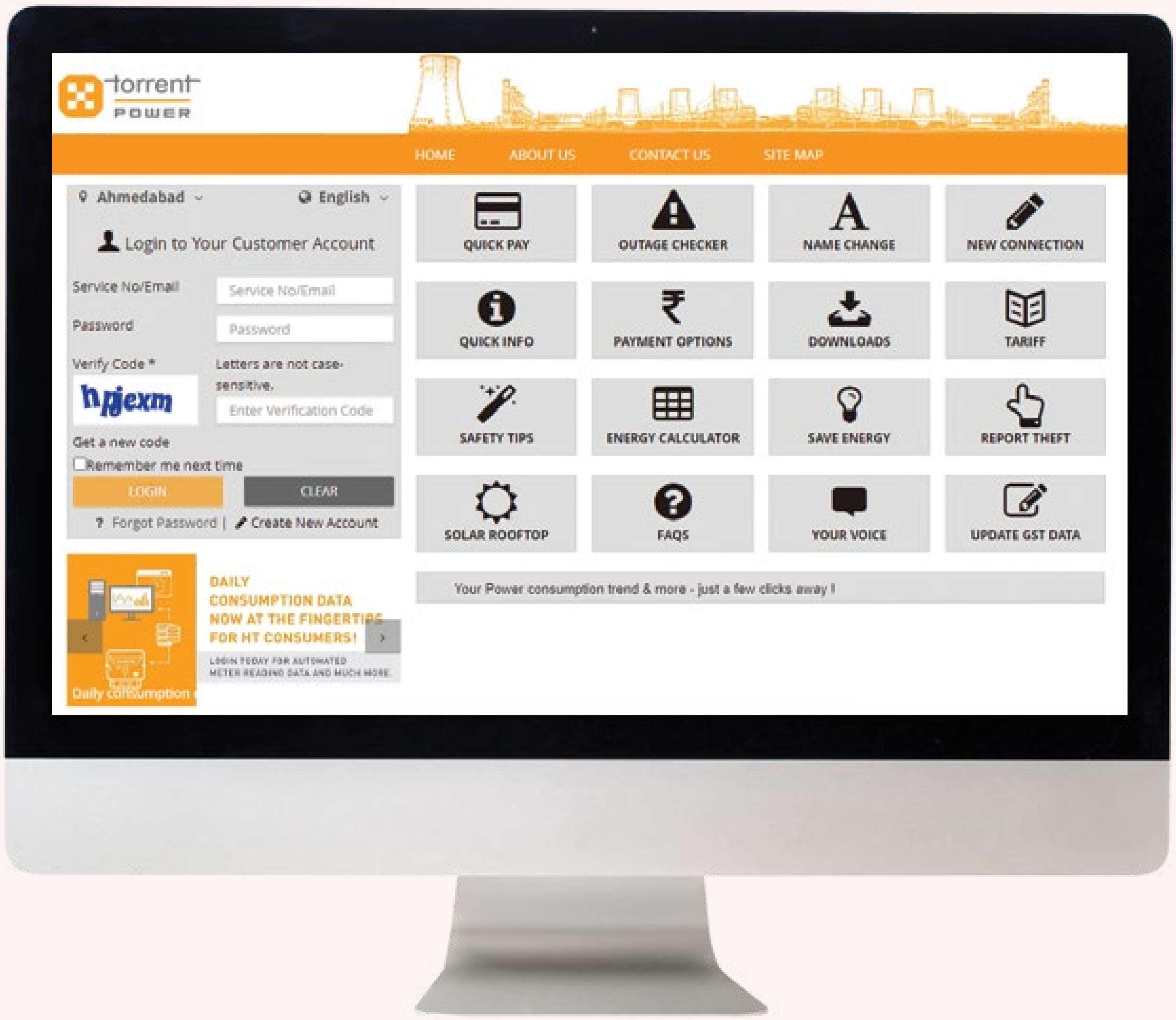
Currently, our call centre team handles over 10.6 lakh calls and 1.7 lakh digital transactions annually.

10.6

Lakh calls annually are handled by our call centre team



Centralised call centre



Customer Service
Web Portal

Social and Relationship Capital

Doorstep Services for Senior Citizens and Differently Abled Customers

To cater to the needs of senior citizens and differently-abled customers in Ahmedabad city, called 'Torrent Power Aapna Dware' for all customers without any additional charges. This service can be easily availed through a WhatsApp registration. During the visit, our executives extend full support to customers, assisting them with processing applications and payments and addressing any queries. Through the year, we have successfully delivered 210 doorstep services.

Our commitment to providing doorstep services reflects our dedication to ensuring equal access and convenience for all customers, particularly those with special needs.

Service Camps

In FY23, we organised 16 service camps at different locations across Ahmedabad. These camps served as a platform to establish a direct connection with our customers while providing valuable guidance on using our online services, sharing energy conservation tips and emphasising the significance of electrical safety. We were delighted to welcome over 2,000 consumers to these camps. Our service camps have been appreciated by attendees, validating their effectiveness in meeting the needs and expectations of our valued customers. We plan to scale up the frequency of the camps to ensure a wider audience can benefit from these personalised services.

Through these initiatives, we aim to exceed customer expectations, further cementing our position as a leader in the industry.

Doorstep service for Senior Citizens

Service Camp at Ahmedabad

Consumer Safety Initiatives

As an electricity distribution company, we recognise the potential hazards our operations may pose to customers and society and believe that fostering a culture of electrical safety requires a collective effort. We actively promote awareness, knowledge and a shared dedication to electrical safety among employees and customers. We engage with our stakeholders through various channels to cultivate safety awareness and proactively inform consumers about unsafe practices and installations within their premises.

We communicate safety tips to customers through multiple avenues, including messages on the customer portal during festive seasons that provide guidance on do's and don'ts, highlighting the significance of safety equipment distribution through pamphlets 'VIJ SALAMATI' at our Plug Points and publishing general safety tips on energy bills. Additionally, we utilise our mobile application to share audio-visuals to raise safety awareness. We also organise Electrical Contractors' Meets to emphasise electrical safety and seek their help spreading awareness among the customers.

By placing a strong emphasis on electrical safety, we cultivate an environment that instils trust, confidence and peace of mind for all individuals involved.

Electrical Contractors meet at Distribution Units

Customer Engagement in the Surat Distribution Area to Improve Awareness of Electrical Safety

a) Awareness Sessions at Various Municipal Schools

Knowledge about potential hazards of electricity, its prevention, safe usage and conservation was disseminated to children of municipal schools. Such knowledge is likely to be cascaded to their family members and other children.

Awareness session at Municipal School

b) Safety Survey

We appointed an external agency to conduct a safety audit covering 15 sample consumer sites from different sectors, including Hospitals, Restaurants, Schools and the Diamond & Textile industry. This helped to raise consciousness, minimise electrical incidents at consumer premises and encourage them to check their electrical installations periodically for enhance electrical safety.

Social and Relationship Capital

Data Privacy

We understand the importance of protecting the personal information entrusted to us by our valued customers and ensuring the privacy of their data is our priority. At Torrent Power, only customer data necessary for providing our services and improving experience is collected. We do not share customer data with third parties except when required to comply with legal requirements. Our robust security measures and diligent efforts have been successful in safeguarding customer data and maintaining the integrity of our systems.

We have not received any reports or complaints of data breaches within our organisation during FY23.

Customer Satisfaction Score (CSAT) and Audit

We place great importance on monitoring and improving our CSAT score and regularly track customer sentiment through surveys, feedback forms and customer support interactions. During FY23, we collected feedback from 60,135 customers through various channels. This feedback is used to calculate the CSAT score, which stands at 95% for FY23.

CSAT score
95% for FY23

By tracking CSAT over time, we identify trends, areas for improvement and potential issues that may impact customer satisfaction. This allows us to take proactive measures to address any gaps and enhance the customer experience.

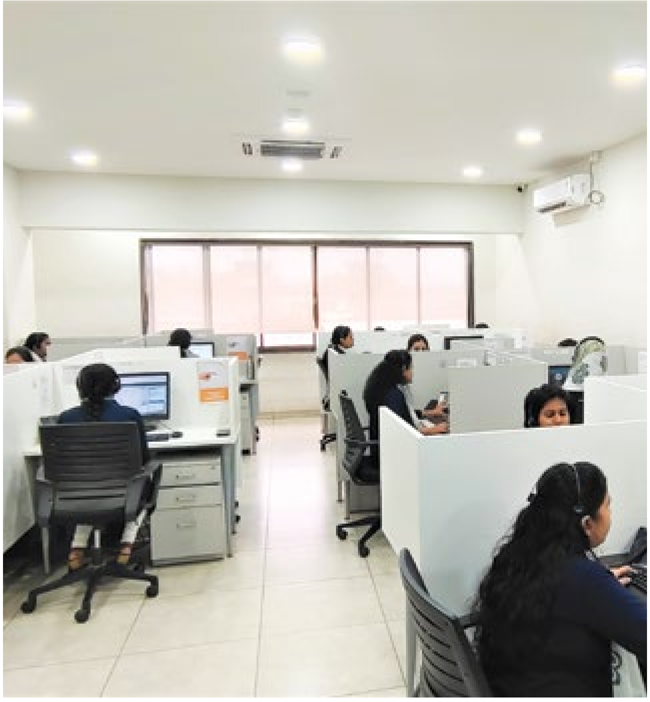
To improve our CSAT score, we focus on delivering exceptional customer service, streamlining processes and continuously enhancing the quality of our products. We prioritise listening to our customers, understanding their needs and incorporating their feedback into our decision-making processes.

To maintain the highest quality standards at our Plug Points, we conduct Mystery Shopping audits. These audits evaluate the services provided at our customer touchpoints and ensure they meet our stringent criteria. We have established exceptionally high standards for customer interactions, encompassing elements such as warm greetings, empathetic communication, adherence to standard verbiage and the provision of comprehensive & accurate information.

By implementing Mystery Shopping audits, we assess the quality of customer interactions and identify areas for improvement. In FY23, we achieved an impressive quality score of 88% through these audits, reflecting our commitment to excellence and the dedication of our staff.

Complaint Redressal

Torrent Power has implemented a structured complaint resolution framework to address customer concerns in a timely and transparent manner through a dedicated team and streamlined approach. Additionally, we have designated specific touchpoints for Licensed Electrical Contractors to cater to their distinct requirements. We have resolved 100% of customer complaints within the stipulated timeframe during the reporting year. By continuously raising the bar and surpassing expectations, we ensure our customers receive unparalleled service and satisfaction.



Call centre at Shil, Mumbra & Kalwa (SMK)

Demand Side Management (DSM)

Torrent Power has taken proactive measures in the form of Demand Side Management (DSM) to promote energy conservation and collaborate with our valued customers. As part of this initiative, we have conducted Energy Audits to identify areas of improvement and implement effective conservation measures. Additionally, we have introduced peak load shifting programmes, allowing customers to optimise their energy usage during peak demand periods, resulting in mutual benefits.

Furthermore, we actively encourage our customers to embrace sustainable practices by adopting rooftop solar installations in alignment with the government's vision for expanding the use of renewable energy. To facilitate this, we have established a dedicated team that helps and guides customers interested in installing solar rooftops.

Sustainable Supply Chains for Long-term Value Creation

Building Strong Supplier Partnerships

At Torrent Power, our objective is to maximise value creation for our stakeholders through sustainable business practices. We recognise the critical role our suppliers play in achieving this goal.

Building long-term relationships with our suppliers is key to sustaining our operations, reducing costs & lead time while maintaining quality. To achieve this, we actively engage with our suppliers and encourage their participation in our Environmental, Social and Governance (ESG) initiatives. We motivate them to adopt internationally recognised standards such as ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System) and ISO 45001 (Occupational Health and Safety Management System). Additionally, we train their employees in Health & Safety and Energy Efficiency and Environmental Sustainability. We go the extra mile by offering training materials in different languages to facilitate easy comprehension.

Adherence to Code of Conduct

We enforce a mandatory Code of Conduct for all our suppliers across the value chain to maintain high standards of ethics, integrity and transparency. Our Code covers critical aspects such as environmental protection, minimum wages, prohibition of child labour, anti-bribery laws and health and safety measures. It ensures that our suppliers share our values and comply with our standards, promoting sustainable practices throughout our value chain.

Empowering Local Suppliers

We also create indirect employment opportunities by engaging local community members in our operations and promoting entrepreneurship. As part of our sustainability goals, as far as possible, we purchase goods and services from local and small vendors, with a particular preference for underprivileged and women suppliers. Furthermore, we source packaging materials and select raw materials from small vendors in the area, boosting the local economy and fostering mutually beneficial relationships.

Local people are trained and employed as security guards at some of our plants. The skilled local community is given priority to the extent feasible for activities like fabrication, plumbing, horticulture, transportation, etc. The engagement of impoverished women to manage the canteen at one of our units is yet another example of our Company's commitment to inclusive growth.

Torrent Power prioritises MSMEs (Medium, Small and Micro Enterprises), which are the backbone of the Indian economy, for the procurement of various materials. In FY23, we procured 9.74% of materials from MSME suppliers.

78%
of overall procurement including fuel was sourced domestically

98%
of non-fuel procurement was sourced domestically

Strengthening Supplier Capabilities

We understand the importance of enhancing the capacity and capabilities of our suppliers. By actively engaging with them, we aim to develop a strong network of suppliers who can meet our requirements and contribute to our sustainability goals. To achieve this, we collaborate closely with our local suppliers, providing them with the necessary competency and capability-building support. We develop policies, procedures and signages in local languages to facilitate better understanding and involvement. By doing so, we ensure effective communication and promote the active participation of our suppliers in our operations and sustainability initiatives.

Further, to ensure that our suppliers imbibe the same human rights values as our Company, we held ~315 awareness programmes for them. Counselling and monitoring of suppliers/ vendors are done regularly to ensure compliance with health and safety, environment protection, ethics and anti-bribery policies.

Supplier Screening and Evaluation

We have a comprehensive process for screening and evaluating our suppliers and follow an 80:20 rule, where the focus is on critical vendors based on procurement value. In our generation business, fuel forms a major share of our procurement (in terms of value), with suppliers ranging from government entities for domestic coal to large international and domestic players compliant with various ESG parameters for gas supply. Our distribution business procures a wide range of materials from a diverse supplier base.

To ensure supplier compliance and performance, we have categorised our suppliers into different classes. Each class has specific criteria and targets for screening and evaluation. We conduct primary assessments at the time of their registration, visit suppliers' manufacturing sites for evaluation and assess their environment management systems based on predetermined screening criteria.

We believe in maintaining open communication with our suppliers, fostering a two-way channel for feedback and improvement.

Supplier performance is monitored through various channels, including feedback from supervisors and field force automation, internal and external audits, compliance management systems and surveys on Environment, Health & Safety management.

Social and Relationship Capital

Empowering Communities for Inclusive Growth

The philosophy 'Think of others when you think about yourself', set forth by Late Shri U.N. Mehta, our founder, guides our holistic community development approach. Our Corporate Social Responsibility (CSR) framework is designed to improve the quality of life and ensure the holistic development of our surrounding communities.

CSR Focus Areas

To enhance value creation for communities and dedicate resources towards accelerating meaningful social impact, the 'UNM Foundation', a not-for-profit organisation, takes forward the Group's CSR activities with a focus on:

- Community Health Care, Sanitation & Hygiene
- Education and Knowledge Enhancement
- Social Care & Concern

₹54 Crore

Spent towards Community Development during FY23

Mega Surgical Camp at UNM Children Hospital

Transparent Governance Structure

Our CSR activities are underlined by a robust governance system that enhances the reach and impact of our developmental initiatives. A Corporate Social Responsibility and Sustainability (CSRS) committee at the Board level oversees our community development programmes, progress and impact. A comprehensive CSR policy outlines focus areas, project categories, programme types, delivery methodologies and guiding principles for community engagement.

Annual Action Plan (AAP)

The CSRS committee meets at least twice a year. It is responsible for developing an annual action plan (AAP) outlining the chosen projects and activities and budgets for the year, seeks the Board's approval and tracks implementation. We regularly monitor the impact of our interventions on society and the environment to identify areas for improvement and assess the rightful spending of allocated budgets.

Community Healthcare, Sanitation and Hygiene

REACH

In 2016, we introduced our flagship programme REACH (Reach EAch CHild), under the UNM Foundation. The programme aims to prevent child health problems, provide access to specialist medical services for the diagnosis and treatment of other ailments and improve adolescent girls health and hygiene.

Our community healthcare initiatives are carried out via our flagship programme REACH in two distinct categories:

R EA CH

a movement, not an activity

- Outreach Activities
- Medical Services

Outreach Activities

Targeted at improving the baseline health of children, these activities are designed to improve the baseline health and well-being of children in underprivileged communities and establishing a foundation for a healthy future. We organised medical camps across various villages in the states of Gujarat, Maharashtra and Uttar Pradesh & in the union territory of Dadra & Nagar Haveli (DNH). At these camps, children are screened for anaemia, malnourishment or other ailments and necessary interventions are taken to improve their health.

1,24,000+
Children benefitted to date

1,200+
Villages covered

OUTREACH Activities

Social and Relationship Capital

Supporting Malnourished and Anaemic Children

Earlier, we offered the ready-to-use therapeutic food (RUTF), Balamul, to malnourished children to combat malnourishment. Considering the feedback received to enhance the taste and variety, we developed Mauji biscuits in-house with flavours that children would like, while maintaining the same nutritional components as in Balamul. For anaemic children, Vitcofol Syrup provides adequate supplements to improve their iron levels. In cases where additional supplements, medication, or advice was required, children were directed to existing paediatric centres, UNM Children Hospital, or appropriate hospitals for further medical support.

Follow-up programmes were developed to monitor the children's progress and ensure improvements in their health. Further, public campaigns were conducted to raise awareness about malnutrition, anaemia, good health and hygiene. Causes, symptoms, cures and care tips were shared through films in the vernacular language in the various villages we support.

The initiative has yielded positive benefits for the targeted children. Over 69% of malnourished children and 90% of anaemic children who completed the programme showed notable improvements and overcame their deficiencies through the supplements administered.

Expanding Outreach

Based on our experience and impact assessment, we were motivated to expand the scope of our community development interventions. Till FY23, 1,214 villages have been covered so far; next year we plan to extend our interventions to over 400 additional villages in and around Radhanpur and Banaskantha in Gujarat, Bhiwandi in Maharashtra, Agra in Uttar Pradesh and Dadra & Nagar Haveli and Daman & Diu. Our target is to support malnourished children in 1,600 villages.

We are also extending the reach of medical camps and diet supplements to children registered with Anganwadis in the new villages we are entering. We collect data from Anganwadi workers on moderate to severely malnourished children and organise their care.

69%
Children out of Malnourishment

90%
Children out of Anaemia

Programmes have been developed to monitor the children suffering from anaemia and malnourishment.

Sanitation & Hygiene

Our developmental interventions focus on empowering adolescent girls in rural areas by addressing taboos associated with menstruation and promoting menstrual hygiene. This programme encourages the use of sanitary napkins and deepens understanding of menstrual hygiene.

In the reporting year, women employees and female volunteers distributed sanitary napkins and conducted counselling sessions for adolescent girls in Sugen, Dahej and Indrad. Health and hygiene kits are being provided on regular basis at absolutely free of cost to beneficiaries.

In addition, we had implemented a pilot programme to provide bio-degradable and reusable sanitary napkins to reduce the environmental impact. During FY23, we distributed both conventional and bio-degradable & reusable napkins to more than 35,000 adolescent girls. Based on positive feedback from beneficiaries, we have decided to distribute only bio-degradable and reusable sanitary napkins going forward, which is also a more sustainable option. About 27,000+ beneficiaries were moved to bio-degradable napkins during the reporting year, with plans to shift the remaining 7,800+ beneficiaries next year.

Mass Awareness Drive

Conducting mass awareness drives to educate community members on cooking tasty and healthy food at home is a significant part of our sustainable development goals. Our team visits villages to guide people on easily available nutritious ingredients in the area and how to cook meals with them. Further, we create posters and videos in local languages, emphasising the dangers of malnutrition and anaemia and promoting healthy practices for children. The use of social media helps us reach a wider audience with information on addressing various health issues along with outreach activities at hospitals to improve community wellbeing.

Employee Task Force for Community Initiatives

We formed an employee task force to take forward our healthcare awareness drives. The task force conducted a comprehensive test aimed to cover not just the availability of medical resources but also the end users–the beneficiaries and reach out to slum dwellers as well as doctors. They also conducted a mass awareness drive for our medical facilities and activities.

35,000+
Adolescent girls are being provided health and hygiene kit

2,000+
Employees are part of the task force for community initiatives

Distribution of health and hygiene kits

Social and Relationship Capital

Medical Services

We offer medical services to children up to 18 years of age who live in remote areas with limited access to medical facilities. This initiative involves setting up Primary Paediatric Health Centres (PPHCs) to provide free medical advice, basic laboratory services and medication to underprivileged children.

In 2017, we launched four paediatric centres in Sugen, Dahej, Indrad and Balasinor of Gujarat, focusing on outpatient departments (OPDs). In 2020, we achieved a significant milestone by transforming the SUGEN paediatric centre into a 150-bed multi-disciplinary hospital, providing critical care to children.

Recently, five new PHCs were started in Dediapada, Waghai, Naswadi, Radhanpur and Chhapi to serve beneficiaries in remote rural areas lacking medical facilities.

360+
OPDs/day

1,00,000+
OPDs conducted during FY23

4,00,000+
OPDs since inception

UNM Children Hospital

Our commitment to providing comprehensive critical care to children saw us expand support to offer advanced surgical procedures to children in need. We converted the SUGEN paediatric centre into the UNM Children Hospital, developed in technical collaboration with Sheffield Hospital UK. It boasts modern facilities with state-of-the-art equipment and is staffed by super specialist doctors.

Spread over an expansive 20-acre campus, the hospital offers a range of services, including a Neonatal Intensive Care Unit (NICU) and Paediatric Intensive Care Unit (PICU) that provides free services for underprivileged children and at subsidised rates for others. The hospital also has a 24x7 emergency facility and free transportation to and from the surrounding areas to the hospital. With an advanced operation theatre (OT), the hospital is equipped to deal with complex surgeries. Special care is given to infants and newborns.

780+
Surgeries during FY23, of which 50% were life-saving critical surgeries

49%
Occupancy rate in less than a year

24x7
Emergency facility

UNM Children Hospital

Awareness Campaigns Boost Surgery Rate at UNM Children Hospital

As a result of our constant efforts to increase awareness about the UNM Children Hospital and its services, we have been able to serve more beneficiaries than before. One such initiative was taken on Founder's Day 2023 when an information video titled "A Short Story of UNM Children Hospital & its Beneficiary" was made available to the public.

With the help of numerous Torrentians, the video gained popularity among the masses, boosting surgery rates at the hospital. On an average, we are now performing over 7 surgeries per day, a significant increase from the previous average of 3 surgeries per day. This impact is a testament to the power of awareness campaigns and community support in improving healthcare access for those in need.

7

Average surgeries/day, a significant increase from the previous average of 3 surgeries/day

State-of-the-art operation theatre at UNM Children Hospital

Extending Medical Services to more Lives

We are focusing on widening the reach of our critical medical services to more underprivileged people and have doubled the capacity of the NICU and PICU from 20 beds to 37 at UNM Children Hospital.

In addition, we are stabilising operations and driving more footfalls at the five new PHCs added recently. Our medical facilities will be scaled appropriately depending on the response across all Nine Centres. Our objective is to increase our geographic reach to as many tribal and underprivileged populations as possible through medical services and outreach activities.

Well Equipped NICU and PICU facilities at UNM Children Hospital

Sumangal–A Multi-disciplinary Clinic for All Ages

Sumangal is a multi-disciplinary hub of healthcare excellence that caters to individuals of all ages. Originally known as Swadhar, the clinic was founded in September 2012 as an outpatient department, with a solitary doctor providing general medical consultations to the local populace.

Recognising the financial difficulties faced by rural patients in accessing specialised healthcare, Sumangal took an innovative step in 2018 by integrating dental, ophthalmology, dermatology, gynaecology, orthopaedics and physiotherapy disciplines into its ambit. As a result, Sumangal emerged as a comprehensive healthcare provider that delivers personalised medical care and enhances patients' overall well-being.

OPD checkup at our medical facility

Social and Relationship Capital

Education and Knowledge Enhancement

Shiksha Setu: Bridging the Learning Gap in Education

The Shiksha Setu programme was launched in 2011 to improve the quality of primary education in government and trust-sponsored schools. The programme aims to bridge the gap between teaching and learning processes using technological advancements. Currently, 13 schools in Surat, Chhatral, Chhapi, Memadpur and Ahmedabad are covered by this programme.

Phase III of the programme kicked off in FY23, focusing mainly on the Learning Enhancement Programme (LEP), Second Chance Programme (SCP) and Vocational Skills Development Programme.

Learning Enhancement Programme (LEP)

The LEP is an essential component of the Shiksha Setu programme. Under this initiative, tablets are provided to students to improve the learning experience. These tablets have made it possible for students to retain information better, especially in areas where they previously struggled. For instance, the tablet keeps repeating a particular chapter until the student fully understands the concept. As a result, students can progress to the next class with a strong foundation in the subject matter.

As part of the deployment, team members had the opportunity to interact with students and principals, which provided interesting insights that helped us effectively implement the programme.

Second Chance Programme (SCP)

The SCP provides an opportunity for students who have previously failed in Grade 10 board exams and are encouraged to prepare for it again. The programme has been successful in helping such students pass their board exams. During FY23, out of 66 students covered by SCP, 60 passed their board exams. Going forward, we plan to intensify the programme further, building upon the current successes.

Vocational Skills Development Programme

The Vocational Skills Development Programme provides training to youth to improve their employability. In FY23, 320+ people including 100 women benefited from the programme, and 86 have secured jobs.

15,000+
Students benefitted to date

E-Learning centre at Chhatral

Social Care and Concern

Pratiti: Public Park Development

The Pratiti programme aims to provide citizens with accessible, sustainable green spaces for leisure and recreation. Our team has successfully revamped nine parks in Ahmedabad, more than 98,000 square meters and three parks are under development in Surat, spread across 63,300 square meters. Our commitment to maintaining these green spaces ensures their longevity and continued accessibility to the public.

15,500+

Daily footfall across the parks

Aerial view of Parimal Garden at Ahmedabad

Victoria Garden at Ahmedabad

Social and Relationship Capital

The Sanskardham Equestrian Centre-Reclaiming Gujarat's Equestrian Glory

Gujarat has had a long and glorious history of exceptional horses and equestrian skills. Even now, one finds that some of the best indigenous horses in the country are raised in the state. While the passion for the sport abounds, Gujarat lacks the infrastructure to breed horses and train aspiring equestrians to become champions.

The Sanskardham Equestrian Centre has been relaunched in Gujarat with a vision to establish itself as a medal-winning academy, producing top-class equestrian athletes who will represent Gujarat and India at the Olympics and other prestigious equestrian competitions.

The centre is undertaking several infrastructural improvements to offer world-class facilities to the trainees. This includes the construction of a riding arena and a round yard, renovating stables and acquiring new thoroughbred riding horses. The facility has invested in saddlery, equipment, signage systems, staff rooms, and feed and equipment rooms ensuring a well-equipped training ground.

It has also hired experienced coaches and staff members who are well-versed in equestrian sports. The centre has implemented systems and processes for staff training, feed programs following veterinary guidelines and safety guidelines to protect both riders and horses.

The first phase of this programme saw students being trained in riding, show jumping and dressage. With the successful implementation of Phase 1, the Sanskardham

Sanskardham Equestrian Centre, Ahmedabad

Equestrian Centre plans to expand its infrastructure and capacity further. Under Phase 2, the centre aims to provide 40 students with specialised training in the Olympic equestrian disciplines of dressage, show jumping, and eventing.

Torrent Power is proud to be associated with this historic initiative. We have funded to help realise the centre's aspiration to be an institution of national and global significance and make Gujarat a beacon of equestrian sports again.

Shardashish School

In line with our commitment to facilitate equitable education for all, we make financial contributions to the Amdavad Vidyut Kelavani Samaj Trust. This trust manages the Shardashish school, located in the housing colony at our AMGEN plant and has educated over 500 underprivileged children from the Sabarmati slums. Our contribution goes towards bridging the gaps in government grants to cover the school's expenditures.

ShaishavMitrs–An Employee Volunteering Initiative

We value our staff creating positive social impact. Employees are encouraged to participate in our community engagement activities as 'ShaishavMitrs', a unique concept that enables them to volunteer their time, effort and skills to actively give back to society through our community development programmes.

ShaishavMitrs with beneficiaries

Proud Torrentians Promoting the Cause of Ahimsa (Non-Violence) and Peace

The Torrent Group partnered with the Jain International Trade Organisation (JITO) to organise the Mumbai chapter of a global event aimed at promoting peace and non-violence. This ground-breaking event was one of the world's first such initiatives conducted simultaneously in 65 Indian and 20 international locations, including the United States and the United Kingdom, on the same day. It featured races of varying distances, including 3km, 5km, 10km and 21km, catering to participants of different abilities and fitness levels. More than 20,000 enthusiasts nationwide took part in the run, with 8,000 being part of the Mumbai leg. A special highlight was the participation of 450 specially-abled children. Around 700 'Torrentians' participated in the event, demonstrating their commitment to promoting peace and non-violence. The event entered the Guinness Book of World Records for being a peace campaign that received the highest number of pledges in a single week.

JITO Ahimsa Run, Mumbai

Charitable Contributions

We make donations to different charitable organisations to support various social causes. These causes include providing medical services, organising blood donation camps, relief activities during natural calamities, preserving and enhancing cultural heritage, scientific research for the benefit of farmers and rural youth, preservation of the environment, educational activities, promotion of sports, capacity building for youth, vocational training, supporting women artisans, designing students, craft enthusiasts and micro & macro entrepreneurs connected with Indian handicraft, activities for tribal communities in areas of health, education, micro-credit and income generation, de-addiction, etc.

Natural Capital

Powering Sustainably. Small Steps, Big Impact.

Our business revolves around the productive use of natural resources to facilitate access to power and accelerate economic development and prosperity for many. We are conscious of the impact of our actions on the environment and use scarce resources like coal, gas and water judiciously. Since inception, we have balanced our operational expansion with an equal focus on conserving resources, rejuvenating nature and protecting the environment. Our strong foundation of sustainability initiatives is now paving the way for us to put environment-friendly imperatives, including increasing presence in the renewable energy segment into the core of our value creation model to promote a greener future.

87 MW GENSU Solar Plant at Surat

Key Linkages

UN SDGs

Strategic Themes

- ST2 Operational Excellence
- ST5 Responsible Actions

Material Topics

- MT1 Emissions Management
- MT2 Energy Source Diversification
- MT3 Energy Conservation
- MT10 Water Management
- MT11 Waste Management

Stakeholders Impacted

- Capital providers
- Customers
- Community
- Government and Regulators

How we reduce our environmental footprint

We optimally utilise our natural resources

We are increasing our share in the renewable energy sector

We are minimising water and energy consumption

We are managing waste and hazardous materials

We are striving to enhance the environment by curbing greenhouse gas emissions

Highlights FY23

‘Platinum’
The highest rating category from IGBC for power supply centres in Ahmedabad

>92%
Of the generation capacity is based on cleaner fuels

ZERO
Liquid discharge at all our generation units

100%
Fly ash utilisation

~6 Lakh
Trees planted over the years

Natural Capital

Emissions Management

GHG Emissions

At Torrent Power, managing emissions is a crucial element of our comprehensive ESG strategy to combat climate change. We have incorporated targets for reducing our Greenhouse Gas (GHG) intensity as part of our roadmap to reduce our carbon footprint. These targets align with our core value of 'Concern for Society & Environment'. They guide our mission to generate electricity from cleaner fuels, diversify into green energy and strengthen environmental stewardship.

25.74 Mn Metric Tons

CO_2 emission reduction due to gas based generation plants

As part of our efforts to reduce operational emissions, we are increasing the use of cleaner fuels, which account for over 92% of our total generation capacity. Our state-of-the-art gas-based generation facilities, which constitute 66% of our operational capacity, leverage cutting-edge technologies that minimise both environmental impact and land usage. These plants employ advanced F-class gas turbines and single shaft Combined Cycle Power Plants (CCPPs), maximising operational efficiency while minimising carbon emissions compared to coal-based facilities. Our thermal units have consistently improved the performance through innovative approaches, under various PAT schemes. The majority of our plants are certified under ISO 14001 (Environment Management System) and comply with global standards for environmental management.

ISO 14001 Certification

(Environment Management System) at most of the units

50.9 MW Mahidad wind power plant

The other measures we have adopted to minimise our environmental footprint across our operations:

Generation

- The timely maintenance of plants to improve station heat rate and reduce auxiliary consumption and emissions.
- Our gas-based generation units, registered with CDM (Clean Development Mechanism), can reduce ~8.5 million metric tons CO_2 emissions annually. The Company has already achieved ~25.74 million metric tons of CO_2 emission reduction (approved by UNFCCC) as per the compliance reports filed till FY23.
- Our gas based units are dedicated to eliminating ozone-depleting gases (ODG) in air conditioning units (ACs) by 2028. We are dissuading the introduction of new AC units containing ODG gases.
- Our 957 MW of renewable generation capacities are in process for registration under Global Carbon Council (GCC) with a possible annual GHG reduction of 1.96 million metric tons CO_2.

Distribution

- Reduction in distribution losses across all areas has led to lower energy consumption and related emissions. Additionally, reduction in power outages results in lower use of diesel generators and less pollution.
- We have decentralised operations at distribution areas, added new Customer Care Centres and digitised customer services. This has reduced the need for customers to travel to register and have their complaints addressed, thereby lowering the carbon footprint.
- Using recycled papers for energy bills and other stationery helps reduce waste volumes while promoting a paperless office. We encourage customers to opt for e-bills.
- The use of Electric Vehicles (EVs) was started as a pilot for internal commuting in FY23. We plan to add more EVs to reduce fossil fuel consumption. We are also adding BS VI-compliant vehicles to cut emissions.

Across the board, we are increasingly adopting digital platforms for meetings instead of physical engagements to reduce the carbon footprint associated with travel. Additionally, different units are undertaking steps to deepen the sustainability culture across the organisation. AMGEN is publishing a newsletter on environment-related developments and showcasing the achievements of Environment Heroes.

Discontinuing Venting of Natural Gas during start-up at Gas-based generation units

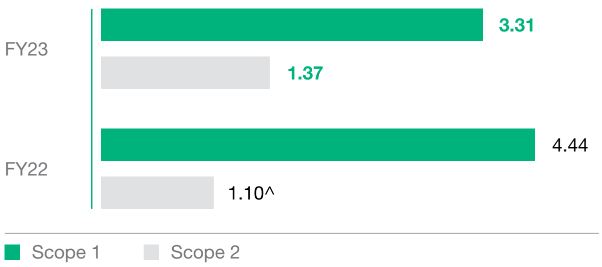
In our gas-based generation units, venting Natural Gas during turbine start-up was a common practice. This removes stagnant low-temperature gas and condensate that accumulates in the Fuel Gas lines, establishes a stable flame and reduces the likelihood of false start-ups.

To discontinue the practice of Natural Gas venting, we introduced Gas Turbine Constant Speed Ignition Logic to keep a check on the air-fuel ratio during start-up, verifying the health of Ignitors and Burners during major outages of gas turbines and running the gas turbine generator in motor mode with SFC at reduced speed to purge out incombustible gases and moisture.

With these improvements, we could not only discontinue venting of Natural gas but also improve the reliability of Gas Turbine Start-up and reduce GHG emission by 6.1 Ton of CO_2 per start.

GHG Emissions*

(in Mn tCO_2e)



*Includes GHG emissions from Ozone Depleting Substances (ODS)

^Increase in FY22 due to the addition of transmission and distribution loss under Scope 2

ODS Emissions

(in MT CFC-11 equivalent)

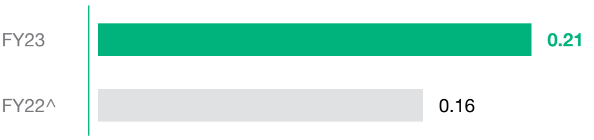
Particulars	FY21	FY22	FY23
ODS Emissions	0.11	0.03	0.39

Natural Capital

1,530 MW SUGEN & UNOSUGEN Plant at Surat

Emission Intensity

(tCO_2 eq/GJ)



^Increase in FY22 due to the addition of transmission and distribution losses under Scope-2

The emission intensity of our operations in the reporting year has increased as compared to the previous reporting year due to lower generation from gas-based units as a result of the lower off-take from long-term beneficiaries on account of higher LNG prices. On the other hand, coal-based PLF increased from 77% in FY22 to 88% in FY23.

Materials used to generate 4,089 Mus of thermal power in FY23 against 7,903 Mus generated in FY22.

(in MT)

Material Consumed	Category of Material	FY22	FY23
Indian Coal	Non-renewable Material	11,64,219	12,51,686
Imported Coal	Non-renewable Material	2,12,613	2,11,114
Low Sulphur Heavy Stock (LSHS)	Non-renewable Material	610	591
High Speed Diesel (HSD)	Non-renewable Material	304	406
Natural Gas	Non-renewable Material	7,79,959	2,27,474

Enhancing Our In-house Coal Blending Efficiency at AMGEN

Our units, like any thermal power plant, are designed to operate with a certain quality of coal (like Gross Calorific Value and ash content). To meet the total coal demand, we utilise both Indian and Imported coal, which are of varying qualities. We blend the coal at the bunker level to ensure the desired quality in the boiler. Recently, we encountered significant variations in the quality of Indian coal which impacted bunker-level blending by leaving higher levels of unburnt coal, slagging within the system, causing boiler tube leakages, etc. Addressing these challenges was further complicated by the absence of a stacker reclaimer, which prevented the separate storage and feeding of coal from the stockyard due to space constraints.

To overcome these obstacles, we have implemented an in-house coal blending practice which involves separate stacking of different qualities of Indian coal and mixing it with imported coal using dozers at the coal stockyard.

The homogeneously blended coal with the required coal quality is then fed into the boiler. With this modified coal blending practice, we could eliminate issues associated with the previous bunker-level blending method. This also minimised generation loss resulting from low GCV coal.

Benefits of our new approach

- Better stack emission control
- Improved control over unburnt coal levels
- No boiler tube leakages
- Reduction of slagging and clinkering inside the furnace
- Optimised coal mill operations
- Minimised generation loss resulting from low GCV coal

Air Emissions

Besides GHG emissions, we are conscious of the volumes of sulphur oxides (SO_x), nitrogen oxides (NO_x) and particulate matter (PM) resulting from our operations. We monitor SO_x, NO_x and PM levels adhering to regulatory norms. Our gas-based generation units employ advanced dry low NO_x burners, keeping emissions below the mandated levels. We have installed diesel generator (DG) stacking at various distribution areas to provide reliable backup power when needed. The implementation of a Flue gas monitoring system has further improved our emissions management approach.

Total Air Emissions

(in MT)

Air Emissions	FY21	FY22	FY23
SO_x	8,929	19,914	19,237
NO_x	4,795	7,844	6,680
PM	394	700	758

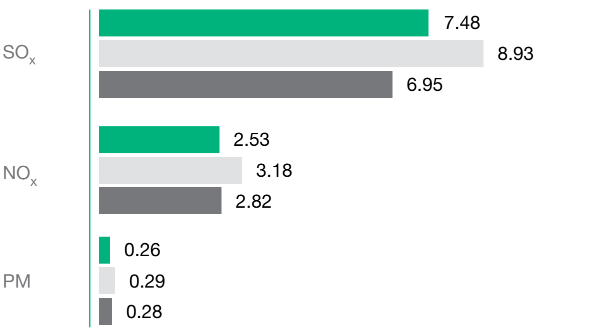
Natural Capital

Similarly, our coal-based generation unit maintains stack air quality through state-of-the-art Electrostatic Precipitators (ESP) with cutting-edge control systems. We have implemented dust suppression and extraction systems in coal stock and feeding areas to sustain ambient air quality. This prevents dust generation, ensuring that the surrounding air remains clean. Furthermore, we take proactive measures such as water sprinkling over coal stocks at the point of dust generation to mitigate any potential impact on air quality.

We installed a Gas Flare System at the cable manufacturing unit to control volatile organic compounds (VOCs) emitted in traceable quantities during PU4 insulation to protect the health and safety of our employees and communities. The Gas Flare System was designed specifically to control the emission of process gas from the PU4 CDCC line into the open air. The system comprises knock-out tanks and a flare stack at the top of the building to incinerate VOCs. An online system continuously monitors ambient VOC concentration.

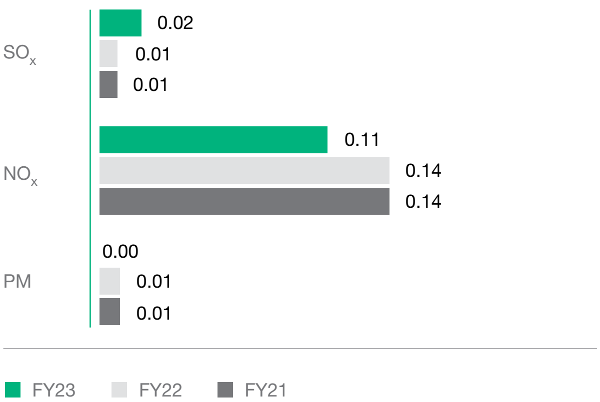
Air Emissions from Coal-based Generation

(kg/mWh)



Air Emissions from Gas-based Generation

(kg/mWh)



Carbon Offset

We are committed to replenishing the environment and protecting and preserving it. While our generation units operate within the set regulatory parameters, we undertake proactive measures to offset our carbon footprint, including tree plantation.

Over the years, we have planted and nurtured ~6.1 lakh trees, creating a thriving green ecosystem surrounding our facilities and providing a habitat for a diverse range of animal and bird species. Over 1 lakh small and big trees were planted in FY23 through our various tree plantation drives. This also included employee participation in planting on World Environment Day. These trees have shown a robust survival rate, contributing significantly to our carbon sequestration efforts.

Additionally, we have developed mangroves across 50 acres of ecologically sensitive coastal regions near DGEN, reflecting our unwavering dedication to protecting biodiversity in the areas where we operate.

Going beyond regulatory requirements, we have created a lush green belt around our generation facilities. We maintain a 43% green cover against 33% as required by law. We have also introduced organic farming practices in unused plots at multiple plant locations.

Together, these endeavours strengthen our efforts to offset our carbon emissions and promote a more sustainable future.

>1 lakh

Trees planted in FY23

Tree Plantation on World Environment Day

Responsible Energy Generation

As one of the leading integrated power utility in India, we understand the importance of delivering low-carbon power while ensuring affordability. We are consciously growing the share of renewable energy in our portfolio to preserve natural resources, achieve our climate goals and reduce environmental impact.

We have a total renewable energy capacity of 1,804 MW as of FY23 (of which 736 MW is in the pipeline), accounting for ~37% of our total generation portfolio. By steadily increasing the integration of renewables, we strive to meet the dual objectives of providing sustainable energy solutions and maintaining affordability for our customers.

We intend to continue expanding our renewable portfolio through greenfield and brownfield acquisitions, participate in utility-scale Solar, Wind, Hybrid and Pump Storage Hydro projects and supply power to C&I customers through renewable sources. Further, we are actively exploring investment opportunities in the sunrise sector of Green Hydrogen.

~37%
Total generation capacity from renewables

Adopting Green Power in Offices

We have taken steps to promote sustainability within our own operations by installing solar rooftops in new office buildings and existing ones in major locations. This initiative will expand the use of green power for internal use and lower our grid consumption from non-renewable sources. In FY23, we sourced 2,336 Giga Joules (GJ) of our energy requirements from captive solar rooftop plants, representing an increase of ~55% over 1,509 GJ generated in the previous year.

2,336 GJ
Energy consumption from captive solar rooftop plants

Efficient Use of Energy

Energy conservation and its efficient use is key to minimising and mitigating the impacts of climate change. Effective energy management is critical to control and reduce energy consumption, costs and emissions. We are implementing energy-efficient technologies, adopting energy-saving standard operating procedures (SOPs) & protocols and conducting energy audits across our generation and distribution units to identify opportunities for energy savings. All our plants are committed to function in a manner that ensures utmost energy efficiency and compliance with applicable legal and statutory requirements on energy management standards. Most of our manufacturing units have achieved ISO 50001 certification to improve our energy management practices.

ISO 50001 Certification
(Energy Management System) at most of the units

Promoting Solar Rooftop Installations

In line with the Solar Rooftop Policy of the Government, we encourage our customers to leverage the benefits of net metering by operating a solar rooftop Photovoltaic (PV) system on their premises. We actively help our customers with the rooftop solar installations. We successfully aided our customers at licensed distribution areas to install ~456 MW of solar rooftop capacity, generating around 533 MUs annually.

Energy Consumption Within Our Organisation

(in GJ)

Energy Consumption	FY22	FY23
Electricity	1,67,352	2,28,016

26,066 GJ
Of energy usage reduced

Captive Rooftop Solar System

Natural Capital

Green Buildings

To meet our ESG goals, all new office buildings and Power Supply Centres at Ahmedabad, Gandhinagar and Surat have been designed as per the requirements of Indian Green Building Council (IGBC). We achieved a 'Platinum' rating (highest category award) in the rigorous assessment carried out in FY23 by IGBC for various Power Supply Centres (PSCs) in Ahmedabad. These buildings are designed to utilise maximum daylight, minimise power consumption and use energy-efficient air conditioning and ventilation systems. Eco-friendly materials like AAC Block, RMC with 30% Fly Ash, terrace insulation with vermiculite, waterless urinals, low flow rate plumbing fixtures, High Solar Reflective Index (SRI) materials, grass pavers, etc. have been used for the construction of these green buildings. Rainwater harvesting and sewage treatment facilities have been provided for water conservation. Solar panels are being installed on the new buildings to minimise power withdrawal from external sources and enhance the use of renewable energy to reduce carbon footprint.

'Platinum'

rating by IGBC for various Power Supply Centres (PSCs) in Ahmedabad

Additionally, we have implemented various measures to reduce energy consumption across our business units and locations outlined here:

Energy Conservation in Offices

- Installing high energy efficient solutions like two-stage air cooling system for office areas, higher coefficient of performance variable refrigerant volume (VRV) system for occupancy-based areas and treated fresh air for all areas with air conditioners
- Basement ventilation with auto timer
- Air handling units equipped with variable frequency drive
- Replacement of sodium halogen lamps with energy-efficient LED lights with occupancy and day light-based sensor
- Replacement of old and high energy consuming equipment with energy-efficient models
- Incorporating energy-efficient features such as double-glazed windows, Honeycomb curtains, etc.
- Installation of solar rooftop systems
- Use of vertical gardens to provide green cover on the outer walls of the building to reduce the heat load on air conditioning systems
- Monitoring energy consumption of each office
- Energy auditing of office locations
- Signages for awareness and effective usage of energy

Energy Conservation in Distribution Network by Minimising Technical Losses

- Use of energy-efficient star-rated distribution transformers
- Establishment of distribution substations near load centres
- Continuous monitoring of network parameters and outage analysis
- Implementation of state-of-the-art technology and automation in the distribution network
- Use of high-efficiency energy meters
- Network development as per prescribed guidelines

Energy Conservation at Generation Units

- Implementation of systems for continuous monitoring and control of energy input and auxiliary consumption
- Ensuring optimum energy efficiency of the plant through regular testing, audits and surveys to identify efficiency losses
- Enhancing the overall efficiency of the plants, including optimised coal blending, combustion air optimisation, utilisation of energy-efficient auxiliaries, ESP power consumption optimisation and identification of steam and air leakages, etc.

Awareness to Enhance Energy Conservation

- Initiatives to promote energy conservation among customers, including awareness campaigns through social media, leaflets, customer meetings and messages on energy bills on conservation practices, demand side management and the use of energy-efficient equipment.
- Actively celebrating National Energy Conservation Day to raise awareness among our employees, their families, contractual workers and customers and taking a pledge for energy conservation.
- Display of energy conservation messages at our customer care centres.
- Developed a customer booklet called 'VIJ DARPAN' to assist our HT and LTMD customers at Surat Distribution unit.
- We have introduced green tariff w.e.f. FY24 at our licensed distribution areas to encourage energy conscious consumers in C&I segment to opt for renewable energy as their source of electricity consumption.

Conserving Water

We acknowledge the significance of water as a precious resource and leave no stone unturned in ensuring its optimal utilisation across all our operations. Responsible water management practices ensure efficient water consumption across all our facilities.

Our water conservation goals aim to reduce freshwater withdrawal through efficient wastewater treatment for optimal recycling and reuse. Zero Liquid Discharge (ZLD) solutions have been implemented at all our generating units. To minimise water discharge, treated effluent water is reused for various purposes like horticulture. We have implemented robotics systems for dry module cleaning for some of our renewable plants which minimises water consumption. Additionally, our offices are designed with green building principles that facilitate lower water consumption. Through these comprehensive measures, we strive to maintain water consumption well below statutory limits while ensuring the efficient and sustainable use of this vital resource.

We have developed rainwater harvesting systems and recharge wells at various office and plant locations to reduce freshwater withdrawal and ensure water availability. In FY23, we harvested ~2.44 lakh m^3 of rainwater against ~1.14 lakh m^3 in the previous reporting year.

Efficient Water Management at SUGEN

Natural Capital

Some of the other water conservation measures adopted across our operations are outlined here:

Thermal Generation Units

- Optimising the timing between two successive bottom ash operations in the boiler to minimise water usage
- Utilising a dry ash collection system for efficient evacuation of ash, minimising wet ash operations and ensuring 100% availability of the system
- Continuous monitoring and optimisation of the cycles of concentration (COC) of the cooling water system based on requirements
- Effective utilisation of treated effluents from the water treatment plant for disposal of wet ash and reuse in plant processes
- Pumping back ash pond water for reuse in the slurry system and reducing freshwater consumption
- Ensuring optimum water use within the limits set by the regulatory bodies
- Treatment of wastewater in Sewage Treatment Plants (STPs) for reuse in plantations and gardening
- Utilising cooling tower pond water for annual shutdown activities to avoid additional freshwater usage

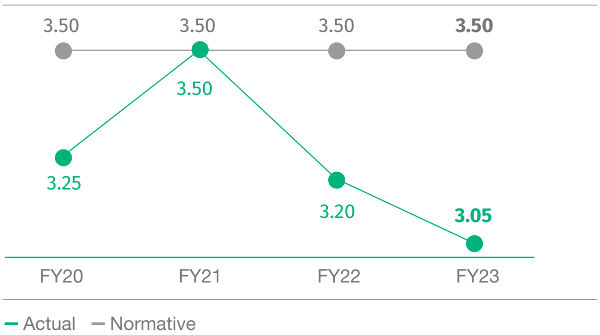
Distribution Units and Other Office Locations

- Adoption of water-free urinals in offices and PSC buildings
- Installation of water meters at offices and continuous monitoring of usage to identify areas for reduction and conservation and implementing solutions to manage wastage
- Using robotic systems for periodic cleaning of underground water tanks to avoid hazards. This also eliminates the need for water tanks to be emptied for cleaning
- Signages at relevant locations to promote effective water usage
- Installing dual flush systems and sensor-based taps for judicious consumption of water
- Across our operations, we celebrated World Water Day on March 22, 2023 to reiterate the importance of social accountability for water conservation through banners, audio-visuals and a water conservation pledge taken by all employees and contract workers

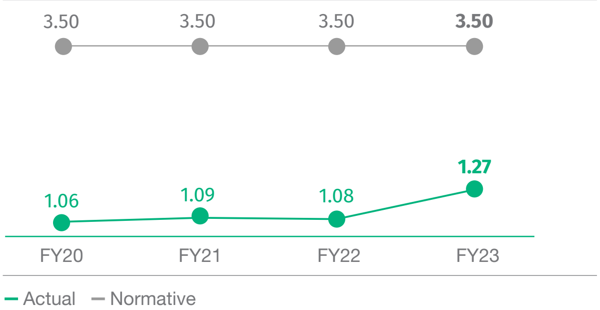
Specific Water Consumption

(m^3/ mWh)

Coal-based



Gas-based



(in Mn litres)

Water Withdrawal*	FY21	FY22	FY23
Surface water	13,862	11,810	7,712
Ground water	1,000	2,468	3,023
Third-party water	84	102	299
Total	**14,946**	**14,380**	**11,035**

Water Discharge^	FY21	FY22	FY23
Surface water	0.22	0.37	2.09
Ground water	-	-	-
Third-party water	-	-	-
Total	**0.22**	**0.37**	**2.09**

*Water withdrawal for domestic consumption accounts for <4% of the total water withdrawal.

^Domestic water discharge (<1000 mg/L total dissolved solids) is not monitored.

Reusing Ash Pond Water at AMGEN

At AMGEN, our coal-based generation plant, the Bottom Ash Hopper (BAH), plays a crucial role in collecting a portion of ash generated in the boiler in the form of clinkers. Located at the bottom of the boiler, the BAH is designed to hold this ash. The sealing of the BAH is ensured by a continuous water overflow in the seal trough supplied by the plant's water source and by effectively managing the clinkers produced during the boiler's operation. However, the ash must be evacuated from the BAH every 8-10 hours by discharging it in the form of ash slurry. The slurry is transported through a pipeline that stretches over ~5 kilometres to reach the designated ash pond. Once the ash slurry is discharged into the ash pond, it is left undisturbed, allowing the solid particles to settle at the bottom while the water remains on top. Earlier we were utilising this water only for sprinkling in the plantation at the ash pond area and the rest of the water was allowed to evaporate naturally.

As a water conservation initiative, the concept of recovering water from the ash pond and bringing it back for utilisation in the plant was conceived. To achieve this objective, we faced several challenges, including the considerable distance between the pond and the plant, the associated costs and the complexities of obtaining necessary permissions in a densely populated area. We devised an alternate solution which involved repurposing the existing pipeline, originally used for ash disposal, to recover water from the ash pond. A trial run was conducted using a makeshift arrangement and a sprinkling water pump already installed at the ash pond. The success of this trial led to the installation of high-capacity submersible pumps and the necessary piping network at the ash pond.

With the newly implemented system, water recovery from the ash pond became a regular practice when ash slurry discharge did not occur. The recovered water is now utilised for various plant requirements, including bottom ash hopper filling, seal trough overflow and bottom ash evacuation operations.

We have reduced our freshwater intake of ~1,500 to 2,000 m^3 per day by reusing the recovered ash pond water for these tasks.

Ash Pond at AMGEN

Natural Capital

Optimisation of Circulating Water Supply and Auxiliary Steam System at Gas-based Generation units

Circulating Water Systems are critical for thermal power plants. The system requires large volumes of water for service cooling and condensation of steam. The Circulating Water System is provided with a pump for the supply of water to each operating unit and consumes nearly 42,000 units of energy daily. Due to operational constraints, two pumps were required to be operated even though only one unit was active. Furthermore, shutting down the entire system and restarting was technically challenging when there was a complete station shutdown.

We modified the Circulating Water System operating logic and process and upgraded to a DCS system T3000, so a single pump can be run in an optimised state with a fully open discharge valve in place of throttling. Moreover, constraints to shut down and restart the complete system were also addressed to enable complete shutdown in a no demand scenario. Operation procedures have been enhanced to allow for an early system shutdown for gas-based units. Steam conservation was improved by moving the seal steam application to a standby unit.

The optimisation of the Circulating Water Pump System has resulted in a saving of 4.1 lakh units of energy and 5.8 million litres of water per instance of station under reserve shutdown on account of no demand. The optimisation of the Auxiliary Steam System saves 48,000 units of energy every day and reduces the consumption of demineralised water by 60 m^3 per day.

Enhancing Circularity in Waste Management

We emphasise on robust waste management practices to protect human life and positively impact natural resources and biodiversity. Our waste management strategy follows the principle of responsible utilisation and minimal waste generation at the source, effective segregation for better management, sustainable disposal methods to reduce the quantity of waste sent to landfills and fostering 3R circular economy principles of Reduce, Reuse and Recycle.

Sustainable waste management of generated ash is a key responsibility of power plants. 100% of the fly ash generated at AMGEN, our coal-based thermal power plant, is fully reused. We have reduced the consumption of wood by using returnable steel cable drums instead of wooden cable drums and using reusable Polypropylene Sheet (PP) sheets instead of wooden lagging in cable packaging.

An efficient system ensures proper collection, storage, transportation and disposal of waste. Hazardous waste, including used oils, batteries, e-waste and bio-medical wastes, is handled in compliance with regulations. This waste is appropriately disposed through authorised Treatment, Storage & Disposal Facilities (TSDF) and recyclers approved by the State Pollution Control Board. Colour-coded bins are used for different types of waste with designated storage areas and labelled containers. All required preventive measures to protect health and safety are in place. Food waste is converted into compost for reuse in gardens. Detailed records of the waste generated are maintained in separate passbooks.

We closely monitor resource usage on a monthly/daily basis to identify areas for improving utilisation and reducing wastage.

Our distribution units are undertaking a ‘Beautification Project’ under which distribution materials are being replaced with bio-degradable and environmentally friendly materials, such as:

- Material of Construction (MoC) for distribution boxes and feeder pillars changed to improve the life cycle of the product;
- Surface treatment and painting to enhance the life of feeder pillars and other enclosures installed onsite;
- Corrugated fins radiator design for distribution transformers against the conventional design to reduce oil leakage;
- Nitrile base gasket, removal of the bottom valve, mounting equaliser pipe, etc. in transformers to avoid oil leakage;
- Biodegradable natural ester oil filled distribution transformers against mineral oil filled transformers to prevent land contamination and emit fewer toxic gases;
- Use of SF6 Gas insulated switchgears instead of oil filled switchgears to prevent land contamination;
- Dry type transformers instead of conventional oil type transformers to mitigate oil leakages, enhance public safety and minimise maintenance.

Further, we have developed an in-house testing infrastructure and quality management system to test materials before installation, reducing the chances of failure and wastage of resources.

Labeled containers for Hazardous waste

Details of Hazardous and Non-Hazardous Waste

(in MT)

Type of Waste	Waste Generated		Waste Diverted from Disposal*		Waste Diverted to Disposal*	
	FY22	FY23	FY22	FY23	FY22	FY23
Hazardous	1,511	977	1,255	809	166	396
Non-hazardous	3,79,622	3,78,218	3,31,477	2,43,598	48,847	1,41,675
Total	**3,81,133**	**3,79,195**	**3,32,732**	**2,44,470**	**49,013**	**1,42,071**

*Waste diverted from disposal or waste diverted to disposal may include leftover stock from waste generated in earlier years.

Fly Ash Utilisation

In FY23, AMGEN faced the challenge of managing a nearly full pond with 9.48 lakh MT of ash. In keeping with our focus on responsible waste management, we identified ongoing and future construction projects in and around Ahmedabad, including road and bridge projects and engaged with contractors, consultants and government officials to explore the utilisation of ash in these projects with approval from the Gujarat Pollution Control Board (GPCBs). We signed Memorandum of Understanding (MoUs) with various government organisations and their contractors for the utilisation of ash in developmental projects like the Gandhi Ashram Development Project by Amdavad Municipal Corporation (AMC), Ahmedabad-Dholera Expressway Road Project by the National Highways Authority of India (NHAI) and Ahmedabad-Bagodara highway project by NHD. Through these projects, we could use 100% of the ash generated.

Earlier, AMGEN used to incur transportation costs to evacuate pond ash, which had limited utility and market value compared to fly ash. However, from FY23, we have successfully evacuated pond ash at no cost and even generated revenue from its sale. **This initiative resulted in the highest ever pond ash utilisation of ~6.2 lakh MT in a single year, with reduction in evacuation costs.**

GRI Content Index

Torrent Power Limited has reported the information cited in this GRI content index for the period April 1, 2022 to March 31, 2023 in reference to the GRI Standards. Mapping with other frameworks i.e. SASB Standards, NGRBC/BRSR, UN SDGs and UNGC principles is also provided herein.

General Disclosure

GRI Reference	Indicator Details	Page Number	SASB Standards	NGRBC/ BRSR	UN SDGs	UNGC Principles
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2-2	Entities included in the organisation's sustainability reporting	2, 166, 168, 378-380		Section A		
2-3	Reporting period, frequency, and contact point	2, 166		Section A		
2-6	Activities, value chain and other business relationships	10-13, 20-21, 81, 166, 167	IF-EU-000.C	Section A		
2-7	Employees	61, 167		Section A	5, 8, 10	
2-8	Workers who are not employees	61, 167		Section A		
2-9	Governance structure and composition	16-17, 170		Section B	5,16	
2-10	Nomination and selection of the highest governance body	126-127, 173, 200		Principle 1	5,16	
2-11	Chair of the highest governance body	197-198			16	
2-12	Role of the highest governance body in overseeing the management of impacts	142, 182, 203		Principle 4	16	
2-13	Delegation of responsibility for managing impacts	142, 170, 182, 183, 203		Section B, Principle 4, 5	16	
2-14	Role of the highest governance body in sustainability reporting	142, 203			16	
2-15	Conflicts of interest	173, 197-198		Principle 1	16	
2-16	Communication of critical concerns	18-19			16	
2-17	Collective knowledge of the highest governance body	171, 200		Principle 1	16	
2-18	Evaluation of the performance of the highest governance body	201-202				
2-19	Remuneration policies	183, 204		Principle 5		
2-20	Process to determine remuneration	201-202, 204				
2-22	Statement on sustainable development strategy	5-7, 170		Section B		
2-23	Policy commitments	24-27, 169-172, 184, 195		Section B, Principle 1, 5, 9	16	1-10
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2-26	Mechanisms for seeking advice and raising concerns	2				
2-27	Compliance with laws and regulations	172, 189, 212		Principle 1, 6		
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GRI Reference	Indicator Details	Page Number	SASB Standards	NGRBC/ BRSR	UN SDGs	UNGC Principles
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3-1	Process to determine material topics	22-23, 169, 180-182, 185		Section A Principle 4 Principle 5		
3-2	List of material topics	22-23, 169		Section A		
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201-1	Direct economic value generated and distributed	34, 168		Section A	8	
205-3	Confirmed incidents of corruption and actions taken	172		Principle 1	10	
207-1	Approach to tax	346, 387-389			16	
207-2	Tax governance, control, and risk management	346, 387-389			16	
207-3	Stakeholder engagement and management of concerns related to tax	346, 387-389			16	
Environmental Performance						
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302-1	Energy consumption within the organisation	99, 185, 189	IF-EU-000.E	Principle 6	12, 13	7, 8, 9
302-4	Reduction of energy consumption	99		Principle 6	7, 12, 13	7, 8, 9
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303-3	Water withdrawal	102, 186	IF-EU-140a.1	Principle 6	6,12	7, 8, 9
303-4	Water discharge	102, 186		Principle 6	6	7, 8, 9
303-5	Water consumption	102, 186	IF-EU-140a.1, IF-EU-140a.3	Principle 6	6	7, 8, 9
Emission						
3-3	Management of Material Topic	94				
305-1	Direct (Scope 1) GHG emissions	95, 187	IF-EU-110a.1, IF-EU-110a.2	Principle 6	13	7, 8, 9
305-2	Energy indirect (Scope 2) GHG emissions	95, 187		Principle 6	13	7, 8, 9
305-4	GHG emissions intensity	95, 187	IF-EU-110a.1	Principle 6	13	7, 8, 9
305-5	Reduction of GHG emissions	94, 187		Principle 6		
305-6	Emissions of ozone-depleting substances (ODS)	95, 187		Principle 6	3, 13	7, 8, 9
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	97, 186	IF-EU-120a.1	Principle 6	3, 13	7, 8, 9
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3-3	Management of Material Topic	104				
306-2	Management of significant waste-related impacts	104, 105, 174, 188		Principle 2 Principle 6	6, 12	7, 8, 9
306-3	Waste generated	105, 188		Principle 6	6, 12	7, 8, 9
306-4	Waste diverted from disposal	105, 188	IF-EU-150a.1	Principle 6	6, 12	7, 8, 9
306-5	Waste directed to disposal	105, 188		Principle 6	6, 12	7, 8, 9

GRI Content Index

GRI Reference	Indicator Details	Page Number	SASB Standards	NGRBC/ BRSR	UN SDGs	UNGC Principles
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Employment						
3-3	Management of Material Topic	62				
401-1	New employee hires and employee turnover	62, 168		Section A	5, 8, 10	
401-3	Parental leave	69, 176		Principle 3	3, 5, 8	
Occupational Health and Safety						
3-3	Management of Material Topic	69				
403-1	Occupational health and safety management system	69, 177		Principle 3	3, 8	
403-2	Hazard identification, risk assessment, and incident investigation	69, 177-178		Principle 3	3, 8	
403-3	Occupational health services	69-73, 177		Principle 3	3, 8	
403-4	Worker participation, consultation, and communication on occupational health and safety	69-70, 177		Principle 3	3, 8	
403-5	Worker training on occupational health and safety	70, 177		Principle 3	3, 8	
403-6	Promotion of worker health	70, 177		Principle 3	3, 8	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	69-73, 178-179		Principle 3	3, 8	
403-8	Workers covered by an occupational health and safety	69, 177		Principle 3	3, 8	
403-9	Work-related injuries	71	SASB- IF-EU-320a.1	Principle 3		
Training and Education						
3-3	Management of Material Topic	62				
404-1	Average hours of training per year per employee	63, 176, 182		Principle 3,5	4, 5, 8, 10	
404-2	Programs for upgrading employee skills and transition assistance programs	63-64, 176		Principle 3	4, 5, 8, 10	
404-3	Percentage of employees receiving regular performance and career development reviews	64, 177		Principle 3	5, 8, 10	

GRI Reference	Indicator Details	Page Number	SASB Standards	NGRBC/ BRSR	UN SDGs	UNGC Principles
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405-1	Diversity of governance bodies and employees	68, 167		Section A	5, 8, 10	
Human Rights						
3-3	Management of Material Topic	73				
406-1	Incidents of discrimination during the reporting period.	73, 184		Principle 5	5, 8, 10	1, 6
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	73			8, 10, 16	1, 3
408-1	Operations and suppliers at significant risk for incidents of child labour	73, 184		Principle 5	8, 10, 16	1, 2, 5
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3-3	Management of Material Topic	75				
413-1	Operations with local community engagement, impact assessments, and development programs	75-91, 189		Principle 6	1, 2, 3, 4, 10, 11	8
416-1	Assessment of the health and safety impacts of product and service categories	79			3, 11	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	80, 194, 196	IF-EU-550a.1	Principle 9	16	

Statutory Reports

Financial Statements

Notice

NOTICE is hereby given that 19th Annual General Meeting of the Members of **TORRENT POWER LIMITED** (herein after referred to as "the **Company**") will be held on Thursday, August 10, 2023 at 9:30 am IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following:

ORDINARY BUSINESS

1. ADOPTION OF STANDALONE FINANCIAL STATEMENTS

To consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023, the Auditor's Report and the Board's Report thereon, by passing the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023, the Auditor's Report and the Board's Report thereon be and are hereby considered and adopted."

2. ADOPTION OF CONSOLIDATED FINANCIAL STATEMENTS

To consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023 and the Auditor's Report thereon, by passing the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023 and the Auditor's Report thereon be and is hereby considered and adopted."

3. CONFIRMATION OF INTERIM DIVIDEND AND DECLARATION OF FINAL DIVIDEND

To confirm payment of interim dividend and declare final dividend for the Financial Year ended March 31, 2023 by passing the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** payment of interim dividend of ₹ 22 per equity share (including ₹ 13 per equity share as a Special Dividend) for the Financial Year ended March 31, 2023 be and is hereby confirmed and final dividend of ₹ 4 per equity share as recommended by the Board of Directors for the same Financial Year be and is hereby declared."

4. RE-APPOINTMENT OF JINAL MEHTA AS A DIRECTOR

To appoint a Director in place of Jinal Mehta, who retires by rotation and being eligible, offers himself for re-appointment by passing the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** Jinal Mehta (DIN: 02685284), who retires by rotation and being eligible, offers himself for re-appointment be and is hereby appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

5. COMMISSION TO NON-EXECUTIVE DIRECTORS

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

"**RESOLVED THAT** pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force, Articles of Association of the Company and Regulation 17(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Members be and is hereby accorded for annual commission to Non-Executive Directors for such amounts / rate as may be determined by the Board, but not exceeding in aggregate for all Non-Executive Directors, 1% of the net profit of the Company for each Financial Year, computed in the manner laid down in Section 198 of the Act, or any statutory modification(s) or re-enactment thereof, for a period of 5 years from April 1, 2024."

6. RATIFICATION OF REMUNERATION OF COST AUDITORS

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

"**RESOLVED THAT** pursuant to the provisions of section 148 of the Companies Act, 2013 ("the Act") read with the Companies (Cost Records and Audit) Rules, 2014, the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force, M/s. Kirit Mehta & Co., Cost Accountants, Mumbai, the Cost Auditors appointed by the Board of Directors of the Company to conduct audit of cost records of the Company for FY 2023-24 be paid fees of ₹ 12,40,000/- plus applicable taxes and out of pocket expenses, if any, incurred by them during the course of cost audit."

Notice (Contd.)

7. ENHANCEMENT OF BORROWING LIMITS

To consider and if thought fit, to pass the following resolutions as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as amended from time to time and the rules made there under, including any modifications, amendments or re-enactment thereof and subject to such other approvals as may be necessary, and in supersession of the earlier resolution passed by the Company in this regards, the consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which shall be deemed to include any Committee thereof), to borrow any sum or sums of monies or raise such sum or sums (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business), from time to time, in such form and manner and on such terms and conditions as the Board may deem fit, as may be required for the purposes of business of the Company, from one or more Banks, Financial Institutions and / or any other Company, Body Corporate or Lenders or Investors (including any Government(s), Government Bodies, Firms, Association of Persons and any Individuals) by way of loans, Debentures, Notes & Bonds, Cash Credits, Advances, Deposits, Bill Discounting or any other form of indebtedness, either in rupees or in such other foreign currencies as may be permitted by law from time to time, whether secured or unsecured, provided that the total amount so borrowed and outstanding at any point of time shall not exceed ₹ 25,000 Crore, notwithstanding the fact that monies to be borrowed together with the monies already borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may at any time exceed the aggregate of the paid-up share capital of the Company, its free reserves (i.e. reserves not set apart for any specific purpose) and securities premium.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to borrow monies, raise funds and create charge / security upto ₹ 25,000 Crore and to finalize, settle the terms and conditions (including but not limited to acceptance of sanctions / facilities by lenders / investors) and execute such documents / deeds / writings / papers / agreements as may be required, appointment of Security Trustee, Debenture Trustee, appointment of Registrar and Transfer Agent, appointment and removal of the Issuing and Paying Agent to Commercial Papers issues of the Company, determining their fees and other terms of appointment and to do all acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the aforesaid resolution and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution and also to delegate all or any of the above powers to the Committee of Directors."

8. CREATION OF CHARGES

To consider and if thought fit, to pass the following resolutions as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, ("the Act") as amended from time to time and the rules made thereunder, including any modifications, amendments or re-enactment thereof and subject to such other approvals as may be necessary, and in supersession of the earlier resolution passed by the Company in this regards, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which shall be deemed to include any Committee thereof) to mortgage, hypothecate, pledge, assignment and / or charge, in addition to mortgage, hypothecation, pledge, assignment and / or charge already created, in such form, manner and ranking and on such terms as the Board may deem fit in the interest of the Company, any or all of the immovable and / or movable properties of the Company, including book debts, intellectual property rights, licences, project documents, contracts and insurance policies wheresoever situated, both present and future, and / or the whole or part of the undertaking of the Company together with or without the power to enter upon and to take possession of any such asset and to take over the business or takeover the management of the business or any undertaking of the Company in case of events of default, in favour of the lender(s), agent(s) or trustee(s), for securing the borrowing including working capital facilities availed or to be availed by the Company or any of its subsidiaries, from time to time, by way of loans, Debentures, Notes & Bonds, Cash Credits, Advances, Deposits, Bill Discounting or any other form of indebtedness, either in rupees or in such other foreign currencies, in one or more tranches, alongwith interest, additional interest, accumulated interest, any increase as a result of changes in the rates of exchange, liquidated damages, commitment charges or costs, expenses and all other monies payable by the Company or any of its subsidiary in terms of respective facility agreement(s), Debenture Trust deeds or any other document entered / to be entered into between the Company or any of its subsidiary and the lenders / agents / investors and trustees (including Debenture Trustees) as may be stipulated in that behalf and agreed to between the Board and the lenders, agents, investors or trustees (including Debenture Trustees), from time to time, upto the limits approved under Section 180(1)(c) of the Act.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalize, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to aforesaid resolution and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution and also to delegate all or any of the above powers to the Committee of Directors."

9. ISSUANCE OF NON-CONVERTIBLE DEBENTURES ON A PRIVATE PLACEMENT BASIS

To consider and if thought fit, to pass the following resolutions as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 42, 71, 180 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and all applicable rules made thereunder for the time being in force the Memorandum of Association and the Articles of Association of the Company, the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable SEBI regulations, circulars and guidelines for the time being in force and Foreign Exchange Management Act and Reserve Bank of India directives, circulars and guidelines for the time being in force and all other applicable laws, approval of the Members be and is hereby accorded for issuance of Non-Convertible Debentures by way of offer or invitation, upto an aggregate amount of ₹ 3,000 Crore, on a private placement basis to the following identified investor classes viz.

(a) Qualified Institutional Buyers as defined in the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as may be amended from time to time;

(b) Banks, Companies, Bodies Corporate, Financial Institutions (including Non-Banking Financial Companies), Pension / Gratuity / Provident / Superannuation funds and other investors registered with SEBI;

in one or more tranches, within the overall borrowing limits approved for the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to do all such acts, deeds and things as may be necessary for or incidental to the above resolution."

By Order of the Board
For Torrent Power Limited

Ahmedabad
May 29, 2023

Rahul Shah
Company Secretary

Registered Office:
"Samanvay",
600, Tapovan,
Ambawadi, Ahmedabad-380015
CIN: L31200GJ2004PLC044068
Phone: +91 79 26628300
Website: www.torrentpower.com
Email: cs@torrentpower.com

NOTES

1. The Ministry of Corporate Affairs ("the MCA") vide its circular no. 10/2022 dated December 28, 2022 permitted the companies to hold the Annual General Meeting ("AGM" or "Meeting") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 dated May 5, 2020 and General Circular No. 02/2022 dated May 5, 2022, as per the MCA circular (collectively referred to as "the MCA Circulars"). In compliance with the provisions of the Companies Act, 2013 ("the Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and the MCA Circulars, AGM of the Company for Financial Year 2022-23 is being held through VC / OAVM. Registered Office of the Company shall be deemed to be the venue for AGM. **The detailed procedure for participation in the Meeting through VC / OAVM is as per Note No. 27 and 28.**

2. Since AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of the Members has been dispensed with. Accordingly,

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the facility for appointment of proxies by the Members will not be available for AGM.

3. Members attending AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

4. Members of the Company who are Institutional Investors are encouraged to attend and vote at AGM through VC / OAVM. Corporate Members intending to authorize their representatives to participate and vote through e-voting on their behalf at AGM are requested to send a certified copy of the Board Resolution or authorization letter to the Company.

5. Members can join AGM through VC / OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1,000 Members on a first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend AGM without any restriction.

6. The statement pursuant to Section 102 of the Act and Regulations 36(3) and 36(5) of the Listing Regulations is annexed hereto and forms part of this Notice.

7. The dividend, if declared, would be paid after the conclusion of said AGM to those Members whose names appear in the Register of Members of the Company maintained by Registrar and Share Transfer Agent ("RTA") and Register of Beneficial Owners maintained by the Depositories under Section 11 of the Depositories Act, 1996, at the end of the business hours on Friday, June 16, 2023.

8. The final dividend, if declared at AGM, payment of such dividend will be made on or before September 8, 2023, subject to deduction of tax at source.

9. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at the prescribed rates. For the prescribed rates of Income Tax for various categories, please refer to the Finance Act, 2020 and amendments thereto. The same are also available on the website of the Company www.torrentpower.com.

10. **In terms of Section 124 of the Act, the amount of dividend not encashed or claimed within 7 years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund (IEPF) established by the Government of India (GoI).**

    Further, pursuant to the provisions of Section 124 of the Act and IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all shares on which dividend has not been paid or claimed for 7 consecutive years or more are required to be transferred to the Demat Account of the IEPF Authority. The Company has sent intimation to all such Members who have not claimed their dividend for 7 consecutive years. All such Members are requested to claim their Unclaimed Dividend expeditiously failing which their shares shall be transferred to the Demat Account of IEPF Authority and no claim shall lay against the Company. The Members thereafter need to claim their shares from IEPF Authority by filing IEPF Form-5 and by following such procedures as prescribed therein.

11. Nomination facility is available for the Members as per Section 72 of the Act. Members of the Company have an option to nominate any person as their nominee to whom their shares shall vest in the unfortunate event of their death. It is advisable to avail this facility, especially by the Members who currently hold shares in their single name. Nomination can avoid the process of acquiring any right in shares through transmission of shares by law. In case of nomination for the shares held by the joint holders, such nomination will be effective only on death of all the holders. In case the shares are held in dematerialised form, the nomination form needs to be forwarded to Depository Participant (DP).

12. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends by registering their bank account details with the Company. For further information, Members are requested to approach the RTA of the Company.

13. **Trading in equity shares of the Company is compulsorily in dematerialised mode for all the Members. Also, as per provisions of the Listing Regulations, transfer of listed securities shall not be processed unless the securities are in dematerialized form. This measure is aimed at curbing fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares.**

14. **With a view to conserve natural resources, we request the Members to update and register their email addresses with their DPs or RTA, as the case may be, to enable the Company to send communications including Annual Report, Notices, Circulars, etc. electronically. Members may register their email addresses by following below process:**

Physical Holding	By clicking on the below link, the Member may register his / her email address, mobile number and bank details: https://web.linkintime.co.in/EmailReg/Email_Register.html After clicking the above link, the Member have to fill the relevant details in the respective fields and attach self attested copy of PAN and address proof and cancelled cheque leaf.
Demat Holding	By clicking on the link below, the Member may register his / her email address and mobile number: https://web.linkintime.co.in/EmailReg/Email_Register.html For registration of bank details, the Member may contact their respective DPs.

15. Members who hold shares in physical form in multiple folios, in identical names or joint holding in the same order of names, are requested to send the share certificates to RTA, for consolidation of such multiple folios into a single folio.

16. Members are requested to intimate changes, if any, pertaining to name, postal address, email address, telephone / mobile numbers, PAN, mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code etc., to their DPs in case shares are held by them in electronic form and to the Company / Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 in case shares are held by them in physical form. In the absence of any of the required documents in a folio, on or after October 1, 2023, the folio shall be frozen by the RTA. Intimation letters for furnishing the required details have been sent by the Company.

17. **Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal / exchange of securities certificate; endorsement; sub-division / splitting of securities certificate; consolidation of securities certificates / folios; transmission and transposition.**

Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4. **It may be noted that any service request can be processed only after the folio is KYC Compliant.**

18. **SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form.** Members can contact the Company or RTA, for assistance in this regard.

19. All documents referred to in the Notice along with the Statutory Registers maintained by the Company as per the Act will be available for inspection in electronic mode upto the date of AGM of the Company and will also be available electronically for inspection by the Members during AGM. Members seeking to inspect such documents can send an email to cs@torrentpower.com.

20. In compliance with the MCA Circulars and the SEBI Circular dated January 5, 2023, the Notice of the AGM along with Integrated Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company's RTA / DPs. Members may note that the Notice and Integrated Annual Report will also be available on the Company's website i.e. www.torrentpower.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of Central Depository Services Limited (CDSL) at www.evotingindia.com.

21. In terms of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations and MCA Circulars, the Company has provided e-voting facility through CDSL. This facility is being provided to the Members holding shares in physical or dematerialized form, as on the cut-off date to exercise their right to vote by electronic means on any or all of the business specified in the accompanying Notice.

The information and other instructions regarding remote e-voting and e-voting during AGM are detailed in Note No. 27 and 28.

22. Rajesh Parekh, Practicing Company Secretary (Membership No. A8073) and failing him Jitesh Patel, Practicing Company Secretary (Membership No. A20400) have been appointed as the Scrutinizer to scrutinize the voting during AGM and remote e-voting process in a fair and transparent manner.

Notice (Contd.)

23. Results of voting shall be declared by the Chairperson or a person so authorised by him in writing on receipt of consolidated report from the Scrutinizer. The results declared along with the Scrutinizer's Report shall be placed on the Company's website i.e. www.torrentpower.com and on the website of CDSL and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

24. **The resolutions shall be deemed to have been passed on the date of the AGM, subject to the same being passed with requisite majority.**

25. Since AGM will be held through VC / OAVM in accordance with the MCA Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

26. **Members who would like to express their views / have questions may send their views / questions 7 days prior to Meeting mentioning their name, demat account number / folio number, email id, mobile number at cs@torrentower.com and register as a speaker. Only those Members who have registered as a speaker will be allowed to express their views / ask questions during the Meeting.**

27. **Process regarding remote e-voting and e-voting during the Meeting, and attending the Meeting through VC/ OAVM:**

    i. Remote e-voting period begins on **Sunday, August 6, 2023 at 9:00 am and shall end on Wednesday, August 9, 2023 at 5:00 pm.** During this period, Members of the Company, holding shares either in physical form or in dematerialized form, **as on the cut-off date i.e. August 3, 2023** may cast their vote electronically. E-voting module shall be disabled by CDSL for voting thereafter.

    ii. Members who have already voted prior to the Meeting date would not be entitled to vote at the Meeting.

A. For Individual Members holding securities in Demat mode:

a) In terms of the SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, the Individual Members holding securities in demat mode are required to vote through their demat account maintained with Depositories and DPs. Members are advised to update their mobile number and email address with their DPs in order to access e-voting facility.

b) Login method for remote e-voting:

Member having Demat account with	Login Method
CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual Meeting & voting during the Meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Member having Demat account with	Login Method

NSDL	**NSDL IDeAS Facility**
	
	If Members are already registered for IDeAS facility:
	1. Visit e-Services website of NSDL at https://eservices.nsdl.com/
	2. On homepage of e-Services, click on "BENEFICIAL OWNER" under "LOGIN", available under "IDeAS" section.
	3. A new screen will open. Enter "USER ID" and "PASSWORD". After successful authentication, the Member will be able to see E-Voting Services.
	4. Click on "ACCESS TO E-VOTING" under e-voting services and the Member will be able to see the e-voting page.
	5. Click on options available against the Company name or ESP – CDSL and the Member will be re-directed to the CDSL e-voting website for casting vote before and during the Meeting and joining the Meeting.
	
	If Members are not registered for IDeAS e-Services:
	1. Option to register is available at https://eservices.nsdl.com.
	2. Select "REGISTER ONLINE FOR IDeAS" or click on https://eservices.nsdl.comSecureWeb/IdeasDirectReg.jsp
	3. Enter the 8-character "DP ID" followed by 8-digit "CLIENT ID" and registered mobile number
	4. Select any of the following options for verification of demat account:
	    1. Option 1: Bank account – enter last 4 digit of bank account
	    2. Option 2: OTP – enter 6 digit OTP sent on registered mobile number
	5. Fill your personal information and click on "SUBMIT"
	6. Upon successful registration, please follow steps given in points 1 - 5 above (Members are already registered for IDeAS facility).
	
	E-voting website of NSDL
	1. Visit e-voting website of NSDL at https://www.evoting.nsdl.com/
	2. On homepage of e-voting system, click on "LOGIN" icon, available under "SHAREHOLDER / MEMBER" section.
	3. A new screen will open and the Member will have to enter "USER ID" (i.e. 8-character "DP ID" followed by 8-digit "CLIENT ID") and "PASSWORD" / "OTP" and a verification code as shown on the screen.
	4. After successful authentication, the Member will be able to see the e-voting page.
	5. Click on options available against the Company name or ESP – CDSL and the Member will be redirected to the e-voting website of CDSL for casting vote before and during the Meeting and joining the Meeting.

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Member having Demat account with	Login Method
Logging through their **DPs**	1. Member can login using the "LOGIN CREDENTIALS" of Demat account through their DPs registered with NSDL / CDSL for e-voting facility. 2. After successful login, the Members will be able to see "E-VOTING OPTION". Once Member clicks on "E-VOTING OPTION", he / she will be redirected to NSDL/CDSL Depository site. 3. After successful authentication, the Member will be able to see e-voting page. 4. Click on option available against the Company name or ESP- CDSL and the Member will be redirected to e-voting website of CDSL for casting vote before and during the Meeting and joining the Meeting.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and / or Forget Password option available at above mentioned websites.

c) **Casting vote electronically on CDSL e-voting system**

1. After successfully logging by following the above process, the Members will be able to see EVSN of all companies in which they hold shares and whose voting cycle is active.
2. Click on "EVSN" for "TORRENT POWER LIMITED".
3. On the voting page, the Member will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select option "YES / NO" as desired. Option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
4. Click on "RESOLUTIONS FILE LINK" if Member wish to view the entire resolution details.
5. After selecting the resolution the Member has decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If the Member wishes to confirm, click on "OK", else to change, click on "CANCEL" and accordingly modify your vote.
6. Once the Member "CONFIRM" his / her vote on the resolution, he / she will not be allowed to modify your vote.
7. Member can also take a print of the votes cast by clicking on "CLICK HERE TO PRINT" option on voting page.

Helpdesk for the Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

Login through	Helpdesk details
CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33.
NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no: 1800 1020 990 and 1800 22 44 30.

B. For the Members, other than the Individual Members holding shares in demat mode and the Members holding in Physical mode.

a. Visit the e-voting website at www.evotingindia.com.

b. Click on "SHAREHOLDERS".

c. Enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 character DP ID followed by 8 digits Client ID,

c. Members holding shares in physical form should enter Folio Number registered with the Company.

d. Enter Image verification as displayed and click on "LOGIN".

e. If Non-individual Members are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then their existing password is to be used.

f. If the Member is a first-time user follow the steps given below:

	For Non-individual Members holding shares in Demat Form and other Members holding shares in Physical Form
PAN	Enter 10 digit alpha-numeric "PAN" (applicable for both demat as well as physical Members) • Members who have not updated their PAN with the Company / DPs are requested to use sequence number indicated in PAN field of the email sent to them. • Members who have not registered their email address may obtain sequence number from the Company after registering their email address as per the process defined in Note No. 14.
Dividend Bank details or Date of Birth (DoB)	Enter the "DIVIDEND BANK DETAILS" or "DOB" (in dd/mm/yyyy format) as recorded in the Member's demat account or in the Company records in order to login. • If both the details are not recorded with the DPs or the Company please enter "MEMBER ID / FOLIO NUMBER" in the Dividend Bank details field as mentioned in instruction (c).

g. After entering these details appropriately, click on "SUBMIT" tab.

h. Members holding shares in physical form will then directly reach the Company selection screen. However, the Non-Individual Members holding shares in demat form will now reach "PASSWORD CREATION" menu wherein they are required to mandatorily enter their login password in new password field.

   Kindly note that this password is also to be used by Non-individual demat holders for voting for resolutions of any other company on which they are eligible to vote. It is strongly recommended not to share password with any other person and take utmost care to keep password confidential.

i. For the Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

j. Click on "EVSN" for "TORRENT POWER LIMITED" on which Member choose to vote.

k. On the voting page, the Member will see "RESOLUTION DESCRIPTION" and against the same; the option "YES / NO" for voting. Select the option "YES / NO" as desired. The option YES implies, assent to the resolution and the option NO implies dissent to the resolution.

l. Click on the "RESOLUTIONS FILE LINK" if the Member wishes to view the entire resolution details.

m. After selecting the resolution, click on "SUBMIT". A confirmation box will be displayed. If the Member wishes to confirm, click on "OK", else to change vote, click on "CANCEL" and accordingly, modify vote.

n. Once the Member "CONFIRM" his/ her vote on the resolution, he/she will not be allowed to modify.

o. Member can also take a print of votes cast by clicking on "CLICK HERE TO PRINT" option on voting page.

p. Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to upload the scanned copy of the Board resolution and Power of Attorney

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which they have issued in favour of the Custodian, if any, in PDF format in system for the scrutinizer to verify the same.

In case of any queries or issues regarding e-voting, Member may refer the Frequently Asked Questions ('FAQs') and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or call on 1800 22 55 33.

28. **General Guideline for attending the Meeting through VC / OAVM and e-voting on the day of AGM:**

    a) Procedure for e-voting on the day of the AGM and attending the AGM will remain same as the instructions mentioned above.

    b) The link for VC / OAVM to attend Meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

    c) Members are encouraged to join the Meeting through Laptops / Desktops for better experience. Further, the Members will be required to allow camera and use Internet with good speed to avoid any disturbance during the Meeting.

    d) Please note that participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

    e) Only those Members, who will be present in AGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e-voting prior to Meeting day and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during AGM.

    f) If any votes are casted by the Members through e-voting available during AGM and if the same Members have not participated in the Meeting through VC / OAVM facility, then the votes casted by such Members shall be considered invalid as the facility of e-voting during the Meeting is available only to the Members participating in the Meeting.

    g) Members who have voted through remote e-voting prior to Meeting day will be eligible to attend the AGM. However, they will not be eligible to vote during AGM.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATIONS 36(3) AND 36(5) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

ITEM NO. 4

Brief profile of Jinal Mehta is set forth in the table below:

Age	40 years
Qualification	Bachelor of Business Studies (BBS) and Master of Business Administration (MBA) from University of Technology Sydney (UTS), Sydney, Australia.
Experience / Brief resume	He has more than 16 years of experience across all facets of the power sector – generation, transmission and distribution. He was involved during the project and operations phases of 1,530 MW SUGEN Mega Power Project. Subsequently, he was responsible for the implementation of the 1,200 MW DGEN Mega Power Project. Thereafter, he took charge of the distribution business of the Company in April, 2014 and led significant operational improvements in both the licensed and franchised distribution businesses, in terms of network modernisation, reduction in AT&C losses, improved customer services and timely regulatory approvals for recovery of costs. Under his leadership, the Company grew its Distribution business further by obtaining a distribution license for Dholera Special Industrial Region (SIR), Mandal Bechraji SIR and the Union Territory of Diu, Daman, Dadra Nagar Haveli (DDDNH), and being appointed as the Distribution Franchisee by MSEDCL for Shil, Mumbra & Kalwa (SMK) in Thane District. During his leadership, Torrent Power has strengthened its leadership position in the Power Distribution business and distributes nearly 26 billion units of power per annum and caters to peak demand of approx. 4,750 MW to over 4 million customers across 12 cities. Apart from conventional generation, transmission and distribution, his contribution in growing renewable capacity; both Solar and Wind Power, has resulted into renewable energy becoming significant part of our generation portfolio today with plans for significant further growth. Accelerated commitment to increase renewable portfolio has enabled the Company to undertake several acquisitions. With these acquisitions, the Company now has an aggregate installed generation capacity of ~4.1 GW, which consists largely of clean generation sources such as gas (2.7 GW) and renewables (1.0 GW). He has been the Managing Director of the Company since April 01, 2018. He leads the Company's efforts at continuous operational improvement and delivering growth.
Date of first appointment on the Board	October 19, 2011
No. of shares held in the Company	8,000
Relationship with other Directors and Key Managerial Personnel	He is son of Sudhir Mehta, Chairman Emeritus, relative of Samir Mehta, Chairperson and brother of Varun Mehta, Whole-Time Director.
List of directorships of listed entities	Torrent Power Limited
Chairmanship / Membership of Committees of the Board in such Companies	**Torrent Power Limited** Stakeholders Relationship Committee (Member) Committee of Directors (Member)

Jinal Mehta holds 8,000 equity shares of the Company and is related to Sudhir Mehta, Chairman Emeritus, Samir Mehta, Chairperson and Varun Mehta, Whole-Time Director. Sudhir Mehta, Samir Mehta, Varun Mehta and Jinal Mehta are, therefore, deemed to be interested in the resolution. None of the other Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution.

Notice (Contd.)

ITEM NO.5

Members of the Company at Annual General Meeting held on August 5, 2019, by means of Ordinary Resolution, approved the payment of remuneration by way of annual commission to the Non-Executive Directors (i.e. other than the Managing Directors and Whole-time Directors) of the Company at a rate not exceeding in aggregate for all Non-Executive Directors 1% of net profits for each Financial Year, for a period of 5 years effective from April 1, 2019. The aforesaid approval expires on March 31, 2024.

Section 197 of the Companies Act 2013 ("the Act"), inter alia, provides that a company may pay remuneration to its Non-Executive directors (i.e. other than a Managing Director or Whole-time Director), by way of commission, not exceeding, in aggregate, 1% of the net profit of the Company for each Financial Year, as computed in the manner laid down in Section 198 of the Act.

Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that all fees or commission, paid to the Non-Executive directors, shall be recommended by the Board of Directors and shall require approval of the Members in a general Meeting.

It is proposed to take approval of Members for payment of annual commission to Non-Executive Directors effective from April 1, 2024 at a rate as may be determined by the Board for each year, such that the total commission does not exceed 1% of the net profit of the Company for the Financial Year, computed in the manner laid down in Section 198 of the Act.

The resolution contained in Item no. 5 of the accompanying Notice, accordingly, seeks the Members' approval to approve annual commission to Non-Executive Directors as an Ordinary Resolution.

All the Non-Executive Directors (except promoter category Non-Executive Director) are deemed to be interested in the resolution. None of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution.

ITEM NO. 6

The Audit Committee at its Meeting held on February 14, 2023 recommended and the Board at its Meeting held on the same day approved the re-appointment of M/s Kirit Mehta & Co., Cost Accountants, Mumbai as Cost Auditors of the Company to conduct the audit of the Cost Records of the Company for FY 2023-24 at a fees of ₹ 12,40,000/- plus applicable taxes and reimbursement of out of pocket expenses, if any, incurred by them during the course of cost audit.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the fees payable to Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the Members of the Company.

The resolution contained in Item no. 6 of the accompanying Notice, accordingly, seeks the Members' approval to ratify the remuneration to be payable to Cost Auditors of the Company for FY 2023-24 as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution.

ITEM NO. 7 & 8

Members of the Company at Annual General Meeting held on August 1, 2018 by means of passing Special Resolution accorded their consent to the Board of Directors, to borrow any sum or sums of monies (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business), from time to time, in such form and manner and on such terms and conditions as the Board may deem fit, by way of term loans, debentures, or any other securities or otherwise, such that the total amount borrowed and outstanding at any time shall not exceed ₹ 20,000 Crore (Rupees Twenty Thousand Crores only) and to create charges on the Company's properties for securing the borrowings within the above limits and also authorised the Board for the said purpose including inter-alia, to delegate all or any of the above powers to the Committee of Directors.

The total borrowings including undrawn amount as on March 31, 2023 is approx. ₹ 13,469 Crore (Rupees Thirteen Thousand Four Hundred and Sixty Nine Crore only).

The Company's growth plans, inter-alia, envisage investing in renewable, hybrid or any other form of energy generation, developing new distribution networks and modernising its existing distribution networks, investing in transmission sector and also acquisition of stressed assets in power sector at attractive valuations. These would require sufficient capital resources, part of which will come from internal accruals and balance by way of borrowings. It is therefore, desirable for the Company to have the requisite Members approvals in place for meeting the fund requirements, by way of borrowings and for creating security for such borrowings. The existing shareholders approval of ₹ 20,000 Crore will therefore need to be enhanced upto ₹ 25,000 Crore.

The resolutions contained in Item no. 7 and 8 of the accompanying Notice, accordingly, seeks the Members' approval to enhance borrowing limits and creation of charge as Special Resolutions.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are in any way concerned or interested in the resolutions.

ITEM NO. 9

Members of the Company at Annual General Meeting held on August 1, 2018 accorded consent to the Board of Directors to borrow monies (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) and create security on assets of the Company for such borrowing, in such form and manner and on such terms and conditions as the Board may deem fit, such that the total amount borrowed and outstanding at any time does not exceed ₹ 20,000 Crore and for the said purpose authorised the Board inter-alia, to delegate all or any of the above powers to the Committee of Directors.

Out of above borrowing limit, the Company may, at an appropriate time consider offering or inviting subscriptions for Non-Convertible Debentures ("NCDs"), in one or more series / tranches, on private placement basis, in order to augment long-term resources for financing the ongoing capital expenditure and other general corporate purposes.

Section 42 of the Companies Act, 2013 read with Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 provides that a company which intends to make a private placement of its NCDs, shall obtain approval of its Members by means of a Special Resolution. It shall be sufficient if the Company passes a Special Resolution only once in a year for all the offers or invitations for such NCDs during the year.

It is therefore found desirable to have the requisite enabling approval in place for meeting the fund requirements of the Company in an efficient manner.

The resolution contained in Item no. 9 of the accompanying Notice, accordingly, seeks the Members' approval for issuance of NCDs upto an aggregate amount of ₹ 3,000 Crore, within overall approved borrowing limit of the Company as a Special Resolution. Such approval shall be valid in respect of all offers and invitations for such NCDs to be made in one or more series / tranches, within 12 months from the date of passing of a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution.

By Order of the Board
For Torrent Power Limited

Ahmedabad
May 29, 2023

Rahul Shah
Company Secretary

Registered Office:
"Samanvay",
600, Tapovan,
Ambawadi, Ahmedabad-380015
CIN: L31200GJ2004PLC044068
Phone: +91 79 26628300
Website: www.torrentpower.com
Email: cs@torrentpower.com

Board's Report

Dear Members,

Your Directors are pleased to present Nineteenth Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2023.

1. OPERATIONAL & FINANCIAL HIGHLIGHTS

The Management Discussion and Analysis Report for FY 23 is part of the Integrated Annual Report and explains the operating and financial performance of the business for the year.

Summary of the Financial Statements of the Company for the year under review is as under:

(₹ in Crore except per share data)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Total income	19,271	14,012	26,076	14,493
Profit before tax and exceptional items	2,931	1,814	3,041	1,864
Exceptional item	--	1,300	--	1,300
Profit before tax	2,931	514	3,041	564
Total comprehensive income for the year (after non-controlling interest)	**2,111**	**412**	**2,124**	**456**
Add: Balance brought forward	5,700	5,908	5,646	5,841
Balance available for appropriation	**7,811**	**6,320**	**7,770**	**6,297**
Appropriations				
Transfer to / (from) specific reserves	2	(77)	11	(46)
Dividend paid	1,057	697	1,057	697
Balance carried to balance sheet	**6,752**	**5,700**	**6,702**	**5,646**
Basic and diluted earnings per share (₹ per share)	**44**	**9**	**44**	**9**

2. DIVIDEND

As per Dividend Distribution Policy, the Company endeavours to distribute approx. 40% of its consolidated annual profits after tax as dividend in one or more tranches. The Board of Directors, on February 14, 2023, declared interim dividend of ₹ 22.00 per equity share (including ₹ 13.00 per equity share as a Special dividend) on 48,06,16,784 nos. of equity shares for FY23 [PY ₹ 9.00 per equity share, including final dividend].

The Board, on May 29, 2023, has recommended final dividend of ₹ 4.00 per equity share on 48,06,16,784 nos. of equity shares for FY23 [PY NIL per equity share]. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting and if approved, would result in a cash outflow of ₹ 192.25 Crore.

The total outflow on account of dividend is ₹ 1,249.61 Crore [PY ₹ 432.56 Crore]. i.e. 57.57% [PY 93.92%] of consolidated total comprehensive income for FY23.

The Dividend Distribution Policy of the Company can be accessed at the Company's website https://www.torrentpower.com/pdf/investors/DividendDistributionPolicy.pdf

3. TRANSFER TO RESERVES

The Company has transferred ₹87 Crore from Debenture Redemption Reserve to General Reserve during the year under review. An amount of ₹2 Crore has been transferred to certain specific reserves, as described in the Statement of Changes in Equity being part of the Standalone Financial Statements.

4. FINANCE

During the year, ratings of the Company and its wholly owned subsidiaries were rated by various rating agencies movement of which are reproduced below:

1. CRISIL reaffirmed Companies' long-term rating and short-term credit rating at AA+/Stable and A1+ respectively. India Ratings has also reaffirmed short term rating at IND A1+ to the Commercial Paper Programme of the Company;

2. Torrent Solargen Limited, a wholly owned subsidiary of the Company, was assigned long term rating of (i) AA/Stable by CRISIL for its non-convertible debentures of ₹ 550 Crore and (ii) AA/Stable by India Ratings for Capex LC facility of ₹ 700 Crore;
3. The long-term credit ratings for Jodhpur Wind Farms Private Limited and Latur Renewables Private Limited were reaffirmed by CRISIL at AA+(CE)/Stable;
4. Long term rating of Surya Vidyut Limited was upgraded by CARE from A-/Credit watch with developing implications to AA-/Stable;

Finance cost of the Company (on a consolidated basis) increased to ₹ 818 Crore as against ₹ 628 Crore in FY22. The increase in finance cost was on account of higher debt and increase in interest rates commensurate to hardening of interest rates in the economy.

During the year under review, the Company:

(i) tied-up long term loan of ₹ 1,200 Crore from which ₹ 900 Crore were availed to finance capital expenditure for its distribution business;

(ii) raised ₹ 1,400 Crore by way of issuance of secured non-convertible debentures, mainly to repay part of its existing debt and to partly fund the acquisitions during the year;

(iii) raised ₹ 550 Crore by way of issuance of Green Bonds (unlisted, non-convertible debentures) to finance renewable project in wholly owned subsidiary named Torrent Solargen Limited;

(iv) refinanced long term loan of ₹ 375 Crore in wholly owned subsidiary named Surya Vidyut Limited;

(v) prepaid long term loan of ₹ 174 Crore in wholly owned subsidiary named Torrent Saurya Urja 6 Private Limited (formerly known as LREHL Renewables India SPV 1 Private Limited);

The Company has repaid long term debt of ₹ 1,157 Crore (including mandatory prepayments of ₹ 168 Crore).

Outstanding consolidated long term debt as on March 31, 2023 was ₹ 10,521 Crore (Refer Note 25 to the Consolidated Financial Statements). Consolidated debt to equity (including deferred tax liability) ratio as at the end of FY 23 was 0.92 (Previous Year: 0.83). The particulars of loans given, guarantees provided and investments made during the year are disclosed in Note 55 to the Standalone Financial Statements.

The Company, being an infrastructure company, is exempt from the provisions as applicable to loans, guarantees, security and investments under Section 186 of the Companies Act, 2013 ("the Act").

5. SUBSIDIARIES AND ASSOCIATES

The Board has reviewed the affairs of the Company's Subsidiaries and Associates at regular intervals. In accordance with Section 129(3) of the Act, the Company has prepared Consolidated Financial Statements incorporating the Financial Statements of all Subsidiaries which form part of the Annual Report. Further, a statement containing salient features of the Financial Statements of the Company's Subsidiaries is given in prescribed Form AOC-1, which forms part of the Integrated Annual Report (Refer Page No. 422).

The said Form also highlights the financial performance of each of the Subsidiaries included in the Consolidated Financial Statements.

The details pertaining to the Companies that have become or ceased to be the Subsidiary or Associate of the Company during the year are provided in Note no. 43 to the Consolidated Financial Statements, forming part of the Integrated Annual Report.

In accordance with Section 136 of the Act, the Financial Statements of the Company, Consolidated Financial Statements alongwith separate Audited Financial Statements in respect of Subsidiaries are available for inspection by the Members at the Registered Office of the Company during the business hours on all working days. Any person desirous of obtaining the said Financial Statements may write at cs@torrentpower.com. The Annual Report of the Company and Audited Financial Statements of each of the Subsidiaries have been placed on the website of the Company at www.torrentpower.com.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

The Members, at the 18th AGM held on August 8, 2022, approved:

- Appointment of Radhika Haribhakti (DIN: 02409519) as an Independent Director of the Company for a term of 5 consecutive years commencing from August 7, 2021 till August 6, 2026 (both days inclusive), shall not be liable to retire by rotation.
- Appointment of Mamta Verma, IAS (DIN: 01854315) as Director of the Company, liable to retire by rotation.
- Appointment of Ketan Dalal (DIN: 00003236) as an Independent Director of the Company for a term of 5 consecutive years commencing from May 11, 2022 till May 10, 2027 (both days inclusive), shall not be liable to retire by rotation.
- Re-appointment of Samir Mehta (DIN: 00061903) as Chairperson of the Board of Directors and the Company for a period of 5 years w.e.f. April 1, 2023, liable to retire by rotation.

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- Re-appointment of Jinal Mehta (DIN: 02685284) as Managing Director of the Company for a period of 5 years w.e.f. April 1, 2023, liable to retire by rotation.

The Board, at its Meeting held on August 8, 2022, appointed Varun Mehta (DIN: 07862034) as an Additional Director of the Company w.e.f. August 8, 2022 till the conclusion of the next General Meeting. Subject to approval of the Members, in the said Meeting, he was also appointed as Wholetime Director of the Company for a period of 5 years effective from August 8, 2022. The Members, vide resolution passed through Postal Ballot on September 20, 2022, approved his appointment as Wholetime Director of the Company for a period of 5 years effective from August 8, 2022.

Samir Barua (DIN: 00211077) completed his second and final term as an Independent Director of the Company on September 30, 2022. The Board placed on record its sincere appreciation for valuable contribution made by him during his tenure as Independent Director of the Company.

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of the Company, Jinal Mehta (DIN: 02685284) is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible offers himself for re-appointment.

The Board, at its Meeting held on April 13, 2023, appointed Saurabh Mashruwala as Chief Financial Officer (CFO) & Whole-time KMP of the Company w.e.f April 14, 2023 in place of Lalit Malik, who resigned as CFO & Whole-time KMP of the Company w.e.f close of business hours of April 13, 2023.

A brief resume and other relevant details of the Director proposed to be re-appointed are given in the Explanatory Statement to the Notice convening the AGM.

7. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"). The Independent Directors are in compliance with the Code of Conduct prescribed under Schedule IV of the Act and the Code of Business Conduct adopted by the Company.

8. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION POLICY

The Nomination and Remuneration Committee ("the NRC") has approved following criteria and process for identification / appointment of the Directors:

Criteria for appointment:

i. Proposed Director ("Person") shall meet all statutory requirements and should:
   - possess the highest ethics, integrity and values
   - not have direct / indirect conflict with present or potential business / operations of the Company
   - have the balance and maturity of judgment
   - be willing to devote sufficient time and energy
   - have demonstrated leadership and vision at senior levels, and have the ability to articulate a clear direction for the Company
   - have relevant experience with respect to Company's business (in exceptional circumstances, specialisation / expertise in unrelated areas may also be considered)
   - have appropriate comprehension to understand or be able to acquire that understanding
     - relating to Corporate Functioning
     - concerning the scale, complexity of business and specific market and environmental factors affecting the functioning of the Company

ii. The appointment shall be in compliance with the Board Diversity Policy of the Company.

Process for Identification / Appointment of Directors:

i. Board members may (formally or informally) suggest any potential person to the Chairperson of the Company meeting the above criteria. If the Chairperson deems fit, necessary recommendation shall be made by him to the NRC.

ii. Chairperson of the Company can himself also refer any potential person meeting the above criteria to the NRC.

iii. The NRC will process the matter and recommend such proposal to the Board.

iv. The Board will consider such proposal on merit and decide suitably.

Remuneration Policy:

The Company has in place a policy relating to the remuneration of the Directors, KMP and other employees of the Company. The policy is available on the website of the Company at https://www.torrentpower.com/pdf/investors/Remuneration_Policy.pdf

9. EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The evaluation of the Board, its Committees and Individual Directors was carried out as per the process and criteria laid down by the Board of Directors.

The proforma formats for facilitating the evaluation process of the Non-Independent Directors and the Board as a whole and the Committees were sent to all the Non-Executive Directors (except Promoter Directors). A presentation on functioning of the Board and the Committees, containing the outcome of their evaluation and feedback was reviewed by the Independent Directors in their separate Meeting and by the Board. Based on the feedback, the Board expressed satisfaction on overall functioning of the Board, the Committees and performance of the Directors.

10. MEETINGS OF THE BOARD, COMMITTEES & COMPLIANCE TO SECRETARIAL STANDARDS

The Board meets at regular interval, with gap between two Meetings not exceeding 120 days. During the year under review, the Board met four times.

The Board has six committees namely Audit Committee (AC), Nomination and Remuneration Committee (NRC), Corporate Social Responsibility and Sustainability Committee (CSRSC), Stakeholders Relationship Committee (SRC), Risk Management Committee (RMC) and Committee of Directors (CoD). A detailed note on the composition of the Board and its Committees (AC, NRC, SRC and RMC) is provided in the Corporate Governance Report, forming part of the Integrated Annual Report. Composition of CSRSC is given in the Report on CSR Activities **(Annexure - C)**. CoD is a Board Committee to facilitate routine executive decisions and exercise of authority granted by the Board in various matters. The Minutes of the Committee Meetings are reviewed at by the Board at the Board Meeting.

During the year under review, the Company has complied with the provisions of Secretarial Standard 1 (relating to Meetings of the Board of Directors) and Secretarial Standard 2 (relating to General Meetings) issued by the Institute of the Company Secretaries of India.

11. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(3) of the Act, the Board of Directors states that:

a. in preparation of the Financial Statements, the applicable accounting standards have been followed and there are no material departures;

b. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profits for the year ended March 31, 2023;

c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the Financial Statements have been prepared on a going concern basis;

e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

12. AUDITORS

STATUTORY AUDITORS

The Members, at the 18th Annual General Meeting (AGM) of the Company held on August 8, 2022, had re-appointed M/s. Price Waterhouse Chartered Accountants LLP as Statutory Auditors of the Company for a period of 5 years from conclusion of 18th AGM till conclusion of 23rd AGM.

The Auditors' Report for FY23 forms part of the Integrated Annual Report and does not contain any qualification, reservation or adverse remark.

COST AUDITORS

Pursuant to Section 148(3) of the Act, M/s. Kirit Mehta & Co., Cost Accountants, Mumbai had been re-appointed as the Cost Auditors of the Company for FY23 by the Board of Directors for conducting audit of cost records maintained in respect of electricity. Their remuneration was ratified by the Members at 18th AGM of the Company.

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The Cost Audit Report for FY22 does not contain any qualification and was filed with the Central Government (within the prescribed time limit) on August 26, 2022 pursuant to Section 148(6) of the Act.

SECRETARIAL AUDITORS

Pursuant to Section 204 of the Act read with the Rules thereof, the Board of Directors had re-appointed M/s. M. C. Gupta & Co., Company Secretaries, Ahmedabad, as the Secretarial Auditors of the Company for FY23. The Secretarial Audit Report for FY23 is annexed herewith as **Annexure - A**.

There are no adverse observations in the Secretarial Audit Report which call for explanation.

13. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to the Financial Statements. The Statutory Auditors of the Company have audited such controls with reference to the Financial Reporting and their Audit Report is annexed as Annexure A to the Independent Auditors' Report under the Standalone Financial Statements and the Consolidated Financial Statements which forms part of the Integrated Annual Report.

14. CORPORATE GOVERNANCE

In compliance with Regulation 34 read with Schedule V of the Listing Regulations, the Report on Corporate Governance forms part of the Integrated Annual Report. Certificate of the Auditors regarding compliance with the conditions of Corporate Governance is annexed to the Board's Report as **Annexure - B**.

15. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR Activities undertaken by the Company were under the thrust areas of Community Healthcare, Sanitation & Hygiene, Education & Knowledge Enhancement and Social Care & Concern. During the year, the Company was required to spend ₹ 32.62 Crore (2% of the average net profit of the past three financial years and surplus of ₹ 0.65 Crore arising at implementing agency level from temporary investment of funds for FY 22). The Company contributed to implementing agency ₹ 32.99 Crore (including surplus of ₹ 0.54 Crore arising at implementing agency level from temporary investment of funds for FY 23) during the year. The total amount spent during the year was ₹ 32.02 Crore. Further, the unspent amount at the end of the year was transferred to "Unspent CSR Account" of related ongoing projects at the implementing agency level. The brief details of the major CSR activities are described hereunder:

1) **REACH:** Driven by the belief of Chairman Emeritus, Sudhir Mehta 'Children are the future of our nation and this future must be well preserved', the flagship CSR program of the Group "REACH" – Reach EAch CHild was initiated in the year 2016 under the aegis of UNM Foundation, a Section 8 Company. REACH has three major pillars: (a) Grass Root Interventions (b) Green Field Actions and (c) Other Allied Activities. Salient achievements are:

- **Grassroot Intervention Model:** It targets to establish baseline health status of children in age group of 6 months to 6 years, through medical camps in villages around Surat, Dahej, Indrad and Balasinor. In Pre-Covid period, over 71,000 children were screened in 351 villages. Post-covid, an additional 649 villages were covered, addressing malnutrition in over 7,500 children with Mauji biscuits, bringing the total to 1,000 villages and over 78,000 children. Appropriate treatment regime resulted in benefiting more than 69% Malnourished children and more than 90% anaemic children. About 73% children having other ailments were also provided appropriate treatment with encouraging outcomes.

  During the year, for the 1000 villages covered, fresh baseline medical camps were organized to identify underweight malnourished and anaemic children across all four locations. 748 villages have been covered and more than 37,000 children have been screened. Supplement distribution and follow-up activities for identified malnourished and anaemic children are ongoing.

  In order to expand the coverage of REACH initiative, started conducting baseline medical camps in Banaskantha and Radhanpur in Gujarat and more than 7,300 children have been screened in 238 villages across these two locations.

  Pilot projects have also been started in Agra, Bhiwandi and Union Territory of Dadra and Nagar Haveli. 14 villages are covered and more than 500 children have been screened across these three locations.

  Till FY 23, on cumulative basis, more than 1,24,000 children of 1,214 villages are screened.

- **Greenfield Actions:** Healthcare services are provided to children up to 18 years. There are three Paediatric Health Centres (PHCs) with basic laboratory and day-care facility at Dahej, Balasinor and Indrad, while fourth major centre near SUGEN Power Plant has a 150 bed paediatric hospital 'UNM

Children Hospital' which is part of 'Rangtarang' complex started in FY 20. In FY 23, more than 94,000 OPDs have been carried out across all 4 locations.

Further, 2 PHCs have been started at Waghai and Chhapi during FY 22 and 3 PHCs have been started at Dediapada, Naswadi and Radhanpur during FY 23. Regular OPDs are conducted at Waghai, Dediapada and Chhapi while weekly OPDs are conducted at Naswadi and Radhanpur. In FY 23, more than 14,000 OPDs had been carried out across these PHCs.

These PHCs will be scaled up appropriately in future depending on feedback as well as demand of health care services from the respective local population.

In FY 23, more than 1,00,000 OPDs had been carried out across all 9 centres. Cumulative OPDs are more than 4,00,000 till March 31, 2023 across these centres.

- **Other Allied Initiatives:** Counselling and Support was provided to rural adolescent girls around SUGEN, Dahej & Indrad centres covering menstrual hygiene and sanitation, by providing sanitary napkins absolutely free of cost to the beneficiaries. This has resulted in reducing prevalent social taboos and ultimately increasing confidence and self-esteem amongst beneficiaries.

  During the year, based on encouraging feedback of pilot experiment for biodegradable and reusable sanitary napkins, more than 27,000 beneficiaries of 615 villages have been switched over to such napkins. More than 7,800 beneficiaries of 167 villages were enrolled and provided regular sanitary napkins on monthly basis.

  More than 35,000 beneficiaries have been covered in 800 villages across SUGEN, Dahej & Indrad centers. More than 28,000 beneficiaries of 633 villages have been switched to Bio-degradable reusable sanitary napkins.

- **Community Healthcare:** Post COVID-19, the OPD and day care clinic "Sumangal", part of the 'Rangtarang' hospital complex, has also been scaled up and caters to the communities and villages around. The footfalls at "Sumangal" are now about 300 patients per day. Cumulatively, more than 3,92,000 OPD has been carried out till March 2023. Services being provided include ENT, Dental Care, Physiotherapy, Pathology and Radiology facilities and special consultations in ophthalmology, dermatology, gynaecology etc.

- **UNM Children Hospital:** Previously known as Balsangam, the hospital underwent a name change to UNM Children Hospital in October 2022. Towards expanding its operations, the focus has been to offer regular as well as complex surgeries.

  In FY 23, more than 44,000 OPD consultations for children were done culminating into an average of 142 per day as opposed to 37 average per day in FY 22. More than 1,400 IPD cases handled during the year.

  A total of 209 patients were served through the Neo-natal ICU (NICU) and Paediatric ICU (PICU) for their critical conditions. Looking to the continuous growing need, the capacities of the NICU and PICU were enhanced in February 2023.

  The Hospital handled more than 780 surgeries in FY 23, which included major and supra-major operations.

  Facilities and services offered under UNM Children Hospital have been enhanced to cover paediatric super specialities like Ophthalmology, Orthopaedic, Neurology, Plastic surgery, Endocrinology, Haematology, and Pulmonology. The number of visiting Doctors in FY 23 have been increased to 27 covering a total of 14 speciality disciplines.

  To spread awareness of the hospital, various camps were organized in village schools and temples, targeting areas with less healthcare facilities like Vankal (Mangrol), Sutharvada, Kalwada (Near Valsad), Kamrej, Vyara etc. Team of Doctors screen children and provide treatment. In appropriate cases, counselling is also provided to them. Awareness campaign have also been done via newspapers, leaflets distribution, radio advertisement, hoardings, community meetings.

  Through Founder's Day documentary and video clip regarding Hospital subsequently circulated, we could reach out to patients from Pan India and have recorded 157 patients coming to the hospital for treatment, of which 25 were operated upon in our Hospital.

2) **Shiksha Setu:** Project Shiksha Setu which literarily means "bridging education" aims at reducing the gap in teaching-learning processes in the classroom. Phase 1 of the project was launched in the year 2011 focusing on the integration of technology in the classroom. The project covered 21 schools for language and math subjects. Phase 2 of Project Shiksha

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Setu continued focusing on technology integration in 13 schools for five subjects from the year 2016 to 2019. The sudden outbreak of Covid-19 resulted in school closure for almost two academic years. Students' learning levels were impacted severely. In addition to technology integration in the classroom, UNM Foundation launched Shiksha Setu Phase 3 in August, 2021 focusing on universal age-appropriate reading and arithmetic competencies amongst students from grades 3 to 8, and employable skills for the youth and women. Following are the programs being implemented in phase 3 of Project Shiksha Setu.

Learning Enhancement Program (LEP): LEP program aims at universalization of age appropriate reading and arithmetic competencies amongst children form grade 3 to 8. Students who are not able to read are provided remedial support by Pratham Education Foundation. More than 3000 children have been reached during the FY 2022-23. Considering the feedback from the teachers and principals, UNM Foundation modified the strategy and introduced 19 "ShikshaMitra", volunteers from the community to provide continuous support to the students as a pilot. This led to higher number of children who could able to read. In order to understand misconceptions amongst students especially in mathematics subject, UNM Foundation initiated a pilot project "SuGanitam". Students from grade 6 to 8 were assessed on various learning indicators in math subject in five schools. Common misconceptions were identified. UNM Foundation developed various teaching Learning material and worksheets. School teachers followed the strategies suggested by UNM Foundation.

E-Learning Project: UNM Foundation continued with E-Learning Program at 10 schools. Schools are provided digital content along with 20 smart classes and 37 student labs. Three Field Technical Supervisors were deputed to provide onsite support to the schools. UNM Foundation has conducted third party impact assessment study of the E-Learning project phase 2. Impact Assessment Report of the same is enclosed with the CSR Annual Report FY 2022-23.

Second Chance Program (SCP): Aiming to support dropout students to complete grade 10, UNM Foundation launched Second Chance Programme in August, 2021 at Chhatral cluster. The students were enrolled in National Institute of Open Schooling. Learning classes were organized in the community throughout the year. 66 students successfully passed the examination in the academic year 2021-22. 78 students have enrolled for academic year 2022-23. Life skills sessions and career counselling sessions were also facilitated with the objective to help student nurture critical thinking, decision making and inculcate aspirations.

Vocational Training Program (VTP): UNM Foundation launched Vocational Training Program in August 2021 to enhance employable skills of youth and women in the Chhatral cluster. More than 320 students were provided vocational skills in different trades like General Duty Assistant, Data Entry Operator, Sewing Machine Operator and Domestic Electrician. 85 plus youth have been provided job opportunities. Many women who were trained on Sewing Machine Operator are now self-employed in their vicinity. UNM Foundation carried out a need assessment cum skill gap study during FY 23. The study covered more than 100 small and medium industrial units to find out technical skills they require in the Chhatral GIDC. UNM Foundation has planned to introduce technical courses like Welder & Fitter for the youth and advanced Sewing Machine Operator trade for women in FY 24.

3) **Pratiti-Development and Maintenance of Public Parks:** The PRATITI initiative is supported & funded by the UNM Foundation, and all the gardens are designed and developed with a mission to provide the best environmental conditions to live in, by providing the citizens with recreational areas by creating parks, gardens, ponds, and lakes near their neighbourhood with reduced level of air and noise pollution by improving micro-alignment at the city level, and to recharge groundwater through ponds and lakes.

The Company along with one of India's best known landscape design firms developed an approach for development of urban public parks. In Ahmedabad, six small sized parks measuring approx. 33,000 sq. mt. have been fully developed and opened for public use during FY19, one small sized park admeasuring 740 sq. mt. was fully developed and opened for public use in FY21 and one large sized park (Victoria Garden) measuring approx. 28,300 sq. mt. was also fully developed and opened for public use in FY22. One more large sized park (Parimal Garden) measuring approx. 36,700 sq. mt. was fully developed and opened for public use in FY23. In Ahmedabad, total 9 nos. of parks measuring more than 98,000 sq. mt. area were fully developed and opened for Public use in last five years. In Surat, the development of Ravi Shankar Maharaj Garden (RSG) measuring approx. 5,700 Sq. mt. and Jyotindra Dave (JDG) measuring approx. 29,000 Sq. mt. are under progress and the development of Lake View Garden measuring approx. 28,600 Sq.mt. to be commenced soon. Maintenance of these public parks is also funded from CSR Contribution of the Company.

4) **Sanskardham Equestrian Center:** Gujarat historically has been known for horses and horsemanship. Some of the best indigenous horses of the country are raised in both rural and urban Gujarat. This innate and energetic passion for horses can catapult into medals and laurels for the nation at The Olympics, The Commonwealth Games and other World Level Equestrian Competitions.

While Gujarat may have a cultural inclination towards horsemanship, till now the infrastructure was lacking to be able to train the children to make the champion equestrian sportsmen and sportswomen. Gujarat required a world class academy which offers top horses, training areas and the best coaches to groom the children of Gujarat for equestrian sports and more specifically, the three Olympic equestrian disciplines:

1. Dressage
2. Show Jumping
3. Eventing

A plan is being set to harness the equestrian spirit of Gujarat and it is initiated by building the Sanskardham Equestrian Center facility which bring the results in the 2036 Olympics.

Infrastructure Development at Sanskardham Equestrian Center are Riding Arena, Round Yard, Renovation of Stables, New thoroughbred riding horses, Hiring of staff, Beautification of the facility with new Signage Systems, Saddlery & Equipment for children and instructors, Staff Rooms and Feed & Equipment Rooms.

Skill Development being done through Sanskardham Equestrian Center as Hiring of Coaches & Staff, Systems & Process, Staff Training, Feed Program Set Up, Veterinary Guidelines, Safety Guidelines and Training programs for students.

Facilities at Sanskardham Equestrian Center in Phase 1 includes three main disciplines i.e., Riding, Show Jumping and Dressage.

Plan in brief for Phase 2: Create entirely new infrastructure and thereby increase capacity of the equestrian center. With increased enrolment, 40 students can be trained and top students are to be given specialized training for equestrian competitions in the Olympic equestrian disciplines of horse riding, jumping and dressage.

5) **Shardashish School:** The Company has earmarked donation of ₹ 15 Crore during FY23 and FY24 (₹ 6 Crore donated in FY20) to UNM Foundation for construction of new school building and related infrastructure at Shardashish School situated in the premises of AMGEN Power Plant's housing colony at Sabarmati in Ahmedabad. Nearly 532 students came to this school from economically disadvantaged background, mainly from Sabarmati slums. The new school building will cater facilities like Tutorial room, Computer room, Smart room with Projector, Laboratory, Library, Assembly Hall, additional new classes, Kids play zone, Music room, etc.

The Company spent ₹ 16.23 Lakh during FY 23 to fund the deficit in the school expenditure in excess of government grants. The amount is provided by way of contribution to Amdavad Vidyut Kelavani Samaj, the sponsor trust.

In addition to above, the Company continued other social activities during the year, as described hereunder:

- Differently abled persons (with impaired hearing and speech) are provided employment once trained for routine cleaning of solar panels at GENSU power plant, thus providing them a dignified livelihood. Bus facilities was extended for their daily commute to work.
- Employment opportunities for uneducated and destitute locals for horticulture, house keeping and canteen work at industrial and office facilities have been a continuous source of goodwill amongst the neighbouring villages.

The Report on CSR activities is annexed herewith as **Annexure - C**.

Donations

The Company has made donations amounting to ₹ 19.91 Crore towards various organisations engaged in activities related to healthcare, education, arts & culture, science, sports, relief to disaster victims; socio-economic development including skill development, self-help groups, upliftment of women, integrated development of tribes, protection of consumer rights, building of toilets etc.

16. ENVIRONMENT, HEALTH AND SAFETY (EHS)

The Company accords utmost importance to EHS in its various operations. The key developments concerning EHS during FY23 include:

- Integrated Management System (IMS) was implemented to ensure a safe, healthy and environmental friendly working which includes Quality Management System (QMS) (ISO 9001:2015), Environment Management System (EMS) (ISO 14001:2015), Occupational Health and Safety Standard (ISO 45001:2018), Energy Management System (EnMS) (ISO 50001:2018), Asset Management

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System (AMS) (ISO 55001:2014) at SUGEN, GENSU, DGEN Power Projects, Ahmedabad, Surat, Dahej, Bhiwandi, Shil, Mumbra, Kalwa and Agra Distribution units, Information Security Management System (ISMS) (ISO 27001:2013) at SUGEN and DGEN and were periodically certified with surveillance audit by TUV India. IMS was also implemented in seven newly acquired RE Sites which includes Quality Management System (QMS) (ISO 9001:2015), Environment Management System (EMS) (ISO 14001:2015), Occupational Health and Safety Standard (ISO 45001:2018) and was successfully audited by TUV India and have been recommended for IMS Certification. Now all 19 sites of RE are IMS certified. Bhiwandi's Meter Testing Lab. received NABL Accreditation for Testing in May 2022 & NABL Accreditation for the calibration renewed for further period of 2 years in September 2022.

- The Company's residential townships, Shardashish at SUGEN Mega Power Project and Meghdhanush at DGEN Mega Power Project have implemented and maintained township management systems with International Standards of Environment Management System (EMS) (ISO 14001:2015) and Occupational Health and Safety Management Standard (ISO 45001:2018) and are periodically certified with surveillance audit by TUV India. Meghdhanush township of DGEN Mega Power Project is also certified with Platinum certification by Indian Green Building Council (IGBC) under IGBC Green Residential Societies Rating valid up to 2023.
- SUGEN and DGEN Mega power projects have received QCFI and JUSE re-certification in FY23 for Five-S Workplace Management System. SUGEN and DGEN Mega power projects have maintained and excelled in workplace management with implementation of Five S and are awarded Gold Trophies for FY23 by Quality Circle Forum of India (QCFI) under Ankleshwar Chapter Convention of Quality Concept (ACCQC-22) for Kaizen and Five-S categories respectively. Management is determined to enhance it further by implementation of other reputed standards of business excellence. In recent, management had initiated for the deployment of reputed EFQM model.
- A mobile based software application FRO (Field Round Observation) has been implemented across the sites to enhance safety performance of all RE sites by capturing Safety, Quality and 5S observations in the system during field rounds of sites. A uniform safety activity calendar has been implemented for all RE sites to ensure all safety related planned activities are timely completed as per the schedule at all sites. Safety initiatives like; internal audit, workplace safety surveys, periodic inspection of tools and tackles, internal / external mock drills for strengthening emergency preparedness, campaign for encouraging near-miss-reporting, first aid training, daily tool box talk, basic training on electric safety and its hazards etc. were taken throughout the year by RE site teams for positive engagement of work force in safety to further enhance safety culture. Safety weeks were celebrated with participation from ground level workforce, awards were given to identified best safety performers to develop a culture based on sound safety system.
- AMGEN developed online application with help of IT team for maintaining & effective compliance monitoring for safety related observation. Safety commitment yearly drive with the theme of "Safety starts with me" to emphasise safety ownership and to further strengthen workplace safety to eliminate any potentiality of safety incidents. Several Safety related programmes and celebrations, such as national safety week, road safety week, electrical safety week, and national fire services day, to engage all levels of relevant stakeholders and create a vibrant and motivating environment for safety within AMGEN.
- SUGEN Mega Power Project has continued to record no reportable Lost Time Accident (LTA) in FY23. SUGEN achieved 11.01 million LTA free manhours up to March, 2023 i.e., ~10.2 Years of reportable accident-free days. DGEN Mega Power Project has continued to record no reportable Lost Time Accident FY23. DGEN achieved 4.65 million LTA free manhours up to March, 2023 i.e., ~ 7.5 Years of reportable accident-free days. Renewable sites have achieved 'reportable Lost Time Accident free' of 6.5 million Hours as on March 31, 2023.
- The Company is committed to its core value "passions for excellence" and in continuation of journey of excellence, in FY 22-23, Torrent Power Limited – Surat & Dahej has successfully implemented 5S Workplace Management System at the Central Warehouse at Surat Unit and whole Dahej Unit and achieved certification of JUSE (Union of Japanese Scientist and Engineers). Subsequently, Surat and Dahej Units had participated in the 36th National Convection on Quality Concept organized by OCFI-Aurangabad Chapter in December 2022. In this, case study of successful implementation of 5S workplace management system was represented by both the Units and this was appreciated with certification of A-par Excellence. Management is determined to enhance it further by implementation of other reputed standards of business excellence. In recent,

management had initiated for the deployment of reputed EFQM model.

- SUGEN Mega Power Project has implemented various environment conservation initiatives such as organizing stakeholders awareness sessions on environment related topics and Environmental Laws / Legal Compliances / Sustainable Approach, routing of SUGEN Pretreatment water plant and Circulating water pump house roof drains to collect rain water to systems and reuse of Circulating water pump house drainage water into cooling tower makeup, replacement of ODS refrigerant R-22 with alternate non ODS refrigerant R-438, Ammonia Leak sensors installation in Ammonia dosing containers, and process optimization of circulating water pumping system to reduce overall energy consumption and water savings on account of drift losses as well as unit cold start-up optimization without auxiliary steam.

- SUGEN Mega Power Project has implemented various Safety Improvement initiatives such as installation and connection of fire water header pressure transmitter to DCS for continuous monitoring, use of empty IBCs as secondary collection trays, converting scrap frames to safely transport loose gas cylinders, replacement of SFU in Power Block HVAC units with MPCB, installation of cage type ladders for deep raw water line valve pits, reutilizing by shifting and commissioning of 2 X 5 m3 FRP tanks for PAC storage in SUGEN Raw water treatment.

- DGEN Mega Power Project has further improved environment conservation initiative to collect the rain water in reservoir by constructing additional arrangements to route storm water drains. Rain/ Storm Water harvesting system was installed at GENSU which is being used for irrigation of periphery road plantation. Rain water harvesting facility has also been installed at TSU6PL solar site.

- DGEN Mega Power Project has implemented various safety initiatives like platform railing modification for safe maintenance of Motors in all HRSGs, Provision of control supply from upstream of emergency supply to prevent emergency shutdown of HVAC panel in 00UCA, Modification of power control center air conditioner drain line to avoid water carryover to electrical panels, Overflow line of Chemical storage tanks is kept open and extended up to the ground level in the dyke area with NRV to avoid catastrophic failure of the tank, One of the DM tanks is kept under dry preservation with dehumidifier, Partial replacement of the HRSG water is started during FSNL trial to keep the steam/water system in momentum/circulation or to avoid stagnancy.

- AMGEN had implemented a Safety Kiosk with customized videos to improve worker safety training and competency evaluation. Tool Box Talks were strengthened further by incorporating audits and cross-functional witnesses, including seniors. Robust annual shut down safety system with practical safety gallery for effective tool box talks, 24 X 7 safety monitoring by cross function team and third party safety team for ensuring zero safety related incidents. Continued focus on safety initiatives like; workplace safety surveys, periodic inspection of tools and tackles, unit level and department level mock drills, table top exercises, practical operation training for using fire extinguishers. Online daily Tool Box Talk is conducted with participation from RE site team and senior leadership.

- Ahmedabad Distribution Unit has implemented Safety initiatives like roll-out of EHS Life Saving Rules Posters, EHS engagement session with Licensed Electrical Contractors, workplace EHS audits, periodic inspection of tools and tackles, mock drills for strengthening emergency preparedness, campaign towards Road Safety Week/National Safety Week/Electrical Safety Week/ World remembrance Day/ Energy Conservation Day/ Environment Day; training on reptile awareness, work at height-scaffold inspector, road safety & defensive driving were taken throughout the year for positive engagement of work force to further enhance safety culture. Safety improvement initiatives such as use of Vertical Fall Arrestor System for EHV tower, U-guard fitting on two wheeler towards road safety during kite flying season, development of snake & ladder game based road safety handout, EHS awareness booklet.

- 16432 man-hours training and 172 mock drills were conducted across the RE sites in FY 2022-23. Specialized training programs were organised as per GWO(Global Wind Organisation) standard including Work at Height, Basic First Aid, Fire Safety Awareness, Active and Passive Height Rescue and Manual Handling for reducing risk during work in Wind Turbine Generator across RE sites. Specialized online training capsules were given to site team on electrical safety (10 Modules) & ensured effectiveness of training by training evaluation. Special training and attention were given to identify and close unsafe conditions and acts across RE sites. TBTs are conducted to mitigate safety risk in jobs. Specialized training programs on high-risk activities such as height work, lifting

Board's Report (Contd.)

operations, hot works, confined space works were organized for identified company's employees and contractor's employee at Systematic Innovative School (SIS) of L&T-Hazira by Surat and Dahej Distribution Units.

- Learning and development was undertaken throughout the year by organising training through external trainers on topics – First Aid training, Scaffold Erection Training, Scaffold Inspector Training, Electrical Fire Prevention training, Confined Space safety training aiming for enhanced Safety performance in work execution. Moreover, specific sessions such as diet control, Nutrition food for better health, heat related hazards, mental health, Ergonomics are conducted to develop consciousness amongst stakeholders and improve overall health performance at SUGEN and DGEN.
- Torrent Power Aapne Dware & School Program on Electrical Safety & Energy conservation are conducted on regular basis.
- Surat and Dahej Distribution units installed Insulated Busbar and Piranha Connectors in LV Mini Section Pillars in power theft prone area. Identification of the power theft prone area and Installation 10 Nos. of insulated connectors in LV Mini Section Pillars as a pilot project. Busbars are insulated, waterproof and theft proof and increased safety and reduced direct power theft. After installation of insulated connectors in September 2022, overall power theft of 176817 Units prevented from these LV Mini Section Pillars of insulated connectors in September 2022.
- SUGEN and DGEN Mega Power Projects have continued Stakeholders engagement encouraging near-miss-reporting and EHS suggestions, Safety committee meetings and special forums such as Samanvay, quarterly publication of "SugEnSust" environmental sustainability newsletter, implementing digital based application for reporting Safety Corrective Actions that provides ease of reporting safety observations also with use of mobile instrument thus improving safety management system by enhanced data collection, participation and data analysis.
- AMGEN conducted comprehensive health check up for employees at OHU and Apollo Hospitals also conducted Yoga and Zumba sessions during International Yoga Day and Conducted Marathon (AMGETHON) for employees for 5 KMs and 10 KMs at the Sabarmati River Front, Ahmedabad. During the entire year, 34 health-related awareness sessions pertaining to various diseases like lifestyle diseases, de-addiction from tobacco consumption, Ergonomics, mental health, HIV, prevention of lung diseases, the session on world health day, world diabetes day, world obesity day, First Aider training, special session on health and hygiene for women employees and contract workers. Health magazine "E-Health newsletter" is published for the employees once a quarter.
- Ahmedabad Distribution unit implemented safety improvement initiatives such as One-day follow-up audit carried out in September 2022 through British Safety Council on Five Star Occupational Health & Safety recommendations given during previous grading audit in March 2021. The 100% scoring elements increased from 18 to 41 & unit was appreciated for initiatives & management programs. Online health talks on common health problems; such as awareness about tobacco hazard, Cancer awareness, Leprosy day, HIV & AIDS awareness, hypertension, World kidney day, diabetes, health day, Yoga Therapy day, lifestyle diseases. Automated External Defibrillators are procure to overcome the medical emergencies (cardiac attack), AEDs are advanced equipment and provides medical life support system.
- Actions taken to enhance safety in public domain and environment protection:
  - Conversion of Oil Type DT to Dry type
  - Use of Natural ester oil type distribution transformer
  - Conversion of Oil type RMU to SF6 RMU
  - Identification and replacement of unsafe assets – LT Panel, MSPs and meter boxes.
- Surat and Dahej Distribution Units implemented Robotic Technology for the cleaning of the underground water tank. By this initiative, human intervention in the confined space had been eliminated. It also eliminated the waste of water as no need of emptying water tank. This has enhanced the human safety and saving of 9.30,000 litres of water. Installation of Roof top solar system with PV Capacity @32 KW at Varachha (E) PSC Building along with auto water sprinkler cleaning system. Approximately, 65000 units generation is expected with this system.
- Safety precaution notices were published in local newspapers both in Bhiwandi and SMK. To raise awareness regarding safety a seminar was

organized for all vendor partners of Bhiwandi and SMK in October 2022. Safety awareness training is provided to contract workers at their premises. Safety Awareness training provided to one HT Consumer at their premises during national safety week. Safety poster competition during Celebration of National Safety Week. Safety awareness training is provided to contract workers at their premises. Defensive Driving Training by external faculty was conducted on March 8 and March 9, 2023. Various events organized for employees Celebration of fire service week (April 14 to April 20), Environment Day (June 5), Celebration of Road Safety Week (January 11 to January 17) Celebration of National Safety Week (March 4 to March 10). Letters were distributed to Ganesh Mandals for safe precautions to be taken during celebration of Ganeshotsav Festivals. Publicity campaigns were carried out in various localities and consumers were made aware of the safety measures to be taken. Public Awareness notices regarding maintaining maintenance of safe clearance from overhead conductors / lines were published in newspapers both in Marathi and Hindi languages. Installed Padlocks on all the 100% DTC & FSP to avoid any fatal / non-fatal incident inside DTC premises.

- At Agra Distribution, Compressive Hazard Identification and Risk Assessment (HIRA) and Environmental Aspect and Impact Assessment of all the departmental operations, devising respective control measure, exploration of opportunities further enhancement Occupational Health and Safety and Environmental Sustainability Management System. Distribution units conducted Health check-up programme for all employees & special test like Audiometry test is mandated for all Call centre personnel and Color Vision test & Eye site test for all Drivers. Safety Training (Safety Management including electrical safety, Behavioural Based Safety, Road Safety First Aid and Animal Bite Prevention) were imparted to employees & external service providers to inculcate safety as behavioural aspect of them.
- To improve environmental sustainability, the concept of an environmental marshal was introduced, and a team comprised of representatives from various departments was formed to improve the plant environment and raise awareness at the department level. Celebration of world water day with aim to increase environment awareness and mass participation. Quarterly publication of the Environment Newsletter initiated for knowledge sharing and awareness improvement. Instead of replacing electronic cards, repaired/refurbished cards are used to minimize e-waste.

17. VIGIL MECHANISM

The Company has in place a Vigil Mechanism / Whistle Blower Policy pursuant to the applicable statutory requirements. The details of the Whistle Blower Policy are explained in the Report on Corporate Governance.

18. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, the Company has, during the year under review, credited unpaid / unclaimed Dividend to IEPF Authority and equity shares to the Demat account of IEPF Authority as per the details mentioned below:

Financial Year	Unpaid / Unclaimed Dividend transferred (in ₹)	No. of equity shares transferred
2014-15 (Final)	51,17,620.50	40,447
2014-15 (Final) of erstwhile Torrent Cables Limited	3,08,387.00	

During the year under review, the Company has also credited following dividend to IEPF Authority against equity shares already transferred:

Financial Year	Dividend (in ₹)	Amount credited to IEPF* (in ₹)	No. of equity shares already transferred
2022-23 (Interim dividend)	22.00 per share	3,52,51,603.00	20,36,943

* Net of Tax Deducted at Source (includes Tax + Surcharge + Cess as applicable) which was ₹ 95,61,143/-.

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The Members whose shares and unclaimed dividend have been transferred to the IEPF Demat Account and IEPF account respectively, may claim the shares or apply for refund of dividend by making an application to the IEPF Authority in web Form IEPF-5 (available on http://www.iepf.gov.in). The details of Members whose dividend remained unpaid / unclaimed for 7 consecutive years or more may be accessed at Company's website at www.torrentpower.com.

The details of unpaid / unclaimed dividend lying in unpaid Dividend accounts as on March 31, 2023, are mentioned below:

Sr. No.	Dividend for Financial Year	Due date for transfer to IEPF	Amount of Unpaid / Unclaimed Dividend (in ₹)
1.	2015-16 (Interim) of Torrent Power Ltd.	April 15, 2023	1,56,04,794.00*
2.	2016-17 (Final) of Torrent Power Ltd.	September 6, 2024	1,14,68,824.40
3.	2017-18 (Final) of Torrent Power Ltd.	September 6, 2025	1,47,14,790.00
4.	2018-19 (Final) of Torrent Power Ltd.	September 10, 2026	1,13,27,920.00
5.	2019-20 (Interim) of Torrent Power Ltd.	March 19, 2027	2,48,74,030.80
6.	2020-21 (Interim) of Torrent Power Ltd.	March 17, 2028	1,00,67,540.50
7.	2020-21 (Final) of Torrent Power Ltd.	September 11, 2028	96,96,455.50
8.	2021-22 (Interim) of Torrent Power Ltd.	March 11, 2029	1,43,51,504.00
9.	2022-23 (Interim) of Torrent Power Ltd.	March 22, 2030	NIL**

*The Company has transferred Unclaimed Interim Dividend for FY 2015-16 to IEPF Authority within statutory time limit.

**As the Company has paid dividend through demand draft to those shareholders whose bank account details are not available with the Company and expiry date of such demand draft is on June 7, 2023, and hence there is NIL balance as the Company is not able to identify the unpaid balance in said dividend account as on March 31, 2023.

The actual amount lying in unpaid dividend accounts along with corresponding shares related thereto will be transferred to IEPF Authority within statutory timeline as applicable.

Rahul Shah, Company Secretary, has been appointed as Nodal Officer of the Company and details of the Nodal Officer are available on the website of the Company at https://www.torrentpower.com/index.php/investors/iepf.

19. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

As stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility and Sustainability Report (BRSR) forms part of the Integrated Annual Report.

20. RISK MANAGEMENT

The Company has in place a Risk Management framework for a systematic approach to control risks. The Risk Management Policy of the Company lays down procedures for risk identification, assessment, monitoring, review and reporting. The Policy also lists the roles and responsibilities of the Board, Risk Management Committee, Chief Risk Officer, Risk Champions and Risk Co-ordinators. The Risk Management process is reviewed and monitored by the functional heads.

Management Discussion and Analysis Report, which forms part of the Integrated Annual Report identifies key risks which can affect the performance of the Company.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with the related parties are given in the prescribed Form AOC-2, annexed herewith as **Annexure - D** and in the section on the Related Party Transactions in the Report on Corporate Governance.

22. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The details in terms of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, are forming part of this Report as **Annexure - E**.

23. PROTECTION OF WOMEN AGAINST SEXUAL HARASSMENT AT WORKPLACE

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

24. THE EXTRACT OF THE ANNUAL RETURN

In terms of Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company https://www.torrentpower.com/pdf/investors/FormMGT7_20230620183121.pdf

25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The details relating to conservation of energy, technology absorption, foreign exchange earnings and outgo prescribed under Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 are given in the **Annexure - F**, which forms part of this Report.

26. OTHER DISCLOSURES

- During the year under review, the Company has neither accepted nor renewed any fixed deposits.
- During the year under review, there are no changes in the nature of business.
- There are no material changes and commitments affecting the financial position of the Company, which has occurred between end of Financial Year i.e. March 31, 2023 and the date of Directors' Report i.e. May 29, 2023.
- No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operation in future.

27. APPRECIATION AND ACKNOWLEDGEMENTS

The Board of Directors is pleased to place on record its appreciation for the continued support received from all stakeholders including government, regulatory authorities and financing institutions. The Board is thankful to the Members and employees for their unstinted support and contribution.

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN: 00061903

May 29, 2023
Ahmedabad

Annexure - A

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED March 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel)Rules, 2014]

To,
The Members,
Torrent Power Limited,
"Samanvay",
600, Tapovan, Ambawadi,
Ahmedabad – 380 015

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Torrent Power Limited (CIN: L31200GJ2004PLC044068) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Torrent Power Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2023 according to the provisions of:

i. The Companies Act, 2013 ('the Act') and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;**(Not applicable to the Company during the Audit Period)**

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (**Not applicable to the Company during the Audit Period)**

   (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

   (f) The Securities and Exchange Board of India (Issue and Listing of Non - Convertible Securities) Regulations, 2021.

   (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   (h) The Securities and Exchange Board of India (Delisting of Equity Shares)Regulations, 2009 **(Not applicable to the Company during the Audit Period)**; and

   (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**.

vi. The Company has complied with following other laws specifically applicable to the Company:

(a) Electricity Act, 2003

(b) Gujarat Electricity Duty Act, 1958

(c) Gujarat Electricity Industry (Reorganisation and Regulation) Act, 2003

(d) Gujarat Electricity Grid Code, 2013

(e) Energy Conservation Act, 2001

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were usually sent seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. There were no dissenting views on any matter.

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

We further report that during the audit period under review the Company has no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

1. Pursuant to Section 186(11)(a) of the Companies Act, 2013, the Company being an Infrastructure Company, the provisions of Section 186 of the Companies Act, 2013 are not applicable.

2. Company has issued Secured, Listed, Rated, Taxable, Non-Cumulative, Redeemable, Non-Convertible Debentures aggregating to Rs. 1,400 Crore through Private Placement basis.

3. The 18th Annual General Meeting of the Members of the Company was held on August 8, 2022 through VC / OAVM in terms of MCA General Circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020 and 2/2022 dated May 5, 2022.

4. During the year under review, the Company has acquired 100% of the share capital and all securities of Sunshakti Solar Power Projects Private Limited and 100% Equity Share Capital of Wind Two Renergy Private Limited.

For **M. C. Gupta & Co.**
Company Secretaries
UCN: S1986GJ003400

Mahesh C Gupta
Proprietor
FCS: 2047 (CP: 1028)
Peer Review No.579/2019
UDIN: F002047E000403580

Place: Ahmedabad
Date: May 29, 2023

Note: This Report is to be read with our Letter of even date which is annexed as Annexure "A" and forms an integral part of this report.

Annexure - A

To,
The Members,
Torrent Power Limited,
“Samanvay”,
600, Tapovan,
Ambawadi, Ahmedabad – 380 015

Our Report of even date is to be read along with this Letter;

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

For **M. C. Gupta & Co.**
Company Secretaries
UCN: S1986GJ003400

Mahesh C Gupta
Proprietor
FCS: 2047 (CP: 1028)
Peer Review No.579/2019
UDIN: F002047E000403580

Place: Ahmedabad
Date: May 29, 2023

Annexure - B

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To,
The Members,
Torrent Power Limited

We have examined the compliance of conditions of Corporate Governance by Torrent Power Limited ("the Company"), for the year ended March 31, 2023 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N / N500016

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN :23109553BGWNNJ7501

Place: Ahmedabad
Date: May 29, 2023

Annexure - C

REPORT ON CSR ACTIVITIES FOR FY 2022-23

1. Brief outline on CSR Policy of the Company:

- Torrent has always been committed to the cause of social service and has consistently channelised a part of its resources and activities, such that it positively impact the society socially, ethically and also environmentally. The Company has taken up various CSR initiatives improving the quality of life of the people and making quality value addition to the society.
- The Company channelizes its CSR activities in light of its guiding principle as enumerated by its founder - Shri U. N. Mehta: **"Giving back to the society, for all the years of care, support and nurturance that is being bestowed upon the organisation".**
- The Policy focuses on three thrust areas in which CSR activities are planned - (a) Community Healthcare, Sanitation & Hygiene (b) Education & Knowledge Enhancement and (c) Social Care & Concern.
- The CSR Activities are conducted, preferably in areas where the Company has industrial or business presence, after approval of the Corporate Social Responsibility and Sustainability Committee ("CSRSC") and the Board.
- CSR Activities are conducted by Implementing Agencies, which include section 8 company / registered public trust / registered society established by the Company / an external entity engaged in CSR activities etc.

2. Composition of Corporate Social Responsibility and Sustainability Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSRSC held during the year	Number of Meetings of CSRSC attended during the year
1	Usha Sangwan	Chairperson of Committee, Independent Director	3	3
2	Samir Barua*	Member of Committee, Independent Director	3	1
3	Jinal Mehta%	Member of Committee, Director	3	2
4	Radhika Haribhakti#	Member of Committee, Independent Director	3	2
5	Ketan Dalal@	Member of Committee, Independent Director	3	1

* Ceased to be Member of Committee w.e.f. September 30, 2022 due to completion of second and final term as an Independent Director of the Company.

%Ceased to be Member of Committee w.e.f. January 19, 2023.

#Appointed as Member of Committee w.e.f. May 11, 2022.

@Appointed as Member of Committee w.e.f. January 19, 2023.

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

CSR Committee: https://www.torrentpower.com/index.php/investors/corporateinformation

CSR Policy: https://www.torrentpower.com/pdf/investors/AmendedCSRPolicy.pdf

CSR Projects: https://www.torrentpower.com/pdf/investors/CSRActivitiesFY2223_20230628190013.pdf

4. Provide the executive summary along with web-link of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8, If applicable:

Shiksha Setu (Quality Education Programme in Rural and Urban Slum Area) (Phase II) was considered as Ongoing Project in FY 2020-21. Web-link of Executive Summary and Impact Assessment of the said Project is https://www.torrentpower.com/pdf/investors/ImpactAssessmentReport_20230621110015.pdf.

5. a) **Average net profit of the company as per sub-section (5) of section 135:** ₹ 1,598.42 Crore

   b) **Two percent of average net profit of the company as per sub-section (5) of section 135:** ₹ 31.97 Crore

   c) **Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:** ₹ 0.65 Crore

   d) **Amount required to be set-off for the financial year, if any:** NIL

   e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:** ₹ 32.62 Crore*

*Including surplus arising at implementing agency level from temporary investment of the funds of ₹ 0.65 Crore for FY 2021-22.

6. **a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹ 32.02 Crore

   b) **Amount spent in Administrative Overheads:** NIL

   c) **Amount spent on Impact Assessment, if applicable:** NIL

   d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹ 32.02 Crore

   e) **CSR amount spent or unspent for the Financial Year:**

Total amount spent for the Financial Year (₹ in Crore)	Amount Unspent (₹ in Crore)				
	Total Amount transferred to unspent CSR account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Sub-Section (5) of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
32.02*	18.62	April 24, 2023		NIL	

* Including ₹ 17.48 crore spent during the Financial Year on an ongoing Projects, out of unspent amount pertaining to FY 2021-22 and FY 2020-21 alongwith surplus arising at implementing agency level from temporary investment of the funds of ₹ 0.54 Crore for FY 2022-23.

   f) **Excess amount for set off, if any: NIL**

(₹ in Crore)

Sr. No.	Particular	Amount
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the Financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR Projects or Programmes or Activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

Annexure - C

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sr. No.	Preceding Financial Years	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (₹ in Crore)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (₹ in Crore)	Amount spent in the Financial Year (₹ in Crore)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (₹ in Crore)	Deficiency, if any
					Amount (₹ in Crore)	Date of transfer		
1.	2021-22	17.48	0.00	17.48	NIL	--	--	--
2.	2020-21	6.06	0.00	6.06*	NIL	--	--	--

*out of ₹ 6.06 Crore of unspent amount of FY 2020-21 ₹ 5.50 Crore was spent in FY 2021-22 and ₹ 0.56 Crore was spent in FY 2022-23 and no amount of unspent account is remaining to be spent as at March 31, 2023.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes

If Yes, enter the number of Capital assets created / acquired 13

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

(1)	(2)	(3)	(4)	(5)	(6)		
Sr No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent (₹ in Crore)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1	Electronic Instruments located at UNM Foundation, 104, South Block, One42, Chhanalal Joshi Marg, Ashok Vatika, Ahmedabad, Gujarat	380058	March 29, 2023	0.04	CSR00004202	UNM Foundation	'Samanvay", 600 Tapovan, Ambawadi, Ahmedabad - 380015, Gujarat
2	Electrical Installations and Equipments located at UNM Children Hospital, Sugen Mega Power Project, Off. N. H. 48, Vill. Akhakhol, Tal. Kamrej, Surat, Gujarat	394155	August 17, 2022	0.01			
3	Furniture & Fixtures located at UNM Children Hospital, Sugen Mega Power Project, Off. N. H. 48, Vill. Akhakhol, Tal. Kamrej, Surat, Gujarat	394155	March 28, 2023	0.60			
4	Medical Equipments located at UNM Children Hospital, Sugen Mega Power Project, Off. N. H. 48, Vill. Akhakhol, Tal. Kamrej, Surat, Gujarat	394155	March 17, 2023	1.92			
5	Office Equipments located at UNM Children Hospital, Sugen Mega Power Project, Off. N. H. 48, Vill. Akhakhol, Tal. Kamrej, Surat, Gujarat	394155	March 13, 2023	0.02			
6	Computer and Printers located at UNM Children Hospital, Sugen Mega Power Project, Off. N. H. 48, Vill. Akhakhol, Tal. Kamrej, Surat, Gujarat	394155	March 21, 2023	0.21			
7	Vehicles located at UNM Children Hospital, Sugen Mega Power Project, Off. N. H. 48, Vill. Akhakhol, Tal. Kamrej, Surat, Gujarat	394155	January 25, 2023	0.34			

(1)	(2)	(3)	(4)	(5)	(6)		
Sr No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent (₹ in Crore)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
8	Software located at UNM Children Hospital, Sugen Mega Power Project, Off. N. H. 48, Vill. Akhakhol, Tal. Kamrej, Surat, Gujarat	394155	December 13, 2022	0.12	CSR00004202	UNM Foundation	'Samanvay", 600 Tapovan, Ambawadi, Ahmedabad - 380015, Gujarat
9	Electrical Installations and Equipment located at UNM Foundation, C/O. Tribhuvandas Foundation Building, Near Government Hospital (CHC), Ahmedabad Road, Balasinor, Dist. Mahisagar, Gujarat	388255	January 10, 2023	0.01			
10	Office Equipments located at UNM Foundation, C/O. Tribhuvandas Foundation Building, Near Government Hospital (CHC), Ahmedabad Road, Balasinor, Dist. Mahisagar, Gujarat	388255	December 17, 2022	0.01			
11	Computers located at Paediatric Health Centre (PHC) Bal Arogya Kendra, Youth Club of Chhapi, Beside Shardashish Prathmik Shala, Chhapi, Ta. Vadgam, Dist. Banaskantha, Gujarat	385210	February 21, 2023	0.01			
12	Computers located at PHC Bal Arogya Kendra, 34, Sahyog Society, Opp. CHC Waghai, Ta. Waghai, Dist. Dang, Gujarat	394730	October 20, 2022	0.01			
13	Computers located at PHC at Bal Arogya Kendra Shop No-3, 2/134 Sahyog Nagar, Mozda Road, Opp Sub-District Hospital Dediapada, Ta. Dediapada, Dist. Narmada, Gujarat	393040	January 6, 2023	0.01			

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135:

Not Applicable

For and on behalf of the Board of Directors

May 29, 2023
Ahmedabad

Jinal Mehta
Managing Director
DIN: 02685284

Usha Sangwan
Chairperson CSRS Committee
DIN: 02609263

Annexure - D

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of Contracts / Arrangements entered into by the Company with Related Parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts/ arrangements/ transactions including value, if any	Justification for entering into such contracts/ arrangements/ transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
NIL								

2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts/ arrangements/ transactions including value, if any	Date(s) of approval by the Board and Audit Committee, if any	Amount paid as advances, if any	Date on which shareholders resolution was passed in general meeting u/s 188(1)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
NIL							

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

May 29, 2023
Ahmedabad

Annexure - E

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2022-23 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during FY 2022-23 are as under:

Sr. No.	Name	Designation	Ratio of Remuneration of Director to Median Remuneration of employees (Sub-clause (i) of Rule 5(1))	% Increase in Remuneration in FY 2022-23 (Sub-clause (ii) of Rule 5(1))
1.	Sudhir Mehta	Chairman Emeritus	0.00	0.00
2.	Samir Mehta^	Chairperson	195.16	50.00
3.	Pankaj Patel	Independent Director	4.94	5.56
4.	Samir Barua$	Independent Director	3.77	Not Applicable
5.	Keki Mistry	Independent Director	4.29	-19.51
6.	Jinal Mehta#	Managing Director	241.58	27.55
7.	Usha Sangwan%	Independent Director	8.00	Not Comparable
8.	Radhika Haribhakti%	Independent Director	8.00	Not Comparable
9.	Mamta Verma, IAS%	Non-Executive Director	1.04	Not Comparable
10.	Ketan Dalal*	Independent Director	5.79	Not Applicable
11.	Varun Mehta@	Whole-time Director	Not Applicable	Not Applicable
12.	Lalit Malik	Chief Financial Officer	Not Applicable	11.00
13.	Rahul Shah	Company Secretary	Not Applicable	12.30

^Commission is paid at the rate of 0.50% of PBT plus fixed managerial remuneration and impairment charges.
$Retired as Independent Director w.e.f. September 30, 2022 upon completion of his second and final term as an Independent Director.
#Commission is paid at the rate of 0.15% of PBT plus fixed managerial remuneration and impairment charges.
%Usha Sangwan, Radhika Haribhakti and Mamta Verma, IAS were appointed during FY 2021-22 and hence remuneration paid to them were for the part of the year, so remuneration paid to them for FY 2021-22 and FY 2022-23 are not comparable.
*Appointed as Independent Director w.e.f. May 11, 2022.
@Appointed as Whole-time Director w.e.f. August 8, 2022, hence his remuneration is not comparable.

2. Sub-clause (iii) of Rule 5(1): The median remuneration of the employees excluding employees covered under wage settlement and employees who were not eligible for appraisal / increment in FY 2022-23 across all grades increased by 7%.
3. Sub-clause (iv) of Rule 5(1): The number of permanent employees on the roll of Company as on March 31, 2023 was 6,992.
4. Sub-clause (viii) of Rule 5(1): The average percentage increase made in the remuneration:
   - of employees (excluding Directors, Managerial Personnel, employees covered under wage settlement and employees who were not eligible for appraisal / increment across all grades) in FY 2022-23 is 12.31%;
   - of managerial personnel is 36.69%. (of Chairperson & MD)
5. Sub-clause (xii) of Rule 5(1): It is hereby affirmed that the remuneration paid is as per the Remuneration policy of the Company.
6. Rules 5(2) and 5(3): The information required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of the Annual Report. Having reference to the provisions of Section 134 and Section 136 of the Companies Act, 2013, the Reports and Accounts are being sent to the Members excluding such information. However, the said information is available for inspection by the Members at the Registered Office of the Company during its working hours up to the date of ensuing Annual General Meeting. Further, any Member interested in obtaining such information may obtain it by writing to the Company Secretary at cs@torrentpower.com.

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

May 29, 2023
Ahmedabad

Annexure - F

**Conservation of Energy, Technology Absorption,
Foreign Exchange Earning and Outgo**

A. CONSERVATION OF ENERGY

The steps taken or impact on conservation of energy:

A. SUGEN AND UNOSUGEN Power Plants:

- Energy conservation initiatives implemented have resulted in annual energy savings to the tune of 6.71 MUs in FY 2022-23.
- SUGEN and UNOSUGEN power plants are notified under PAT scheme VIIA with heat rate reduction targets for FY 2024-25 in December 2022.
- Rainwater collection for FY 2022-23 was~70 million litres at SUGEN.
- Various Process Optimization actions implemented for Energy Conservation in FY 2022-23 as:
  - Unit cold start-ups without auxiliary steam having potential of reduction in start time of 30 minutes with additional power generation of about ~30,000 kWh.
  - SUGEN single circulating water pump operation during one unit operation in FY 2022-23 resulted in savings in tune of ~7 MUs in auxiliary power and reduction of water losses by ~87 million litres.
  - SUGEN implemented reutilization of circulating water pump house drainage by diverting as make-up to cooling tower having water saving potential to tune of ~50 million liters per annum per unit.
  - Use of UnoSugen Raw water pump with VFD control for Sugen Raw water supply resulted in savings of ~0.8 MUs during FY 2022-23.
  - Service Air interconnection for UnoSugen Raw water Pre-treatment Plant and DM Water Plant implemented to improve overall reliability and reduction of aux power consumption by stoppage of comparatively less efficient air compressors.
- Installation of Energy efficient Air Conditioners for Green Island building.
- Installation of 100KLD Sewage Treatment Plant for Shardashish.

B. DGEN Power Plant:

- Energy conservation measures have resulted in annual energy savings to the tune of ~33,38,487 kWh.
- Rainwater collection for FY 2022-23 was 100,000 m^3 at DGEN and ~4,000 m^3 at Meghdhanush township. Existing Rainwater collection systems at DGEN have rainwater collection potential to the tune of 77% area coverage.
- Replacement of conventional light fittings with LED in FY 2022-23 leading to energy conservations of approx. 1.58 lakh kWh annually.
- New projects implemented for Energy Conservation in FY 2022-23 as listed below:
  - Switching off streetlights in non-plant area having potential of annual saving of ~76,142 kWh.
  - Process Optimization of Nitrogen plant flow and cycle time has potential of annual saving of ~36,337 kWh.
  - Switching off air supply fans in 00URD & 51/52/53 UMC building will save ~38,982 kWh annually.
- Energy conservation week celebrations were conducted for training and awareness involving all stakeholders at DGEN as well as Meghdhanush Township.

C. AMGEN Power Plant:

- E unit - seal replacement in secondary air heater to minimize air short circuit in flue gas path and ID fan power consumption.
- F unit - installation of a three-way valve in the chiller plant to reduce power consumption by minimizing onload - offload operation frequency.
- D/E unit – replacement of air end assembly in IR screw compressor led to reduction in power consumption.
- Replacement of old conventional lights with energy efficient LED lamps at CHP, D unit cable gallery and vehicle parking.

D. AHMEDABAD, SURAT, DAHEJ, DHOLERA, BHIWANDI, AGRA AND SHIL-MUMBRA-KALWA (SMK) Distribution Units:

- Installation of Solar roof top system initiated at all new buildings to minimize energy drawn from distribution network. Installation of Water sprinkler system on Solar roof top at Central warehouse for better efficiency.
- Started using EV for internal transportation on pilot basis. More EVs will be added in the company fleet vehicles in coming years. Setting up EV charging infrastructure at office premises to promote EV vehicle usage.
- Received IGBC "Platinum" certificate for 5 buildings. All new buildings are designed as per Indian Green Building Council (IGBC) guidelines to minimize energy consumption. The buildings are provided green cover to reduce impact of direct sun light and energy consumption in air conditioning system. All new buildings are equipped with double glazed windows to reduce external heat load on Air Conditioning system and thereby reducing energy consumption. The design of new buildings is done to facilitate maximum use of natural lights to reduce lighting requirement.
- Replacement of old and high energy consuming Air conditioners with star rated energy efficient Air conditioners with ecofriendly refrigerant. Use of energy efficient LED light fittings in all new offices.
- Network development guidelines are prepared to promote best engineering practices and minimize losses while developing HV & LV network in the license area. Establishment of Distribution sub-stations nearer to load centers to reduce LV cable network length and thereby reducing technical losses.
- Use of energy efficient transformers to reduce technical losses. Monitoring of network loading and carrying out outage analysis to design improvement schemes to reduce technical losses and enhanced reliability by laying of new feeders, bifurcation/ upgradation of existing feeders, augmentation of Distribution transformers.
- Sound system of monitoring network parameters to minimize overloading in the network elements and reduce losses.
- Use of state of the art technology and automation in distribution network. Carrying out Automation in Distribution network by using Automated switchgears to facilitate remote operations of the feeders which reduces transportation requirement and saving fuel.
- Reactive power management by use of VSR and Switching Capacitors at EHV side and installation / reshuffling of APFCs & Capacitors to improve PF at LT side of DTCs.
- Awareness through messages on social media, leaflets, energy bills, display at customer touch points etc. Celebration on National Energy Conservation Day with some new initiatives such as
  - Distribution of "Energy conservation Key Chain" to all TPL employees.
  - Publish first volume of "Energy Conservation Times" on National Energy conservation day with plan to publish every quarter with different topics.
  - Introduce "Energy Saver Ambassadors" for spreading awareness of energy conservation.
- Participated in "Udyog-2022" with "Energy Conservation and Safety" theme.
- Campaigns are carried out in Customer meet, Residential Societies, HT/LTMD Industrial Customer and Schools for awareness of Energy conservation.
- Distributed "Vij Darpan" booklet to HT and LTMD customers.
- Installation of APFCs to improve PF at LT side of DTCs at Bhiwandi distribution units. Automation of 2 Nos. of 22 kV switching in Bhiwandi and 1 No. of 22 /11 kV sub-stations and one number of 22 kV switching stations in FY 2022-23 in SMK. In Bhiwandi and SMK 15.5 Kms and 28.22 Kms of 400 sq.mm 22 kV cable were laid respectively in FY 2022-23.

E. RENEWABLE SITE:

- Energy conservation initiatives implemented have resulted in annual energy savings to the tune of 15,000 kWh in FY 2022-23.
- Wind Turbine Blades were cleaned at Dayapar Site to improve generation.

Annexure - F

- Wind Turbine Software at Dayapar, Lohara-Koral, Zalki and Gudadanal sites were upgraded to improve generation in line with designed power curves.
- Power Booster was installed in 5 Wind Turbines at Dayapar site to improve generation and power curve performance.
- The module cleaning cycle has been optimized at solar sites to improve generation and reduce soiling loss.
- Proactively identified hotspots & bypass diode issues through module thermography and it has been timely repaired/replaced through warranty to improve generation.
- Proactively identified underperforming modules through IV curve/VOC test and they have been reshuffled to one location/string or replaced to improve generation.
- At Solar plants, proactively string issues were identified through SCADA data and rectified to avoid fault/outage.

The steps taken by the Company for utilizing alternate sources of energy:

A. SUGEN, UNOSUGEN & DGEN Power Plants:

- Solar power to the tune of 66,080 kWh is generated and utilized in FY 2022-23 at the Setu Rooftop (42.7 kWp) and Reservoir floating Solar (6.3 kWp) modules at SUGEN Mega Power Project.
- Solar power to the tune of 61,175 kWh is generated and utilized in FY 2022-23 at the Shardashish housing colony of SUGEN Mega Power Project from U N Centre Rooftop Solar (50 kWp) modules.
- Solar power to the tune of 12,078 kWh is generated and utilized in FY 2022-23 at the Meghdhanush housing colony at DGEN Mega Power Project.

B. AHMEDABAD, SURAT, DAHEJ, DHOLERA, BHIWANDI, AGRA and SHIL-MUMBRA-KALWA Distribution Units:

- Generating and procuring renewable power to supply electricity to the consumers and minimizing the use of conventional source of energy. ~17% of total energy supplied (AMDIST and Surat) in FY 2022-23 was managed through renewable sources.
- Facilitating and promoting installation of solar roof top at customer premises in line with Solar Rooftop Policy of Government. So far installation of about 385 MW generating 480 MUs per annum have been installed.
- Surat distribution unit facilitated installation of 2120 nos. of solar rooftop aggregating 12.92 MW during FY 2022-23 (Since inception of rooftop policy till March 31, 2023, 12837 nos. of solar rooftop Projects with 68.28 MW for residential and non-residential).
- 32.4 kW solar rooftop installed at Varachha PSC building in FY 2022-23. Total installed capacity is 440 kW which covers all the EHV substations premises, Varachha PSC & Central Warehouse. Total 0.51 MUs generated in FY 2022-23 in Surat distribution.
- 110 KW solar rooftop installed at Dahej East SS, plot no Z/21 which covers office building, Warehouse, etc. Solar roof top has generated 151013 units and it's measured efficiency is 91.03 %.
- Agra unit facilitated installation of 264 nos. of solar rooftop Projects aggregating 1.46 MW during FY 2022-23 (since inception of rooftop policy till March 31, 2023, 1049 nos. solar rooftop with 10.61 MW for residential and non-residential).
- Bhiwandi distribution unit facilitated installation of 110 solar rooftop Projects aggregating 4.92 MW in FY 2022-23.
- Ahmedabad Distribution units initiated use of green power for internal use in offices by installing solar roof tops in all new office buildings. Started using EV for internal transportation on pilot basis. More EVs will be added to the company fleet vehicles in coming years to reduce consumption of fossil fuel.

C. RENEWABLE SITE:

RE Sites generate energy using wind and solar resources which are already renewable sources.

The capital investment on energy conservation equipment:

A. SUGEN and DGEN Power Plants:

a. ₹ 13.37 Lakh spent on installation of energy efficient air conditioners at Green Island building of SUGEN Mega Power Project.

b. ₹ 44.96 Lakh spent on installation of 100KLD Sewage Treatment Plant at Shardashish township of SUGEN Mega Power Project.

c. ₹ 0.35 Lakh spent on replacement of ODS Refrigerant Gas R-22 with non ODS Refrigerant Gas R-438.

d. ₹ 1.10 Lakh spent on installation of LED Lighting at 51 UMC in DGEN Mega Power Project.

B. AHMEDABAD, SURAT, DAHEJ, DHOLERA, BHIWANDI, AGRA and SHIL-MUMBRA-KALWA Distribution Units:

- Installation of solar roof top in office premises is planned at Ahmedabad Distribution unit.
- ₹ 600 Lakh spent for energy conservation equipment in new offices at Narol, Odhav, Naranpura, Gandhinagar and Amraiwadi in FY 2022-23 and complied with requirement of IGBC.
- ₹ 1.7 Lakh spent on Water sprinkler system on Solar roof top at Central warehouse at Surat.
- ₹ 18.5 Lakh spent on 32 kW Solar rooftop with water sprinkler system at Varachha PSC Offices at Surat and Dahej Distribution units.
- ₹ 235 Lakh spent on energy efficient 2 stage Air conditioning system, energy efficient and sensor-based lighting in newly constructed Power Supply Centres at Surat and Dahej Distribution units.
- ₹ 27 Lakh spent on Vermiculite Terrace Insulation, double glazed window and plumbing fixtures in newly constructed Power Supply Centres at Surat and Dahej Distribution units.
- ₹ 3.99 Lakh incurred on account of DSM expenses at Surat distribution unit.
- ₹ 11.34 Lakh spent on Udyog-2022 at Surat.
- ₹ 46 Lakh spent on solar rooftop of 110 kW at Dahej.
- ₹ 3 Lakh spent on Replacement of Existing conventional lighting fixtures by LED Lighting fixtures at Dahej.
- ₹ 16.50 Lakh spent on Replacement of non-star rated AC with 5-star invertor AC at Dahej.
- Bhiwandi and SMK spent ₹ 2.26 Crores and ₹ 2.72 Crores respectively on conversion of HV overhead lines to underground cables.
- ₹0.20 Crores were spent on Automation in Bhiwandi.
- ₹12.76 Crore spent on conversion of HT (33 and 11 KV) overhead network into underground network at Agra distribution unit.
- ₹ 2.98 Crore spent on Automation of 33/11 KV sub-stations at Agra distribution unit.
- ₹ 2.52 Crore spent on conversion of LT overhead network into underground network, Load bifurcation & Network improvement scheme at Agra distribution unit.

C. Renewable Site:

At Visual Percept Solar Plant, due to high degradation of modules and frequent failure of inverters, 0.5 MWp of modules and two more inverters have been replaced with modules and new inverters respectively.

B. TECHNOLOGY ABSORPTION -

i) The efforts made towards technology absorption:

A. SUGEN AND UNOSUGEN Power Plants:

- UNOSUGEN PCCs fire detection improved; new Digital LHS cable provided in place of traditional LHS to eliminate spurious alarms.
- Ammonia Dosing containers are provided with ammonia leak detection and hooter system to alert operator.
- SUGEN Fire Water header pressure hooked up to DCS with installation and connection of pressure transmitter for continuous and trend monitoring.
- Green Island Building – additional PLC with siren installed to alert office staff in case of declared emergency.
- SUGEN DCS is provided with display of real time monitoring of unit and major equipment performance online.
- SUGEN units are provided with triple pressure transmitter for redundancy of measurement in HCO system of Gas Turbine, based on recommendations of new development by OEM.
- SUGEN units gas flow measurement panels are provided with alternate DC control supply in place of loss of existing control supply, thereby improving overall reliability of measurement and Gas preheater operation.
- SUGEN and UNOSUGEN Gas Turbine Flame Scanner intensity monitoring is hooked-up to DCS.
- SUGEN redundant Hardness Stabilizer FRP tanks (2 X 5 m^3) are shifted and converted to safely store PAC in SUGEN Raw water Pre-treatment Plant.
- UNOSUGEN IPBD vent fan system; one fan is supplied with emergency power to maintain safety of hydrogen filled generator during loss of grid power supply.

Annexure - F

- PSD's are installed for 400kV SUGEN UNOSUGEN Line and 400kV UNOSUGEN Pirana line at UNOSUGEN GIS end to monitor switching overvoltage.
- UNOSUGEN Excitation Transformer temperature measurement additional RTD/s provided to implement 2-oo-3 protection for better reliability.
- Lube oil level transmitter (capacitance type) calibration tool prepared & calibration performed for the first time.

B. DGEN Power Plant:

- Rainwater harvesting system phase-II implemented to collect rain water through gravity by constructing a channel between storm water drain and reservoir.
- All units T-3000 application server frequent data loss issue has been resolved by reducing traffic between automation and application highway.
- Generator Circuit Breaker connectors for unit-53 have been replaced to avoid earth fault.
- Installation of SS header with copper tubing to improve reliability of Pneumatic valve operations.
- Lube oil level transmitter (capacitance type) calibration tool prepared & calibration performed for the first time.
- 51/52/53 MBP ESV Hardwire forcing wring modification implemented for Preservation Trial.
- 50/51/52/53 XKA EDG underground tank 1 & 2 selector switch modification implemented.

C. AHMEDABAD, SURAT, DAHEJ, DHOLERA, BHIWANDI, AGRA and SHIL-MUMBRA-KALWA Distribution Units:

Ahmedabad Distribution Unit:

- **Going Digitization:** Adoption of Field Force Mobile Application for most of the field activities such as complaint management, meter reading, asset survey etc. This helps in going paperless in all field activities and provides better monitoring and control over field operations.
- **Improving Design of Service Installations:** Implementation of metering panel for high rise buildings to reduce space requirement of meters, enhance safety and improve aesthetics of power installations at customer premises.
- **Enhancing Safety and Reliability in LV system:** Fuse type distribution pillars introduced in LV network for quick restoration of supply in breakdown, to enhance safety and to reduce affected customers during faults. It provides grading while clearing faults and reduces stress on the system.
- **Distribution Automation:** Carrying out Automation in Distribution network by using Automated switchgears to facilitate remote operations of the feeders. This helps in reducing restoration time after breakdown and reduces transportation requirement and carbon footprint.
- **Digitalize Customer Service:** Providing messages on WhatsApp/ SMS to customers regarding power failure, shutdowns, tentative time of restoration of power supply, status of applications, e-bill, energy conservation and safety messages etc. Developed e-portal and mobile based application for all customer services to promote digitization and provide faster services to the customers.
- **Robotic cleaning of water tank:** Robotic system is used for periodic cleaning of underground water tanks located in office premises. This facilitates elimination of hazardous conditions while working in confined space and thus enhances safety. Also, this technology is being used with filled water tanks and eliminate the requirement to keep water tank empty for cleaning. Hence, there is no wastage of water.
- **State of the Art technology used in EHV network:** Introduction of switch mode power supply (SMPS) IGBT based modular battery charger. It replaces the normal thyristor-based charger which has no redundancy. These chargers require 25% less space compared to Thyristor based chargers. We can also eliminate the requirement of 12 kVA transformer and having 80% energy efficiency at maximum load.

Surat and Dahej Distribution units

- Initiate online Partial Discharge measurement for 220kV Cable to give precise idea about insulation deterioration over the time for any given section of cable and to providing essential information for preventive measures.
- Static busbar protection relays replaced with Numerical busbar protection relays at Bhatar Substation for 66kV Bus.
- Replacement of 66 kV manual Isolator with motorized isolators for remote operation at Causeway (F2) SS.
- Fuse strip disconnector type distribution pillars introduced at Dahej location in LV network for quick restoration of supply in breakdown, to enhance safety and to reduce affected customers during

faults. It provides grading while clearing faults and reduces stress on the system.

- Procurement of DA enabled RMU for new installations as well as replacement. This will help in faster restoration through remote operation, improve SAIDI and enhance safety of operational manpower.
- Procurement of Hermetically sealed Natural Ester oil filled DTs, CSS, SF6 RMUs, Fuse type MSPs , Nut-less bus-bars for LT assets, Meter box revamping, metering panel for high rise building for enhancing the safety and reliability of the network.
- Use of latest technology Thermography cameras for LT assets monitoring.
- Implementation of FRP trench cover instead of precast RCC cover in DSS.
- Installation of Piranha connectors in MSPs as a pilot project to prevent theft as well as enhance safety.
- Installation of "VOLTOR" device as a pilot project in identified high theft prone MSPs helps in theft detection / Prevention and reduction of Sale gap.
  - VOLTOR is an industrial IoT sensor that detects fluctuations and imbalances between voltage, current, and power in real-time.
  - It is a device that monitors electrical and thermal parameters in real time, detects and notifies various conditions like MSP door open / close, under voltage, over voltage, Busbar temperature, Water level indicator, etc. and these details can be accessible through the PC as well as through Mobile.
- Addition of various mobile based field force application (FFA) as a part of digitization drive helps in reducing paper consumption as well as provides better monitoring and control over field operations.
- Introduction of "DYNAMIC" version of QR code on energy bill which enables customer to make the bill payment without entering location and BP Nos as these details are automatically popped up with payable amount.
- Introduction of QR code-based feedback system for Admin facilities – Canteen, Vehicle and office premises.
- Installation of Drip irrigation system at Delhi gate (A) station, Puna station and Bhatar station helps in reducing water consumption by around 70% (250 kL / year).
- Implementation of People Strong – New web and mobile-app based HR platform "People Strong" is implemented during the financial year. HRIS, Leave and Attendance, Recruitment, Exit Modules are live in Phase-I. In Phase-II, PMS and LMS Modules will be implemented.
- Adoption of state-of-the-art technology in Varachha PSC and all upcoming PSC Buildings as follows:
  - Hybrid and VRF cooling system for HVAC.
  - Busbar Trunking system.
  - Use of MDF Board instead of wood-based furniture products.
  - Use of CFC (Chloro Fluoro Carbon) free refrigerants.
  - Use of state-of-the-art fire detection & halon free fire suppression system
  - Establishment of Rainwater Percolation System.
  - Use of fly ash to reduce use of cement in ready mix concrete.
  - Fly ash base AAC blocks & cobbles.
  - Use of Double-Glazed Windows glass
  - Use of vermiculite layer and China Mosaic on Terrace
  - Distribution equipment testing laboratory with advanced technology.
- Established Plug point at Varachha PSC with latest technology absorption for providing better customer services as follows:
  - Replacement of paper token receipt to digitalize SMS facility by introducing new QMS system.
  - Accepting digitalized consumer feedback with the help of QMS system.
  - Providing various service link through SMS with the help of QMS system (i.e., App download link, SMS link, WhatsApp link)
  - Displaying various electrical safety advertisements on LED screen at consumer sitting area which can be helpful to take precautionary action in day-to-day life.
  - Energy efficient electrical equipment
  - Automatic sliding door for providing entrance trail with ramp for elder old or disabled person.

Annexure - F

Bhiwandi and SMK Distribution Units

- Fuse type MSP was introduced for faster fault restoration and to enhance safety at SMK distribution units. It will be helpful in fault grading and local isolation.
- Implementation of HDPE muff in place of RCC muff for ease of operation and reduce wastage at Bhiwandi and SMK distribution units.
- Implementation of FFA (for No Power Complaints, Non-payment Bills) at Shil- Mumbra-Kalwa and Bhiwandi Distribution units.
- Installation and extension of SCADA and addition of automated RMUs at 22 kV and 11 KV feeders in Bhiwandi and SMK distribution units.
- New Material Testing Lab. started in Bhiwandi.
- Tagging of essential services in SAP for priority treatment.
- Solar Applications can be registered online. In addition, payment of quotation amount for new applications can be made online.

Agra Distribution Unit

- Implementation of Sendocs (SaaS platform) for digital document delivery & customer engagement.
- Uploading of Service wise Geo coordinates in various FFA platforms like Meter reading / NPB/ NPC Dept. for ease of consumer traceability.
- Dual source smart energy meters (Radius make) are installed in two societies for recording energy consumption through main source and secondary source separately and are enable with remote features.
- 2536 Nos of Smart meter in Group meter boxes are installed on poles to prevent theft from the network.

D. AMGEN Power Plant:

- Due to hardware obsolescence and obsolete antivirus software and firewall, HMI upgrades were performed at E & F DCS, and 132 kV switchyard SCADA.
- F unit electronic type drum level state replaced due to its technology obsoletion.
- D unit 6.6KV DC1B Panel and F unit 220 V DC charger replaced due to obsolescence of internal components.

E. RENEWABLE SITES:

- Centralized Remote monitoring of Renewable portfolio has been set up at SUGEN to improve availability and generation. With the Centralized Monitoring station, all local SCADA can be remotely accessed. The system provides with real-time information on asset operation & performance. It also enables the company to provide predictive performance, condition monitoring input to site team as well OEM for improvement. Centralized stations will help in improvement of performance as well reliability of the asset.
- Wind Turbines blades of Lohara-Koral site were inspected using drone to check healthiness and preventive measures. Some defective blades have been identified for proactive repair work.
- Modification was done for wind speed measurement sensor fixture at Gudadanal and Zalki to avoid misalignment thus avoid measurement error.
- Restricted Earth fault relays were installed at SVL sites for additional protection and minimize failure of unit substation equipment.
- Modification power module equipment (isolation and insulation) at SVL sites was done to minimize failures of the equipment.
- Design improvement has been done in USS equipment of SVL and Dayapar assets to improve reliability and availability.
- Shielded sensors have been used in the Wind Turbine to improve availability during lightning at Lohara-Koral, Zalki and Gudadanal.
- Various modifications PCB Earth fault detection, Nacelle Fan, CLS installation, load control relay, pitch cylinder support modification were done to improve reliability and availability of WTGs at Lalpur and Mahidad, Lohora-koral, Zalki & Gudadanal site.
- WTG doors were modified at Dayapar and Zalki site for safety and security of assets.
- WTG Generator Grease system of Nakhatrana, Jamanwada and Mahuva site was modified to prevent failures of generator bearings.
- Identified low performing modules by thermal imaging (100% module thermography through drone) and shuffled underperforming modules at single location/string which has resulted in improvement generation at Solar sites.

- Special software has been procured to improve tracker availability and enhance the generation of Sunshakti Solar Power Plant.
- Following improvements were made at GENSU Solar Plant:
  - Inverter Start/Stop Parameter Setting Value was changed to minimize failure of IGBT during Start & Stop.
  - Design improvements have been made to improve the performance of inverters, cooling fan & IGBT by providing better air circulation to improve reliability and availability.

ii) The benefits derived:

- Cost reduction.
- Improved availability & efficiency, reliability and safety.
- Demand side management – reducing peak demand by adopting and promoting solar roof tops installations. Reducing CAPEX requirements for managing peak demand.
- Meeting company's ESG goal of conserving energy and protecting environment.
- Reduction in carbon footprint.
- Saving in consumption of fossil fuels by reducing transportation requirements through Automation.
- Enhancing occupational health and safety in our day in day out activities.
- Enhanced brand value.
- Reduced power interruptions and faster restoration after breakdown.
- Faster customer services and enhanced customer satisfaction.
- Reduced Technical and Commercial losses.
- Future ready network to cater normal load growth.
- Enhance safety in public domain and working personnel.
- Ease of operation.
- Creating awareness on safety with respect to network assets and energy conservation.
- Traceability of services.
- Reduction in energy losses and theft.

iii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year):

I. **The details of technology imported;**

Sendocs (SaaS platform) for digital document delivery. (Agra Distribution)

Dual source smart energy meters (Radius make)

II. **The year of import:** FY 2022-23

III. **Whether the technology been fully absorbed:** Yes

IV. **If not fully absorbed, areas where absorption has not taken place, and the reasons thereof:** Not Applicable.

iv) **The expenditure incurred on Research and Development:** No expenditure has been incurred on R&D.

A. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Description	₹ in Crore
Foreign Exchange Earned (Actual Inflow)	0.36
Foreign Exchange Used (Actual Outflow)	1342.41

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN: 00061903

May 29, 2023
Ahmedabad

Management Discussion and Analysis

POWER SECTOR

India's power sector remained resilient and continued to grow during FY23, even amid global uncertainties. Power demand witnessed a growth rate of ~9.5%, highest in the past decade. The surge in power demand was mainly due to normalcy in economic activities after COVID-19 induced contraction last year. However, due to global uncertainties which led to higher fuel cost the generation failed to meet the growing demand, resulting in power shortages and peak power deficit rising to 4% in FY23 against 1.2% last year. Electricity prices soared in tandem with rising power demand and inflated fuel prices. Average electricity prices in Day Ahead Market (DAM) increased significantly to ₹ 7.8/unit in Q1 FY23 compared to ₹ 3.2/unit during the same period last year and later cooled as the global conditions eased. As a result of steady growth in energy demand and restrained capacity addition in the thermal segment, average thermal Plant Load Factor (PLF) in FY23 improved to 64% from 59% last year.

Peak power demand reached an all-time high on May 17, 2023 at 220 GW and is expected to go up to 225-230 GW in FY24. With power demand expected to further rise this year, some key measures taken by the government to ensure power availability include: (i) Direction to all thermal plants using imported coal to operate at their full capacity by invoking Section 11 of the Electricity Act, 2003; (ii) Launch of High Price Day Ahead Market (HP-DAM) and Surplus Power Portal (PUShP) to make use of gas-based generating stations, imported coal-based generating stations and battery-energy storage systems; (iii) Utilization of ~9 GW of gas-based power generation capacities for peak load; and (iv) Commissioning of ~2,920 MW new thermal power plants. Further, to protect buyers from paying exorbitantly high prices during high demand situations, even when the cost of generation is marginal, Central Electricity Regulatory Commission (CERC) reduced the price cap in power exchange to ₹ 10/unit.

Thrust on renewable segment continued in view of India's "Net Zero Pledge" to achieve net-zero emissions by 2070. While India had originally targeted to achieve 40% of installed capacity from non-fossil fuels by 2030, such level has already been achieved which is commendable. Government now targets to take this capacity to 50% by 2030. We are the only country among the G20 nations which is on track to achieve targets under the Paris Agreement.

On the other hand, India missed its ambitious target of installing 175 GW of Renewable Energy (RE) capacity by the year 2022 by 31%. In FY23, 15.3 GW of RE capacity [13 GW Solar & 2 GW Wind] was installed against 15.5 GW [14 GW Solar & 1 GW Wind] last year. The pace of capacity addition remained slow due to uncertainties on account of higher input costs, availability of land, increase in interest rates, etc. Further, delays in signing of Power Purchase Agreements (PPAs) by the state distribution companies (discoms) remain a concern for the sector. Solar segment contributed 53% of the capacity and has been the mainstay of RE growth, while contribution of wind segment has been relatively limited since FY17. The method of reverse auction led to continuous fall in tariffs, at times to an unsustainable level, with some of the projects not taking-off and some under-construction projects coming to a halt. In January'23 the government eliminated the reverse auction method for wind power projects and instead decided to offer capacity through a single-stage closed-envelope bidding process. This step is expected to lead to higher wind capacity additions in the coming years. The renewable sector continued to attract foreign investments even amid inflationary pressures and restrictive monetary policies across the globe. In FY23, Indian RE sector attracted Foreign Direct Investment (FDI) of ₹ 206.7 billion against ₹ 121.05 billion last year. The commitment towards climate change goals and favourable policy support from government further strengthened the investment prospects in this sector. With the increasing push on Environmental, Social and Governance (ESG) concerns from investors coupled with reduction in cost of projects and thrust given to the sector by the government, Commercial & Industrial (C&I) customers are emerging as potential opportunity for the RE developers. C&I segment could drive growth of RE projects as ~49% of the electricity generated in India is consumed by C&I users while their present share of RE consumption is less than 5%.

Reliance on thermal power generation, especially coal, is expected to continue in India due to its ability to operate round-the-clock and to provide base load. To provide equal importance to renewables and to meet growing demand while focusing on reducing Green House Gas (GHG) emissions, Government of India (GoI) has mandated all upcoming coal/lignite-based power plants to source/establish a minimum of 40% of their capacity from RE as Renewable Generation Obligation (RGO). In FY23, GoI approved the National Green Hydrogen Mission with an initial outlay of ₹ 19,744 Cr with an aim to facilitate demand creation, production, utilization and export of Green Hydrogen. Further, the focus of the Government could also be seen on new energy areas such as Battery Storage, Biofuels and Compressed Gas. The aggressive policies of Indian Government towards rapid deployment of renewables and robust framework for energy efficiency programs have made India highest-ranked G20 country on Climate Change Performance Index-2023.

Expansion of transmission grid is a prerequisite to meet growing power demand and to optimally use the generation resources. While the transmission capacity addition during FY23 remained muted, Government launched ₹ 2.44 trillion scheme, with an objective of evacuating power from large-scale renewable projects and to seamlessly transfer electricity from power-surplus regions to power-deficit regions. Ministry of Power (MoP) is working to make the transmission sector smarter and future-ready with modern technological and digital solutions. This will not only reduce transmission losses but also improve grid stability by providing backup power during emergencies and thereby ensuring the availability of power even during natural disasters and preventing blackouts.

Timely tariff rise to discoms is extremely essential to manage cashflow mismatch and to ensure timely payments to generators. This aids the power sector in performing efficiently. The latest announcement in June'22 by MoP to reschedule outstanding discom dues in several EMIs under Electricity (Late Payment Surcharge and Related Matters) Rules to reduce the outstanding dues of discoms, seems to be a relief for the generation segment. This scheme which is aimed to bring payment discipline among the discoms, given the risk of losing short and eventually medium/long term access to power supply, has worked well as the total discom dues have come down to ₹ 0.9 trillion in March'23 from ₹ 1.4 trillion in May'22. The government expects discoms to clear all dues by FY26. Such dues have been above ₹ 1 trillion since September'20. Additionally, the efficiency of the state discoms have also improved after Ministry of Power revised the norms of lending agencies and restricted finance to loss making discoms without any action plan to improve within specific timeframe. This led to significant improvement in Aggregate Technical & Commercial losses (AT&C) numbers which in turn led to reducing the gap between Average Cost of Supply (ACS) and Average Realizable Revenue (ARR), which are considered as key indicators of performance for discoms. Government's thrust on use of automation and smart metering including prepaid metering is expected to play a pivotal role in distribution segment.

In the coming years a sustained growth in electricity demand will continue dependency on thermal capacities with a sizeable share, despite the strong policy focus and growing capacity addition in the RE segment. With aggressive climate change targets, the RE segment is poised for continuing growth. To encourage RE segment, cutting-edge storage technologies need to be adopted and implemented at a faster pace to make power network more resilient.

BUSINESS MODEL

The Company is an integrated power utility engaged in the businesses of electricity generation, transmission and distribution with operations spread across the states of Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan, Uttar Pradesh, Telangana and Union Territory (UT) of Dadra & Nagar Haveli and Daman & Diu.

1. GENERATION

The Company has total generation capacity of 4,896 MW comprising of Thermal and Renewable generating assets (including 736 MW of renewable capacity in pipeline).

A. 3,092 MW Thermal Generation

i. 362 MW Coal-fired Thermal Generation

The 362 MW AMGEN Power Plant at Ahmedabad in Gujarat is an embedded generation unit for the licensed distribution area of Ahmedabad. It is regulated by Gujarat Electricity Regulatory Commission (GERC) which allows cost plus post-tax Return on Equity (RoE) of 14% as part of the regulated tariff.

ii. 2,730 MW Gas-fired Thermal Generation

The Company has three gas-based plants namely 1,147.5 MW SUGEN Mega Power Plant, 382.5 MW UNOSUGEN Power Plant and 1,200 MW DGEN Mega Power Plant which are built with highly efficient power generation technologies. SUGEN and UNOSUGEN are regulated by CERC which allows cost plus post-tax RoE of 15.5% as part of the regulated tariff structure. 76% of SUGEN and UNOSUGEN capacities are tied up under long-term PPAs. 1,200 MW DGEN Power Plant operates sparingly, balancing intermittent demand and high gas cost.

B. 1,804 MW Renewable Generation

i. 1,068 MW Operational Projects

With addition of 50 MW solar capacity acquired during the year, the total operational renewable generation capacity of the Company reached 1,068 MW (263 MW Solar and 805 MW Wind) which is tied up under long-term PPAs. 491 MW or 46% of operational capacities have attractive preferential feed-in-tariff based PPAs with the Company operated distribution utilities.

ii. 736 MW Upcoming Projects

- **300 MW Solar Power Project**

The Company had won 150 MW in reverse auction and further 150 MW of capacity was awarded under green-shoe option in competitive bidding conducted by distribution arm of the Company in FY21 to

Management Discussion and Analysis (Contd.)

service Renewable Purchase Obligations (RPO) at a tariff of ₹ 2.22 per kWh for a period of 25 years. The scheduled commissioning date has been extended till March'24 in view of force majeure situation arising on account of COVID and resultant supply chain disruption.

The Company has progressed well on the project with 75% land acquired and connectivity approval received. Orders for supply of modules as well as inverters have been placed. Laying of 220kV high tension (HT) lines is in progress. The project is being implemented in Gujarat by Torrent Saurya Urja 2 Private Limited, a wholly owned subsidiary of the Company.

- **115 MW Wind Power Project**

The Company had won 115 MW Wind Power Project under the SECI V auction held in FY19 at a tariff of ₹ 2.76 per kWh for a period of 25 years. 27 MW of the capacity has been commissioned on May 27, 2023 and the balance capacity is expected to be commissioned progressively.

The Project has scheduled commissioning date of October 28, 2022. There is delay due to uncontrollable factors, for which, the Company has requested SECI/MNRE for grant of extension in Scheduled Commercial Operation Date (SCOD). The project is being implemented in Gujarat by Torrent Solargen Limited, a wholly owned subsidiary of the Company.

- **300 MW SECI XII Wind Power Project**

The Company, during the reporting year, won 300 MW Wind Power Project under SECI XII auction at a tariff of ₹ 2.94 per kWh for a period of 25 years with schedule commissioning by March'25. The project is being implemented in Karnataka by Torrent Saurya Urja 2 Private Limited, a wholly owned subsidiary of the Company.

- **~21 MW C&I Solar Projects**

The Company through its various Special Purpose Vehicles (SPVs) has tied-up with C&I consumers across the country for cumulative capacity of ~21 MW under Behind the Meter and Captive Arrangement with PPAs tenure ranging from 15 years to 25 years. The commencement of commercial operation of these projects is expected in FY24. C&I segment is fast growing and has good returns potential.

2. DISTRIBUTION

The Company is the licensed operator for electricity distribution in major cities of Gujarat i.e. Ahmedabad, Gandhinagar, Surat and Dahej SEZ and in the UT of Dadra & Nagar Haveli and Daman & Diu (DNH & DD), aggregating to ~1,028 sq kms of area. It is also developing a state-of-the-art distribution network as a licensee in Dholera Special Investment Region (DSIR) spanning 920 sq kms area. DSIR is part of the prestigious Delhi-Mumbai Industrial Corridor (DMIC) Project and is being developed in phases as a manufacturing hub on the concept of plug-and-play model. DSIR will have infrastructure facilities comparable to any smart industrial city in the world. DSIR represents a long-term growth opportunity for the Company. The licensed distribution businesses of the Company in Gujarat are regulated by GERC, which allows cost plus post-tax RoE of 14% as part of a regulated tariff structure. The licensed distribution business in the Union Territory of DNH & DD is regulated by Joint Electricity Regulatory Commission (JERC) which allows cost plus post-tax RoE of 15.5% for distribution wires business and 16% for retail supply business as part of the regulated tariff structure.

During FY23, the Company has been granted parallel distribution license for distribution and supply of electricity in the area of Mandal Becharaji Special Investment Region (MBSIR), spread over total area of ~102 sq kms for a period of 25 years. MBSIR is also a part of DMIC project and is being developed as an automobile hub. Uttar Gujarat Vij Company Limited (UGVCL) is the incumbent licensee and will continue to remain a licensee; the consumers, however, will have an option to choose one of the licensee for power supply. The estimated load in the region is 1,150 MW. Capex of ~₹ 460 Crore is expected to be incurred in the next 5 years. Currently the matter is sub-judice as Gujarat Urja Vikas Nigam Limited (GUVNL) & UGVCL have filed two appeals challenging GERC's order for grant of license to the Company.

The Company also operates as a franchisee (of the license holder) for electricity distribution in the cities of Bhiwandi, Agra and Shil-Mumbra-Kalwa (SMK) aggregating to 1,007 sq kms of area. The term of the franchise agreement for Bhiwandi is up to 2027, for Agra is up to 2030 and for SMK is up to 2040, which may be renewed on expiry. The franchised distribution businesses of the Company are governed by the respective Distribution Franchise Agreements executed between the Company and State discoms as the license holders. The main thrust of the Company is to reduce AT&C losses, improve electricity supply and customer services in the franchised areas.

The Company distributes nearly 28 billion units of power to over 4 million customers and caters to a peak demand of over 5,280 MW.

3. TRANSMISSION

The Company currently operates 354 km of 400 kV double circuit transmission lines and 128 km of 220 kV double circuit transmission lines for transmission of power generated at our gas-based power plants to various off-take centres. The operations are conducted through Torrent Power Grid Limited (TPGL), a subsidiary of the Company.

During the year, TPGL received communication from Central Transmission Utility of India (CTU) that it has been awarded a transmission scheme for evacuation of 4.5 GW RE power under Regulated Tariff Mechanism (RTM) model. Approval u/s 68 of Electricity Act, 2003 has also been obtained. Project consists of laying 400 kV D/C line of 60 km and bay upgradation from 2,000 Amp to 3,150 Amp with expected implementation timeline of 24 months. The project will be regulated by CERC which allows cost plus post-tax RoE of 15.5% as part of the regulated tariff structure.

In addition to above, the Company has non-material electrical cables manufacturing business.

OPERATIONAL AND FINANCIAL PERFORMANCE

1. OPERATING PERFORMANCE

The following tables set forth the key operational parameters:

A. Thermal Generation

Particulars	AMGEN#		SUGEN^		UNOSUGEN^	
	FY23	FY22	FY23	FY22	FY23	FY22
PAF (%)	93.40	92.05	98.04	92.74	99.09	91.22
PLF (%)	88.23	76.88	15.01	44.31	1.74	41.09
Generation (MUs)	2,565	2,222	1,467	4,332	57	1,339

Note: DGEN gas-based power plant did not operate during the year.

#Coal-based

^Gas-based

During the year, AMGEN's PLF improved to 88% from 77% last year due to rise in demand leading to higher off-take by long-term beneficiaries. Despite acute coal shortages throughout India, AMGEN managed to get allocated domestic coal as per Fuel Supply Agreement (FSA) which aided in keeping variable cost under control.

Despite frequent starts/stops due to infrequent and inconsistent demand, gas-based generation plants were able to maintain a healthy Plant Availability Factor (PAF). However, with continued Russia-Ukraine conflict and other factors, gas prices in international markets remained high for major part of the year leading to lower overall utilisation of plant capacities – both SUGEN and UNOSUGEN. The resultant surplus tied-up LNG was sold at attractive rates.

B. Renewables

Operational Projects	Solar		Wind	
	FY23	FY22*	FY23	FY22*
Capacity (MW)	263	138	804.5	648.5
PLF (%)	18.69	16.82	24.33	27.12
Net Generation (MUs)	414	203	1,715	1,541

*New renewable acquisitions have not been considered as the plants were acquired towards the end of the financial year.

Management Discussion and Analysis (Contd.)

Wind PLF in FY23 was lower as compared to FY22 due to drop in wind speed as well as non-operation of 50 MW of capacity on account of EHV tower failure and Right of Way (ROW) issues. Solar PLF was higher mainly due to higher irradiation in FY23.

C. Licensed Distribution

Particulars	Ahmedabad & Gandhinagar		Surat		Dadra & Nagar Haveli and Daman & Diu (DNH & DD)		Dahej	
	FY23	FY22	FY23	FY22	FY23	FY22^	FY23	FY22
Area (sq kms)	~356		~52		~603	-	~17	
Sales (MUs)	8,274	7,684	3,692	3,337	9,635	-	711	659
Growth (%) over PY	7.68		10.64		NA		7.84	
Distribution Loss (%) – Actual	3.74	4.17	3.17	3.38	1.59	-	0.48	0.45
Distribution Loss (%) – Normative	6.03	6.24	3.54	3.54	3.35	-	0.43	0.43
Consumer Base (Lakh, except Dahej)	20.71	20.39	6.32	6.27	1.57	-	120*	117*
Peak Demand (MW)	1,900	1,646	742	689	1,281	-	106	93

*Represents number of industrial consumers; Dahej licensed area comprises the Dahej SEZ area, which is made up of export-oriented manufacturing units.

^Operations of DNH & DD were taken over w.e.f. April 1, 2022

Demand at licensed distribution areas witnessed high growth, mainly driven by industrial and commercial category consumers as the trend of economic activities came back to normal post COVID-19, coupled with increase in number of consumers and decrease in open access on back of rising power prices. Demand from residential consumers also observed surge because of stretched summer and fresh demand from new consumers.

Distribution losses at Ahmedabad and Surat licensed distribution operations has decreased considerably in FY23 as compared to FY22 through activities like network improvement, slum electrification, mass raids in theft prone areas, etc. As a result of continuous efforts, Company was able to limit the distribution losses way below normative levels.

Major capex activities were carried out during the year for reliability improvement of the distribution network and distribution loss reduction at the newly acquired distribution licensed area of Dadra & Nagar Haveli and Daman & Diu. Various reliability parameters like SAIFI (i.e. Average No. of Interruption per Customer), SAIDI (i.e. Customer Hours Lost), etc. have improved and actual distribution loss remained below the normative level.

Tariff for FY24 (including true-up for FY22) was determined by GERC vide order dated March 31, 2023 for Ahmedabad, Surat and Dahej SEZ licensed areas. No tariff hike has been allowed for these licensed areas. However, the Hon'ble Commission has approved rise in base Fuel and Power Purchase Price Adjustment (FPPPA) for Ahmedabad from ₹ 2.02/unit to ₹ 2.71/unit; for Surat from ₹ 1.48/unit to ₹ 2.17/unit and for Dahej SEZ from ₹ 0.54/unit to ₹ 1.17/unit. The hike in base FPPPA is in line with rise in approved base power purchase cost. The Company's profits are not directly impacted by the tariff order, as its returns in licensed distribution businesses are determined by 14% post-tax RoE as per the tariff regulations. The tariff order results in creation of cashflow surplus/deficit based on annual costs incurred, which is settled through quarterly FPPPA and true-up mechanism in the subsequent years.

The aggregate amount of regulatory gap of past periods approved and expected to be approved by GERC and JERC as on March 31, 2023 is ₹ 1,978 Crore and ₹ 29 Crore respectively and the same is appropriately accrued in the financial statements. In addition, aggregate amount of regulatory gap of ₹ 701 Crore is under dispute at various forums (primarily comprising of claims on account of carrying costs) and is not accrued in the financial statements; the same will be accrued in the financial statements of the period in which such disputes are determined by the appropriate statutory authorities.

Operations are yet to commence at Dholera licensed area and currently the focus is primarily on graded planning and development of an efficient distribution network involving setting up of basic infrastructure and provision of temporary construction power to new industries to be set up. Based on development plans of the DSIR Authority, an investment of about ₹ 1,200 Crore is envisaged over 10 years to cater to demand of about 425 MVA out of which approx. ₹ 205 Crore has been incurred till FY23.

D. Franchised Distribution

Particulars	Bhiwandi		Agra		Shil-Mumbra-Kalwa	
	FY23	FY22	FY23	FY22	FY23	FY22
Area (sq kms)	~721		~221		~65	
Sales (MUs)	3,552	3,094	2,015	1,784	519	440
Growth (%) over PY	14.81		12.92		17.96	
Distribution Loss (%)	10.00	11.64	9.49	12.10	33.48	40.48
Consumer Base (Lakh)	3.79	3.62	4.99	4.87	2.95	2.75
Peak Demand (MVA)	595	566	510	472	146	132

The Franchised Distribution sales for FY23 were higher as compared to FY22 which was partly due to pent up demand which was affected by COVID-19 restrictions. In addition, the sales increased during the current year on account of higher demand driven mainly by residential, power loom and industrial consumers.

Significant reduction in distribution losses was observed at all the franchised distribution areas through loss reduction activities like surveillance & vigilance, theft deterrent systems, law enforcement against illegal connections, along with network improvement activities like distribution transformer cleaning, HT/LT network revamping, meter replacement and service revamping. Agra franchised distribution area achieved a remarkable milestone of sub 10% distribution loss with a reduction of 2.61% as compared to FY22.

The collection efficiency is showing continuous improvement due to vigilance activities, disconnection drives and pickup in economic activities. Bhiwandi has achieved collection efficiency of 100.41% and Agra has achieved collection efficiency of 100.06%. Despite challenges, SMK achieved collection efficiency of 101.07% and led to a downward trend in AT&C loss.

2. CONSOLIDATED FINANCIAL PERFORMANCE

The key financial data from the Statement of Profit and Loss is set out below:

(₹ in Crore)

Particulars	FY23*	FY22	Change in %
Revenue from Operations	25,694	14,258	80%
Fuel/Power Purchase/Material Cost	19,134	9,077	111%
Contribution	**6,560**	**5,181**	**27%**
Other Income	382	235	63%
Other Expenses	1,802	1,590	13%
PBDIT	**5,141**	**3,826**	**34%**
Finance Cost	818	628	30%
Depreciation and Amortization Exp.	1,281	1,334	(4%)
Other Comprehensive Income / (Expense)	10	3	233%
Profit Before Tax and Exceptional Items	**3,051**	**1,867**	**63%**
Exceptional Items	-	1,300	(100%)
Profit Before Tax	**3,051**	**567**	**438%**
Tax Expense	880	106	730%
Total Comprehensive Income	**2,171**	**461**	**371%**

*Including DNH & DD which was taken over w.e.f. April 01, 2022

Management Discussion and Analysis (Contd.)

The Profit Before Tax for the year was higher by 63% as compared to previous year. Profitability improved mainly due to recent acquisitions:

a) Licensed distribution business of DNH & DD; and

b) 281 MW of renewable capacities

Moreover, the key operating drivers of existing distribution business namely higher volumes, lower distribution losses and increased RoE on account of new capex were also positive and contributed to the increase in contribution. On the other hand, reduced demand from long-term beneficiaries as well as merchant power mainly due to high gas cost, led to a drag on the contribution levels. Such loss was partially offset by sale of RLNG.

Finance cost of the Company increased mainly on account of new borrowings.

Further, last year the bottom line of the Company was affected due to non-cash charge on account of impairment loss on carrying amount of DGEN power plant by ₹ 928 Crore (net of deferred tax reversal).

Liquidity, Capex and Debt Positions

The Company's liquidity, including mutual fund investments and deposits with banks/financial institutions, was ₹ 883 Crore at the beginning of the year. Liquidity as at the end of the year was ₹ 1,143 Crore, an increase of ₹ 260 Crore. For the year:

- net cash generated from operating activities was ₹ 2,724 Crore
- borrowings including short term debt net of repayment was ₹ 1,394 Crore and
- net cash utilised for (a) capital expenditure ₹ 2,555 Crore; (b) dividend distribution ₹ 1,062 Crore; and (c) payment for acquisition of subsidiaries ₹ 241 Crore; leaving a closing liquidity balance of ₹ 1,143 Crore.

During the year, the Company incurred capital expenditure (i.e. capitalisation, capital work-in-progress and capital advances) of ₹ 2,938 Crore majorly towards improvement of existing network at our distribution areas and expansion of renewable businesses.

The long term debt of the Company at the year-end was ₹ 10,521 Crore, net increase of ₹ 2,107 Crore over the previous year (new debt raised ₹ 3,812 Crore less repayment of debt ₹ 1,705 Crore). The weighted average rate of interest at the year-end was 8.11% with repayment profile as under:

(₹ in Crore)

Financial Year	Repayment Amount
2023-24	1,596
2024-25 to 2027-28	4,938
2028-29 to 2031-32	2,978
2032-33 to 2035-36	815
2036-37 to 2039-40	194
Total	**10,521**

The Company is rated by leading Credit rating agencies – CRISIL and India Ratings and the long term rating and short term ratings are as under:

- Long term rating : CRISIL AA+ / Stable and IND AA+/ Stable
- Short term rating : CRISIL A1+ and IND A1+

The following table sets forth key financial ratios based on consolidated financials:

Particulars	FY23	FY22	Explanation in case of deviation of > 25%
Debtors Turnover Ratio	13.35 (~27 days)	9.43 (~39 days)	Debtors Turnover Ratio has improved by 42% as compared to previous year on a reported basis mainly due to RLNG sales and the addition of new distribution area of DNH & DD this year.
Interest Coverage Ratio	5.67	5.87	
Current Ratio	1.52	1.16	Current Ratio has improved by 32% as compared to the previous year mainly due to repayment of current borrowings and higher regulatory assets during the year on account of higher fuel price.
Long Term Debt to Equity Ratio	0.92	0.83	
Net Debt to EBITDA	1.97	2.30	

Particulars	FY23	FY22	Explanation in case of deviation of > 25%
EBITDA Margin	18.52%	25.19%	EBITDA Margin decreased by 26% as compared to previous year mainly due to acquisition of new licensed area of DNH & DD.
Net Profit Margin	8.42%	9.73%*	
Return on Net Worth	19.07%	13.20%*	Return on Net Worth improved by 44% as compared to previous year mainly due to increase in Profit After Tax (PAT) on account of reasons explained in preceding para.

*Excluding exceptional item pertaining to DGEN plant impairment in FY22

RISKS AND CONCERNS

Key risks and concerns in the businesses of the Company are briefly explained below:

- The Company has operational gas-based power generation capacity of 2,730 MW, out of which 1,163 MW is tied up as on March 31, 2023 under long-term PPAs and balance 1,567 MW untied capacity is dependent on short-term power contracts. During the year, certain portion of such capacity remained unutilised for want of short-term power contracts particularly in view of high gas prices.

  The Company has built capabilities to import LNG from international markets at efficient prices to operate its power plants. However, such prices are subject to fluctuations and associated foreign exchange risks, geopolitical and supply-demand mismatch risks, consequent to which, there would be periods during which power from these plants would be uncompetitive.

  The fuel contracts of the Company contain Take or Pay/ Use or Pay/ Ship or Pay obligations. Given the volatility in the LNG market, going forward there could be a potential liability on the Company to pay the obligation charges as defined in the contracts, considering the current tie-up. Mitigation efforts are being made to reduce the impact of these adverse implications.

  The Company is making efforts to get PPAs for its unutilised gas power capacity. With the need of power during summer peak, Government has come out with a scheme to supply gas-based power during summer crunch period, and we have been awarded a contract to supply power based on competitive bidding. However, large available coal-based capacities and Government's thrust to increase renewable generation capacity in the country coupled with falling tariffs of renewable power pose a risk to the Company's uncontracted gas-based generation capacity.

- The Company's 362 MW coal-based power plant (AMGEN) was required to comply with stricter emission norms by December'22. AMGEN is compliant with all environmental norms except SO_x (Sulphur Oxide). On June 5, 2022, Union Ministry of Environment, Forest and Climate Change (MoEFCC) revised the emission norms, which allows AMGEN to operate till December 31, 2027 without SO_x compliance with an undertaking to retire the plant on or before December 31, 2027. If the plant continues to operate beyond December 31, 2027, environment compensation charge of ₹ 0.40/kWh will be imposed with effect from January 1, 2025. Later, on January 20, 2023, CEA in a letter to Ministry of Power suggested to allow all old thermal power plants to run up to the year 2030 by doing necessary Renovation and Modernization considering the expected demand scenario.

  To meet with the cyclic variations in generation and demand gaps due to increase in renewable energy generation, CEA has mandated flexible operation for all coal-based power plants, under which all coal-based power plants have to become capable of minimum load operation with defined ramp rate. AMGEN has initiated for feasibility study in this regard.

- The Company's licensed distribution business faces the risk of delay in recovery of some part of cost of supply due to regulatory stipulations. The unrecovered and undisputed regulatory claim as at year end was ₹ 2,007 Crore, recognised in the financial statements for the year. While such recoveries are permitted with carrying costs for delayed recovery, the same may affect the cash flows of the Company.

  In addition, regulatory disputes also cause delay in recovery of some part of the cost of supply. Such disputed regulatory claim as at the year-end was ₹ 701 Crore, which is not recognised in the financial statements for the year.

  Competition in the distribution sector is expected to increase due to Government's emphasis on multiple

Management Discussion and Analysis (Contd.)

distribution licensees in the same area. The Electricity (Amendment) Bill, 2022 introduced in Lok Sabha provides for the same.

- In terms of upcoming projects, the Company's renewable business faces the risk of high commodity price including module prices leading to increased project cost. As indigenous module manufacturing capacity is insignificant, solar projects are mainly dependent on imported modules resulting in import and currency risk. Land acquisition is another major challenge in renewable energy business faced by all developers causing delay in many projects.

  In terms of operational projects, stringent renewable scheduling and forecasting guidelines considering unpredictable weather forecast results into penalties for no fault of developers. Further, long receivable cycle of revenue from various state discoms adds pressure on cashflows.

- The constantly evolving threat of cybercrime remains as one of the bigger concern for the businesses. As a measure to counter/reduce cybercrime incidents, the Company has taken up simulation-based awareness program for all users to ensure effectiveness of IT awareness. The Company has availed cyber insurance to combat any financial loss arising due to a cyber-attack. The Company is following NIST framework published by the US National Institute of Standards and Technology for associated risks. Further, Zero Trust Architecture Network is being implemented with focus on three pillars - End Points/Devices, Access/Authorizations and Data.

BUSINESS OUTLOOK

1. THERMAL GENERATION

SUGEN and UNOSUGEN plants are backed with long term PPAs for 76% capacity. DGEN plant is operated intermittently for supply of power through merchant power market during period of power supply deficit, provided affordable natural gas and/or RLNG is available.

LNG prices have seen extreme volatility and remained high in calendar year 2021 (around \$17/mmbtu) as well as in calendar year 2022 (around \$32/mmbtu) as against historical prices in the range of \$5-\$10/mmbtu. Since Q4 FY23, the prices have witnessed a reducing trend and are currently below \$10/mmbtu. Demand is anticipated to remain lower mainly due to a warmer peak winter in the US, Europe and China and sufficient inventory levels. On the other hand, supply improved towards the end of FY23 due to restart of one of the largest LNG export terminals of USA, which was non-operational since June'22. Going forward, prices for natural gas are likely to ease given the decline in demand and increase in supply. However, the uncertainty of gas flow from Russia to Europe due to geopolitical tension, economic recovery in China and intensity of summer may play a crucial role.

With the growing demand for power and above cited limitations faced by gas-based generation facilities, coal-based generation looks unavoidable for 24x7 reliable power. Coal-based power plant's ability to supply power during peak power demand either as base power or as off-peak power is greatly valued.

2. RENEWABLES

The Company firmly believes that renewable energy growth is poised to accelerate in FY24 due to impetus of the Government coupled with increasing concerns for climate change and ESG considerations leading to a greater demand for clean energy sources.

The Company expects its renewable power assets to operate efficiently in the coming years subject to favourable climatic conditions. With Company's experience of executing and operating renewable projects, it intends to have presence across the renewable energy chain by participating in utility scale Solar, Wind, Hybrid and Pump Storage Hydro projects and also supplying RE power to C&I customers. The Company is conscious of its impact on the environment and is actively exploring both organic and inorganic opportunities in the RE sector in order to reduce its carbon footprint. Further, the Company is working to create pipeline of ~5GW in the form of land identification and connectivity applications for development of RE projects.

3. DISTRIBUTION

In Licensed Distribution business, the Company will focus on developing the licensed area of Dholera SIR, newly acquired area of UT of Dadra & Nagar Haveli and Daman & Diu and Mandal Becharaji Special Investment Region (subject to outcome of pending appeals). The Company will also focus on adopting state-of-the-art technology and automation in operations in addition to expansion and upgradation of existing networks in distribution areas of Ahmedabad, Gandhinagar, Surat and Dahej SEZ to cater to the growth in demand and further reduce distribution losses.

In Franchised Distribution business, the Company will focus on developing the operations at franchised area of SMK and expanding and upgrading its network in existing areas of Bhiwandi and Agra to cater to the growth in demand and further reduce AT&C losses.

The Company will continue to look for new opportunities in the distribution sector in the form of privatisation or franchise of existing areas. Having recognised that the only way forward to reduce the AT&C losses is privatisation; the Ministry of Power is pushing for privatisation in the distribution sector; thereby creating growth opportunities for the Company. With the Company's long experience in supplying reliable & quality power and reducing distribution losses to amongst the lowest in the country, the Company expects to benefit from the GoI's plans of delicensing the electricity distribution business and allowing discoms to have non-discriminatory access to the distribution system of any area. The stringent operational norms proposed for discoms will also lead to greater franchise opportunities for the Company in the near to medium term. It is expected that the UT of Jammu & Kashmir, and the states of Goa and Uttar Pradesh may soon announce privatisation for their discoms.

Business opportunities are also being explored in other distribution areas in form of parallel licensee in the near future.

4. TRANSMISSION

Currently, the Company has limited investments in the transmission segment. However, transmission projects of more than ₹30,000 Crore are likely to come-up for bidding in the segment with robust regulatory mechanism and limited counter-party risks. The Company intends to selectively participate in tariff based competitive bidding for transmission projects (inter-state and intra-state). Considering the Company's strengths in financing and executing large projects, this is an area for future growth. Further, the Company is also evaluating brownfield opportunities.

INTERNAL CONTROL SYSTEMS

The Company's Internal Control Systems are commensurate with the size and nature of its operations, aimed at achieving efficiency in operations, optimum utilisation of resources, reliable financial reporting and compliances with all applicable laws and regulations. Ernst & Young (EY) LLP is the Internal Auditor of the Company. It carries out extensive internal audit throughout the year across all functional areas and submits reports to the Audit Committee. The recommendations from such internal audit and follow-up actions for improvements of the business processes and controls are also periodically reviewed and monitored by the Audit Committee.

CAUTIONARY STATEMENT

Certain statements in the Management Discussion and Analysis may be forward-looking. Actual outcomes may vary from those expressed or implied. The Company assumes no responsibility to publicly amend, modify, update or revise any such statements on the basis of subsequent developments, information or events.

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURE

I. Details of the Listed Entity

1	**Corporate Identity Number (CIN) of the Listed Entity**	L31200GJ2004PLC044068
2	**Name of the Listed Entity**	Torrent Power Limited
3	**Year of incorporation**	2004
4	**Registered office address**	"Samanvay", 600, Tapovan, Ambawadi, Ahmedabad – 380015.
5	**Corporate address**	"Samanvay", 600, Tapovan, Ambawadi, Ahmedabad – 380015.
6	**E-mail**	cs@torrentpower.com
7	**Telephone**	+91-79-26628000
8	**Website**	www.torrentpower.com
9	**Financial year for which reporting is being done**	2022-23
10	**Name of the Stock Exchange(s) where shares are listed**	BSE Limited and National Stock Exchange of India Limited
11	**Paid-up Capital**	₹480.62 Crore
12	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Shri Saurabh Mashruwala, Chief Financial Officer Email: cs@torrentpower.com Contact no: 079-26628000
13	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).**	Consolidated basis

II. Product/Services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
1	Power Generation, Transmission and Distribution.	The Company is engaged in generation, transmission and distribution of electricity.	86.66
2	RLNG Sale	Sale of Regasified liquefied natural gas	11.94

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of Total Turnover contributed
1	Generation, Transmission and Distribution of electricity	351	86.66
2	Sale of Regasified liquefied natural gas	352	11.94

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

	Number of Location	Number of plants	Number of offices	Total
National	20	26	115	141
International	NIL	NIL	NIL	NIL

17. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States)	7 States and one Union Territory
International (No. of Countries)	NIL

b. What is the contribution of exports as a percentage of the total turnover of the entity? NIL

c. A brief on types of customers

Generation units cater mainly to utilities and other consumers through Power Exchanges. Gas based units additionally had RLNG consumers form various industries such as CGD, petrochemicals, fertilizers, RLNG traders, etc. Our distribution units mainly cater to Residential, Commercial, Industrial and Other categories.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently-abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1	Permanent Employees (D)	8,113	7,421	91.47	692	8.53
2	Other than Permanent Employees (E)	84	84	100	NIL	N/A
3	**Total Employees (D+E)**	**8,197**	**7,505**	**91.56**	**692**	**8.44**
Workers						
4	Permanent (F)	NIL	NIL	N/A	NIL	N/A
5	Other than Permanent (G)	13,314	12,536	94.16	778	5.84
6	**Total Workers (F+G)**	**13,314**	**12,536**	**94.16**	**778**	**5.84**

b. Differently abled employees and workers

Employees						
1	Permanent Employees (E)	23	21	91.30	2	8.70
2	Other than Permanent Employees (F)	NIL	NIL	N/A	NIL	N/A
3	**Total Employees (E+F)**	**23**	**21**	**91.30**	**2**	**8.70**
Workers						
4	Permanent (G)	NIL	NIL	N/A	NIL	N/A
5	Other than Permanent (H)	22	22	100	NIL	N/A
6	**Total Differently Abled Employees (G+H)**	**22**	**22**	**100**	**NIL**	**N/A**

19. Participation/Inclusion/Representation of women

	Total	No and percentage of Females	
	(A)	No. (B)	% (B / A)
Board of Directors	10	3	30.00
Key Management Personnel	5	NIL	N/A

Business Responsibility & Sustainability Report (Contd.)

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY23			FY22			FY21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	8%	16%	8%	7%	19%	8%	4%	9%	4%
Permanent Workers	N/A								

V. Holding, Subsidiary and Associate Companies (including Joint Ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Torrent Investments Private Limited	Holding Company	53.56	All Policies / practices to the extent relevant are also applicable to subsidiaries in conformity with applicable law.
2	Torrent Power Grid Limited	Subsidiary Company	74.00	
3	Torrent Pipavav Generation Limited	Subsidiary Company	95.00	
4	Torrent Solargen Limited	Subsidiary Company	100	
5	Jodhpur Wind Farms Private Limited	Subsidiary Company	100	
6	Latur Renewable Private Limited	Subsidiary Company	100	
7	TCL Cables Private Limited	Subsidiary Company	100	
8	Torrent Saurya Urja 2 Private Limited	Subsidiary Company	100	
9	Torrent Saurya Urja 3 Private Limited	Subsidiary Company	100	
10	Torrent Saurya Urja 4 Private Limited	Subsidiary Company	100	
11	Torrent Saurya Urja 5 Private Limited	Subsidiary Company	100	
12	Torrent Solar Power Private Limited	Subsidiary Company	100	
13	Surya Vidyut Limited	Subsidiary Company	100	
14	Torrent Saurya Urja 6 Private Limited (Formerly known as LREHL Renewables India SPV Private Limited)	Subsidiary Company	100	
15	Visual Percept Solar Projects Private Limited	Subsidiary Company	100	
16	Wind Two Renergy Private Limited	Subsidiary Company	100	
17	Sunshakti Solar Projects Private Limited	Subsidiary Company	100	
18	Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited	Subsidiary Company	51.00	
19	UNM Foundation	Joint Venture with Torrent Pharmaceuticals Ltd.	50.00	
20	Tidong Hydro Power Limited	Associate Company	49.00	

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in Rs.): ₹25,694.12 Cr (Consolidated)

(iii) Net worth (in Rs.): ₹11,486.65 Cr (Consolidated)

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY23			FY22		
		No of complaints filed during the year	No of complaints pending resolution at the close of the year	Remarks	No of complaints filed during the year	No of complaints pending resolution at the close of the year	Remarks
Communities	Yes. Policies which are required by the law is available on the website of the Company and the policies which are internal to the Company are available on the intranet portal of the Company.	NIL	NIL		1	NIL	
Investors (other than shareholders)		NIL	NIL		NIL	NIL	
Shareholders		40	NIL		19	NIL	
Employees and workers		1	1	Closed on April 19, 2023			
Customers		113	21		160	35	
Value chain partners		NIL	NIL		NIL	NIL	
Others (Please specify – Anonymous)		3	NIL		1	NIL	

24. Overview of the entity's material responsible business conduct issues.

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications.

Being a part of the electric utility sector, The Company is mindful of the potential impact our operations can have on society and the environment. Hence, we conducted a thorough materiality assessment in FY22 in accordance with International Integrated Reporting Council (IIRC) framework to identify and prioritize material topics that are most relevant for the sustainable growth of our business. For details, please refer section on Materiality assessment in Integrated Report FY23.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines on Responsible Business Conduct (NGRBC) Principles and Core Elements.

Disclosure Questions	P1 Ethics & Transparency	P2 Product Responsibility	P3 Human Resources	P4 Responsiveness to stakeholders	P5 Human Rights	P6 Responsible Lending	P7 Public Policy Advocacy	P8 Inclusive Growth	P9 Customer Engagement
Policy and Management Processes									
1 a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes, the policies are approved by the Board except HR policies, and IMS (Integrated management system) policy which have been approved by Chairperson or Managing Director.								
c. Web Link of the Policies, if available	Policies which are required by the law are available on the website of the Company and the policies which are internal to the Company are available on the intranet portal of the Company.								

Business Responsibility & Sustainability Report (Contd.)

Disclosure Questions	P1 Ethics & Transparency	P2 Product Responsibility	P3 Human Resources	P4 Responsiveness to stakeholders	P5 Human Rights	P6 Responsible Lending	P7 Public Policy Advocacy	P8 Inclusive Growth	P9 Customer Engagement
2 Whether the entity has translated the policy into procedures. (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3 Do the enlisted policies extend to your value chain partners? (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4 Name of the national and international codes/certifications/ labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Integrated Report of the Company is in adherence to the principles and requirements of the International Integrated Reporting Council's (IIRC) Framework. Further, sustainability performance data is aligned to the 'Core' option of the Global Reporting Initiative (GRI). Besides, relevant linkage with other reporting framework namely Sustainability Accountability Standards Board (SASB), National Voluntary Guidelines (NVGs) and United Nations Global Compact (UNGC) principles. Most of the units are IMS certified covering ISO 9001 (Quality Management System), ISO 14001 (Environment Management System) and ISO 45001 (Occupational Health and Safety Management System). Some of the units have additionally obtained ISO 50001 (Energy Management System), ISO 55001 (Asset Management System) and ISO 27001 (Information Security Management System) certification. Enterprise Risk Management (ERM) Framework of the Company is aligned with the Committee of Sponsoring Organization (COSO) framework.								
5 Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has implemented ESG roadmap which lays down the key aspects of Sustainability including timelines for achieving the targets.								
6 Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The key performance targets are set, reviewed and implemented as per the objectives taken. The CSR & sustainability Committee reviews the progress periodically.								
Governance, Leadership and Oversight									
7 Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievement	Please refer 'Chairman's Message' section of the Integrated Report FY23								
8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name -Shri Jinal Mehta Designation - Managing Director Telephone number- 079- 26628300 E-mail Id- cs@torrentpower.com DIN -02685284								
9 Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, CSR & Sustainability Committee details of which form part of Corporate Governance Report of this Integrated Report.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action									
Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	The Board of Directors / its Committees / Chairman or any authorized officials of the Company, as the case may be, assess the Business Responsibility (BR) performance on annual or half yearly basis depending upon the type of Business Responsibility (BR) activities.								
Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)									
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances									
Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	The Company has formalized a system to track, monitor and document legal compliances applicable to the Company. The Board quarterly reviews compliance reports (of all the laws applicable to the Company), prepared by the management. There were no instances of material non-compliances during the year under review.								
Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)									

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency	Independent assessment is being carried out by the Internal Auditor who independently evaluates working of the Policies.								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Necessary details of FY23 are given below:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	During the year, Board as well as KMPs had discussions on various topics such as Safety, CSR, ESG matters, Cyber Security awareness etc. apart from Business / Finance issues.		100
Key Management Personnel			100
Employees other than BODs and KMPs	921	→ Core Values of the Company → Environment & Sustainability → Health & Safety → Mental Health & Wellbeing of Employee → Customer Sensitivity & Service Orientation → Human Rights → POSH & Whistle Blower Awareness → Energy Conservation & Its Benefits → Complete Customer Focus-Customer Delight. → Financial Literacy → Business Communication & Etiquette → Managerial & Leadership Skill Development → Contract Management System	94
Workers	88	→ Human Rights → POSH Awareness → Safety Hazardous Identification Training → First Aid Training → Training for using Electrical equipment → Chemical Handling training → Fire Extinguisher Training and → Other Health & Safety related trainings	95

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2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format.

No fines/ penalties/ punishment/ award/ compounding fee/ settlement amount was paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions in FY23.

a. Monetary

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement	NIL				
Compounding fee					

b. Non-Monetary

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL			
Punishment				

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Company is dedicated to conducting its business in ethical and transparent manner. Our Code of Business Conduct which is applicable to all the employees and board members of the company, strongly discourages such unethical practices of corruption or bribery. The Code of Business Conduct can be accessed at https://www.torrentpower.com/pdf/investors/21-06-2018_mrymy_coc_tpl.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	FY23	FY22
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest:

Topic	FY23		FY22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of KMPs	NIL	NIL	NIL	NIL

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

LEADERSHIP INDICATORS

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

   Around 315 awareness programmes were conducted for value chain partners covering various topics such as human rights, safety awareness, child labour, forced/involuntary labour, wages, prevention of sexual harassment, prevention of discrimination, etc.

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

   Our Code of Business Conduct which is applicable to all the employees and board members of the Company, discourages activities, agreements, positions, business investments or interests, and other situations which are conflicting/ apparently conflicting with interests of the Company or which interfere/may interfere with the discharge of their duties to the Company. All employees including board members are required to affirm compliance to the Code of Business Conduct.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Type	FY23	FY22	Details of improvement in social and environmental aspects
Research & Development (R&D)	NIL	NIL	
Capital Expenditure (CAPEX)	47%	35%	Includes investment by the Company in renewable projects, investments made to enhance safety and reliability at our distribution units, and other energy efficient technology adopted by the Company during the year.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No).**

   Yes

   b. **If yes, what percentage of inputs were sourced sustainably?**

   The Company has procedures in place for sustainable sourcing (including transportation). Further, sustainability is extended to suppliers/ vendors. All requirements on various aspects such as Health & Safety and Environment protection, Ethics and Compliance, Prevention of Bribery & Corruption are in place. Counselling and monitoring of suppliers/ vendors is being done regularly. Sustainable Procurement Policy has been put in place.

   Some of the initiatives include procurement of hermetically sealed power transformers with environment friendly ester oil instead of mineral oil to prevent oil leakage, procuring energy efficient (lower losses) distribution transformers, procurement of cobalt free silica gel, eliminating use of plastic in packing material, specifying use of fly ash bricks/blocks in building construction for all new buildings, procurement of asbestos free products, use of CNG vehicles for commuting purpose and digitalisation of all documents to minimize printing/re-printing.

   Around 25% of steel drums dispatched are being brought back from customers and are being reused, enabling reduction in energy consumed in making new steel drums. The Company is using sustainable model in reducing

Business Responsibility & Sustainability Report (Contd.)

the carbon footprint even in transportation. The same out bound vehicle, which is sent for dispatching the finished cable, is arranged to bring back the empty drums thereby reducing carbon emissions during transportation.

The Company has also incorporated procedures e.g. TREM card, stringent pre-qualification criteria etc. in its Integrated Management Systems (IMS) to ensure that transportation of chemicals and other materials are compliant with rules and regulations and Company's own procedures. Fuel gas lines are maintained as per Petroleum and Natural Gas Regulatory Board (PNGRB) guidelines and safety audits are carried out at regular intervals. Usage of water is optimized by optimizing the Cycle of Concentration of cooling water and recycling of waste water.

The Company has been awarded the prestigious "Sword of Honour" and "Globe of Honour" awards from British Safety Council for its distribution licensed operations. Compliance under these recognitions extensively covers sustainability parameters for sourcing functions. Suppliers and service providers are evaluated on EHS aspects by some of the distribution units and are motivated to adopt ISO 9001 (Quality Management System), ISO 14001 (Environment Management System) and ISO 45001 (Occupational Health and Safety Management System) to achieve goal of sustainable procurement.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

The Company's waste management procedures are intended to minimize the environmental impact of the waste generated and its disposal. We practice minimal waste generation at source, segregation for better management, and disposal in an environmentally sound manner. We have adopted the 3R approach to 'Reduce-Reuse-Recycle' waste and ensure its responsible disposal.

Product	Process to safely reclaim the product
a. Plastics (including packaging)	Plastic wastes are disposed only through recyclers & co-processing unit duly authorised by the State Pollution Control Board
b. E-Waste	These are disposed only through Treatment, Storage and Disposal Facilities (TSDF) and Recyclers duly authorized by the State Pollution Control Board.
c. Hazardous Waste	
d. Other Waste	

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Extended Producer Responsibility is currently not applicable to Power and Cables operations of the Company.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. a. **Details of measures for the well-being of employees:**

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
Permanent Employees											
Male	7,421	7,421	100	7,421	100	NIL	N/A	NIL	N/A	NIL	N/A
Female	692	692	100	692	100	692	100	NIL	N/A	692	100
Total	**8,113**	**8,113**	**100**	**8,113**	**100**	**692**	**9**	**NIL**	**N/A**	**692**	**9**
Other than Permanent Employees											
Male	84	84	100	84	100	NIL	N/A	NIL	N/A	NIL	N/A
Female	NIL	NIL	N/A	NIL	N/A	NIL	N/A	NIL	N/A	NIL	N/A
Total	**84**	**84**	**100**	**84**	**100**	**NIL**	**N/A**	**NIL**	**N/A**	**NIL**	**N/A**

b. **Details of measures for the well-being of workers:**

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
Permanent Workers											
Male	Not Applicable										
Female											
Total											
Other than Permanent Workers											
Male	12,536	12,536	100	12,536	100	N/A	N/A	NIL	N/A	N/A	N/A
Female	778	778	100	778	100	778	100	NIL	N/A	778	100
Total	**13,314**	**13,314**	**100**	**13,314**	**100**	**778**	**6**	**NIL**	**N/A**	**778**	**6**

2. **Details of retirement benefits, for Current Financial year and Previous Financial year:**

S. No.	Benefits	FY23			FY22		
		No. of employees covered as as % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	100	100	Yes	100	100	Yes
2	Gratuity	100	100	Yes	100	100	Yes
3	ESI	15	84	Yes	20	84	Yes

3. **Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes, most of the premises/offices of the Company are accessible to differently abled visitors.

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4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes. The Company has an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016. This policy can be accessed at https://www.torrentpower.com/index.php/investors/policies.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Not applicable			
Female	100%	73%	N/A	N/A
Total	**100%**	**73%**	**N/A**	**N/A**

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

Category	Yes/No	Details of the mechanism in brief
Permanent Workers	Yes	The Company supports the open-door policy, wherein the employees can directly report their concerns to their Head of Department, HR head or any members of Senior Management. The HR team is also available/ approachable at all locations to address the grievances, if any. In case of whistle blower or sexual harassment case, specific policies are defined wherein the mechanism is mentioned in detail.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

7. **Membership of employees and worker in Association(s) or Unions recognized by the listed entity:**

Category	FY23			FY22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of Association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of Association(s) or Union (D)	% (D/C)
Permanent Employees						
Male	7,421	2,267	30.55	6,872	2,412	35.10
Female	692	55	7.95	653	63	9.65
Permanent Workers						
Male	Not applicable					
Female						
Others						

8. **Details of training given to employees and workers:**

Category	FY23					FY22				
	Total	On Health and safety measures		On Skill upgradation		Total	On Health and safety measures		On Skill upgradation	
	(A)	No. (B)	% (B / A)	No. (C)	% (C / A)	(D)	No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	7,505	5,324	70.94	5,958	79.39	6,945	5,285	76.10	3,317	47.76
Female	692	461	66.62	580	83.82	658	503	76.44	586	89.06
Total	**8,197**	**5,785**	**70.57**	**6,538**	**79.76**	**7,603**	**5,788**	**76.13**	**3,903**	**51.33**

Category	FY23					FY22				
	Total	On Health and safety measures		On Skill upgradation		Total	On Health and safety measures		On Skill upgradation	
	(A)	No. (B)	% (B / A)	No. (C)	% (C / A)	(D)	No. (E)	% (E / D)	No. (F)	% (F / D)
Workers										
Male	12,536	11,769	93.88	1,915	15.28	11,629	10,841	93.22	741	6.37
Female	778	708	91.00	93	11.95	692	637	92.05	19	2.75
Total	**13,314**	**12,477**	**93.71**	**2,008**	**15.08**	**12,321**	**11,478**	**93.16**	**760**	**6.17**

9. **Details of performance and career development reviews of employees and worker:**

Category	FY23			FY22		
	Total (A)	No. (B)	% (B / A)	(C)	No. (D)	% (D / C)
Employees						
Male	7,505	7,505	100	6,945	6,945	100
Female	692	692	100	658	658	100
Total	**8,197**	**8,197**	**100**	**7,603**	**7,603**	**100**
Workers						
Male	12,536	NIL	N/A	11,629	NIL	N/A
Female	778	NIL	N/A	692	NIL	N/A
Total	**13,314**	**NIL**	**N/A**	**12,321**	**NIL**	**N/A**

10. **Health and safety management system:**

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No) What is the coverage of such system?	Yes. All major facilities of the Company are certified for ISO 45001:2018. Our Operational Health & Safety (OHS) Management System applies to all our employees, contractual workers, casual labours as well as visitors to the facility and diligently captures all incidences, including near misses.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	As part of the Integrated Management System (IMS), a comprehensive Hazards Identification and Risk Assessment (HIRA) is done for all activities. In addition, Method Statement Risk Assessment (MSRA) or specialised risk assessments are also being done for hazardous or potentially hazardous and non-routine activities, situations or conditions. Apart from audits and inspections by external agencies, various internal processes such as inspections, mock drills, fire drills, Permit to Work (PTW), etc. are in place to identify the hazards related to routine and non-routine operations. Also, we have a well-structured mechanism titled Significant Impact & Risk Study (SIRS) to assess the associated risks and develop effective mitigation measures. The procedure of incident reporting and related communication protocols are also well established.

Business Responsibility & Sustainability Report (Contd.)

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Yes/No)	Yes. As part of our OHS Management System, employees and workers are required to report work-related hazards. On observation of any job-related hazard or hazardous condition, all employees have the authority to halt any risky work. Employees on the shop floor are routinely made aware of their authority to stop any activity that poses a risk to them and step away from conditions that they fear may cause injury or illness. The workers can report such incidents through channels like safety corrective action request; safety committee meeting; Suraksha Samvad & Samnvay (at SUGEN and DGEN); EHS inspections; hazards reporting & EHS suggestion scheme. They can also bring these up during pre-job discussions, safety pep (Personal Employment Plan) talks, hazards or near miss reporting forms, etc. In addition to these forums, Company has also developed a module in SAP to enable real time reporting of such incidents. The leadership and top management value workers who report work-related hazards or dangerous circumstances. Critical reporting is praised in weekly departmental meetings, O&M coordination meetings, safety committee meetings and other forums.
d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes. We have in-house Occupational Health Centres at various units with 24x7 medical officer(s) and ambulance(s) for any on duty medical emergencies. We have tied up with well-known multi-speciality hospitals and area doctors for our employees/workers. The company also facilitates periodic medical check-ups through external agency free of cost. Regular trainings on first aid and emergency response management are being provided to respond to medical emergencies on site.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY23	FY22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	2.54	3.93
	Workers	1.18	1.47
Total recordable work-related injuries	Employees	40	60
	Workers	30	36
No. of fatalities	Employees	NIL	NIL
	Workers	3	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

- Safety of employees and general public is given high importance in the organization. Safety Committees are formed and headed by senior officers with participation from supervisors and experienced workers who effectively contribute to improving the safety performance of the organization. Some of the initiatives include use of arc suit rated with National Fire Protection Association (NFPA) 70E specification during Vacuum Circuit Breaker (VCB) operations in EHV sub-station to reduce/eliminate risk of arc flash, using anemometer for measurement of wind speed for EHV line work to reduce the hazard of 'falling from height' owing to high wind speed, introduction of nut-less busbar for various Low Voltage asset, use of insulated paint on poles and MSPs and installation of fire rated doors in EHV SS.

- Occupational health of the employees is given equal priority. Most of the units have an Occupational Health Center with doctors and nursing staff. Various other facilities including installation of adequate number and appropriate type of fire extinguishers, fire suppression system, fire detection and alarm system, emergency siren system, besides Automated External Defibrillators, Self-contained Breathing Apparatus, Stretchers, First aid boxes and Ambu bags (for artificial respiration) are made available. The Company has also trained suitable number of employees for first aid treatment and emergency response. Quarterly monitoring of environmental parameters including quality of air (workplace and ambient), noise (workplace and ambient), drinking water, food and DG stack emission etc. is carried out. The Company has conducted various inhouse surveys i.e. noise, vibration, stress monitoring, Display Screen Equipment (DSE), asbestos, fragile roof, legionella and safety culture to foster safety culture and enhance safety standards based on outcome of that.
- The Company has established various policies like OH&S, Road Safety, Fire Safety and Health & Wellbeing. The Company has arranged various trainings on OH&S topics for relevant stakeholders to ensure competent workforce. The Company celebrates the National Safety Week with the objective to spread and enhance the desired safety culture across the organization.

13. Number of Complaints on the following made by employees and workers:

Topic	FY23			FY22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	N/A	-	NIL	N/A	-
Health & Safety	NIL	N/A	-	NIL	N/A	-

14. Assessments for the year:

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%. A regular audit of the OHS system is carried out by qualified ISO internal auditors and external certified subject experts.
Working conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Various actions have been undertaken during the year to identify significant risk and minimize its impact as mentioned in question 10(b) above.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employee (B) Workers.

a. **Employees (Yes/No):** Yes

b. **Workers (Yes/No):** Compensation package in the case of accidental death is provided.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company processes invoices only after receiving the acknowledged challan for statutory dues by value chain partners and discourages delay in compliance by imposing penalty.

Business Responsibility & Sustainability Report (Contd.)

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. **Describe the processes for identifying key stakeholder groups of the entity:**

   The Company identifies its stakeholder groups through the Stakeholder Engagement and Materiality Assessment the details of which form part of this Integrated Report.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

Stakeholder Group	Whether identified as Vulnerable and Marginalized Group (Yes/No)	Channels of communication	Frequency of engagement (Annually/ Half yearly/ Quarterly /others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Capital providers [Shareholders & Lenders]	No	• Investor meetings and presentations • Quarterly earnings call • Annual General Meeting (AGM) • Regular meetings with bankers & other • Financial institutions (Letter / E-Mail / Meetings / Reports / Website)	Quarterly	The Company interacts with Capital providers to understand their expectations, key concerns and suggestions on various topics related to the Company's performance. We also publish quarterly results on our website to ensure financial transparency.
Board of Directors	No	• Board meetings • Board Committee meetings (Letter / E-Mail / Meetings / Reports)	Quarterly	Meetings are conducted to analyze the overall performance of the Company, to provide guidance and decision on various aspects of business including strategy execution and planning the way forward.
Government and Regulators	No	• Regular liaisoning • Inputs on policy matters • Scheduled meetings (Letter / E-Mail / Telephonic conversation / Meetings / Reports)	Need Basis	We believe in strong compliance as per the regulations. Being into power sector business which is regulated by Government, it is inevitable for the company to constantly engage with the government bodies to operate the business and analyze various power sector related rules & regulations and its implication on the business.
Employees	No	• Employee engagement events • Appraisal deliberations • Feedback on employee engagement initiatives (Letter / HR Web Portal/ E-Mail / Telephonic conversation / Townhalls)	Need Basis	Our most valuable asset is our workforce. We have regular interactions with our employees since they are the foundation of our reputation, that drives our operations and the future leaders of the company. The main causes of our interaction include employee engagement, training including EHS training, grievance resolution, feedback, and consultations.

Stakeholder Group	Whether identified as Vulnerable and Marginalized Group (Yes/No)	Channels of communication	Frequency of engagement (Annually/ Half yearly/ Quarterly /others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers	No	• Supplier meetings • Virtual meetings (E-Mail, Telephonic conversation, Meeting, Facility visits, Contract Agreements)	Need Basis	Interactions with the suppliers are done regularly to ensure smooth business operations and sourcing of raw material for expansion and continuity of our business and also for EHS awareness.
Customers	No	• Customer service • Customer meetings • Customer satisfaction survey & feedback • Customer care centers (Letter, E-Mail, Website, Mobile Application, Telephonic conversation)	Need Basis	Interaction with customers happens for communicating their billing, payments, usage, complaints resolution, safety awareness etc. We try to understand their concerns and identify the hotspots of improvement in the system.
Community	Yes	• Community interaction through CSR initiatives • Employee volunteerism for CSR activities (Community meeting)	Need Basis	Being a responsible organization, we care about the society we live in. Our philosophy is "Think of others also, when you think about yourself". With this philosophy we make efforts to create a positive impact on the society. Through our various CSR initiatives, we endeavor to give back to the society, for all the care, support and encouragement being bestowed upon it.
Media	No	• Media briefings • Press releases (E-mail, Website, Press notes, Telephonic conversation)	Need Basis	Media Interactions helps us to keep our stakeholders informed of key business initiatives and developments.
Industry Associations	No	• Industry association memberships, meetings, and conferences (Events, Industry association meetings, Conferences)	Need Basis	Purpose of meeting mainly includes topics related to industrywide problems, policy advocacy, peer learning, peer practices, networking opportunities between members, providing contributions to policy makers.

Business Responsibility & Sustainability Report (Contd.)

LEADERSHIP INDICATORS

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   Refer Stakeholder Engagement section of Integrated Report which explains in detail how feedback from various stakeholders was taken and communicated to the board. The Board of Directors, through the Corporate Social Responsibility and Sustainability Committee, reviews, monitors and provides strategic direction to the Company's Social Responsibility obligations and other societal and sustainability practices.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Refer Stakeholder Engagement section of Integrated Report.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   Various initiatives have been taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders at locations in and around its operations in the areas of: (i) Community Health Care, Sanitation and Hygiene (ii) Education and Knowledge Enhancement and (iii) Social Care and Concern.

   The details of various CSR initiatives of the Company are part of the Board's Report and Social and Relationship Capital section of the Integrated Report.

PRINCIPLE 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity in the following format:**

Category	FY23			FY22		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	8,113	1,536	18.93	7,525	NIL	N/A
Other than permanent	84	6	7.14	78	NIL	N/A
Total Employees	**8,197**	**1,542**	**18.81**	**7,603**	**NIL**	**N/A**
Workers						
Permanent	NIL	NIL	N/A	NIL	NIL	N/A
Other than permanent	13,314	2,177	16.35	12,337	NIL	N/A
Total Workers	**13,314**	**2,177**	**16.35**	**12,337**	**NIL**	**N/A**

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2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY23					FY22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Permanent Employees										
Male	7,421	NIL	N/A	7,421	100	6,872	NIL	N/A	6,872	100
Female	692	NIL	N/A	692	100	653	NIL	N/A	653	100
Other than Permanent										
Male	84	NIL	N/A	84	100	73	NIL	N/A	73	100
Female	NIL	NIL	N/A	NIL	N/A	5	NIL	N/A	5	100
Workers										
Permanent										
Male	Not Applicable									
Female										
Other than Permanent										
Male	12,536	10,465	83	2,071	17	11,629	9,632	83	1,997	17
Female	778	759	98	19	2	692	670	97	22	3

3. Details of remuneration/salary/wages in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	8	7,69,00,000	3	61,50,000
Key Managerial Personnel	5	10,49,70,000	-	-
Employees other than BoD and KMP	7,503	8,16,445	692	4,55,533
Workers	0	-	0	-

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No) :

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has in place grievance redressal mechanism for human rights issues. The Company supports the Open-door policy, wherein the employees can directly report their concerns to their Head of Department, HR head or any members of Senior Management. Further, the grievances can also be reported under the mechanism of Whistle Blower Policy and Prohibition of Sexual harassment at workplace.

Business Responsibility & Sustainability Report (Contd.)

6. Number of Complaints on the following made by employees and workers:

	FY23			FY22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	1	Case was closed on April 19, 2023	NIL	N/A	-
Discrimination at workplace	NIL	N/A	-	NIL	N/A	-
Child Labour	NIL	N/A	-	NIL	N/A	-
Forced Labour/ Involuntary Labour	NIL	N/A	-	NIL	N/A	-
Wages	NIL	N/A	-	NIL	N/A	-
Other human rights related issues	NIL	N/A	-	NIL	N/A	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has in place the following policies which prevent adverse consequences to the complainant in discrimination and harassment cases:

- **Human Rights Policy** which clearly states that no reprisal or retaliatory action will be taken against any employee for raising concerns under this Policy.
- **Policy on protection of women against sexual harassment at workplace** in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, and the rules promulgated thereunder to ensure a safe workplace for its female employees. As per the policy, it is ensured that the aggrieved woman and / or witness of the alleged act of sexual harassment is not victimized or discriminated against. Complaint Redressal Committees are formed at administrative units / offices for this purpose. The inquiries under this policy are conducted in an absolutely confidential manner. Any person entrusted with the duty to handle or deal with complaints contravenes the provision relating to confidentiality shall be liable for penalty.
- **Whistle Blower Policy** provides necessary safeguards to all whistle blowers for making disclosures in good faith and any stakeholder assisting the investigation.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No):

Yes

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100% plants and offices are assessed by the entity.
Forced/Involuntary Labour	
Sexual Harassment	
Discrimination at workplace	
Wages	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not Applicable

LEADERSHIP INDICATORS

1. Details of business process being modified/introduced as a result of addressing human rights grievances/ complaints.

Through different training mechanisms and vigil system in place, the Company assures more sensitized workforce towards Human Rights. No complaints were received during the year.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

No such due diligence was conducted in FY23.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, most of the premises/offices of the Company are accessible to differently abled visitors as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Details on assessment of value chain partners:

No assessments were carried out during the year.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY23	FY22
Total electricity consumption (GJ) (A)	2,28,016	1,67,352
Total fuel consumption (GJ) (B)	3,94,28,859	6,21,29,623
Energy consumption through other sources (C) (GJ)	NIL	NIL
Total energy consumption (A+B+C) (GJ)	**3,96,56,875**	**6,22,96,975**
Energy intensity per crore rupee of turnover (Total energy consumption (Giga Joules) / turnover in crore rupees)	1,543.42	4,369.38

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.

No independent assessment has been carried out by an external agency.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Yes/No) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Our thermal generating plants namely AMGEN (Coal based) and SUGEN & UNOSUGEN (Gas based) have been identified as designated consumers under the PAT Scheme of Government of India. All three units have achieved targets under the PAT Scheme.

Business Responsibility & Sustainability Report (Contd.)

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY23	FY22
Water withdrawal by source (in kilolitres)		
(i) Surface water	77,12,422	1,18,10,275
(ii) Ground water	30,22,802	24,67,979
(iii) Third party water	2,98,332	1,01,763
(iv) Seawater / desalinated water	-	-
(v) Others (Rainwater storage)	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**1,10,33,556**	**1,43,80,017**
Total volume of water consumption (in kilolitres)	1,10,32,584	143,79,648
Water intensity per crore rupee of turnover (Water consumed (in kiloliter) / turnover in crore rupees)	429.38	1,008.56

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency:

Water Audit of AMGEN unit (coal based) was carried out by CII - Triveni Water Institute in January'23.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

All thermal plants of the Company have implemented a mechanism for Zero Liquid Discharge.

At gas-based generation plants, all treated wastewater from industrial and sewage treatment operations is used within premises for greenbelt irrigation.

At AMGEN coal-based plant, all types of Effluent (water treatment plant, cooling tower blow down, boiler blow down, bottom ash hopper overflow, turbine side drains, etc) generated in premises is collected in Effluent Treatment Plant (ETP) and is neutralized into water. Plant neutralized water is used for ash slurry preparation during bottom ash discharge from boiler. Thus, neutral water goes to ash pond with ash slurry. At ash pond, ash settles down and decanted water is collected at lower side of ash pond. Ash pond water is utilized again in plant slurry system and watering plants around ash pond.

Please refer Natural Capital section of Integrated Report.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY23	FY22
NOx	MT	6,680	7,844
SOx	MT	19,237	19,914
Particulate matter (PM)	MT	758	700
Persistent organic pollutants (POP)	N/A	N/A	N/A
Volatile organic compounds (VOC)	N/A	N/A	N/A
Hazardous air pollutants (HAP)	N/A	N/A	N/A

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency:

Yes. Name of Environmental auditors as per GPCB order are as under:

- **AMGEN:** Environment auditor M/s Pandit Deendayal Energy University.
- **SUGEN/UNOSUGEN:** M/s. Pacific School of Engineering.
- **DGEN:** M/s SRICT.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity in the following format:

Parameter	Unit	FY23	FY22
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Million tCO_2e	3.31	4.44
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Million tCO_2e	1.37	1.10
Total Scope 1 and Scope 2 emissions per crore rupee of turnover	Million tCO_2e	182.17	388.30
Total Scope 1 and Scope 2 emission per GJ of units generated	Million tCO_2e/GJ	0.21	0.16

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency:

No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details:

Yes, the Company recognizes the value of the environment to the community and future generations and is committed to managing its business as a responsible Corporate Citizen. Some of the initiatives taken by the Company to address global environmental issues such as Climate Change, Global Warming, etc. include ~92% of its total generation capacity being natural gas based and renewable based comprising solar and wind, which is a cleaner fuel in line with our core value of "Concern for the Environment". The highly efficient gas-based generation facilities, which account for 66% of the total operational generation capacity, are built with state-of-the-art technologies to ensure minimal environmental footprint and land use. These plants are run with advanced F-class gas turbines and single shaft Combined Cycle Power Plants (CCPPs) that increase operational efficiencies with minimum carbon emissions and very low Nitrogen Oxides (NOx) emission. All of these capacities are registered under the Clean Development Mechanism (CDM) of United Nations Framework Convention on Climate Change (UNFCCC) and are capable of reducing ~8.5 million CO_2 emissions annually. To continually improve environmental performance, the Company's gas-based generation plants have undertaken several steps based on British Safety Council Five Star Environment and Sustainability Audit, Water Audit, etc. with time bound action plans. Our Gas based generation units are registered for CDM (Clean Development Mechanism) and are planning to phase out ODS Gas used in ACs by 2028. To achieve the target, new ODS gas inward entry has been restricted.

Renewable energy, on the other hand, has least impact on climate change and global warming. As a responsible corporate citizen, the Company is trying to increase its renewable energy portfolio from time to time as the Company believes that maximum utilization of renewable energy sources will significantly contribute towards environment protection and preservation. Solar rooftops are installed for common facilities of townships at generation plants. Further, replacement of conventional luminaires with LED devices on failure replacement basis, recycling of wastewater, rainwater harvesting etc. are other successful initiatives in this direction.

Further, continuous investments in power distribution infrastructure are made and appropriate measures are taken to reduce technical losses. Power is also procured from power plants using environment friendly fuels and renewable power plants to the extent possible. In addition to these, various initiatives are taken to develop green belt, encourage solar rooftop installation at consumer premises, to reduce energy consumption, installation of energy efficient equipment like AC, Lightings procurement of low loss transformers etc.

Business Responsibility & Sustainability Report (Contd.)

Further, various initiatives related to reduction in GHG emission, energy conservation are taken by the Company which aid in environmental protection are part of the Board's Report and Natural Capital section included in this Integrated Report.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY23	FY22
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	255.14	222.48
E-waste **(B)**	108.51	139.15
Bio-medical waste **(C)**	0.02	0.05
Construction and demolition waste **(D)**	6,476.89	NIL
Battery waste **(E)**	29.44	50.08
Radioactive waste **(F)**	NIL	NIL
Other Hazardous waste. Please specify, if any. **(G)**	857.79	1,100.82
Other Non-hazardous waste generated **(H)**	3,78,208.13	3,79,620.45
Total (A + B + C + D + E + F + G + H)	**3,85,935.91**	**3,81,133.02**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	11,580.28	7,269.85
(ii) Re-used	2,32,669.10	3,25,437.68
(iii) Other recovery operations	157.79	24.94
Total	**2,44,407.17**	**3,32,732.47**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	104.30	77.99
(ii) Landfilling	1,41,694.77	48,935.47
(iii) Other disposal operations	272.28	NIL
Total	**1,42,071.35**	**49,013.46**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.

Yes, ISO audit was conducted by 'TUV India' at AMGEN (coal based plant).

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Being a responsible corporate citizen, the Company believes in "Reduce-Reuse-Recycle" principle. Some of the initiatives taken as part of this principle include:

- 100% utilization of fly ash generated as waste from the coal-based plant.
- Re-use of treated effluent water.
- Use of wastewater for gardening, sprinkling, etc.
- Zero liquid discharge since August'17 at SUGEN plant and since April'16 at DGEN plant.
- Use of vegetation and food waste in making compost which in turn is used as manure.
- Sludge recovered from raw water is compacted through Chamber Filter Press and is used for landfill.
- Poly Vinyl Chloride (PVC) Scrap (>90%) is recycled & reused in inner sheath, outer sheath & PVC fillers at Cables unit.
- Hazardous wastes e.g. used oils, batteries, e-wastes, bio-medical wastes etc. are disposed off only to State Pollution Control Boards approved Treatment, Storage and Disposal Facilities (TSDF) & recyclers.

- The distribution units undertake oil filtration activity of its power and distribution transformers for reutilization of oil and conservation of natural resources.
- Recycling of non-hazardous plastic waste through authorized recyclers.
- Use of steel cable drums and reusing them as substitute to wooden cable drums.
- Site returned distribution transformers are being reused after necessary overhauling or repairing.
- Site returned 11kV switchgears are being reused after being repaired.
- Reusing packaging material PP sheets and avoiding wooden planks in packing of drums.
- Use of recycled papers for energy bills and other stationeries and recycling of paper.
- Other initiatives include monthly/daily monitoring of resource consumption including paper, water, electricity, food waste, LPG & PNG, petrol and diesel
- Disposal of food waste for composting through authorized vendors.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Shil-Mumbra-Kalwa (SMK)	Distribution of power	Yes
2	Bhiwandi	Distribution of power	Yes

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not Applicable

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Yes/No) :

Yes

LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY23	FY22
From renewable sources		
Total electricity consumption (A)	2,336	1,509
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	**2,336**	**1,509**
From non - renewable sources		
Total electricity consumption (D)	2,25,680	1,65,843
Total fuel consumption (E)	3,94,28,859	6,21,29,623
Energy consumption through other sources (F)		
Total energy consumed from non-renewable sources (D+E+F)	**3,96,54,539**	**6,22,95,466**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency:

No

Business Responsibility & Sustainability Report (Contd.)

2. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

The following are some of the initiatives taken in respect of conservation of natural resources:

- Various procedures have been put in place to improve heat rate, reduce auxiliary power consumption and water consumption in its generating stations. These initiatives include timely maintenance of plants by preventive and predictive maintenance philosophy. The Company's gas-based plants continue to be some of the most efficient power generating stations in the country and have bettered the performance targets under PAT scheme.
- Large scale replacement of conventional luminaires with LED devices, replacement of air conditioners with star rated air conditioners, installation of rooftop solar panels and solar water heaters, installation of Air Turbo Ventilator at rooftop for air ventilation, recycling wastewater, segregation of lighting circuits for reducing power consumption, rainwater harvesting, use of recycled paper and packaging material, etc. Rooftop solar PV is installed at all major locations including common facilities of townships.
- Further, installation of 2 stage air conditioning system and provision of double-glazed window glasses to reduce consumption of air conditioning system have been implemented at all new buildings.
- As a part of Demand side Management (DSM), energy audits as well as peak load shifting programs have been carried out for benefit of the consumers. In addition, the Company took all necessary steps to operationalize the net metering arrangement for rooftop solar PV system at the premises of the consumers.
- Water consumption is recorded and optimized to reduce the wastage.
- Material of construction (MoC) has been changed for distribution boxes and feeder pillars to improve the life cycle of the product. Surface treatment and painting procedures have been improved to enhance the life cycle of the feeder pillars, distribution boxes and other enclosures installed onsite.
- Measures have been taken to improve design of distribution transformers to reduce oil leakage instances and environment risk.
- Inhouse testing infrastructure and quality management system is done to test the material before installation onsite. It can reduce the chances of product failure, improves reliability and wastage of resources.
- Zero liquid Discharge is implemented at our thermal generation units, waste water is treated and reused, treated water from Guard Pond and Sewage Treatment Plant (STP) discharge conforming to statutory limits is fully utilized within premise for Greenbelt irrigation.
- Energy conservation tips are given to consumer during onsite camps, messages on energy bills and through booklet.
- Further, the Company has carried out energy audit of all offices and substations in all its distribution areas to identify the opportunities of energy conservation. As a part of its outcome, various energy conservation initiatives including replacement of air-conditioners by star-rated air conditioners, conventional lights by LED, etc. have been undertaken.
- Converting DC drive system to AC drive system has enabled energy conservation by around 10% in some of the machines at Cables unit.
- Around 25% of wooden drums consumptions has been reduced by incorporating returnable steel drums model in supplying finished cables to some of the major customers.
- Using reusable PP sheet instead of wooden lagging in packing of finished cables.
- Other initiatives include monthly/daily monitoring of resource consumption including paper, water, electricity, food waste, LPG & PNG, petrol and diesel, disposal of food waste for composting through authorized vendors.
- At our distribution units customers are encouraged to make online payment as well as to opt for e-bill through WhatsApp.

- Computational Flow Dynamics (CFD) and Cold Air Velocity Test (CAVT) based rectification carried out in boiler second pass and flue gas ducting at D Unit which led to Improved resource efficiency.
- Washable Coalescer Pads are provided for Gas Turbine Air Intake Filter House in place of use & throw type Coalescer Pads, which resulted in reduction of waste generation. Normal life of use & throw Coalescer Pads is approximately 3 weeks with weight of 100 kg. The initiative resulted in reduction of waste generation.
- Use of energy efficient Level-2 distribution transformers which has lower transformer losses resulting energy conservation.
- Some of the initiatives include procurement of hermetically sealed power transformers with environment friendly ester oil instead of mineral oil to prevent oil leakage, procuring energy efficient (lower losses) distribution transformers, procurement of cobalt free silica gel, eliminating use of plastic in packing material, specifying use of fly ash bricks/blocks in building construction for all new buildings, procurement of asbestos free products, use of CNG vehicles for commuting purpose and digitalisation of all documents to minimize printing/re-printing.

3. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, unit specific Emergency Response Plans have been put in place. From IT perspective, we currently have near site data centres to run IT applications like SAP, web-based applications, Virtual Desktop Infrastructure and Geographic Information System. Furthermore, we also have a far site disaster recovery centre. In case of an unexpected failure, the failover from the primary data centre to the secondary site is automated via clustering software and data-replication techniques. To switch over to the far site disaster recovery centre, the Recovery Point Object and the Recovery Time Objective have been set at minimal levels to restart the IT operations.

Emergency response plan at units cover procedure regarding communication to all the concerned internal and external authorities. Periodical mock drills and tabletop exercises are organized to ensure effectiveness of implementation of these plans. Reports of mock drills are prepared and communicated to all the relevant authorities and stakeholders. Actions on the gaps observed during the mock drills are taken for further improvement. Site Mains Controller (SMC) and Incident Controller (IC) are the leaders to handle the site emergency. Emergency siren with specific codes under various conditions are well defined. Emergency sirens are tested every week. Emergency response equipments/ vehicles, multi-purpose fire tenders and ambulance are always readily available at almost every site. Training and awareness programs are conducted for all concerned stakeholders.

4. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Our franchised distribution businesses of Bhiwandi and SMK have operations/offices in/around forest area and coastal regulation zone. During operations, at times there is requirement of tree trimming / excavation, such activities are carried out in consultation with concerned authorities with close supervision. We ensure to have minimum impact to the environment.

Business Responsibility & Sustainability Report (Contd.)

PRINCIPLE 7: Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a) **Number of affiliations with trade and industry chambers/ associations:** Eleven

   b) **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S.no	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of India Industries (CII)	National
2	Association of Power Producers (APP)	National
3	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
4	Council of Power Utilities	National
5	Indian Electrical and Electronics Manufacturers' Association (IEEMA)	National
6	Coal Consumers' Association of India (CCAI)	National
7	National Safety Council	National
8	Indian Smart Grid Forum	National
9	National Solar Energy Federation of India (NSEFI)	National
10	Solar Power Developers Association (SPDA)	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:**

   There is no action taken or underway against the Company on any issues related to anti-competitive conduct.

LEADERSHIP INDICATORS

1. **Details of public policy positions advocated by the entity:**

   As a principle, the Company does not engage in lobbying. The Company provides suggestions through the above associations for the advancement/ improvement of power sector and cable industry majorly in the areas of Economic Reforms, Energy security and Sustainable Business Principles. In the course of our regulated business, the submissions, representations and the information provided to the concerned authorities are based on due-diligence and to the best of our knowledge are true and fair, which is the policy of the Company.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

   As per applicable laws, SIA is not currently applicable for any of the projects undertaken by the Company. However, the Company assesses the effectiveness of all projects undertaken voluntarily and the details of such assessment forms part of the Board's report included in this Integrated Report.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

   Currently, there are no such ongoing projects for which Rehabilitation and Resettlement (R&R) is being undertaken.

3. Describe the mechanisms to receive and redress grievances of the community.

Community members can approach us through various platforms e.g. call centres, website, chatbot, twitter, facebook, etc. Concerns are recorded, investigated for genuineness and necessary corrective actions are taken. To prevent similar complaints from arising again, prompt follow-up and resolution of the concerns are undertaken. Further, our whistleblower policy contains precise clauses and a systematic process to act on stakeholder grievances.

Regular engagements (including personal interactions through our employee volunteers) with the communities particularly where we run our CSR initiatives are undertaken to obtain feedback and redress grievances. Every year, we also carry out community need assessments to determine the needs of the communities and we work closely with marginalized and vulnerable stakeholders to meet their needs / redress any grievance through our CSR initiatives.

4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

	FY23	FY22
Directly sourced from MSMEs/ Small producers	9.74%	8.79%
Sourced directly from within the district and neighboring districts	32.43%	30.48%

The Company is a leading integrated power utility present across the value chain at various locations in the country. The Company has taken several steps to procure goods and services from local and small vendors (especially focusing on women and the weaker sections of the society, wherever possible) in order to promote entrepreneurship amongst them. Continuous engagement takes place with such suppliers to improve their capacity and capability. Some of these initiatives include:

- While sourcing its consumables and spares, priority is given to local vendors.
- Employment of differently abled people for jobs that are deemed safe for them.
- Engagement of destitute women for managing the canteen services at one of the units.
- Local people have been trained and employed as security guards at some of the plants.
- All packing materials (steel & wooden drums & planks) and some of the raw materials such as PVC Fillers & GI Armour Strips for one of its unit are procured locally from small vendors.
- Direct and indirect employment opportunities are provided to local populace to the extent feasible. For fabrication, plumbing, carpentry, horticulture, housekeeping, vehicle operations, computer operator, health care, O&M of the plant, gardening, transportation, etc., as far as possible, local skilled personnel are employed.
- Project affected personnel in gas-based generation units during construction phase have been absorbed in employment and external technical training has been imparted to them at eminent institutes prior to or during employment

In FY23, 98% of Non-fuel procurement was sourced locally i.e. from domestic / indigenous suppliers. On an overall basis 78% of the overall procurement including fuel was sourced from Indigenous sources.

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

The Company undertakes its CSR initiatives in and around locations where it has its business presence. The Company has not undertaken any CSR Project in aspirational districts as per the 'Transformation of Aspirational Districts" program of the Government. Hence, this question is not applicable to us.

3. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

Not Applicable

Business Responsibility & Sustainability Report (Contd.)

4. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

   Not Applicable

5. **Details of beneficiaries of CSR Projects:**

   For more information on our CSR projects & their beneficiaries, please refer to 'Social and Relationship Capital' section of Integrated Report.

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in responsible manner

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   We have established various platforms through which complaints from consumers are received and resolved.

   Consumers can register their complaint using any of the following means:

   - Toll-free 24*7 Call Centre number
   - By Visiting Customer Care Centre "Plug point centre"
   - Mobile Application "Torrent Power Connect"
   - Customer Web Portal
   - E-mail
   - Whatsapp communication (Chatbot)

   Further, grievance redressal forum and ombudsman are also in place as per regulatory guidelines.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information related to Environment and Social parameters relevant to product, Safe and responsible usage and Recycling and/ or safe disposal.**

   Not applicable as the main product of the Company is electricity. The Company has a non-material cables business where all regulatory requirements of packaging are being followed.

3. **Number of consumer complaints**

	FY23		FY22	
	Received during the year	Pending resolution at the end of year	Received during the year	Pending resolution at the end of year
Data privacy	NIL	NIL	NIL	NIL
Advertising	NIL	NIL	NIL	NIL
Cyber-security	NIL	NIL	NIL	NIL
Delivery of essential services*	3,99,046	NIL	4,20,415	NIL
Restrictive Trade Practices	NIL	NIL	NIL	NIL
Unfair Trade Practices	NIL	NIL	NIL	NIL
Others	76,995	474	80,279	81

*includes no power complaints which are 100% resolved within prescribed timelimit

4. **Details of instances of product recalls on account of safety issues**

   Not Applicable

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   The company has a policy on cyber security and risks related to data privacy. The Policies are available to necessary internal stakeholders and are placed on the intranet of the Company.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   Not Applicable

LEADERSHIP INDICATORS

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   Information on the Company's distribution services can be accessed through 24*7 Customer Call centers, Customer Care Center (Plug point/LEC center), SMS communication, Mobile Application (Torrent Power Connect), Chatbot (WhatsApp Service) or via web portal – https://connect.torrentpower.com

   Other information about the Company can be accessed at Company's website www.torrentpower.com.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   Being an electricity distribution company, we are aware of the hazards that 100% of our key operations may pose to customers and society at large. Accordingly, we consider the safety of our stakeholders to be of paramount importance. Keeping that in mind, we engage with our stakeholders through various channels to create safety awareness and proactively inform consumers of unsafe practices and installations at their premises. We interact with our stakeholders through service camps at various locations, customer meets, contractor meets and school programmes wherein we disseminate information on electricity safety. Some of the key initiatives are listed below:

   - Customer Meet Programmes
   - Safety Awareness during doorstep Service Camp - "Torrent Power Aaapne Dware"
   - Awareness Programmes for School Students
   - Publication of safety tips in Newspaper and TV Channels
   - Tips on Safety and Energy Conservation incorporated in energy bills
   - Distribution of booklet - Veej Darpan for LTMD and HT Customers
   - Safety messages are spread to masses through FM Radio and Mobile Vans and are personally communicated using appropriate pictorial presentation through Email, Whatsapp, SMS, etc.
   - Safety campaign during kite flying festival and monsoon season
   - Distribution of leaflets
   - Safety talk with customers visiting at customer centres
   - Display of safety and energy conservation tips on TV at Customer Centres
   - Signage Installations

   Further, safety tips are communicated to customers through several means such as do's and don'ts messages on the customer portal during festive seasons. We also push audio visuals through our mobile application on safety awareness and distribute information pamphlets "VIJ SALAMATI" at Plug Points.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   The Company is in the business of providing essential services of electricity. The company at most of the time provides 24x7 electricity supply. However, any risk of possible disruption/disconnection is intimated in advance along with information of anticipated power restore time through SMS, IVRS (Interactive Voice Response System)/ manual calls, E-mail and newspaper advertisements. Such information is also made available on our website.

Business Responsibility & Sustainability Report (Contd.)

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)? If yes, provide details in brief.**

   Not Applicable

   Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   The Company conducts consumer satisfaction survey once in 3 years. A detailed customer satisfaction, net promoter score and customer loyalty measurement survey was last undertaken in FY22 through a professional market research agency. The survey was conducted for over 5,000 consumers across all segments in Ahmedabad, Surat and Dahej. Overall scores achieved are – Customer Satisfaction score (CSAT) score 80%, Loyalty score 93% and Net Promoter Score 57.

   Additionally, the Company captures customer feedbacks on daily basis through various channels like feedback forms, interaction SMS, etc. Also, through an internally developed platform named "Sampark", calls are made to customers to record their first hand feedback. A total of over 60,356 such feedbacks were collected during FY23 and analyzed for process improvement and better customer satisfaction.

5. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches along-with impact -** NIL

   b. **Percentage of data breaches involving personally identifiable information of customers –** NIL

Report on Corporate Governance

This report sets forth the disclosures for FY 2022-23, pertaining to Corporate Governance of Torrent Power Limited ("the Company"), as required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Corporate Governance philosophy comprises of three core principles of TRANSPARENCY, INTEGRITY and ACCOUNTABILITY in organising and managing all aspects of its activities. Based on this philosophy, the Company develops its practices on various aspects and elements of governance, ensuring that these at the minimum comply with the requirements of applicable laws and regulations. In matters not covered by the applicable laws and regulations, the governance practices are developed in consonance with the core principles and keeping in balance interests of all stakeholders.

For FY 2022-23, the Company is in compliance with the Corporate Governance norms as stipulated in the Listing Regulations.

2. BOARD OF DIRECTORS

a) Composition and Category of the Board

As at the year end, the Board had an optimum combination of Executive and Non-Executive Directors, with three Women Directors. 70% of the Board Members are Non-Executive and 50% of the Board Members are Independent Directors.

As at the year end, the Board composition consisted of 10 Directors with following composition:

Executive Director	3 (all Promoter Directors)
Independent Director	5 (includes 2 Women Directors)
Non-Executive Non-Independent Director	2 (1 Promoter Director & 1 Woman Director)
Total	**10**

Composition of the Board is in conformity with the applicable law and regulations.

b) Details of Memberships / Chairpersonships of the Directors in other Boards and in Committees of the Board

The table below sets forth the above particulars for each Director as on March 31, 2023.

Name of the Director	Category	Other Directorships	Other Board Committee Memberships	Other Board Committees in which Chairperson	Directorship in other listed entities	
					Name of Entity	**Category**
Sudhir Mehta, Chairman Emeritus	Non-Executive Director (Promoter)	1	-	-	Torrent Pharmaceuticals Ltd.	Non-Executive Director (Promoter)
Samir Mehta	Chairperson & Managing Director (Promoter)	1	-	-	Torrent Pharmaceuticals Ltd.	Chairperson & Managing Director (Promoter)
Pankaj Patel	Independent Director	3	2	1	Bayer CropScience Ltd.	Independent Director, Chairperson
					Zydus Lifesciences Ltd. (formerly known as Cadila Healthcare Ltd).	Chairperson
Ketan Dalal	Independent Director	3	3	-	HDFC Life Insurance Company Ltd.	Independent Director
					Zensar Technologies Ltd.	Independent Director

Report on Corporate Governance (Contd.)

Name of the Director	Category	Other Directorships	Other Board Committee Memberships	Other Board Committees in which Chairperson	Directorship in other listed entities	
					Name of Entity	Category
Keki Mistry	Independent Director	5	7	2	Tata Consultancy Services Ltd.	Independent Director
					HDFC Life Insurance Company Ltd.	Non-Executive Nominee Director
					HDFC Asset Management Company Ltd.	Non-Executive Non- Independent Director
					Housing Development Finance Corporation Ltd.	Managing Director, Vice Chairman & Chief Executive Officer
Usha Sangwan	Independent Director	5	2	1	SBI Life Insurance Company Ltd.	Independent Director
					Trident Ltd.	Independent Director
Radhika Haribhakti	Independent Director	7	8	2	Navin Flourine International Ltd.	Independent Director
					Rain Industries Ltd.	Independent Director
					ICRA Ltd.	Independent Director
					EIH Associated Hotels Ltd.	Independent Director
					Bajaj Finance Limited	Independent Director
					Bajaj Finserv Limited	Independent Director
Mamta Verma, IAS	Non-Executive Non-Independent Director	8	1	-	Gujarat Narmada Valley Fertilizers & Chemicals Ltd.	Non-Executive Non- Independent Director
					Gujarat State Fertilizers & Chemicals Ltd.	Non-Executive Non- Independent Director
Jinal Mehta	Managing Director (Promoter)	1	-	-	-	-
Varun Mehta	Wholetime Director (Promoter)	2	-	-	-	-

Notes: For the purpose of considering the above numbers:

(a) All public companies excluding the Company, are considered.

(b) All other companies including private companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013 (“Act”) are excluded.

(c) Only Audit and Stakeholders’ Relationship Committee memberships / chairpersonships are reckoned.

Sudhir Mehta and Samir Mehta are brothers. Jinal Mehta and Varun Mehta are son of Sudhir Mehta. All other Directors are not related inter-se.

All the Directors have periodically and regularly disclosed to the Company information on their Directorships, Memberships and Chairpersonships on the Boards / Committees of other companies. Based on the disclosures received, none of the Directors of the Company hold Directorships / Memberships / Chairpersonships more than the prescribed limits across all companies in which he / she is a Director.

c) Board Meetings

The Board of Directors met 4 times during FY 2022-23 on May 10, 2022, August 8, 2022, November 10, 2022 and February 14, 2023.

The calendar of Board Meetings of FY 2022-23 was communicated to all the Directors well in advance. 3 Board Meetings of FY 2022-23 were conducted from the registered office in Ahmedabad out of which 2 Board Meetings were conducted via Audio Video Conferencing. 1 Board Meeting was conducted outside the registered office of the Company at Gandhinagar. The Board met at least once in a quarter and time gap between two consecutive Meetings did not exceed 120 days.

The agenda for the Board Meeting was circulated to all the Directors at least 7 days prior to the date of the Meeting, except for table agenda items, which were placed before the Board with approval of the Independent Directors. The agenda for the Board Meetings included detailed notes on the matters to be considered at the Meeting to facilitate the Directors to take informed decisions. Minimum information to be placed before the Board under Regulation 17(7) read with Schedule II of the Listing Regulations was placed before the Board for its consideration. The requisite quorum was present in all the Meetings.

The attendance of each of the Directors at the Board Meetings and Annual General Meeting ("AGM") held during the year under review, are as under:

Name of the Director	Board Meetings held during the year	Board Meetings Attended	Attendance at the last AGM
Sudhir Mehta	4	4	Yes
Samir Mehta	4	4	Yes
Pankaj Patel	4	4	Yes
Samir Barua*	4	2	Yes
Keki Mistry	4	3	No
Usha Sangwan	4	4	Yes
Radhika Haribhakti	4	4	Yes
Mamta Verma, IAS	4	1	No
Jinal Mehta	4	4	Yes
Ketan Dalal^	4	3	Yes
Varun Mehta@	4	2	NA

* Retired as Independent Director w.e.f. September 30, 2022 upon completion of his second and final term as an Independent Director.

^ Appointed as Independent Director w.e.f. May 11, 2022.

@ Appointed as Wholetime Director w.e.f. August 8, 2022.

d) Independent Directors

Based on the declaration of independence and other disclosures made by the Independent Directors, the Board has noted that they fulfil the conditions of independence specified in the Act and the Listing Regulations.

Based on the disclosures made by them, no Independent Director served as an Independent Director in more than 7 listed companies and where the Independent Director was a Whole time Director / Managing Director in any listed company, he / she was not Independent Director in more than 3 listed companies.

A Meeting of the Independent Directors was held on February 14, 2023 under the Chairpersonship of Pankaj Patel to review the matters as required by Schedule IV of the Act and the Listing Regulations.

Report on Corporate Governance (Contd.)

e) Criteria for selection of new Directors and Committee Membership

The Company has in place a policy, which provides criteria as well as process for the identification / appointment of the Directors of the Company. The Policy on Directors' appointment forms part of the Board's Report. The table below sets forth the core skills / expertise / competencies identified by the Board along with names of Directors who have such skills / expertise / competence for effective functioning of the Board of Directors:

Skills, Expertise, Competencies	Sudhir Mehta	Samir Mehta	Pankaj Patel	Ketan Dalal	Keki Mistry	Usha Sangwan	Radhika Haribhakti	Mamta Verma, IAS	Jinal Mehta	Varun Mehta
Strategic Leadership	Significant leadership experience to think strategically and develop effective strategies to drive change and growth in context of the Company's overall objectives.									
	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry Experience	Experience and / or knowledge of the industry in which the Company operates.									
	Yes	Yes	--	--	--	--	--	Yes	Yes	Yes
Financial Expertise	Qualification and / or experience in accounting and / or finance coupled with ability to analyse key financial statements; critically assess financial viability and performance; contribute to financial planning, assess financial controls and oversee capital management and funding arrangements.									
	--	Yes	--	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Governance, Risk and Compliance	Knowledge and experience of best practices in governance structures, policies and processes including establishing risk and compliance frameworks, identifying and monitoring key risks.									
	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Diversity	Representation of gender, cultural or such other diversity that expand the Board's understanding and perspective.									
	--	--	--	--	--	Yes	Yes	Yes	--	--

f) Familiarisation Programme

The Company and business familiarisation process for the Independent Directors was an ongoing process during the Financial Year and largely carried out by way of special discussions and presentations at Board / Committee Meetings on important matters such as key regulatory changes, material legal matters, changing industry trends, periodic operations review, annual budget review (including capex plan), strategy discussions and exceptional developments, if any, in the Company. The Company had also arranged for the plant visit and CSR project visit as well.

The details of such familiarization program have been disclosed on the Company's website at https://www.torrentpower.com/pdf/investors/FamiliarisationPrograme_20230517134933.pdf

g) Shareholding of Non-Executive Directors as on March 31, 2023

Sudhir Mehta, Chairman Emeritus: 6,882 equity shares

Apart from the above, none of the Non-Executive Directors holds any shares of the Company.

3. AUDIT COMMITTEE

a) Terms of Reference

Major Terms of Reference of the Committee includes:

- Overseeing financial reporting process and review of financial statements (including quarterly financial statements) and Auditor's Report of the Company and its unlisted subsidiaries;
- Reviewing functioning of vigil mechanism / whistle blower policy;
- Reviewing and approval of related party transactions;
- Scrutiny of inter-corporate loans and investments;
- Reviewing of internal audit function and reports;
- Evaluating internal financial control;
- Recommending to the Board appointment and remuneration of Statutory Auditors and review their performance and adequacy of internal control systems;
- Reviewing the statement of uses / application of funds raised through any issue;

- Reviewing and monitoring the Statutory Auditors independence and performance, and effectiveness of audit process;
- Reviewing utilization of loans and / or advances from/investment by the Company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- Valuation of any undertakings, assets, net worth, liabilities of the Company, if necessary;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

The Terms of Reference were in full compliance with provisions of the Act and the Listing Regulations.

b) Composition and Committee Meetings

The particulars of the Committee as on March 31, 2023 are set forth below.

Name of the Director	Category of Directorship	Chairperson/ Member	No. of Meetings attended
Samir Barua^	Independent Director	Chairperson	2
Ketan Dalal*	Independent Director	Chairperson	3
Keki Mistry	Independent Director	Member	2
Usha Sangwan	Independent Director	Member	4
Radhika Haribhakti	Independent Director	Member	4

^ Ceased to be a Chairperson and Member of the Committee w.e.f. September 30, 2022 due to completion of the second and final term as an Independent Director of the Company.

* Appointed as Member of the Committee w.e.f. May 11, 2022 and Chairperson of the Committee on November 10, 2022.

Composition of the Committee was in compliance with the provisions of the Act and the Listing Regulations.

During the year under review, four Meetings of the Committee were held on May 10, 2022, August 8, 2022, November 10, 2022 and February 14, 2023. The Committee met once in a quarter and time gap between two consecutive Meetings did not exceed 120 days. Senior Management of the Company and representatives of Statutory and Internal Auditors were invited to the Meetings. All the recommendations / submissions made by the Committee during the year were accepted by the Board. The Committee Members, at every Meeting, had discussion with the Statutory Auditors without presence of the Management.

4. NOMINATION AND REMUNERATION COMMITTEE

a) Terms of Reference

Major Terms of Reference of the Committee includes:

- Evaluation and recommendation of composition of the Board and its sub-committees;
- Evaluation of the balance of skills, knowledge and experience on the Board for every appointment of an Independent Director on the basis of such evaluation, to prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified;
- Formulation of criteria for determining qualification, positive attributes and independence of a Director;
- Identification of persons who are qualified to become Directors and who may be appointed in Senior Management of the Company in accordance with criteria laid down and recommend the same to the Board for their appointment and removal;
- Recommendation to the Board, remuneration proposed to be paid to Directors/ Key Managerial Personnel (KMP) / Senior Management;
- Recommendation of Remuneration Policy to the Board;
- Formulation of policy on Board Diversity of the Company;
- Formulation of criteria for performance evaluation of Board, Committees, Individual Directors.

The Terms of Reference were in full compliance with provisions of the Act and the Listing Regulations.

Report on Corporate Governance (Contd.)

b) Composition and Committee Meetings

The particulars of the Committee as on March 31, 2023 are set forth below.

Name of the Director	Category of Directorship	Chairperson / Member	No. of Meetings attended
Pankaj Patel	Independent Director	Chairperson	2
Sudhir Mehta^	Non-Executive Director (Promoter)	Member	2
Radhika Haribhakti	Independent Director	Member	2
Ketan Dalal*	Independent Director	Member	-

^Ceased to be Member of the Committee w.e.f. April 13, 2023.

*Appointed as Member of the Committee w.e.f. April 13, 2023.

Composition of the Committee was in compliance with provisions of the Act and the Listing Regulations.

During the year under review, two Meetings of the Committee were held on May 10, 2022 and August 8, 2022. All the recommendations / submissions made by the Committee during the year were accepted by the Board.

c) Performance Evaluation Criteria for Independent Directors

The criteria as well as process for evaluation of the Independent Directors are given below:

Criteria

i. Fulfillment of functions

ii. Participation in the Board in terms of adequacy (time & content)

iii. Contribution at Meetings

iv. Guidance / support to the Management outside the Board / the Committee Meetings

v. Independent views and judgement

Process

i. The Chairperson of the Board to discuss self and peer evaluation on a One-on-One basis with each Director.

ii. The Chairperson to consolidate the comments and give the feedback to individual Directors.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

a) Terms of Reference

Major Terms of Reference of the Committee includes:

- Resolution of the grievances of all stakeholders including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate share certificates, General Meetings;
- Review of transfer / transmission / name deletion requests and issuance of duplicate share certificate;
- Overseeing performance of Registrar & Share Transfer Agent in respect of adherence to service standards adopted by the Company;
- Determination of Book Closure period and Record Date in respect of shares, debentures, other securities and General Meetings of the Company.

The Terms of Reference were in full compliance with provisions of the Act and the Listing Regulations.

Powers to approve share transfer / transmission and related requests have been delegated by the Committee to Senior Officials of the Company for expeditious disposal of the Members' requests and complaints.

b) Composition and Committee Meetings

The particulars of the Committee as on March 31, 2023 are set forth below:

Name of the Director	Category of Directorship	Chairperson/ Member	No. of Meetings attended
Pankaj Patel	Independent Director	Chairperson	17
Samir Mehta	Chairperson & Managing Director (Promoter)	Member	21
Jinal Mehta	Managing Director (Promoter)	Member	17

Composition of the Committee was in compliance with provisions of the Act and the Listing Regulations.

During the year under review, twenty one Meetings of the Committee were held on April 5, 2022, April 29, 2022, May 10, 2022, May 24, 2022, June 2, 2022, July 4, 2022, July 14, 2022, July 29, 2022, August 8, 2022, August 22, 2022, September 16, 2022, October 6, 2022, November 10, 2022, November 22, 2022, December 21, 2022, January 6, 2023, January 17, 2023, February 8, 2023, February 21, 2023, March 3, 2023 and March 15, 2023. All the recommendations / submissions made by the Committee during the year were accepted by the Board. Rahul Shah, Company Secretary is the Compliance Officer of the Company.

c) Investor Grievance Redressal

The Company received 40 complaints during the year under review and the same have been resolved to the satisfaction of the complainants within a reasonable period of time.

6. RISK MANAGEMENT COMMITTEE

a) Terms of Reference

Major Terms of Reference of the Committee includes:

- Formulation of Risk Management Policy including its framework for identification of internal and external risks, measures for risk mitigation, business continuity plan etc.;
- Ensuring that appropriate methodology, processes, controls and systems are in place to monitor and evaluate risks associated with the business of the Company;
- Monitoring and overseeing implementation of the risk management policy, including evaluating adequacy of risk management systems;
- Periodically review the risk management policy, at least once in two years, including by considering changing industry dynamics and evolving complexity;
- Informing Board about nature and content of its discussions, recommendations and actions to be taken;
- Appointment, removal and approving terms of remuneration of the Chief Risk Officer (if any).

The Terms of Reference were in full compliance with provisions of the Listing Regulations.

b) Composition and Committee Meetings

The particulars of the Committee as on March 31, 2023 are set forth below.

Name of the Director	Category of Directorship	Chairperson/ Member	No. of Meetings attended
Samir Barua*	Independent Director	Chairperson	1
Ketan Dalal^	Independent Director	Chairperson	2
Usha Sangwan	Independent Director	Member	2
Radhika Haribhakti	Independent Director	Member	1
Lalit Malik#	Chief Financial Officer	Member	2
Saurabh Mashruwala@	Chief Financial Officer	Member	-

*Ceased to be a Chairperson and Member of the Committee w.e.f. September 30, 2022 due to completion of the second and final term as an Independent Director of the Company.

^Appointed as Member of the Committee w.e.f. May 11, 2022 and Chairperson of the Committee on January 10, 2023.

#Ceased to be Member of the Committee w.e.f. April 13, 2023 due to resignation from the post of Chief Financial Officer.

@Appointed as Member of the Committee w.e.f. April 13, 2023 due to appointment as Chief Financial Officer.

Composition of the Committee was in compliance with provisions of the Act and the Listing Regulations.

During the year under review, two Meetings of the Committee were held on July 14, 2022 and January 10, 2023. All the recommendations / submissions made by the Committee during the year were accepted by the Board.

7. CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY COMMITTEE (CSRSC)

The complete details of the constitution, Meetings, attendances of the Chairperson and Members of the Meetings of the CSRSC are disclosed in the CSR Annual Report part which forms a part of the Board's Report of the Company.

Report on Corporate Governance (Contd.)

8. REMUNERATION OF DIRECTORS

a) Remuneration Policy

The Company has in place the policy relating to remuneration of the Directors, KMP and other employees of the Company. As required by the Act, the Remuneration Policy has been uploaded on the website of the Company at https://www.torrentpower.com/pdf/investors/20191014_remuneration_policy.pdf

b) Non-Executive Directors

Non-Executive Directors are compensated by way of Sitting Fees (except promoter category Non-Executive Director) for Meetings attended and annual Commission for participation in Meetings attended. Members have approved payment of annual Commission to Non-Executive Directors, in addition to Sitting Fees, within the limits laid down under the provisions of the Act. The Board of Directors in terms of authorisation granted by the Members, approved the Commission to be paid to each Non-Executive Director. Detailed criteria for remuneration of Non-Executive Directors are part of Remuneration Policy as mentioned above.

c) Particulars of remuneration paid to the Directors for FY 2022-23

(₹ in Crore)

Name of the Director$	Sitting Fees	Salary & Perquisites#	Commission*	Total
Samir Mehta	-	-	15.00	15.00
Pankaj Patel	0.07	-	0.31	0.38
Samir Barua!	0.06	-	0.23	0.29
Keki Mistry	0.06	-	0.27	0.33
Usha Sangwan	0.14	-	0.48	0.62
Radhika Haribhakti	0.14	-	0.48	0.62
Mamta Verma, IAS@	0.01	-	0.07	0.08
Ketan Dalal^	0.10	-	0.35	0.45
Jinal Mehta	-	13.57	5.00	18.57
Varun Mehta%	-	2.07	1.00	3.07
Total	**0.58**	**15.64**	**23.19**	**39.41**

$None of the Directors are entitled to severance pay.

#Includes Salary, House Rent Allowance, Gratuity, contribution to Provident/ Superannuation Funds and approved Allowances/ Perquisites (excluding premium for Group Personal Accident and Group Mediclaim Insurance).

*Commission relates to FY 22-23, which was approved by the Board on May 29, 2023 and payable during FY 2023-24.

!Retired as Independent Director w.e.f. September 30, 2022 upon completion of his second and final term as an Independent Director.

@Sitting fees and Commission of Mamta Verma, IAS (nominated by the Government of Gujarat (GoG)) is paid/ payable to the GoG.

^Appointed as Independent Director w.e.f. May 11, 2022.

%Appointed as Wholetime Director w.e.f. August 8, 2022.

Directors have not been granted any stock options during the year under review.

Apart from payment of Sitting Fees, Annual Commission and shareholding of Non-Executive Directors disclosed in part 2(g) above, there was no other pecuniary relationship or transactions between the Company and the Non-Executive Directors.

9. GENERAL BODY MEETINGS

A) Last 3 Annual General Meetings of the Company

Meeting	Date	Time	Venue	No. of Special Resolutions passed
18th AGM	August 8, 2022	09:30 am	Through Video Conferencing/ Other Audio Visual Means from “Samanvay”, 600 Tapovan, Ambawadi, Ahmedabad- 380015	3
17th AGM	August 6, 2021	09:30 am	Through Video Conferencing/ Other Audio Visual Means from “Samanvay”, 600 Tapovan, Ambawadi, Ahmedabad- 380015	2
16th AGM	August 6, 2020	09:30 am	Through Video Conferencing/ Other Audio Visual Means from “Samanvay”, 600 Tapovan, Ambawadi, Ahmedabad- 380015	2

At all the above AGMs, Special Resolutions were passed by E-voting in accordance with the applicable provisions of Section 108 of the Act and rules made thereunder.

B) Ordinary Resolution passed through postal ballot and E-voting:

During the year, Shareholders have approved the Appointment of Varun Mehta as Director and Whole-time Director of the Company and fixation of Remuneration by passing Ordinary resolution through Postal Ballot and E-voting result of which was declared on September 21, 2022 in accordance with the applicable provisions of the Act. Rajesh Parekh, Practicing Company Secretary conducted the Postal Ballot. Details of voting pattern are given below:

Sr. No.	Particulars	No. of Votes in Favour	% of Votes in Favour	No. of Votes Against	% of Votes Against
1.	Appointment of Varun Mehta as Director and Wholetime Director of the Company and fixation of Remuneration	39,03,04,115	93.40	2,75,70,344	6.60

The procedures prescribed under Section 110 of the Act read with the Companies (Management and Administration) Rules, 2014 and other applicable provisions were duly followed for conducting the Postal Ballot process for approving the resolution mentioned above.

At present there is no proposal to pass any Special Resolution through Postal Ballot.

10. MEANS OF COMMUNICATION

During the year, quarterly Unaudited Financial Results with Limited Review Report and annual Audited Financial Results of the Company with the Auditors’ Report thereon were submitted to the stock exchanges upon their approval by the Board. The Company published its quarterly Financial Results in two English daily newspapers having nationwide circulation i.e. Indian Express and Financial Express and in one regional newspaper i.e. Financial Express (Gujarati Edition). The Company also submitted to the Stock Exchanges the schedule of analysts’ or institutional investors’ meets and presentations to them. The Company’s website www.torrentpower.com also displays the official news releases of relevance, schedules and presentations for investors, key Company Policies, its values, CSR and other relevant information in addition to the Financial Results. An exclusive section as “Investors” serves to inform and service the Members, enabling access to information at their convenience.

Pursuant to MCA General Circular No. 10/2022 dated December 28, 2022 read with General Circular No. 2/2022 and 20/2020 dated May 5, 2022 and May 5, 2020 respectively, Annual Report shall be sent only by email to the Members. In view of the same, the Company will send soft copy of Integrated Annual Report for FY 2022-23 to those Members whose email IDs are registered with the DPs and / or with the Company’s RTA. Also, soft copy of Integrated Annual Report will be available on the Company’s website www.torrentpower.com.

Report on Corporate Governance (Contd.)

11. GENERAL SHAREHOLDER INFORMATION

a) 19th Annual General Meeting (AGM)

Date	Thursday, August 10, 2023
Time	9:30 am
Venue	Video Conference / Other Audio-Visual Means
Remote E-voting Period	From 9:00 am on August 6, 2023 to 5:00 pm on August 9, 2023
Cut-off date for Remote E-voting	August 3, 2023

b) Tentative Financial Calendar for the year ended March 31, 2024

Financial Year	April 1, 2023 – March 31, 2024
First quarter results	Second week of August, 2023
Second quarter results	Second week of November, 2023
Third quarter results	Second week of February, 2024
Results for the year end	Second week of May, 2024

c) Dividend Payment date

The Interim dividend of ₹ 22.00/- per equity share (including ₹ 13.00/- per equity share as a special dividend) of ₹ 10/- each was declared for the Financial Year 2022-23 at the Board Meeting held on February 14, 2023. Payment of such dividend was made on March 9, 2023, after deduction of tax at source. The said Interim dividend to be confirmed at the ensuing AGM.

The final dividend, if declared at the AGM, payment of such dividend will be made on or before September 8, 2023, subject to deduction of tax at source.

d) Listing on Stock Exchanges and Security Codes

- Equity Shares of the Company are listed on BSE Ltd. and National Stock Exchange of India Ltd. in India:

Stock Exchange	ISIN	Security Code
BSE Ltd. (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	INE813H01021	532779
National Stock Exchange of India Ltd. (NSE) “Exchange Plaza”, C – 1, Block G, Bandra - Kurla Complex, Bandra (East), Mumbai-400051	INE813H01021	TORNTPOWER

- Non-Convertible Debentures (“NCDs”) of the Company are listed on the Wholesale Debt Market segment of NSE:

Series	Secured / Unsecured	Coupon rate (p.a.)	ISIN	Security Code
Series 1$	Secured	10.35%	INE813H07010	TOPO22
Series 2C*	Secured	10.35%	INE813H07077	TOPO23
Series 3B#	Secured	8.95%	INE813H07093	TOPO22
Series 3C	Secured	8.95%	INE813H07101	TOPO23
Series 4A^	Unsecured	10.25%	INE813H08018	TOPO22
Series 4B	Unsecured	10.25%	INE813H08026	TOPO23
Series 4C	Unsecured	10.25%	INE813H08034	TOPO24
Series 5@	Secured	7.65%	INE813H07119	TOPO23
Series 6	Secured	7.30%	INE813H07127	TOPO23
Series 7A	Secured	6.50%	INE813H07135	TOPO25
Series 7B	Secured	6.90%	INE813H07143	TOPO26
Series 7C	Secured	7.25%	INE813H07150	TOPO27

Series	Secured / Unsecured	Coupon rate (p.a.)	ISIN	Security Code
Series 8A	Secured	6.20%	INE813H07168	TOPO24
Series 8B	Secured	6.70%	INE813H07176	TOPO25
Series 8C	Secured	7.10%	INE813H07184	TOPO26
Series 8D	Secured	7.45%	INE813H07192	TOPO27
Series 9A	Secured	7.45%	INE813H07200	TOPO27A
Series 9B	Secured	8.05%	INE813H07218	TOPO32
Series 10A	Secured	8.30%	INE813H07226	TOPO27
Series 10B	Secured	8.35%	INE813H07234	TOPO28
Series 10C	Secured	8.55%	INE813H07242	TOPO31
Series 10D	Secured	8.65%	INE813H07259	TOPO32

$ Series 1: 550 NCDs were fully redeemed on September 26, 2022.

* Series 2C: 100 NCDs were fully redeemed on March 27, 2023.

Series 3B: 85 NCDs were fully redeemed on April 6, 2022.

^ Series 4A: 900 NCDs were fully redeemed on May 13, 2022.

@ Series 5: 1000 NCDs were fully redeemed on March 17, 2023.

- Annual listing fees for both, Equity and Debt securities for FY 2022-23 have been paid to the Stock Exchanges, where the securities of the Company are listed.

e) Market price data

Closing market price of equity shares on March 31, 2023 was ₹ 509.50 on BSE and ₹ 510.40 on NSE.

Monthly movement of equity share prices during the year at BSE and NSE:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April, 2022	577.85	486.60	7,88,173	577.85	488.50	1,66,67,218
May, 2022	545.20	416.00	12,19,993	545.60	415.25	1,60,84,063
June, 2022	487.00	444.00	6,07,140	487.35	443.15	1,48,54,589
July, 2022	528.00	450.10	2,95,344	528.95	449.40	1,00,30,212
August, 2022	609.90	521.35	4,30,356	610.00	521.25	1,13,78,099
September, 2022	591.40	474.90	8,23,046	591.90	474.95	1,18,36,179
October, 2022	515.50	473.70	14,61,161	515.00	475.40	67,84,662
November, 2022	549.40	499.05	3,42,769	549.85	498.85	99,64,967
December, 2022	553.60	475.85	1,77,654	553.50	475.40	66,08,248
January, 2023	508.00	430.90	2,69,004	505.85	430.85	94,57,115
February, 2023	520.00	433.10	8,46,303	520.20	433.10	2,55,10,663
March, 2023	550.00	485.00	4,62,190	550.00	484.20	1,42,92,925

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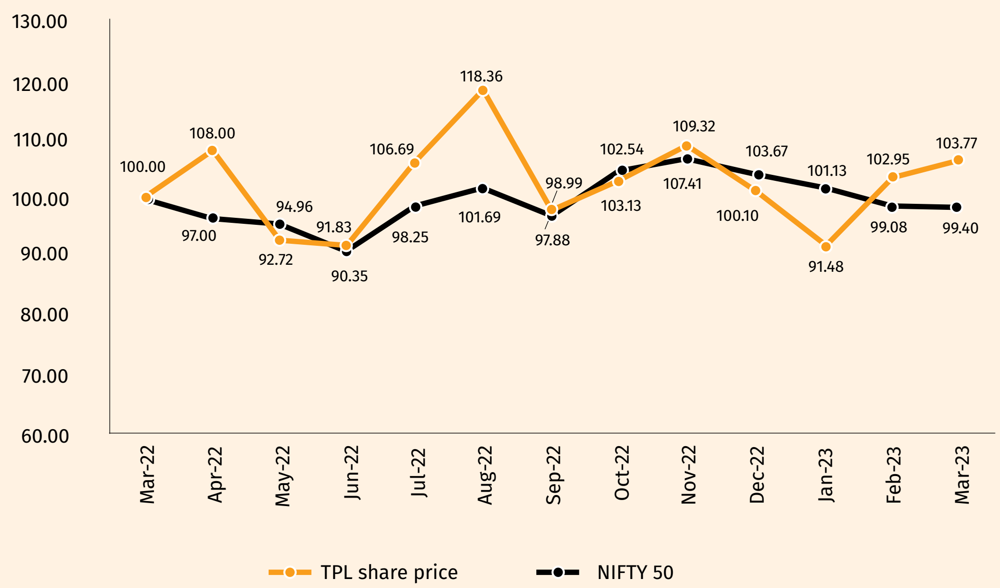
Report on Corporate Governance (Contd.)

f) Performance of Equity Share Price vis-à-vis Nifty 50 is as under:

Month	TPL Share Price at NSE (₹)*	NIFTY 50 during the Month* (₹)	Relative Index for comparison purpose	
			TPL share price (%)	NIFTY 50 (%)
March, 2022	491.85	17,464.75	100.00	100.00
April, 2022	533.15	17,102.55	108.40	97.93
May, 2022	456.05	16,584.55	92.72	94.96
June, 2022	451.65	15,780.25	91.83	90.35
July, 2022	524.75	17,158.25	106.69	98.25
August, 2022	582.15	17,759.30	118.36	101.69
September, 2022	486.90	17,094.35	98.99	97.88
October, 2022	504.35	18,012.20	102.54	103.13
November, 2022	537.70	18,758.35	109.32	107.41
December, 2022	492.35	18,105.30	100.10	103.67
January, 2023	449.95	17,662.15	91.48	101.13
February, 2023	506.35	17,303.95	102.95	99.08
March, 2023	510.40	17,359.75	103.77	99.40

* Closing data on the last trading day of the month. Closing equity share price at NSE and NIFTY 50 of March 31, 2022 have been taken as the base for calculating relative index for comparison purpose.

Relative Performance of TPL Share Price v/s Nifty 50



g) Registrar and Share Transfer Agent

Members are requested to send all documents pertaining to duplicate / transmission / name deletion / demat requests and other communications in relation thereto directly to the Registrar and Share Transfer Agent at the following address:

Link Intime India Pvt. Ltd.

506 to 508,

Amarnath Business Centre - I (ABC - I),

Beside Gala Business Centre,

Nr. St. Xavier's College Corner,

Off C G Road, Ellisbridge,

Ahmedabad-380006 (Gujarat).

Telephone : +91 079 26465179/86/87

Fax : +91 079 26465179

E-mail : ahmedabad@linkintime.co.in

h) Share Transfer System

In terms of Regulation 40(1) of the Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of transmission of securities or transposition of names. The Members holding shares in physical form are requested to convert their holdings to dematerialized form. Transfer of equity shares in electronic form are effected through the depositories with no involvement of the Company.

The Securities and Exchange Board of India ('SEBI') vide its circular dated March 16, 2023 has prescribed provisions for "Common and simplified norms for processing investor's service requests by RTAs and norms for furnishing PAN, KYC details and Nomination". Further, it has made mandatory for the Members holding securities in physical form to furnish PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers to the Registrar and Transfer Agent ('RTA') of the Company. In case of failure to provide required documents and details as per the aforesaid SEBI circular, all folios of such Members shall be frozen on or after October 1, 2023 by the RTA. More details of the above are available on the website of the Company.

https://www.torrentpower.com/index.php/investors/holdingshares.

The Company obtains from a Company Secretary in Practice yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the certificate with the Stock Exchanges.

Powers to approve share transfers and related requests have been delegated by the Stakeholders Relationship Committee to the Senior Officials of the Company for expeditious disposal of the Members' requests and complaints. Details of transfers / transmission approved by the delegates were noted by the Stakeholders Relationship Committee at its Meeting once in a quarter, which were subsequently noted by the Board of Directors.

i) Distribution of shareholding as on March 31, 2023

- **By size of shareholding**

No. of Shares	No. of Members	% Members	No. of Shares	% of Shareholding
001 to 500	1,17,563	92.02	55,20,332	1.15
501 to 1000	5,189	4.06	35,16,926	0.73
1001 to 2000	2,149	1.68	30,92,598	0.64
2001 to 3000	904	0.71	22,71,517	0.47
3001 to 4000	394	0.31	13,91,878	0.29
4001 to 5000	336	0.26	15,35,549	0.32
5001 to 10000	617	0.48	43,97,691	0.92
10001 & above	601	0.47	45,88,90,293	95.48
TOTAL	**1,27,753**	**100.00**	**48,06,16,784**	**100.00**

Report on Corporate Governance (Contd.)

- **By category of Members**

Sr. No.	Category	No. of Shares	% of Shareholding
1	Promoters	25,74,43,318	53.57
2	Mutual Funds	7,55,75,453	15.72
3	Foreign Portfolio Investors	3,02,57,587	6.30
4	Insurance Companies	2,79,91,237	5.82
5	Central Government / State Government(s)	70,58,501	1.47
6	Financial Institutions and Banks	4,34,322	0.09
7	Body Corporates	4,83,69,369	10.06
8	Non-Institutional Individuals	2,94,98,293	6.14
9	Others	39,88,704	0.83
	TOTAL	**48,06,16,784**	**100.00**

j) Dematerialisation and Liquidity of shares

Equity Shares of the Company can be traded only in dematerialised form by the investors. The Company has established connectivity with National Securities Depository Ltd. ("NSDL") and Central Depository Services (India) Ltd. ("CDSL"). Demat security (ISIN) code for the equity shares of the Company is INE813H01021. As on March 31, 2023, 97.71% of the equity shares have been dematerialised. The shares of the Company are frequently traded on both the Stock Exchanges and hence, the equity shares of the Company are liquid.

k) Outstanding GDRs / ADRs / Warrants / any other convertible instruments

The Company has not issued any GDRs / ADRs / warrants or any convertible instruments as on date.

l) Disclosure of commodity price risk / foreign exchange risk and hedging activities

The Company has exposure to US$ / INR exchange rate arising principally on account of import of LNG and import of coal. The extant tariff regulations do not permit the cost of hedging such exposure as a cost to be passed through to the off-takers / beneficiaries. As a result, the Company does not follow a policy of hedging such exposures and actual rupee costs of import of fuel are substantially passed on to the off-takers / consumers, because of which such exposures are not likely to have material financial impact on the Company.

The following were the material commodity exposures of the Company during FY 2022-23:

Commodity	Exposure in INR ₹ In Crs.	Exposure in Quantity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Imported & domestic Coal	619	15,20,403 MT	-	-	-	-	-
Liquefied Natural Gas & domestic natural gas	2,709	2,69,49,399 MMBTU	-	-	-	-	-

The commodity exposure is mainly on account of fuel, a substantial part of which is a pass through cost and hence the commodity price exposure is not likely to have a material financial impact on the Company.

m) Registered Office and Plant / Unit Locations

Registered Office	Generation
"Samanvay", 600 Tapovan, Ambawadi, Ahmedabad-380015 (Gujarat)	i. SUGEN, UNOSUGEN and GENSU, Off National Highway No. 8, Taluka: Kamrej, District: Surat-394155 (Gujarat) ii. AMGEN, Ahmedabad-380005 (Gujarat) iii. DGEN, Plot no Z-9, Dahej SEZ, Taluka Vagra, Dist. Bharuch–392130 (Gujarat) iv. Renewable generation projects located at Kutch, Jamnagar, Bhavnagar, Surendranagar, Rajkot and Patan in Gujarat
	Distribution
	i. AEC cross roads, Sola Road, Naranpura, Ahmedabad–380013 (Gujarat) ii. Torrent House, Station Road, Surat-395003 (Gujarat) iii. Plot No. Z/21, Dahej SEZ, Part I, Taluka Vagra, Dist. Bharuch–392130 (Gujarat) iv. 400/200 kV – 4A Sub Station, On G7 Road, Dholera SIR, Taluka : Dholera, Dist. Ahmedabad-382455 (Gujarat) v. Near Narpoli Police Station, Opposite Kashinath Patil Hospital, Building A Wing, Type 3, Ground to 3rd Floor, Aadeshwar Tower, Old Agra Road, Kamat Ghar, Bhiwandi, Thane-421302 (Maharashtra) vi. 3rd and 4th Floor, "Fortune Plaza" Plot No E-4, Taj Nagri Phase-2, Sector-E, Near Hotel Courtyard Marriott, Fatehabad Road, Agra-282001 (Uttar Pradesh) vii. Shop No S1, S2, Office No 101, 201, Building- E, Ground to 2nd Floor, Mayurs Nature Glory, Parsik Nagar, Kalwa, Thane-400605 (Maharashtra)

n) Address for Correspondence

Company Secretary

Torrent Power Limited
"Samanvay",
600 Tapovan, Ambawadi,
Ahmedabad-380015 (Gujarat)
CIN: L31200GJ2004PLC044068
Telephone : + 91 79 26628300
Fax : +91 79 26764159
E-mail : cs@torrentpower.com
Website : www.torrentpower.com

o) Debenture Trustees

IDBI Trusteeship Services Ltd.,

Asian Building, Ground Floor,
17, R. Kamani Marg,
Ballard Estate,
Mumbai-400001 (Maharashtra)
Telephone : (022) 4080 7005

p) Credit Rating

During the year, CRISIL reaffirmed Companies' long-term rating and short-term credit rating at AA+ / Stable and A1+ respectively. India Ratings has also reaffirmed short term rating at IND A1+ to the Commercial Paper Programme of the Company.

12. OTHER DISCLOSURES

a) Related Party Transactions

The Company has formulated Related Party Transaction Policy, which is in compliance with provisions of the Act and the Listing Regulations. The policy can be accessed on the website of the Company at the web link https://www.torrentpower.com/pdf/investors/RPTPolicy002_20220617151631.pdf

During the year, the Company did not enter into any transaction with related parties which were material in nature as defined in the Listing Regulations. All the related party contracts / arrangements and transactions entered into by the Company were put forth for the prior approval of the Audit Committee and the Board, as applicable, in compliance with the said policy. The Company has not entered into any transactions, which requires approval of the Members.

Statement of related party transactions was presented to the Audit Committee for its review on quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The particulars of contracts / arrangements and transactions entered into by the Company with related parties are set out in the Notes to the Financial Statements forming part of this Integrated Annual Report.

Report on Corporate Governance (Contd.)

b) Legal Compliances

The Company has formalised a system to track, monitor and document legal compliances applicable to the Company. The Board periodically reviews compliance reports (of all the laws applicable to the Company), prepared by the management. There were no instances of material non-compliances during the year under review. No strictures were passed or penalties imposed on the Company by SEBI, Stock Exchanges or any statutory authority on any matter related to capital markets during the last three years.

c) Vigil Mechanism / Whistle Blower Policy

The Board has adopted Vigil Mechanism / Whistle Blower Policy for the Company, under which the Company has institutionalised a mechanism for the stakeholders to disclose their concerns and grievances on unethical behaviour and improper / illegal practices and wrongful conduct and instances of leak or suspected leak of Unpublished Price Sensitive Information ("UPSI") taking place in the Company for appropriate action.

The policy was amended by the Board on May 20, 2021 and amended policy is available on the website of the Company at https://www.torrentpower.com/pdf/investors/WhistleBlowerPolicy.pdf

During the year, functioning of the Vigil Mechanism was reviewed by the Audit Committee on quarterly basis. No employee intending to report under Vigil Mechanism was denied access to the Audit Committee.

d) Compliance with all the mandatory requirements of Corporate Governance

The Company has complied with all the mandatory requirements of Corporate Governance applicable to the Company.

e) Material Subsidiary Policy

The Company has formulated a Policy for determining "Material Subsidiary" and same is available on Company's website at https://www.torrentpower.com/pdf/investors/19-01-2019_2vueh_policy_materialsubsidiaries2.pdf

f) Utilization of funds raised through Preferential Allotment or Qualified Institutions Placement

During the year under review, the Company did not raise any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations. However, during the year under review, the Company has issued NCDs on private placement basis, listed on debt market segment of National Stock Exchange Limited. The Company affirms that there has been no deviation or variation in utilisation of proceeds of the listed NCDs of the Company.

g) Certificate of Practicing Company Secretary

The Company has obtained a certificate from M/s Rajesh Parekh & Co., Practicing Company Secretary, Ahmedabad stating that none of the Directors on the Board of the Company have been debarred / disqualified from being appointed / continuing as Directors of any company, by the SEBI and the Ministry of Corporate Affairs or any such Statutory authority.

h) Fees paid to Statutory Auditors

During the year, total fees, for all services (including out of pocket expenses and taxes), paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors - Price Waterhouse Chartered Accountants LLP (012754N/N500016) and to all entities in the network of which Auditor is a part are as under:

(₹ in Crore)

Audit Fees	2.03
Other Services certificates etc.	0.59
Reimbursement of expenses	0.12
Total	**2.74**

i) Protection of Women against Sexual Harassment at Workplace

Pursuant to the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder, the Company has adopted a "Policy on Protection of Women against Sexual Harassment at Workplace". Pursuant to the said Policy, the Company has formed Internal Complaints Committee with majority women members at each of the Unit/ Administrative Office. During the year, 1 complaint was filed with the Internal Complaints Committee and the same was resolved on April 19, 2023.

j) Compliance with Corporate Governance

The Company has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

For and on behalf of the Board of Directors

Jinal Mehta
Managing Director
DIN: 02685284

Ahmedabad
May 29, 2023

CERTIFICATE OF COMPLIANCE WITH THE CODE OF BUSINESS CONDUCT

To,
The Members,
Torrent Power Limited

Torrent Power Limited has in place a Code of Business Conduct (the "Code") for its Board of Directors, Senior Management Personnel and other employees of the Company. I report that the Board of Directors have received affirmation on compliance with the Code from the Members of the Board and Senior Management of the Company for the year under review.

For and on behalf of the Board of Directors

Jinal Mehta
Managing Director
DIN: 02685284

Ahmedabad
May 29, 2023

Independent Auditor's Report

To the Members of Torrent Power Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Torrent Power Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
i. Impairment assessment for Power Plant located at Dahej (Refer to note 41(1) to the standalone financial statements):	
The carrying amount of Property, Plant & Equipment ("PPE") and Right-of-use assets ("ROU") includes an amount of ₹ 1,315.05 crore pertaining to 1,200 MW DGEN Mega Power Project located at Dahej, India ("DGEN"). DGEN started its commercial operations from November 2014 ("COD") and thereafter has operated only intermittently. As a result of the above, and given the current economic environment, management has carried out an impairment assessment of DGEN in accordance with Ind AS 36 'Impairment of Assets' and with the help of an external valuer, has measured the recoverable amount based on 'value in use' which requires estimating the discounted cash flow projections over the estimated useful life of the DGEN. Such assessment involved several key assumptions including expected demand of electricity, future prices of fuel, foreign exchange rate, expected tariff rates of electricity and discount rate, which are considered by management based on past trends and current and likely future state of the industry. Based on such assessment, the value in use arrived at by the management is higher than the carrying amount of PPE and ROU pertaining to DGEN and accordingly, no additional impairment is considered necessary as at March 31, 2023. We considered this to be a key audit matter as the carrying value of DGEN at March 31, 2023 is significant to the Company's balance sheet and there is significant judgement and estimation involved in the discounted cash flow (DCF) model used by the management to assess the value in use of DGEN.	Our procedures in relation to management's impairment assessment of DGEN included the following: • Assessed and tested the design and operating effectiveness of the Company's controls over impairment assessment. • Perused the report issued by the external valuer engaged by the management and conducted enquiries with them to understand the assumptions considered by them. • Evaluated independence, competence, capability and objectivity of the external valuer. • Evaluated the reasonableness of cash flow projections used by the Company and the key assumptions underlying the same. • With the involvement of auditor's experts, assessed the reasonableness of the assumptions considered in the discounted cash flow projections for determining value in use. • Enquired with senior management personnel, the justification for the key assumptions underlying the cashflow projections and performed sensitivity analysis on the same, within a reasonably foreseeable range. • Checked the arithmetic accuracy of the computations included in the discounted cash flow projections. • Assessed the adequacy of disclosure in the standalone financial statements. Based on the above procedures performed, we considered management's assessment of impairment of DGEN to be reasonable.
ii. Assessment of recoverability of Deferred tax assets on unutilised tax credits (Refer to note 42 to the standalone financial statements)	
The Company has recognised deferred tax assets on the unutilised tax credits amounting to ₹ 1,347.59 crore as at March 31, 2023, representing Minimum Alternate Tax (MAT) paid on the accounting profit in the earlier years in which the Company did not have normal taxable profit due to availment of tax holiday. The deferred tax asset has been recognised on the basis of Company's assessment of availability of future taxable profits to offset the accumulated deferred tax assets on the unutilised tax credits. The future taxable profit projections involve several key assumptions including expected demand of electricity, future prices of fuel and expected tariff rates of electricity, covering the period over which MAT Credit can be claimed as per the Income-tax Act, 1961. In preparing the profit projections, management has considered past trends, applicable tariff regulations/ agreements and current and likely future state of the industry. We considered this a key audit matter as the amount of deferred tax assets on unutilised tax credits is material to the standalone financial statements and significant management judgement is required in assessing the recoverability of accumulated deferred tax assets on unutilised tax credits based on significant assumptions underlying the forecast of future taxable profits. Further, recoverability of deferred tax assets depends on the achievement of Company's future business plans.	Our audit procedures in relation to management's assessment of recoverability of Deferred tax assets on unutilised tax credits included the following: • Assessed and tested the design and operating effectiveness of the Company's controls over recognition and assessment of recoverability of deferred tax assets on unutilised tax credits. • Assessed the Company's accounting policy in respect of recognizing deferred tax assets on unutilised tax credits. • Enquired with senior management personnel, the justification for the key assumptions underlying the projections and assessed the reasonableness of the assumptions underlying profit projections made by management, by verifying the past trends, available tariff orders and relevant economic and industry indicators. Further, performed sensitivity analysis over the assumptions used in determining the projected taxable profits, within a reasonable range. • Evaluated whether the tax credit entitlements are legally available to the Company for the forecast recoupment period, considering the provisions of Income-tax Act, 1961. • Checked the arithmetic accuracy of the underlying calculations of the profit projections. • Assessed the adequacy of disclosures made in the standalone financial statements with regard to deferred taxes. Based on the above procedures performed by us, we considered the management's assessment of recoverability of deferred tax assets in respect of accumulated deferred tax assets on unutilised tax credits to be reasonable.

Independent Auditor's Report (Contd.)

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, Management Discussion and Analysis, Business Responsibility and Sustainability Report, Report on Corporate Governance, but does not include the standalone financial statements and our auditor's report thereon.

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

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the standalone financial statements

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

7. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

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

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

   - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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

14. As required by Section 143(3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

Independent Auditor's Report (Contd.)

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 44 to the standalone financial statements.

ii. The Company has made provision as at March 31, 2023, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts - Refer Note 33. The Company did not have any derivative contracts as at March 31, 2023.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 45(c) to the standalone financial statements);

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 45 (c) to the standalone financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N / N500016

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 23109553BGWNNK7657

Place: Ahmedabad
Date: May 29, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Torrent Power Limited on the standalone financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Torrent Power Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to financial statements

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

Annexure A to Independent Auditor's Report (Contd.)

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Torrent Power Limited on the standalone financial statements for the year ended March 31, 2023

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N / N500016

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 23109553BGWNNK7657

Place: Ahmedabad
Date: May 29, 2023

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Torrent Power Limited on the standalone financial statements as of and for the year ended March 31, 2023

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. As regards underground distribution systems, we have been informed that the same are not physically verifiable.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 4 on Property Plant and Equipment, Note 5 on Right-of-use assets and Note 7 on Investment Property to the standalone financial statements, are held in the name of the Company, except for the following:

Description of item of property	Gross carrying value (₹ in crore)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company
Freehold Land	3.39	SEC Limited	No	18 years	Amalgamated due to various court orders. Appeal filed against rate valuation.
Freehold Land	2.00	AEC Limited	No	18 years	
Freehold Land	1.30	SEC Limited	No	18 years	Amalgamated due to various court orders. Applications filed and under process of name change.
Freehold Land	0.06	AEC Limited	No	18 years	
Freehold Land	0.14	Torrent Power AEC Limited	No	18 years	
Freehold Land	0.03	Torrent Power SEC Limited	No	16 years	
Building	0.05	SEC Limited	No	18 years	
Leasehold Land	4.10	AEC Limited	No	18 years	
Leasehold Land	0.34	Torrent Power AEC Limited	No	18 years	
Leasehold Land	5.94	SEC Limited	No	18 years	
Leasehold Land	1.47	Torrent Power SEC Limited	No	18 years	

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

Annexure B to Independent Auditors' Report (Contd.)

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Torrent Power Limited on the standalone financial statements as of and for the year ended March 31, 2023

(b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account (Also refer Note 29 to the Standalone financial statements)

iii. (a) The Company has made investments in three companies and thirteen mutual fund schemes, granted unsecured loans to eleven companies and to one other party, and stood guarantee to two companies, or provided security to a company. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans and guarantees to subsidiaries and associate and to parties other than subsidiaries and associate are as per the table given below:

(₹ in crore)

	Guarantees	Security	Loans
Aggregate amount granted/ provided during the year			
- Subsidiaries	503.91	17.52	5,166.64
- Associate*	-	-	3.50
- Others	-	-	0.01
Balance outstanding as a balance sheet date in respect of the above case			
- Subsidiaries	504.64	17.52	935.80
- Others	-	-	0.01

(Also refer Note 55(b) to the standalone financial statements)

* During the year one associate converted to wholly owned subsidiary w.e.f. July 30, 2022 (Also refer Note 9(5) to the standalone financial statements)

(b) In respect of the aforesaid investments/guarantees/security/loans, the terms and conditions under which such loans were granted/investments were made/guarantees provided/security are not prejudicial to the Company's interest. (Also refer note 55(e) to the standalone financial statements)

(c) In respect of the aforesaid loan aggregating to ₹ 283.45 Crore the schedule of repayment of principal and payment of interest has been stipulated, and the party is repaying the principal amounts, as stipulated, and is also regular in payment of interest as applicable. In respect of the aforesaid loans aggregating to ₹ 1,289.32 Crore, no schedule for repayment of principal and payment of interest has been stipulated by the Company. Therefore, in the absence of stipulation of repayment terms we are unable to comment on the regularity of repayment of principal and payment of interest.

(d) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans /advances in nature of loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to settle the overdue loans.

(f) Following loans were granted during the year, including to promoters/related parties under Section 2(76), which are repayable on demand or where no schedule for repayment of principal and payment of interest has been stipulated by the Company.

(₹ in crore)

	All Parties	Promoters	Related Parties
Aggregate of loans			
Repayable on demand	4,515.53	-	4,515.53
Agreement does not specify any terms or period of repayment	486.61	-	486.61
Percentage of loans to the total loans	96.75%	-	96.75%

(Also refer Note 55(b) to the standalone financial statements)

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Torrent Power Limited on the standalone financial statements as of and for the year ended March 31, 2023

iv. The Company is engaged in providing infrastructural facilities as specified in Schedule VI to the Act and accordingly, the provisions of Section 186, except sub section (1), of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186(1) of the Act in respect of the loans and investments made and guarantees and security provided by it.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, service tax, goods and services tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. [Also, refer note 44(a) to the financial statements regarding management's assessment on certain matters relating to provident fund].

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of provident fund, employees' state insurance and cess which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of Statute	Nature of dues	Amount involved (₹ in crore)	Amount unpaid (₹ in crore)	Period to which the amount relates (Financial Year)	Forum where the dispute is pending
Customs Act, 1962	Custom duty	37.00	18.50	2012-13	Central Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise duty	0.18	0.18	1989-90	Central Excise and Service Tax Appellate Tribunal
Kerala General, Sales Tax Act, 1963	Sales Tax on Works Contracts	0.20	0.20	2001-02	Sales Tax Appellate Tribunal
Andhra Pradesh General Sales Tax, Act, 1957	Sales Tax on Works Contracts	0.29	0.29	1993-94 & 1994-95	High Court for the State of Telangana
Tamil Nadu General Sales Tax Act, 1959	Sales Tax on Works Contracts	0.47	0.47	1989-90 & 1990-91	Asst. Commissioner of Commercial Tax
Gujarat Value Added Tax Act, 2004	Value Added Tax	6.99	2.41	2007-8 to 2010-11	Gujarat Value Added Tax Tribunal
Gujarat Stamp Act, 1958	Stamp Duty	35.10	35.10	2009-10	High Court of Gujarat
Maharashtra Stamp Act, 1958	Stamp Duty	1.01	0.76	2006 and 2016	High Court Bombay
Gujarat Stamp Act, 1958	Stamp Duty	0.26	0.26	2006-07	Deputy Collector, Stamp Duty Valuation Department, Surat
Finance Act, 1994	Service tax	0.49	0.49	2014-15 & 2016-17	Central Excise and Service Tax Appellate Tribunal
CGST Act, 2017	Goods and Services Tax	11.59	0.32	Jul 2017 to Dec 2019	Jt. Commissioner (CGST)
Income Tax Act, 1961	Income Tax	2.75	0.17	2018-19	Commissioner of Income-tax (Appeals)

The above table does not include matters which have been decided in favour of the Company although the department have preferred appeal at higher level.

Annexure B to Independent Auditors' Report (Contd.)

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Torrent Power Limited on the standalone financial statements as of and for the year ended March 31, 2023

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans and debt instruments have been applied for the purposes for which they were obtained. (Also refer Note 25 to the standalone financial statements)

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary companies.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary companies.

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

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

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Torrent Power Limited on the standalone financial statements as of and for the year ended March 31, 2023

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

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

(d) Based on the information and explanations provided by the management of the Company, the Group has one CICs as part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the standalone financial ratios (Also refer Note 64 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.

(b) The Company has transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (5) of Section 135 of the Act pursuant to ongoing project to a special account in compliance with the provision of sub-section (6) of Section 135 of the Act. (Also refer Note 50 to the standalone financial statements)

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N / N500016

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 23109553BGWNNK7657

Place: Ahmedabad
Date: May 29, 2023

Standalone Balance Sheet

as at March 31, 2023

(₹ in Crore)

	Notes	As at March 31, 2023	As at March 31, 2022
Assets			
Non-current assets			
Property, plant and equipment	4	14,578.77	14,096.46
Right-of-use assets	5	165.72	178.47
Capital work-in-progress	6	1,608.99	1,186.07
Investment property	7	9.76	13.27
Intangible assets	8	11.65	18.99
Financial assets			
Investments in subsidiaries	9	1,795.29	1,028.17
Other investments	10	15.94	132.82
Loans	11	1,507.56	349.32
Other financial assets	12	21.02	652.81
Non-current tax assets (net)	13	8.09	8.64
Other non-current assets	14	281.20	331.12
		20,003.99	**17,996.14**
Current assets			
Inventories	15	645.71	437.96
Financial assets			
Investments	16	682.31	253.27
Trade receivables	17	1,516.04	1,363.63
Cash and cash equivalents	18	138.08	161.79
Bank balances other than cash and cash equivalents	19	143.50	45.14
Loans	20	105.16	1,031.53
Other financial assets	21	2,632.43	2,193.63
Other current assets	22	120.28	121.52
		5,983.51	**5,608.47**
		25,987.50	**23,604.61**
Equity and liabilities			
Equity			
Equity share capital	23	480.62	480.62
Other equity	24	10,539.05	9,485.40
		11,019.67	**9,966.02**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	25	7,044.53	6,119.99
Lease liabilities	47	35.30	37.27
Trade payables	26		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues other than micro and small enterprises		210.61	150.46
Other financial liabilities	27	9.54	10.68
Deferred tax liabilities (net)	42	643.46	317.79
Other non-current liabilities	28	1,369.89	1,259.13
		9,313.33	**7,895.32**
Current liabilities			
Financial liabilities			
Borrowings	29	1,345.09	1,745.93
Lease liabilities	47	5.33	4.95
Trade payables	30		
Total outstanding dues of micro and small enterprises		60.67	50.27
Total outstanding dues other than micro and small enterprises		1,020.67	1,057.34
Other financial liabilities	31	2,172.47	1,892.49
Other current liabilities	32	646.60	601.36
Provisions	33	242.90	269.55
Current tax liabilities (net)	34	160.77	121.38
		5,654.50	**5,743.27**
		25,987.50	**23,604.61**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number : 012754N/N500016

Priyanshu Gundana
Partner
Membership No.: 109553

Ahmedabad, May 29, 2023

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

Saurabh Mashruwala
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 29, 2023

Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(₹ in Crore)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Income			
Revenue from operations	**35**	18,836.22	13,715.74
Other income	**36**	434.64	296.09
Total income		**19,270.86**	**14,011.83**
Expenses			
Electrical energy purchased		8,660.97	5,116.39
Fuel cost		2,508.23	3,403.40
Purchase of stock-in-trade		1,879.26	305.99
Employee benefits expense	**37**	513.85	514.07
Finance costs	**38**	668.34	581.56
Depreciation and amortisation expense	**39**	1,058.88	1,233.79
Other expenses	**40**	1,050.04	1,042.25
Total expenses		**16,339.57**	**12,197.45**
Profit before exceptional items and tax		2,931.29	1,814.38
Exceptional items	**41**	-	1,300.00
Profit before tax		**2,931.29**	**514.38**
Tax expense			
Current tax	**42**	634.45	367.45
Deferred tax	**42**	193.12	(262.78)
		827.57	**104.67**
Profit for the year		**2,103.72**	**409.71**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans	**48**	11.21	3.03
Tax relating to remeasurement of the defined benefit plans	**42**	3.92	1.06
Other comprehensive income for the year, net of tax		**7.29**	**1.97**
Total comprehensive income for the year		**2,111.01**	**411.68**
Basic and diluted earnings per share of face value of ₹10 each (in ₹)	**52**	43.77	8.52

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number : 012754N/N500016

Priyanshu Gundana
Partner
Membership No.: 109553

Ahmedabad, May 29, 2023

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

Saurabh Mashruwala
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 29, 2023

Standalone Statement of Cash Flows

for the year ended March 31, 2023

(₹ in Crore)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Cash flow from operating activities			
Profit before tax		2,931.29	514.38
Adjustments for :			
Depreciation and amortisation expense	39	1,058.88	1,233.79
Amortisation of deferred revenue	35	(99.69)	(89.86)
Provision of earlier years written back	35	(0.60)	(1.04)
Loss on sale / discarding of property, plant and equipment and capital work-in-progress	40	29.90	25.73
Gain on disposal of property, plant and equipment / investment property	36	(44.83)	(30.04)
Bad debts written off (net of recovery)	40	3.89	47.00
Reversal of provision for onerous contracts	40	(10.82)	(27.57)
Provision for onerous contracts	40	-	0.53
Allowance for doubtful debts (net)	40	(21.04)	(40.90)
Exceptional items	41	-	1,300.00
Finance costs	38	668.34	581.56
Interest income from financial assets measured at amortised cost	36	(163.51)	(144.30)
Dividend income from non-current investments carried at cost	36	(30.98)	(14.65)
Rent income from investment property	36	(1.16)	(1.16)
Impairment for non-current investments	40	0.80	1.60
Gain on sale of current investments in mutual funds	36	(53.28)	(24.22)
Net (gain) / loss arising on current investments in mutual funds measured at fair value through profit or loss	36	(3.84)	0.47
Net gain arising on financial assets / liabilities measured at amortised cost	36	(23.74)	(28.93)
Financial guarantee commission (amortised)	36	(6.52)	(5.00)
Net unrealised loss / (gain) on foreign currency transactions		10.71	(5.20)
Operating profit before working capital changes		**4,243.80**	**3,292.19**
Movement in working capital:			
Adjustments for decrease / (increase) in operating assets:			
Inventories		(207.75)	(51.80)
Trade receivables		(135.26)	(94.21)
Other financial assets		(624.53)	(280.88)
Other assets		11.63	(31.35)
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		39.63	197.87
Other financial liabilities		221.79	126.78
Provisions		(4.62)	(3.58)
Other liabilities		38.76	55.26
Cash generated from operations		**3,583.45**	**3,210.28**
Taxes paid (net)		(465.86)	(229.48)
Net cash flow generated from operating activities		**3,117.59**	**2,980.80**
Cash flow from investing activities			
Payments for property, plant and equipment, intangible assets & investment property		(1,908.51)	(1,540.64)
Proceeds from sale of property, plant and equipment, intangible assets & investment property		65.73	47.24
Non-current Investment in subsidiaries		(175.13)	(606.26)
Advance against equity investment		(3.00)	(555.00)
Proceeds from redemption of debentures		99.09	-
Purchase of non-current investments		(1.94)	(1.91)
Loans to related parties		(5,170.14)	(469.40)
Repayment of loans from related parties		4,955.46	276.64

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(Investments) / redemption in bank deposits (net) (original maturity more than three months)	(97.94)	51.16
Redemption in inter corporate deposits	266.84	113.39
Interest received	145.65	144.62
(Purchase of) / proceeds from current investments (net)	(345.64)	12.11
Dividend received from non-current investments	30.98	14.65
Rent income from investment property	1.16	1.16
Net cash generated from / (used in) investing activities	**(2,137.39)**	**(2,512.24)**
Cash flow from financing activities		
Proceeds from long-term borrowings	2,300.00	1,100.00
Proceeds from short-term borrowings	400.00	702.74
Repayment of long-term borrowings	(902.30)	(860.34)
Prepayment of long-term borrowings	(168.23)	(235.49)
Repayment of short-term borrowings	(1,102.74)	-
Repayment of Accelerated Power Development and Reform Programme (APDRP) loan	(3.82)	(3.82)
Receipt of contribution from consumers	216.93	200.41
Dividend paid	(1,057.36)	(696.89)
Principal elements of lease payments	(7.78)	(9.38)
Finance costs paid	(678.61)	(599.55)
Net cash generated from / (used in) financing activities	**(1,003.91)**	**(402.32)**
Net (decrease) / increase in cash and cash equivalents	(23.71)	66.24
Cash and cash equivalents as at beginning of the year	161.79	95.55
Cash and cash equivalents as at end of the year	**138.08**	**161.79**
Footnotes:		
1 Cash and cash equivalents as at end of the year:		
Balances with banks		
Balance in current accounts	137.18	160.55
Cheques on hand	0.60	0.78
Cash on hand	0.30	0.46
	138.08	**161.79**
2 Non-cash investing activities:		
Acquisition of Right-of-use assets	4.17	10.74
Increase in investment in equity instruments due to fair valuation of corporate guarantees	6.74	8.79
	10.91	**19.53**

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

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number : 012754N/N500016

Priyanshu Gundana
Partner
Membership No.: 109553

Ahmedabad, May 29, 2023

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

Saurabh Mashruwala
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 29, 2023

Standalone Statement of Changes in Equity

for the year ended March 31, 2023

A. Equity Share Capital [Refer note 23]

(₹ in Crore)

Balance as at April 1, 2021	**480.62**
Changes in equity share capital during the year	-
Balance as at March 31, 2022	**480.62**
Changes in equity share capital during the year	-
Balance as at March 31, 2023	**480.62**

B. Other Equity [Refer note 24]

(₹ in Crore)

	Reserves and surplus						Total
	Securities premium	Debenture redemption reserve	Contingency reserve	Special reserve	General reserve	Retained earnings	
Balance as at April 1, 2021	0.03	187.26	13.46	78.07	3,583.89	5,907.90	9,770.61
Profit for the year	-	-	-	-	-	409.71	409.71
Other comprehensive income for the year, net of tax	-	-	-	-	-	1.97	1.97
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**411.68**	**411.68**
Transfer to / (from) debenture redemption reserve	-	(78.96)	-	-	-	78.96	-
Transfer to contingency reserve	-	-	1.91	-	-	(1.91)	-
Transaction with owners in their capacity as owners:							
Dividend (including interim dividend) paid	-	-	-	-	-	(696.89)	(696.89)
Balance as at March 31, 2022	**0.03**	**108.30**	**15.37**	**78.07**	**3,583.89**	**5,699.74**	**9,485.40**
Profit for the year	-	-	-	-	-	2,103.72	2,103.72
Other comprehensive income for the year, net of tax	-	-	-	-	-	7.29	7.29
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**2,111.01**	**2,111.01**
Transfer to / (from) debenture redemption reserve	-	(86.72)	-	-	86.72	-	-
Transfer to contingency reserve	-	-	1.92	-	-	(1.92)	-
Transaction with owners in their capacity as owners:							
Dividend (including interim dividend) paid	-	-	-	-	-	(1,057.36)	(1,057.36)
Balance as at March 31, 2023	**0.03**	**21.58**	**17.29**	**78.07**	**3,670.61**	**6,751.47**	**10,539.05**

Footnote:

1 Retained earning includes (₹ 22.44) Crore [March 31, 2022 (₹ 29.73) Crore] related to re-measurement of defined benefit plans.

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number : 012754N/N500016

Priyanshu Gundana
Partner
Membership No.: 109553

Ahmedabad, May 29, 2023

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

Saurabh Mashruwala
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 29, 2023

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 1a: General information

Torrent Power Limited ("the Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. Its equity shares are listed on BSE Ltd. and National Stock Exchange Ltd. in India. The registered office of the Company is located at "Samanvay", 600, Tapovan, Ambawadi, Ahmedabad – 380 015.

The Company is engaged in the business of generation, transmission and distribution of Electricity.

Note 1b: New standards or interpretations adopted by the Company

The Ministry of Corporate Affairs had vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective April 1, 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Note 1c: New standards or interpretations issued but not yet effective

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective April 1, 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

Note 2: Significant accounting policies

2.1 Basis of preparation:

Compliance with Ind AS

The financial statements are in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act and rules made thereunder.

Historical cost convention

The financial statements have been prepared on an accrual basis under the historical cost convention except for following which have been measured at fair value;

- Defined benefit plan assets

All assets and liabilities have been classified as current or non-current as set out in the Schedule III (Division II) to the Companies Act, 2013.

2.2 Business combinations and Goodwill:

Business combination - acquisition

Acquisitions of businesses are accounted for using the acquisition method. In determining whether a particular set of activities and assets is a business, the Company assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred, liabilities incurred to the former owners of the acquiree and the equity interests issued by the Company in exchange for control of the acquiree.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 2: Significant accounting policies (Contd.)

The excess of the

- consideration transferred; and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Business combination – common control transaction

Business combinations involving entities that are controlled by the Company are accounted for using the pooling of interests method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.
- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

Business combination-related costs are generally recognised in statement of profit and loss as incurred.

Acquisition of an asset or a group of assets

In case of acquisition of an asset or a group of assets that does not constitute a business, the Company identifies and recognises individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets under Ind AS 38, Intangible Assets) and liabilities assumed. The Purchase Consideration shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction or event does not give rise to goodwill or gain on bargain purchase.

Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of a business include the carrying amount of goodwill relating to such business.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 2: Significant accounting policies (Contd.)

2.3 Investments in subsidiaries, joint ventures and associates:

Investments in associates, joint ventures and subsidiaries are measured at cost less provision for impairment, if any.

2.4 Government grants:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grants relating to income are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants relating to purchase of property, plant and equipment whose primary condition is that the Company should purchase, construct or otherwise acquire property, plant and equipment are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

2.5 Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, except that on adoption of Ind AS, property, plant and equipment had been measured at deemed cost, using the net carrying value as per previous GAAP as at April 1, 2015.

Capital work in progress in the course of construction for production, supply or administrative purposes is carried at cost, less any recognised impairment loss. Cost includes purchase price, taxes and duties, labour cost and other directly attributable costs incurred upto the date the asset is ready for its intended use. Such property, plant and equipment are classified to the appropriate categories when completed and ready for intended use.

Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs relating to day to day servicing of the item are not recognised in the carrying amount of an item of property, plant and equipment; rather, these costs are recognised in profit or loss as incurred.

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

Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are ready for their intended use. Depreciation for the year is provided on additions / deductions of the assets during the period from / up to the month in which the asset is added / deducted. Depreciation on property, plant and equipment which are governed as per the provisions of Part B of Schedule II of the Companies Act, 2013 is provided on straight line basis using the depreciation rates, the methodology and residual value as notified by the respective regulatory bodies in accordance with the Electricity Act, 2003. For other property, plant and equipment in non-regulated business, depreciation is provided on a straight line basis over the estimated useful lives.

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period in respect of property, plant and equipment of non-regulated business. The effect of any such change in estimate in this regard is accounted for on a prospective basis.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 2: Significant accounting policies (Contd.)

The range of depreciation rates of property, plant and equipment are as follows:

Class of assets	Rate of depreciation		
	Regulated business $	Franchisee business @	Other business
Buildings	1.26% to 6.73%	3.34%	3.34%
Railway siding	1.80% to 5.28%	-	-
Leasehold improvement	-	16.86% to 23.08%	-
Plant and machinery	0.92% to 19.00%	5.28%	3.60%
Electrical fittings and apparatus	0.64% to 19.00%	6.33%	6.33%
Furniture and fixtures	0.91% to 15.00%	6.33%	6.33%
Vehicles	9.50% to 18.00%	9.50%	9.50%
Office equipment	0.91% to 31.67%	5.28% to 15.00%	6.33% to 15.00%

@ governed by the applicable regulations of Uttar Pradesh Electricity Regulatory Commission (UPERC) / Maharashtra Electricity Regulatory Commission (MERC) for this purpose.

$ For assets acquired on or after April 1, 2009 in case of Regulated generation and distribution business, remaining depreciable value as on 31st March of the year closing after a period of 12 years from date on which assets are ready for their intended use, shall be spread over the balance useful life of the assets as defined in GERC / CERC Multi Year Tariff (MYT) regulations.

2.6 Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from its current use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Investment properties, other than free hold land, are depreciated using straight line method over their estimated useful lives.

2.7 Intangible assets – acquired:

Computer software is carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over its estimated useful life of 3 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period and the effect of any changes in such estimate is accounted for on a prospective basis.

Expenditure incurred on acquisition of intangible assets which are not ready to use at the reporting date is disclosed under "Intangible assets under development".

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its 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 profit or loss when the asset is derecognised.

2.8 Impairment of assets:

Property, plant and equipment and intangible assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's fair value less costs of disposal and value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. An impairment loss is recognised immediately in profit or loss.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 2: Significant accounting policies (Contd.)

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.9 Borrowing costs:

Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, such as new projects and / or specific assets created in the existing business, are capitalized up to the date of completion and ready for their intended use.

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

Other borrowing costs are charged to the statement of profit and loss in the period of their accrual.

2.10 Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, cheques / drafts on hand, current account balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.11 Inventories:

Raw materials, fuel, stores and spares, packing materials, loose tools, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of inventories includes purchase price and all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the weighted average basis except for inventory of Regasified Liquefied Natural Gas (RLNG) which is valued using specific identification method considering its procurement for beneficiary usage or others. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.12 Revenue recognition:

Revenue towards satisfaction of a performance obligation is measured and recognized at transaction price, when the control of the goods or services has been transferred to consumers net of discounts and other similar allowances.

(i) Revenue from power supply is accounted for in accordance with the rates, terms and conditions laid down under the relevant Tariff Regulations / Tariff Orders notified by the Electricity Regulators / agreements entered with the customers / power exchange rates, as applicable. Revenue recognised includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff and adjustments in respect of unbilled amounts towards revenue gaps / unapproved Fuel and Power Purchase Price Adjustment (FPPPA) which are recognised considering applicable tariff regulations / tariff orders, past trends of approval, management's probability estimate and when no significant uncertainty exists in such determination. Revenue from power supply exclude taxes and duties.

    These adjustments / accruals are carried forward as 'Unbilled revenue' under "Other current financial assets" in Note 21, which would be adjusted through future billing based on tariff determination by the regulator in accordance with the electricity regulations.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 2: Significant accounting policies (Contd.)

(ii) Trading of RLNG are recognised, net of returns and rebates, on transfer of control of ownership to the buyer. Sales exclude Goods and Services Tax.

(iii) Income from Generation Based Incentive is accounted on accrual basis considering eligibility of project for availing incentive.

(iv) Contributions by consumers towards items of property, plant and equipment, which require an obligation to provide electricity connectivity to the consumers, are recognised as a credit to deferred revenue. Such revenue is recognised over the useful life of the property, plant and equipment.

2.13 Foreign currency translation:

Functional and presentation currency

The financial statements are prepared in Indian rupee (₹) which is functional as well as presentation currency of the Company.

Transactions and balances

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign exchange differences arising on foreign currency borrowings are presented in the Statement of profit and loss, within finance costs. All other foreign exchange differences arising on settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the financial year are recognized as income or expense in the financial year in which they arise.

2.14 Employee benefits:

Defined contribution plans

Contributions to retirement benefit plans in the form of provident fund, employee state insurance scheme, pension scheme and superannuation schemes as per regulations are charged as an expense on an accrual basis when employees have rendered the service. The Company has no further payment obligations once the contributions have been paid.

Defined benefits plans

The liability or asset recognised in the balance sheet in respect of the retirement benefit plan i.e. gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by an actuary using projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets. This cost is included in the employee benefit expense in the statement of profit and loss.

Remeasurements, comprising actuarial gains and losses and the effect of the changes to the asset ceiling (if applicable), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and consequently recognised in retained earnings and is not reclassified to profit or loss.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 2: Significant accounting policies (Contd.)

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

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The said obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2.15 Taxation:

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

Current tax

The tax currently payable is based on estimated taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in the tax returns with respect to situations for which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Advance taxes and provisions for current income taxes are offset with each other when there is a legally enforceable right to offset and balances arise with the same tax authority.

Deferred tax

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

Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 2: Significant accounting policies (Contd.)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

2.16 Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by adjusting the figures used in the determination of basic EPS to take into account:

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

2.17 Provisions, contingent liabilities and contingent assets:

Provisions

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

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).

Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

2.18 Financial instruments:

Financial assets

i) Classification of financial assets (including debt instruments)

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 2: Significant accounting policies (Contd.)

ii) Initial measurement

Financial assets (excluding trade receivables) are initially measured at fair value. Transaction costs that are directly attributable to the acquisition (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in profit or loss. Trade receivables which do not contain a significant financing component are measured at transaction price.

iii) Subsequent measurement

There are three measurement categories into which the debt instruments can be classified:

- **Amortised cost**

  Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit and loss.

- **Fair value through other comprehensive income (FVOCI)**

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses. The Company currently does not have any debt instruments which are measured at FVOCI.

- **Fair value through profit or loss (FVTPL)**

  Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains / (losses) in the period in which it arises. Net gains / (losses) from these financial assets is included in other income.

iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses to measure the expected credit losses, trade receivables have been grouped based on days past due. The policy of the Company is to provide for credit loss takes into consideration of factors such as type of Consumers i.e. Government Consumers / Non Government consumers, Status of Consumers i.e. Live consumers / Disconnected consumers and Security deposits provided by the Consumer.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 2: Significant accounting policies (Contd.)

v) Derecognition of financial assets

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 rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset

When the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of financial asset, the financial asset is derecognised if the Company has not retained control over the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

vi) Income recognition

Dividend is accounted when the right to receive payment is established.

Interest income on financial assets at amortised cost is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest on overdue receivables of energy bills and claims including insurance claims, coal cost variation and other claims etc. are accounted when there is a certainty of recovery.

Financial liabilities

i) Classification

All the Company's financial liabilities are measured at amortized cost.

ii) Initial measurement

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the issue of financial liabilities are deducted from the fair value of the financial liabilities, as appropriate, on initial recognition.

iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate Method.

The Effective Interest Rate Method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability.

iv) Derecognition of financial liabilities

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

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 2: Significant accounting policies (Contd.)

v) **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. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

2.19 Contributed equity:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Transaction costs of an equity transaction shall be accounted for in other equity.

2.20 Leases:

Company as a lessee:

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components.

Lease liabilities:

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the lease payments.

The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the lessee's incremental borrowing rate. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets:

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date.

Right-of-use assets are depreciated over the lease term on a straight-line basis. 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, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated over the asset's lease term on a straight-line basis.

Short term leases and leases of low value assets:

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment including IT equipment.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 2: Significant accounting policies (Contd.)

2.21 Exceptional Items:

When items of income or expense are of such nature, size and incidence that their disclosure is necessary to explain the performance of the Company for the year, the company makes a disclosure of the nature and amount of such items separately under the head "Exceptional items."

2.22 Amount presented and rounding off:

All amounts in the financial statements and notes have been presented in ₹ Crore (except for share data) rounded to two decimals as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated. Figures below ₹ 50,000 are denoted by '*'.

Note 3: Critical accounting judgements and key sources of estimation uncertainty

In the course of applying the policies outlined in all notes under note 2 above, the management of the Company is required to make judgements, estimates and assumptions about the carrying amount 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.

Such estimates and associated 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 period, if the revision affects current and future periods.

3.1 Revenue recognition:

The Company has recognised revenue (including the adjustment in respect of unapproved FPPPA claims and other true up adjustment claims) as per the applicable tariff regulations / tariff orders, management's probability estimate and the past trends of approval. The company has not recognized those truing up adjustment claims which are disputed and for which the company is in appeal with regulatory authorities. These are recognised on receipt of final orders of respective regulatory authorities. [Refer note 35 & 43]

3.2 Property, plant and equipment:

(i) Service concession arrangements

The Company has assessed applicability of Appendix D of Ind AS 115 "Service Concession Arrangements" with respect to its Property, plant and equipment. In assessing the applicability, the Company has exercised judgment in relation to the provisions of the Electricity Act, 2003, conditions provided under transmission and distribution license and / or agreements. Further, the Company has ability to pledged the assets pursuant to which it has control and ability to direct the use of assets. Based on such assessment, it has concluded that Appendix D of Ind AS 115 is not applicable.

(ii) Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the property, plant and equipment. Further, the cash flow projections are based on estimates and assumptions relating to expected demand, future price of fuel, expected tariff rates for electricity, discount rate, exchange rate and electricity market scenario, based on past trends and the current and likely future state of the industry etc. which are considered reasonable by the Management. Any reasonable possible change in the underlying assumptions would not lead to a material change to the amount of impairment. [Refer note 41(1)].

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 3: Critical accounting judgements and key sources of estimation uncertainty (Contd.)

3.3 Impairment of investments in subsidiaries

At the end of each reporting period, the Company reviews the carrying amounts of its investments in subsidiaries when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for. [Refer note 41(2)]

Impairment of loans

The Company applies the Ind AS 109 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for loans granted by the Company to its subsidiaries.

3.4 Taxes:

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, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets for unused tax credits that can be recognised, based upon the likely timing and the level of future taxable profits [Refer note 42(d)]

3.5 Contingencies:

Contingent liabilities

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management judgement is involved in classification under 'remote', 'possible' or 'probable' which is carried out based on expert advice, past judgements, experiences etc. [Refer note 44(a)]

3.6 Employee benefit plans:

Defined benefit plans and other long-term employee benefits

The present value of obligations under defined benefit plan and other long term employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates. Due to the complexities involved in the valuation and its longterm nature, these obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Information about the various estimates and assumptions made in determining present value of defined benefit obligation are disclosed in note 48.2.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 4 : Property, Plant and Equipment

As at March 31, 2023

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation and impairment loss					Net carrying amount
	As at April 1, 2022	Additions during the year	Deductions during the year	Adjustments during the year	As at March 31, 2023	As at April 1, 2022	For the year	Deductions during the year	Adjustments during the year	As at March 31, 2023	As at March 31, 2023
Freehold land	404.87	75.69	-	7.24	487.80	-	-	-	-	-	487.80
Buildings	1,776.06	246.43	1.12	15.03	2,036.40	356.73	65.54	0.21	2.82	424.88	1,611.52
Leasehold improvement	4.05	0.52	-	-	4.57	0.67	0.68	-	-	1.35	3.22
Railway siding	1.86	-	-	-	1.86	0.35	0.05	-	-	0.40	1.46
Plant and machinery	21,490.01	1,142.38	56.24	5.00	22,581.15	9,435.01	945.31	30.01	(2.82)	10,347.49	12,233.66
Electrical fittings and apparatus	54.52	12.52	0.15	0.05	66.94	20.82	3.24	0.09	-	23.97	42.97
Furniture and fixtures	63.69	13.21	0.16	-	76.74	20.60	4.15	0.11	-	24.64	52.10
Vehicles	30.01	6.06	2.09	-	33.98	11.32	3.11	1.22	-	13.21	20.77
Office equipment	188.45	25.82	4.47	0.29	210.09	71.56	16.44	3.18	-	84.82	125.27
Total	**24,013.52**	**1,522.63**	**64.23**	**27.61**	**25,499.53**	**9,917.06**	**1,038.52**	**34.82**	**-**	**10,920.76**	**14,578.77**

As at March 31, 2022

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation and impairment loss					Net carrying amount
	As at April 1, 2021	Additions during the year	Deductions during the year	Adjustments during the year	As at March 31, 2022	As at April 1, 2021	For the year		Deductions during the year	As at March 31, 2022	As at March 31, 2022
							Depreciation	Impairment			
Freehold land	422.62	-	4.85	(12.90)	404.87	-	-	-	-	-	404.87
Buildings	1,668.68	112.79	6.41	1.00	1,776.06	298.18	59.83	-	1.28	356.73	1,419.33
Leasehold improvement	-	0.58	-	3.47	4.05	-	0.67	-	-	0.67	3.38
Railway siding	1.86	-	-	-	1.86	0.30	0.05	-	-	0.35	1.51
Plant and machinery	20,429.17	1,117.42	58.85	2.27	21,490.01	7,035.82	1,126.75	1,300.00	27.56	9,435.01	12,055.00
Electrical fittings and apparatus	51.02	6.39	0.13	(2.76)	54.52	17.91	2.99	-	0.08	20.82	33.70
Furniture and fixtures	56.59	7.63	0.53	-	63.69	17.14	3.79	-	0.33	20.60	43.09
Vehicles	28.14	5.06	3.32	0.13	30.01	10.84	2.84	-	2.36	11.32	18.69
Office equipment	163.84	22.88	1.33	3.06	188.45	56.95	15.51	-	0.90	71.56	116.89
Total	**22,821.92**	**1,272.75**	**75.42**	**(5.73)**	**24,013.52**	**7,437.14**	**1,212.43**	**1,300.00**	**32.51**	**9,917.06**	**14,096.46**

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 4 : Property, Plant and Equipment (Contd.)

Footnotes:

1 The above property, plant and equipment have been mortgaged and hypothecated to secure borrowings of the Company [Refer note 25].

2 Capital commitment:

Refer note 44(c) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

3 Adjustments during the year include capitalisation of borrowing costs of ₹ 27.61 Crore (Previous year - ₹ 7.17 Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 "Borrowing Costs".

4 Adjustments during the previous year include change in nature of freehold land from Property, plant and equipment to Investment property of ₹ 12.90 Crore.

5 The weighted average rate for capitalisation of borrowing cost relating to general borrowing is in the range of 7.62% p.a. to 7.67% p.a. (Previous year 7.27% p.a. to 7.30% p.a.).

6 Additions to plant and machinery includes capitalisation of directly attributable costs incurred by the Company under various headings.

7 Refer note 41(1) for impairment loss in respect of DGEN power plant.

8 The closing balance of accumulated depreciation and impairment consist impairment loss of ₹ 2,314.07 Crore (March 31, 2022 - ₹ 2,314.07 Crore).

9 The Company has not revalued its property, plant and equipment during the current or previous year.

10 Refer note 60 for title deeds of immovable property not held in the name of the Company.

11 Pro-rata cost of assets owned jointly with Torrent Pharmaceuticals Limited, a fellow subsidiary are as under:

(₹ in Crore)

Particulars	Proportion of holding	As at March 31, 2023	As at March 31, 2022
Freehold land	50%	23.58	23.58
Freehold land	70%	83.16	83.16
Building	70%	3.04	3.04

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 5 : Right-of-use Assets

As at March 31, 2023

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation					Net carrying amount
	As at April 1, 2022	Additions during the year	Deductions during the year	Adjustments during the year	As at March 31, 2023	As at April 1, 2022	For the year	Deductions during the year	Adjustments during the year	As at March 31, 2023	As at March 31, 2023
Land	173.28	1.18	-	(4.65)	169.81	20.74	7.01	-	(0.54)	27.21	142.60
Buildings	36.04	2.99	2.73	-	36.30	10.36	4.18	1.18	-	13.36	22.94
Plant and machinery	0.38	-	-	-	0.38	0.15	0.05	-	-	0.20	0.18
Office equipment	0.14	-	-	-	0.14	0.12	0.02	-	-	0.14	-
Total	**209.84**	**4.17**	**2.73**	**(4.65)**	**206.63**	**31.37**	**11.26**	**1.18**	**(0.54)**	**40.91**	**165.72**

As at March 31, 2022

(₹ in Crore)

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at April 1, 2021	Additions during the year	Deductions during the year	As at March 31, 2022	As at April 1, 2021	For the year	Deductions during the year	As at March 31, 2022	As at March 31, 2022
Land	171.94	1.34	-	173.28	13.79	6.95	-	20.74	152.54
Buildings	27.70	10.77	2.43	36.04	7.84	4.40	1.88	10.36	25.68
Plant and machinery	0.38	-	-	0.38	0.10	0.05	-	0.15	0.23
Office equipment	0.14	-	-	0.14	0.08	0.04	-	0.12	0.02
Total	**200.16**	**12.11**	**2.43**	**209.84**	**21.81**	**11.44**	**1.88**	**31.37**	**178.47**

Footnotes:

1 The above right-of-use assets have been mortgaged and hypothecated to secure borrowings of the Company [Refer note 25].

2 Adjustments during the year include change in nature of land from Right-of-use assets to Investment property of ₹ 4.11 Crore (net).

3 Refer note 47 for disclosure relating to right-of-use asset.

4 Refer note 60 for title deeds of right-of-use assets not held in the name of the Company.

5 The Company has not revalued its right-of-use assets during the current or previous year.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 6 : Capital Work-in-Progress

As at March 31, 2023

(₹ in Crore)

Particulars	As at April 1, 2022	Additions during the year	Capitalised during the year	Adjustment during the year	As at March 31, 2023
Capital work-in-progress	1,186.07	1,867.40	1,432.91	(11.57)	1,608.99
Total	**1,186.07**	**1,867.40**	**1,432.91**	**(11.57)**	**1,608.99**

As at March 31, 2022

(₹ in Crore)

Particulars	As at April 1, 2021	Additions during the year	Capitalised during the year	Adjustment during the year	As at March 31, 2022
Capital work-in-progress	837.73	1,528.70	1,179.93	(0.43)	1,186.07
Total	**837.73**	**1,528.70**	**1,179.93**	**(0.43)**	**1,186.07**

Footnotes:

1 The above capital work-in-progress have been mortgaged and hypothecated to secure borrowings of the Company [Refer note: 25].

2 Capital work-in-progress include borrowing costs of ₹ 47.62 Crore (March 31, 2022 - ₹ 30.94 Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 “Borrowing Costs”.

3 Adjustment during the year includes ₹ 11.57 Crore (including ₹ 1.49 Crore related to borrowing cost) (previous year - ₹ 0.43 Crore) write off.

4 Capital work-in-progress mainly comprises Plant and machinery, Buildings and Freehold land.

5 Refer note 59 for ageing schedule of the capital work-in-progress.

Note 7 : Investment Property

As at March 31, 2023

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation				Net carrying amount
	As at April 1, 2022	Additions during the year	Deductions during the year	Adjustments during the year	As at March 31, 2023	As at April 1, 2022	For the year	Deductions during the year	As at March 31, 2023	As at March 31, 2023
Freehold land	13.27	2.17	9.79	4.11	9.76	-	-	-	-	9.76
Total	**13.27**	**2.17**	**9.79**	**4.11**	**9.76**	**-**	**-**	**-**	**-**	**9.76**

As at March 31, 2022

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation				Net carrying amount
	As at April 1, 2021	Additions during the year	Deductions during the year	Adjustments during the year	As at March 31, 2022	As at April 1, 2021	For the year	Deductions during the year	As at March 31, 2022	As at March 31, 2022
Freehold land	0.37	-	-	12.90	13.27	-	-	-	-	13.27
Total	**0.37**	**-**	**-**	**12.90**	**13.27**	**-**	**-**	**-**	**-**	**13.27**

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 7 : Investment Property (Contd.)

Footnotes:

1 The above investment property have been mortgaged and hypothecated to secure borrowings of the company [Refer Note - 25].

2 The Company had leased the part of freehold land with effect from January 15, 2021 as disclosed above to TCL Cables Private Limited for the lease term of 10 years.

3 Adjustments during the year is due to change in nature of leasehold land from Right-of-use assets of ₹ 4.11 Crore (Previous year : freehold land from property plant and equipment of ₹ 12.90 Crore) to Investment property.

4 Details of the Company's investment property and information about the fair value hierarchy are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of investment property (₹ in Crore)	159.10	179.39
Fair value hierarchy	Level 2 [Refer note 56]	Level 2 [Refer note 56]

The fair value of the Company's investment property has been arrived based on a valuation report by external independent valuer. Valuation is based on government rates, market research, market trend and comparable values as considered appropriate.

5 The company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop such investment properties or for repairs, maintenance and enhancements thereof.

6 The company has not revalued its investment property during the current or previous year.

7 The title deeds of investment property are held in the name of the Company as at March 31, 2023 and March 31,2022.

8 Amount recognised in statement of profit and loss for investment property :

(₹ in Crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rental income derived from investment property [Refer note 36]	1.16	1.16
Direct operating expenses arising from investment property that generated rental income	-	-
Direct operating expenses arising from investment property that did not generate rental income	-	-

9 Minimum undiscounted lease payments receivable (excluding tax) on leases of investment property are as follows:

(₹ in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Within 1 Year	1.16	1.16
After one year but not more than five years	5.25	5.01
More than 5 years	4.05	5.45
	10.46	**11.62**

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 8 : Intangible Assets

As at March 31, 2023

(₹ in Crore)

Particulars	Gross carrying amount				Accumulated amortisation				Net carrying amount
	As at April 1, 2022	Additions during the year	Deductions during the year	As at March 31, 2023	As at April 1, 2022	For the year	Deductions during the year	As at March 31, 2023	As at March 31, 2023
Computer software	66.18	1.99	0.34	67.83	47.19	9.30	0.31	56.18	11.65
Total	**66.18**	**1.99**	**0.34**	**67.83**	**47.19**	**9.30**	**0.31**	**56.18**	**11.65**

As at March 31, 2022

(₹ in Crore)

Particulars	Gross carrying amount				Accumulated amortisation				Net carrying amount
	As at April 1, 2021	Additions during the year	Deductions during the year	As at March 31, 2022	As at April 1, 2021	For the year	Deductions during the year	As at March 31, 2022	As at March 31, 2022
Computer software	55.69	10.64	0.15	66.18	37.30	10.02	0.13	47.19	18.99
Total	**55.69**	**10.64**	**0.15**	**66.18**	**37.30**	**10.02**	**0.13**	**47.19**	**18.99**

Footnotes:

1 The above computer software has been mortgaged and hypothecated to secure borrowings of the Company [Refer note 25].

2 The Company has not revalued its intangible assets during the current or previous year.

Note 9 : Investments in Subsidiaries

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Investment in equity instruments (unquoted) (at cost)		
Torrent Power Grid Limited Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 6,66,00,000, March 31, 2022: 6,66,00,000) [2,70,00,000 (March 31, 2022 - 2,70,00,000) equity shares pledged as security in respect of the term loan availed by Torrent Power Grid Limited]	66.60	66.60
Torrent Pipavav Generation Limited [Refer note 41(2)] Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 4,75,00,000, March 31, 2022: 4,75,00,000)	47.50	47.50
Less: Impairment in value of investment	(18.35)	(17.55)
Torrent Solargen Limited [Refer footnote 2] Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 8,00,50,000, March 31, 2022: 8,00,50,000)	88.86	88.86
Jodhpur Wind Farms Private Limited Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 11,10,00,000, March 31, 2022: 11,10,00,000)	117.68	117.68
Latur Renewable Private Limited Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 11,00,00,000, March 31, 2022: 11,00,00,000)	116.68	116.68
TCL Cables Private Limited Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 4,20,00,000 , March 31, 2022: 4,20,00,000)	42.00	42.00

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 9 : Investments in Subsidiaries (Contd.)

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Torrent Solar Power Private Limited Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 50,000, March 31, 2022: 50,000)	0.05	0.05
Torrent Saurya Urja 2 Private Limited Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 50,000, March 31, 2022: 50,000)	0.05	0.05
Torrent Saurya Urja 3 Private Limited Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 50,000, March 31, 2022: 50,000)	0.05	0.05
Torrent Saurya Urja 4 Private Limited Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 50,000, March 31, 2022: 50,000)	0.05	0.05
Torrent Saurya Urja 5 Private Limited Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 50,000, March 31, 2022: 50,000)	0.05	0.05
Visual Percept Solar Projects Private Limited [Refer footnote 6] Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 1,74,50,000, March 31, 2022: 1,74,50,000)	162.62	162.62
Surya Vidyut Limited [Refer footnote 1 & 7] Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 25,19,05,800 March 31, 2022: 25,19,05,800) [1,41,70,740 (March 31,2022 - NIL) equity shares pledged as security in respect of the term loan availed by Surya Vidyut Limited.]	311.47	304.73
Torrent Saurya Urja 6 Private Limited [Refer footnote 8 & 9] (Formerly known as LREHL Renewables India SPV 1 Private Limited) Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 2,34,30,901, March 31, 2022: 1,37,25,573) [Nil (March 31, 2022 - 1,37,25,572) equity shares pledged as security in respect of the term loan availed by Torrent Saurya Urja 6 Private Limited]	98.79	46.96
Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited [Refer footnote 3] Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 51,000 , March 31, 2022: Nil)	586.06	-
SunShakti Solar Power Projects Private Limited [Refer footnote 4 & 10] Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 61,250, March 31, 2022: Nil)	142.62	-
Wind Two Renergy Private Limited [Refer footnote 5] Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 3,25,10,000, March 31, 2022: Nil)	32.51	-
	1,795.29	**976.33**
Investment in compulsorily convertible debentures (unquoted) (at cost)		
Torrent Saurya Urja 6 Private Limited [Refer footnote 8 & 9] (Formerly known as LREHL Renewables India SPV 1 Private Limited) Compulsorily Convertible Debentures (CCDs) of ₹ 10 each fully paid up (No. of debentures - March 31, 2023: Nil, March 31, 2022: 5,18,36,156) [Nil (March 31, 2022 - 5,18,36,156) CCDs are pledged as security in respect of the term loan availed by Torrent Saurya Urja 6 Private Limited.]	-	51.84
	-	**51.84**
	1,795.29	**1,028.17**
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	1,795.29	1,028.17
	1,795.29	**1,028.17**
Aggregate amount of impairment in value of investments	18.35	17.55
Aggregate amount of market value of quoted investments	-	-

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 9 : Investments in Subsidiaries (Contd.)

Footnotes:

1 During the year, Company has given corporate guarantees in favour of lender of subsidiary company and has recognised fair value of corporate guarantee as equity investment in Surya Vidyut Limited.

2 During the previous year, Company has given corporate guarantees in favour of Lender of subsidiary company and has recognised fair value of corporate guarantee as equity investment in Torrent Solargen Limited.

3 On March 15, 2022, the Company had entered into a Share Purchase Agreement (SPA) and Shareholders Agreement (SHA) with 'The Hon'ble Administrator of the Union Territory of Dadra and Nagar Haveli and Daman and Diu' (the 'Holding Entity') and 'Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited' (the 'DNHDDPDCL') for purchase of 51% shares of the DNHDDPDCL from the Holding Entity for a consideration of ₹ 555.00 Crore plus consideration adjustment of ₹ 31.06 Crore as per terms of SPA, on account of notified balance sheet of the DNHDDPDCL as at April 01 ,2022 i.e. total consideration of ₹ 586.06 Crore.

Basis the SPA and SHA read with The Dadra and Nagar Haveli and Daman and Diu Electricity (Reorganisation and Reforms) Transfer Scheme, 2022 (the "transfer scheme"), the effective date of transfer has been notified by the UT Administrator, Union Territory of Dadra and Nagar Haveli and Daman and Diu as April 1, 2022 ('Acquisition date') for the purpose of implementing the transfer scheme.

DNHDDPDCL is the licensee to carry out the function of distribution and retail supply of electricity in the Dadra and Nagar Haveli District of the Union Territory of Dadra and Nagar Haveli and Daman and Diu for a period of 25 years effective from the acquisition date.

The Company has taken formal takeover of power distribution operations in the Union Territory of Dadra & Nagar Haveli and Daman & Diu from April 1, 2022.

Accordingly, the amount of purchase consideration paid for acquiring the shares of the distribution company has been shown as "Advance against equity investment" under Other financial assets as at March 31, 2022 in the standalone financial results, which has been transferred to Investments in subsidiaries as on Acquisition date.

Consideration adjustment of ₹ 31.06 Crore, included under "Other current financial liabilities", has been paid subsequent to year end on April 29, 2023.

4 On April 23, 2022, the Company had entered into a Securities Purchase Agreement (SPA) with SkyPower Southeast Asia III Investments Limited, SkyPower Southeast Asia Holdings 2 Limited (the Sellers) for the acquisition of 100% of the share capital and all securities of Sunshakti Solar Power Projects Private Limited (SSPPPL), which operates 50 MW solar power plant, situated in the state of Telangana. On completion of the conditions precedent to SPA, SSPPPL had become wholly owned subsidiary of the Company w.e.f. June 13, 2022.

5 On July 30, 2022, the Company had acquired 100% of paid-up capital of Wind Two Renergy Private Limited (WTRPL) from Inox Green Energy Services Limited (formerly known as Inox Wind Infrastructure Services Limited). WTRPL operates 50 MW Wind power plant, situated in the state of Gujarat. On acquisition of shares, WTRPL had become wholly owned subsidiary of the Company w.e.f. July 30, 2022 which was Associate of the Company till July 29, 2022.

6 On February 10, 2022, the Company had entered into a Share Purchase Agreement (SPA) with Blue Daimond Properties Private Limited and Balarampur Chini Mills Limited, for acquisition of 100% of Shares of Visual Percept Solar Projects Private Limited (VPSPPL), which operates a 25 MW solar power plant, situated in the state of Gujarat. On completion of the conditions precedent to SPA, VPSPPL had become wholly owned subsidiary of the Company w.e.f. February 15, 2022.

7 On September 20, 2021, the Company had entered into a Share Purchase Agreement (SPA) with CESC Limited, Haldia Energy Limited and other Nominal Shareholders for the acquisition of 100% of the share capital of Surya Vidyut Limited (SVL), which operates a 156 MW wind power plants, situated in the states of Gujarat, Maharashtra and Madhya Pradesh. On completion of the conditions precedent to SPA, SVL had become wholly owned subsidiary of the Company w.e.f. March 11, 2022.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 9 : Investments in Subsidiaries (Contd.)

8 On July 30, 2021, the Company had entered into a Securities Purchase Agreement (SPA) with Lightsource India Limited and Lightsource Renewable Energy (India) Limited for the acquisition of 100% of the share capital and all securities of Torrent Saurya Urja 6 Private Limited (Formerly known as LREHL Renewables India SPV 1 Private Limited) (TSU6), which operates a 50 MW solar power plant, situated in the state of Maharashtra. On completion of the conditions precedent to SPA, TSU6 had become wholly owned subsidiary of the Company w.e.f. March 25, 2022.

9 The Company has exercised option for conversion of compulsorily convertible debentures (CCD) into Equity shares as per the terms of CCD subscription agreement in March 2023. Subsequent to the year end, Torrent Saurya Urja 6 Private Limited (Formerly known as LREHL Renewables India SPV 1 Private Limited) is under process of allotting 97,05,328 equity shares to the Company; based on fair value of equity shares valued by independent valuer.

10 The Company has exercised option for conversion of compulsorily convertible debentures (CCD) into Equity shares as per the terms of CCD subscription agreement in March 2023. Subsequent to the year end, on May 26, 2023, 15,756 equity shares of SunShakti Solar Power Projects Private Limited have been alloted to the Company; based on fair value of equity shares valued by independent valuer at the time of issue of CCD.

Note 10 : Non-Current Other Investments

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Investment in non-convertible debentures (unquoted) (at amortised cost)		
Wind Two Renergy Private Limited^ Zero coupon secured, redeemable with premium, non-convertible debentures of ₹ 1,00,000 each (No. of debentures - March 31, 2023: Nil, March 31, 2022: 9,070)	-	116.89
	-	**116.89**
Investment in equity instruments (unquoted) (at fair value through profit or loss)		
AEC Cements & Constructions Limited Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 9,61,500, March 31, 2022: 9,61,500) [As at March 31, 2023 & March 31, 2022 Gross investment - ₹ 0.61 Cr, Impairment in value of investment - ₹ 0.61 Cr]	-	-
Tidong Hydro Power Limited Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 24,500, March 31, 2022: 24,500) [As at March 31, 2023 & March 31, 2022 Gross investment - ₹ 0.02 Cr, Impairment in value of investment - ₹ 0.02 Cr]	-	-
UNM Foundation (Formerly known as Tornascent Care Institute) @ Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 50,000, March 31, 2022: 50,000)	0.05	0.05
	0.05	**0.05**
Contingency reserve investments - statutory (quoted) (at amortised cost) $	15.89	15.88
	15.89	**15.88**
	15.94	**132.82**
Aggregate amount of quoted investments	15.89	15.88
Aggregate amount of unquoted investments	0.05	116.94
	15.94	**132.82**
Aggregate amount of impairment in value of investments	0.63	0.63
Aggregate amount of market value of quoted investments	15.70	16.30

^ During the year 7,276 nos. of non-convertible debentures(NCDs) have been reedemed with premium.

@ The Company has, jointly with Torrent Pharmaceuticals Limited, promoted section 8 company, i.e UNM Foundation (formerly known as Tornascent Care Institute), under the Companies Act, 2013 for the purpose of carrying out charitable activities.

$ Investment in Government of India bonds have been made in terms of Gujarat Electricity Regulatory Commission (GERC) Multi-Year Tariff (MYT) Regulations, which can be utilised only for the purposes mentioned therein. [Refer note 24 - Contingency reserve]

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 11 : Non-Current Loans

Unsecured (considered good)

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Loans to related parties (including interest accrued) [Refer note 55(d)]	1,507.56	349.32
	1,507.56	**349.32**

Note 12 : Other Non-Current Financial Assets

Unsecured (considered good)

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Security deposits	16.99	16.64
Inter-corporate deposits #	-	80.00
Advance against equity investment [Refer footnote 1 & footnote 3 of Note 9]	3.00	555.00
Bank fixed deposits	0.94	1.02
Other advances	0.09	0.15
	21.02	**652.81**

a lien has been created in favour of lenders.

Footnote:

1 On February 08 ,2023, the Company had entered into a Binding term sheet with Powerica Limited and Vestas Wind Technology India Private Limited (the Sellers) for the acquisition of 100% share capital of Airpower Windfarms Private Limited, which holds leasehold revenue land situated in the state of Gujarat for the purpose of development of wind power project. Enterprise value estimated for this acquisition is approx ₹ 21.74 Crore The acquisition is subject to Share Purchase Agreement and/or other allied agreements and customary conditions for transaction closure.

Accordingly, advance amount of ₹ 3.00 Crore given to the sellers as per binding term sheet is shown as “Advance against equity investment” as at March 31, 2023 in standalone financial statement.

Note 13 : Non-Current Tax Assets

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Advance income tax (net)	8.09	8.64
	8.09	**8.64**

Note 14 : Other Non-Current Assets

Unsecured (considered good)

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Capital advances	80.54	120.06
Advances for goods and services	118.32	133.59
Balances with government authorities	65.13	58.70
Prepaid expenses	17.21	18.77
	281.20	**331.12**

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 15 : Inventories

(valued at lower of cost and net realizable value)

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Stores and spares	302.66	268.71
Fuel	340.10	166.48
Loose tools	2.95	2.77
	645.71	**437.96**

Footnotes:

1 The cost of stores and spares inventories recognised as an expense includes ₹ 3.66 Crore (Previous year - ₹ 1.36 Crore) in respect of write-downs of inventory to net realisable value determined based on evaluation of slow and non-moving inventories.

2 The above carrying amount of inventories has been mortgaged and hypothecated to secure borrowings of the Company. [Refer note 25]

3 The above carrying amount includes goods in transit as under:

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Fuel	9.35	8.93
	9.35	**8.93**

Note 16 : Current Investments

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Investment in non-convertible debentures (unquoted) (at amortised cost)		
Wind Two Renergy Private Limited Zero coupon secured, redeemable with premium, non-convertible debentures of ₹ 1,00,000 each (No. of debentures - March 31, 2023: 1,794, March 31, 2022: Nil)	24.35	-
	24.35	**-**
Investment in mutual funds (unquoted) (at fair value through profit or loss)	656.03	253.27
Contingency reserve investments - statutory (quoted) (at amortised cost) $	1.93	-
	682.31	**253.27**
Aggregate amount of quoted investments	1.93	-
Aggregate amount of unquoted investments	680.38	253.27
	682.31	**253.27**
Aggregate amount of market value of quoted investments	1.98	-

$ Investment in Government of India bonds have been made in terms of Gujarat Electricity Regulatory Commission (GERC) Multi-Year-Tariff (MYT) Regulations, which can be utilised only for the purposes mentioned therein. [Refer note 24 - Contingency reserve]

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 17 : Trade Receivables

(₹ in Crore)

			As at March 31, 2023	As at March 31, 2022
Trade receivables				
Secured	-	Considered good #	661.16	575.68
Unsecured	-	Considered good	854.88	787.95
	-	Credit impaired	187.13	208.17
			1,703.17	**1,571.80**
Less: Allowance for bad and doubtful debts			187.13	208.17
			1,516.04	**1,363.63**

Company holds security deposits in respect of electricity receivables.

Footnotes:

1 Refer note 25 for charge on current assets including trade receivables.

2 Refer note 56 for credit risk related disclosures.

3 Refer note 61 for ageing schedule of trade receivables.

Note 18 : Cash and Cash Equivalents

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Balances with banks		
Balance in current accounts	137.18	160.55
Cheques on hand	0.60	0.78
Cash on hand	0.30	0.46
	138.08	**161.79**

Note 19 : Bank Balances Other Than Cash and Cash Equivalents

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Unpaid dividend accounts	11.21	10.52
Unpaid fractional coupon accounts	*	0.35
Balance in fixed deposit accounts # (maturity of more than three months but less than twelve months)	132.29	34.27
	143.50	**45.14**

include ₹ 31.49 Crore (March 31, 2022 - ₹ 33.62 Crore) on which a lien has been created in favour of lenders.

Note 20 : Current Loans

Unsecured (considered good)

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Loans to related parties (including interest accrued) [Refer note 55(d)]	105.16	1,031.53
	105.16	**1,031.53**

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 21 : Other Current Financial Assets

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Security deposits	41.21	55.40
Inter-corporate deposits #	-	186.84
Interest accrued on non-current investments	5.39	0.24
Interest accrued on deposits	2.93	6.68
Unbilled revenue (including revenue gap / surplus) [Refer note 43(a)(2)]	2,572.31	1,914.64
	2,621.84	**2,163.80**
Other advances / receivables		
Considered good [Refer note 48.2(d)]	10.59	29.83
Considered credit impaired	6.06	6.06
	16.65	**35.89**
Less : Allowance for doubtful advances	6.06	6.06
	10.59	**29.83**
	2,632.43	**2,193.63**

₹ 86.84 Crore as at March 31, 2022 on which a lien has been created in favour of lenders.

Note 22 : Other Current Assets

Unsecured (considered good)

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Advances for goods and services	82.39	85.02
Balances with government authorities	0.74	0.73
Prepaid expenses	37.15	35.77
	120.28	**121.52**

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 23 : Equity Share Capital

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Authorised		
4,37,00,00,000 (4,37,00,00,000 as at March 31, 2022) equity shares of ₹ 10 each	4,370.00	4,370.00
	4,370.00	**4,370.00**
Issued, subscribed and paid up		
48,06,16,784 (48,06,16,784 as at March 31, 2022) equity shares of ₹ 10 each	480.62	480.62
	480.62	**480.62**

Footnotes:

1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year :

	No. of shares As at March 31, 2023	No. of shares As at March 31, 2022
At the beginning of the year	48,06,16,784	48,06,16,784
Issued during the year	-	-
Outstanding at the end of the year	**48,06,16,784**	**48,06,16,784**

2 25,74,22,311 equity shares (25,74,22,311 equity shares as at March 31, 2022) of ₹ 10 each fully paid up are held by the Parent Company - Torrent Investments Private Limited.

3 Terms / Rights attached to equity shares :

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

4 Details of shareholders holding more than 5% shares in the Company :

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% holding	No. of shares	% holding
Torrent Investments Private Limited	25,74,22,311	53.56%	25,74,22,311	53.56%
Gujarat State Financial Services Limited	4,68,71,621	9.75%	4,68,71,621	9.75%
Axis Mutual Fund Trustee Limited	4,16,57,977	8.67%	4,08,34,428	8.50%
SBI Focused Equity Fund	2,52,86,083	5.26%	1,73,90,291	@

@ less than 5%

Notes

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Note 23 : Equity Share Capital (Contd.)

5 Details of shareholding of Promoters in the Company :

Promoter name	As at March 31, 2023			As at March 31, 2022		
	No. of shares	% of total shares	% changes during the year	No. of shares	% of total shares	% changes during the year
Torrent Investments Private Limited	25,74,22,311	53.56%	-	25,74,22,311	53.56%	-
Sudhir Mehta	6,882	0.00%	-	6,882	0.00%	-
Samir Mehta	6,125	0.00%	-	6,125	0.00%	-
Jinal Mehta	8,000	0.00%	-	8,000	0.00%	-

6 Distributions made:

Interim dividend for FY 2022-23 of ₹ 22.00 per equity share (including ₹ 13.00 per equity share as a special dividend) [Previous year - ₹ 9.00 per equity share] aggregating to ₹ 1,057.36 Crore [Previous year - ₹ 432.56 Crore] was paid in the month of March 2023.

The Board of Directors at its meeting held on May 29, 2023 has recommended a final dividend of 40% (₹ 4.00 per equity share of par value ₹ 10 each). The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting and if approved, would result in a cash outflow of ₹ 192.25 Crore.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 24 : Other Equity

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Reserves and surplus		
Securities premium	0.03	0.03
Debenture redemption reserve	21.58	108.30
Contingency reserve	17.29	15.37
Special reserve	78.07	78.07
General reserve	3,670.61	3,583.89
Retained earnings	6,751.47	5,699.74
	10,539.05	**9,485.40**

Refer "Statement of Changes in Equity" for movement in each reserve.

Footnotes:

1 Securities premium :

Securities premium reflects issuance of the shares by the Company at a premium, whether for cash or otherwise i.e. a sum equal to the aggregate amount of the premium received on shares is transferred to a "securities premium account" as per the provisions of the Companies Act, 2013. The reserve can be utilised in accordance with the provisions of the Act.

2 Debenture redemption reserve:

The Company was required to create a Debenture Redemption Reserve (DRR) 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 August 16, 2019, the Company is not required to create DRR. Accordingly, the Company has not created DRR during the year and DRR created till previous years will be transferred to general reserve on redemption of debentures.

3 Contingency reserve:

As per the provisions of GERC MYT Regulations read with Tariff orders passed by GERC, the Company being a Distribution Licensee makes an appropriation to the contingency reserve to meet with certain exigencies. Investments in Bonds issued by Government of India have been made against such reserve.

4 Special reserve:

As per MYT Regulations (2007), the Company has created a reserve in FY 2011-12 and FY 2012-13, which represents one third amount of controllable gain shall be retained in a special reserve by the Generating Company or Licensee for the purpose of absorbing the impact of any future losses on account of controllable factors.

5 General reserve:

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. The general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

6 Retained earnings:

The retained earnings reflect the profit of the company earned till date net of appropriations. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve, after considering the requirements of the Companies Act, 2013.

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forming part of the standalone financial statements for the year ended March 31, 2023

Note 25 : Non-Current Borrowings

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Non-current borrowings		
Secured loans - at amortised cost		
Non convertible debentures &		
8.95% Series 3A, 3B & 3C	-	80.00
7.30% Series 6	-	300.00
6.50%,6.90%,7.25% Series 7A, 7B & 7C	248.54	248.05
6.20%,6.70%,7.10%,7.45% Series 8A, 8B, 8C & 8D	450.00	-
7.45%, 8.05% Series 9A & 9B	599.36	-
8.30%,8.35%,8.55%,8.65% Series 10A, 10B, 10C & 10D	200.00	-
	1,497.90	**628.05**
Term loans @		
From banks	5,451.29	5,302.84
	5,451.29	**5,302.84**
	6,949.19	**5,930.89**
Unsecured loans - at amortised cost		
Non convertible debentures #		
10.25% Series 4A, 4B & 4C	89.99	179.93
	89.99	**179.93**
Term loans		
From Government of India under Accelerated Power Development and Reform Programme (APDRP)	5.35	9.17
	5.35	**9.17**
	95.34	**189.10**
	7,044.53	**6,119.99**

@ After considering unamortised expense of ₹ 17.78 Crore as at March 31, 2023 and ₹ 18.91 Crore as at March 31, 2022.
& After considering unamortised expense of ₹ 2.10 Crore as at March 31, 2023 and ₹ 1.95 Crore as at March 31, 2022.
# After considering unamortised expense of ₹ 0.01 Crore as at March 31, 2023 and ₹ 0.07 Crore as at March 31, 2022.

	As at March 31, 2023	As at March 31, 2022
Current maturities		
Secured loans - at amortised cost		
Non convertible debentures		
10.35% Series 1	-	183.37
10.35% Series 2A, 2B & 2C	-	100.00
8.95% Series 3A, 3B & 3C	80.00	85.00
7.65% Series 5	-	100.00
7.30% Series 6	300.00	-
6.20%,6.70%,7.10%,7.45% Series 8A, 8B, 8C & 8D	150.00	-
	530.00	**468.37**
Term loans $		
From banks	721.33	481.12
	721.33	**481.12**
Unsecured loans - at amortised cost		
Non convertible debentures ^		
10.25% Series 4A, 4B & 4C	89.94	89.88
	89.94	**89.88**
Term loans		
From Government of India under Accelerated Power Development and Reform Programme (APDRP)	3.82	3.82
	3.82	**3.82**
	1,345.09	**1,043.19**
Amount disclosed under the head 'Current borrowings' [Refer note 29]	(1,345.09)	(1,043.19)
	-	**-**

$ After considering unamortised expense of ₹ 4.35 Crore as at March 31, 2023 and ₹ 4.04 Crore as at March 31, 2022.
^ After considering unamortised expense of ₹ 0.06 Crore as at March 31, 2023 and ₹ 0.12 Crore as at March 31, 2022.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 25 : Non-Current Borrowings (Contd.)

Footnotes:

As at March 31, 2023

1 Nature of security

The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for term loans of ₹ 6,194.75 Crore and non convertible debentures of ₹ 2,030.00 Crore along with lenders of cash credits and non-fund based credit facilities, except some assets which, in terms of respective financing documents (including Loan agreements, Debenture Trust deeds), are carved out of security provided to lenders.

2 The future annual repayment obligations on principal amount for the above long-term borrowings are as under:-

(₹ in Crore)

Financial year	Term loans	Non convertible debentures
2023-24	729.50	620.00
2024-25	482.77	325.00
2025-26	642.40	230.00
2026-27	770.04	235.00
2027-28	693.18	350.00
2028-29	692.25	50.00
2029-30	779.61	-
2030-31	677.65	-
2031-32	511.43	50.00
2032-33	225.09	350.00

3 Undrawn term loans from banks, based on approved facilities, were ₹ 300.00 Crore as at March 31, 2023.

4 Proceeds from term loans and debt instruments raised during the year have been utilized for the purposes for which it was obtained.

As at March 31, 2022

1 Nature of security

The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for term loans of ₹ 5,806.91 Crore and non convertible debentures of ₹ 1,098.37 Crore along with lenders of cash credits and non-fund based credit facilities, except some assets which, in terms of respective financing documents (including Loan agreements, Debenture Trust deeds), are carved out of security provided to lenders.

2 The future annual repayment obligations on principal amount for the above long-term borrowings are as under:-

(₹ in Crore)

Financial year	Term loans	Non convertible debentures
2022-23	488.98	558.37
2023-24	360.10	470.00
2024-25	477.56	175.00
2025-26	643.60	80.00
2026-27	755.81	85.00
2027-28	626.23	-
2028-29	625.30	-
2029-30	676.67	-
2030-31	547.70	-
2031-32	367.35	-
2032-33	250.60	-

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 25 : Non-Current Borrowings (Contd.)

3 Undrawn term loans from banks, based on approved facilities, were ₹ Nil as at March 31, 2022.

4 Proceeds from term loans and debt instruments raised during the previous year have been utilized for the purposes for which it was obtained. Out of the said debt instruments amount aggregating ₹ 30.60 Crore have remained unutilised as on March 31, 2022.

Note 26 : Non-Current Trade Payables

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Trade payables for goods and services		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues other than micro and small enterprises	210.61	150.46
	210.61	**150.46**

Footnote:

1 Refer note 62 for ageing schedule of non-current trade payables.

Note 27 : Other Non-Current Financial Liabilities

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Financial guarantee obligation	9.54	10.36
Sundry payables	-	0.32
	9.54	**10.68**

Note 28 : Other Non-Current Liabilities

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Deferred revenue		
Contribution received from consumers [Refer note 43(b)]	1,300.44	1,189.80
Capital grant from government [Refer note 58(b)]	11.66	14.03
Sundry payables	57.79	55.30
	1,369.89	**1,259.13**

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Note 29 : Current Borrowings

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Secured loans		
Working Capital from banks	-	350.00
Overdraft from banks	-	2.74
	-	**352.74**
Unsecured loans		
Commercial paper	-	350.00
	-	**350.00**
Current maturities of long-term debt [Refer note 25]	1,345.09	1,043.19
	1,345.09	**1,745.93**

Footnotes:

1 The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for working capital facilities and by way of second pari passu charge in favour of lenders for hedge facility.

2 Undrawn cash credit from banks, based on approved facilities, were ₹ 1,150.00 Crore (March 31, 2022 - ₹ 450.00 Crore).

3 During the current and previous year, the Company has used the loans for the purpose for which it was obtained.

4 The Company has borrowings from banks and financial institutions on the basis of security of current assets and quarterly returns or statements of current assets filed are in agreement with the books of accounts.

Net debt reconciliation :

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	138.08	161.79
Current investments	682.31	253.27
Current borrowings (excluding current maturities of long-term debt)	-	(702.74)
Non-current borrowings (including current maturities of long-term debt and interest accrued but not due)	(8,514.23)	(7,257.41)
Lease liabilities	(40.63)	(42.22)
	(7,734.47)	**(7,587.31)**

	Other assets		Liabilities from financing activities			Total
	Cash and cash equivalents	Current investments	Current borrowings	Non-current borrowings	Lease liabilities	
Net balance as at April 1, 2021	**95.55**	**241.63**	**-**	**(7,251.52)**	**(36.01)**	**(6,950.35)**
Cash flows (net)	66.24	(12.11)	(702.74)	(0.35)	9.38	(639.58)
New lease	-	-	-	-	(12.11)	(12.11)
Interest expense	-	-	(2.26)	(533.83)	(3.48)	(539.57)
Interest paid	-	-	2.26	528.29	-	530.55
Gain on sale of current investments	-	24.22	-	-	-	24.22
Fair value adjustment	-	(0.47)	-	-	-	(0.47)
Net balance as at March 31, 2022	**161.79**	**253.27**	**(702.74)**	**(7,257.41)**	**(42.22)**	**(7,587.31)**

Notes

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Note 29 : Current Borrowings (Contd.)

	Other assets		Liabilities from financing activities			Total
	Cash and cash equivalents	Current investments	Current borrowings	Non-current borrowings	Lease liabilities	
Cash flows (net)	(23.71)	345.64	702.74	(1,225.65)	7.78	(193.20)
New lease	-	-	-	-	(4.17)	(4.17)
Transfer from non-current investments	-	26.28	-	-	-	26.28
Deletion relating to lease liability	-	-	-	-	1.55	1.55
Interest expense	-	-	(13.97)	(623.63)	(3.57)	(641.17)
Interest paid	-	-	13.97	592.46	-	606.43
Gain on sale of current investments	-	53.28	-	-	-	53.28
Fair value adjustment	-	3.84	-	-	-	3.84
Net balance as at March 31, 2023	**138.08**	**682.31**	**-**	**(8,514.23)**	**(40.63)**	**(7,734.47)**

Note 30 : Current Trade Payables

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Trade payables for goods and services		
Total outstanding dues of micro and small enterprises [Refer note 46]	60.67	50.27
Total outstanding dues other than micro and small enterprises	1,020.67	1,057.34
	1,081.34	**1,107.61**

Footnote:

1 Refer note 62 for ageing schedule of current trade payables.

Note 31 : Other Current Financial Liabilities

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due on loans and security deposits	100.31	69.14
Investor education and protection fund #		
Unpaid / Unclaimed dividend	11.21	10.52
Unclaimed fractional coupons	*	0.35
Book overdraft	0.07	1.30
Security deposits from consumers @	1,512.29	1,328.02
Other deposits	4.56	3.29
Payables for purchase of property, plant and equipment^	316.20	321.15
Financial guarantee obligation	6.61	5.57
Sundry payables (including for employees related payables) [Refer footnote 3 of note 9]	221.22	153.15
	2,172.47	**1,892.49**

There is no amount due and outstanding to be credited to investor education and protection fund as at March 31, 2023 and as at March 31, 2022.

@ Security deposits from consumers in the Company's business, which is in the nature of utility, are generally not repayable within a period of twelve months based on historical experience.

^ including dues to micro and small enterprises for ₹ 19.33 Crore (March 31, 2022 - ₹ 12.53 Crore) [Refer note 46]

Notes

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Note 32 : Other Current Liabilities

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Credit balances of consumers [Refer note 43(d)]	93.54	99.48
Service line deposits from consumers [Refer note 43(c)]	235.75	207.13
Deferred revenue		
Contribution received from consumers [Refer note 43(b)]	100.71	91.74
Capital grant from government [Refer note 58(b)]	2.37	2.37
Statutory dues	213.66	199.99
Sundry payables #	0.57	0.65
	646.60	**601.36**

\# including interest dues to micro and small enterprises for ₹ 0.02 Crore (March 31, 2022 - ₹ 0.02 Crore) [Refer note 46]

Note 33 : Current Provisions

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Provision for gratuity [Refer note 48.2(d)]	-	12.23
Provision for compensated absences $	117.96	121.56
	117.96	**133.79**
Other provisions		
Provision for onerous contracts [Refer note 57]	124.94	135.76
	124.94	**135.76**
	242.90	**269.55**

$ Provision for compensated absences is disclosed under current provision as the entity does not have an unconditional right to defer settlement for at least twelve months however these are generally not repayable within a period of twelve months based on historical experience.

Movement in provision for onerous contracts:		
Opening balance as on April 01	135.76	162.80
Additional provision recognised	-	0.53
Reversal of provision	(10.82)	(27.57)
Closing balance as on March 31	**124.94**	**135.76**

Note 34 : Current Tax Liabilities

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Provision for taxation (net of tax paid)	160.77	121.38
	160.77	**121.38**

Notes

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Note 35 : Revenue from Operations

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contracts with customers [Refer footnotes below]		
Revenue from power supply	15,518.44	12,989.01
Revenue from trading of RLNG	3,068.65	547.94
	18,587.09	**13,536.95**
Less: Discount for prompt payment of bills	24.77	19.62
	18,562.32	**13,517.33**
Other operating income		
Provisions of earlier years written back	0.60	1.04
Amortisation of deferred revenue		
Contribution received from consumers [Refer note 43(b)(2)] #	97.32	87.41
Capital grant from government [Refer note 58(b)]	2.37	2.45
Income from Certified Emission Reduction (CERs)	12.34	3.30
Income from Generation Based Incentive	23.73	24.45
Insurance claim receipt	2.17	0.11
Incentive income under solar rooftop programme	55.14	9.81
Miscellaneous income	80.23	69.84
	273.90	**198.41**
	18,836.22	**13,715.74**

Amortisation of deferred revenue are recognised within the scope of Ind AS 115.

Footnotes:

1 Disclosure given above presents disaggregated revenue from contracts with customers. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by market and other economic factors.

2 Timing of revenue recognition (from contract with customers) : Revenue from power supply is recognised over a period of time and others at a point in time.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 36 : Other Income

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Interest income from financial assets measured at amortised cost		
Deposits	16.59	16.53
Consumers	35.83	36.49
Contingency reserve investments	1.28	1.15
Loans to related parties [Refer note 55(b)]	108.59	89.33
Others	1.22	0.80
	163.51	**144.30**
Dividend income from non-current investments carried at cost	30.98	14.65
Rent income from investment property [Refer note 7]	1.16	1.16
Gain on disposal of property, plant and equipment / investment property	44.83	30.04
Gain on sale of current investments in mutual funds	53.28	24.22
Net gain arising on financial assets / liabilities measured at amortised cost	23.74	28.93
Net gain / (loss) arising on current investments in mutual funds measured at fair value through profit or loss	3.84	(0.47)
Financial guarantee commission (amortised)	6.52	5.00
Net gain on foreign currency transactions and translations	0.63	5.32
Discount on prompt payment of power purchase	49.36	19.00
Miscellaneous income	56.79	23.94
	434.64	**296.09**

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 37 : Employee Benefits Expense

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	644.89	617.34
Contribution to provident and other funds [Refer note 48.1]	43.77	42.94
Employees welfare expenses	25.28	29.13
Compensated absences	15.37	13.77
Gratuity [Refer note 48.2(e)(3)]	18.55	18.28
	747.86	**721.46**
Less: Allocated to capital works, repairs and other relevant revenue accounts #	234.01	207.39
	513.85	**514.07**

includes allocated to capital works of ₹ 135.82 Crore (previous year ₹ 109.36 Crore)

Note 38 : Finance Costs

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense for financial liabilities measured at amortised cost		
Term loans	433.24	411.60
Non convertible debentures	190.39	122.23
Working capital loans	13.97	2.26
Security deposits from consumers	56.91	51.81
Lease liabilities	3.57	3.48
Others	0.98	2.79
Other borrowing costs	10.03	9.46
Amortisation of borrowing costs	5.03	3.67
	714.12	**607.30**
Less: Allocated to capital works	45.78	25.74
	668.34	**581.56**

Note 39 : Depreciation and Amortisation Expense

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation expense on property, plant and equipment	1,038.52	1,212.43
Depreciation expense on right-of-use assets	11.26	11.44
Amortisation expense on intangible assets	9.30	10.02
	1,059.08	**1,233.89**
Less: Transfer from others	0.20	0.10
	1,058.88	**1,233.79**

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 40 : Other Expenses

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Consumption of stores and spares	174.80	233.72
Rent and hire charges	22.35	17.47
Repairs to		
Buildings	9.55	13.12
Plant and machinery	422.12	417.29
Others	29.09	21.69
	460.76	**452.10**
Insurance	42.33	43.06
Rates and taxes	13.51	11.28
Vehicle running expenses	42.57	40.26
Electricity expenses	22.70	20.87
Security expenses	61.41	47.83
Water charges	24.24	22.59
Power transmission and scheduling charges	2.35	11.44
Corporate social responsibility expenses [Refer note 50]	32.62	28.60
Loss on sale / discarding of property, plant and equipment and capital work-in-progress	29.90	25.73
Commission to non-executive directors [Refer note 55(b)]	2.50	2.97
Directors sitting fees [Refer note 55(b)]	0.68	0.83
Auditors remuneration [Refer note 49]	2.03	1.69
Legal, professional and consultancy fees	64.03	39.95
Donations [Refer note 51]	43.03	58.30
Net loss on foreign currency transactions	11.34	0.12
Impairment for non-current investments	0.80	1.60
Bad debts written off (net of recovery)	3.89	47.00
Reversal of provision for onerous contracts [Refer note 57]	(10.82)	(27.57)
Provision for onerous contracts [Refer note 57]	-	0.53
Allowance for doubtful debts (net)	(21.04)	(40.90)
Miscellaneous expenses	112.54	91.34
	1,138.52	**1,130.81**
Less: Allocated to capital works, repairs and other relevant revenue accounts	88.48	88.56
	1,050.04	**1,042.25**

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 41 : Impairment Assessment

1 DGEN Power Plant

Net carrying value of Property, Plant & Equipment ("PPE") and Right-of-use assets ("ROU") as at March 31, 2023 includes ₹ 1,315.05 Crore pertaining to 1,200 MW DGEN Mega Power Project located at Dahej, Gujarat ("DGEN"). DGEN started commercial operations with effect from November 2014 and thereafter has operated only intermittently / partially due to various factors such as unavailability of domestic gas, high prices of imported gas and non-availability of power selling arrangement.

In view of the above and given the current economic environment, during the current year, the Company has carried out an impairment assessment of DGEN as at March 31, 2023 by considering the recoverable amount based on value-in-use of DGEN in accordance with Indian Accounting Standard 36 'Impairment of Assets'. Value-in-use is determined considering a discount rate of 15.00% (March 31, 2022 – 14.50%) and cash flow projections over a period of 17 years (March 31, 2022 - 18 years), being the balance useful life of DGEN in terms of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 on the basis that the Company expects to supply power in the future, inter alia, under long term power selling agreements. Based on the assessment, recoverable value of PPE by using value-in-use is ₹ 1,368.00 Crore which is higher than the carrying amount of PPE of ₹ 1,315.05 Crore and accordingly no additional impairment loss is required as at March 31, 2023. The management has conducted sensitivity analysis on impairment test of the value in use of DGEN. The management believes that reasonable possible change in key assumptions would not materially impact the impairment assessment March 31, 2023.

During the earlier years, the Company had provided for impairment loss of ₹ 2,300.00 Crore (including ₹ 1,300.00 Crore during previous year) which has been disclosed as an Exceptional item in the Statement of Profit and Loss.

Assessment of 'value-in-use' involves several key assumptions including expected demand, future price of fuel, expected tariff rates for electricity, discount rate, exchange rate and electricity market scenario, based on past trends and the current and likely future state of the industry. Management reviews such assumptions periodically to factor updated information based on events or changes in circumstances in order to make fresh assessment of impairment, if any.

2 Investment in Torrent Pipavav Generation Limited

Torrent Pipavav Generation Limited ("TPGL"), a subsidiary of the Company and a joint venture between the Company and Gujarat Power Corporation Limited ("GPCL"), had made payments in nature of compensation for acquisition of private land as per the court orders in Amreli, Gujarat for the purpose of developing a coal-based power plant of 1,000+ MW. Due to non-availability of fuel linkage, Government of Gujarat ("GoG") vide its letter dated December 6, 2017, communicated that the said project may not be developed and accordingly, the joint venture is intended to be dissolved. Further, as per the said letter, the cost of land would be reimbursed after the disposal of land. With reference to this, in the month of March 2019, GPCL has written a letter to Collector, Amreli stating that the land is surrendered to the Government of Gujarat and requested Energy and Petroleum Department, GoG to take further action in the matter. It is learnt that the Government of Gujarat is exploring the possibility of usage of Land for industrial purpose. The management has made an impairment assessment of the amount recoverable from Government of Gujarat and concluded that there is no impairment in the carrying amount of the land. Considering the above facts, assets and liabilities are reflected at their net realisable values or cost whichever is lower and the financial results of TPGL for the year ended March 31, 2023 have been prepared on a non - going concern basis. The recovery of carrying amount of equity and loan ₹ 93.45 Crore is also dependent on the availability of buyer for above mentioned land. The Company has invested equity and loan aggregating to ₹ 111.80 Crore in TPGL and impairment in value of investment is of ₹ 18.35 Crore as at March 31, 2023.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 42 : Income Tax Expense

(a) Income tax expense recognised in statement of profit and loss

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Current tax		
Current tax on profits for the year	629.14	367.45
Adjustment for current tax of prior periods	5.31	-
	634.45	**367.45**
Deferred tax (other than that disclosed under OCI)		
Decrease / (increase) in deferred tax assets	18.53	12.27
(Decrease) / increase in deferred tax liabilities	174.59	(275.05)
	193.12	**(262.78)**
Income tax expense	**827.57**	**104.67**

(b) Reconciliation of income tax expense

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax	2,931.29	514.38
Expected income tax expense calculated using tax rate at 34.944% (Previous year - 34.944%)	1,024.31	179.74
Adjustment to reconcile expected income tax expense to reported income tax expense:		
Effect of:		
Expenditure not deductible under Income Tax Act	20.98	28.52
Tax incentives / deductions	(216.21)	(207.31)
Impairment loss of DGEN unit	-	82.64
Other adjustments including relating to accumulated MAT credit	(6.82)	21.08
Total	**822.26**	**104.67**
Adjustment for current tax of prior periods	5.31	-
Total expense as per statement of profit and loss	**827.57**	**104.67**

The tax rate used for the reconciliations given above is the actual / enacted corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.

(c) Income tax recognised in other comprehensive income

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Deferred tax		
Re-measurement of defined benefit obligation (Items that will not be reclassified to profit or loss)	11.21	3.03
Income tax expense / (income) recognised in other comprehensive income	3.92	1.06

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 42: Income Tax Expense (Contd.)

(d) Deferred tax balances

(1) The following is the analysis of deferred tax assets / (liabilities) presented in the balance sheet

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Deferred tax assets	1,452.57	1,603.65
Deferred tax liabilities	(2,096.03)	(1,921.44)
	(643.46)	**(317.79)**

(2) Movement of deferred tax assets / (liabilities)

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2023

(₹ in Crore)

	Opening balance	Recognised in profit or loss	Utilisation	Recognised in OCI	Closing balance
Property, plant and equipment	(1,921.44)	(174.59)	-	-	(2,096.03)
Provision for compensated absences	40.40	(1.21)	-	-	39.19
Provision for onerous contracts	47.44	(3.78)	-	-	43.66
Allowance for doubtful debts	32.65	(5.54)	-	-	27.11
MAT credit entitlement	1,474.20	2.02	(128.63)	-	1,347.59
Others	8.96	(10.02)	-	(3.92)	(4.98)
	(317.79)	**(193.12)**	**(128.63)**	**(3.92)**	**(643.46)**

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2022

(₹ in Crore)

	Opening balance	Recognised in profit or loss	Utilisation	Recognised in OCI	Closing balance
Property, plant and equipment	(2,196.49)	275.05	-	-	(1,921.44)
Provision for compensated absences	42.95	(2.55)	-	-	40.40
Provision for onerous contracts	56.89	(9.45)	-	-	47.44
Allowance for doubtful debts	46.21	(13.56)	-	-	32.65
MAT credit entitlement	1,530.00	5.56	(61.36)	-	1,474.20
Others	2.29	7.73	-	(1.06)	8.96
	(518.15)	**262.78**	**(61.36)**	**(1.06)**	**(317.79)**

(3) Unrecognised deferred tax assets

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Accumulated MAT credit entitlement	-	-
	-	**-**

Management has made an assessment of the amount of taxable income that would be available in future to offset the Accumulated MAT credit entitlement available to the Company.

The assessment of taxable income involved several key assumptions including expected demand, future price of fuel, expected tariff rate for electricity, exchange rate and electricity market scenario, which the management considered reasonable based on past trends, applicable tariff regulations / agreements and current and likely future state of the industry.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 43 : Revenue from Contracts with Customers

(a) Unbilled revenue

(1) Revenue from contracts with customers include unbilled revenue towards FPPPA claims and other true up adjustments which is recognised considering applicable tariff regulations / tariff orders, past trends of approval and management's probability estimate.

The Company has not recognized those true up adjustment claims which are subject of dispute and for which the Company is in appeal with regulatory authorities. These are recognised on receipt of final orders of respective regulatory authorities.

(2) Movement in unbilled revenue

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Opening balance	1,903.53	1,651.83
Add: Income accrued during the year as per tariff regulations / orders	3,929.94	2,616.45
Less: Amount billed during the year to the consumers as per tariff orders	(3,263.17)	(2,364.75)
Closing balance	**2,570.30**	**1,903.53**
Disclosed under		
Unbilled revenue [Refer note 21]	2,572.31	1,914.64
Sundry payables [Refer note 31]	(2.01)	(11.11)
	2,570.30	**1,903.53**

(b) Contribution received from consumers

(1) Nature of contribution received from consumers

Contributions received from consumers towards property, plant and equipment has been recognised as deferred revenue over its useful life.

(2) Movement of contribution received from consumers

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Opening balance	1,281.54	1,168.54
Add: Contribution received during the year	216.93	200.41
Less: Amortisation of contribution transferred to statement of profit and loss [Refer note 35]	(97.32)	(87.41)
Closing balance	**1,401.15**	**1,281.54**
Non-current portion [Refer note 28]	1,300.44	1,189.80
Current portion [Refer note 32]	100.71	91.74
	1,401.15	**1,281.54**

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 43: Revenue from Contracts with Customers (Contd.)

(c) Service line deposit from consumers

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Opening balance	207.13	189.85
Add: Received during the year (net of refund)	245.55	217.69
Less: Transferred to contribution received from consumers	(216.93)	(200.41)
Closing balance [Refer note 32]	**235.75**	**207.13**

Footnote:

1 Service line deposits are collected against the cost of capital work to be carried out for new connection or load extension on application by consumers. On the completion of the work, such contribution is transferred to deferred revenue under the head "other current / non-current liabilities".

(d) Credit balance of consumers

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Opening balance	99.48	84.47
Add / (less) : Adjustment to current billing (net)	(5.94)	15.01
Closing balance [Refer note 32]	**93.54**	**99.48**

Note 44 : Contingent Liabilities, Contingent Assets and Capital Commitments

(a) Contingent liabilities

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Disputed income tax matters	23.21	26.46
Disputed sales tax matters	0.96	0.96
Disputed service tax matters	0.49	0.49
Disputed custom duty matters	18.50	18.50
Disputed excise duty matters	0.18	0.18
Disputed stamp duty matters	36.37	36.37
Disputed value added tax matters	2.94	2.94
Claims against the Company not acknowledged as debt [Refer footnote 3]	127.56	163.70

The Company has evaluated the impact of Supreme Court ("SC") judgement dated February 28, 2019 in the case of Regional Provident Fund Commissioner (II) West Bengal v/s Vivekananda Vidyamandir and Others, in relation to exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to Provident Fund ("PF") under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. There are interpretation issues relating to the said SC judgement. Based on such evaluation, management has concluded that effect of the aforesaid judgement on the Company is not material and accordingly, no provision has been made in the financial statements.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 44: Contingent Liabilities, Contingent Assets and Capital Commitments (Contd.)

Footnotes :

1 Management believes that its position on the aforesaid direct and indirect tax demands and other claims against the company will likely be upheld in the appellate process and accordingly no provision has been made in the standalone financial statements for such demands.

2 In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute / matters. No reimbursement is expected.

3 Break up of claims against the Company not acknowledged as debt as under:

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Claim of regulatory surcharge including interest in franchise distribution business	85.89	77.27
Penalty order issued by Directorate General of Foreign Trade (DGFT) in distribution business	-	50.53
Demand including interest for Tariff Indexation for excess energy withdrawn in franchise distribution business	21.83	18.31
Compensation payable for short lifting for material	8.46	8.46
Others	11.38	9.13
	127.56	**163.70**

(b) Contingent assets

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Claim for coal grade slippage	6.92	6.35
Claim of compensation for short lifting of material	8.46	8.46
	15.38	**14.81**

(c) Capital and other commitments

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
Property, plant and equipment	464.35	642.28
ii) Other commitments		
(a) Guarantee given to lender of subsidiary company including interest thereon $	705.05	700.00
(b) Guarantees given in favour of the debenture trustee for NCD issued by subsidiary companies including interest thereon	616.20	616.62
(c) Guarantee given in favour of trustee for loan taken by subsidiary companies including interest thereon $$	480.10	-
(d) Guarantee given in favour of Lender for hedging facility taken by subsidiary companies	24.64	-

$ Utilised as at March 31, 2023 was ₹ 617.99 Crore (March 31, 2022 - ₹ 25.48 Crore).

$$ Utilised as at March 31, 2023 was ₹ 368.47 Crore (March 31, 2022 - ₹ Nil).

Footnote :

1 The guarantees given to lenders of subsidiaries are unlikely to be called, as subsidiaries are in a position to service the loans and interest, covered by such guarantees.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 45 : The Company has given Loans to its Subsidiary and Associate Companies as Under

(a) Disclosure under Regulation 34(3) read with para A of Schedule V of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015

(₹ in Crore)

	Maximum amount outstanding during the year		Amount outstanding	
	Year ended March 31, 2023	Year ended March 31, 2022	As at March 31, 2023	As at March 31, 2022
Subsidiary Companies				
Torrent Pipavav Generation Limited	64.30	63.34	64.30	63.34
Torrent Solargen Limited	851.19	851.05	348.60	851.05
Jodhpur Wind Farms Private Limited	-	20.37	-	-
Latur Renewable Private Limited	-	20.43	-	-
TCL Cables Private Limited	295.87	270.95	288.13	231.22
Torrent Solar Power Private Limited	151.12	61.29	151.12	61.29
Torrent Saurya Urja 2 Private Limited	198.21	32.18	198.21	32.18
Surya Vidyut Limited	20.48	-	14.30	-
Torrent Saurya Urja 6 Private Limited (Formerly known as LREHL Renewables India SPV 1 Private Limited)	179.27	-	128.24	-
Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited	357.16	-	-	-
Wind Two Renergy Private Limited	247.20	-	247.12	-
Torrent Saurya Urja 4 Private Limited	20.08		20.08	
Sunshakti Solar Power Projects Private Limited	274.56		152.62	
			1,612.72	**1,239.08**
Associate Company				
Wind Two Renergy Private Limited [Refer footnote 5 of note 9]	-	155.71	-	141.77
			-	**141.77**
			1,612.72	**1,380.85**

Footnotes:

1 The Company has not given any loans or advances in the nature of loan to any firms / companies, in which Directors are interested.

2 The above loans were given to the subsidiaries and associate for their normal business activities.

The Company is engaged in the business of providing infrastructural facilities as per Section 186 (11) of the Act. Accordingly, disclosure under Section 186 (4) of the Act, is not applicable to the Company.

(b) Details of Loans or Advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

(a) repayable on demand; or

(b) without specifying any terms or period of repayment

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 45: The Company has given Loans to its Subsidiary and Associate Companies as Under (Contd.)

(₹ in Crore)

Type of Borrower	As at March 31, 2023		As at March 31, 2022	
	Amount of Loan or advance in nature of loan outstanding	Percentage to total loans and advances in the nature of loans	Amount of Loan or advance in nature of loan outstanding	Percentage to total loans and advances in the nature of loans
Related Parties	1,324.59	82.13%	1,149.63	83.26%
	1,324.59		**1,149.63**	

(c) During the year ended March 31, 2023, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

Except as detailed below, during the previous year ended March 31, 2022, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

Year Ended March 31, 2022

(₹ in Crore)

Date of loan given to Intermediary	Amount of loan given	Name of Intermediary	Details of Intermediary	Date of fund further loaned by Intermediary to the Ultimate beneficiary	Amount further loaned by Intermediary to the Ultimate beneficiary	Name of Ultimate beneficiary	Details of Ultimate beneficiary
March 29, 2022	6.10	Torrent Solargen Limited	India - Subsidiary (U40102GJ2008PLC055000)	March 29, 2022	6.10	Surya Vidyut Limited	India - Subsidiary (U40108WB2010PLC150712)

above has been received back on April 2, 2022

In respect of the aforesaid loan, the Company has complied with the relevant provisions of the Companies Act, 2013. Further, the said transaction is not violative of the Prevention of Money-laundering Act, 2002.

During the year ended March 31, 2023 and March 31, 2022, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 46 : Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

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

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
(a) Principal amount remaining unpaid [Refer notes 30 and 32]	80.00	62.80
(b) Interest due thereon	-	-
(c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
(i) Principal amounts paid to the suppliers beyond the appointed day during the year	2.36	2.23
(ii) Interest paid under section 16 of the MSMED Act, to the suppliers, beyond the appointed day during the year	0.01	0.03
(d) The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	0.02	0.02
(e) The amount of interest accrued and remaining unpaid [b+d]	0.02	0.02
(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 to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 47 : Leases

This note provides information for leases where the Company is a lessee.

(i) Amounts recognised in balance sheet

The balance sheet shows the following amounts relating to leases:

Right-of-use assets

(₹ in Crore)

	Notes	As at March 31, 2023	As at March 31, 2022
Land	5	142.60	152.54
Buildings	5	22.94	25.68
Plant and machinery	5	0.18	0.23
Office equipment	5	-	0.02
Total		**165.72**	**178.47**

Lease liabilities

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Current	5.33	4.95
Non-current	35.30	37.27
Total	**40.63**	**42.22**

(ii) Amounts recognised in the statement of profit and loss

The statement of profit or loss shows the following amounts relating to leases:

(₹ in Crore)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation charge of right-of-use assets	39	11.26	11.44
Interest expense (included in finance costs)	38	3.57	3.48
Expense relating to short-term leases (included in other expenses)	40	2.19	1.98
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	40	0.58	0.59
Total		**17.60**	**17.49**

(iii) Maturities of lease liabilities

As at March 31, 2023:

(₹ in Crore)

	Non-current lease liabilities	Current lease liabilities
Less than 1 year	-	6.78
Between 1 year and 5 years	29.70	-
5 years and above	21.05	-
Total	**50.75**	**6.78**

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 47: Leases (Contd.)

As at March 31, 2022:

(₹ in Crore)

	Non-current lease liabilities	Current lease liabilities
Less than 1 year	-	7.23
Between 1 year and 5 years	29.61	-
5 years and above	24.41	-
Total	**54.02**	**7.23**

(iv) The total cash outflow for leases :

(₹ in Crore)

	Notes	As at March 31, 2023	As at March 31, 2022
Principal elements of lease payments (disclosed in Cash flow statement)		7.78	9.38
Expense relating to short-term leases (included in other expenses)	40	2.19	1.98
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	40	0.58	0.59
Total		**10.55**	**11.95**

(v) Lease asset of Shil, Mumbra and Kalwa (franchise area)

The Company has entered into a Distribution Franchise Agreement ("Agreement") dated February 11, 2019 with Maharashtra State Electricity Distribution Company Limited ("MSEDCL") whereby as per the Agreement the Company would distribute the electricity in the area of Shil, Mumbra and Kalwa in Thane District in Maharashtra ("Franchise area") for 20 years (effective from March 1, 2020).

As per the Agreement the Company would purchase electricity from MSEDCL at the rate which would be derived through mechanism as mentioned in the Agreement which is linked to the number of units purchased and would distribute electricity to the Consumers at the tariff which has been approved by Maharashtra Electricity Regulation Commission (MERC).

Further as per the Agreement the Company has right to use existing assets of MSEDCL in the Franchise area provided it shall perform all the obligations and accepts all liabilities of MSEDCL on behalf of distribution licensee in Franchise area and MSEDCL shall not charge any rent for the use of such assets.

Considering the facts of the arrangement, the Company has the right to obtain substantially all of the economic benefits from use of MSEDCL assets of the Franchise area and the right to direct the use of the said assets for 20 years and accordingly it would meet the definition of Lease as per Ind AS 116. Further, for distribution of electricity, the Company would purchase power from MSEDCL for which payment would be made as per the franchise agreement which is linked to the number of units purchased. Accordingly the payments by the Company to MSEDCL is variable in nature and there are no fixed payments in the form of minimum purchase commitments, take or pay or any sort of fixed charges is required to be made.

Considering the entire payment made by the Company for this arrangement is variable in nature and there would be no lease liability required to be recognised with a corresponding right of use assets on initial recognition in accordance with Ind AS 116 and considering non-availability of relevant observable information for lease payments, management estimates and cost benefit analysis, total consideration payable to MSEDCL towards purchase of electricity has been shown as 'Electrical energy purchased' in the Financial Statements.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 48 : Employee Benefits Plan

48.1 Defined contribution plan

The Company has defined contribution retirement benefit plans for its employees.

The Company's contributions to provident fund, pension scheme and employee state insurance scheme are made to the relevant government authorities as per the prescribed rules and regulations. The Company's superannuation scheme for qualifying employees is administered through its various superannuation trust funds. The Company's contributions to the above defined contribution plans are recognised as employee benefit expenses in the statement of profit and loss for the year in which they are due. The Company has no further obligation in respect of such plans beyond the contributions made.

The Company's contribution to provident, pension, superannuation funds and to employees state insurance scheme aggregating to ₹ 43.77 Crore (Previous year - ₹ 42.94 Crore) has been recognised in the statement of profit and loss under the head employee benefits expense [Refer note 37].

48.2 Defined benefit plans

(a) Gratuity

The Company operates through various gratuity trust, a plan, covering all its employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The gratuity benefits payable to the employees are based on the tenure of employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company. In case of death while in service, the gratuity is payable irrespective of vesting.

The Company makes annual contribution to the gratuity schemes administered by the Life Insurance Corporation of India through its various Gratuity Trust Funds. The liability in respect of plan is determined on the basis of an actuarial valuation.

(b) Risk exposure to defined benefit plans

The plans typically expose the Company to actuarial risks such as: asset volatility, interest rate risk, longevity risk and salary risk as described below:

Asset volatility

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 Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

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's 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 benefit 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.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out at March 31, 2023. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 48 : Employee Benefits Plan (Contd.)

(c) Significant assumptions

The principal assumptions used for the purpose of the actuarial valuation were as follows.

	As at March 31, 2023	As at March 31, 2022
Discount rate (p.a.)	7.57%	7.17%
Salary escalation rate (p.a.)	8.50%	8.50%

(d) The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:

Balances of defined benefit plan

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Present value of funded defined benefit obligation	267.75	275.91
Fair value of plan assets	269.39	263.68
Net (asset) / liability [Refer note 21 and 33]	**(1.64)**	**12.23**

(e) Expenses recognised for defined benefit plan and movement of plan assets and liabilities

Following are the amounts recognised in statement of profit and loss, other comprehensive income, movement in defined benefit liability and movement in plan assets:

(₹ in Crore)

	Funded plan- Gratuity	
	As at March 31, 2023	As at March 31, 2022
1. Movements in the present value of the defined benefit obligation:		
Obligation at the beginning of the year	275.91	280.38
Current service cost	17.67	17.48
Interest cost	19.78	19.85
Actuarial (gains) / losses from changes in demographic assumptions	-	0.11
Actuarial (gains) / losses arising changes in financial assumptions	(10.10)	(2.26)
Actuarial (gains) / losses from experience adjustments	0.38	(2.37)
Liability transferred in	4.27	2.39
Liability transferred out	(8.57)	(2.17)
Benefits paid directly by employer	(4.84)	(2.39)
Benefits paid	(26.75)	(35.11)
Obligation at the end of the year	**267.75**	**275.91**
2. Movements in the fair value of the plan assets:		
Plan assets at the beginning of the year, at fair value	263.68	268.92
Interest income	18.90	19.05
Return on plan assets (excluding interest income)	1.49	(1.49)
Contributions received	12.07	12.31
Benefits paid	(26.75)	(35.11)
Plan assets at the end of the year, at fair value	**269.39**	**263.68**

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 48 : Employee Benefits Plan (Contd.)

(₹ in Crore)

	Funded plan- Gratuity	
	As at March 31, 2023	As at March 31, 2022
3. Gratuity cost recognized in the statement of profit and loss		
Current service cost	17.67	17.48
Interest cost, net	0.88	0.80
Net gratuity cost recognized in the statement of profit and loss [Refer note 37]	**18.55**	**18.28**
4. Gratuity cost recognized in the other comprehensive income (OCI)		
Return on plan assets (excluding interest income)	(1.49)	1.49
Actuarial (gains) / losses	(9.72)	(4.52)
Net (income) / expense for the period recognized in OCI	**(11.21)**	**(3.03)**

(f) Category wise plan assets

Contributions to fund the obligations under the gratuity plan are made to the Life Insurance Corporation of India.

(g) Sensitivity analysis

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

Change in assumptions

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Increase / (decrease) in defined benefit obligation of gratuity		
50 basis points increase in discount rate	(11.70)	(11.88)
50 basis points decrease in discount rate	12.74	12.95
50 basis points increase in salary escalation rate	12.56	12.72
50 basis points decrease in salary escalation rate	(11.66)	(11.79)

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

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

(h) The weighted average duration of the gratuity plan based on average future service is 18 years (Previous year - 19 years).

(i) Expected contribution to the plan for the next annual reporting period is ₹ Nil (Previous year - ₹ 12.23 Crore).

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 48 : Employee Benefits Plan (Contd.)

(j) Cash flow projection from the fund

Projected benefits payable in future years from the date of reporting

(₹ in Crore)

	Funded plan- Gratuity	
	As at March 31, 2023	As at March 31, 2022
1st following year	30.05	32.51
2nd following year	17.54	16.77
3rd following year	27.57	28.74
4th following year	18.32	26.75
5th following year	19.59	17.48
sum of years 6th to 10th	98.03	93.46
more than 10 years	469.69	444.65

48.3 Other long-term employee benefit obligations

The leave obligation covers the Company's liability for sick and earned leave. Under these compensated absences plans, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement or resignation; at the rate of daily last drawn salary, multiplied by leave days accumulated as at the end of relevant period. Refer notes 33 and 37 for the leave encashment provision / charge in the balance sheet and statement of profit and loss.

Note 49 : Auditors Remuneration (Including Taxes)

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
As audit fees	1.36	1.21
For other services	0.55	0.46
For reimbursement of expenses	0.12	0.02
	2.03	**1.69**

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 50 : Corporate Social Responsibility (CSR) Expenditure

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Amount required to be spent by the company during the year	31.97	28.60
(b) Amount of expenditure incurred	32.62	28.60
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	Not Applicable	Not Applicable
(f) Nature of CSR activities	1) Development and maintenance of public parks. 2) Education for urban and rural slum children. 3) Equestrian training facilities.	1) Pediatric health care activity 2) Development and maintenance of public parks. 3) Education for urban and rural slum children.
(g) Contribution to section 8 related companies, included in (b) above, in relation to CSR expenditure (i) UNM Foundation (formerly known as Tornascent Care Institute) [Refer Footnote 1]	32.45	28.48
	32.45	**28.48**

Footnote :

1 Unspent amount as at March 31, 2023 is ₹ 18.62 Crore (March 31, 2022 ₹ 16.91 Crore) has been transferred to special bank accounts u/s 135 (6) of the Companies Act, 2013 by UNM Foundation.

Note 51 : Donations Include Political Contributions as Under

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Electoral Bonds	23.00	27.50
Prudent Electoral Trust	-	3.50
Bhartiya Janta Party	0.11	-
	23.11	**31.00**

Note 52 : Earnings Per Share

	Year ended March 31, 2023	Year ended March 31, 2022
Basic earnings per share (₹)	43.77	8.52
Diluted earnings per share (₹)	43.77	8.52

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Basic and diluted earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:

	Year ended March 31, 2023	Year ended March 31, 2022
Profit for the year used in calculation of basic earning per share (₹ in Crore)	2,103.72	409.71
Weighted average number of equity shares	48,06,16,784	48,06,16,784

The Company does not have any dilutive potential ordinary shares and therefore diluted earnings per share is the same as basic earnings per share.

Note 53 : Operating Segments

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company's business viz. "Generation, Transmission and Distribution of Power" as an integrated utility. Hence the Company does not have any reportable segment as per Ind AS - 108 "Operating Segments".

The Company's operations are wholly confined within India and hence there is no reportable geographical information.

Note 54 : Certified Emission Reduction (CERS)

	As at March 31, 2023	As at March 31, 2022
No. of CERs inventory	49,97,674	-
No. of CERs under certification	-	71,71,099

Inventories of CERs are valued at cost or market price whichever is lower.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 55 : Related Party Disclosures

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

1	**Parent Company**	Torrent Investments Private Limited
2	**Subsidiaries**	Torrent Power Grid Limited, Torrent Pipavav Generation Limited, Torrent Solargen Limited, Jodhpur Wind Farms Private Limited, Latur Renewable Private Limited, TCL Cables Private Limited, Torrent Solar Power Private Limited (w.e.f. July 28, 2020), Torrent Saurya Urja 2 Private Limited (w.e.f. February 5, 2021), Torrent Saurya Urja 3 Private Limited (w.e.f. February 17, 2021), Torrent Saurya Urja 4 Private Limited (w.e.f. July 20, 2021), Torrent Saurya Urja 5 Private Limited (w.e.f. July 16, 2021), Visual Percept Solar Projects Private Limited (w.e.f. February 15, 2022), Surya Vidyut Limited (w.e.f. March 11, 2022), Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited (w.e.f. March 15, 2022), Torrent Saurya Urja 6 Private Limited (Formerly known as LREHL Renewables India SPV 1 Private Limited) (w.e.f. March 25, 2022), Sun Shakti Solar Power Projects Private Limited (w.e.f.June 13, 2022) and Wind Two Renergy Private Limited (w.e.f. July 30, 2022)
3	**Associates**	Wind Two Renergy Private Limited (upto July 29, 2022)
4	**Employee benefits plans***	TPL (Ahmedabad) Gratuity Trust, TPL (Ahmedabad) Superannuation Fund, TPL (Surat) Gratuity Trust, TPL (Surat) Superannuation Fund, TPL (SUGEN) Gratuity Trust, TPL (SUGEN) Superannuation Fund, TPL (DGEN) Gratuity Trust, TPL (DGEN) Superannuation Fund
5	**Key management personnel**	Samir Mehta Jinal Mehta Varun Mehta (w.e.f. August 8, 2022)
6	**Non-executive directors**	Sudhir Mehta Pankaj Patel Samir Barua (Upto September 30, 2022) Keki Mistry Usha Sangwan (w.e.f. May 21, 2021) Radhika Haribhakti (w.e.f. August 7, 2021) Mamta Verma (w.e.f. August 7, 2021) Bhavna Doshi (upto September 30, 2021) Dharmishta Raval (upto September 30, 2021) Sunaina Tomar (upto June 15, 2021) Ketan Dalal (w.e.f. May 11, 2022)
7	**Relatives of key management personnel***	Varun Mehta (upto August 7, 2022)
8	**Other entities where the company has 50% voting right / enterprises controlled by the Parent Company / Associate of Parent Company/ Entities where the directors have significant influence***	UNM Foundation (formerly known as Tornascent Care Institute) #, Torrent Pharmaceuticals Limited, Torrent Power Services Private Limited, Torrent Gas Pune Limited, Torrent Gas Private Limited, Torrent Gas Chennai Private Limited, Torrent Gas Jaipur Private Limited, Torrent Gas Moradabad Limited, Torrent Fincorp Private Limited, Torrent Sports Ventures Private Limited, Torrent Diagnostics Private Limited, Torrent Hospitals Private Limited, Gujarat Lease Financing Limited ,School of Ultimate Leadership Foundation (w.e.f. October 15, 2022)

* where transactions have taken place during the year and / or previous year or where balances are outstanding at the year end

\# The National Company Law Tribunal (NCLT) has approved a Scheme of Arrangement ("Scheme") in the nature of Amalgamation of UNM Foundation with Tornascent Care Institute vide order dated March 23, 2021. The Scheme is effective from April 1, 2020 ("Appointed Date"). The name "Tornascent Care Institute" changed to "UNM Foundation" w.e.f. July 20, 2021.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 55 : Related Party Disclosures (Contd.)

(b) Related party transactions

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Nature of transactions												
Sale of Inventory	**3.40**	-	-	-	-	-	-	-	-	-	**3.40**	-
Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited	3.40	-	-	-	-	-	-	-	-	-	3.40	-
Dividend income	**30.98**	**14.65**	-	-	-	-	-	-	-	-	**30.98**	**14.65**
Torrent Power Grid Limited	12.66	14.65	-	-	-	-	-	-	-	-	12.66	14.65
Visual Percept Solar Power Projects Limited	18.32	-	-	-	-	-	-	-	-	-	18.32	-
Interest income	**105.14**	**78.24**	**3.45**	**11.09**	-	-	-	-	-	-	**108.59**	**89.33**
Surya Vidyut Limited	0.65	-	-	-	-	-	-	-	-	-	0.65	-
Torrent Solargen Limited	28.70	59.31	-	-	-	-	-	-	-	-	28.70	59.31
Latur Renewable Private Limited	-	*	-	-	-	-	-	-	-	-	-	*
Jodhpur Wind Farms Private Limited	-	*	-	-	-	-	-	-	-	-	-	*
TCL Cables Private Limited	19.94	17.49	-	-	-	-	-	-	-	-	19.94	17.49
Torrent Solar Power Private Limited	7.58	0.77	-	-	-	-	-	-	-	-	7.58	0.77
Torrent Saurya Urja 2 Private Limited	5.85	0.56	-	-	-	-	-	-	-	-	5.85	0.56
Torrent Saurya Urja 4 Private Limited	0.12	-	-	-	-	-	-	-	-	-	0.12	-
Torrent Saurya Urja 6 Private Limited	10.65	0.11	-	-	-	-	-	-	-	-	10.65	0.11
Sunshakti Solar Power Projects Private Limited	15.44	-	-	-	-	-	-	-	-	-	15.44	-
Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited	8.28	-	-	-	-	-	-	-	-	-	8.28	-

Notes
forming part of the standalone financial statements for the year ended March 31, 2023

Note 55 : Related Party Disclosures (Contd.)

(b) Related party transactions

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Wind Two Renergy Private Limited	7.93	-	3.45	11.09	-	-	-	-	-	-	11.38	11.09
Dividend paid	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**566.33**	**373.26**	**566.33**	**373.26**
Torrent Investments Private Limited	-	-	-	-	-	-	-	-	566.33	373.26	566.33	373.26
Services provided (rent income including tax)	**1.37**	**1.37**	**-**	**-**	**-**	**-**	**-**	**-**	**1.35**	**0.88**	**2.72**	**2.25**
Torrent Power Grid Limited	*	*	-	-	-	-	-	-	-	-	*	*
Torrent Pipavav Generation Limited	*	*	-	-	-	-	-	-	-	-	*	*
Torrent Solargen Limited	*	*	-	-	-	-	-	-	-	-	*	*
Latur Renewable Private Limited	*	*	-	-	-	-	-	-	-	-	*	*
Jodhpur Wind Farms Private Limited	*	*	-	-	-	-	-	-	-	-	*	*
Visual Percept Solar Power Projects Limited	*	-	-	-	-	-	-	-	-	-	*	-
Torrent Solar Power Private Limited	*	*	-	-	-	-	-	-	-	-	*	*
TCL Cables Private Limited	1.37	1.37	-	-	-	-	-	-	-	-	1.37	1.37
Torrent Saurya Urja 2 Private Limited	*	*	-	-	-	-	-	-	-	-	*	*
Torrent Saurya Urja 3 Private Limited	*	*	-	-	-	-	-	-	-	-	*	*
Torrent Saurya Urja 4 Private Limited	*	*	-	-	-	-	-	-	-	-	*	*
Torrent Saurya Urja 5 Private Limited	*	*	-	-	-	-	-	-	-	-	*	*
UNM Foundation	-	-	-	-	-	-	-	-	*	0.01	*	0.01
Torrent Investments Private Limited	-	-	-	-	-	-	-	-	*	*	*	*
Torrent Power Services Private Limited	-	-	-	-	-	-	-	-	*	*	*	*
Torrent Gas Private Limited	-	-	-	-	-	-	-	-	0.47	0.87	0.47	0.87

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 55 : Related Party Disclosures (Contd.)

(b) Related party transactions

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Torrent Fincorp Private Limited	-	-	-	-	-	-	-	-	*	*	*	*
Torrent Sports Ventures Private Limited	-	-	-	-	-	-	-	-	*	*	*	*
Torrent Gas Chennai Private Limited	-	-	-	-	-	-	-	-	0.22	-	0.22	-
Torrent Gas Jaipur Private Limited	-	-	-	-	-	-	-	-	0.22	-	0.22	-
Torrent Gas Pune Limited	-	-	-	-	-	-	-	-	0.22	-	0.22	-
Torrent Gas Moradabad Limited	-	-	-	-	-	-	-	-	0.22	-	0.22	-
Torrent Hospitals Private Limited	-	-	-	-	-	-	-	-	*	-	*	-
School of Ultimate Leadership Foundation	-	-	-	-	-	-	-	-	*	-	*	-
Wind Two Renergy Private Limited	*	-	-	-	-	-	-	-	-	-	*	-
Torrent Diagnostics PrivateLtd	-	-	-	-	-	-	-	-	*	*	*	*
Services received / remuneration paid	**0.54**	**1.63**	**-**	**-**	**-**	**-**	**-**	**-**	**1.16**	**2.25**	**1.70**	**3.88**
TCL Cables Private Limited	0.54	1.63	-	-	-	-	-	-	-	-	0.54	1.63
Varun Mehta	-	-	-	-	-	-	-	-	1.16	2.25	1.16	2.25
Purchase of cables	**199.17**	**178.83**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**199.17**	**178.83**
TCL Cables Private Limited	199.17	178.83	-	-	-	-	-	-	-	-	199.17	178.83
Purchase of materials	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.63**	**-**	**0.63**
Torrent Gas Private Limited	-	-	-	-	-	-	-	-	-	0.63	-	0.63
Shared expenditure charged to	**1.91**	**1.56**	**0.11**	**0.31**	**-**	**-**	**-**	**-**	**-**	**0.02**	**2.02**	**1.89**
Torrent Saurya Urja 6 Private Limited	0.12	-	-	-	-	-	-	-	-	-	0.12	-
Torrent Pipavav Generation Limited	0.46	0.42	-	-	-	-	-	-	-	-	0.46	0.42

Notes

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Note 55 : Related Party Disclosures (Contd.)

(b) Related party transactions

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Visual Percept Solar Power Projects Limited	0.10	-	-	-	-	-	-	-	-	-	0.10	-
Torrent Solargen Limited	0.39	0.61	-	-	-	-	-	-	-	-	0.39	0.61
Torrent Power Grid Limited	0.10	0.06	-	-	-	-	-	-	-	-	0.10	0.06
Latur Renewable Private Limited	0.15	0.16	-	-	-	-	-	-	-	-	0.15	0.16
Jodhpur Wind Farms Private Limited	0.31	0.31	-	-	-	-	-	-	-	-	0.31	0.31
Wind Two Renergy Private Limited	0.20	-	0.11	0.31	-	-	-	-	-	-	0.31	0.31
Surya Vidyut Limited	0.08	-	-	-	-	-	-	-	-	-	0.08	-
Gujarat Lease Financing Limited	-	-	-	-	-	-	-	-	-	0.02	-	0.02
Expenses incurred on behalf of	**1.64**	**2.16**	**-**	**-**	**-**	**-**	**-**	**-**	**0.13**	**0.07**	**1.77**	**2.23**
Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited	1.07	2.16	-	-	-	-	-	-	-	-	1.07	2.16
Torrent Solargen Limited	0.11	-	-	-	-	-	-	-	-	-	0.11	-
Jodhpur Wind Farms Private Limited	*	-	-	-	-	-	-	-	-	-	*	-
Latur Renewable Private Limited	*	-	-	-	-	-	-	-	-	-	*	-
TCL Cables Private Limited	0.06	-	-	-	-	-	-	-	-	-	0.06	-
Torrent Solar Power Private Limited	0.24	-	-	-	-	-	-	-	-	-	0.24	-
Torrent Saurya Urja 2 Private Limited	0.16	-	-	-	-	-	-	-	-	-	0.16	-
Torrent Saurya Urja 6 Private Limited	*	-	-	-	-	-	-	-	-	-	*	-
Torrent Gas Private Limited	-	-	-	-	-	-	-	-	0.05	0.07	0.05	0.07
Torrent Gas Pune Limited	-	-	-	-	-	-	-	-	0.02	-	0.02	-

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 55 : Related Party Disclosures (Contd.)

(b) Related party transactions

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Torrent Gas Chennai Private Limited	-	-	-	-	-	-	-	-	0.02	-	0.02	-
Torrent Gas Jaipur Private Limited	-	-	-	-	-	-	-	-	0.02	-	0.02	-
Torrent Gas Moradabad Limited	-	-	-	-	-	-	-	-	0.02	-	0.02	-
Impairment in value of investment	**0.80**	**1.60**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.80**	**1.60**
Torrent Pipavav Generation Limited	0.80	1.60	-	-	-	-	-	-	-	-	0.80	1.60
Transfer of gratuity/leave liability to / (from)	**5.61**	**0.08**	**-**	**-**	**-**	**-**	**-**	**-**	**0.18**	**(0.13)**	**5.79**	**(0.05)**
Torrent Pharmaceuticals Limited	-	-	-	-	-	-	-	-	-	(0.29)	-	(0.29)
Torrent Power Grid Limited	(0.21)	-	-	-	-	-	-	-	-	-	(0.21)	-
TCL Cables Private Limited	0.06	0.08	-	-	-	-	-	-	-	-	0.06	0.08
UNM Foundation	-	-	-	-	-	-	-	-	-	*	-	*
Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited	5.76	-	-	-	-	-	-	-	-	-	5.76	-
Torrent Gas Jaipur Private Limited	-	-	-	-	-	-	-	-	(0.04)	-	(0.04)	-
Torrent Gas Private Limited	-	-	-	-	-	-	-	-	0.22	0.16	0.22	0.16
Managerial remuneration @	**-**	**-**	**-**	**-**	**-**	**-**	**36.09**	**24.14**	**-**	**-**	**36.09**	**24.14**
Samir Mehta	-	-	-	-	-	-	15.00	10.00	-	-	15.00	10.00
Varun Mehta	-	-	-	-	-	-	3.00	-	-	-	3.00	-
Jinal Mehta	-	-	-	-	-	-	18.09	14.14	-	-	18.09	14.14
Commission to non-executive directors @@	**-**	**-**	**-**	**-**	**-**	**-**	**2.19**	**1.82**	**-**	**-**	**2.19**	**1.82**
Samir Barua	-	-	-	-	-	-	0.23	0.37	-	-	0.23	0.37

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 55 : Related Party Disclosures (Contd.)

(b) Related party transactions

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Keki Mistry	-	-	-	-	-	-	0.27	0.30	-	-	0.27	0.30
Pankaj Patel	-	-	-	-	-	-	0.31	0.27	-	-	0.31	0.27
Bhavna Doshi	-	-	-	-	-	-	-	0.21	-	-	-	0.21
Dharmishta Raval	-	-	-	-	-	-	-	0.22	-	-	-	0.22
Sunaina Tomar #	-	-	-	-	-	-	-	0.05	-	-	-	0.05
Usha Sangwan	-	-	-	-	-	-	0.48	0.21	-	-	0.48	0.21
Radhika Haribhakti	-	-	-	-	-	-	0.48	0.14	-	-	0.48	0.14
Ketan Dalal	-	-	-	-	-	-	0.35	-	-	-	0.35	-
Mamta Verma #	-	-	-	-	-	-	0.07	0.05	-	-	0.07	0.05
Sitting fees to non-executive directors @@	**-**	**-**	**-**	**-**	**-**	**-**	**0.58**	**0.70**	**-**	**-**	**0.58**	**0.70**
Samir Barua	-	-	-	-	-	-	0.06	0.16	-	-	0.06	0.16
Keki Mistry	-	-	-	-	-	-	0.06	0.11	-	-	0.06	0.11
Pankaj Patel	-	-	-	-	-	-	0.07	0.09	-	-	0.07	0.09
Bhavna Doshi	-	-	-	-	-	-	-	0.08	-	-	-	0.08
Dharmishta Raval	-	-	-	-	-	-	-	0.09	-	-	-	0.09
Sunaina Tomar #	-	-	-	-	-	-	-	0.01	-	-	-	0.01
Usha Sangwan	-	-	-	-	-	-	0.14	0.09	-	-	0.14	0.09
Radhika Haribhakti	-	-	-	-	-	-	0.14	0.06	-	-	0.14	0.06
Mamta Verma #	-	-	-	-	-	-	0.01	0.01	-	-	0.01	0.01
Ketal Dalal	-	-	-	-	-	-	0.10	-	-	-	0.10	-

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 55 : Related Party Disclosures (Contd.)

(b) Related party transactions

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Donation	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**9.55**	**11.36**	**9.55**	**11.36**
UNM Foundation	-	-	-	-	-	-	-	-	9.55	11.36	9.55	11.36
Contribution towards CSR	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**32.45**	**28.48**	**32.45**	**28.48**
UNM Foundation	-	-	-	-	-	-	-	-	32.45	28.48	32.45	28.48
Contribution to employee benefit plans (net)	**-**	**-**	**-**	**-**	**22.21**	**22.15**	**-**	**-**	**-**	**-**	**22.21**	**22.15**
TPL (Ahmedabad) Gratuity Trust	-	-	-	-	10.12	9.16	-	-	-	-	10.12	9.16
TPL (Ahmedabad) Superannuation Fund	-	-	-	-	7.91	7.54	-	-	-	-	7.91	7.54
TPL (Surat) Gratuity Trust	-	-	-	-	1.53	2.66	-	-	-	-	1.53	2.66
TPL (Surat) Superannuation Fund	-	-	-	-	1.45	1.51	-	-	-	-	1.45	1.51
TPL (SUGEN) Gratuity Trust	-	-	-	-	0.40	0.44	-	-	-	-	0.40	0.44
TPL (SUGEN) Superannuation Fund	-	-	-	-	0.52	0.52	-	-	-	-	0.52	0.52
TPL (DGEN) Gratuity Trust	-	-	-	-	0.03	0.05	-	-	-	-	0.03	0.05
TPL (DGEN) Superannuation Fund	-	-	-	-	0.25	0.27	-	-	-	-	0.25	0.27
Equity contribution	**-**	**40.10**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**40.10**
TCL Cables Private Limited	-	40.00	-	-	-	-	-	-	-	-	-	40.00
Torrent Saurya Urja 4 Private Limited	-	0.05	-	-	-	-	-	-	-	-	-	0.05
Torrent Saurya Urja 5 Private Limited	-	0.05	-	-	-	-	-	-	-	-	-	0.05
Payment against bank guarantee	**-**	**5.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5.00**
Torrent Solargen Limited	-	5.00	-	-	-	-	-	-	-	-	-	5.00

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 55 : Related Party Disclosures (Contd.)

(b) Related party transactions

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Conversion of Compulsorily Convertible Debentures into equity	**88.53**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**88.53**	**-**
Sunshakti Solar Power Projects Private Limited	36.69	-	-	-	-	-	-	-	-	-	36.69	-
Torrent Saurya Urja 6 Private Limited	51.84	-	-	-	-	-	-	-	-	-	51.84	-
Fractional shares payment	*	-	-	-	-	-	-	-	-	-	*	-
Sunshakti Solar Power Projects Private Limited	*	-	-	-	-	-	-	-	-	-	*	-
Refund by bank against bank guarantee	**-**	**4.50**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4.50**
Torrent Solargen Limited	-	4.50	-	-	-	-	-	-	-	-	-	4.50
Redemption of Non-Convertible Debentures	**72.76**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**72.76**	**-**
Wind Two Renergy Private Limited	72.76	-	-	-	-	-	-	-	-	-	72.76	-
Premium on NCD	**4.66**	**-**	**2.62**	**7.45**	**-**	**-**	**-**	**-**	**-**	**-**	**7.28**	**7.45**
Wind Two Renergy Private Limited	4.66	-	2.62	7.45	-	-	-	-	-	-	7.28	7.45
Securities Given	**17.52**	**98.79**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**17.52**	**98.79**
Surya Vidyut Limited	17.52	-	-	-	-	-	-	-	-	-	17.52	-
Torrent Saurya Urja 6 Private Limited	-	98.79	-	-	-	-	-	-	-	-	-	98.79
Loans given	**5,166.64**	**461.45**	**3.50**	**7.95**	**-**	**-**	**-**	**-**	**-**	**-**	**5,170.14**	**469.40**
Torrent Pipavav Generation Limited ^	0.96	2.36	-	-	-	-	-	-	-	-	0.96	2.36
Torrent Solargen Limited	89.06	177.77	-	-	-	-	-	-	-	-	89.06	177.77
Latur Renewable Private Limited	-	20.43	-	-	-	-	-	-	-	-	-	20.43
Jodhpur Wind Farms Private Limited	-	20.37	-	-	-	-	-	-	-	-	-	20.37

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 55 : Related Party Disclosures (Contd.)

(b) Related party transactions

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
TCL Cables Private Limited	168.00	148.25	-	-	-	-	-	-	-	-	168.00	148.25
Torrent Solar Power Private Limited	83.01	60.60	-	-	-	-	-	-	-	-	83.01	60.60
Torrent Saurya Urja 2 Private Limited	163.32	31.67	-	-	-	-	-	-	-	-	163.32	31.67
Torrent Saurya Urja 4 Private Limited	19.97	-	-	-	-	-	-	-	-	-	19.97	-
Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited	4,008.50	-	-	-	-	-	-	-	-	-	4,008.50	-
Wind Two Renergy Private Limited	115.00	-	3.50	7.95	-	-	-	-	-	-	118.50	7.95
Surya Vidyut Limited	60.00	-	-	-	-	-	-	-	-	-	60.00	-
Sunshakti Solar Power Projects Private Limited	279.02	-	-	-	-	-	-	-	-	-	279.02	-
Torrent Saurya Urja 6 Private Limited	179.80	-	-	-	-	-	-	-	-	-	179.80	-
Receipt on repayment of loans	**4,944.21**	**255.34**	**11.25**	**21.30**	**-**	**-**	**-**	**-**	**-**	**-**	**4,955.46**	**276.64**
Torrent Saurya Urja 6 Private Limited	53.75	-	-	-	-	-	-	-	-	-	53.75	-
Torrent Saurya Urja 2 Private Limited	2.55	-	-	-	-	-	-	-	-	-	2.55	-
Torrent Solargen Limited	592.65	78.04	-	-	-	-	-	-	-	-	592.65	78.04
Latur Renewable Private Limited	-	20.43	-	-	-	-	-	-	-	-	-	20.43
Jodhpur Wind Farms Private Limited	-	20.37	-	-	-	-	-	-	-	-	-	20.37
TCL Cables Private Limited	112.00	136.50	-	-	-	-	-	-	-	-	112.00	136.50
Surya Vidyut Limited	45.70	-	-	-	-	-	-	-	-	-	45.70	-
Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited	4,008.50	-	-	-	-	-	-	-	-	-	4,008.50	-

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 55 : Related Party Disclosures (Contd.)

(b) Related party transactions

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Sunshakti Solar Power Projects Private Limited	126.41	-	-	-	-	-	-	-	-	-	126.41	-
Wind Two Renergy Private Limited	2.65	-	11.25	21.30	-	-	-	-	-	-	13.90	21.30
Deposits given for nomination of directors	**0.01**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.01**	**-**
Torrent Power Grid Limited	0.01	-	-	-	-	-	-	-	-	-	0.01	-
Deposits received back on appointment of directors	**0.01**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.01**	**-**
Torrent Power Grid Limited	0.01	-	-	-	-	-	-	-	-	-	0.01	-
Deposits received	**-**	**0.10**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.10**
Visual Percept Solar Power Projects Limited	*	-	-	-	-	-	-	-	-	-	*	-
TCL Cables Private Limited	-	0.10	-	-	-	-	-	-	-	-	-	0.10
Torrent Saurya Urja 2 Private Limited	-	*	-	-	-	-	-	-	-	-	-	*
Torrent Saurya Urja 3 Private Limited	-	*	-	-	-	-	-	-	-	-	-	*
Torrent Saurya Urja 4 Private Limited	-	*	-	-	-	-	-	-	-	-	-	*
Torrent Saurya Urja 5 Private Limited	-	*	-	-	-	-	-	-	-	-	-	*
Torrent Sports Ventures Private Limited	-	-	-	-	-	-	-	-	-	*	-	*
School of Ultimate Leadership Foundation	-	-	-	-	-	-	-	-	*	-	*	-
Wind Two Renergy Private Limited	*	-	-	-	-	-	-	-	-	-	*	-
Torrent Diagnostics Private Ltd	-	-	-	-	-	-	-	-	-	*	-	*
Deposit Refunded	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	*****	**-**	*****
Torrent Power Grid Limited	-	*	-	-	-	-	-	-	-	-	-	*

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 55 : Related Party Disclosures (Contd.)

(b) Related party transactions

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
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Torrent Pipavav Generation Limited	-	*	-	-	-	-	-	-	-	-	-	*
Torrent Solargen Limited	-	*	-	-	-	-	-	-	-	-	-	*
Jodhpur Wind Farms Private Limited	-	*	-	-	-	-	-	-	-	-	-	*
Latur Renewable Private Limited	-	*	-	-	-	-	-	-	-	-	-	*
Torrent Solar Power Private Limited	-	*	-	-	-	-	-	-	-	-	-	*
UNM Foundation	-	-	-	-	-	-	-	-	-	*	-	*
Torrent Investments Private Limited	-	-	-	-	-	-	-	-	-	*	-	*
Torrent Power Services Private Limited	-	-	-	-	-	-	-	-	-	*	-	*
Torrent Gas Private Limited	-	-	-	-	-	-	-	-	-	*	-	*
Torrent Fincorp Private Limited	-	-	-	-	-	-	-	-	-	*	-	*
Utilisation of non-fund based limit of the Company by	**198.98**	**449.54**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**198.98**	**449.54**
Torrent Solargen Limited	1.62	47.57	-	-	-	-	-	-	-	-	1.62	47.57
Jodhpur Wind Farms Private Limited	-	0.81	-	-	-	-	-	-	-	-	-	0.81
Latur Renewable Private Limited	-	0.81	-	-	-	-	-	-	-	-	-	0.81
Torrent Saurya Urja 2 Private Limited	58.25	-	-	-	-	-	-	-	-	-	58.25	-
Torrent Solar Power Private Limited	0.50	-	-	-	-	-	-	-	-	-	0.50	-
TCL Cables Private Limited	48.57	24.20	-	-	-	-	-	-	-	-	48.57	24.20
Torrent Saurya Urja 6 Private Limited	0.37	-	-	-	-	-	-	-	-	-	0.37	-

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 55 : Related Party Disclosures (Contd.)

(b) Related party transactions

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited	89.67	376.15	-	-	-	-	-	-	-	-	89.67	376.15
Guarantees given to lenders of subsidiaries	**503.91**	**700.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**503.91**	**700.00**
Torrent Solargen Limited	-	700.00	-	-	-	-	-	-	-	-	-	700.00
TCL Cables Private Limited $$$	23.91	-	-	-	-	-	-	-	-	-	23.91	-
Surya Vidyut Limited	480.00	-	-	-	-	-	-	-	-	-	480.00	-

@ excluding provision for gratuity and leave encashment, insurance premium for group personal accident and group mediclaim.

\# Sitting fees and Commission of Sunaina Tomar and Mamta Verma (nominee of the Government of Gujarat) is paid / payable to the Government of Gujarat.

@@ excluding Goods and Services Tax.

^ Interest free loan has been provided.

$$$ Guarantee given for USD 0.30 Crore (March 31, 2022 -₹ Nil). It has been converted based on SBI reference rate as at transaction date i.e. ₹ 79.69.

The Company is a public utility, being engaged in distribution of electricity. Transactions entered with the above mentioned related party does not include sale of electricity since the tariff charged to the customers are determined by an independent rate-setting authority.

(c) Key management personnel compensation

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Short-term employee benefits	36.09	24.14
	36.09	**24.14**

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 55 : Related Party Disclosures (Contd.)

(d) Related party balances

(₹ in Crore)

	Subsidiaries		Associates		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Balances at the end of the year										
Current liabilities	**31.62**	**49.09**	**-**	**-**	**22.97**	**14.32**	**0.40**	**0.16**	**54.99**	**63.57**
Visual Percept Solar Projects Private Limited	*	-	-	-	-	-	-	-	*	-
TCL Cables Private Limited	30.99	49.09	-	-	-	-	-	-	30.99	49.09
Torrent solar power private limited	*	-	-	-	-	-	-	-	*	-
Torrent Saurya Urja 2 Private Limited	*	*	-	-	-	-	-	-	*	*
Torrent Saurya Urja 3 Private Limited	*	*	-	-	-	-	-	-	*	*
Torrent Saurya Urja 4 Private Limited	*	*	-	-	-	-	-	-	*	*
Torrent Saurya Urja 5 Private Limited	*	*	-	-	-	-	-	-	*	*
Wind Two Renergy Private Limited	*	-	-	-	-	-	-	-	*	-
UNM Foundation	-	-	-	-	-	-	-	*	-	*
Torrent Gas Private Limited	-	-	-	-	-	-	0.38	0.16	0.38	0.16
Torrent Gas Jaipur Private Limited	-	-	-	-	-	-	0.02	-	0.02	-
Torrent Sports Ventures Private Limited	-	-	-	-	-	-	*	*	*	*
Torrent Hospitals Pvt Ltd	-	-	-	-	-	-	*	-	*	-
School of Ultimate Leadership Foundation	-	-	-	-	-	-	*	-	*	-
Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited	0.63	-	-	-	-	-	-	-	0.63	-
Torrent Diagnostics Private Limited	-	-	-	-	-	-	*	*	*	*
Samir Mehta	-	-	-	-	15.00	10.00	-	-	15.00	10.00

Notes

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Note 55 : Related party disclosures (Contd.)

(d) Related party balances

(₹ in Crore)

	Subsidiaries		Associates		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Varun Mehta	-	-	-	-	1.00	-	-	-	1.00	-
Jinal Mehta	-	-	-	-	5.00	2.50	-	-	5.00	2.50
Samir Barua	-	-	-	-	0.21	0.37	-	-	0.21	0.37
Keki Mistry	-	-	-	-	0.24	0.30	-	-	0.24	0.30
Pankaj Patel	-	-	-	-	0.28	0.27	-	-	0.28	0.27
Bhavna Doshi	-	-	-	-	-	0.21	-	-	-	0.21
Dharmishta Raval	-	-	-	-	-	0.22	-	-	-	0.22
Sunaina Tomar #	-	-	-	-	-	0.05	-	-	-	0.05
Ketan Dalal	-	-	-	-	0.31	-	-	-	0.31	-
Usha Sangwan	-	-	-	-	0.43	0.21	-	-	0.43	0.21
Radhika Haribhakti	-	-	-	-	0.43	0.14	-	-	0.43	0.14
Mamta Verma #	-	-	-	-	0.07	0.05	-	-	0.07	0.05
Investment in equity	**1,813.64**	**993.88**	**-**	**-**	**-**	**-**	**0.05**	**0.05**	**1,813.69**	**993.93**
Torrent Power Grid Limited	66.60	66.60	-	-	-	-	-	-	66.60	66.60
Torrent Pipavav Generation Limited	47.50	47.50	-	-	-	-	-	-	47.50	47.50
Torrent Solargen Limited	88.86	88.86	-	-	-	-	-	-	88.86	88.86
Latur Renewable Private Limited	116.68	116.68	-	-	-	-	-	-	116.68	116.68
Jodhpur Wind Farms Private Limited	117.68	117.68	-	-	-	-	-	-	117.68	117.68
TCL Cables Private Limited	42.00	42.00	-	-	-	-	-	-	42.00	42.00
Torrent Solar Power Private Limited	0.05	0.05	-	-	-	-	-	-	0.05	0.05
Torrent Saurya Urja 2 Private Limited	0.05	0.05	-	-	-	-	-	-	0.05	0.05
Torrent Saurya Urja 3 Private Limited	0.05	0.05	-	-	-	-	-	-	0.05	0.05

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

(d) Related party balances

(₹ in Crore)

	Subsidiaries		Associates		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Torrent Saurya Urja 4 Private Limited	0.05	0.05	-	-	-	-	-	-	0.05	0.05
Torrent Saurya Urja 5 Private Limited	0.05	0.05	-	-	-	-	-	-	0.05	0.05
Visual Percept Solar Projects Private Limited	162.62	162.62	-	-	-	-	-	-	162.62	162.62
Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited	586.06	-	-	-	-	-	-	-	586.06	-
Surya Vidyut Limited	311.47	304.73	-	-	-	-	-	-	311.47	304.73
Torrent Saurya Urja 6 Private Limited	98.79	46.96	-	-	-	-	-	-	98.79	46.96
Sunshakti Solar Power Projects Private Limited	142.62	-	-	-	-	-	-	-	142.62	-
Wind Two Renergy Private Limited	32.51	-	-	-	-	-	-	-	32.51	-
UNM Foundation	-	-	-	-	-	-	0.05	0.05	0.05	0.05
Investment in compulsorily convertible debentures (including interest accrued)	**-**	**51.93**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**51.93**
Torrent Saurya Urja 6 Private Limited	-	51.93	-	-	-	-	-	-	-	51.93
Impairment in value of investment	**18.35**	**17.55**	**-**	**-**	**-**	**-**	**-**	**-**	**18.35**	**17.55**
Torrent Pipavav Generation Limited	18.35	17.55	-	-	-	-	-	-	18.35	17.55
Investment in non-convertible debentures (including amortised premium)	**24.35**	**-**	**-**	**116.89**	**-**	**-**	**-**	**-**	**24.35**	**116.89**
Wind Two Renergy Private Limited	24.35	-	-	116.89	-	-	-	-	24.35	116.89
Loans (including interest) (non-current)	**1,507.56**	**227.45**	**-**	**121.87**	**-**	**-**	**-**	**-**	**1,507.56**	**349.32**
Torrent Solargen Limited	332.06	-	-	-	-	-	-	-	332.06	-
TCL Cables Private Limited	283.45	227.45	-	-	-	-	-	-	283.45	227.45
Torrent Solar Power Private Limited	151.12	-	-	-	-	-	-	-	151.12	-
Torrent Saurya Urja 2 Private Limited	198.21	-	-	-	-	-	-	-	198.21	-
Torrent Saurya Urja4 Private Limited	20.08	-	-	-	-	-	-	-	20.08	-

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 55 : Related Party Disclosures (Contd.)

(d) Related party balances

(₹ in Crore)

	Subsidiaries		Associates		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Sunshakti Solar Power Projects Private Limited	152.62	-	-	-	-	-	-	-	152.62	-
Torrent Saurya Urja 6 Private Limited	126.05	-	-	-	-	-	-	-	126.05	-
Wind Two Renergy Private Limited	243.97	-	-	121.87	-	-	-	-	243.97	121.87
Loans (including interest) (current)	**105.16**	**1,011.63**	**-**	**19.90**	**-**	**-**	**-**	**-**	**105.16**	**1,031.53**
Torrent Pipavav Generation Limited ^	64.30	63.34	-	-	-	-	-	-	64.30	63.34
Torrent Solargen Limited	16.55	851.05	-	-	-	-	-	-	16.55	851.05
TCL Cables Private Limited	4.67	3.77	-	-	-	-	-	-	4.67	3.77
Torrent Solar Power Private Limited	-	61.29	-	-	-	-	-	-	-	61.29
Torrent Saurya Urja 2 Private Limited	-	32.18	-	-	-	-	-	-	-	32.18
Wind Two Renergy Private Limited	3.15	-	-	19.90	-	-	-	-	3.15	19.90
Surya Vidyut Limited	14.30	-	-	-	-	-	-	-	14.30	-
Torrent Saurya Urja 6 Private Limited	2.19	-	-	-	-	-	-	-	2.19	-
Trade and other receivables	**1.29**	**2.34**	**-**	**0.07**	**-**	**-**	**-**	**0.29**	**1.29**	**2.70**
Torrent Pipavav Generation Limited	0.04	-	-	-	-	-	-	-	0.04	-
Torrent Solargen Limited	0.37	0.07	-	-	-	-	-	-	0.37	0.07
Torrent Power Grid Limited	0.21	-	-	-	-	-	-	-	0.21	-
Visual Percept Solar Projects Private Limited	0.04	-	-	-	-	-	-	-	0.04	-
TCL Cables Private Limited	0.01	-	-	-	-	-	-	-	0.01	-
Torrent Solar Power Private Limited	0.24	-	-	-	-	-	-	-	0.24	-
Torrent Saurya Urja 2 Private Limited	0.12	-	-	-	-	-	-	-	0.12	-
Torrent Saurya Urja 6 Private Limited	0.05	-	-	-	-	-	-	-	0.05	-

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 55 : Related Party Disclosures (Contd.)

(d) Related party balances

(₹ in Crore)

	Subsidiaries		Associates		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Surya Vidyut Limited	0.03	-	-	-	-	-	-	-	0.03	-
Latur Renewable Private Limited	0.04	0.04	-	-	-	-	-	-	0.04	0.04
Jodhpur Wind Farms Private Limited	0.07	0.07	-	-	-	-	-	-	0.07	0.07
Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited	-	2.16	-	-	-	-	-	-	-	2.16
Wind Two Renergy Private Limited	0.07	-	-	0.07	-	-	-	-	0.07	0.07
Torrent Pharmaceuticals Limited	-	-	-	-	-	-	-	0.29	-	0.29
Utilisation of non-fund based limit of the Company by	**604.42**	**462.74**	**-**	**-**	**-**	**-**	**-**	**-**	**604.42**	**462.74**
Torrent Solargen Limited	24.90	24.88	-	-	-	-	-	-	24.90	24.88
Jodhpur Wind Farms Private Limited	0.26	1.07	-	-	-	-	-	-	0.26	1.07
Latur Renewable Private Limited	0.26	1.07	-	-	-	-	-	-	0.26	1.07
Torrent Solar Power Private Limited	9.94	9.44	-	-	-	-	-	-	9.94	9.44
TCL Cables Private Limited	67.20	50.13	-	-	-	-	-	-	67.20	50.13
Torrent Saurya Urja 6 Private Limited	0.37	-	-	-	-	-	-	-	0.37	-
Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited	461.71	376.15	-	-	-	-	-	-	461.71	376.15
Torrent Saurya Urja 2 Private Limited	39.78	-	-	-	-	-	-	-	39.78	-
Securities Given	**17.52**	**98.79**	**-**	**-**	**-**	**-**	**-**	**-**	**17.52**	**98.79**
Surya Vidyut Limited	17.52	-	-	-	-	-	-	-	17.52	-
Torrent Saurya Urja 6 Private Limited	-	98.79	-	-	-	-	-	-	-	98.79

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 55 : Related Party Disclosures (Contd.)

(d) Related party balances

(₹ in Crore)

	Subsidiaries		Associates		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Guarantees given in favour of the debenture trustee for NCD including interest thereon	**616.20**	**616.62**	**-**	**-**	**-**	**-**	**-**	**-**	**616.20**	**616.62**
Jodhpur Wind Farms Private Limited	308.32	308.54	-	-	-	-	-	-	308.32	308.54
Latur Renewable Private Limited	307.88	308.08	-	-	-	-	-	-	307.88	308.08
Guarantees given to lenders of subsidiaries (including interest , in any)	**1,209.79**	**700.00**	**-**	**-**	**-**	**-**	**-**	**-**	**1,209.79**	**700.00**
Torrent Solargen Limited $	705.05	700.00	-	-	-	-	-	-	705.05	700.00
Surya Vidyut Limited $$	480.10								480.10	-
TCL Cables Private Limited $$$	24.64	-	-	-	-	-	-	-	24.64	-

\# Sitting fees and Commission of Sunaina Tomar and Mamta Verma (nominee of the Government of Gujarat) is payable to the Government of Gujarat.

The Company is a public utility, being engaged in distribution of electricity. Transactions entered with the above mentioned related party does not include sale of electricity since the tariff charged to the customers are determined by an independent rate-setting authority.

^ Interest free loan has been provided.

$ Utilised as at March 31, 2023 was ₹ 617.99 Crore (March 31, 2022 - ₹ 25.48 Crore).

$$ Utilised as at March 31, 2023 was ₹ 368.47 Crore (March 31, 2022 - ₹ Nil).

$$$ Guarantee given for USD 0.30 Crore (March 31, 2022 - ₹ Nil). It has been converted based on SBI reference rate as at year end i.e. ₹ 82.14.

(e) Terms and conditions of outstanding balances

The transactions with related parties are made in the normal course of business on terms equivalent to those that prevail in arm's length transactions.

Outstanding balances at the year-end are unsecured.

Footnote:

1. Loans granted to related parties carries interest rate of 7.65% p.a. (Previous year 7.75% p.a.).

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 56 : Financial Instruments and Risk Management

(a) Capital management

The Company manages its capital structure in a manner to ensure that it will be able to continue as a going concern while optimising the return to stakeholders through the appropriate debt and equity balance.

The Company's capital structure is represented by equity (comprising equity shares, retained earnings and other reserves as detailed in notes 23,24) and debt (borrowings as detailed in note 25).

The Company's management reviews the capital structure of the Company on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Company's plan is to ensure that the gearing ratio (debt equity ratio) is well within the limit of 2:1. No changes were made in the objectives, policies or process for managing its capital during the year ended March 31, 2023 and March 31, 2022. The Company reviews its Dividend policy from time to time.

Gearing ratio

The gearing ratio at end of the reporting period is as follows.

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Debt	10,016.58	7,830.37
Total equity	11,651.48	10,264.82
Debt to equity ratio	**0.86**	**0.76**

Footnotes :

1 Debt is defined as all long term debt outstanding (including unamortised expense) + contingent liability pertaining to corporate / financial guarantee given (to the extent utilised) + short term debt outstanding in lieu of long term debt.

2 Total equity is defined as equity share capital + all reserve (excluding revaluation reserve) + deferred tax liabilities – deferred tax assets – intangible assets – Intangible assets under development

Loan Covenants

The company has complied with financial covenants specified as per the terms of borrowing facilities.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 56 : Financial Instruments and Risk Management (Contd.)

(b) Categories of financial instruments

(₹ in Crore)

	As at March 31, 2023		As at March 31, 2022	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	138.08	138.08	161.79	161.79
Bank balance other than cash and cash equivalents	143.50	143.50	45.14	45.14
Investment in bonds and debentures #	42.17	42.17	132.77	132.77
Trade receivables	1,516.04	1,516.04	1,363.63	1,363.63
Loans	1,612.72	1,612.72	1,380.85	1,380.85
Other financial assets	2,653.45	2,653.45	2,846.44	2,846.44
	6,105.96	**6,105.96**	**5,930.62**	**5,930.62**
Measured at fair value through profit and loss (FVTPL)				
Investment in mutual funds	656.03	656.03	253.27	253.27
Investment in equity instruments	0.05	0.05	0.05	0.05
	656.08	**656.08**	**253.32**	**253.32**
Financial liabilities				
Measured at amortised cost				
Borrowings	8,389.62	8,369.85	7,865.92	7,902.19
Trade payables	1,291.95	1,291.95	1,258.07	1,258.07
Other financial liabilities	2,182.01	2,182.01	1,903.17	1,903.17
	11,863.58	**11,843.81**	**11,027.16**	**11,063.43**

Other than equity investments in subsidiaries accounted at cost in accordance with Ind AS 27 - 'Separate Financial Statements'.

Footnotes:

1 The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

2 Non current loan and Inter corporate Deposits carries the interest rates that are variable in nature and hence carrying value is considered as same as fair value.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 56 : Financial Instruments and Risk Management (Contd.)

(c) Fair value measurement

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

Level 1 : Inputs are Quoted (unadjusted) market prices in active markets for identical assets or liabilities. This includes quoted equity instruments, investments in mutual funds that have quoted price.

Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. This includes unquoted floating and fixed rate borrowing.

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. This includes unquoted equity shares, loans, security deposits, investments in Debentures, floating rate borrowings.

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

(1) Financial assets at fair value through profit and loss (FVTPL)

(₹ in Crore)

	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at March 31, 2023	As at March 31, 2022		
Investment in mutual fund units	656.03	253.27	Level 1	Quoted bid prices in an active market

(2) Financial liabilities at amortised cost

(₹ in Crore)

	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at March 31, 2023	As at March 31, 2022		
Fixed rate borrowings (Non-convertible debentures)	2,190.23	1,404.64	Level 2	Inputs other than quoted prices that are observable based on yields provided by FIMMDA

(d) Financial risk management objectives

The Company's principal financial liabilities, comprise borrowings, employee payables, security deposits from consumers, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and projects capital expenditure. The Company's principal financial assets include loans, advances, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks viz foreign currency risk, commodity price risk, interest rate risk, credit risk, liquidity risk etc. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks. It advises on financial risks and the appropriate financial risk governance framework for the Company.

Notes

forming part of the standalone financial statements for the year ended March 31, 2023

Note 56 : Financial Instruments and Risk Management (Contd.)

Foreign currency risk

The Company is exposed to foreign currency risks arising from various currency exposures, primarily with respect to the USD and EURO. Foreign currency risks arise from future commercial transactions and recognized assets and liabilities, when they are denominated in a currency other than Indian Rupee.

The Company's exposure with regards to foreign currency risk which are not hedged are given below.

Unhedged foreign currency exposures:

(₹ in Crore)

Nature of transactions	Currency	As at March 31, 2023	As at March 31, 2022
Financial liabilities			
Trade payable	EURO	175.32	138.80
Capital payable	EURO	0.06	0.06

Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in EURO exchange rates, with all other variables held constant.

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Impact on Profit before Tax - Rupee depreciate by ₹ 1 against EURO	(1.96)	(1.64)
Impact on Profit before Tax - Rupee appreciate by ₹ 1 against EURO	1.96	1.64

Commodity price risk

The commodity exposure is mainly on account of fuel, a substantial part of which is a pass through cost and hence the commodity price exposure is not likely to have a material financial impact on the Company.

The Company has exposure to USD / INR exchange rate arising principally on account of import of LNG and import of coal. The extant tariff regulations do not permit the cost of hedging such exposure as a cost to be passed through to the off-takers / beneficiaries. As a result, the Company does not follow a policy of hedging such exposures and actual rupee costs of import of fuel are substantially passed on to the off-takers / consumers, because of which such commodity price exposure is not likely to have a material financial impact on the Company.

Interest rate risk

Most of the Company's borrowings are on a floating rate of interest. The Company has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR). The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible debentures and short term credit lines besides internal accruals.

The following table provides a break-up of the Company's fixed and floating rate borrowings:

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Fixed rate borrowings^	2,219.17	1,731.36
Floating rate borrowings^	6,194.75	6,159.65
	8,413.92	**7,891.01**

^Transactions cost reduced from the borrowing is excluded.

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Note 56 : Financial Instruments and Risk Management (Contd.)

Interest rate risk sensitivity:

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rates had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit before tax.

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Impact on profit before tax - increase in 50 basis points	(30.97)	(30.80)
Impact on profit before tax - decrease in 50 basis points	30.97	30.80

Credit risk

Trade receivables:

(1) Exposures to credit risk

The Company is exposed to the counterparty credit risk arising from the possibility that counterparties might fail to comply with contractual obligations. This exposure may arise with regard to unsettled amounts.

(2) Credit risk management

Credit risk is managed and limited in accordance with the type of transaction and the creditworthiness of the counterparty. The Company has established criteria for admission, approval systems, authorisation levels, exposure measurement methodologies, etc. The concentration of credit risk is limited due to the fact that the customer base is large. None of the customers accounted for more than 10% of the receivables and revenue for the year ended March 31, 2023 and March 31, 2022. The Company is dependent on the domestic market for its business and revenues.

The Company's credit policies and practices with respect to distribution areas are designed to limit credit exposure by collecting security deposits prior to providing utility services or after utility service has commenced according to applicable regulatory requirements. In respect to generation business, Company generally has letter of credits / bank guarantees to limit its credit exposure.

(3) Other credit enhancements

The Company collects the security deposits in the form of Cash or Bank guarantee, considering the relevant electricity regulations under the relevant geographical area to cover its credit risks associated with its trade receivables.

(4) Age of receivables and expected credit loss

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables. The expected credit loss allowance is based on ageing of the days the receivables are due. Trade receivable balances mainly comprise of outstanding from consumers wherein the credit period provided to such consumers is less than 30 days. Based on the historical trend the same is collected well within the credit period.

The policy of the Company is to provide for credit loss takes into consideration of factors such as type of Consumers i.e. Government Consumers / Non Government consumers, Status of Consumers i.e. Live consumers/ Disconnected consumers and Security deposits provided by the Consumer.

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Note 56 : Financial Instruments and Risk Management (Contd.)

The ageing of receivables and allowance for doubtful debt at the end of the reporting period is as follows.

As at March 31, 2023

(₹ in Crore)

	Gross trade receivables	Allowance for doubtful debt
Less than or equal to 6 months	1,423.36	30.65
More than 6 months but less than or equal to 1 year	52.18	20.33
More than one year	227.63	136.15
	1,703.17	**187.13**

As at March 31, 2022

(₹ in Crore)

	Gross trade receivables	Allowance for doubtful debt
Less than or equal to 6 months	1,282.57	43.83
More than 6 months but less than or equal to 1 year	73.17	29.76
More than one year	216.06	134.58
	1,571.80	**208.17**

(5) Movement in the expected credit loss allowance

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance	208.17	249.07
Movement in expected credit loss allowance on trade receivable, net [Refer note 40]	(21.04)	(40.90)
Closing balance [Refer note 17]	**187.13**	**208.17**

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.

Other financial assets:

The Company is having balances in cash and cash equivalents, term deposits with banks, Inter corporate deposits, Loans to related parties, investments in government securities and investment in mutual funds. The Company is having balances in cash and cash equivalents, term deposits with scheduled banks with high credit rating and hence perceive low credit risk of default. With respect to investments, the Company limits its exposure to credit risk by investing in liquid securities with counterparties depending on their Composite Performance Rankings (CPR) published by CRISIL. The Company's investment policy lays down guidelines with respect to exposure per counterparty, rating, processes in terms of control and continuous monitoring. The Company therefore considers credit risks on such investments to be negligible. Loans receivable from related parties have negligible credit risk and hence no risk of default is perceived on them. The recoverable amount of unbilled revenue (including revenue gap/surplus) perceives low credit risk of default considering applicable tariff regulations / tariff orders, management's probability estimate and the past trends of approval.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are required to be settled by delivering the cash or another financial asset. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and unused borrowing facilities, by continuously monitoring projected / actual cash flows.

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Note 56 : Financial Instruments and Risk Management (Contd.)

Maturities of financial liabilities:

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

As at March 31, 2023

(₹ in Crore)

	Less than 1 year	Between 1 year and 5 years	5 years and above	Total
Financial liabilities				
Non current financial liabilities				
Borrowings (including interest on borrowings)^	-	5,523.76	4,019.38	9,543.14
Trade payables	-	187.79	87.40	275.19
Lease liabilities	-	29.70	21.05	50.75
Other financial liabilities	-	-	-	-
	-	**5,741.25**	**4,127.83**	**9,869.08**
Current financial liabilities				
Borrowings (including interest on borrowings)^	1,976.55	-	-	1,976.55
Trade payables	1,081.34	-	-	1,081.34
Lease liabilities	6.78	-	-	6.78
Other financial liabilities	2,172.47	-	-	2,172.47
	5,237.14	**-**	**-**	**5,237.14**
Total financial liabilities	**5,237.14**	**5,741.25**	**4,127.83**	**15,106.22**

As at March 31, 2022

(₹ in Crore)

	Less than 1 year	Between 1 year and 5 years	5 years and above	Total
Financial liabilities				
Non current financial liabilities				
Borrowings (including interest on borrowings)^	-	4,413.31	3,696.01	8,109.32
Trade payables	-	96.39	102.20	198.59
Lease liabilities	-	29.61	24.41	54.02
Other financial liabilities	-	10.68	-	10.68
	-	**4,549.99**	**3,822.62**	**8,372.61**
Current financial liabilities				
Borrowings (including interest on borrowings)^	2,248.37	-	-	2,248.37
Trade payables	1,107.61	-	-	1,107.61
Lease liabilities	7.23	-	-	7.23
Other financial liabilities	1,892.49	-	-	1,892.49
	5,255.70	**-**	**-**	**5,255.70**
Total financial liabilities	**5,255.70**	**4,549.99**	**3,822.62**	**13,628.31**

^ Transactions cost reduced from the borrowing is excluded

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forming part of the standalone financial statements for the year ended March 31, 2023

Note 57 : Provision for Onerous Contracts

The Company has a provision of ₹ 124.94 Crore (March 31, 2022 - ₹ 135.76 Crore) in respect of certain onerous contracts towards potential damages and other project related costs, arising from expected delays or failure to set up certain wind power generation capacities, awarded to the Company in a prior period under a competitive bidding process. During the current year ₹ 10.82 Crore provision has been reversed due to writing off of pre-operative expenses (Previous year ₹ 27.57 Crore provision has been reversed due to discharge of bank guarantee). The expected outflow will be determined at the time of final resolution of the matter.

Note 58 : Government Grant

(a) Nature of government grant

Ministry of Power, Government of India (GoI), had introduced the Accelerated Power Development & Reforms Programme (APDRP) to achieve reduction in Aggregate Technical & Commercial losses, to strengthen the Transmission & Distribution network and to ensure reliable and quality power supply with adequate consumer satisfaction. The projects approved for financing under the programme are eligible for a grant and soft loan each equivalent to 25% of the project cost from the GoI. The Balance 50% was required to be funded by the Company. There are no unfulfilled conditions or other contingencies attached to these grants.

(b) Movement of government grant

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Opening balance	16.40	18.85
Add: Grants during the year	-	-
Less: Amortisation of grant transferred to statement of profit and loss [Refer note 35]	(2.37)	(2.45)
Closing balance	**14.03**	**16.40**
Non-current portion [Refer note 28]	11.66	14.03
Current portion [Refer note 32]	2.37	2.37
	14.03	**16.40**

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Note 59 : Ageing Schedule for Capital Work-in-Progress (CWIP)

As at March 31, 2023

(₹ in Crore)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	982.02	305.25	245.11	76.47	1,608.85
Projects temporarily suspended	-	0.09	*	0.05	0.14
	982.02	**305.34**	**245.11**	**76.52**	**1,608.99**

As at March 31, 2022

(₹ in Crore)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	653.65	378.13	98.64	44.62	1,175.04
Projects temporarily suspended	0.10	1.06	1.19	8.68	11.03
	653.75	**379.19**	**99.83**	**53.30**	**1,186.07**

For capital-work-in progress, whose completion is overdue compared to its original plan:

As at March 31, 2023

(₹ in Crore)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Distribution project	185.60	-	-	-	185.60
	185.60	**-**	**-**	**-**	**185.60**

There are no capital-work-in-progress, whose cost has exceeded compared to its original plan for the year ended March 31, 2023 and March 31, 2022.

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Note 60 : Title Deeds of Immovable Property Not Held in the Name of the Company

As at March 31, 2023

(₹ in Crore)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Period held - range	Reason for not being held in the name of the company
Property, plant and equipment	Freehold Land	3.39	SEC Limited	No	18 years	Amalgamated due to various court orders. Appeal filed against rate valuation.
Property, plant and equipment	Freehold Land	2.00	AEC Limited	No	18 years	
Property, plant and equipment	Freehold Land	1.30	SEC Limited	No	18 years	Amalgamated due to various court orders. Applications filed and under process of name change.
Property, plant and equipment	Freehold Land	0.06	AEC Limited	No	18 years	
Property, plant and equipment	Freehold Land	0.14	Torrent Power AEC Limited	No	18 years	
Property, plant and equipment	Freehold Land	0.03	Torrent Power SEC Limited	No	16 years	
Property, plant and equipment	Buildings	0.05	SEC Limited	No	18 years	
Right-of-use assets	Leasehold Land	4.10	AEC Limited	No	18 years	
Right-of-use assets	Leasehold Land	0.34	Torrent Power AEC Limited	No	18 years	
Right-of-use assets	Leasehold Land	5.94	SEC Limited	No	18 years	
Right-of-use assets	Leasehold Land	1.47	Torrent Power SEC Limited	No	18 years	

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Note 60 : Title Deeds of Immovable Property Not Held in the Name of the Company (Contd.)

As at March 31, 2022

(₹ in Crore)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Period held - range	Reason for not being held in the name of the company
Property, plant and equipment	Freehold Land	3.39	SEC Limited	No	17 years	Amalgamated due to various court orders. Appeal filed against rate valuation.
Property, plant and equipment	Freehold Land	2.00	AEC Limited	No	17 years	
Property, plant and equipment	Freehold Land	1.30	SEC Limited	No	17 years	
Property, plant and equipment	Freehold Land	0.11	AEC Limited	No	17 years	
Property, plant and equipment	Freehold Land	0.14	Torrent Power AEC Limited	No	17 years	
Property, plant and equipment	Freehold Land	0.03	Torrent Power SEC Limited	No	15 years	Amalgamated due to various court orders. Applications filed and under process of name change.
Property, plant and equipment	Buildings	0.05	SEC Limited	No	17 years	
Right-of-use assets	Leasehold Land	4.81	AEC Limited	No	17 years	
Right-of-use assets	Leasehold Land	0.34	Torrent Power AEC Limited	No	17 years	
Right-of-use assets	Leasehold Land	5.94	SEC Limited	No	17 years	
Right-of-use assets	Leasehold Land	1.47	Torrent Power SEC Limited	No	17 years	

Note 61 : Ageing Schedule for Trade Receivables

Current trade receivables:

As at March 31, 2023

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due*	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables							
- Considered good	1,093.57	298.66	31.85	41.59	21.40	27.24	1,514.31
- Credit impaired	0.55	26.89	18.05	17.96	22.27	34.23	119.95
Disputed Trade receivables							
- Considered good	0.48	-	-	-	-	1.25	1.73
- Credit impaired	1.34	1.87	2.28	7.44	6.29	47.96	67.18
	1,095.94	**327.42**	**52.18**	**66.99**	**49.96**	**110.68**	**1,703.17**

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Note 61 : Ageing Schedule for Trade Receivables (Contd.)

As at March 31, 2022

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due*	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables							
- Considered good	1,011.58	226.59	43.41	44.82	16.82	18.33	1,361.55
- Credit impaired	0.57	40.37	26.55	41.97	9.76	29.16	148.38
Disputed Trade receivables							
- Considered good	0.57	-	-	0.16	0.10	1.25	2.08
- Credit impaired	1.13	1.76	3.21	5.73	7.31	40.65	59.79
	1,013.85	**268.72**	**73.17**	**92.68**	**33.99**	**89.39**	**1,571.80**

* Includes ₹ 745.63 Crores (March 31, 2022 : ₹ 679.27 Crore) billed subsequent to year end.

Note 62 : Ageing Schedule for Trade Payables

(a) Non-current trade payables:

As at March 31, 2023

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	210.61	-	-	-	-	-	210.61
Disputed dues							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-
	210.61	**-**	**-**	**-**	**-**	**-**	**210.61**

As at March 31, 2022

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	150.46	-	-	-	-	-	150.46
Disputed dues							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-
	150.46	**-**	**-**	**-**	**-**	**-**	**150.46**

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Note 62 : Ageing Schedule for Trade Payables (Contd.)

(b) Current trade payables:

As at March 31, 2023

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues							
- Micro and small enterprises	0.74	59.43	0.50	-	-	-	60.67
- Others	486.56	365.77	80.70	2.14	0.40	9.07	944.64
Disputed dues							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	-	-	-	-	1.32	74.71	76.03
	487.30	**425.20**	**81.20**	**2.14**	**1.72**	**83.78**	**1,081.34**

As at March 31, 2022

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues							
- Micro and small enterprises	1.10	49.09	0.08	-	-	-	50.27
- Others	450.74	418.98	92.57	5.80	0.21	9.49	977.79
Disputed dues							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	-	-	0.02	1.57	5.34	72.62	79.55
	451.84	**468.07**	**92.67**	**7.37**	**5.55**	**82.11**	**1,107.61**

Note 63 : Relationship with Struck Off Companies

(₹ in Crore)

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at March 31, 2023	Balance outstanding as at March 31, 2022	Relationship with the Struck off company
Unickon Fincap Private Limited	Investor	*	*	Shareholder
Vaishak Shares Limited	Investor	*	*	Shareholder
Dreams Broking Private Limited	Investor	*	*	Shareholder
Pandit Trading & Securities Limited	Investor	*	*	Shareholder
Jetees Securities (P) Limited	Investor	*	*	Shareholder
Solanki Solar Energy Private Limited	Payables	*	*	Vendor
Krish N Kelly Facility Services	Payables	*	*	Vendor
Scanstar Inspection Technology Private Limited	Payables	0.01	-	Vendor

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Note 64 : Financial Ratios

	Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance (%)	Remarks for variation more than 25%
(a)	Current Ratio (in times)	Current assets	Current liabilities – Security deposits from consumers – Service line deposits from consumers – Deferred revenue	1.57	1.36	15.40%	Not Applicable
(b)	Debt-Equity Ratio (in times)	All long term debt outstanding (including unamortised expense) + contingent liability pertaining to corporate / financial guarantee given (to the extent utilised) + short term debt outstanding in lieu of long term debt	Equity share capital + Preference share capital + all reserves (excluding revaluation reserve) + deferred tax liabilities – deferred tax assets – Intangible assets – Intangible assets under development	0.86	0.76	12.70%	Not Applicable
(c)	Debt Service Coverage Ratio (in times)	Profit after tax + Deferred tax + Depreciation and amortisation + Interest on debt	Principal repayment of debt (excluding voluntary prepayments if any) + Interest on debt + Lease payment	2.33	1.96	18.97%	Not Applicable
(d)	Return on Equity (ROE) (in %)	Profit for the year	Average Shareholder's Equity i.e. (Share Capital +Reserves and surplus + Deferred Tax liability (net) - Deferred Tax assets (net))	19.17%	3.89%	392.56%	Due to increase in gain from sale of RLNG during the year and DGEN impairment in the previous year
(e)	Inventory turnover Ratio (in times)	Revenue from operations	Average inventories	34.76	33.29	4.44%	Not Applicable
(f)	Trade Receivables turnover Ratio (in times)	Revenue from operations	Average trade receivables	13.08	10.39	25.86%	Due to increase in sale of RLNG which has better collection terms
(g)	Trade Payables turnover Ratio (in times)	Fuel Cost + Electrical energy purchased + Cost of materials consumed + Purchase of stock-in-trade + Changes in inventories of finished goods and work-in-progress + Consumption of stores and spares	Average trade payables	10.37	7.73	34.22%	Due to increase in power purchase from exchange and increase in purchase of RLNG for trading

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Note 64 : Financial Ratios (Contd.)

	Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance (%)	Remarks for variation more than 25%
(h)	Net capital turnover Ratio (in times)	Revenue from operations	(Current assets- (Current Liabilities- Security deposits from consumers - Service line deposits from consumers- Deferred revenue))	8.64	9.18	(5.86%)	Not applicable
(i)	Net profit Ratio (in %)	Profit after tax	Revenue from operations	11.17%	2.99%	273.88%	Due to increase in gain from sale of RLNG during the year and DGEN impairment in the previous year
(j)	Return on Capital employed (ROCE) (in %)	Profit before exceptional items and tax + Finance costs	Share Capital + Reserves and surplus + Deferred Tax liability (net) - Deferred Tax assets (net) + All long term debt outstanding (including unamortised expense) + contingent liability pertaining to corporate / financial guarantee given	18.09%	13.06%	38.51%	Due to increase in gain due to sale of RLNG
(k)	Return on investment (in %)	Profit before exceptional items and tax + Finance costs	Average Total Assets	14.52%	10.33%	40.52%	Due to increase in gain due to sale of RLNG

Note 65 : Social Security Code

The Indian Parliament has approved the Code on Social Security, 2020 (“Code”) which may likely impact the obligations of the Company for contribution to employees’ provident fund and gratuity. The effective date from which the Code is applicable and the rules to be framed under the Code are yet to be notified. In view of this, impact if any, of the change will be assessed and accounted in the period in which the Code and the rules thereunder are notified.

Note 66 : Registration of Charges

Other than those mentioned below, there are no charges or satisfactions which are yet to be registered with the Registrar of Companies beyond the statutory period.

During the year ended March 31, 2023

(a) The Company has filed Form No. CHG-1 dated November 11, 2022 for modification of Charge with the Registrar of Companies, as detailed below, which was required to be filed on August 17, 2022 i.e. delay of 86 days. The reason for delay was technical error in filing the form on account of upgradation of MCA21 V2 filing portal to MCA21 V3 portal.

During the year ended March 31, 2022

(a) The Company has filed Form CHG-4 dated May 26, 2021 for satisfaction of charge with Registrar of Companies - Gujarat, pursuant to repayment of loan for Mahidad project which was required to be filed on October 29, 2019 i.e., delay of approximately 19 months. The reason for the delay was on account of late receipt of No Dues Certificate (NDC) due to restrictions and disruption of operations during COVID – 19 pandemic.

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(b) The Company has filed Form CHG-1 dated November 25, 2021 for creation of Charge with Registrar of Companies pursuant to fixed deposit overdraft facility which was required to be filed on November 20, 2021 i.e delay of 5 days. The reason for delay was on account of delay in receipt of fixed deposit overdraft letter from bank.

(c) The Company has filed Form CHG-1 dated November 26, 2021 for creation of Charge with Registrar of Companies pursuant to fixed deposit overdraft facility which was required to be filed on November 20, 2021 i.e delay of 6 days. The reason for delay was on account of delay in receipt of fixed deposit receipts from bank.

Note 67 : Additional Regulatory Information Required by Schedule III

(a) The Company is in compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the year ended March 31, 2023 and March 31, 2022.

(b) The Company has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2023 and March 31, 2022.

(c) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder during the year ended March 31, 2023 and March 31, 2022.

(d) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2023 and March 31, 2022.

(e) During the year ended March 31, 2023 and March 31, 2022, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Note 68 : Approval of Financial Statements

The financial statements were approved for issue by the board of directors on May 29, 2023.

Signature to Note 1 to 68

In terms of our report attached

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number : 012754N/N500016

Priyanshu Gundana
Partner
Membership No.: 109553

Ahmedabad, May 29, 2023

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

Saurabh Mashruwala
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 29, 2023

Corporate Overview
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Independent Auditor's Report

To the Members of Torrent Power Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Torrent Power Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") (refer Note 43 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2023, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 14 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

	Key audit matter	How our audit addressed the key audit matter
i.	**Impairment assessment for Power Plant located at Dahej (Refer to note 45(1) to the consolidated financial statements):**	
	The carrying amount of Property, Plant & Equipment ("PPE") and Right-of-use assets ("ROU") includes an amount of ₹ 1,315.05 crore pertaining to 1,200 MW DGEN Mega Power Project located at Dahej, India ("DGEN"). DGEN started its commercial operations from November 2014 ("COD") and thereafter has operated only intermittently. As a result of the above, and given the current economic environment, management has carried out an impairment assessment of DGEN in accordance with Ind AS 36 'Impairment of Assets' and with the help of an external valuer, has measured the recoverable amount based on 'value in use' which requires estimating the discounted cash flow projections over the estimated useful life of the DGEN. Such assessment involved several key assumptions including expected demand of electricity, future prices of fuel, foreign exchange rate, expected tariff rates of electricity and discount rate, which are considered by management based on past trends and current and likely future state of the industry. Based on such assessment, the value in use arrived at by the management is higher than the carrying amount of PPE and ROU pertaining to DGEN and accordingly, no additional impairment is considered necessary as at March 31, 2023. We considered this to be a key audit matter as the carrying value of DGEN at March 31, 2023 is significant to the Holding Company's balance sheet and there is significant judgement and estimation involved in the discounted cash flow (DCF) model used by the management to assess the value in use of DGEN.	Our procedures in relation to management's impairment assessment of DGEN included the following: • Assessed and tested the design and operating effectiveness of the Holding Company's controls over impairment assessment. • Perused the report issued by the external valuer engaged by the management and conducted enquiries with them to understand the assumptions considered by them. • Evaluated independence, competence, capability and objectivity of the external valuer. • Evaluated the reasonableness of cash flow projections used by the Holding Company and the key assumptions underlying the same. • With the involvement of auditor's experts, assessed the reasonableness of the assumptions considered in the discounted cash flow projections for determining value in use. • Enquired with senior management personnel, the justification for the key assumptions underlying the cashflow projections and performed sensitivity analysis on the same, within a reasonably foreseeable range. • Checked the arithmetic accuracy of the computations included in the discounted cash flow projections. • Assessed the adequacy of disclosure in the consolidated financial statements. Based on the above procedures performed, we considered management's assessment of impairment of DGEN to be reasonable.
ii.	**Assessment of recoverability of Deferred tax assets on unutilised tax credits (Refer to note 46 to the consolidated financial statements)**	
	The Holding Company has recognised deferred tax assets on the unutilised tax credits amounting to ₹ 1,347.59 crore as at March 31, 2023, representing Minimum Alternate Tax (MAT) paid on the accounting profit in the earlier years in which the Holding Company did not have normal taxable profit due to availment of tax holiday. The deferred tax asset has been recognised on the basis of Holding Company's assessment of availability of future taxable profits to offset the accumulated deferred tax assets on the unutilised tax credits. The future taxable profit projections involve several key assumptions including expected demand of electricity, future prices of fuel and expected tariff rates of electricity, covering the period over which MAT Credit can be claimed as per the Income-tax Act, 1961. In preparing the profit projections, management has considered past trends, applicable tariff regulations/ agreements and current and likely future state of the industry.	Our audit procedures in relation to management's assessment of recoverability of Deferred tax assets on unutilised tax credits included the following: • Assessed and tested the design and operating effectiveness of the Holding Company's controls over recognition and assessment of recoverability of deferred tax assets on unutilised tax credits. • Assessed the Holding Company's accounting policy in respect of recognizing deferred tax assets on unutilised tax credits. • Enquired with senior management personnel, the justification for the key assumptions underlying the projections and assessed the reasonableness of the assumptions underlying profit projections made by management, by verifying the past trends, available tariff orders and relevant economic and industry indicators. Further, performed sensitivity analysis over the assumptions used in determining the projected taxable profits, within a reasonable range.

Independent Auditor's Report (Contd.)

Key audit matter	How our audit addressed the key audit matter
We considered this a key audit matter as the amount of deferred tax assets on unutilised tax credits is material to the consolidated financial statements and significant management judgement is required in assessing the recoverability of accumulated deferred tax assets on unutilised tax credits based on significant assumptions underlying the forecast of future taxable profits. Further, recoverability of deferred tax assets depends on the achievement of Holding Company's future business plans.	• Evaluated whether the tax credit entitlements are legally available to the Holding Company for the forecast recoupment period, considering the provisions of Income-tax Act, 1961. • Checked the arithmetic accuracy of the underlying calculations of the profit projections. • Assessed the adequacy of disclosures made in the consolidated financial statements with regard to deferred taxes. Based on the above procedures performed by us, we considered the management's assessment of recoverability of deferred tax assets in respect of accumulated deferred tax assets on unutilised tax credits to be reasonable.
iii. Appropriateness of classification of Solar and Wind power projects acquired during the year and related purchase price allocation (Refer Note 44(b) to the consolidated financial statements)	
During the year, the Group acquired one operating solar and one wind power project, through Share Purchase Agreements (SPAs) entered into by it. The Group has assessed that these acquisitions do not meet the definition of 'business' in accordance with the principles laid down under Ind AS 103 - Business Combinations and hence have been considered to be 'asset acquisitions', considering the factors like the purchase consideration pertained to the fair value of the Solar and Wind assets, the only key activity for this acquisition is the maintenance of the Solar and Wind assets and there are no other substantive processes required for the generation of output. The management also engaged external valuers for identification of the individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets in Ind AS 38, Intangible Assets) and liabilities assumed, in each of the acquisitions and allocation of the purchase price based on the fair values of the assets and liabilities. We considered this as a key audit matter, as the above assessment and allocation of the purchase consideration involves significant assumptions and management judgement in: • determination of whether the said acquisitions meet the definition of "Business"; • identification of the identifiable assets acquired and liabilities assumed; and measurement of their fair values using appropriate valuation methods, for allocation of the purchase price to the identifiable assets and liabilities assumed.	Our audit procedures in relation to appropriate classification of the acquisitions and the purchase price allocation included the following: • Assessed and tested the design and operating effectiveness of the Group's controls over acquisitions and purchase price allocation. • Read the share purchase agreements to understand the key terms and conditions of the acquisitions. • Evaluated the management's assessment for determining whether the acquisitions represent an 'asset acquisition' or a 'business combination'. • Perused the report issued by the external valuers engaged by the management and conducted enquiries with them to understand the assumptions considered by them. • Evaluated independence, competence, capability, and objectivity of the external valuers. • Assessed the appropriateness of identification of individual assets acquired and liabilities assumed. • With the involvement of auditor's experts, assessed the reasonableness of the assumptions underlying measurement of fair values of identified assets and liabilities. • Enquired with senior management personnel, the justification for the key assumptions used in determining the fair values of assets and liabilities as at the acquisition date. • Assessed the adequacy of disclosures made in the consolidated financial statements in accordance with the requirements of relevant Indian accounting standards. Based on the above procedures performed, we considered the management's assessment of the classification and allocation of the purchase price to be reasonable.

Key audit matter	How our audit addressed the key audit matter
iv. Appropriateness of accounting for acquisition of Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited (Refer Note 44(a) to the consolidated financial statements)	
Pursuant to the 'Dadra and Nagar Haveli and Daman and Diu Electricity (Reorganisation and Reforms) Transfer Scheme, 2022' (the 'transfer scheme'), the Holding Company acquired 51% controlling stake in Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited with effect from April 1, 2022 i.e., the effective date of transfer, as notified by the Union Territory Administrator, Union Territory of Dadra and Nagar Haveli and Daman and Diu for a total consideration transferred by the Holding Company was ₹ 586 crore. The said acquisition has been accounted for in accordance with Ind AS 103 'Business Combinations' by recognising the identifiable assets and liabilities and non-controlling interest at the respective fair values on the date of acquisition and recognising the excess of consideration paid over the fair values of identifiable assets and liabilities and non-controlling interest as Goodwill. The Group's management appointed an independent external valuer to perform the Fair valuation of the assets and liabilities and allocation of purchase price. We considered this as a key audit matter, as this is material acquisition for the group and above assessment and purchase price allocation involves significant assumptions and management judgement in respect of: • identification and measurement of the fair value of the assets and liabilities using appropriate valuation methods; • allocation of the purchase price to the identifiable assets (tangible and intangible) acquired and liabilities assumed and share of non-controlling interest and determination of goodwill; and • determination of an appropriate discount rate, and assumptions relating to revenue growth and terminal growth to determine the fair values of an identified intangible asset.	Our audit procedures in relation to accounting for the acquisition and the purchase price allocation included the following: • Assessed and tested the design and operating effectiveness of the Group's controls over accounting for business combinations. • Understood the process followed by the Company for assessment and determination of the effective date and the accounting treatment for the transfer scheme, including the identification of assets and liabilities and determination of their fair values. • Read the share purchase agreements and shareholders' agreement to understand the key terms and conditions of the acquisition of shares by the Holding Company. • Perused the report issued by the external valuer engaged by the management and conducted enquiries with them to understand the assumptions considered by them. • Evaluated independence, competence, capability, and objectivity of the external valuer. • Assessed the appropriateness of identification of individual assets acquired and liabilities assumed, share of non-controlling interest and recognition of Goodwill, in accordance with Ind AS 103. • With the involvement of auditor's experts, assessed the reasonableness of the assumptions underlying measurement of fair values of identified assets and liabilities including the assumption of discount rate, revenue growth and terminal growth, and allocation of the purchase price. • Enquired with senior management personnel, the justification for the key assumptions used in determining the fair values of assets (tangible and intangible) and liabilities as at the acquisition date. • Assessed the adequacy of disclosures made in the consolidated financial statements in accordance with the requirements of relevant Ind AS 103. Based on the above procedures performed, we considered the management's assessment of the identification of assets and allocation of the purchase price to be reasonable.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board Report, Management Discussion and Analysis, Business Responsibility and Sustainability Report, Report on Corporate Governance but does not include the consolidated financial statements and our auditor's report thereon.

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

Independent Auditor's Report (Contd.)

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 14 below), we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

14. We did not audit the financial statements of one subsidiary (w.e.f. July 30, 2022) whose financial statements reflect total assets of ₹ 289.20 crore and net assets of ₹ 13.55 crore as at March 31, 2023, total revenue of ₹ 6.20 crore, total comprehensive income (comprising of loss and other comprehensive income) of (₹ 15.54) crore and net cash flows amounting to (₹ 0.17) crore for the period from July 30, 2022 to March 31, 2023, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of loss and other comprehensive income) of ₹ Nil for the period April 1, 2022 to July 29, 2022 as considered in the consolidated financial statements, in respect of one associate company (up to July 29, 2022), whose financial statements have not been audited by us. This financial statements has been audited by other auditor whose report have been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this subsidiary (associate company up to July 29, 2022), and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

    Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements.

Independent Auditor's Report (Contd.)

Report on Other Legal and Regulatory Requirements

15. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.

16. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

    (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group– Refer Note 48 to the consolidated financial statements.

        ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2023– Refer Note 33 to the consolidated financial statements in respect of such items as it relates to the Group.

        iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies during the year.

iv. (a) The respective Managements of the Company and its subsidiaries whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditor of the subsidiary which is a company whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The dividend declared and paid during the year by the Holding Company and its subsidiary companies, is in compliance with Section 123 of the Act.

17. The Group has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N / N500016

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 23109553BGWNNG5480

Place: Ahmedabad
Date: May 29, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 16(f) of the Independent Auditor's Report of even date to the members of Torrent Power Limited on the consolidated financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to financial statements of Torrent Power Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Holding Company, its subsidiary companies, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, is based on the corresponding report of the auditor of such company. Our opinion is not modified in respect of this matter.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N / N500016

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 23109553BGWNNG5480

Place: Ahmedabad
Date: May 29, 2023

Consolidated Balance Sheet

as at March 31, 2023

(₹ in Crore)

	Notes	As at March 31, 2023	As at March 31, 2022
Assets			
Non-current assets			
Property, plant and equipment	4	18,115.94	16,759.39
Right-of-use assets	5	216.46	214.60
Capital work-in-progress	6	2,624.69	1,297.27
Investment property	7	9.39	-
Goodwill	8	171.07	-
Other intangible assets	9	756.33	123.29
Financial assets			
Investments	10	15.94	132.82
Loans	11	-	121.87
Other financial assets	12	135.38	101.55
Deferred tax assets (net)	46	38.65	35.12
Non-current tax assets (net)	13	12.50	10.56
Other non-current assets	14	361.04	1,000.47
		22,457.39	**19,796.94**
Current assets			
Inventories	15	820.28	537.57
Financial assets			
Investments	16	787.75	273.70
Trade receivables	17	2,246.33	1,602.70
Cash and cash equivalents	18	188.23	289.41
Bank balances other than cash and cash equivalents above	19	155.29	62.93
Loans	20	-	19.90
Other financial assets	21	3,111.40	2,298.81
Other current assets	22	143.51	140.74
		7,452.79	**5,225.76**
		29,910.18	**25,022.70**
Equity and liabilities			
Equity			
Equity share capital	23	480.62	480.62
Other equity	24	10,529.38	9,462.56
		11,010.00	**9,943.18**
Non-controlling interests		476.65	35.93
		11,486.65	**9,979.11**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	25	8,902.32	7,099.15
Lease liabilities	49	39.32	39.10
Trade payables	26		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues other than micro and small enterprises		210.61	150.46
Other financial liabilities	27	-	0.33
Deferred tax liabilities (net)	46	968.79	345.21
Other non-current liabilities	28	1,372.46	1,261.67
		11,493.50	**8,895.92**
Current liabilities			
Financial liabilities			
Borrowings	29	1,593.75	1,999.27
Lease liabilities	49	6.02	5.11
Trade payables	30		
Total outstanding dues of micro and small enterprises		68.99	54.02
Total outstanding dues other than micro and small enterprises		1,453.68	1,057.11
Other financial liabilities	31	2,687.72	2,021.51
Other current liabilities	32	677.24	613.56
Provisions	33	264.06	274.55
Current tax liabilities (net)	34	178.57	122.54
		6,930.03	**6,147.67**
		29,910.18	**25,022.70**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number : 012754N/N500016

Priyanshu Gundana
Partner
Membership No.: 109553

Ahmedabad, May 29, 2023

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

Saurabh Mashruwala
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 29, 2023

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(₹ in Crore)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Income			
Revenue from operations	35	25,694.12	14,257.61
Other income	36	381.85	235.04
Total income		**26,075.97**	**14,492.65**
Expenses			
Electrical energy purchased		14,440.53	5,116.39
Fuel cost		2,508.23	3,403.40
Cost of materials consumed	37	334.81	262.64
Purchase of stock-in-trade		1,879.26	305.99
Changes in inventories of finished goods and work-in-progress	38	(29.19)	(11.11)
Employee benefits expense	39	578.25	533.54
Finance costs	40	818.20	628.21
Depreciation and amortisation expense	41	1,280.96	1,333.86
Other expenses	42	1,223.56	1,055.76
Total expenses		**23,034.61**	**12,628.68**
Profit before exceptional items and tax		3,041.36	1,863.97
Exceptional items	45	-	1,300.00
Profit before tax		**3,041.36**	**563.97**
Tax expense			
Current tax	46	672.82	372.48
Deferred tax	46	203.87	(267.21)
		876.69	**105.27**
Profit for the year		**2,164.67**	**458.70**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans	50	9.54	2.89
Tax relating to remeasurement of the defined benefit plans	46	3.50	1.04
Other comprehensive income for the year, net of tax		**6.04**	**1.85**
Total comprehensive income for the year		**2,170.71**	**460.55**
Profit for the year attributable to:			
Owners of the Company		2,117.43	453.98
Non-controlling interests		47.24	4.72
		2,164.67	**458.70**
Other comprehensive income for the year attributable to:			
Owners of the Company		6.75	1.85
Non-controlling interests		(0.71)	-
		6.04	**1.85**
Total comprehensive income for the year attributable to:			
Owners of the Company		2,124.18	455.83
Non-controlling interests		46.53	4.72
		2,170.71	**460.55**
Basic and diluted earnings per share of face value of ₹ 10 each (in ₹)	53	**44.06**	**9.45**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number : 012754N/N500016

Priyanshu Gundana
Partner
Membership No.: 109553

Ahmedabad, May 29, 2023

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

Saurabh Mashruwala
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 29, 2023

Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(₹ in Crore)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Cash flow from operating activities			
Profit before tax		3,041.36	563.97
Adjustments for :			
Depreciation and amortisation expense	41	1,280.96	1,333.86
Amortisation of deferred revenue	35	(100.10)	(90.27)
Provision of earlier years written back	35	(0.80)	(1.04)
Loss on sale / discarding of property, plant and equipment and capital work-in-progress	42	29.91	23.66
Gain on disposal of property, plant and equipment / investment property	36	(44.84)	(30.05)
Bad debts written off (net of recovery)	42	4.02	46.83
Reversal of provision for onerous contracts	42	(10.82)	(55.07)
Provision for onerous contracts	42	9.44	0.53
Allowance for doubtful debts (net)	42	(13.21)	(32.71)
Exceptional items	45	-	1,300.00
Finance costs	40	818.20	628.21
Interest income from financial assets measured at amortised cost	36	(68.84)	(66.62)
Gain on sale of current investments in mutual funds	36	(55.64)	(27.84)
Net (gain) / loss arising on current investments in mutual funds measured at fair value through profit or loss	36	(7.23)	2.20
Net gain arising on financial assets / liabilities measured at amortised cost	36	(23.67)	(28.93)
Net unrealised loss / (gain) on foreign currency transactions		10.76	(5.34)
Operating profit before working capital changes		**4,869.50**	**3,561.39**
Movement in working capital:			
Adjustments for decrease / (increase) in operating assets:			
Inventories		(265.58)	(85.44)
Trade receivables		(148.96)	(119.78)
Other financial assets		(929.80)	(287.41)
Other assets		(22.13)	(43.68)
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		125.37	196.61
Other financial liabilities		260.20	118.13
Provisions		0.43	(3.92)
Other liabilities		56.84	62.33
Cash generated from operations		**3,945.87**	**3,398.23**
Taxes paid (net)		(490.09)	(231.05)
Net cash flow generated from operating activities		**3,455.78**	**3,167.18**
Cash flow from investing activities			
Payments for property, plant and equipment, intangible assets & investment property		(2,815.55)	(1,809.14)
Proceeds from sale of property, plant and equipment & intangible assets		65.74	49.44
Acquisition of subsidiaries net of cash and cash equivalents [Refer note 44]		28.05	(515.23)
Advance against equity investment		(3.00)	(555.00)
Purchase of non-current investments		(1.94)	(1.91)
Loans to related parties		(277.02)	(7.95)
Repayment of loans from related parties		11.25	21.30
(Investments) / redemption in bank deposits (net) (original maturity more than three months)		(115.43)	50.63
(Investments) / redemption in inter corporate deposits		266.84	113.40
Interest received		74.35	69.31
(Purchase of) / proceeds from current investments (net)		(449.25)	102.03
Net cash generated from / (used in) investing activities		**(3,215.96)**	**(2,483.12)**

(₹ in Crore)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Cash flow from financing activities			
Proceeds from long-term borrowings		3,812.34	1,125.22
Proceeds from short-term borrowings		400.00	693.22
Repayment of long-term borrowings		(1,359.28)	(885.59)
Prepayment of long-term borrowings		(341.86)	(235.49)
Repayment of short-term borrowings		(1,113.74)	-
Repayment of Accelerated Power Development and Reform Programme (APDRP) loan		(3.82)	(3.82)
Receipt of contribution from consumers		217.04	200.41
Dividend paid		(1,061.81)	(702.04)
Principal elements of lease payments		(22.34)	(44.35)
Finance costs paid		(867.53)	(649.49)
Net cash generated from / (used) in financing activities		**(341.00)**	**(501.93)**
Net (decrease) / increase in cash and cash equivalents		(101.18)	182.13
Cash and cash equivalents as at beginning of the year		289.41	107.28
Cash and cash equivalents as at end of the year		**188.23**	**289.41**
Footnotes:			
1. Cash and cash equivalents as at end of the year:			
Balances with banks			
Balance in current accounts		187.33	288.10
Balance in fixed deposit accounts (original maturity for less than three months)		-	0.05
Cheques on hand		0.60	0.79
Cash on hand		0.30	0.47
		188.23	**289.41**
2. Non-cash investing and financing activities:			
Acquisition of Right-of-use assets		7.45	12.78
Refinancing of existing loan		374.62	-
		382.07	**12.78**

3. The consolidated statement of cash flow has been prepared under the 'Indirect Method' set out in Indian Accounting Standards (Ind AS) - 7 "Statement of Cash Flows".

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number : 012754N/N500016

Priyanshu Gundana
Partner
Membership No.: 109553

Ahmedabad, May 29, 2023

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

Saurabh Mashruwala
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 29, 2023

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

A. Equity Share Capital [Refer note 23]

	(₹ in Crore)
Balance as at April 1, 2021	**480.62**
Changes in equity share capital during the year	-
Balance as at March 31, 2022	**480.62**
Changes in equity share capital during the year	-
Balance as at March 31, 2023	**480.62**

B. Other equity [Refer note 24]

(₹ in Crore)

	Reserves and surplus						Other equity attributable to equity holders of the Company	Non-controlling interests	Total
	Securities premium	Debenture redemption reserve	Contingency reserve	Special reserve	General reserve	Retained earnings			
Balance as at April 1, 2021	**0.03**	**187.26**	**13.46**	**78.07**	**3,583.89**	**5,840.91**	**9,703.62**	**36.36**	**9,739.98**
Profit for the year	-	-	-	-	-	453.98	453.98	4.72	458.70
Other comprehensive income for the year, net of tax	-	-	-	-	-	1.85	1.85	-	1.85
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**455.83**	**455.83**	**4.72**	**460.55**
Transfer to debenture redemption reserve	-	(47.66)	-	-	-	47.66	-	-	-
Transfer to contingency reserve	-	-	1.91	-	-	(1.91)	-	-	-
Transaction with owners in their capacity as owners: Dividend (including interim dividend) paid	-	-	-	-	-	(696.89)	(696.89)	(5.15)	(702.04)
Balance as at March 31, 2022	**0.03**	**139.60**	**15.37**	**78.07**	**3,583.89**	**5,645.60**	**9,462.56**	**35.93**	**9,498.49**
Profit for the year	-	-	-	-	-	2,117.43	2,117.43	47.24	2,164.67
Other comprehensive income for the year, net of tax	-	-	-	-	-	6.75	6.75	(0.71)	6.04
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**2,124.18**	**2,124.18**	**46.53**	**2,170.71**
Transfer to debenture redemption reserve	-	(78.39)	-	-	86.72	(8.33)	-	-	-
Transfer to contingency reserve	-	-	1.92	-	-	(1.92)	-	-	-
Transaction with owners in their capacity as owners: Dividend (including interim dividend) paid	-	-	-	-	-	(1,057.36)	(1,057.36)	(4.45)	(1,061.81)
Non-controlling interests on acquisition of subsidiary [Refer note 44]	-	-	-	-	-	-	-	398.64	398.64
Balance as at March 31, 2023	**0.03**	**61.21**	**17.29**	**78.07**	**3,670.61**	**6,702.17**	**10,529.38**	**476.65**	**11,006.03**

Footnote:

1 Retained earning includes (₹ 23.15) Crore [March 31, 2022 (₹ 29.19) Crore] related to re-measurement of defined benefit plans.

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number : 012754N/N500016

Priyanshu Gundana
Partner
Membership No.: 109553

Ahmedabad, May 29, 2023

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

Saurabh Mashruwala
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 29, 2023

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 1a : General information

These financial statements comprise financial statements of Torrent Power Limited ("the Company") and its subsidiaries (hereinafter referred to as "the Group") and associate (upto July 29, 2022) for the year ended March 31, 2023.

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. Its equity shares are listed on BSE Ltd. and National Stock Exchange Ltd. in India. The registered office of the Company is located at "Samanvay", 600, Tapovan, Ambawadi, Ahmedabad – 380 015.

The Group is engaged in the business of generation, transmission and distribution of Electricity and of manufacture and sale of Cable. Information on the Group's structure is provided in note 43.

Note 1b : New standards or interpretations adopted by the Group

The Ministry of Corporate Affairs had vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective April 1, 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Note 1c : New standards or interpretations issued but not yet effective

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective April 1, 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 2 : Significant accounting policies

2.1 Basis of preparation:

Compliance with Ind AS

The financial statements are in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act and rules made thereunder.

Historical cost convention

The financial statements have been prepared on an accrual basis under the historical cost convention except for following which have been measured at fair value;

- Defined benefit plan assets

All assets and liabilities have been classified as current or non-current as set out in the Schedule III (Division II) to the Companies Act, 2013.

2.2 Principles of consolidation:

Subsidiaries

The consolidated financial statements comprise the financial statements of Torrent Power Limited and its subsidiaries. Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Consolidation of an entity begins when the Company obtains control over the entity and ceases when the Company loses control of the entity. Specifically, income and expenses of an entity acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control or until the date when the Company ceases to control the entity, respectively.

The Group combines the financial statements of the Parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Ind AS 12 “Income Taxes” applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member’s financial statements in preparing the consolidated financial statements to ensure conformity with the Group’s accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent company, i.e., year ended on March 31.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated balance sheet, consolidated statement of profit and loss and consolidated statement of changes in equity respectively.

Associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties, that have joint control of the arrangement, have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 2 : Significant accounting policies (Contd.)

The results and assets and liabilities of associates or joint ventures are incorporated in the consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 “Non-current Assets Held for Sale and Discontinued Operations”. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group’s share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group’s share of losses of an associate or a joint venture exceeds the Group’s interest in that associate or joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognized to the extent that the Group has incurred legal or constructive obligation or made payment on behalf of the associate or joint venture.

2.3 Business combinations and Goodwill:

Business combination - acquisition

Acquisitions of businesses are accounted for using the acquisition method. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred, liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Business combination – common control transaction

Business combinations involving entities that are controlled by the Group are accounted for using the pooling of interests method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 2 : Significant accounting policies (Contd.)

- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

Business combination-related costs are generally recognised in consolidated statement of profit and loss as incurred.

Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of a business include the carrying amount of goodwill relating to such business.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Acquisition of an asset or a group of assets

In case of acquisition of an asset or a group of assets that does not constitute a business, the Group identifies and recognises individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets under Ind AS 38, Intangible Assets) and liabilities assumed. The Purchase Consideration shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction or event does not give rise to goodwill or gain on bargain purchase.

2.4 Government grants:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants relating to income are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants relating to purchase of property, plant and equipment whose primary condition is that the Group should purchase, construct or otherwise acquire property, plant and equipment are recognised as deferred revenue in the consolidated balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

2.5 Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses, except that on adoption of Ind AS, property, plant and equipment had been measured at deemed cost, using the net carrying value as per previous GAAP as at April 1, 2015.

Capital work in progress in the course of construction for production, supply or administrative purposes is carried at cost, less any recognised impairment loss. Cost includes purchase price, taxes and duties, labour cost and other directly attributable costs incurred upto the date the asset is ready for its intended use. Such property, plant and equipment are classified to the appropriate categories when completed and ready for intended use.

Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. Subsequent costs relating to day to day servicing of the item are not recognised in the carrying amount of an item of property, plant and equipment; rather, these costs are recognised in profit or loss as incurred.

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

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 2 : Significant accounting policies (Contd.)

Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are ready for their intended use. Depreciation for the year is provided on additions / deductions of the assets during the period from / up to the month in which the asset is added / deducted. Depreciation on property, plant and equipment which are governed as per the provisions of Part B of Schedule II of the Companies Act, 2013 is provided on straight line basis using the depreciation rates, the methodology and residual value as notified by the respective regulatory bodies in accordance with the Electricity Act, 2003. For other property, plant and equipment in non-regulated business, depreciation is provided on a straight line basis over the estimated useful lives.

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period in respect of property, plant and equipment of non-regulated business. The effect of any such change in estimate in this regard is accounted for on a prospective basis.

The range of depreciation rates of property, plant and equipment are as follows:

Class of assets	Rate of depreciation		
	Regulated business $	Franchisee business @	Other business
Buildings	1.26% to 6.73%	3.34%	1.58% to 31.67%
Railway siding	1.80% to 5.28%	-	-
Leasehold improvement	-	6.86% to 23.08%	-
Plant and machinery	0.92% to 19.00%	5.28%	3.60% to 12.66%
Electrical fittings and apparatus	0.64% to 19.00%	6.33%	6.33% to 9.50%
Furniture and fixtures	0.91% to 15.00%	6.33%	6.33% to 9.91%
Vehicles	9.50% to 18.00%	9.50%	9.50% to 11.88%
Office equipment	0.91% to 31.67%	5.28% to 15.00%	6.33% to 19.00%

@ governed by the applicable regulations of Uttar Pradesh Electricity Regulatory Commission (UPERC) / Maharashtra Electricity Regulatory Commission (MERC) for this purpose.

$ For assets acquired on or after April 1, 2009 in case of Regulated generation and distribution business, remaining depreciable value as on 31st March of the year closing after a period of 12 years from date on which assets are ready for their intended use, shall be spread over the balance useful life of the assets as defined in GERC / CERC Multi Year Tariff (MYT) regulations.

2.6 Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from its current use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Investment properties, other than free hold land, are depreciated using straight line method over their estimated useful lives.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 2 : Significant accounting policies (Contd.)

2.7 Intangible assets:

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over its estimated useful life. The range of estimated useful lives of the intangible assets are as follows:

- Computer software – 3 years
- Customer contracts – 15 to 22 years
- Distribution license – 25 years

The estimated useful lives and amortisation method are reviewed at the end of each reporting period and the effect of any changes in such estimate is accounted for on a prospective basis.

Expenditure incurred on acquisition of intangible assets which are not ready to use at the reporting date is disclosed under "Intangible assets under development".

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its 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 profit or loss when the asset is derecognised.

2.8 Impairment of assets :

Property, plant and equipment and intangible assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's fair value less costs of disposal and value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. An impairment loss is recognised immediately in profit or loss.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.9 Borrowing costs:

Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, such as new projects and / or specific assets created in the existing business, are capitalized up to the date of completion and ready for their intended use.

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

Other borrowing costs are charged to the consolidated statement of profit and loss in the period of their accrual.

2.10 Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques / drafts on hand, current account balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the consolidated balance sheet.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 2 : Significant accounting policies (Contd.)

2.11 Inventories:

Raw materials, fuel, stores and spares, packing materials, loose tools, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of inventories includes purchase price and all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the weighted average basis except for inventory of Regasified Liquefied Natural Gas (RLNG) which is valued using specific identification method considering its procurement for beneficiary usage or others. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.12 Revenue recognition:

Revenue towards satisfaction of a performance obligation is measured and recognized at transaction price recognized, when the control of the goods or services has been transferred to consumers, net of discounts and other similar allowances.

(i) Revenue from power supply and transmission charges is accounted for in accordance with the rates, terms and conditions laid down under the relevant Tariff Regulations / Tariff Orders notified by the Electricity Regulators / agreements entered with the customers / power exchange rates, as applicable. Revenue recognised includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff and adjustments in respect of unbilled amounts towards revenue gaps / unapproved Fuel and Power Purchase Price Adjustment (FPPPA) which are recognised considering applicable tariff regulations/ tariff orders, past trends of approval, management's probability estimate and, when no significant uncertainty exists in such determination. Revenue from power supply exclude taxes and duties.

These adjustments / accruals are carried forward as 'Unbilled revenue' under "Other current financial assets" in Note 21, which would be adjusted through future billing based on tariff determination by the regulator in accordance with the electricity regulations.

(ii) Sales of cables and trading of RLNG are recognised, net of returns and rebates, on transfer of control of ownership to the buyer. Sales exclude Goods and Services Tax.

(iii) Income from Generation Based Incentive is accounted on accrual basis considering eligibility of project for availing incentive.

(iv) Contributions by consumers towards items of property, plant and equipment, which require an obligation to provide electricity connectivity to the consumers, are recognised as a credit to deferred revenue. Similarly contribution by third party towards construction of overhead transmission lines are recognized as a credit to deferred revenue. Such revenue is recognised over the useful life of the property, plant and equipment.

2.13 Foreign currency translation:

Functional and presentation currency

The consolidated financial statements are prepared in Indian rupee (₹) which is functional as well as presentation currency of the Group.

Transactions and balances

In preparing the financial statements of each individual Group entity transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 2 : Significant accounting policies (Contd.)

Foreign exchange differences arising on foreign currency borrowings are presented in the consolidated statement of profit and loss, within finance costs. All other foreign exchange differences arising on settlement of monetary items or on reporting the Group's monetary items at rates different from those at which they were initially recorded during the financial year are recognized as income or expense in the financial year in which they arise.

2.14 Employee benefits:

Defined contribution plans

Contributions retirement benefit plans in the form of provident fund, employee state insurance scheme, pension scheme and superannuation schemes as per regulations are charged as an expense on an accrual basis when employees have rendered the service. The Group has no further payment obligations once the contributions have been paid.

Defined benefits plans

The liability or asset recognised in the consolidated balance sheet in respect of the retirement benefit plan i.e. gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by an actuary using projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets. This cost is included in the employee benefit expense in the consolidated statement of profit and loss.

Remeasurements, comprising actuarial gains and losses and the effect of the changes to the asset ceiling (if applicable), is reflected immediately in the consolidated balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and consequently recognised in retained earnings and is not reclassified to profit or loss.

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

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The said obligations are presented as current liabilities in the consolidated balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 2 : Significant accounting policies (Contd.)

2.15 Taxation:

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

Current tax

The tax currently payable is based on estimated taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in the tax returns with respect to situations for which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Advance taxes and provisions for current income taxes are offset with each other when there is a legally enforceable right to offset and balances arise with the same tax authority.

Deferred tax

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

Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

2.16 Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) attributable to owners of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by adjusting the figures used in the determination of basic EPS to take into account:

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

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 2 : Significant accounting policies (Contd.)

2.17 Provisions, contingent liabilities and contingent assets:

Provisions

A provision is recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

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).

Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

2.18 Financial instruments:

Financial assets

i) Classification of financial assets (including debt instruments)

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

ii) Initial measurement

Financial assets (excluding trade receivables) are initially measured at fair value. Transaction costs that are directly attributable to the acquisition (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in profit or loss. Trade receivables which do not contain a significant financing component are measured at transaction price.

iii) Subsequent measurement

There are three measurement categories into which the debt instruments can be classified:

- **Amortised cost**

  Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit and loss.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 2 : Significant accounting policies (Contd.)

- **Fair value through other comprehensive income (FVOCI)**

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses. The Group currently does not have any debt instruments which are measured at FVOCI.

- **Fair value through profit or loss (FVTPL)**

  Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the consolidated statement of profit and loss within other gains / (losses) in the period in which it arises. Net gains / (losses) from these financial assets is included in other income.

iv) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 only, the Group follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses to measure the expected credit losses, trade receivables have been grouped based on days past due. The policy of the Group is to provide for credit loss takes into consideration of factors such as type of Consumers i.e. Government Consumers / Non Government consumers, Status of Consumers i.e. Live consumers / Disconnected consumers and Security deposits provided by the Consumer

v) Derecognition of financial assets

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 Group's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset

When the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of financial asset, the financial asset is derecognised if the Group has not retained control over the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

vi) Income recognition

Dividend is accounted when the right to receive payment is established.

Interest income on financial assets at amortised cost is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 2 : Significant accounting policies (Contd.)

Interest on overdue receivables of energy bills and claims including insurance claims, coal cost variation and other claims etc. are accounted when there is a certainty of recovery.

Financial liabilities

i) Classification

All the Group's financial liabilities are measured at amortized cost.

ii) Initial measurement

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the issue of financial liabilities are deducted from the fair value of the financial liabilities, as appropriate, on initial recognition.

iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate Method.

The Effective Interest Rate Method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability.

iv) Derecognition of financial liabilities

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

2.19 Contributed equity:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Transaction costs of an equity transaction shall be accounted for in other equity.

2.20 Leases:

The Group as a lessee:

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components.

Lease liabilities:

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the lease payments.

The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the lessee's incremental borrowing rate. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 2 : Significant accounting policies (Contd.)

Right-of-use assets:

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date.

Right-of-use assets are depreciated over the lease term on a straight-line basis. 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, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated over the asset's lease term on a straight-line basis.

Short term leases and leases of low value assets:

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment including IT equipment.

2.21 Exceptional Items:

When items of income or expense are of such nature, size and incidence that their disclosure is necessary to explain the performance of the Group for the year, the Group makes a disclosure of the nature and amount of such items separately under the head "Exceptional items."

2.22 Amount presented and rounding off:

All amounts in the financial statements and notes have been presented in ₹ Crore (except for share data) rounded to two decimals as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated. Figures below ₹ 50,000 are denoted by '*'.

Note 3 : Critical accounting judgements and key sources of estimation uncertainty

In the course of applying the policies outlined in all notes under note 2 above, the management of the Company is required to make judgements, estimates and assumptions about the carrying amount 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.

Such estimates and associated 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 period, if the revision affects current and future periods.

3.1 Revenue recognition:

The Group has recognised revenue (including the adjustment in respect of unapproved FPPPA claims and other true up adjustment claims) as per the applicable tariff regulations / tariff orders, management's probability estimate and the past trends of approval. The Group has not recognized those truing up adjustment claims which are disputed and for which the group is in appeal with regulatory authorities. These are recognised on receipt of final orders of respective regulatory authorities. [Refer note 35 & 47]

3.2 Property, plant and equipment:

(i) Service concession arrangements

The Group has assessed applicability of Appendix D of Ind AS 115 "Service Concession Arrangements" with respect to its Property, plant and equipment. In assessing the applicability, the Group has exercised judgment in relation to the provisions of the Electricity Act, 2003, conditions provided under transmission and distribution license and / or agreements. Further, the Group has ability to pledged the assets pursuant to which it has control and ability to direct the use of assets. Based on such assessment, it has concluded that Appendix D of Ind AS 115 is not applicable.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 3 : Critical accounting judgements and key sources of estimation uncertainty (Contd.)

(ii) Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the property, plant and equipment. Further, the cash flow projections are based on estimates and assumptions relating to expected demand, future price of fuel, expected tariff rates for electricity, discount rate, exchange rate and electricity market scenario, based on past trends and the current and likely future state of the industry etc. which are considered reasonable by the Management. Any reasonable possible change in the underlying assumptions would not lead to a material change to the amount of impairment. [Refer note 45(1)]

(iii) Fair value measurement of assets acquired

Significant management judgement is involved in determining whether assets acquired in a particular transaction constitute a 'business' in accordance with the principles laid down in Ind AS 103 – Business Combinations. Identification of the assets acquired and liabilities assumed; and measurement of their fair values using appropriate valuation methods to be adopted involves, key assumptions like the discount rate and expected demand. [Refer note 44]

3.3 Taxes:

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, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets for unused tax credits that can be recognised, based upon the likely timing and the level of future taxable profits. [Refer note 46(d)].

3.4 Contingencies:

Contingent liabilities

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management judgement is involved in classification under 'remote', 'possible' or 'probable' which is carried out based on expert advice, past judgements, experiences etc. [Refer note 48(a)]

3.5 Employee benefit plans:

Defined benefit plans and other long-term employee benefits

The present value of obligations under defined benefit plan and other long term employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long term nature, these obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Information about the various estimates and assumptions made in determining present value of defined benefit obligation are disclosed in note 50.2 and 50.3.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 4 : Property, Plant and Equipment

As at March 31, 2023

(₹ in Crore)

Particulars	Gross carrying amount						Accumulated depreciation and impairment loss					Net carrying amount
	As at April 1, 2022	Additions on acquisition of subsidiaries [Refer note 44]	Additions during the year	Deductions during the year	Adjustments during the year	As at March 31, 2023	As at April 1, 2022	For the year	Deductions during the year	Adjustments during the year	As at March 31, 2023	As at March 31, 2023
Freehold land	514.18	84.66	131.02	-	(5.66)	724.20	-	-	-	-	-	724.20
Buildings	1,807.77	5.16	246.43	1.12	15.03	2,073.27	357.85	67.87	0.21	2.82	428.33	1,644.94
Leasehold improvement	4.05	-	0.52	-	-	4.57	0.67	0.68	-	-	1.35	3.22
Railway siding	1.86	-	-	-	-	1.86	0.35	0.05	-	-	0.40	1.46
Plant and machinery	24,434.44	858.49	1,211.12	56.24	5.00	26,452.81	9,859.13	1,131.93	30.02	(2.82)	10,958.22	15,494.59
Electrical fittings and apparatus	55.52	-	12.99	0.15	0.05	68.41	21.32	3.31	0.09	-	24.54	43.87
Furniture and fixtures	64.46	-	14.64	0.16	-	78.94	20.89	4.29	0.11	-	25.07	53.87
Vehicles	30.86	0.49	6.06	2.11	-	35.30	11.51	3.44	1.23	-	13.72	21.58
Office equipment	190.69	0.04	28.24	4.48	0.29	214.78	72.72	17.03	3.18	-	86.57	128.21
Total	**27,103.83**	**948.84**	**1,651.02**	**64.26**	**14.71**	**29,654.14**	**10,344.44**	**1,228.60**	**34.84**	**-**	**11,538.20**	**18,115.94**

As at March 31, 2022

(₹ in Crore)

Particulars	Gross carrying amount						Accumulated depreciation and impairment loss					Net carrying amount
	As at April 1, 2021	Additions on acquisition of subsidiaries [Refer note 44]	Additions during the year	Deductions during the year	Adjustments during the year	As at March 31, 2022	As at April 1, 2021	For the year: Depreciation	For the year: Impairment	Deductions during the year	As at March 31, 2022	As at March 31, 2022
Freehold land	441.74	46.31	30.98	4.85	-	514.18	-	-	-	-	-	514.18
Buildings	1,687.09	13.29	112.80	6.41	1.00	1,807.77	297.93	61.20	-	1.28	357.85	1,449.92
Leasehold improvement	-	-	0.58	-	3.47	4.05	-	0.67	-	-	0.67	3.38
Railway siding	1.86	-	-	-	-	1.86	0.30	0.05	-	-	0.35	1.51
Plant and machinery	22,458.33	918.32	1,115.10	58.97	1.66	24,434.44	7,360.29	1,226.45	1,300.00	27.61	9,859.13	14,575.31
Electrical fittings and apparatus	51.96	-	6.45	0.13	(2.76)	55.52	18.36	3.04	-	0.08	21.32	34.20
Furniture and fixtures	57.22	0.01	7.76	0.53	-	64.46	17.37	3.85	-	0.33	20.89	43.57
Vehicles	28.87	0.03	5.27	3.44	0.13	30.86	11.06	2.91	-	2.46	11.51	19.35
Office equipment	165.32	0.04	23.60	1.33	3.06	190.69	57.83	15.79	-	0.90	72.72	117.97
Total	**24,892.39**	**978.00**	**1,302.54**	**75.66**	**6.56**	**27,103.83**	**7,763.14**	**1,313.96**	**1,300.00**	**32.66**	**10,344.44**	**16,759.39**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 4 : Property, Plant and Equipment (Contd.)

Footnotes:

1 The above property, plant and equipment have been mortgaged and hypothecated to secure borrowings of the Group [Refer note 25].

2 Capital commitment:

Refer note 48 (c) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

3 Adjustments during the year include capitalisation of borrowing costs of ₹ 27.61 Crore (Previous year - ₹ 7.17 Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 "Borrowing Costs" and in Previous year - ₹ 0.61 Crore pertaining to reversal of security deposit.

4 Adjustments during the year include change in nature of freehold land to Investment property of ₹ 12.90 Crore.

5 The weighted average rate for capitalisation of borrowing cost relating to general borrowing is in the range of 7.62% p.a. to 7.67% p.a. (Previous year 7.27% p.a. to 7.30% p.a.).

6 Additions to plant and machinery includes capitalisation of directly attributable costs incurred by the Group under various headings.

7 Refer note 45(1) for impairment loss in respect of DGEN power plant

8 The closing balance of accumulated depreciation and impairment consist impairment loss of ₹ 2,314.07 Crore (March 31, 2022 - ₹ 2,314.07 Crore).

9 The Group have not revalued its property, plant and equipment during the current or previous year.

10 Pro-rata cost of assets owned jointly with Torrent Pharmaceuticals Limited, a fellow subsidiary are as under:

(₹ in Crore)

Particulars	Proportion of holding	As at March 31, 2023	As at March 31, 2022
Freehold land	50%	23.58	23.58
Freehold land	70%	83.16	83.16
Building	70%	3.04	3.04

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 5 : Right-of-use Assets

As at March 31, 2023

(₹ in Crore)

Particulars	Gross carrying amount						Accumulated depreciation					Net carrying amount
	As at April 1, 2022	Additions on acquisition of subsidiaries [Refer note 44]	Additions during the year	Deductions during the year	Adjustments during the year	As at March 31, 2023	As at April 1, 2022	For the year	Deductions during the year	Adjustments during the year	As at March 31, 2023	As at March 31, 2023
Land	210.13	0.48	17.52	0.39	(4.65)	223.09	21.46	9.04	-	(0.54)	29.96	193.13
Buildings	36.04	-	3.67	3.04	-	36.67	10.36	4.34	1.18	-	13.52	23.15
Plant and machinery	0.38	-	-	-	-	0.38	0.15	0.05	-	-	0.20	0.18
Office equipment	0.14	-	-	-	-	0.14	0.12	0.02	-	-	0.14	-
Total	**246.69**	**0.48**	**21.19**	**3.43**	**(4.65)**	**260.28**	**32.09**	**13.45**	**1.18**	**(0.54)**	**43.82**	**216.46**

As at March 31, 2022

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation				Net carrying amount
	As at April 1, 2021	Additions on acquisition of subsidiaries [Refer note 44]	Additions during the year	Deductions during the year	As at March 31, 2022	As at April 1, 2021	For the year	Deductions during the year	As at March 31, 2022	As at March 31, 2022
Land	171.94	1.98	36.21	-	210.13	13.79	7.67	-	21.46	188.67
Buildings	27.70	-	10.77	2.43	36.04	7.84	4.40	1.88	10.36	25.68
Plant and machinery	0.38	-	-	-	0.38	0.10	0.05	-	0.15	0.23
Office equipment	0.14	-	-	-	0.14	0.08	0.04	-	0.12	0.02
Total	**200.16**	**1.98**	**46.98**	**2.43**	**246.69**	**21.81**	**12.16**	**1.88**	**32.09**	**214.60**

Footnotes:

1 The above right-of-use assets have been mortgaged and hypothecated to secure borrowings of the Group [Refer note 25].

2 Adjustments during the year include change in nature of land from Right-of-use assets to Investment property of ₹ 4.11 Crore (net).

3 Refer note 49 for disclosure relating to right-of-use assets.

4 The Group have not revalued its right-of-use assets during the current or previous year.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 6 : Capital Work-in-Progress

As at March 31, 2023

(₹ in Crore)

Particulars	As at April 1, 2022	Additions on acquisition of subsidiaries [Refer note 44]	Additions during the year	Capitalised during the year	Adjustment during the year	As at March 31, 2023
Capital work-in-progress	1,297.27	0.07	2,840.23	1,501.31	(11.57)	2,624.69
Total	**1,297.27**	**0.07**	**2,840.23**	**1,501.31**	**(11.57)**	**2,624.69**

As at March 31, 2022

(₹ in Crore)

Particulars	As at April 1, 2021	Additions on acquisition of subsidiaries	Additions during the year	Capitalised during the year	Adjustment during the year	As at March 31, 2022
Capital work-in-progress	837.73	-	1,639.16	1,181.30	1.68	1,297.27
Total	**837.73**	**-**	**1,639.16**	**1,181.30**	**1.68**	**1,297.27**

Footnotes:

1 The above Capital work-in-progress have been mortgaged and hypothecated to secure borrowings of the Group [Refer note 25].

2 Capital work-in-progress include borrowing costs of ₹ 83.00 Crore (March 31, 2022 - ₹ 35.81 Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 “Borrowing Costs”.

3 Adjustment during the year includes ₹ 11.57 Crore (including ₹ 1.49 Crore related to borrowing cost) (Previous year - ₹ 0.43 Crore) write off and Previous year - ₹ 2.11 Crore for reversal of inpairment provision.

4 Capital work-in-progress mainly comprises Plant and machinery, Buildings and Freehold land.

5 Refer note 60 for ageing schedule for capital work-in-progress.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 7 : Investment Property

As at March 31, 2023

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation				Net carrying amount
	As at April 1, 2022	Additions during the year	Deductions during the year	Adjustments during the year	As at March 31, 2023	As at April 1, 2022	For the year	Deductions during the year	As at March 31, 2023	As at March 31, 2023
Freehold land	-	2.17	9.79	17.01	9.39	-	-	-	-	9.39
Total	**-**	**2.17**	**9.79**	**17.01**	**9.39**	**-**	**-**	**-**	**-**	**9.39**

Footnotes:

1 The above investment property have been mortgaged and hypothecated to secure borrowings of the Group [Refer note 25].

2 The fair value of the Group's investment property has been arrived based on a valuation report by external independent valuer. Valuation is based on government rates, market research, market trend and comparable values as considered appropriate.

3 Adjustments during the year is due to change in nature of leasehold land from Right-of-use assets / freehold land from Property plant and equipment of ₹ 17.01 Crore to Investment property.

4 Details of the Group's investment property and information about the fair value hierarchy are as follows:

Particulars	As at March 31, 2023
Fair value of investment property (₹ in Crore)	40.26
Fair value hierarchy	Level 2 [Refer note 57]

5 The Group has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop such investment property or for repairs, maintenance and enhancements thereof.

6 The Group has not revalued its investment property during the current or previous year.

7 The title deeds of investment property are held in the name of the Group as at March 31, 2023 and March 31, 2022.

8 Amount recognised in statement of profit and loss for investment property:

(₹ in Crore)

Particulars	Year ended March 31, 2023
Rental income derived from investment property	-
Direct operating expenses arising from investment property that generated rental income	-
Direct operating expenses arising from investment property that did not generate rental income	-

Note 8 : Goodwill

(₹ in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	-	-
Addition on account of acquisition of subsidiary [Refer note 44]	171.07	-
Balance at the end of the year	**171.07**	**-**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 9 : Other Intangible Assets

As at March 31, 2023

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated amortisation				Net carrying amount
	As at April 1, 2022	Additions on acquisition of subsidiaries [Refer note 44]	Additions during the year	Deductions during the year	As at March 31, 2023	As at April 1, 2022	For the year	Deductions during the year	As at March 31, 2023	As at March 31, 2023
Computer software	66.22	-	2.32	0.34	68.20	47.20	9.31	0.31	56.20	12.00
Customer contract	104.85	39.09	-	-	143.94	0.58	7.67	-	8.25	135.69
Distribution license	-	634.00	-	-	634.00	-	25.36	-	25.36	608.64
Total	**171.07**	**673.09**	**2.32**	**0.34**	**846.14**	**47.78**	**42.34**	**0.31**	**89.81**	**756.33**

As at March 31, 2022

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated amortisation				Net carrying amount
	As at April 1, 2021	Additions on acquisition of subsidiaries [Refer note 44]	Additions during the year	Deductions during the year	As at March 31, 2022	As at April 1, 2021	For the year	Deductions during the year	As at March 31, 2022	As at March 31, 2022
Computer software	56.52	0.02	10.65	0.97	66.22	38.08	10.04	0.92	47.20	19.02
Customer contract	-	104.85	-	-	104.85	-	0.58	-	0.58	104.27
Total	**56.52**	**104.87**	**10.65**	**0.97**	**171.07**	**38.08**	**10.62**	**0.92**	**47.78**	**123.29**

Footnote:

1 The above computer software has been mortgaged and hypothecated to secure borrowings of the Group [Refer note 25].

2 The Group have not revalued its intangible assets during the current or previous year.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 10 : Non-Current Investments

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Investment in non-convertible debentures (unquoted) (at amortised cost)		
Wind Two Renergy Private Limited ^ Zero coupon secured, redeemable with premium, non-convertible debentures of ₹ 1,00,000 each (No. of debentures - March 31, 2023: Nil, March 31, 2022: 9,070)	-	116.89
	-	**116.89**
Investment in equity instruments (unquoted) (at fair value through profit or loss)		
AEC Cements & Constructions Limited Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 9,61,500, March 31, 2022: 9,61,500) [As at March 31, 2023 & March 31, 2022 Gross investment - ₹ 0.61 Cr, Impairment in value of investment - ₹ 0.61 Cr]	-	-
Tidong Hydro Power Limited Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 24,500, March 31, 2022: 24,500) [As at March 31, 2023 & March 31, 2022 Gross investment - ₹ 0.02 Cr, Impairment in value of investment - ₹ 0.02 Cr]	-	-
UNM Foundation (Formerly known as Tornascent Care Institute) @ Equity shares of ₹ 10 each fully paid up (No. of shares - March 31, 2023: 50,000, March 31, 2022: 50,000)	0.05	0.05
	0.05	**0.05**
Contingency reserve investments - statutory (quoted) (at amortised cost) $	15.89	15.88
	15.89	**15.88**
	15.94	**132.82**
Aggregate amount of quoted investments	15.89	15.88
Aggregate amount of unquoted investments	0.05	116.94
	15.94	**132.82**
Aggregate amount of provision for impairment in value of investments	0.63	0.63
Aggregate amount of market value of quoted investments	15.70	16.30

^ During the year 7,276 nos. of non-convertible debentures(NCDs) have been reedemed with premium.

@ The Company has, jointly with Torrent Pharmaceuticals Limited, promoted section 8 company, i.e. UNM Foundation (Formerly known as Tornascent Care Institute), under the Companies Act, 2013 for the purpose of carrying out charitable activities.

$ Investment in Government of India bonds have been made in terms of Gujarat Electricity Regulatory Commission (GERC) Multi-Year Tariff (MYT) Regulations, which can be utilised only for the purposes mentioned therein. [Refer note 24 - Contingency reserve]

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 11 : Non-Current Loans

Unsecured (considered good)

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Loans to related parties (including interest accrued) [Refer note 56(d)]	-	121.87
	-	**121.87**

Note 12 : Other Non-Current Financial Assets

Unsecured (considered good)

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Security deposits	58.59	20.36
Inter-corporate deposits #	-	80.00
Bank fixed deposits	24.40	1.02
Other advances / receivables [Refer footnote 1]	52.39	0.17
	135.38	**101.55**

a lien has been created in favour of lenders.

Footnote:

1 Ministry of Power vide Gazette Notification dated June 3, 2022, notified The Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 (the "LPS Rules"). The LPS Rules provide a mechanism for settlement of outstanding dues as on June 3, 2022 into interest free Equated Monthly Instalments (EMI) which ranges from 12 to 48. In view of above, substantial modification and considering the principles of Ind AS 109 - Financial Instruments, the Group has derecognised the original trade receivables of ₹ 177.47 Crore as on June 3, 2022.

On derecognition of original trade receivable, the new receivable from customer under Late payment surcharge Scheme (based on modified terms) at its fair value is disclosed under the head Other non-current financial asset ₹ 52.28 Crore as at March 31, 2023 and other current financial asset ₹ 52.06 Crore as at March 31, 2023 [Refer note 21], and the loss due to substantial modification aggregating ₹ 15.10 Crore for FY 2022-23 under the head finance costs [Refer note 40].

Note 13 : Non-Current Tax Assets

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Advance income tax (net)	12.50	10.56
	12.50	**10.56**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 14 : Other Non-Current Assets

Unsecured (considered good)

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Capital advances	153.66	230.78
Advances for goods and services	118.32	133.59
Balances with government authorities	68.69	62.25
Prepaid expenses	17.37	18.85
Advance against equity investment [Refer footnote 1 and note 44]	3.00	555.00
	361.04	**1,000.47**

Footnote:

1 On February 8, 2023, the Company had entered into a Binding term sheet with Powerica Limited and Vestas Wind Technology India Private Limited (the Sellers) for the acquisition of 100% share capital of Airpower Windfarms Private Limited, which holds leasehold revenue land situated in the state of Gujarat for the purpose of development of wind power project. Enterprise value estimated for this acquisition is approx. ₹ 21.74 Crore The acquisition is subject to Share Purchase Agreement and/or other allied agreements and customary conditions for transaction closure.

Accordingly, advance amount of ₹ 3.00 Crore given to the sellers as per binding term sheet is shown as "Advance against equity investment" as at March 31, 2023 in consolidated financial statement.

Note 15 : Inventories

(valued at lower of cost and net realizable value)

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Stores and spares	351.49	272.98
Fuel	340.38	166.69
Raw materials	42.53	56.44
Work-in-progress	23.20	9.96
Finished goods	56.43	26.33
Packing materials	2.49	2.37
Loose tools	3.76	2.80
	820.28	**537.57**

Footnotes:

1 The cost of stores and spares inventories recognised as an expense includes ₹ 4.44 Crore (Previous year - ₹ 1.36 Crore) in respect of write-downs of inventory to net realisable value determined based on evaluation of slow and non-moving inventories.

2 The above carrying amount of inventories has been mortgaged and hypothecated to secure borrowings of the Group. [Refer note 25]

3 The above carrying amount includes goods in transit as under:

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Fuel	9.35	8.93
Raw materials	3.93	3.92
Finished goods	9.46	10.57
	22.74	**23.42**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 16 : Current Investments

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Investment in mutual funds (unquoted) (at fair value through profit or loss)	785.82	273.70
Contingency reserve investments - statutory (quoted) (at amortised cost) $	1.93	-
	787.75	**273.70**
Aggregate amount of quoted investments	1.93	-
Aggregate amount of unquoted investments	785.82	273.70
	787.75	**273.70**
Aggregate amount of impairment in value of investments	-	-
Aggregate amount of market value of quoted investments	1.98	-

$ Investment in Government of India bonds have been made in terms of Gujarat Electricity Regulatory Commission (GERC) Multi-Year Tariff (MYT) Regulations, which can be utilised only for the purposes mentioned therein. [Refer note 24 - Contingency reserve]

Note 17 : Trade Receivables

(₹ in Crore)

		As at March 31, 2023	As at March 31, 2022
Trade receivables			
Secured	- Considered good #	929.30	575.68
Unsecured	- Considered good	1,317.03	1,027.02
	- Credit impaired	204.50	217.71
		2,450.83	**1,820.41**
Less: Allowance for bad and doubtful debts		204.50	217.71
		2,246.33	**1,602.70**

Group holds security deposits in respect of electricity receivables.

Footnotes:

1 Refer note 25 for charge on current assets including trade receivables.

2 Refer note 57 for credit risk related disclosures.

3 Refer note 61 for ageing schedule of trade receivables.

Note 18 : Cash and Cash Equivalents

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Balances with banks		
Balance in current accounts	187.33	288.10
Balance in fixed deposit accounts (original maturity of less than three months)	-	0.05
	187.33	**288.15**
Cheques on hand	0.60	0.79
Cash on hand	0.30	0.47
	188.23	**289.41**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 19 : Bank Balances Other Than Cash and Cash Equivalents

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Unpaid dividend accounts	11.21	10.55
Unpaid fractional coupon accounts	*	0.35
Balance in fixed deposit accounts # (maturity of more than three months but less than twelve months)	144.08	52.03
	155.29	**62.93**

include ₹ 31.49 Crore (March 31, 2022 - ₹ 33.62 Crore) on which a lien has been created in favour of lenders.

Note 20 : Current Loans

Unsecured (considered good)

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Loans to related parties [Refer note 56(d)]	-	19.90
	-	**19.90**

Note 21 : Other Current Financial Assets

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Security deposits	41.36	56.27
Inter-corporate deposits #	-	186.84
Interest accrued on non-current investments	0.24	0.24
Interest accrued on deposits	2.93	6.68
Unbilled revenue (including revenue gap / surplus) [Refer note 47(a)]	2,904.66	1,917.89
	2,949.19	**2,167.92**
Other advances / receivables [Refer footnote 1 of note 12]		
Considered good	162.21	130.89
Considered credit impaired	6.06	6.06
	168.27	**136.95**
Less : Allowance for doubtful advances	6.06	6.06
	162.21	**130.89**
	3,111.40	**2,298.81**

₹ 86.84 Crore as at March 31, 2022 on which a lien has been created in favour of lenders.

Note 22 : Other Current Assets

Unsecured (considered good)

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Advances for goods and services	83.79	93.71
Balances with government authorities	6.03	6.93
Prepaid expenses	53.69	40.10
	143.51	**140.74**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 23 : Equity Share Capital

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Authorised		
4,37,00,00,000 (4,37,00,00,000 as at March 31, 2022) equity shares of ₹ 10 each	4,370.00	4,370.00
	4,370.00	**4,370.00**
Issued, subscribed and paid up		
48,06,16,784 (48,06,16,784 as at March 31, 2022) equity shares of ₹ 10 each	480.62	480.62
	480.62	**480.62**

1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year :

	No. of shares As at March 31, 2023	No. of shares As at March 31, 2022
At the beginning of the year	48,06,16,784	48,06,16,784
Issued during the year	-	-
Outstanding at the end of the year	**48,06,16,784**	**48,06,16,784**

2 25,74,22,311 equity shares (25,74,22,311 equity shares as at March 31, 2022) of ₹ 10 each fully paid up are held by the Parent Company - Torrent Investments Private Limited.

3 Terms / Rights attached to equity shares :

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

4 Details of shareholders holding more than 5% shares in the Company :

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% holding	No. of shares	% holding
Torrent Investments Private Limited	25,74,22,311	53.56%	25,74,22,311	53.56%
Gujarat State Financial Services Limited	4,68,71,621	9.75%	4,68,71,621	9.75%
Axis Mutual Fund Trustee Limited	4,16,57,977	8.67%	4,08,34,428	8.50%
SBI Focused Equity Fund	2,52,86,083	5.26%	1,73,90,291	@

@ less than 5%

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 23 : Equity Share Capital (Contd.)

5 Details of shareholding of Promoters in the Company :

Promoter name	As at March 31, 2023			As at March 31, 2022		
	No. of shares	% of total shares	% changes during the year	No. of shares	% of total shares	% changes during the year
Torrent Investments Private Limited	25,74,22,311	53.56%	-	25,74,22,311	53.56%	-
Sudhir Mehta	6,882	0.00%	-	6,882	0.00%	-
Samir Mehta	6,125	0.00%	-	6,125	0.00%	-
Jinal Mehta	8,000	0.00%	-	8,000	0.00%	-

6 Distributions made:

Interim dividend for FY 2022-23 of ₹ 22.00 per equity share (including ₹ 13.00 per equity share as a special dividend) [Previous year - ₹ 9.00 per equity share] aggregating to ₹ 1,057.36 Crore [Previous year - ₹ 432.56 Crore] was paid in the month of March 2023.

The Board of Directors at its meeting held on May 29, 2023 has recommended a final dividend of 40% (₹ 4.00 per equity share of par value ₹ 10 each). The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting and if approved, would result in a cash outflow of ₹ 192.25 Crore.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 24 : Other Equity

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Reserves and surplus		
Securities premium	0.03	0.03
Debenture redemption reserve	61.21	139.60
Contingency reserve	17.29	15.37
Special reserve	78.07	78.07
General reserve	3,670.61	3,583.89
Retained earnings	6,702.17	5,645.60
	10,529.38	**9,462.56**

Refer "Consolidated Statement of Changes in Equity" for movement in each reserve.

Footnotes:

1 Securities premium:

Securities premium reflects issuance of the shares by the Company at a premium, whether for cash or otherwise i.e. a sum equal to the aggregate amount of the premium received on shares is transferred to a "securities premium account" as per the provisions of the Companies Act, 2013. The reserve can be utilised in accordance with the provisions of the Act.

2 Debenture redemption reserve:

The Group was required to create a Debenture Redemption Reserve (DRR) 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 August 16, 2019, the Company is not required to create DRR. Accordingly, the Company has not created DRR during the year and DRR created till previous years will be transferred to general reserve on redemption of debentures.

3 Contingency reserve:

As per the provisions of GERC MYT Regulations read with Tariff orders passed by GERC, the Company being a Distribution Licensee makes an appropriation to the contingency reserve to meet with certain exigencies. Investments in Bonds issued by Government of India have been made against such reserve.

4 Special reserve:

As per MYT Regulations (2007), the Company has created a reserve in FY 2011-12 and FY 2012-13, which represents one third amount of controllable gain shall be retained in a special reserve by the Generating Company or Licensee for the purpose of absorbing the impact of any future losses on account of controllable factors.

5 General reserve:

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. The general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

6 Retained earnings:

The retained earnings reflect the profit of the Group earned till date net of appropriations. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve, after considering the requirements of the Companies Act, 2013.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 25 : Non-Current Borrowings

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Non-current borrowings		
Secured loans - at amortised cost		
Non convertible debentures &		
8.95% Series 3A, 3B & 3C	-	80.00
7.30% Series 6	-	300.00
6.50%,6.90%,7.25% Series 7A, 7B & 7C	248.54	248.05
6.20%,6.70%,7.10%,7.45% Series 8A, 8B, 8C & 8D	450.00	-
7.45%, 8.05% Series 9A & 9B	599.36	-
8.30%,8.35%,8.55%,8.65% Series 10A, 10B, 10C & 10D	200.00	-
8.20% Series 1 (In respect of Torrent Solargen Limited)	503.26	-
	2,001.16	**628.05**
Term loans @		
From banks	5,793.74	5,659.78
	5,793.74	**5,659.78**
Supplier's credit	612.94	25.22
	8,407.84	**6,313.05**
Unsecured loans - at amortised cost		
Non convertible debentures #		
10.25% Series 4A, 4B & 4C	89.99	179.93
7.00% Series 1 (In respect of Jodhpur Wind Farms Private Limited)	199.57	298.50
7.00% Series 1 (In respect of Latur Renewable Private Limited)	199.57	298.50
	489.13	**776.93**
Term loans		
From Government of India under Accelerated Power Development and Reform Programme (APDRP)	5.35	9.17
	5.35	**9.17**
	494.48	**786.10**
	8,902.32	**7,099.15**

@ After considering unamortised expense of ₹ 18.72 Crore as at March 31, 2023 and ₹ 19.63 Crore as at March 31, 2022.

& After considering unamortised expense of ₹ 3.19 Crore as at March 31, 2023 and ₹ 1.95 Crore as at March 31, 2022.

After considering unamortised expense of ₹ 0.87 Crore as at March 31, 2023 and ₹ 3.07 Crore as at March 31, 2022.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 25 : Non-Current Borrowings (Contd.)

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Current maturities		
Secured loans - at amortised cost		
Non convertible debentures^		
10.35% Series 1	-	183.37
10.35% Series 2A, 2B & 2C	-	100.00
8.95% Series 3A, 3B & 3C	80.00	85.00
7.65% Series 5	-	100.00
7.30% Series 6	300.00	-
6.20%,6.70%,7.10%,7.45% Series 8A, 8B, 8C & 8D	150.00	-
8.20% Series 1 (In respect of Torrent Solargen Limited)	21.32	-
	551.32	**468.37**
Term loans $		
From banks	746.17	719.96
	746.17	**719.96**
Unsecured loans - at amortised cost		
Non convertible debentures*		
10.25% Series 4A, 4B & 4C	89.94	89.88
7.00% Series 1 (In respect of Jodhpur Wind Farms Private Limited)	99.50	-
7.00% Series 1 (In respect of Latur Renewable Private Limited)	99.50	-
	288.94	**89.88**
Term loans		
From Government of India under Accelerated Power Development and Reform Programme (APDRP)	3.82	3.82
	3.82	**3.82**
	1,590.25	**1,282.03**
Amount disclosed under the head 'Current borrowings' [Refer note 29]	**(1,590.25)**	**(1,282.03)**
	-	**-**

$ After considering unamortised expense of ₹ 4.49 Crore as at March 31, 2023 and ₹ 7.70 Crore as at March 31, 2022.

^ After considering unamortised expense of ₹ 0.13 Crore as at March 31, 2023 and ₹ Nil as at March 31, 2022.

* After considering unamortised expense of ₹ 1.06 Crore as at March 31, 2023 and ₹ 0.12 Crore as at March 31, 2022.

Footnotes:

As at March 31, 2023

1 Nature of security

(i) The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for term loans of ₹ 6,194.75 Crore and non convertible debentures of ₹ 2,030.00 Crore along with lenders of cash credits and non-fund based credit facilities, except some assets which, in terms of respective financing documents (including Loan agreements, Debenture Trust deeds), are carved out of security provided to lenders.

Notes

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Note 25 : Non-Current Borrowings (Contd.)

(ii) Torrent Solargen Limited:

Capex LC facility (LC issued of ₹ 693.27 Crore and LC discounted of ₹ 612.94 Crore as at March 31, 2023) is secured by way of hypothecation of all the project assets, project receivables and project accounts.

Project means ~115 MW of wind power project being implemented in Gujarat by Torrent Solargen Limited, subsidiary of the Company.

Non-convertible debentures of ₹ 525.80 Crore outstanding as at March 31, 2023, is secured by first pari passu charge on all projects' immovable and movable properties, intangible assets, current assets, receivable and bank accounts.

Project means ~126 MW of wind power project being implemented in Maharashtra by Torrent Solargen Limited, subsidiary of the Company.

(iii) Surya Vidyut Limited:

Term loans ₹ 368.37 Crore are secured by a first pari-passu charge (i) by way of mortgage / hypothecation in respect of the property, plant and equipment including its land (excluding revenue / government land), building, plant & machinery, etc. of subsidiary company, Surya Vidyut Limited (SVL), (ii) by way of hypothecation of movable assets and current assets, rights under the project documents of SVL.

2 The future annual repayment obligations on principal amount for the above long-term borrowings are as under:

(₹ in Crore)

Financial year	Term loans	Non convertible debentures	Others
2023-24	754.48	841.45	-
2024-25	507.74	547.55	612.94
2025-26	667.37	453.65	-
2026-27	795.01	259.75	-
2027-28	718.15	376.13	-
2028-29	717.22	77.50	-
2029-30	804.58	27.50	-
2030-31	702.62	30.25	-
2031-32	536.40	81.90	-
2032-33	250.05	383.55	-
2033-34	24.97	33.55	-
2034-35	24.97	35.20	-
2035-36	24.97	37.40	-
2036-37	24.97	39.05	-
2037-38	18.79	41.25	-
2038-39	-	38.50	-
2039-40	-	31.62	-

3 Undrawn term loans from banks, based on approved facilities, were ₹ 306.73 Crore as at March 31, 2023.

4 During the year, the Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

Notes

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Note 25 : Non-Current Borrowings (Contd.)

As at March 31, 2022

1 Nature of security

(i) The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for term loans of ₹ 5,806.91 Crore and non convertible debentures of ₹ 1,098.37 Crore along with lenders of cash credits and non-fund based credit facilities, except some assets which, in terms of respective financing documents (including Loan agreements, Debenture Trust deeds), are carved out of security provided to lenders.

(ii) Torrent Power Grid Limited:

Term loan ₹ 5.20 Crore is secured by way of first pari passu charge created on the entire movable properties including transmission towers, insulators and other movable assets, book debts, operating cash flows, revenues, intangibles, trust and retention account, charge over all the rights, titles in the Project Documents of subsidiary company, Torrent Power Grid Limited (TPGL). Term loan is also secured by pledge of 30% of equity shares issued by TPGL, held by the Company.

(iii) Torrent Solargen Limited:

Capex LC facility (LC issued of ₹ 693.27 Crore and LC discounted of ₹ 25.22 Crore as at March 31, 2022) is secured by way of hypothecation of all the project assets, project receivables and project accounts.

Project means ~115 MW of wind power project being implemented in Gujarat by Torrent Solargen Limited, subsidiary of the Company.

(iv) Surya Vidyut Limited:

Term loans ₹ 415.03 Crore are secured by an exclusive charge (i) by way of mortgage / hypothecation in respect of the fixed assets including its land, building, plant & machinery, etc. of subsidiary company, Surya Vidyut Limited (SVL), (ii) by way of hypothecation of movable assets and current assets, rights under the project documents of SVL and (iii) pledge of 5.60% of equity shares issued by SVL, held by the Company (to be pledged).

(v) Torrent Saurya Urja 6 Private Limited (Formerly known as LREHL Renewables India SPV1 Private Limited):

Term loan ₹ 179.93 Crore is secured by way of charge on (i) entire immovable properties, movable properties including current assets, intangible assets, accounts and rights under the project documents of the subsidiary company Torrent Saurya Urja 6 Private Limited (TSU 6) and (ii) Pledge of 100% of equity shares and CCD issued by TSU 6, held by the Company.

2 The future annual repayment obligations on principal amount for the above long-term borrowings are as under:

(₹ in Crore)

Financial year	Term loans	Non convertible debentures	Others
2022-23	731.48	558.37	-
2023-24	420.52	670.00	-
2024-25	524.12	375.00	25.22
2025-26	691.13	280.00	-
2026-27	802.93	85.00	-
2027-28	675.97	-	-
2028-29	666.42	-	-
2029-30	715.98	-	-
2030-31	562.24	-	-
2031-32	374.80	-	-
2032-33	254.47	-	-

3 Undrawn term loans from banks, based on approved facilities, were ₹ 6.73 Crore as at March 31, 2022.

4 During the previous year, the Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 26 : Non-Current Trade Payables

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Trade payables for goods and services		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues other than micro and small enterprises	210.61	150.46
	210.61	**150.46**

Footnote:

1 Refer note 62 for ageing schedule of trade payables.

Note 27 : Other Non-Current Financial Liabilities

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Sundry payables	-	0.33
	-	**0.33**

Note 28 : Other Non-Current Liabilities

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Deferred revenue		
Contribution received from consumers [Refer note 47(b)]	1,303.00	1,192.34
Capital grant from government [Refer note 59(b)]	11.66	14.03
Sundry payables	57.80	55.30
	1,372.46	**1,261.67**

Note 29 : Current Borrowings

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Secured loans		
Working Capital loan from banks	-	350.00
Overdraft from banks	-	2.74
	-	**352.74**
Unsecured loans		
Commercial paper	-	350.00
Other loans [Refer footnote 5]	3.50	14.50
	3.50	**364.50**
Current maturities of long-term debt [Refer note 25]	1,590.25	1,282.03
	1,593.75	**1,999.27**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 29 : Current Borrowings (Contd.)

Footnotes:

1 The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for working capital facilities and by way of second pari passu charge in favour of lenders for hedge facility.

2 Working capital facility of ₹ 50.00 Crore is secured by a first pari-passu charge (i) by way of mortgage / hypothecation in respect of the property, plant and equipment including its land (excluding revenue / government land), building, plant & machinery, etc. of subsidiary company, Surya Vidyut Limited (SVL) , (ii) by way of hypothecation of movable assets and current assets, rights under the project documents of SVL.

3 Undrawn cash credit from banks, based on approved facilities, were ₹ 1,200.00 Crore (March 31, 2022 - 460.00 Crore).

4 During the current and previous year, the Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

5 Loan is interest free and repayable on demand.

Net debt reconciliation :

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	188.23	289.41
Current investments	787.75	273.70
Current borrowings (excluding current maturities of long-term debt)	(3.50)	(717.24)
Non-current borrowings (including current maturities of long-term debt and interest accrued but not due)	(10,642.80)	(8,531.52)
Lease liabilities	(45.34)	(44.21)
	(9,715.66)	**(8,729.86)**

	Other assets		Liabilities from financing activities			Total
	Cash and cash equivalents	Current investments	Current borrowings	Non-current borrowings	Lease liabilities	
Net balance as at April 1, 2021	**107.28**	**341.58**	**-**	**(7,887.70)**	**(36.01)**	**(7,474.85)**
Cash flows (net)	182.13	(102.03)	(693.22)	(0.32)	44.35	(569.09)
New lease	-	-	-	-	(46.98)	(46.98)
Interest expense	-	-	(2.26)	(578.21)	(3.59)	(584.06)
Interest paid	-	-	2.26	539.54	-	541.80
Gain on sale of current investments	-	27.84	-	-	-	27.84
Fair value adjustment	-	(2.20)	-	-	-	(2.20)
On account of acquisition of subsidiaries	-	8.51	(24.02)	(604.83)	(1.98)	(622.32)
Net balance as at March 31, 2022	**289.41**	**273.70**	**(717.24)**	**(8,531.52)**	**(44.21)**	**(8,729.86)**
Cash flows (net)	(101.18)	449.25	713.74	(2,107.38)	22.34	(1,023.23)
New lease	-	-	-	-	(21.19)	(21.19)
Transfer from non-current investments	-	1.93	-	-	-	1.93
Deletion relating to lease liability	-	-	-	-	2.25	2.25
Interest expense	-	-	(13.97)	(769.73)	(3.95)	(787.65)
Interest paid	-	-	13.97	765.83	-	779.80
Gain on sale of current investments	-	55.64	-	-	-	55.64
Fair value adjustment	-	7.23	-	-	-	7.23
On account of acquisition of subsidiaries	-	-	-	-	(0.58)	(0.58)
Net balance as at March 31, 2023	**188.23**	**787.75**	**(3.50)**	**(10,642.80)**	**(45.34)**	**(9,715.66)**

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forming part of the consolidated financial statements for the year ended March 31, 2023

Note 30 : Current Trade Payables

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Trade payables for goods and services		
Total outstanding dues of micro and small enterprises #	68.99	54.02
Total outstanding dues other than micro and small enterprises	1,453.68	1,057.11
	1,522.67	**1,111.13**

Amount due to micro and small enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act,2006) have been determined based on the information available with the Group.

Footnote:

1 Refer note 62 for ageing schedule of trade payables.

Note 31 : Other Current Financial Liabilities

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due on loans and security deposits	121.77	117.87
Investor education and protection fund #		
Unpaid / Unclaimed dividend	11.21	10.55
Unclaimed fractional coupons	*	0.35
Book overdraft	0.07	1.30
Security deposits from consumers @	1,702.55	1,328.02
Other deposits	6.86	5.13
Payables for purchase of property, plant and equipment ^	451.62	395.89
Sundry payables (including for employees related payables)	393.64	162.40
	2,687.72	**2,021.51**

There is no amount due and outstanding to be credited to investor education and protection fund as at March 31, 2023 and as at March 31, 2022.

@ Security deposits from consumers in the Group's business, which is in the nature of utility, are generally not repayable within a period of twelve months based on historical experience.

^ including dues to micro and small enterprises for ₹ 42.04 Crore (March 31, 2022 - ₹ 12.53 Crore)

Note 32 : Other Current Liabilities

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Credit balances of consumers [Refer note 47(d)]	106.28	105.17
Service line deposits from consumers [Refer note 47(c)]	236.41	207.13
Deferred revenue		
Contribution received from consumers [Refer note 47(b)]	100.80	92.15
Capital grant from government [Refer note 59(b)]	2.37	2.37
Statutory dues	223.93	205.22
Sundry payables ^	7.45	1.52
	677.24	**613.56**

^ including dues to micro and small enterprises for ₹ 0.07 Crore (March 31, 2022 - ₹ 0.02 Crore)

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 33 : Current Provisions

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Provision for gratuity [Refer note 50.2(d)]	2.54	14.02
Provision for compensated absences $	124.68	124.52
Provision for pension [Refer note 50.3(d)]	1.95	-
	129.17	**138.54**
Other provisions		
Provision for indirect taxes	0.25	0.25
Provision for onerous contracts [Refer note 58]	134.38	135.76
Others	0.26	-
	134.89	**136.01**
	264.06	**274.55**

$ Provision for compensated absences is disclosed under current provision as the Group does not have an unconditional right to defer settlement for at least twelve months however these are generally not repayable within a period of twelve months based on historical experience.

Movement in Provision

(₹ in Crore)

	Provision for indirect taxes	Provision for onerous contracts	Others
Balance as at April 1, 2021	**0.25**	**190.80**	**-**
Additional provision recognised	-	0.53	-
Reversal of provision	-	(55.07)	-
Amount utilised during the year	-	(0.50)	-
Balance as at March 31, 2022	**0.25**	**135.76**	**-**
Additional provision recognised	-	9.44	-
Addition on account of acquisition of subsidiary	-	-	0.26
Reversal of provision	-	(10.82)	-
Balance as at March 31, 2023	**0.25**	**134.38**	**0.26**

Note 34 : Current Tax Liabilities

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Provision for taxation (net of tax paid)	178.57	122.54
	178.57	**122.54**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 35 : Revenue from Operations

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contracts with customers [Refer footnotes below]		
Revenue from power supply	22,006.77	13,238.39
Revenue from sale of cable products		
Manufactured goods	358.67	289.72
Revenue from trading of RLNG	3,068.65	547.94
	25,434.09	**14,076.05**
Less: Discount for prompt payment of bills	31.25	20.79
	25,402.84	**14,055.26**
Other operating income		
Provisions of earlier years written back	0.80	1.04
Amortisation of deferred revenue		
Contribution received from consumers [Refer note 47(b)(2)] #	97.73	87.82
Capital grant from government [Refer note 59(b)]	2.37	2.45
Income from Certified Emission Reduction (CERs)	12.43	3.30
Income from Generation Based Incentive	33.91	24.98
Hire of meters	2.46	-
Insurance claim receipt	2.23	0.14
Incentive income under solar rooftop programme	55.14	9.81
Miscellaneous income	84.21	72.81
	291.28	**202.35**
	25,694.12	**14,257.61**

Amortisation of deferred revenue are recognised within the scope of Ind AS 115.

Footnotes:

1 Disclosure given above presents disaggregated revenue from contracts with customers. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by market and other economic factors.

2 Timing of revenue recognition (from contract with customers) : Revenue from power supply is recognised over a period of time and others at a point in time.

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Note 36 : Other Income

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Interest income from financial assets measured at amortised cost		
Deposits	19.53	16.66
Consumers	43.12	36.49
Contingency reserve investments	1.28	1.15
Loans to related parties [Refer note 56(b)]	3.45	11.09
Others	1.46	1.23
	68.84	**66.62**
Gain on disposal of property, plant and equipment / investment property	44.84	30.05
Gain on sale of current investments in mutual funds	55.64	27.84
Net gain arising on financial assets / liabilities measured at amortised cost	23.67	28.93
Net gain / (loss) arising on current investments in mutual funds measured at fair value through profit or loss	7.23	(2.20)
Net gain on foreign currency transactions and translations	0.63	5.46
Discount on prompt payment of power purchase	115.60	19.00
Miscellaneous income [Refer footnote 1]	65.40	59.34
	381.85	**235.04**

Footnote:

1 During previous year, pursuant to settlement agreement with EPC contractor, the Subsidiary Company has received compensation claim of ₹ 33.50 Crore from EPC contractor in respect of revenue loss due to delays and disputes/ claims/disagreements relating to Energy Yielding Report.

Note 37 : Cost of Materials Consumed

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Cost of materials consumed	504.17	394.04
Less: Allocated to capital works	169.36	131.40
	334.81	**262.64**

Note 38 : Changes in Inventories of Finished Goods and Work-In-Progress

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Inventory of finished goods		
Opening stock	26.33	18.09
Less: Closing stock	56.43	26.33
	(30.10)	**(8.24)**
Inventory of work-in-progress		
Opening stock	9.96	6.36
Less: Closing stock	23.20	9.96
	(13.24)	**(3.60)**
Less: Allocated to capital works	(14.15)	(0.73)
	(29.19)	**(11.11)**

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Note 39 : Employee Benefits Expense

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	708.70	640.03
Contribution to provident and other funds [Refer note 50.1]	48.88	45.02
Employees welfare expenses	28.94	30.56
Compensated absences	18.32	14.29
Gratuity [Refer note 50.2(e)(3)]	20.17	19.01
	825.01	**748.91**
Less: Allocated to capital works, repairs and other relevant revenue accounts #	246.76	215.37
	578.25	**533.54**

includes allocated to capital works of ₹ 148.49 Crore (previous year ₹ 117.34 Crore)

Note 40 : Finance Costs

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense for financial liabilities measured at amortised cost		
Term loans	473.90	414.15
Non convertible debentures	267.95	164.06
Working capital loans	13.97	2.26
Security deposits from consumers	64.56	51.81
Lease liabilities	3.95	3.59
Others (including for supplier's credit)	29.38	3.56
Other borrowing costs	15.00	14.29
Amortisation of borrowing costs	10.68	5.10
Unwinding of discount [Refer footnote 1 of note 12]	15.10	-
	894.49	**658.82**
Less: Allocated to capital works	76.29	30.61
	818.20	**628.21**

Note 41 : Depreciation and Amortisation Expense

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation expense on property, plant and equipment	1,228.60	1,313.96
Depreciation expense on right-of-use assets	13.45	12.16
Amortisation expense on intangible assets	42.34	10.62
	1,284.39	**1,336.74**
Less: Transfer from others	0.20	0.10
Less: Allocated to capital works	3.23	2.78
	1,280.96	**1,333.86**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 42 : Other Expenses

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Consumption of stores and spares	195.80	236.76
Rent and hire charges	23.08	17.55
Repairs to		
Buildings	12.44	13.29
Plant and machinery	499.74	421.89
Others	33.01	21.96
	545.19	**457.14**
Insurance	50.53	46.46
Rates and taxes	14.71	14.06
Vehicle running expenses	45.05	40.84
Electricity expenses	36.14	30.06
Security expenses	63.69	49.87
Water charges	24.24	22.59
Power transmission and scheduling charges	6.21	13.08
Corporate social responsibility expenses [Refer note 50]	34.43	29.33
Loss on sale / discarding of property, plant and equipment and capital work-in-progress	29.91	23.66
Commission to non-executive directors [Refer note 56(b)]	2.50	2.97
Directors sitting fees	0.75	0.91
Auditors remuneration [Refer note 51]	2.74	2.20
Legal, professional and consultancy fees	79.68	48.83
Donations [Refer note 52]	43.03	58.30
Net loss on foreign currency transactions	11.40	0.12
Bad debts written off (net of recovery)	4.02	46.83
Reversal of provision for onerous contracts [Refer note 58]	(10.82)	(55.07)
Provision for onerous contracts [Refer note 58]	9.44	0.53
Allowance for doubtful debts (net)	(13.21)	(32.71)
Miscellaneous expenses	143.44	104.88
	1,341.95	**1,159.19**
Less: Allocated to capital works, repairs and other relevant revenue accounts ^	118.39	103.43
	1,223.56	**1,055.76**

^ includes allocated to capital works of ₹ 15.33 crore (previous year ₹ 9.75 crore)

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 43 : Composition of the Group

(a) Subsidiaries

(1) Details of the Company's subsidiaries are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Company	
			As at March 31, 2023	As at March 31, 2022
Torrent Solargen Limited	Power Generation	India	100%	100%
Torrent Pipavav Generation Limited	Power Generation	India	95%	95%
Torrent Power Grid Limited	Transmission of Power	India	74%	74%
Latur Renewable Private Limited	Power Generation	India	100%	100%
Jodhpur Wind Farms Private Limited	Power Generation	India	100%	100%
TCL Cables Private Limited	Manufacturing of Cables	India	100%	100%
Torrent Solar Power Private Limited	Power Generation	India	100%	100%
Torrent Saurya Urja 2 Private Limited	Power Generation	India	100%	100%
Torrent Saurya Urja 3 Private Limited	Power Generation	India	100%	100%
Torrent Saurya Urja 4 Private Limited (w.e.f. July 20, 2021)	Power Generation	India	100%	100%
Torrent Saurya Urja 5 Private Limited (w.e.f. July 16, 2021)	Power Generation	India	100%	100%
Visual Percept Solar Projects Private Limited (w.e.f. February 15, 2022)	Power Generation	India	100%	100%
Surya Vidyut Limited (w.e.f. March 11, 2022)	Power Generation	India	100%	100%
Torrent Saurya Urja 6 Private Limited (w.e.f. March 25, 2022) (Formerly known as LREHL Renewables India SPV 1 Private Limited)	Power Generation	India	100%	100%
Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited (w.e.f. April 1, 2022)	Power Distribution	India	51%	-
Wind Two Renergy Private Limited (w.e.f. July 30, 2022)	Power Generation	India	100%	-
Sun Shakti Solar Power Projects Private Limited (w.e.f. June 13, 2022)	Power Generation	India	100%	-

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 43 : Composition of the Group (Contd.)

(2) Disclosure of additional information pertaining to the Parent Company and its Subsidiaries as per Schedule III of Companies Act, 2013 as at and for the year ended March 31, 2023:

Name of the entity in the Group	Consolidated share in net assets i.e total assets minus total liabilities		Consolidated share in profit or loss		Consolidated share in other comprehensive income		Consolidated share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Crore)	As % of consolidated profit	Amount (₹ in Crore)	As % of consolidated other comprehensive income	Amount (₹ in Crore)	As % of consolidated total comprehensive income	Amount (₹ in Crore)
Torrent Power Limited - Parent Company	95.93%	11,019.67	97.18%	2,103.72	120.74%	7.29	97.25%	2,111.01
Torrent Solargen Limited	0.11%	13.16	(0.22%)	(4.83)	-	-	(0.22%)	(4.83)
Torrent Pipavav Generation Limited	0.25%	29.14	(0.04%)	(0.81)	-	-	(0.04%)	(0.81)
Torrent Power Grid Limited	0.88%	100.80	0.73%	15.72	1.02%	0.06	0.73%	15.78
Latur Renewable Private Limited	1.15%	132.40	0.49%	10.62	-	-	0.49%	10.62
Jodhpur Wind Farms Private Limited	1.12%	128.23	0.34%	7.31	-	-	0.34%	7.31
TCL Cables Private Limited	0.02%	1.98	(0.22%)	(4.77)	3.23%	0.19	(0.21%)	(4.58)
Torrent Solar Power Private Limited	(0.13%)	(15.16)	(0.67%)	(14.53)	-	-	(0.67%)	(14.53)
Torrent Saurya Urja 2 Private Limited	(0.05%)	(5.38)	(0.23%)	(4.95)	-	-	(0.23%)	(4.95)
Torrent Saurya Urja 3 Private Limited	0.00%	-	0.00%	(0.02)	-	-	0.00%	(0.02)
Torrent Saurya Urja 4 Private Limited	0.00%	(0.08)	(0.01%)	(0.12)	-	-	(0.01%)	(0.12)
Torrent Saurya Urja 5 Private Limited	0.00%	0.02	0.00%	(0.01)	-	-	0.00%	(0.01)
Visual Percept Solar Projects Private Limited	1.53%	175.55	1.26%	27.36	(0.03%)	(0.00)	1.26%	27.36
Surya Vidyut Limited	2.76%	316.87	(0.51%)	(10.94)	(0.53%)	(0.03)	(0.51%)	(10.97)
Torrent Saurya Urja 6 Private Limited (formerly known as LREHL Renewables India SPV 1 Private Limited)	0.69%	78.98	0.11%	2.43	-	-	0.11%	2.43
Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited	1.98%	227.63	2.45%	53.04	(12.64%)	(0.76)	2.41%	52.28
Sunshakti Solar Power Projects Private Limited	1.12%	128.21	0.92%	19.88	-	-	0.92%	19.88
Wind Two Renergy Private Limited	0.12%	13.55	(0.72%)	(15.54)	-	-	(0.72%)	(15.54)
Non-controlling interests	4.15%	476.64	2.18%	47.24	(11.79%)	(0.71)	2.14%	46.53
Consolidation adjustments	(11.63%)	(1,335.56)	(3.04%)	(66.13)	-	-	(3.04%)	(66.13)
Total	**100.00%**	**11,486.65**	**100.00%**	**2,164.67**	**100.00%**	**6.04**	**100.00%**	**2,170.71**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 43 : Composition of the Group (Contd.)

(b) Associates

Details of the Company's associates are as follows:

Name of Associate	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Company		Quoted fair value	Carrying amount as at March 31, 2023
			As at March 31, 2023	As at March 31, 2022		
Wind Two Renergy Private Limited (Upto July 29, 2022)	Power Generation	India	NA	0.00% #	Unlisted	NA

\# As at March 31, 2022 the Company had made investments in the one entity in the form of secured redeemable (with premium) non-convertible debentures and does not hold any equity investments. To protect the investment aggregating to ₹ 90.70 Crore as at March 31, 2022 made by the Company, the Company has acquired certain rights which include the right to nominate directors on the board. Considering the above facts and based on the requirements of Ind AS, the investments in aforesaid entities have been classified as Investments in associates. As the Company does not have any equity interest, the Company does not have any share in the profit/ loss or comprehensive income of the entities and accordingly, there is no impact on the consolidated statement of profit and loss and the aforesaid investments in redeemable debentures of ₹ 90.70 Crore as at March 31, 2022 have been carried at amortized cost.

(c) Summarised Financial Information of Material Non Controlling Interests

Financial Information of Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited that have material non-controlling interest is provided below:

Proportion of equity interest held by non-controlling interests:

Name of subsidiary	Place of incorporation and operation	Proportion of ownership interest by non controlling interest
		As at March 31, 2023
Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited	India	49%

(i) Summarised Balance Sheet:

(₹ in Crore)

	As at March 31, 2023
Non-current Assets	387.11
Current Assets	929.77
Non-current Liabilities	(18.37)
Current Liabilities	(852.18)
	446.33
Attributable to:	
Owners of the company	227.63
Non-controlling interest	218.70

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 43 : Composition of the Group (Contd.)

(ii) Summarised Statement of Profit and Loss:

(₹ in Crore)

	Year ended March 31, 2023
Revenue from operations	5,985.40
Other income	74.58
Electrical energy purchased	(5,779.56)
Employee benefits expense	(42.78)
Finance costs	(17.67)
Depreciation and amortisation expense	(14.48)
Other expenses	(64.27)
Profit before tax	**141.22**
Tax expense	(37.21)
Profit for the Period	**104.01**
Other Comprehensive Income for the year	(1.49)
Total Comprehensive Income for the year	**102.52**
Attributable to:	
Owners of the company	52.28
Non-controlling interest	50.24

(iii) Summarised Cash Flow information:

(₹ in Crore)

	Year ended March 31, 2023
Operating Activities	(32.70)
Investing Activities	(68.96)
Financing Activities	(17.93)
Net (Decrease) / Increase in Cash and Cash Equivalents	**(119.59)**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 44 : Business Acquisition / Asset Acquisitions

A Acquisitions during the year (FY 2022-23)

(a) Details of business combination

(i) Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited' (the 'DNHDDPDCL')

On March 15, 2022, the Company had entered into a Share Purchase Agreement (SPA) and Shareholders Agreement (SHA) with 'The Hon'ble Administrator of the Union Territory of Dadra and Nagar Haveli and Daman and Diu' (the 'Holding Entity') and 'Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited' (the 'DNHDDPDCL') for purchase of 51% shares of the DNHDDPDCL from the Holding Entity for a consideration of ₹ 555.00 Crore plus consideration adjustment of ₹ 31.06 Crore as per terms of SPA, on account of notified balance sheet of the DNHDDPDCL as at April 1, 2022 i.e. total consideration of ₹ 586.06 crore.

Basis the Share Purchase Agreement read with The Dadra and Nagar Haveli and Daman and Diu Electricity (Reorganisation and Reforms) Transfer Scheme, 2022 (the "transfer scheme"), the effective date of transfer has been notified by the UT Administrator, Union Territory of Dadra and Nagar Haveli and Daman and Diu as April 1, 2022 ('Acquisition date') for the purpose of implementing the transfer scheme.

DNHDDPDCL shall be the licensee to carry out the function of distribution and retail supply of electricity in the Dadra and Nagar Haveli District of the Union Territory of Dadra and Nagar Haveli and Daman and Diu for a period of 25 years effective from the acquisition date."

The Group has accounted the said acquisition in accordance with Ind AS 103 'Business Combination'. The details are as follows:

Consideration Transferred and computation of Goodwill

(₹ in Crore)

Particulars	
Total consideration*	586.06
Consideration Transferred	**586.06**
Less: Fair Value of identifiable net assets acquired	(813.63)
Add: Non-Controlling Interest (49%)	398.64
Goodwill on acquisition	**171.07**

* Out of the above ₹ 31.06 crore, included in Note 31 Sundry Payables under "Other current financial liabilities" has been paid subsequent to year end on April 29, 2023.Further there are no contingent considerations.

Goodwill comprises the value of expected higher profitability on account of the acquisition. Non-controlling interest has been initially measured at proportionate share of DNHDDPDCL's Fair Value of identifiable net assets acquired. Further pursuant to the transfer scheme there are no contingent liability transferred as on the acquisition date. Acquisition related costs of ₹ 4.30 Crores have been excluded from the consideration transferred and have been recognised as an expense in Consolidated Statement of Profit and Loss in the Current year and Previous year under the head "Other expenses".

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 44 : Business Acquisition / Asset Acquisitions (Contd.)

Details of assets acquired and liabilities recognised at the date of acquisition

(₹ in Crore)

Particulars	
Non-current assets	
Property, plant and equipment	397.84
Intangible assets- Distribution License	634.00
Current assets	
Inventories	17.13
Financial assets	
Trade receivables	409.42
Cash and cash equivalents	140.64
Other financial assets	160.75
Total Assets Acquired	**1,759.78**
Liabilities	
Non-current liabilities	
Financial liabilities	
Other financial liabilities	181.72
Deferred tax liabilities (net)	263.96
Current liabilities	
Financial liabilities	
Trade payables	336.80
Other financial liabilities	163.67
Total Liabilities Assumed	946.15
Net Assets Acquired at fair value	**813.63**

Revenue and profit of the DNHDDPDCL since the acquisition date included in the consolidated statement of profit and loss of the Group:

(₹ in Crore)

Particulars	
Revenue from Operations	5,985.40
Profit for the Period	104.01

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 44 : Business Acquisition / Asset Acquisitions (Contd.)

(b) Details of asset acquisitions

(i) Sunshakti Solar Power Projects Private Limited

On April 23, 2022, the Company had entered into a Securities Purchase Agreement (SPA) with SkyPower Southeast Asia Ill Investments Limited, SkyPower Southeast Asia Holdings 2 Limited (the Sellers) for the acquisition of 100% of the share capital of Sunshakti Solar Power Projects Private Limited (SSPPPL), which operates 50 MW solar power plant, situated in the state of Telangana. On completion of the conditions precedent to SPA, SSPPPL had become wholly owned subsidiary of the Company w.e.f. June 13, 2022.

(ii) Wind Two Renergy Private Limited

On July 30, 2022, the Company had acquired 100% of paid-up capital of Wind Two Renergy Private Limited (WTRPL) from Inox Green Energy Services Limited (formerly known as Inox Wind Infrastructure Services Limited). WTRPL operates 50 MW Wind power plant, situated in the state of Gujarat. On acquisition of shares, WTRPL had become wholly owned subsidiary of the Company w.e.f. July 30, 2022 which was Associate of the Company till that date.

Based on guidance on definition of business under Ind AS, Management has classified above acquisitions as asset acquisitions. The management has assessed that above acquisitions does not meet the definition of 'business' in accordance with the principles laid down under Ind AS 103 - Business Combinations and hence have been considered to be 'asset acquisition', considering the factors like the purchase consideration pertains to the fair value of the Solar / Wind assets, the only key activity for this acquisition is the maintenance of the Solar / Wind assets and there are no other substantive processes required for the generation of output.

Consideration Transferred

(₹ in Crore)

Particulars	Sunshakti Solar Power Projects Private Limited	Wind Two Renergy Private Limited
Consideration paid in cash for purchase of Equity shares	105.93	32.51
Consideration paid in cash for purchase of Compulsory Convertible Debentures	36.69	-
	142.62	**32.51**

Net amount of Assets and Liabilities

(₹ in Crore)

Particulars	Sunshakti Solar Power Projects Private Limited	Wind Two Renergy Private Limited
Assets		
Property, plant and equipment (including CWIP) and Right-of-use assets	279.60	271.95
Intangible Asset - Customer contract	18.87	20.22
Other non-current assets	-	2.31
Other current assets	148.77	2.34
Total Assets Acquired	**447.24**	**296.82**
Liabilities		
Non current Borrowings	273.52	-
Other non-current liabilities	22.34	-
Current Borrowings	-	251.76
Other current liabilities	8.76	12.54
Total Liabilities Assumed	**304.62**	**264.31**
Net Assets Acquired	**142.62**	**32.51**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 44 : Business Acquisition / Asset Acquisitions (Contd.)

B Acquisitions during the previous year (FY 2021-22)

(a) Details of asset acquisitions

(i) Visual Percept Solar Projects Private Limited

On February 10, 2022, the Company had signed a Share Purchase Agreement (SPA) with Blue Daimond Properties Private Limited and Balrampur Chini Mills Limited, (the Sellers) for acquisition of 100% of Shares of Visual Percept Solar Projects Private Limited (VPSPPL) having 25 MW operating solar assets. VPSPPL is engaged in the business of Generation of Electricity using Renewable Energy and having assets located in Gujarat having long term Power Purchase Agreements (PPAs) with Gujarat Urja Vikas Nigam Limited. On completion of the conditions precedent to SPA, VPSPPL had become wholly owned subsidiary of the Company w.e.f. February 15, 2022.

(ii) Surya Vidyut Limited

On September 20, 2021, the Company had signed a Share Purchase Agreement (SPA) with CESC Limited, Haldia Energy Limited and other Nominal Shareholders, (the Sellers) for acquisition of 100% of Shares of Surya Vidyut Limited (SVL) having 156 MW operating wind assets. SVL is engaged in the business of Generation of Electricity using Renewable Energy and having assets located in Gujarat, Rajasthan and Madhya Pradesh having long term Power Purchase Agreements (PPAs) with Gujarat Urja Vikas Nigam Limited, Ajmer Vidyut Vitran Nigam Limited, Jaipur Vidyut Vitran Nigam Limited and Madhya Pradesh Power Management Company Limited. On completion of the conditions precedent to SPA, SVL had become wholly owned subsidiary of the Company w.e.f. March 11, 2022.

(iii) Torrent Saurya Urja 6 Private Limited (formerly known as LREHL Renewables India SPV 1 Private Limited)

On July 30, 2021, the Company had signed a Securities Purchase Agreement (SPA) with Lightsource India Limited and Lightsource Renewable Energy (India) Limited, (the Seller) for acquisition of 100% of Shares of Torrent Saurya Urja 6 Private Limited (formerly known as LREHL Renewables India SPV 1 Private Limited) (LREHL) having 50 MW operating solar assets. LREHL is engaged in the business of Generation of Electricity using Renewable Energy and having assets located in Maharashtra having long term Power Purchase Agreements (PPAs) with Solar Energy Corporation of India Limited. On completion of the conditions precedent to SPA, LREHL had become wholly owned subsidiary of the Company w.e.f. March 25, 2022.

Based on guidance on definition of business under Ind AS, Management has classified above acquisitions as asset acquisitions. The management has assessed that above acquisitions does not meet the definition of 'business' in accordance with the principles laid down under Ind AS 103 - Business Combinations and hence have been considered to be 'asset acquisition', considering the factors like the purchase consideration pertains to the fair value of the Solar / Wind assets, the only key activity for this acquisition is the maintenance of the Solar / Wind assets and there are no other substantive processes required for the generation of output.

Consideration Transferred

(₹ in Crore)

Particulars	Visual Percept Solar Projects Private Limited	Surya Vidyut Limited	Torrent Saurya Urja 6 Private Limited
Consideration paid in cash for purchase of Equity shares	162.62	304.73	46.95
Consideration paid in cash for purchase of Compulsory Convertible Debentures	-	-	51.84
	162.62	**304.73**	**98.79**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 44 : Business Acquisition / Asset Acquisitions (Contd.)

Net amount of Assets and Liabilities

(₹ in Crore)

Particulars	Visual Percept Solar Projects Private Limited	Surya Vidyut Limited	Torrent Saurya Urja 6 Private Limited
Assets			
Property, plant and equipment and Right-of-use assets	84.06	683.00	212.92
Intangible Asset including Customer contract	68.82	-	36.05
Other non-current assets	0.03	0.48	0.42
Other current assets	16.97	71.31	67.17
Total Assets Acquired	**169.88**	**754.79**	**316.56**
Liabilities			
Non current Borrowings	-	367.76	-
Other non-current liabilities	7.00	0.03	36.87
Current Borrowings	-	80.19	176.52
Other current liabilities	0.26	2.08	4.38
Total Liabilities Assumed	**7.26**	**450.06**	**217.77**
Net Assets Acquired	**162.62**	**304.73**	**98.79**

Note 45 : Impairment Assessment

(1) DGEN Power Plant

Net carrying value of Property, Plant & Equipment ("PPE") and Right-of-use assets ("ROU") as at March 31, 2023 includes ₹ 1,315.05 Crore pertaining to 1,200 MW DGEN Mega Power Project located at Dahej, Gujarat ("DGEN"). DGEN started commercial operations with effect from November 2014 and thereafter has operated only intermittently / partially due to various factors such as unavailability of domestic gas, high prices of imported gas and non-availability of power selling arrangement.

In view of the above and given the current economic environment, during the current year, the Company has carried out an impairment assessment of DGEN as at March 31, 2023 by considering the recoverable amount based on value-in-use of DGEN in accordance with Indian Accounting Standard 36 'Impairment of Assets'. Value-in-use is determined considering a discount rate of 15.00% (March 31, 2022 – 14.50%) and cash flow projections over a period of 17 years (March 31, 2022 - 18 years), being the balance useful life of DGEN in terms of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 on the basis that the Company expects to supply power in the future, inter alia, under long term power selling agreements. Based on the assessment, recoverable value of PPE by using value-in-use is ₹ 1,368.00 Crore which is higher than the carrying amount of PPE of ₹ 1,315.05 Crore and accordingly no additional impairment loss is required as at March 31, 2023. The management has conducted sensitivity analysis on impairment test of the value in use of DGEN. The management believes that reasonable possible change in key assumptions would not materially impact the impairment assessment as at March 31,2023.

During the earlier years, the Company had provided for impairment loss of ₹ 2,300.00 Crore (including ₹ 1,300.00 Crore during previous year) which has been disclosed as an Exceptional item in the Statement of Profit and Loss.

Assessment of 'value-in-use' involves several key assumptions including expected demand, future price of fuel, expected tariff rates for electricity, discount rate, exchange rate and electricity market scenario, based on past trends and the current and likely future state of the industry. Management reviews such assumptions periodically to factor updated information based on events or changes in circumstances in order to make fresh assessment of impairment, if any.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 45 : Impairment Assessment (Contd.)

(2) Investment in Torrent Pipavav Generation Limited

Torrent Pipavav Generation Limited ("TPGL"), a subsidiary of the Company and a joint venture between the Company and Gujarat Power Corporation Limited ("GPCL"), had made payments in nature of compensation for acquisition of private land as per the court orders in Amreli, Gujarat for the purpose of developing a coal-based power plant of 1,000+ MW. Due to non-availability of fuel linkage, Government of Gujarat ("GoG") vide its letter dated December 6, 2017, communicated that the said project may not be developed and accordingly, the joint venture is intended to be dissolved. Further, as per the said letter, the cost of land would be reimbursed after the disposal of land. With reference to this, in the month of March 2019, GPCL has written a letter to Collector, Amreli stating that the land is surrendered to the Government of Gujarat and requested Energy and Petroleum Department, GoG to take further action in the matter. It is learnt that the Government of Gujarat is exploring the possibility of usage of Land for industrial purpose. The management has made an impairment assessment of the amount recoverable from Government of Gujarat and concluded that there is no impairment in the carrying amount of the land.The timing of the recoverability of the amounts invested in land would depend upon the availability of the buyer.Considering the above facts, assets and liabilities are reflected at their net realisable values or cost whichever is lower and the financial results of TPGL for the year ended March 31, 2023 have been prepared on a non - going concern basis.

Note 46 : Income Tax Expense

(a) Income tax expense recognised in statement of profit and loss

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Current tax		
Current tax on profits for the year	669.53	372.48
Adjustment for current tax of prior periods	3.29	-
	672.82	**372.48**
Deferred tax (other than that disclosed under OCI)		
Decrease / (increase) in deferred tax assets	5.85	(94.06)
(Decrease) / increase in deferred tax liabilities	198.02	(173.15)
	203.87	**(267.21)**
Income tax expense	**876.69**	**105.27**

(b) Reconciliation of income tax expense

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax	3,041.36	563.97
Expected income tax expense calculated using tax rate at 34.944% (Previous year - 34.944%)	1,062.77	197.07
Adjustment to reconcile expected income tax expense to reported income tax expense:		
Effect of:		
Expenditure not deductible under Income Tax Act	13.47	28.54
Tax incentives / deductions	(237.16)	(214.02)
change in tax rates		
Impairment loss of DGEN unit	-	82.64
Unabsorbed depreciation / tax credits and other items	34.32	11.03
Total	**873.40**	**105.27**
Adjustment for current tax of prior periods	3.29	-
Total expense as per statement of profit and loss	**876.69**	**105.27**

The tax rate used for the reconciliations given above is the actual / enacted corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 46 : Income Tax Expense (Contd.)

(c) Income tax recognised in other comprehensive income

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Deferred tax		
Re-measurement of defined benefit obligation (Items that will not be reclassified to profit or loss)	9.54	2.89
Income tax expense / (income) recognised in other comprehensive income	3.50	1.04

(d) Deferred tax balances

(1) The following is the analysis of deferred tax assets / (liabilities) presented in the balance sheet

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Deferred tax assets	1,829.29	1,888.73
Deferred tax liabilities	(2,759.43)	(2,198.82)
	(930.14)	**(310.09)**
Disclosed as deferred tax assets (net)	38.65	35.12
Disclosed as deferred tax liabilities (net)	(968.79)	(345.21)
	(930.14)	**(310.09)**

(2) Movement of deferred tax assets / (liabilities)

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2023

(₹ in Crore)

	Opening balance	Recognised in profit or loss	Transfer on acquisition	Utilisation	Recognised in OCI	Closing balance
Property, plant and equipment	(2,198.82)	(198.03)	(151.14)	-	-	(2,547.98)
Intangible Assets	-	10.09	(221.54)	-	-	(211.45)
Provision for compensated absences	41.11	(0.66)	-	-	-	40.45
Provision for onerous contracts	47.44	(1.88)	-	-	-	45.56
Allowance for doubtful debts	32.65	(5.54)	-	-	-	27.11
Unabsorbed depreciation / MAT credit entitlement	1,730.68	4.89	81.29	(128.63)	-	1,688.23
Others	36.85	(12.75)	7.34	-	(3.50)	27.94
	(310.09)	**(203.87)**	**(284.05)**	**(128.63)**	**(3.50)**	**(930.14)**

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forming part of the consolidated financial statements for the year ended March 31, 2023

Note 46 : Income Tax Expense (Contd.)

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2022

(₹ in Crore)

	Opening balance	Recognised in profit or loss	Transfer on acquisition	Utilisation	Recognised in OCI	Closing balance
Property, plant and equipment	(2,337.74)	173.15	(34.23)	-	-	(2,198.82)
Provision for compensated absences	43.66	(2.55)	-	-	-	41.11
Provision for onerous contracts	56.89	(9.45)	-	-	-	47.44
Allowance for doubtful debts	46.21	(13.56)	-	-	-	32.65
Unabsorbed depreciation / MAT credit entitlement	1,687.30	82.40	22.34	(61.36)	-	1,730.68
Others	0.67	37.22	-	-	(1.04)	36.85
	(503.01)	**267.21**	**(11.89)**	**(61.36)**	**(1.04)**	**(310.09)**

(3) Unrecognised deferred tax assets

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Accumulated MAT credit entitlement	20.32	14.86
	20.32	**14.86**

As at March 31, 2023, unused tax credit that shall expire as follows:

(₹ in Crore)

Financial year	Year ended March 31, 2023	Year ended March 31, 2022
2022-23	-	1.29
2023-24	4.21	4.21
2024-25	4.61	4.61
2025-26	4.47	4.47
2026-27	2.21	0.28
2027-28	1.92	-
2028-29	1.74	-
2029-30	1.16	-
	20.32	**14.86**

Management has made an assessment of the amount of taxable income that would be available in future to offset the Accumulated MAT credit entitlement available to the Company.

The assessment of taxable income involved several key assumptions including expected demand, future price of fuel, expected tariff rate for electricity, exchange rate and electricity market scenario, which the management considered reasonable based on past trends, applicable tariff regulations / agreements and current and likely future state of the industry.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 47 : Revenue from Contracts with Customers

(a) Unbilled revenue

(1) Revenue from contracts with customers include unbilled revenue towards FPPPA claims and other true up adjustments which is recognised considering applicable tariff regulations / tariff orders, past trends of approval and management's probability estimate.

The Group has not recognized those true up adjustment claims which are subject of dispute and for which the Group is in appeal with regulatory authorities. These are recognised on receipt of final orders of respective regulatory authorities.

(2) Movement in unbilled revenue

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Opening balance	1,905.06	1,642.33
Add: Balance received pursuant to 'Transfer Scheme'[Refer note 44 A]	160.75	-
Add: Income accrued during the year as per tariff regulations / orders	4,916.99	2,658.13
Less: Amount billed during the year to the consumers as per tariff orders	(4,082.84)	(2,395.40)
Closing balance	**2,899.96**	**1,905.06**
Disclosed under		
Unbilled revenue [Refer note 21]	2,904.66	1,917.89
Sundry payables [Refer note 31]	(4.70)	(12.83)
	2,899.96	**1,905.06**

(b) Contribution received from consumers

(1) Nature of contribution received from consumers

Contributions received from consumers towards property, plant and equipment has been recognised as deferred revenue over its useful life.

(2) Movement of contribution received from consumers

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Opening balance	1,284.49	1,171.90
Add: Contribution received during the year	217.04	200.41
Less: Amortisation of contribution transferred to statement of profit and loss [Refer note 35]	(97.73)	(87.82)
Closing balance	**1,403.80**	**1,284.49**
Non-current portion [Refer note 28]	1,303.00	1,192.34
Current portion [Refer note 32]	100.80	92.15
	1,403.80	**1,284.49**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 47 : Revenue from Contracts with Customers (Contd.)

(c) Service line deposit from consumers

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Opening balance	207.13	189.85
Add: Received during the year (net of refund)	246.32	217.69
Less: Transferred to contribution received from consumers	(217.04)	(200.41)
Closing balance [Refer note 32]	**236.41**	**207.13**

Footnote:

1 Service line deposits are collected against the cost of capital work to be carried out for new connection or load extension on application by consumers. On the completion of the work, such contribution is transferred to deferred revenue under the head "other current / non-current liabilities".

(d) Credit balance of consumers

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Opening balance	105.17	85.71
Add / (less) : Adjustment to current billing (net)	1.11	19.46
Closing balance [Refer note 32]	**106.28**	**105.17**

Note 48 : Contingent Liabilities, Contingent Assets and Capital Commitments

(a) Contingent liabilities

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Disputed income tax matters	23.21	26.46
Disputed sales tax matters	5.25	5.25
Disputed service tax matters	0.49	0.49
Disputed custom duty matters	18.50	18.50
Disputed excise duty matters	2.88	2.88
Disputed stamp duty matters	36.37	36.37
Disputed value added tax matters	3.36	3.36
Disputed central sales tax matters	4.09	4.09
Claims against the Group not acknowledged as debt [Refer footnote 3]	127.93	164.04

The Group has evaluated the impact of Supreme Court ("SC") judgement dated February 28, 2019 in the case of Regional Provident Fund Commissioner (II) West Bengal v/s Vivekananda Vidyamandir and Others, in relation to exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to Provident Fund ("PF") under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. There are interpretation issues relating to the said SC judgement. Based on such evaluation, management has concluded that effect of the aforesaid judgement on the Group is not material and accordingly, no provision has been made in the financial statements.

Footnotes :

1 Management believes that its position on the aforesaid direct and indirect tax demands and other claims against the Group will likely be upheld in the appellate process and accordingly no provision has been made in the consolidated financial statements for such demands.

2 In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute / matters. No reimbursement is expected.

3 Break up of claims against the Group not acknowledged as debt:

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 48 : Contingent Liabilities, Contingent Assets and Capital Commitments (Contd.)

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Claim of regulatory surcharge including interest in franchise distribution business	85.89	77.27
Penalty order issued by Directorate General of Foreign Trade (DGFT) in distribution business	-	50.53
Demand including interest for Tariff Indexation for excess energy withdrawn in franchise distribution business	21.83	18.31
Compensation payable for short lifting for material	8.46	8.46
Others	11.75	9.47
	127.93	**164.04**

(b) Contingent assets

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Claim for coal grade slippage	6.92	6.35
Claim of compensation for short lifting of material	8.46	8.46
	15.38	**14.81**

(c) Capital and other commitments

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
Property, plant and equipment	761.39	1,317.92

Note 49 : Leases

This note provides information for leases where the group is a lessee.

(i) Amounts recognised in balance sheet

The balance sheet shows the following amounts relating to leases:

(₹ in Crore)

	Notes	As at March 31, 2023	As at March 31, 2022
Land	5	193.13	188.67
Buildings	5	23.15	25.68
Plant and machinery	5	0.18	0.23
Office equipment	5	-	0.02
Total		**216.46**	**214.60**

Lease liabilities

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Current	6.02	5.11
Non-current	39.32	39.10
Total	**45.34**	**44.21**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 49 : Leases (Contd.)

(ii) Amounts recognised in the statement of profit and loss

The statement of profit or loss shows the following amounts relating to leases:

(₹ in Crore)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation charge of right-of-use assets	41	13.45	12.16
Interest expense (included in finance costs)	40	3.95	3.59
Expense relating to short-term leases (included in other expenses)	42	2.29	1.98
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	42	1.15	0.88
Total		**20.84**	**18.61**

(iii) Maturities of lease liabilities:

As at March 31, 2023

(₹ in Crore)

	Non-current lease liabilities	Current lease liabilities
Less than 1 year	-	7.60
Between 1 year and 5 years	32.17	-
5 years and above	27.25	-
Total	**59.42**	**7.60**

As at March 31, 2022

(₹ in Crore)

	Non-current lease liabilities	Current lease liabilities
Less than 1 year	-	8.69
Between 1 year and 5 years	30.44	-
5 years and above	29.22	-
Total	**59.66**	**8.69**

(iv) The total cash outflow for leases :

(₹ in Crore)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Principal elements of lease payments (disclosed in Cash flow statement)		22.34	44.35
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	42	2.29	1.98
Expense relating to variable lease payments not included in lease liabilities	42	1.15	0.88
Total		**25.78**	**47.21**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 49 : Leases (Contd.)

(v) Lease asset of Shil, Mumbra and Kalwa (franchise area)

The Company has entered into a Distribution Franchise Agreement ("Agreement") dated February 11, 2019 with Maharashtra State Electricity Distribution Group Limited ("MSEDCL") whereby as per the Agreement the Company would distribute the electricity in the area of Shil, Mumbra and Kalwa in Thane District in Maharashtra ("Franchise area") for 20 years (effective from March 1, 2020).

As per the Agreement the Company would purchase electricity from MSEDCL at the rate which would be derived through mechanism as mentioned in the Agreement which is linked to the number of units purchased and would distribute electricity to the Consumers at the tariff which has been approved by Maharashtra Electricity Regulation Commission (MERC).

Further as per the Agreement the Company has right to use existing assets of MSEDCL in the Franchise area provided it shall perform all the obligations and accepts all liabilities of MSEDCL on behalf of distribution licensee in Franchise area and MSEDCL shall not charge any rent for the use of such assets.

Considering the facts of the arrangement, the Company has the right to obtain substantially all of the economic benefits from use of MSEDCL assets of the Franchise area and the right to direct the use of the said assets for 20 years and accordingly it would meet the definition of Lease as per Ind AS 116. Further, for distribution of electricity, the Company would purchase power from MSEDCL for which payment would be made as per the franchise agreement which is linked to the number of units purchased. Accordingly the payments by the Company to MSEDCL is variable in nature and there are no fixed payments in the form of minimum purchase commitments, take or pay or any sort of fixed charges is required to be made.

Considering the entire payment made by the Company for this arrangement is variable in nature and there would be no lease liability required to be recognised with a corresponding right of use assets on initial recognition in accordance with Ind AS 116 and considering non-availability of relevant observable information for lease payments, management estimates and cost benefit analysis, total consideration payable to MSEDCL towards purchase of electricity has been shown as 'Electrical energy purchased' in the Financial Statements.

Note 50 : Employee Benefit Plans

50.1 Defined contribution plan

The Group has defined contribution retirement benefit plans for its employees.

The Group's contributions to provident fund, pension scheme and employee state insurance scheme are made to the relevant government authorities as per the prescribed rules and regulations. The Group's superannuation scheme for qualifying employees is administered through its various superannuation trust funds. The Group's contributions to the above defined contribution plans are recognised as employee benefit expenses in the statement of profit and loss for the year in which they are due. The Group has no further obligation in respect of such plans beyond the contributions made.

The Group's contribution to provident, pension, superannuation funds and to employees state insurance scheme aggregating to ₹ 48.88 Crore (Previous year - ₹ 45.02 Crore) has been recognised in the statement of profit and loss under the head employee benefits expense [Refer note 39].

50.2 Defined benefit plans - Gratuity

(a) Gratuity

The Group operates through various gratuity trust, a plan, covering all its employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Group scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The gratuity benefits payable to the employees are based on the tenure of employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Group. In case of death while in service, the gratuity is payable irrespective of vesting.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 50 : Employee Benefit Plans (Contd.)

The Group makes annual contribution to the gratuity schemes administered by the Life Insurance Corporation of India through its various Gratuity Trust Funds. The liability in respect of plan is determined on the basis of an actuarial valuation.

(b) Risk exposure to defined benefit plans

The plans typically expose the Group to actuarial risks such as: asset volatility, interest rate risk, longevity risk and salary risk as described below :

Asset volatility

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 Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

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's 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 benefit 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.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out at March 31, 2023. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(c) Significant assumptions

The principal assumptions used for the purpose of the actuarial valuation were as follows.

	As at March 31, 2023	As at March 31, 2022
Discount rate (p.a.)	7.57%	7.17%
Salary escalation rate (p.a.)	8.50%	8.50%

(d) The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plans is as follows:

Balances of defined benefit plan

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Present value of funded defined benefit obligation	297.31	285.67
Fair value of plan assets	296.61	271.65
Net (asset) / liability [Refer note 33]*	**0.70**	**14.02**

* after netting off ₹ 1.84 Crore disclosed in "Other advances / receivables" [Refer note 21]

Notes

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Note 50 : Employee Benefit Plans (Contd.)

(e) Expenses recognised for defined benefit plan and movement of plan assets and liabilities

Following are the amounts recognised in statement of profit and loss, other comprehensive income, movement in defined benefit liability and movement in plan assets:

(₹ in Crore)

		Funded plan- Gratuity	
		As at March 31, 2023	As at March 31, 2022
(1)	**Movements in the present value of the defined benefit obligation:**		
	Obligation at the beginning of the year	285.67	288.99
	Current service cost	19.18	18.04
	Past service cost	-	0.02
	Interest cost	21.91	20.54
	Actuarial (gains) / losses from changes in demographic assumptions	0.01	0.10
	Actuarial (gains) / losses arising changes in financial assumptions	(9.14)	(2.25)
	Actuarial (gains) / losses from experience adjustments	(1.46)	(2.34)
	Liability transferred in of employees / due to acqusition of entities*	23.69	2.84
	Liability transferred out of employees	(8.95)	(2.17)
	Benefits paid directly by employer	(5.69)	(2.71)
	Benefits paid	(27.91)	(35.39)
	Obligation at the end of the year **	**297.31**	**285.67**
*	Includes ₹ 19.21 Crore (March 31, 2022 ₹ 0.23 Crore) related to acquired entities during the year.		
**	Includes ₹ 0.27 Crore (March 31, 2022 ₹ 0.23 Crore) of subsidiaries which are unfunded.		
(2)	**Movements in the fair value of the plan assets:**		
	Plan assets at the beginning of the year, at fair value	271.65	276.74
	Interest income	20.92	19.59
	Return on plan assets (excluding interest income)	0.65	(1.60)
	Contributions received	12.09	12.31
	Assets Transferred out / Disinvestments $	19.21	-
	Benefits paid	(27.91)	(35.39)
	Plan assets at the end of the year, at fair value	**296.61**	**271.65**
$	Includes ₹ 19.21 Crore (March 31, 2022- ₹ Nil) related to newly acquired entities during the year.		
(3)	**Gratuity cost recognized in the statement of profit and loss**		
	Current service cost	19.18	18.04
	Interest cost, net	0.99	0.95
	Past service cost	-	0.02
	Net gratuity cost recognized in the statement of profit and loss [Refer note 39]	**20.17**	**19.01**
(4)	**Gratuity cost recognized in the other comprehensive income (OCI)**		
	Return on plan assets (excluding interest income)	(0.65)	1.60
	Actuarial (gains) / losses	(10.59)	(4.49)
	Net (income) / expense for the year recognized in OCI	**(11.24)**	**(2.89)**

Notes

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Note 50 : Employee Benefit Plans (Contd.)

(f) Category wise plan assets

Contributions to fund the obligations under the gratuity plan are made to the Life Insurance Corporation of India.

(g) Sensitivity analysis

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

Change in assumptions

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Increase / (decrease) in defined benefit obligation of gratuity		
50 basis points increase in discount rate	(13.01)	(12.42)
50 basis points decrease in discount rate	14.15	13.55
50 basis points increase in salary escalation rate	13.81	13.29
50 basis points decrease in salary escalation rate	(12.85)	(12.30)

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

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

(h) The weighted average duration of the gratuity plan based on average future service is 18 years (March 31,2022 - 19 years).

(i) Expected contribution to the plan for the next annual reporting period is ₹ 2.54 Crore (March 31, 2022 ₹ 14.02 Crore).

(j) Cash flow projection from the fund

Projected benefits payable in future years from the date of reporting

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
1st following year	32.31	33.15
2nd following year	18.36	17.44
3rd following year	29.10	29.39
4th following year	20.35	27.41
5th following year	23.08	18.40
sum of years 6th to 10th	112.59	99.45
more then 10 years	513.96	454.96

50.3 Defined benefit plans - Pension

(a) Pension

The Group operates defined benefit pension plan, covering eligible employees transferred-in pursuant to transfer scheme. The plan provides benefits to members in the form of a guaranteed pension payable for life. The benefits provided depends on members' length of service and their last drawn salary in the final years leading up to retirement.

Notes

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Note 50 : Employee Benefit Plans (Contd.)

The Group funds the pension liability through trustee-administered funds. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Group. The Group makes contribution to the pension schemes administered by the Life Insurance Corporation of India through Pension Trust Funds for employees joined on or before December 31, 2003. In case of certain employees transferred, which were hired on or after January 1, 2004 are eligible for the Pension benefit only on account of death or disability while in service.The liability in respect of plan is determined on the basis of an actuarial valuation and it is funded.

(b) Risk exposure to defined benefit plans

The plans typically expose the Group to actuarial risks such as: asset volatility, interest rate risk, longevity risk and salary risk as described below :

Asset volatility

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 Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

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's 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 benefit 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.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out at March 31, 2023. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(c) Significant assumptions

The principal assumptions used for the purpose of the actuarial valuation were as follows.

	As at March 31, 2023
Discount rate (p.a.)	7.53%
Salary escalation rate (p.a.)	7.50%

(d) The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plans is as follows:

Balances of defined benefit plan

(₹ in Crore)

	As at March 31, 2023
Present value of funded defined benefit obligation	27.81
Fair value of plan assets	25.86
Net (asset) / liability [Refer note 33]	**1.95**

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Note 50 : Employee Benefit Plans (Contd.)

(e) Expenses recognised for defined benefit plan and movement of plan assets and liabilities

Following are the amounts recognised in statement of profit and loss, other comprehensive income, movement in defined benefit liability and movement in plan assets:

(₹ in Crore)

		Funded plan - Pension As at March 31, 2023
(1)	**Movements in the present value of the defined benefit obligation:**	
	Obligation at the beginning of the year	-
	Current service cost	0.25
	Interest cost	1.87
	Actuarial (gains) / losses arising changes in financial assumptions	1.40
	Actuarial (gains) / losses from experience adjustments	(0.65)
	Liability transferred in of employees / due to acquisition of entities	24.94
	Obligation at the end of the year *	**27.81**
	* Includes ₹ 24.94 Crore related to 'Transfer Scheme' during the year.	
(2)	**Movements in the fair value of the plan assets:**	
	Plan assets at the beginning of the year, at fair value	-
	Balance received pursuant to 'Transfer Scheme'	24.94
	Interest income	1.87
	Return on plan assets (excluding interest income)	(0.95)
	Plan assets at the end of the year, at fair value	**25.86**
(3)	**Pension cost recognized in the statement of profit and loss**	
	Current service cost	0.25
	Net Pension cost recognized in the statement of profit and loss	**0.25**
(4)	**Pension cost recognized in the other comprehensive income (OCI)**	
	Return on plan assets (excluding interest income)	0.95
	Actuarial (gains) / losses	0.75
	Net (income) / expense for the year recognized in OCI	**1.70**

(f) Category wise plan assets

Contributions to fund the obligations under the Pension plan are made to the Life Insurance Corporation of India.

(g) Sensitivity analysis

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

Notes

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Note 50 : Employee Benefit Plans (Contd.)

Change in assumptions

(₹ in Crore)

	As at March 31, 2023
Increase / (decrease) in defined benefit obligation of Pension	
50 basis points increase in discount rate	(1.23)
50 basis points decrease in discount rate	1.46
50 basis points increase in salary escalation rate	1.22
50 basis points decrease in salary escalation rate	(0.81)

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

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

(h) The weighted average duration of the pension plan based on average future service is 30 years .

(i) Expected contribution to the plan for the next annual reporting period is ₹ 1.32 Crore.

(j) Cash flow projection from the fund

Projected benefits payable in future years from the date of reporting

(₹ in Crore)

	Funded plan - Pension
	As at March 31, 2023
1st following year	2.38
2nd following year	0.23
3rd following year	2.26
4th following year	2.78
5th following year	3.60
sum of years 6th to 10th	13.65

50.4 Other long-term employee benefit obligations

The leave obligation covers the Group's liability for sick and earned leave. Under these compensated absences plans, leave encashment is payable to all eligible employees on separation from the Group due to death, retirement or resignation; at the rate of daily last drawn salary, multiplied by leave days accumulated as at the end of relevant period. Refer notes 33 and 39, for the leave encashment provision / charge in the balance sheet and statement of profit and loss.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 51 : Auditors Remuneration (Including Taxes)

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
As audit fees	2.03	1.64
For other services	0.59	0.54
For reimbursement of expenses	0.12	0.02
	2.74	**2.20**

Note 52 : Donations Include Political Contributions as Under

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Electoral Bonds	23.00	27.50
Prudent Electoral Trust	-	3.50
Bhartiya Janta Party	0.11	-
	23.11	**31.00**

Note 53 : Earnings Per Share

	Year ended March 31, 2023	Year ended March 31, 2022
Basic earnings per share (₹)	44.06	9.45
Diluted earnings per share (₹)	44.06	9.45

Basic and diluted earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:

	Year ended March 31, 2023	Year ended March 31, 2022
Profit for the year attributable to the Company used in calculation of basic earnings per share (₹ in Crore)	2,117.43	453.98
Weighted average number of equity shares	48,06,16,784	48,06,16,784

The Company does not have any dilutive potential ordinary shares and therefore diluted earnings per share is the same as basic earnings per share.

Note 54 : Operating Segment

The Chief Operating Decision Maker (CODM) evaluates the Group's performance and applies the resources to whole of the Group's business viz. "Generation, Transmission and Distribution of Power" as an integrated utility. Further, the Group's cable business is not a reportable segment in terms of revenue, profit, assets and liabilities. Hence the Group does not have any reportable segment as per Ind AS - 108 "Operating Segments".

The Group's operations are wholly confined within India and hence there is no reportable geographical information.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 55 : Certified Emission Reduction (CERS)

	As at March 31, 2023	As at March 31, 2022
No. of CERs inventory	49,97,674	-
No. of CERs under certification	-	71,71,099

Inventories of CERs are valued at cost or market price whichever is lower.

Note 56 : Related Party Disclosures

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

1	**Parent Company**	Torrent Investments Private Limited (formerly known as Torrent Private Limited)
2	**Associates**	Wind Two Renergy Private Limited (upto July 29, 2022)
3	**Employee benefits plans***	TPL (Ahmedabad) Gratuity Trust, TPL (Ahmedabad) Superannuation Fund, TPL (Surat) Gratuity Trust, TPL (Surat) Superannuation Fund, TPL (SUGEN) Gratuity Trust, TPL (SUGEN) Superannuation Fund, TPL (DGEN) Gratuity Trust, TPL (DGEN) Superannuation Fund, TPG Gratuity Trust, TPG Superannuation Fund , DNHDD PDCL Employees' Group Gratuity Trust
4	**Key management personnel**	Samir Mehta Jinal Mehta Varun Mehta (w.e.f. August 8, 2022)
5	**Non-executive directors**	Sudhir Mehta Pankaj Patel Samir Barua (Upto September 30, 2022) Keki Mistry Usha Sangwan (w.e.f. May 21, 2021) Sunaina Tomar (upto June 15, 2021) Radhika Haribhakti (w.e.f. August 7, 2021) Mamta Verma (w.e.f. August 7, 2021) Bhavna Doshi (upto September 30, 2021) Dharmishta Raval (upto September 30, 2021) Ketan Dalal (w.e.f. May 11, 2022)
6	**Relatives of key management personnel***	Varun Mehta (upto August 7, 2022)
7	**Other entities where the company has 50% voting right / enterprises controlled by the Parent Company / Associate of Parent Company/ Entities where the directors have significant influence***	UNM Foundation (formerly known as Tornascent Care Institute)#, Torrent Pharmaceuticals Limited, Torrent Power Services Private Limited, Torrent Gas Pune Limited , Torrent Gas Private Limited, Torrent Gas Chennai Private Limited,Torrent Gas Moradabad Limited, Torrent Gas Jaipur Private Limited, Torrent Fincorp Private Limited, Torrent Sports Ventures Private Limited,Torrent Hospitals Private Limited, Torrent Diagnostics Private Limited, Gujarat Lease Financing Limited,School of Ultimate Leadership Foundation (w.e.f. October 15, 2022).

* where transactions have taken place during the year and / or previous year or where balances are outstanding at the year end

The National Company Law Tribunal (NCLT) has approved a Scheme of Arrangement ("Scheme") in the nature of Amalgamation of UNM Foundation with Tornascent Care Institute vide order dated March 23, 2021. The Scheme is effective from April 1, 2020 ("Appointed Date"). The name "Tornascent Care Institute" changed to "UNM Foundation" w.e.f. July 20, 2021.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 56 : Related Party Disclosures (Contd.)

B. Related party transactions

(₹ in Crore)

	Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Nature of transactions										
Interest income	**3.45**	**11.09**	**-**	**-**	**-**	**-**	**-**	**-**	**3.45**	**11.09**
Wind Two Renergy Private Limited	3.45	11.09	-	-	-	-	-	-	3.45	11.09
Dividend paid	-	-	-	-	-	-	**566.33**	**373.26**	**566.33**	**373.26**
Torrent Investments Private Limited	-	-	-	-	-	-	566.33	373.26	566.33	373.26
Services provided (rent income including tax)	-	-	-	-	-	-	**1.35**	**0.88**	**1.35**	**0.88**
UNM Foundation	-	-	-	-	-	-	*	0.01	*	0.01
Torrent Investments Private Limited	-	-	-	-	-	-	*	*	*	*
Torrent Power Services Private Limited	-	-	-	-	-	-	*	-	*	-
Torrent Gas Private Limited	-	-	-	-	-	-	0.47	0.87	0.47	0.87
Torrent Fincorp Private Limited	-	-	-	-	-	-	*	*	*	*
Torrent Sports Ventures Private Limited	-	-	-	-	-	-	*	*	*	*
Torrent Gas Chennai Private Limited	-	-	-	-	-	-	0.22	-	0.22	-
Torrent Gas Jaipur Private Limited	-	-	-	-	-	-	0.22	-	0.22	-
Torrent Gas Pune Limited	-	-	-	-	-	-	0.22	-	0.22	-
Torrent Gas Moradabad Limited	-	-	-	-	-	-	0.22	-	0.22	-
Torrent Hospitals Private Limited	-	-	-	-	-	-	*	-	*	-
School of Ultimate Leadership Foundation	-	-	-	-	-	-	*	-	*	-
Torrent Diagnostics Private Limited	-	-	-	-	-	-	*	*	*	*
Services received / remuneration paid	-	-	-	-	-	-	**1.16**	**2.25**	**1.16**	**2.25**
Varun Mehta	-	-	-	-	-	-	1.16	2.25	1.16	2.25

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 56 : Related Party Disclosures (Contd.)

B. Related party transactions

(₹ in Crore)

	Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Purchase of material	-	-	-	-	-	-	-	**0.63**	-	**0.63**
Torrent Gas Private Limited	-	-	-	-	-	-	-	0.63	-	0.63
Shared expenditure charged to	**0.11**	**0.31**	-	-	-	-	-	**0.02**	**0.11**	**0.33**
Wind Two Renergy Private Limited	0.11	0.31	-	-	-	-	-	-	0.11	0.31
Gujarat Lease Financing Limited	-	-	-	-	-	-	-	0.02	-	0.02
Expenses incurred on behalf of	-	-	-	-	-	-	**0.13**	**0.07**	**0.13**	**0.07**
Torrent Gas Private Limited	-	-	-	-	-	-	0.05	0.07	0.05	0.07
Torrent Gas Pune Limited	-	-	-	-	-	-	0.02	-	0.02	-
Torrent Gas Chennai Private Lmited	-	-	-	-	-	-	0.02	-	0.02	-
Torrent Gas Jaipur Private Limited	-	-	-	-	-	-	0.02	-	0.02	-
Torrent Gas Moradabad Limited	-	-	-	-	-	-	0.02	-	0.02	-
Transfer of gratuity / leave liability to / (from)	-	-	-	-	-	-	**0.18**	**(0.13)**	**0.18**	**(0.13)**
Torrent Pharmaceuticals Limited	-	-	-	-	-	-	-	(0.29)	-	(0.29)
UNM Foundation	-	-	-	-	-	-	-	*	-	*
Torrent Gas Jaipur Private Limited	-	-	-	-	-	-	(0.04)	-	(0.04)	-
Torrent Gas Private Limited	-	-	-	-	-	-	0.22	0.16	0.22	0.16
Managerial remuneration @	-	-	-	-	**36.09**	**24.14**	-	-	**36.09**	**24.14**
Samir Mehta	-	-	-	-	15.00	10.00	-	-	15.00	10.00
Varun Mehta	-	-	-	-	3.00	-	-	-	3.00	-
Jinal Mehta	-	-	-	-	18.09	14.14	-	-	18.09	14.14
Commission to non-executive directors @@	-	-	-	-	**2.19**	**1.82**	-	-	**2.19**	**1.82**
Samir Barua	-	-	-	-	0.23	0.37	-	-	0.23	0.37
Keki Mistry	-	-	-	-	0.27	0.30	-	-	0.27	0.30
Pankaj Patel	-	-	-	-	0.31	0.27	-	-	0.31	0.27
Bhavna Doshi	-	-	-	-	-	0.21	-	-	-	0.21

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 56 : Related Party Disclosures (Contd.)

B. Related party transactions

(₹ in Crore)

	Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Dharmishta Raval	-	-	-	-	-	0.22	-	-	-	0.22
Sunaina Tomar#	-	-	-	-	-	0.05	-	-	-	0.05
Usha Sangwan	-	-	-	-	0.48	0.21	-	-	0.48	0.21
Radhika Haribhakti	-	-	-	-	0.48	0.14	-	-	0.48	0.14
Ketal Dalal	-	-	-	-	0.35	-	-	-	0.35	-
Mamta Verma #	-	-	-	-	0.07	0.05	-	-	0.07	0.05
Sitting fees to non-executive directors @@	**-**	**-**	**-**	**-**	**0.59**	**0.72**	**-**	**-**	**0.59**	**0.72**
Samir Barua	-	-	-	-	0.07	0.18	-	-	0.07	0.18
Keki Mistry	-	-	-	-	0.06	0.11	-	-	0.06	0.11
Pankaj Patel	-	-	-	-	0.07	0.09	-	-	0.07	0.09
Bhavna Doshi	-	-	-	-	-	0.08	-	-	-	0.08
Dharmishta Raval	-	-	-	-	-	0.09	-	-	-	0.09
Sunaina Tomar #	-	-	-	-	-	0.01	-	-	-	0.01
Usha Sangwan	-	-	-	-	0.14	0.09	-	-	0.14	0.09
Radhika Haribhakti	-	-	-	-	0.14	0.06	-	-	0.14	0.06
Mamta Verma #	-	-	-	-	0.01	0.01	-	-	0.01	0.01
Ketal Dalal	-	-	-	-	0.10	-	-	-	0.10	-
Donation	**-**	**-**	**-**	**-**	**-**	**-**	**9.55**	**11.36**	**9.55**	**11.36**
UNM Foundation	-	-	-	-	-	-	9.55	11.36	9.55	11.36
Contribution towards CSR	**-**	**-**	**-**	**-**	**-**	**-**	**34.33**	**29.51**	**34.33**	**29.51**
UNM Foundation	-	-	-	-	-	-	34.33	29.51	34.33	29.51

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 56 : Related Party Disclosures (Contd.)

B. Related party transactions

(₹ in Crore)

	Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Contribution to employee benefit plans (net)	**-**	**-**	**25.32**	**22.20**	**-**	**-**	**-**	**-**	**25.32**	**22.20**
TPL (Ahmedabad) Gratuity Trust	-	-	10.12	9.16	-	-	-	-	10.12	9.16
TPL (Ahmedabad) Superannuation Fund	-	-	7.91	7.54	-	-	-	-	7.91	7.54
TPL (Surat) Gratuity Trust	-	-	1.53	2.66	-	-	-	-	1.53	2.66
TPL (Surat) Superannuation Fund	-	-	1.45	1.51	-	-	-	-	1.45	1.51
TPL (SUGEN) Gratuity Trust	-	-	0.40	0.44	-	-	-	-	0.40	0.44
TPL (SUGEN) Superannuation Fund	-	-	0.52	0.52	-	-	-	-	0.52	0.52
TPL (DGEN) Gratuity Trust	-	-	0.03	0.05	-	-	-	-	0.03	0.05
TPL (DGEN) Superannuation Fund	-	-	0.25	0.27	-	-	-	-	0.25	0.27
TPG Gratuity Trust	-	-	0.01	-	-	-	-	-	0.01	-
TPG Superannuation Fund	-	-	0.04	0.05	-	-	-	-	0.04	0.05
DNHDD PDCL Employees' Group Gratuity Trust	-	-	3.06	-	-	-	-	-	3.06	-
Redemption of non-convertible debentures	**26.33**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**26.33**	**-**
Wind Two Renergy Private Limited	26.33	-	-	-	-	-	-	-	26.33	-
Premium on NCD	**2.62**	**7.45**	**-**	**-**	**-**	**-**	**-**	**-**	**2.62**	**7.45**
Wind Two Renergy Private Limited	2.62	7.45	-	-	-	-	-	-	2.62	7.45
Loan Given	**3.50**	**7.95**	**-**	**-**	**-**	**-**	**-**	**-**	**3.50**	**7.95**
Wind Two Renergy Private Limited	3.50	7.95	-	-	-	-	-	-	3.50	7.95
Receipt on repayment of loans	**11.25**	**21.30**	**-**	**-**	**-**	**-**	**-**	**-**	**11.25**	**21.30**
Wind Two Renergy Private Limited	11.25	21.30	-	-	-	-	-	-	11.25	21.30
Deposits received	-	-	-	-	-	-	*	*	*	*
Torrent Sports Ventures Private Limited	-	-	-	-	-	-	-	*	-	*
School of Ultimate Leadership Foundation	-	-	-	-	-	-	*	-	*	-
Torrent Diagnostics Private Limited	-	-	-	-	-	-	-	*	-	*

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 56 : Related Party Disclosures (Contd.)

B. Related party transactions

(₹ in Crore)

	Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Deposit Refunded	**-**	**-**	**-**	**-**	**-**	**-**	**-**	*****	**-**	*****
UNM Foundation	-	-	-	-	-	-	-	*	-	*
Torrent Investment Private Limited	-	-	-	-	-	-	-	*	-	*
Torrent Power Serivces Private Limited	-	-	-	-	-	-	-	*	-	*
Torrrent Gas Private Limited	-	-	-	-	-	-	-	*	-	*
Torrent Fincorp Private Limited	-	-	-	-	-	-	-	*	-	*

@@ excluding Goods and Services Tax.

@ excluding provision for gratuity and leave encashment, insurance premium for group personal accident and group mediclaim.

Sitting fees and Commission of Sunaina Tomar and Mamta Verma (nominee of the Government of Gujarat) is paid / payable to the Government of Gujarat.

The Group is a public utility, being engaged in distribution of electricity. Transactions entered with the above mentioned related party does not include sale of electricity since the tariff charged to the customers are determined by an independent rate-setting authority.

C. Key management personnel compensation

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Short-term employee benefits	36.09	24.14
	36.09	**24.14**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 56 : Related Party Disclosures (Contd.)

D. Related party balances

(₹ in Crore)

	Parent Company		Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Balances at the end of the year												
Current liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**22.97**	**14.32**	**0.40**	**0.16**	**23.37**	**14.48**
UNM Foundation	-	-	-	-	-	-	-	-	-	*	-	*
Torrent Gas Private Limited			-	-	-	-	-	-	0.38	0.16	0.38	0.16
Torrent Gas Jaipur Private Limited			-	-	-	-	-	-	0.02	-	0.02	-
Torrent Sports Ventures Private Limited			-	-	-	-	-	-	-	*	-	*
Torrent Hospitals Pvt Ltd			-	-	-	-	-	-	*	-	*	-
School of Ultimate Leadership Foundation			-	-	-	-	-	-	*	-	*	-
Torrent Diagnostics Private Limited			-	-	-	-	-	-	-	*	-	*
Samir Mehta	-	-	-	-	-	-	15.00	10.00	-	-	15.00	10.00
Varun Mehta	-	-	-	-	-	-	1.00	-	-	-	1.00	-
Jinal Mehta	-	-	-	-	-	-	5.00	2.50	-	-	5.00	2.50
Samir Barua	-	-	-	-	-	-	0.21	0.37	-	-	0.21	0.37
Keki Mistry	-	-	-	-	-	-	0.24	0.30	-	-	0.24	0.30
Pankaj Patel	-	-	-	-	-	-	0.28	0.27	-	-	0.28	0.27
Bhavna Doshi	-	-	-	-	-	-	-	0.21	-	-	-	0.21
Dharmishta Raval	-	-	-	-	-	-	-	0.22	-	-	-	0.22
Sunaina Tomar#	-	-	-	-	-	-	-	0.05	-	-	-	0.05
Ketal Dalal	-	-	-	-	-	-	0.31	-	-	-	0.31	-
Usha Sangwan	-	-	-	-	-	-	0.43	0.21	-	-	0.43	0.21
Radhika Haribhakti	-	-	-	-	-	-	0.43	0.14	-	-	0.43	0.14

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 56 : Related Party Disclosures (Contd.)

D. Related party balances

(₹ in Crore)

	Parent Company		Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right/Entities where the directors have significant influence		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Mamta Verma #	-	-	-	-	-	-	0.07	0.05	-	-	0.07	0.05
Investment in equity	-	-	-	-	-	-	-	-	**0.05**	**0.05**	**0.05**	**0.05**
UNM Foundation	-	-	-	-	-	-	-	-	0.05	0.05	0.05	0.05
Investment in non-convertible debentures (including amortise premium)	-	-	-	**116.89**	-	-	-	-	-	-	-	**116.89**
Wind Two Renergy Private Limited	-	-	-	116.89	-	-	-	-	-	-	-	116.89
Loans (including interest) (non-current)	-	-	-	**121.87**	-	-	-	-	-	-	-	**121.87**
Wind Two Renergy Private Limited			-	121.87	-	-	-	-	-	-	-	121.87
Loans (including interest) (current)	-	-	-	**19.90**	-	-	-	-	-	-	-	**19.90**
Wind Two Renergy Private Limited			-	19.90	-	-	-	-	-	-	-	19.90
Trade and other receivables	-	-	-	**0.07**	-	-	-	-	-	**0.29**	-	**0.36**
Wind Two Renergy Private Limited			-	0.07	-	-	-	-	-	-	-	0.07
Torrent Pharmaceuticals Limited	-	-	-	-	-	-	-	-	-	0.29	-	0.29

Sitting fees and Commission of Sunaina Tomar and Mamta Verma (nominee of the Government of Gujarat) is payable to the Government of Gujarat.

The Group is a public utility, being engaged in distribution of electricity. Transactions entered with the above mentioned related party does not include sale of electricity since the tariff charged to the customers are determined by an independent rate-setting authority.

E. Terms and conditions of outstanding balances

The transactions with related parties are made in the normal course of business on terms equivalent to those that prevail in arm's length transactions.

Outstanding balances at the year-end are unsecured.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 57 : Financial Instruments and Risk Management

(a) Capital management

The Group manages its capital structure in a manner to ensure that it will be able to continue as a going concern while optimising the return to stakeholders through the appropriate debt and equity balance.

The Group's capital structure is represented by equity (comprising issued capital, retained earnings and other reserves as detailed in notes 23, 24) and debt (borrowings as detailed in note 25).

The Group's management reviews the capital structure of the Group on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Group's plan is to ensure that the gearing ratio (debt equity ratio) is well within the limit of 2:1. No changes were made in the objectives, policies or process for managing its capital during the year ended March 31, 2023 and March 31, 2022. The Group reviews its dividend policy from time to time.

Gearing ratio

The gearing ratio at end of the reporting year is as follows.

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Debt	10,521.03	8,413.65
Total equity	11,489.39	10,165.91
Debt to equity ratio	**0.92**	**0.83**

Footnotes:

1 Debt is defined as all long term debt outstanding (including unamortised expense) + contingent liability pertaining to corporate / financial guarantee given + short term debt outstanding in lieu of long term debt.

2 Total equity is defined as equity share capital + all reserve (excluding revaluation reserve) + deferred tax liabilities – deferred tax assets – Goodwill – Other intangible assets – Intangible assets under development

Loan Covenants

The Company has complied with financial covenants specified as per the terms of borrowing facilities.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 57 : Financial Instruments and Risk Management (Contd.)

(b) Categories of financial instruments

(₹ in Crore)

	As at March 31, 2023		As at March 31, 2022	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	188.23	188.23	289.41	289.41
Bank balance other than cash and cash equivalents	155.29	155.29	62.93	62.93
Investment in bonds and debentures	17.82	17.82	132.77	132.77
Trade receivables	2,246.33	2,246.33	1,602.70	1,602.70
Loans	-	-	141.77	141.77
Other financial assets	3,246.78	3,246.78	2,400.36	2,400.36
	5,854.45	**5,854.45**	**4,629.94**	**4,629.94**
Measured at fair value through profit and loss (FVTPL)				
Investment in mutual funds	785.82	785.82	273.70	273.70
Investment in equity instruments	0.05	0.05	0.05	0.05
	785.87	**785.87**	**273.75**	**273.75**
Financial liabilities				
Measured at amortised cost				
Borrowings	10,496.07	13,273.51	9,098.42	9,138.90
Trade payables	1,733.28	1,733.28	1,261.59	1,261.59
Other financial liabilities	2,687.72	2,687.72	2,021.84	2,021.84
	14,917.07	**17,694.51**	**12,381.85**	**12,422.33**

Footnotes:

1 The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

2 Non current loan and Inter corporate Deposits carries the interest rates that are variable in nature and hence carrying value is considered as same as fair value.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 57 : Financial Instruments and Risk Management (Contd.)

(c) Fair value measurement

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

Level 1 : Inputs are Quoted (unadjusted) market prices in active markets for identical assets or liabilities. This includes quoted equity instruments, investments in mutual funds that have quoted price.

Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. This includes unquoted floating and fixed rate borrowing.

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. This includes unquoted equity shares, loans, security deposits, investments in Debentures, floating rate borrowings.

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

(1) Financial assets at fair value through profit and loss (FVTPL)

(₹ in Crore)

	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at March 31, 2023	As at March 31, 2022		
Investment in mutual fund units	785.82	273.70	Level 1	Quoted bid prices in an active market

(2) Financial liabilities at amortised cost

(₹ in Crore)

	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at March 31, 2023	As at March 31, 2022		
Fixed rate borrowings (Non-convertible debentures)	2,777.44	2,008.84	Level 2	Inputs other than quoted prices that are observable based on yields provided by FIMMDA

(d) Financial risk management objectives

The Group's principal financial liabilities, comprise borrowings, employee payables, security deposit from customer, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and projects capital expenditure. The Group's principal financial assets include loans, advances, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Group's activities expose it to a variety of financial risks viz foreign currency risk, commodity price risk, interest rate risk, credit risk, liquidity risk etc. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Group's senior management oversees the management of these risks. It advises on financial risks and the appropriate financial risk governance framework for the Group.

Foreign currency risk

The Group is exposed to foreign currency risks arising from various currency exposures, primarily with respect to the USD and EURO. Foreign currency risks arise from future commercial transactions and recognized assets and liabilities, when they are denominated in a currency other than Indian Rupee.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 57 : Financial Instruments and Risk Management (Contd.)

The Group's exposure with regards to foreign exchange risk which are not hedged are given below.

Unhedged foreign currency exposures:

(₹ in Crore)

Nature of transactions	Currency	As at March 31, 2023	As at March 31, 2022
Financial liabilities			
Trade payable	USD	3.58	4.37
Trade payable	EURO	175.32	138.80
Capital payable	EURO	0.06	0.06

Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in EURO exchange rates, with all other variables held constant.

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Impact on Profit before Tax - Rupee depreciate by ₹ 1 against EURO	(1.96)	(1.64)
Impact on Profit before Tax - Rupee appreciate by ₹ 1 against EURO	1.96	1.64

The USD currency risk is not significant to the Group's operation and accordingly sensitivity analysis is not given.

Commodity price risk

The commodity exposure is mainly on account of fuel, a substantial part of which is a pass through cost and hence the commodity price exposure is not likely to have a material financial impact on the Group.

The Group has exposure to USD / INR exchange rate arising principally on account of import of LNG and import of coal. The extant tariff regulations do not permit the cost of hedging such exposure as a cost to be passed through to the off-takers / beneficiaries. As a result, the Group does not follow a policy of hedging such exposures and actual rupee costs of import of fuel are substantially passed on to the off-takers / consumers, because of which such commodity price exposure is not likely to have a material financial impact on the Group.

Interest rate risk

Most of the Group's borrowings are on a floating rate of interest. The Group has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR). The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible debentures and short term credit lines besides internal accruals.

The following table provides a break-up of the Group's fixed and floating rate borrowings:

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Fixed rate borrowings^	3,348.47	2,345.86
Floating rate borrowings^	7,176.06	6,785.03
	10,524.53	**9,130.89**

^ Transactions cost reduced from the borrowing is excluded.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 57 : Financial Instruments and Risk Management (Contd.)

Interest rate risk sensitivity:

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rates had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit.

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Impact on profit before tax - increase in 50 basis points	(35.88)	(33.93)
Impact on profit before tax - decrease in 50 basis points	35.88	33.93

Credit risk

Trade receivables:

(1) Exposures to credit risk

The Group is exposed to the counterparty credit risk arising from the possibility that counterparties might fail to comply with contractual obligations. This exposure may arise with regard to unsettled amounts.

(2) Credit risk management

Credit risk is managed and limited in accordance with the type of transaction and the creditworthiness of the counterparty. The Group has established criteria for admission, approval systems, authorisation levels, exposure measurement methodologies, etc. The concentration of credit risk is limited due to the fact that the customer base is large. None of the customers accounted for more than 10% of the receivables and revenue for the year ended March 31, 2023 and March 31, 2022. The Group is dependent on the domestic market for its business and revenues.

The Group's credit policies and practices with respect to distribution areas are designed to limit credit exposure by collecting security deposits prior to providing utility services or after utility service has commenced according to applicable regulatory requirements. In respect to generation business, Group generally has letter of credits / bank guarantees to limit its credit exposure.

(3) Other credit enhancements

The Group collects the security deposits in the form of Cash or Bank guarantee, considering the relevant electricity regulations under the relevant geographical area to cover its credit risks associated with its trade receivables.

(4) Age of receivables and expected credit loss

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables. The expected credit loss allowance is based on ageing of the days the receivables are due. Trade receivable balances mainly comprise of outstanding from consumers wherein the credit period provided to such consumers is less than 30 days. Based on the historical trend the same is collected well within the credit period.

The policy of the Group is to provide for credit loss takes into consideration of factors such as type of Consumers i.e. Government Consumers / Non Government consumers, Status of Consumers i.e. Live consumers / Disconnected consumers and Security deposits provided by the Consumer.

The ageing of receivables and allowance for doubtful debt at the end of the reporting period is as follows.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 57 : Financial Instruments and Risk Management (Contd.)

As at March 31, 2023

(₹ in Crore)

	Gross trade receivables	Allowance for doubtful debt
Less than or equal to 6 months	2,148.01	35.33
More than 6 months but less than or equal to 1 year	58.79	23.20
More than one year	244.03	145.97
	2,450.83	**204.50**

As at March 31, 2022

(₹ in Crore)

	Gross trade receivables	Allowance for doubtful debt
Less than or equal to 6 months	1,428.07	43.83
More than 6 months but less than or equal to 1 year	138.88	29.78
More than one year	253.46	144.10
	1,820.41	**217.71**

(5) Movement in the expected credit loss allowance

(₹ in Crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance	217.71	250.42
Movement in expected credit loss allowance on trade receivable, net [Refer note 42]	(13.21)	(32.71)
Closing balance [Refer note 17]	**204.50**	**217.71**

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.

Other financial assets:

The Group is having balances in cash and cash equivalents, term deposits with banks, Inter corporate deposits, Loans to related parties, investments in government securities and investment in mutual funds. The Group is having balances in cash and cash equivalents, term deposits with scheduled banks with high credit rating and hence perceive low credit risk of default. With respect to investments, the Group limits its exposure to credit risk by investing in liquid securities with counterparties depending on their Composite Performance Rankings (CPR) published by CRISIL. The Group's investment policy lays down guidelines with respect to exposure per counterparty, rating, processes in terms of control and continuous monitoring. The Group therefore considers credit risks on such investments to be negligible. Loans receivable from related parties have negligible credit risk and hence no risk of default is perceived on them. The recoverable amount of unbilled revenue (includingrevenue gap/surplus) perceives low credit risk of default considering applicable tariff regulations / tariff orders, management's probability estimate and the past trends of approval.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are required to be settled by delivering the cash or another financial asset. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and unused borrowing facilities, by continuously monitoring projected / actual cash flows.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 57 : Financial Instruments and Risk Management (Contd.)

Maturities of financial liabilities:

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

As at March 31, 2023

(₹ in Crore)

	Less than 1 year	Between 1 year and 5 years	5 years and above	Total
Financial liabilities				
Non current financial liabilities				
Borrowings (including interest on borrowings)^	-	7,050.68	5,001.06	12,051.74
Trade payables	-	187.79	87.40	275.19
Lease liabilities	-	32.17	27.25	59.42
	-	**7,270.64**	**5,115.71**	**12,386.35**
Current financial liabilities				
Borrowings (including interest on borrowings)^	2,387.60	-	-	2,387.60
Trade payables	1,522.67	-	-	1,522.67
Lease liabilities	7.60	-	-	7.60
Other financial liabilities	2,687.72	-	-	2,687.72
	6,605.59	**-**	**-**	**6,605.59**
Total financial liabilities	**6,605.59**	**7,270.64**	**5,115.71**	**18,991.94**

As at March 31, 2022

(₹ in Crore)

	Less than 1 year	Between 1 year and 5 years	5 years and above	Total
Financial liabilities				
Non current financial liabilities				
Borrowings (including interest on borrowings)^	-	5,388.40	3,876.52	9,264.92
Trade payables	-	96.39	102.20	198.59
Lease liabilities	-	30.44	29.22	59.66
Other financial liabilities	-	0.33	-	0.33
	-	**5,515.56**	**4,007.94**	**9,523.50**
Current financial liabilities				
Borrowings (including interest on borrowings)^	2,590.14	-	-	2,590.14
Trade payables	1,111.13	-	-	1,111.13
Lease liabilities	8.69	-	-	8.69
Other financial liabilities	2,021.51	-	-	2,021.51
	5,731.47	**-**	**-**	**5,731.47**
Total financial liabilities	**5,731.47**	**5,515.56**	**4,007.94**	**15,254.97**

^ Transactions cost reduced from the borrowing is excluded.

Note 58 : Provision for Onerous Contracts

The Group has a provision of ₹ 134.38 Crore (March 31, 2022 - ₹ 135.76 Crore) in respect of certain onerous contracts towards potential damages and other project related costs, arising from expected delays or failure to set up certain wind and solar power generation capacities, awarded to the Group in a prior period under a competitive bidding process. During the current year, ₹ 9.44 Crore provision has been created related to Bank guarantee (Previous year ₹ 0.53 Crore) and ₹ 10.82 Crore provision has been reversed due to writing off of pre-operative expenses (Previous year ₹ 55.07 Crore provision has been reversed due to discharge of bank guarantee). The expected outflow will be determined at the time of final resolution of the matter.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 59 : Government Grant

(a) Nature of government grant

Ministry of Power, Government of India (GoI), had introduced the Accelerated Power Development & Reforms Programme (APDRP) to achieve reduction in Aggregate Technical & Commercial losses, to strengthen the Transmission & Distribution network and to ensure reliable and quality power supply with adequate consumer satisfaction. The projects approved for financing under the programme are eligible for a grant and soft loan each equivalent to 25% of the project cost from the GoI. The Balance 50% was required to be funded by the Group. There are no unfulfilled conditions or other contingencies attached to these grants.

(b) Movement of government grant

(₹ in Crore)

	As at March 31, 2023	As at March 31, 2022
Opening balance	16.40	18.85
Less: Amortisation of grant transferred to statement of profit and loss [Refer note 35]	(2.37)	(2.45)
Closing balance	**14.03**	**16.40**
Non-current portion [Refer note 28]	11.66	14.03
Current portion [Refer note 32]	2.37	2.37
	14.03	**16.40**

Note 60 : Ageing Schedule for Capital Work-in-Progress (CWIP)

As at March 31, 2023

(₹ in Crore)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,883.30	417.56	245.11	78.58	2,624.55
Projects temporarily suspended	-	0.09	-	0.05	0.14
	1,883.30	**417.65**	**245.11**	**78.63**	**2,624.69**

As at March 31, 2022

(₹ in Crore)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	762.74	378.13	100.75	44.62	1,286.24
Projects temporarily suspended	0.10	1.06	1.19	8.68	11.03
	762.84	**379.19**	**101.94**	**53.30**	**1,297.27**

For capital-work-in progress, whose completion is overdue compared to its original plan:

As at March 31, 2023

(₹ in Crore)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
115 MW wind power project	832.64	-	-	-	832.64
Distribution Project	185.60	-	-	-	185.60
	1,018.24	**-**	**-**	**-**	**1,018.24**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 60 : Ageing Schedule for Capital Work-in-Progress (CWIP) (Contd.)

As at March 31, 2022

(₹ in Crore)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
115 MW wind power project	64.87	-	-	-	64.87
	64.87	**-**	**-**	**-**	**64.87**

There are no capital-work-in progress, whose cost has exceeded compared to its original plan for year ended March 31, 2023 and March 31, 2022.

Note 61 : Ageing Schedule for Trade Receivables

Current trade receivables:

As at March 31, 2023

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due*	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables							
- Considered good	1,768.21	343.98	35.59	43.60	21.45	28.17	2,241.00
- Credit impaired	0.55	31.57	20.92	17.96	23.22	43.10	137.32
Disputed Trade receivables							
- Considered good	0.49	-	-	3.59	-	1.25	5.33
- Credit impaired	1.34	1.87	2.28	7.44	6.29	47.96	67.18
	1,770.59	**377.42**	**58.79**	**72.59**	**50.96**	**120.48**	**2,450.83**

As at March 31, 2022

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due*	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables							
- Considered good	1,109.74	273.93	109.10	70.13	18.68	19.04	1,600.62
- Credit impaired	0.57	40.37	26.57	42.89	11.89	35.63	157.92
Disputed Trade receivables							
- Considered good	0.57	-	-	0.16	0.10	1.25	2.08
- Credit impaired	1.13	1.76	3.21	5.73	7.31	40.65	59.79
	1,112.01	**316.06**	**138.88**	**118.91**	**37.98**	**96.57**	**1,820.41**

* Includes ₹ 1,288.06 Crore (March 31, 2022: ₹ 1,029.04 Crore) billed subsequent to year end.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 62 : Ageing Schedule for Trade Payables

(a) Non-current trade payables:

As at March 31, 2023

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	210.61	-	-	-	-	-	210.61
Disputed dues							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-
	210.61	**-**	**-**	**-**	**-**	**-**	**210.61**

As at March 31, 2022

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	150.46	-	-	-	-	-	150.46
Disputed dues							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-
	150.46	**-**	**-**	**-**	**-**	**-**	**150.46**

(b) Current trade payables:

As at March 31, 2023

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues							
- Micro and small enterprises	1.43	67.06	0.50	-	-	-	68.99
- Others	500.47	549.44	316.11	2.14	0.41	9.07	1,377.64
Disputed dues							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	-	-	-	-	1.32	74.71	76.03
	501.90	**616.50**	**316.61**	**2.14**	**1.73**	**83.78**	**1,522.66**

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 62 : Ageing Schedule for Trade Payables (Contd.)

As at March 31, 2022

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues							
- Micro and small enterprises	1.23	52.60	0.19	-	-	-	54.02
- Others	427.93	439.81	94.24	5.80	0.24	9.54	977.56
Disputed dues							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	-	-	0.02	1.57	5.34	72.62	79.55
	429.16	**492.41**	**94.45**	**7.37**	**5.58**	**82.16**	**1,111.13**

Note 63 : Details of Loans and Advances

Details of Loans or Advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:
(a) repayable on demand; or
(b) without specifying any terms or period of repayment

(₹ in Crore)

Type of Borrower	As at March 31, 2023		As at March 31, 2022	
	Amount of Loan or advance in nature of loan outstanding	Percentage to total loans and advances in the nature of loans	Amount of Loan or advance in nature of loan outstanding	Percentage to total loans and advances in the nature of loans
Related Parties	-	-	141.77	100.00%
	-		**141.77**	

Note 64 : Relationship with Struck off Companies

(₹ in Crore)

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as on 31.03.2023	Balance outstanding as on 31.03.2022	Relationship with the Struck off company
Unickon Fincap Private Limited	Investor	*	*	Shareholder
Vaishak Shares Limited	Investor	*	*	Shareholder
Dreams Broking Private Limited	Investor	*	*	Shareholder
Pandit Trading & Securities Limited	Investor	*	*	Shareholder
Jetees Securities (P) Limited	Investor	*	*	Shareholder
Solanki Solar Energy Private Limited	Payables	*	*	Vendor
Krish N Kelly Facility Services	Payables	*	*	Vendor
Scanstar Inspection Technology Private Limited	Payables	0.01	-	Vendor

Note 65 : Social Security Code

The Indian Parliament has approved the Code on Social Security, 2020 ("Code") which may likely impact the obligations of the Group for contribution to employees' provident fund and gratuity. The effective date from which the Code is applicable and the rules to be framed under the Code are yet to be notified. In view of this, impact if any, of the change will be assessed and accounted in the period in which the Code and the rules thereunder are notified.

Notes

forming part of the consolidated financial statements for the year ended March 31, 2023

Note 66 : Additional Regulatory Information Required by Schedule III

(a) The Group is in compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the year ended March 31, 2023 and March 31, 2022.

(b) The Group has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2023 and March 31, 2022.

(c) No proceedings have been initiated on or are pending against the Group for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder during the year ended March 31, 2023 and March 31, 2022.

(d) The Group has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2023 and March 31, 2022.

(e) During the year ended March 31, 2023 and March 31, 2022, the Group has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(f) During the year ended March 31, 2023 and March 31, 2022, the Group has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

   a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

   b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

   During the year ended March 31, 2023 and March 31, 2022, the Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

   a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   b) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

Note 67 : Approval of Financial Statements

The financial statements were approved for issue by the board of directors on May 29, 2023.

Signature to Note 1 to 67

In terms of our report attached

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number : 012754N/N500016

Priyanshu Gundana
Partner
Membership No.: 109553

Ahmedabad, May 29, 2023

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

Saurabh Mashruwala
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 29, 2023

Form AOC - 1

Statement pursuant to first proviso to sub section (3) of section 129 of Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014 :

A Statement containing salient features of the financial statement of subsidiaries

(₹ in Crore)

1.	Name of Subsidiary Company	Torrent Power Grid Limited	Torrent Pipavav Generation Limited	Torrent Solargen Limited	Jodhpur Wind Farms Private Limited	Latur Renewable Private Limited	TCL Cables Private Limited	Torrent Saurya Urja 2 Private Limited	Torrent Saurya Urja 3 Private Limited	Torrent Saurya Urja 4 Private Limited	Torrent Saurya Urja 5 Private Limited	Torrent Solar Power Private Limited	Surya Vidyut Limited	Torrent Saurya Urja 6 Private Limited	Visual Percept Solar Projects Private Limited	Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited	Wind Two Renergy Private Limited	Sunshakti Solar Power Projects Private Limited
2.	Date of becoming Subsidiary	October 19, 2006	September 25, 2007	September, 2008	January 29, 2018	January 29, 2018	November 5, 2019	February 5, 2021	February 17, 2021	July 20, 2021	July 16, 2021	July 28, 2020	March 11, 2022	March 25, 2022	February 15, 2022	March 15, 2022	July 30, 2022	June 13, 2022
3.	Financial year ended on	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
4.	Share capital (including share capital suspense)	90.00	50.00	80.05	111.00	110.00	42.00	0.05	0.05	0.05	0.05	0.05	251.91	23.43	17.45	0.10	32.51	0.06
5.	Reserves & Surplus	46.21	(19.29)	(66.89)	17.23	22.40	(40.02)	(5.43)	(0.05)	(0.13)	(0.03)	(15.21)	64.96	55.55	158.10	446.23	(18.96)	128.15
6.	Total assets	146.14	95.13	1,680.52	458.05	462.87	343.09	203.40	0.01	35.77	0.03	149.60	714.47	237.32	184.02	1,316.88	289.20	306.68
7.	Total liabilities (excluding share capital and reserves and surplus)	9.93	64.42	1,667.36	329.82	330.47	341.11	208.78	0.01	35.85	0.01	164.76	397.60	158.34	8.47	870.55	275.65	178.47
8.	Investments	22.71	-	6.44	32.86	25.98	-	-	-	-	-	-	-	-	41.80	-	-	-
9.	Turnover (Revenue from operations)	39.11	-	95.75	58.56	61.01	545.34	-	-	-	-	-	117.59	41.02	52.38	5,985.40	22.95	51.50
10.	Profit / (loss) before taxation	19.27	(0.85)	(5.91)	9.76	14.21	(6.28)	(5.93)	(0.02)	(0.14)	(0.01)	(17.48)	11.27	3.16	32.70	141.22	(22.50)	10.39
11.	Provision for taxation (including deferred tax)	(1.97)	-	(1.08)	2.45	3.59	(1.51)	(0.98)	-	(0.02)	-	(2.95)	22.21	0.73	5.34	37.21	(5.68)	(6.98)
12.	Profit / (loss) after taxation	21.24	(0.85)	(4.83)	7.31	10.62	(4.77)	(4.95)	(0.02)	(0.12)	(0.01)	(14.53)	(10.94)	2.43	27.36	104.01	(16.82)	17.37
13.	Other comprehensive income (net of tax)	0.08	-	-	-	-	0.20	-	-	-	-	-	(0.03)	-	*	(1.49)	-	-
14.	Total comprehensive income	21.32	(0.85)	(4.83)	7.31	10.62	(4.57)	(4.95)	(0.02)	(0.12)	(0.01)	(14.53)	(10.97)	2.43	27.36	102.52	(16.82)	17.37
15.	Proposed dividend (in ₹ per equity share)	0.90	-	-	-	-	-	-	-	-	-	-	-	-	6.30	-	-	-
16.	Extent of shareholding (in percentage)	74.00%	95.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	51.00%	100.00%	100.00%

Footnote :

1 Torrent Pipavav Generation Limited, Torrent Saurya Urja 2 Private Limited, Torrent Saurya Urja 3 Private Limited, Torrent Saurya Urja 4 Private Limited, Torrent Saurya Urja 5 Private Limited and Torrent Solar Power Private Limited are yet to commence its operations.

* figures below ₹ 50,000

B Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to associate Company

Name of Associate	Wind Two Renergy Private Limited (upto July 29, 2022)

Footnote :

1 During the year, Wind Two Renergy Private Limited has ceased to be associate of the Company and become subsidiary w.e.f. July 30, 2022. As the Company does not have equity interest in the above associate company, Total Comprehensive Income of (₹ 1.28) crore for the period April 1, 2022 to July 29, 2022 has not been considered in the consolidated financial statements.

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN: 00061903

Saurabh Mashruwala
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 29, 2023

5 Years' Highlights - Consolidated

Particulars	UoM	2022-23	2021-22	2020-21	2019-20	2018-19
TECHNICAL DATA						
Generation Capacity	MW	4,160	4,110	3,879	3,879	3,703
Units Billed by Generating Stations	MUs	6,239	9,634	11,649	12,168	10,004
Units Purchased	MUs	25,161	9,370	6,611	7,219	8,125
Units Sold	MUs	29,589	18,055	16,608	18,310	16,678
No. of Consumers	Mn	4.03	3.79	3.71	3.65	3.32
KEY FINANCIALS						
Revenue From Operations	₹ in Crore	25,694	14,258	12,173	13,641	13,151
EBITDA	₹ in Crore	5,141	3,826	3,607	3,734	3,389
Profit Before Exceptional Items and Tax	₹ in Crore	3,041	1,864	1,552	1,475	1,264
Total Comprehensive Income (after Non-controlling interests)	₹ in Crore	2,124	456	1,295	1,145	893
Equity Share Capital	₹ in Crore	481	481	481	481	481
Other Equity (Reserves and Surplus)	₹ in Crore	10,529	9,463	9,704	8,673	8,490
Loan Funds (Gross)	₹ in Crore	10,525	9,131	7,809	8,901	9,755
Tangible and Intangible Assets	₹ in Crore	21,894	18,395	18,164	18,137	18,373
KEY FINANCIAL RATIOS						
EBITDA Margin	%	18.52%	25.19%	28.47%	26.07%	24.33%
Net Profit Margin	%	8.42	9.73 @	10.65	8.65 @	6.87
Return on Net Worth*	%	19.07	13.20 @	12.68	11.63 @	8.84
Return on Capital Employed*	%	18.22	13.13 @	12.53	12.48 @	10.94
Long Term Debt Equity Ratio*		0.92	0.83	0.73	0.92	0.90
Earnings Per Share	₹	44.06	9.45	26.86	24.43	18.70

* Deferred Tax balance is included as a part of Equity

@ Excluding Exceptional Items

Corporate Information

Board of Directors
Sudhir Mehta, Chairman Emeritus
Samir Mehta, Chairperson
Pankaj Patel
Samir Barua (upto September 30, 2022)
Keki Mistry
Usha Sangwan
Radhika Haribhakti
Mamta Verma, IAS
Ketan Dalal (w.e.f. May 11, 2022)
Jinal Mehta, Managing Director
Varun Mehta, Wholetime Director (w.e.f. August 8, 2022)

Audit Committee
Samir Barua, Chairperson (upto September 30, 2022)
Ketan Dalal, Chairperson (w.e.f. November 10, 2022)
Keki Mistry
Usha Sangwan
Radhika Haribhakti

Stakeholders Relationship Committee
Pankaj Patel, Chairperson
Samir Mehta
Jinal Mehta

Nomination and Remuneration Committee
Pankaj Patel, Chairperson
Sudhir Mehta (upto April 13, 2023)
Radhika Haribhakti
Ketan Dalal (w.e.f. April 13, 2023)

Corporate Social Responsibility and Sustainability Committee
Usha Sangwan, Chairperson
Samir Barua (upto September 30, 2022)
Radhika Haribhakti (w.e.f. May 11, 2022)
Jinal Mehta (upto January 19, 2023)
Ketan Dalal (w.e.f. January 19, 2023)

Risk Management Committee
Samir Barua, Chairperson (upto September 30, 2022)
Ketan Dalal, Chairperson (w.e.f. January 10, 2023)
Usha Sangwan
Radhika Haribhakti
Lalit Malik (upto April 13, 2023)
Saurabh Mashruwala (w.e.f. April 13, 2023)

Committee of Directors
Samir Mehta, Chairperson
Jinal Mehta

Chief Financial Officer
Lalit Malik (upto April 13, 2023)
Saurabh Mashruwala (w.e.f. April 14, 2023)

Company Secretary
Rahul Shah

Statutory Auditors
Price Waterhouse Chartered Accountants LLP, Chartered Accountants

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