

# MORE POWER

*to you*



# About this Report

Welcome to our third Integrated Annual Report, prepared in accordance with the International Integrated Framework, established by the International Integrated Reporting Council (now the Value Reporting Foundation).

## **Our approach to reporting**

Our Integrated Reports are aimed at transparently communicating our value creation story to all our stakeholders. The reports disclose objective and comparable information on materially important financial and non-financial matters, together with the strategy, roadmap for decarbonisation and overall approach to sustainable development.

## **Frameworks, guidelines, and standards**

The Integrated Report FY22 has been prepared with reference to the GRI Standards 2021, and further complies with/reports on/references to the following:

- Business Responsibility and Sustainability Reporting (BRSR) based on the National Guidelines for Responsible Business Conduct (NGRBC)
- United Nations Sustainable Development Goals (UN SDGs)
- United Nations Global Compact Principles (UNGCP)
- Companies Act, 2013
- Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Secretarial Standards

## **Reporting cycle**

The information presented in this report pertains to the period from April 1, 2021 to March 31, 2022

## **Responsibility statement**

Our Board, together with our Management, acknowledges the collective responsibility to ensure the integrity of the information presented in this report. Our Board and Management undersign that the contents of this report have been presented in a fair, transparent and balanced manner.

## **Assurance**

The non-financial information disclosed in this report has been independently assured by Deloitte Haskins & Sells LLP. The independent assurance statement can be accessed on page 516 of this report. The standalone and consolidated annual financial statements have been audited by M/s. S R B C & CO. LLP.

## **Feedback**

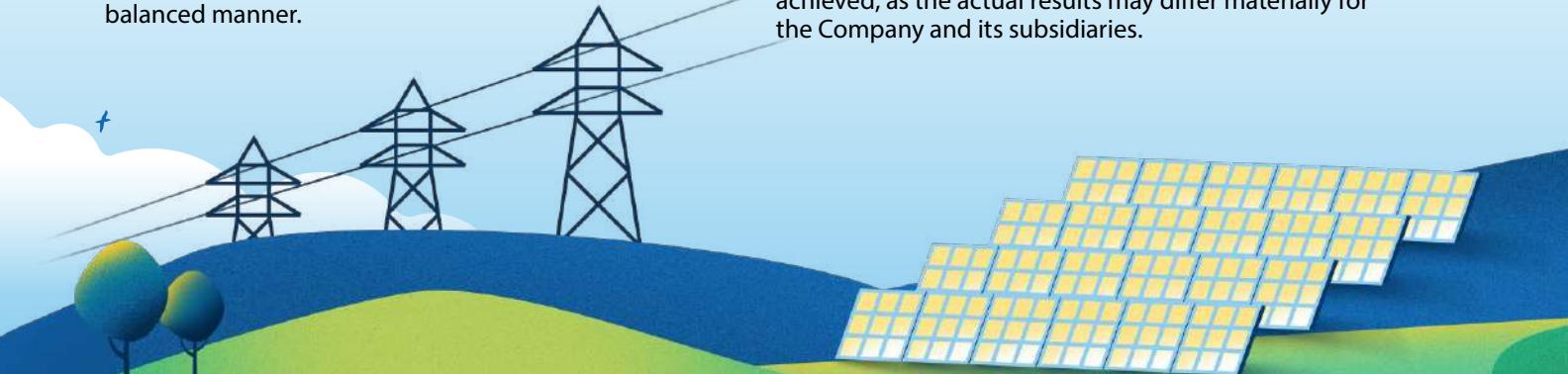
Your valuable feedback is integral to the continuous improvement of our reporting journey. Kindly direct your comments to [tatapower@tatapower.com](mailto:tatapower@tatapower.com).

## **Scope and boundary**

This report covers the business activities of Tata Power across its business clusters and all its subsidiaries. This includes our business of renewables, conventional generation, transmission and distribution, next-gen power solutions, power trading, renewable energy products, utility scale solar EPC and services business.

## **Forward-looking statements**

Certain elements of this report contain forward-looking statements. These may be typically identified by terminology used, such as 'believes', 'expects', 'may', 'will', 'could', 'should', 'intends', 'estimates', 'plans', 'assumes', and 'anticipates', or negative variations. These forward-looking statements are subject to particular risks and opportunities that could be beyond the Company's control or currently based on the Company's beliefs and assumptions of future events. There could be a possibility of the Company's performance differing from expected outcomes and performance implied in this report. With a varied range of risks and opportunities facing the Company, no assurance can be provided for future results to be achieved, as the actual results may differ materially for the Company and its subsidiaries.



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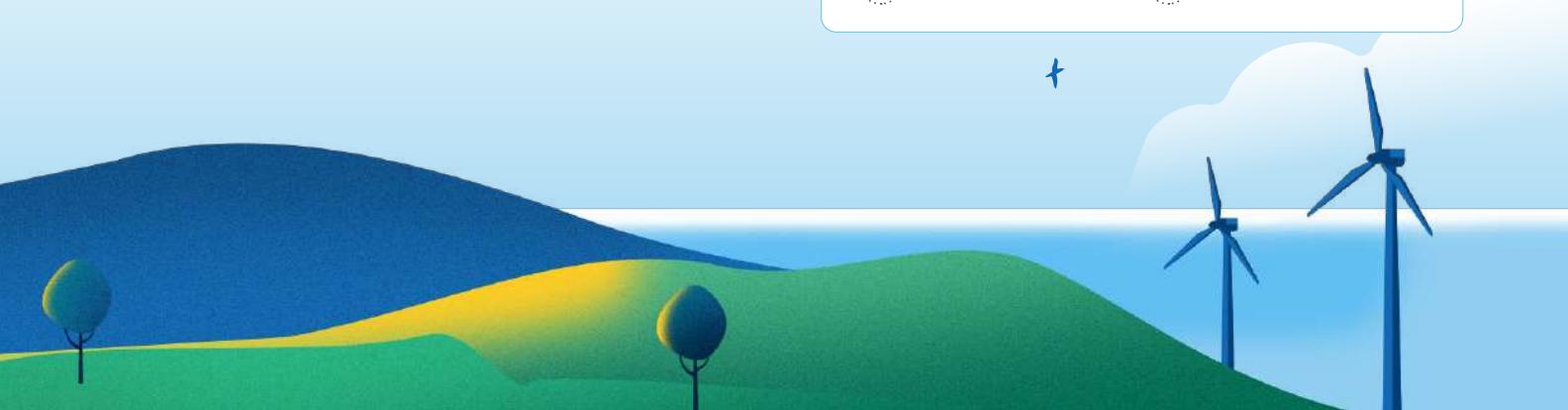
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## Navigating the report

### Capitals

- |   |                               |
|---|-------------------------------|
|     | Financial Capital             |
|    | Manufactured Capital          |
|    | Intellectual Capital          |
|    | Human Capital                 |
|    | Social & Relationship Capital |
|    | Natural Capital               |
|    | Strategic Business Objectives |
|    | Read more on the web          |
|  | Read more in this report      |
|    | M Material issue              |
|  | R Risk                        |



# More Power

*to you*

At Tata Power, we are on a journey to challenge conventions, set benchmarks and consistently innovate to explore solutions to meet the energy needs of the present and the future. Today, more than ever, we have a responsibility to all our stakeholders and the world at large, to find such solutions that usher in a sustainable tomorrow.

## More Power *with better prospects*

Our business is powered by the continued trust that our **investors** place in us.

P. 46



## More Power *through innovation*

We are also transitioning to becoming a B2C player, offering future-ready and smart power solutions to our **customers**.

P. 52

## More Power through collaboration

Our **suppliers** and **partners** ecosystem is integral to our value creation process.

P. 60



## More Power to people

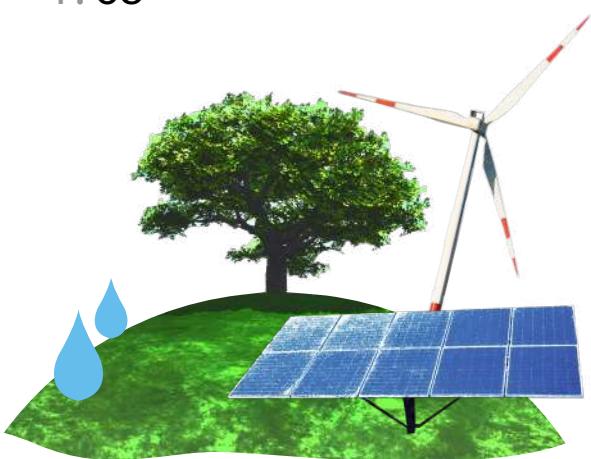
The continuous commitment, contribution and knowledge of our **employees** help in delivering sustained value to our customers, investors and all other stakeholders.

P. 68

## More Power *is social empowerment*

We derive our social licence to operate from the **communities** around our operational value-chain.

P. 62



## More Power through better stewardship

We progressively strive to leave behind a greener footprint, and are aligned to being a greener and more **environmentally** sustainable organisation.

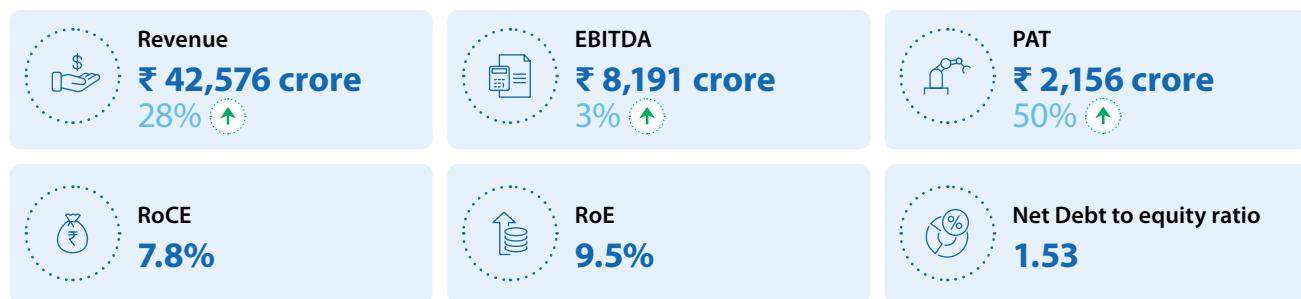
P. 76

## Tata Power in FY22

# A high-powered year

## Financial

Delivered returns, upgraded ratings and progressing well on deleveraging.



### Credit rating upgrades

**Ba2 (Stable)** from **Ba3 (Stable)** by Moody's

**BB Rating (Stable)** from **B+ Rating (Positive)** by S&P Global

### Strategic partnership

with BlackRock Real Assets along with Mubadala Investment Company for investing ₹ 4,000 crore in our **Green business**

### New acquisitions

**Completed acquisition of NRSS** XXXVI Transmission Limited (NRSS)

**LOI received** for acquisition of South- East UP Power Transmission Company Limited

## Operational

Solar portfolio shines, new partnerships for EV and increasing customer base.

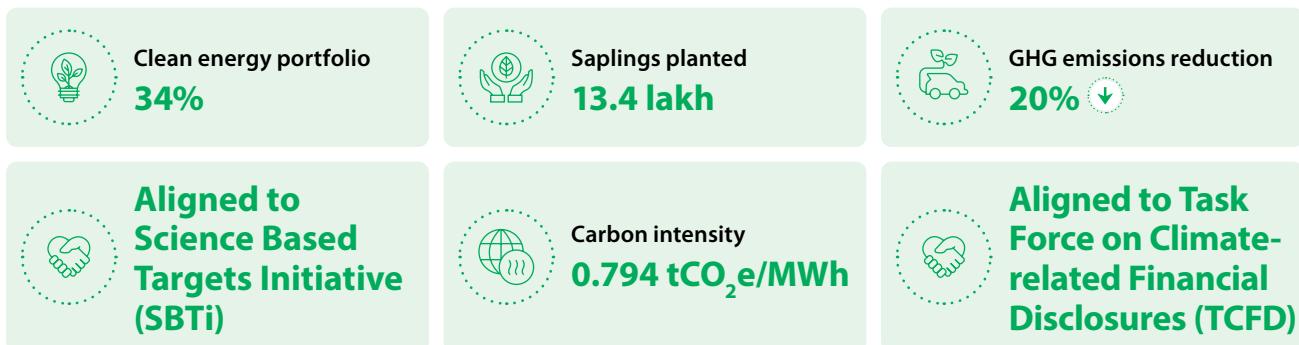


\*National Real Estate Development Council

## ESG

**Demonstrated progress and leadership across all ESG parameters.**

### Environment



### Social



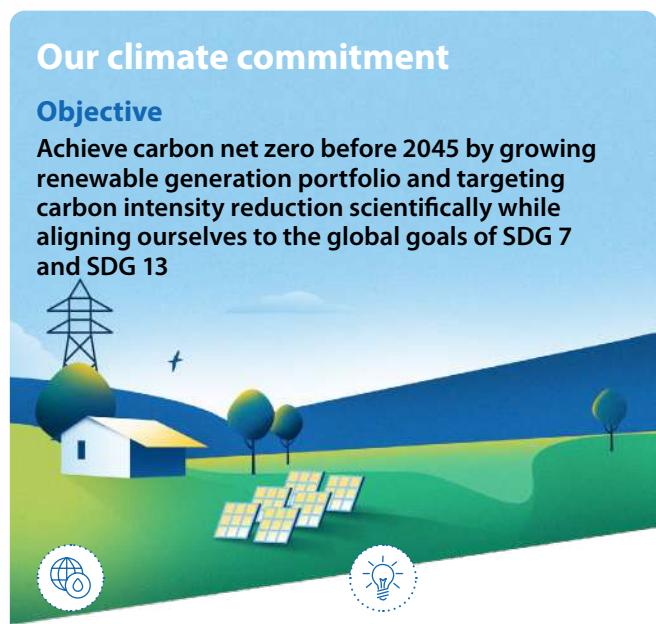
### Governance



## Decarbonisation: Roadmap and Progress

# Solid progress on decarbonisation goals

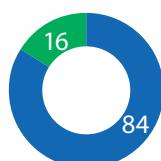
Being an integrated power company, we take cognisance of the role we can play in the global movement to mitigate climate change. We have taken proactive steps towards climate action, and have identified a robust decarbonisation roadmap and targets for making our overall portfolio greener.



### Leading utility transition to clean energy

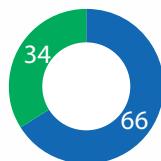
#### Evolving generation mix (%)

2015



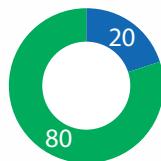
Largely coal-based capacity expansion to meet the growing energy demand in India

2022



Major capacity expansion of greenfield solar capacity  
Inorganic growth through acquisition of Welspun portfolio

2030



Pursuing new solar and hybrid capacities

2040-2050



Phase-out of all coal-based generation  
**Carbon net zero before 2045**

● Thermal      ● Clean (non-carbon based)

## Committed to Science Based Targets Initiative (SBTi)



Currently evaluating different options aligned to below 2° Celsius scenarios and fixing yearly reduction targets basis the Sectoral Decarbonisation Approach (SDA)

## Setting collaborative and newer benchmarks in carbon mitigation

Our carbon mitigation framework includes initiatives for powering CO<sub>2</sub> savings across stakeholder groups.



### Suppliers

- Encourage **ESG disclosure** among Tier-1 suppliers
- **Responsible supply chain** management - ethics, environment, human rights, safety



### Business

- **Stringent targets for carbon intensity reduction**
- Focus on viable technologies
  - Storage technology (hydrogen)
  - Carbon capture/mitigation



### Employees

- **Zero emission campus** – EVs for in-campus
- **Mobile app** to reduce travel emissions
- **Paperless office**



### Customers

- **Qualification of carbon savings** (DSM, ESCO, New businesses)
- **Green power supply** for customers
- **Digitalise customer processes** (Paperless billing and chatbot)



### Community

- **Scaling up Club Enerji** as a brand property
- Focus on **skill-based and virtual volunteering**
- Refining of **Tree Mitra initiative** to increase plant survival rates

## Message from the CEO & MD

# A year of transition and progress

### Dear Stakeholders,

It gives me immense pleasure to write to you after another eventful year of progress, transition and transformation. We performed well across all segments, with our conventional generation, transmission and distribution (T&D) businesses delivering solid results, Odisha Discoms stabilising and the Renewables business firing on all fronts. Today, we stand strong, serving more than 12 million consumers through our distribution and new-age businesses.

We continue to be aggressively focused on growing our clean energy portfolio which today constitutes over one-third of our total generation portfolio and we aim to increase it by more than 60% over the next five years. We are facilitating this clean energy transition through new technology adoption in collaboration with our customers and partners. With BlackRock and Mubadala investing ₹ 4,000 crore in our Renewables business, we are well positioned to pursue even larger opportunities in the RE space and continue to retain our leadership position in the new consumer centric businesses - Rooftop Solar, EV Business, Solar Pumps etc.

### A year of standout financial performance

That said, FY22 also came with its fair share of challenges, with headwinds emanating from elevated commodity prices, residual effects and variants of COVID-19, geopolitical conflicts and erratic weather patterns. However, we were able to deliver a strong financial performance, with revenue at ₹ 42,576 crore (up 28% y-o-y), EBITDA at ₹ 8,191 crore (up 3% y-o-y) and PAT at ₹ 2,156 crore (up 50% y-o-y).

We also made solid progress on some of our key issues and continued to strengthen our balance sheet. Leveraging our robust operating cash flows, we brought down our net debt to underlying EBITDA to 3.92. Our domestic as well as international credit ratings received an upgrade in FY22, with our average borrowing cost narrowing 36 bps y-o-y to 6.82%.

### An all-round progress across businesses

Tata Power's focus on becoming a consumer-oriented, renewables-led company continued to deliver sustained results in FY22. Our Solar Utility Scale EPC order book stood at 3 GW worth ₹ 12,000 crore. We achieved our highest-ever quarterly revenue in our rooftop solar business and doubled our revenue

from solar pumps on a y-o-y basis. Tata Power EZ Charge has cumulatively installed 13,000+ home chargers and 2,200+ EV charging points at the end of the year. On the T&D front, we have been able to consistently reduce the AT&C losses in the four Odisha Discoms and have stabilised the operations with a three-pronged growth-reliability-collection model. Transmission availability has been constantly maintained at or near 100%. The acquisition of two transmission assets through our Resurgent Platform- NRSS XXXVI Transmission Limited and South-East UP Power Transmission Limited has further enhanced the portfolio of our transmission business. From a generation standpoint, availability has been at or near 100% for hydro, wind and solar assets and over 85% for thermal units (excluding Mundra).

### A global energy context set by climate change

There is irrefutable evidence that points to the reality of climate change and its disastrous impact on the planet and its people. Following COP26 and the preceding conventions, countries across the world are taking measures, with specific commitments being drawn up for coal phase-out and carbon mitigation. Large nations/blocs such as the US and the EU have committed to net zero targets by 2050, China and Russia by 2060 and India by 2070.

This global transition provides a huge opportunity for energy companies to lead the decarbonisation agenda by enabling renewable energy installations at scale with solar and wind leading the pack and through deployment of novel technologies. Installed renewable power capacity has grown by over 9% in CY21, and as per the IEA, 32% of the global electricity demand will be met via renewable sources by 2024. The mainstreaming of EVs is also paving the way for newer opportunities in the public utilities space, together with new energy storage systems and microgrids.

"At Tata Power, we believe that access to energy is an enabler for creating a much larger socio-economic impact in the country"



## A volatile global operating environment

The world economy recovered strongly at an estimated growth rate of 6.1% in CY21, post the year of pandemic-induced de-growth. As economies opened and mobility normalised, demand for electricity bounced back proportionately, at a decade-high rate. This spike in electricity demand coupled with unforeseen weather patterns, stressed the limited inventory of coal and natural gas. This scenario of energy crisis got further stretched with the geo-political tensions between Ukraine and Russia. As a result, input costs rose sharply, with prices of coal and natural gas more than doubling from the previous fiscal, hitting multi-year highs, and intensifying the need for sustainable energy solutions. All this intensified the need for sustainable energy solutions that assure availability, affordability and predictability.

## A dynamic Indian scenario

India's economy continued its positive growth trajectory, with regional economies coming back into full function. Following the economic revival, power demand increased by 8% in FY22, with peak demand crossing 200 GW mark, majorly driven by the commercial and industrial sector. With India's energy supply largely dependent on coal-powered thermal power generation, the country stared at the prospect of blackouts with minimal coal inventory and surging prices. However, with the timely intervention of the government (such as utilising imported coal capacities at Mundra by providing a pass through arrangement), the situation was salvaged.

But as the famous saying goes, every crisis should also be seen as an opportunity. The T&D sector needs another wave of reforms and impetus to Privatisation of Discoms can significantly improve the overall efficiency of power distribution and provide uninterrupted electricity to the remotest areas in India. On the renewables side, India's seminal commitment at COP26 to have 500 GW of non-fossil capacity by 2030, opens up a world of opportunities for companies ready to take charge of the transition.

## A relentless pursuit of being future-fit

Tata Power is transforming to be the 'Utility of the Future', which stands on the four pillars of solving key issues and securing financial fitness; delivering growth at scale; becoming a sustainability benchmark and creating shareholder value. Our strategic priorities, governance agenda and overall approach to business are aligned to realising this.

## A promise of purpose

At Tata Power, we believe that access to energy is an enabler for creating a much larger socio-economic impact in the country. Our stakeholder-centric business model, drawing and delivering on various capitals, provides a clear picture of the various outcomes enabled by our businesses.

We are actively collaborating with our customers to understand their needs and to proactively serve them through innovative

solutions. The offtake of our products and services such as microgrids, EV charging, home automation, rooftop solar, solar pumps, among others, validate our approach.

Our people are our biggest assets and we continue to invest in them. Their collective knowledge and skills, combined with their will to win, set us apart. We strive to make Tata Power a truly enriching place to work, with conducive policies, health and safety, meritocracy, opportunities and industry-best practices. We have also progressively improved our gender diversity ratio, with women today constituting 8% of our full-time employees.

We consider the communities in and around our operational areas as our key stakeholders and partners for growth and future readiness. As a part of our Tata values, volunteering and philanthropic initiatives, we nurture a positive relationship with them, and are always exploring ways to improve their lives and livelihoods. Our targeted programmes, under the 3E model – Education, Employability and Employment, and Entrepreneurship – have empowered lakhs of beneficiaries, and we will continue to enrich and deepen the impact.

In our business, responsibility towards environment is a key focus for us. From emissions management to biodiversity conservation and circular economy, we have established several practices that reaffirm our commitment to conserving the ecological ecosystems around us. We have committed to the Science Based Targets Initiative and are on track to achieve carbon net zero before 2045. Our efforts have been rewarded through ESG rating improvements and recognitions over last year.

## A future brimming with confidence

Looking ahead, I am more confident that Tata Power will continue delivering on all its stated commitments across financial, operational and ESG metrics. The future is going to be catalysed by the opportunities in RE across the spectrum, be it utility scale or otherwise, as the global shift to clean energy intensifies. At Tata Power, we are strategically placed to capture these opportunities, with our operational expertise, integrated presence, and commitment to excellence. On the generation front, the resumption of units at Mundra, enabled by the recent government notification, will help in capacity utilisation with fair remuneration. In our T&D business, we will further optimise the Odisha Discom operations, stabilise the new acquisition in the transmission business and deliver phenomenal customer service, enabled by digitalisation. At the same time, we will keep scanning the market for more privatisation opportunities that we can profitably pursue and responsibly operate.

The Tata Power family is truly excited for the next phase of our growth as we shift gears to flawless execution to realize our aspirations. As I conclude, let me take this opportunity to thank every stakeholder and request your continued faith and confidence in us.

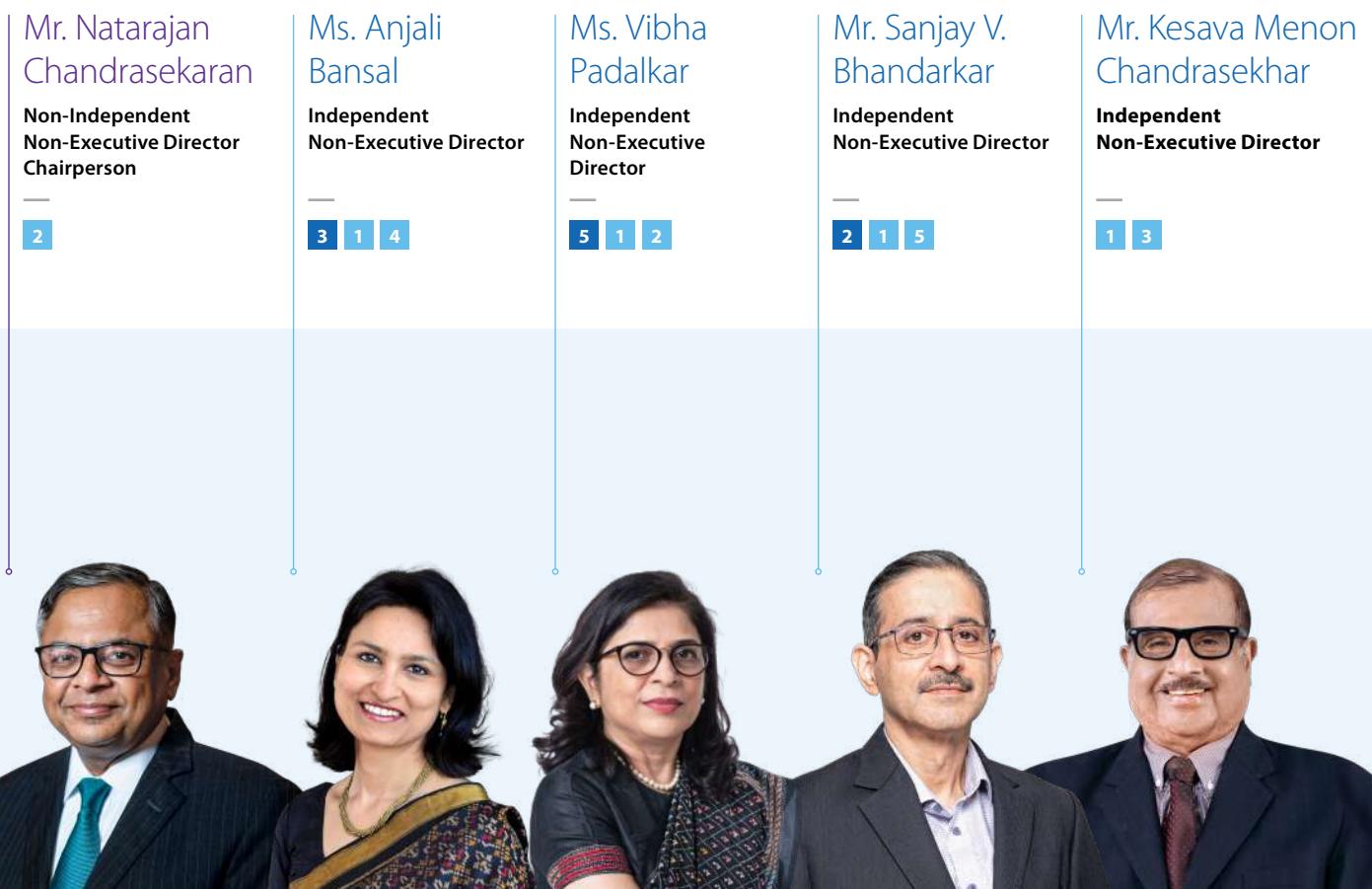
Yours sincerely,

**Dr. Praveer Sinha**

CEO & MD, The Tata Power Company Limited

# Our Board of Directors

Our Board of Directors represents the highest authority across the Company's governance and management paradigm. It continues to exemplify trust, transparency and integrity, supported by Tata Power's ethical and inclusive Corporate Governance (CG) mechanism.



## Board Committees

- 1. Audit Committee of Directors
- 2. Nomination and Remuneration Committee
- 3. Corporate Social Responsibility Committee
- 4. Stakeholders Relationship Committee
- 5. Risk Management Committee

■ Chairperson ■ Member

**Mr. Ashok Sinha**  
Independent Non-Executive Director

1 5



**Mr. Hemant Bhargava**  
Non-Executive Director

4 5



**Mr. Saurabh Agrawal**  
Non-Executive Director

1



**Mr. Banmali Agrawala**  
Non-Executive Director

4 5



**Dr. Praveer Sinha**  
CEO & Managing Director

3



**20%**

Women Directors on Board  
(2 Women Directors)

**50%**

Board independence  
(5 Directors are independent)

# The Leadership Team

**Mr. Sanjeev Churiwala**

Chief Financial Officer

**Mr. Ashish Khanna**

President - Renewables

**Mr. Vijay Namjoshi**

Chief - Generation

**Mr. Sanjay Banga**

President - Transmission &amp; Distribution

**Mr. Gurinder Sandhu**

Chief – New Business Services

**Mr. Himal Tewari**

Chief Human Resources Officer

**Mr. Hasit Kaji**

Chief Digital and Information Officer

**Ms. Jyoti Bansal**Chief - Branding, Corporate Communications,  
CSR and Sustainability**Prof. Sunil Sharma**

Chief - Strategy, Innovation, Business Collaboration

**Mr. Hanoz Mistry**

Company Secretary

# Introduction to Tata Power

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## Tata Power at a Glance

# Transitioning with purpose

On the back of a legacy spanning more than a century of strengthening the Indian economy and empowering Indians, Tata Power is today one of the country's largest integrated power companies. With a bold aspiration to become the '**Most Preferred Green Energy Company**', we are proactively investing in a greener portfolio, and innovating with smart technology for a future-ready business.

**100+**  
Years of legacy

**21,600+**  
People employed

**19**  
States and UTs served



## Segments and the value chain



**Renewable Energy Generation**

**3,400 MW**  
Installed generation capacity



**Conventional Energy Generation**

**10,115 MW**  
Installed conventional generation capacity



**Transmission**

**3,552 Ckm**  
Total transmission line capacity



**Distribution**

**12.3 million**  
Total customers served



**EV Charging Infrastructure**  
**2,200+**  
Public EV charging points installed across 352 cities



**Solar Rooftop**  
**950 MW**  
Solar rooftop project executed



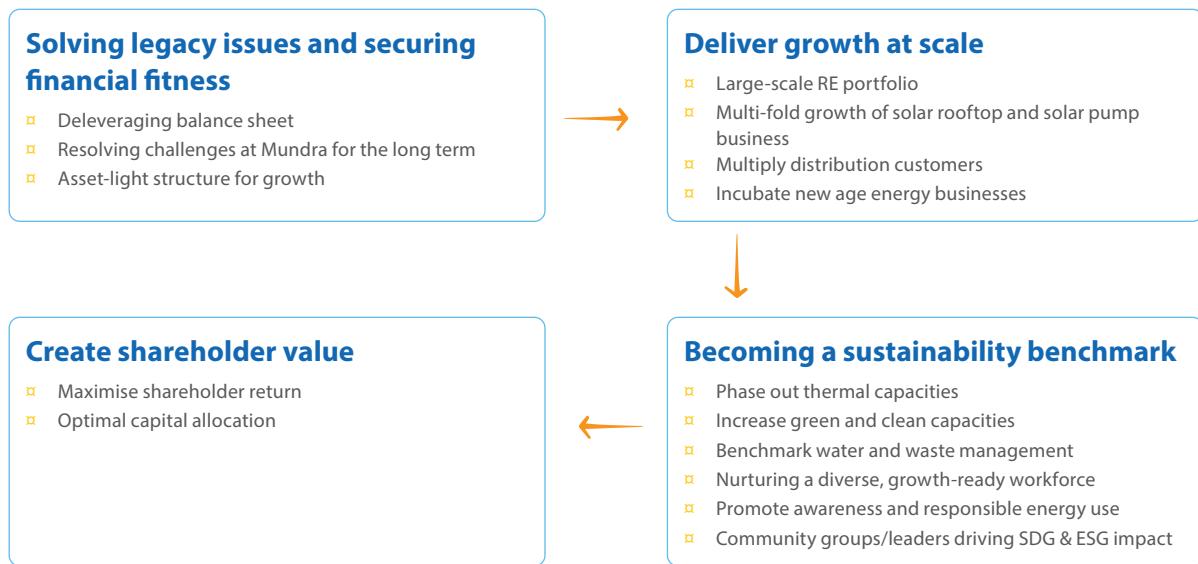
**Manufacturing**  
**1,135 MW**  
Manufacturing capacity of Solar cells & modules



**EPC Large Projects**  
**9.7 GWp**  
Projects executed and under pipeline

## Creating a *future-ready* Tata Power

Our key levers for building a future-ready enterprise include:



## Emerging as the '*utility of the future*'

Our future-focused ambitions for the next 5 years

<b>&gt;30 GW</b> Generation capacity	<b>&lt;1.5x</b> Net debt-equity ratio
<b>&gt;20 GW</b> RE Capacity	<b>&gt;12%</b> RoE
<b>&gt;₹ 25k crore</b> Growth in revenue from EPC, rooftop and pump verticals	<b>&lt;3.5x</b> Net debt / underlying EBITDA ratio
<b>&gt;40 million</b> Customers	



Innovating smart solutions for customers



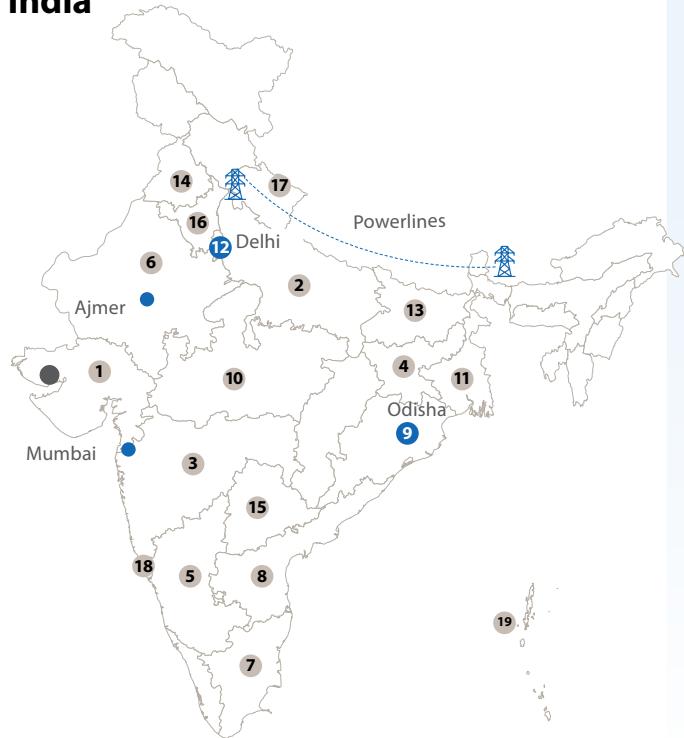
Becoming an ESG benchmark in the power sector

## Operational Presence

# Expanding geographical footprint

We have a wide presence throughout the length and breadth of India, across generation, transmission and distribution (T&D), electric vehicle (EV) infrastructure creation, and solar EPC projects.

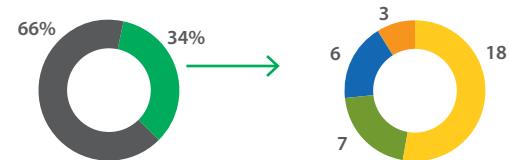
## India



### Fuel Mix (Both Domestic + International)

<b>13,515 MW</b>	<b>8,860 MW</b>	<b>880 MW</b>
Total	Thermal	Hydro
<b>375 MW</b>	<b>932 MW</b>	<b>2,468 MW</b>
Waste Heat Recovery /BFG	Wind	Solar

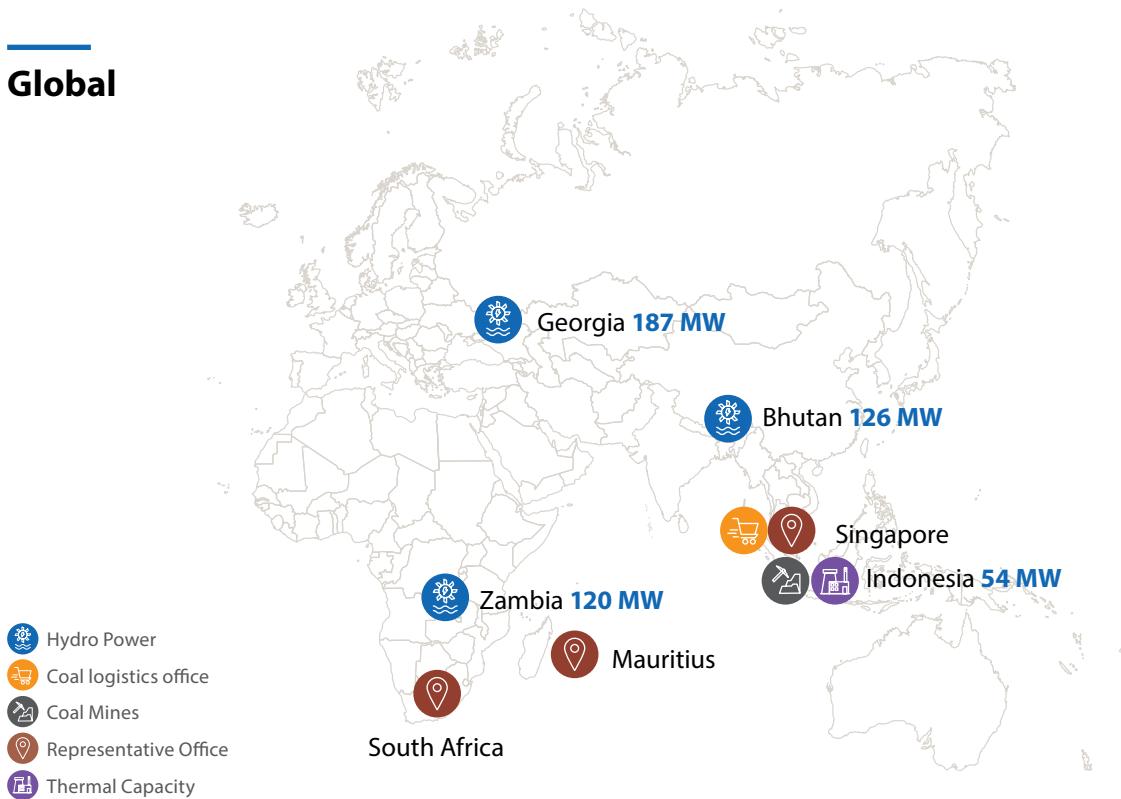
### Distribution of installed capacity (Domestic & International)



	Domestic	International
<b>13,028 MW</b>		<b>487 MW</b>

We also have a notable international footprint in Central and South Asia, and Africa, with assets across generation, coal mining, coal logistics and representative offices.

## Global



## Notable solar projects executed



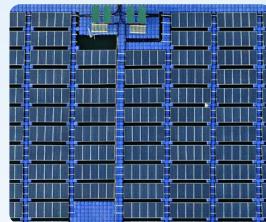
World's largest solar rooftop installation of 12 MW for RSSB-EES, Amritsar (single location, multi-roof)



World's largest solar rooftop installation on a cricket stadium of 820.8 kWp at Cricket Club of India, Mumbai



India's largest solar carport of 2.67 MW at Cochin International Airport Limited (CIAL)



Floating solar projects at Nellore and Kayamkulam

## Strategy

# Striding ahead with resilience and innovation

At Tata Power, our strategy is formulated, evaluated and updated with an integrated approach which considers business inputs bottom-up and leadership direction top-down. With a sharp focus on yearly assessments, we strategise to align ourselves with newer market realities, megatrends and stakeholder asks. Our well-envisioned planning process, complemented with a feedback loop, supports seamless implementation and course correction of our strategic roadmap, and reinforces sustainable outcomes.



### Our vision

Empower a billion lives through sustainable, affordable and innovative energy solutions.

**S1**

#### Profitable scaling-up of Renewables, Transmission & Distribution, Services & Energy Solutions business

Targets	Progress as on FY22
Increase share of clean and green energy in the Company's portfolio to 80% by FY30	<b>34%</b> Clean and green energy portfolio
40 million customer base across distribution businesses by FY27	<b>12.3 million</b> Customer base in T&D
Being the leading EV charging network provider in India	<b>2,200+</b> Public EV charging stations spread across 352 cities

**S2**

#### Focusing on sustainability, with an intent to attain carbon and water neutrality

Targets	Progress as on FY22
Attain carbon net zero before FY45	<b>707 MW</b> New renewables capacities added
Reduce specific fuel consumption by improving operational efficiency	<b>20.3 MT</b> Coal consumption in FY22
Benchmark in waste management (gainful fly ash utilisation)	<b>100%</b> Current fly ash utilisation

**S3**

### Maintaining financial leverage at targeted levels

Targets	Progress as on FY22
Strengthening of balance sheet by maintaining debt to a sustainable level	<b>1.53</b> Net debt to equity ratio
	<b>1.31</b> Interest coverage ratio
	<b>3.92</b> Net debt to underlying EBITDA
Adopting debt-light models through innovative financial restructuring	<b>60%</b> Capex financed through internal accruals
	<b>₹ 4,000 crore</b> Fund committed by BlackRock and Mubadala for Renewables business

**S4**

### Leveraging digital platforms to drive customer-centric businesses

Targets	Progress as on FY22
Establishing digital platforms for new businesses like EV charging, home automation and energy services	Investments in SMART grid technologies such as smart meters, sensors, IoTs to make more intelligent and efficient network
	Development and upgradation of energy storage and battery system, specially to meet high energy demand
	EZ Charge and EZ Home application launched
Leveraging data analytics to deliver customised solutions and value-added services (VAS) to customers	Smart meter based solution being rolled out for distribution customers as VAS
	Digital solutions in Solar Rooftop business for end consumers
	Established policy for data privacy and security
Generating insights from various customer data across businesses to improve offerings	C-SAT score above 90% for all Discoms

**S5**

### Developing future energy services and solutions

Targets	Progress as on FY22
Focusing on adapting and introducing new models for satisfying energy needs of customers	<b>3.75 lakh+</b> Smart meters installed in Delhi and Mumbai Green power open access solutions Green day ahead market participation Green power Floating solar
Becoming the one-stop-solution provider for varied customer needs on energy through integrated offerings	Established and well received offerings: <ul style="list-style-type: none"> <li>• Solar Rooftop business offerings</li> <li>• Microgrids</li> <li>• ESCO solutions</li> </ul>

## Strategy

**S6**

### Creating an engaged, agile, and future-ready workforce

Targets	Progress as on FY22
Enhancing employee engagement, and targeting to be amongst the employers of choice	<b>97%+</b> Retention rate <b>7.8 lakh+</b> Training hours in FY22
Building organisational capabilities to drive customer centricity	<b>20,089 hours</b> Training for customer-facing personnel <b>17,827 hours</b> Learning on Gyankosh platform
Creating next-generation leaders	<b>46,364 hours</b> Training for middle and senior management <b>244 new hires</b> From top business/ engineering schools Tiered leadership development programmes – SLDP, AYLP and ELP
Focusing on diversity and inclusion	<b>10%</b> Women in leadership positions <b>8%</b> Women in overall full-time workforce
Nurture existing core competencies and build new competencies in the areas of innovation, technology and digital platform	Digital academy creating digital literacy for fuelling transformation and growth Collaborations with academia <b>60+</b> Collaborations with bodies for new innovations, competency development, etc.
Nurturing the culture for employee volunteering	<b>5.37 hours</b> Volunteering hours per employee

**S7**

### Minimising coal cost under recovery in Mundra

Targets	Progress as on FY22
Optimising the coal cost under recovery through better coal sourcing and optimal blending	<b>39%</b> Blend Supplementary PPA in advanced stage of discussion with full pass through of coal

**S8**

### Set new benchmarks in operational excellence and financial returns for existing businesses

Targets	Progress as on FY22
Achieving benchmark performance in various operational parameters in thermal and hydro plants	Reduction in forced outage Use of digital platforms and analytics to optimise plant performance
Maximising incentives in regulated businesses	<b>₹ 75 crore</b> Total incentives earned
Operating RE portfolio at benchmark and above design parameters to increase the yield	Availability improvement and generation optimisation through technology interventions
Aggregated Technical and Commercial (AT&C) loss reduction in Odisha Discoms	Being reduced and operations stabilising
Improving asset performance by maximising digital initiatives	New age initiatives such as customer service chatbot Introducing Industry 4.0 technologies including Artificial Intelligence in operations

## ESG Priorities and UN SDG Alignment

### Embedding ESG factors in business

We have integrated six key Environmental, Social and Governance (ESG) priorities into our business, and as part of our future-ready roadmap.

#### *Carbon net zero before 2045*

##### Action plan

- No new coal-based capacity; phasing out before 2045 with the completion of contractual obligations (PPA)

#### *Clean capacity 80% by 2030*

##### Action plan

- Pursuing new solar and hybrid capacities to grow 4.7 GW to over 30 GW

#### *Customer centric businesses*

##### Action plan

- Promoting mass adoption of rooftop solar and solar pumps, microgrids and home automation
- Leading EV charging infrastructure to spur ecosystem
- Value-added services (VAS) at the distribution end

#### *Utility benchmark in water management before 2030*

##### Action plan

- Adopting practices to becoming 100% water neutral before 2030

#### *Zero waste to landfill before 2030*

##### Action plan

- Benchmarking waste and fly-ash management (100% utilisation)
- 100% zero waste to landfill before 2030

#### *Impact 80 million lives directly by 2027*

##### Action plan

- Training 10,000 trainers to enable experiential energy conservation education learning for 10 lakh+ youth
- Building capabilities of 1,00,000+ self-help group (SHG) members
- 15% special outreach for Tata Affirmative Action

## Aligning to UN SDGs with our business and social interventions

### Business SDGs

**Business-wise targets have been set for the following prioritised SDGs to create a roadmap**

<b>Decarbonisation</b>	To become carbon net neutral before 2045		
<b>Thought Leadership</b>	To become a global sustainability benchmark		
<b>Circular Economy</b>	Move towards water neutrality or positivity and zero waste to landfill before 2030		

### CSR SDGs

**CSR SDGs for Societal Impact are below:**

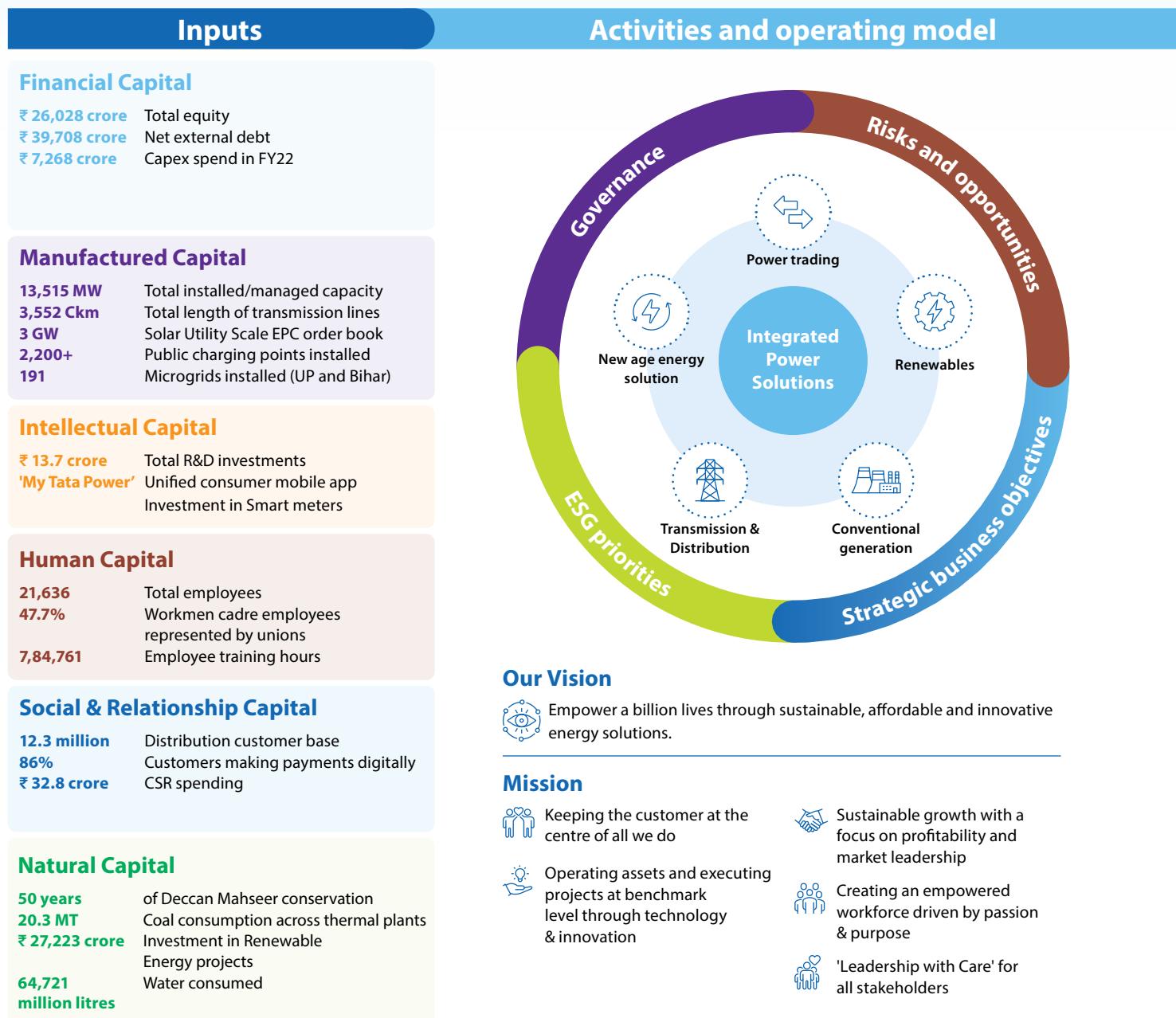
<b>Education</b>	Train 35 lakh+ youth in as conservation and STEM* education champions by 2027		
<b>Employability &amp; Employment</b>	20 lakh+ youth trained and made employable by 2027		
<b>Entrepreneurship</b>	Enable 1 lakh+ community collectives (Self Help Groups) by 2027		

\*Science Technology Engineering Mathematics

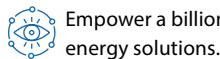
## Value Creation Model

# Delivering sustainable outcomes

We create continuous and consistent value for our stakeholders by viewing our resources and relationships through the lens of the six capitals.



### Our Vision



Empower a billion lives through sustainable, affordable and innovative energy solutions.

### Mission



Keeping the customer at the centre of all we do



Operating assets and executing projects at benchmark level through technology & innovation



Sustainable growth with a focus on profitability and market leadership



Creating an empowered workforce driven by passion & purpose



'Leadership with Care' for all stakeholders

## Outputs



**44,383 MUs**  
Total power generated



**35,754 MUs**  
Total power distributed



**65,000**  
No. of solar pumps installed



**3.95 GW**  
Solar EPC Project executed



**13,000+**  
Home automations installed

## Outcomes

### Financial Capital

₹ 42,576 crore	Revenue
₹ 2,156 crore	PAT
9.5%	RoE
₹ 76,321 crore	Market capitalisation (as on Mar 31, 2022)

### Manufactured Capital

707 MW	Additional green capacity installed
99.90% Reduction	Transmission availability in AT&C losses in Odisha Discoms

### Intellectual Capital

4	Patents granted in renewables
5.7 lakh	Bills digitally distributed in FY22
3.75 lakh	Smart meters installed

### Human Capital

8%	Women in overall workforce
40%	Women in digital and technology roles
0.15	Lost Time Injuries per million man-hours
<3%	Attrition rate

### Social & Relationship Capital

90%+	Average CSAT score
6,500	Energy saving appliances (DSM)
13.7 lakh	CSR beneficiaries
59,416	Students sensitised (Club Enerji)

### Natural Capital

Deccan Mahseer 27,616 million tCO <sub>2</sub> e	Now at a 'least concern' status GHG emissions
100% 34%	Fly ash utilisation Renewable Portfolio

## Underpinned by our SCALE values



**Safety**



**Care**



**Agility**



**Learning**



**Ethics**

# Trends, Opportunities and Risks

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External Environment	<b>28</b>
Strategy for Clusters	<b>32</b>
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## External Environment

# Responding to newer realities

The ever-evolving external environment presents us with clear opportunities to create value for the organisation and the larger stakeholder ecosystem, while exploring future-ready innovative solutions.

## Climate change

The physical impacts of climate change are becoming frequent and severe with each successive year becoming the warmest year on record. While the Paris Agreement aims to limit global warming to 1.5°C above pre-industrial levels, the average global temperature in 2021 was about 1.11 ( $\pm 0.13$ ) °C above the pre-industrial (1850-1900) levels. As the planet continues to get warmer, extreme weather events are already taking toll, and will aggravate further. Electric utilities have a vital role in global decarbonisation efforts, as the power sector is responsible for 41% of global energy-related emissions, or 13.7 gigatons of carbon dioxide (GtCO<sub>2</sub>).

## Opportunity

### *Decarbonising electricity generation to limit global warming*

The phenomenon of climate change has resulted in unprecedented changes in weather patterns around the world. As a response to this challenge, transition to renewable energy has become a primary focus for policy makers and businesses around the world. Today, India is home to one of the world's largest energy transition programmes.

With an immense potential for renewable energy in the country (ground mounted solar: 748 GW, solar rooftop: 352 GW, wind: 302 GW), there is great opportunity for growth. Presently, India ranks fourth globally, with respect to installed renewable capacity, having crossed 100 GW in August 2021 (in addition to over 50 GW of hydro). India already has the fifth largest solar installations and the fourth largest wind installations worldwide. The industry has seen the entry of several players, and India has also become the only large electricity market in the world to launch a 'Green Day Ahead Market' at the energy exchange, devoted exclusively to renewable energy.

This growth has been a result of an enthusiastic policy tone, whilst promoting a favourable environment for investment. India set itself an ambitious target to expand its national non-fossil fuel target to 500 GW by 2030, while aiming to meet 50% of its energy demand from renewables at the recent COP26 in Glasgow.

A supportive policy framework has backed ambitious targets. The notification of the Electricity Rules, 2021 supports clean energy over conventional power, by granting renewable power plants a 'must-run' status. Moreover, the government has waived off inter-state transmission system (ISTS) charges for inter-state sale of solar and wind power. The government has also taken active steps to promote the development of solar manufacturing in the country, for which we had been largely reliant on foreign countries. The PLI scheme allocated ₹ 4,500 crore for domestic solar manufacturing, which was later expanded to ₹ 24,000 crore, as a result of keen interest in domestic manufacturing by players in the industry. The government has also announced a Basic Customs Duty of 25% on imported solar cells and 40% on imported solar modules to protect domestic manufacturing in the country. This backdrop has created confidence in viewing India as a hub for harnessing renewable energy.



## People and communities

Societal inequalities are at a tipping point. COVID-19 has exposed the scale of societal disparities, and highlighted the interdependencies between business and communities, employees and customers. It is thus clear that business success relies on thriving societies. For the electric utilities sector, this elevates the importance of tackling the challenges of sustainable electricity access and affordability, to advance equal opportunities and reduce inequalities. While achieving this, there is a dire need to respect and remedy human rights across the value chain, and ensure a just transition that protects workers and communities from potential negative consequences in the transition to a low-carbon energy system.

### Opportunity

- ☒ *Ensuring access to affordable, reliable, sustainable and modern electricity services for all*
- ☒ *Attracting and retaining a diverse and inclusive workforce within the organisation and onboarding new employees for future acquisitions*
- ☒ *Raising the bar on safety benchmarks and ensuring a zero harm, zero incident workplace*



- ☒ *Providing career building and skill enhancement prospects to the nation's work-ready population*
- ☒ *Leaving no one behind in the energy transition and respecting human rights*

## Nature

Ecosystems and biodiversity are rapidly declining due to human activities. The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) and the Global Assessment Report on Biodiversity and Ecosystem Services found that human activities have significantly altered 75% of the world's land surface, leading to the loss of over 85% of wetlands, and impacting 66% of ocean areas. The decline of ecosystems and biodiversity can have severe societal impacts, ranging from vulnerable food supplies and adverse health outcomes, to loss of livelihoods. As the energy system transforms, electric utilities must address risks to ecosystems and biodiversity, driven by climate change, land use change, and water use, and from mined metals and materials in the supply chain.

### Opportunity

- ☒ *Transitioning to a circular electric utility sector*
- ☒ *Protecting, restoring and promoting sustainable use of ecosystems and driving net biodiversity gains, going beyond only regulatory compliance*

## External Environment



### Technology

The digital transformation is disrupting electric utility business models. This brings along opportunities and risks, and is transforming society's engagement with the electricity system. In particular, the increasing volume of distributed energy resources, such as rooftop solar photovoltaic (PV) panels and electric vehicles, combined with digitalisation of the grid and the growth of internet of things (IoT) enabled devices, is democratising the energy system. This is enabling electricity consumers to actively participate in the electricity system as suppliers of power. Technology developments also mean that businesses of all types are using electricity to provide a continually growing range of services to customers, including mobility and HVAC, while at the same time, driving energy efficiency and decarbonisation.

#### Opportunity

- *Enhancing electricity system flexibility, resilience and efficiency*
- *Leveraging technology to empower customers and drive collaborative decarbonisation efforts*
- *Leveraging technology to drive and promote energy efficiency*



## Relevant trends and responses

### India commits to Net Zero Emissions by 2070

→ Tata Power is well poised to support India's aspiration to reach net zero emissions by 2070. With roots in hydro power generation going back a century, and over three decades of leading presence across the solar and wind power value chain, we are equipped to leverage the country-wide momentum towards clean generation. We are the first Indian power utility to commit to no thermal generation growth and phasing out of thermal power plants at the end of contractual obligations. Aspiring to add solar and hybrid power capacity to reach 80% clean and green generation in our portfolio by 2030 and be net zero before 2045, well before India's target timelines.

### RE > 100 GW Operational in India

→ With a growing solar and wind portfolio, and focused new business initiatives, we are best placed to capitalise on the RE trend.

### Renewable Energy (RE) Generating Stations granted 'must-run' status

→ Further boost to current and future RE power installations of Tata Power.

### Green Day Ahead Market segment launched at IEX exclusively for RE

→ We are a key participant from the buy side to meet our Renewable Purchase Obligation (RPO). Further, it would benefit in reducing curtailment of green power which will boost our RE generations.

### Net metering on C&I capped at 500 kW

→ We are processing the Net metering requests being applied by the solar customers within the licensed area. As per the Ministry of Power (MoP) notification, it is proposed that for the locations where the regulations do not provide for net-metering, net-billing or net feed-in, the regulatory Commission may allow net metering to the Prosumer for loads upto 500 KW or upto the sanctioned load, whichever is lower and net-billing or net feed-in for other loads.

If implemented across the state, this might enable push for higher adoption of rooftop solar by consumers and help us to leverage this opportunity.

### PLI scheme for Solar Manufacturing

→ Tata Power Solar Systems Limited has doubled its solar cell and module manufacturing capacity at its facility in Bengaluru to 1.1 GW and is setting up 4 GW additional cell and module capacity in Tamil Nadu.

### Entry of new players in the RE arena

→ Growing and strengthening leadership position in solar, wind and new business verticals, pursuing brand-led and B2C initiatives to increase gap from competition.

### ISTS charges waived for solar and wind projects

→ A very encouraging move by the regulator, the waiver would promote growth of open access, which will encourage further adoption of RE in the country.

→ Read more on our analysis of the external environment in the Management Discussion and Analysis section (page 135)

## Strategy for Clusters

# Charting segmental growth roadmap

To ensure broad-based, profitable and sustainable growth, we have charted out the opportunities, strategy and enablers for our four key business clusters – generation, transmission and distribution, renewables and new age energy solution business.



## Renewables

Our Renewables cluster consists of utility scale solar, wind and hybrid assets, manufacturing of solar modules and cells, solar EPC business and solar pumps. India has indicated a total installation of 500 GW of solar and wind by 2030 and we expect nearly 30 GW of capacity to be awarded each year to achieve this target. Our Renewables business expects to capitalise on this substantial demand, and hence, forms a key part of our future roadmap.

### Key focus areas

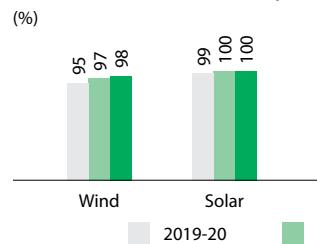
#### Retain leadership

in utility scale EPC, solar pumps, and solar rooftops

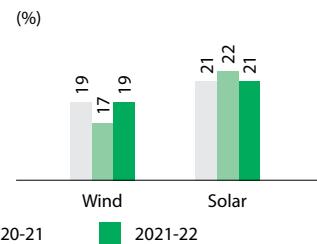
#### Achieve best-in-class

efficiency and yield through operational excellence, project execution, automation, and sustainability

#### Generation availability



#### Plant load factor



#### Commission and operate 4 GW

cell and module line by FY24 as greenfield expansion

#### Sustain best-in-class project execution

through speed, cost optimisation, standardisation and digitalisation





## New age energy solutions

Our new age energy solutions cluster plays an instrumental role in ensuring long-term business sustainability, and in enabling our transition to a greener, customer-focused power provider. The cluster comprises our rooftop solar, EV and home automation verticals



### Rooftop solar

We have consistently grown our rooftop solar market share, order book and revenue. We have a market opportunity to enhance our portfolio size multiple times. We will be enabled by a conducive external environment, driven by the value proposition of solar, increased government push and regulatory support, increased corporate pull in the wake of climate change, and access to capital. In the near term, we will focus on leveraging our brand, utilising channels, tapping into white spaces, profitability, and productivity, and contributing to 2x growth in the portfolio.

### EV charging

The EV ecosystem is burgeoning in India, and we intend to play a key role in enabling this growth. We plan to tap the market opportunity driven by the government's push on electric cars, buses and OEMs, a strong partner ecosystem, and digitally enabled customer experience.

### Home automation

We have established our presence in the home automation market, delivering a complete range of value-led products. We have been enabled by our multi-channel play across retail, direct, e-commerce, new products and through our Discoms.

The home market has a significant potential to grow in size. To utilise this opportunity, we will focus on effective demonstrations, creation of awareness, building preference for the 'EZ Home' brand, and delivering best-in-class customer service.

## Strategy for Clusters



### Transmission and distribution

Our T&D business serves over 12 million customers across 4 states and UT in India and has 3,500+ circuit km of transmission lines. In the long-term, the business expects to achieve its objectives under the SOAR strategy :

Showcasing capability to **transform both urban and rural geographies** in distribution

Observe **zero fatality** across all entities

Achieving a **multi-fold** growth over baseline

Reaching a customer base in excess of **40 million** and transmission capacity in excess of **10,000 ckt km**

#### Key focus areas

##### Turnaround

of Odisha Discoms at a faster pace

##### Operational efficiency

enhancement through use of TQM

##### Focus on innovation

to reduce capex requirement

##### Focused growth

in transmission business

##### Ensuring cost

reflective tariffs across distribution business and amortisation of regulatory assets

##### Automation and digitalisation

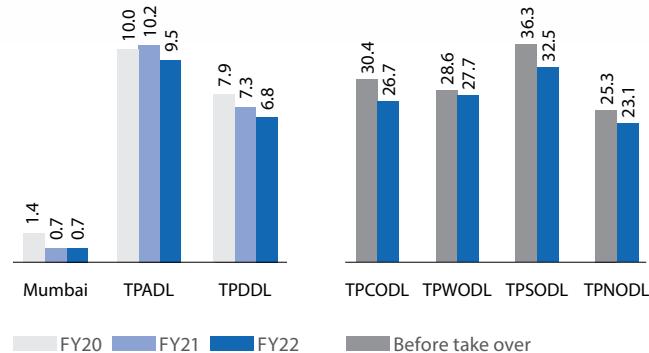
of processes and service delivery

##### Value added

services to customers

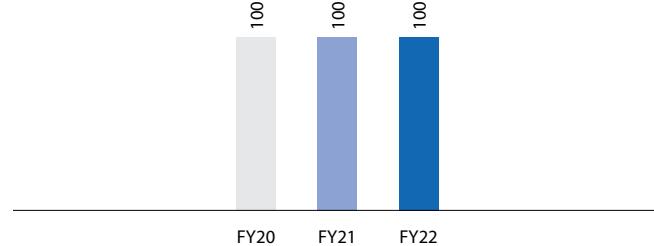
### AT&C Losses - Distribution

(%)



### Transmission-Availability

(%)



### Current T&D portfolio

Transmission	Business model	CKM
Mumbai Transmission	Regulated	1,224
Powerlinks (JV)	Regulated	2,328
<b>Total</b>		<b>3,552</b>

Distribution (Dist.)	Business model	Consumers in million
Mumbai	Dist Licence	0.7
Tata Power Delhi (Dist.) Limited	Dist Licence	1.9
TP Central Odisha (Dist.) Limited	Dist Licence	2.9
TP Southern Odisha (Dist.) Limited	Dist Licence	2.4
TP Western Odisha (Dist.) Limited	Dist Licence	2.1
TP Northern Odisha (Dist.) Limited	Dist Licence	2.1
TP Ajmer (Dist.) Limited	Dist Franchisee	0.2
<b>Total</b>		<b>12.3</b>

### Key actions and enablers

Exploring opportunities under PPP/DF/delicensing to expand customer base

Tariff-based competitive bidding and M&A opportunities for transmission projects

Developing product suite and exploring opportunities for smart metering and other solutions

Exploring smart grid and energy management services



## Generation

We have our conventional generation assets (including hydro assets in Mumbai) spread across North, West and East India, with a combined capacity of over 10,000 MW. Our primary objective in the short-to-medium term is the operation of our assets at benchmark levels with safety to provide competitive and sustainable power to customers. Our strategy is underlined by our adaptation to energy transition and sustenance, and our ability to deliver affordable and reliable power.

### Key focus areas

#### Operational excellence

Reduction in heat rate, auxiliary power consumption, forced outage

#### Digitalisation

Using digitalisation and analytics to enhance efficiency and reliability

#### Flexibilisation

Enhancing plant flexibility to enable grid stability

#### Sustainability

Reducing environmental footprint

### Key actions and enablers

Benchmarking sustainability performance via carbon net zero, enhancement of clean and green capacity, benchmark water and waste management, flexibilisation, and deployment of new technology

Compliance to MoEFCC mandates through flue gas desulphurisation, NOx abatement project implementation, specific water consumption reduction, afforestation, initiatives for biodiversity and ash utilisation

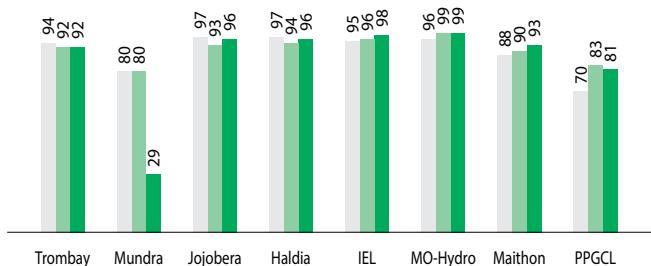
Enhancing people capabilities through targeted development plans and creating a future-ready workforce

Securing financial fitness by achieving long-term solution for Mundra, together with cost optimisation

Creating shareholder value with a focus on improving RoE, operational excellence and unit availability, and adhering to stakeholder engagement plan

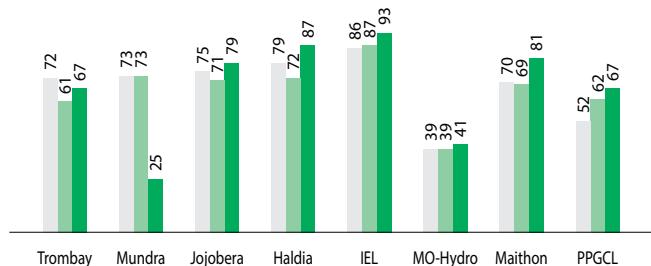
### Generation availability

(%)



### Plant load factor

(%)



## Risk Management

# Mitigating risks, augmenting opportunities

As a large-scale integrated power player operating in a dynamic environment, we are prone to externalities that can impact our value creation. To mitigate our imminent and long-term risks, we follow Enterprise Risk Management (ERM), which supports an efficient and risk-conscious business strategy, while laying ground to pursue opportunities.

## Risk governance and management

We have devised an ever-improving and robust risk management policy, which considers our industry dynamics, emerging trends, and best-in-class risk mitigation measures. Last year, we implemented a new concept in our risk management system, termed 'Risk Velocity', which measures how fast a risk exposure can impact the organisation. We also ensure regular monitoring of the mitigation measures for high velocity risks. In FY22, to meet the future requirement of risk management and effective monitoring of the risk, we have upgraded to RMS 2.0, which is an advanced, fully automated online risk management system. The system will enable effective mitigation measures, monitoring, and management reporting.

*We have adopted the Task Force on Climate-related Financial Disclosures (TCFD) framework and are strengthening our strategy, internal governance and risk management while transitioning to a cleaner and greener portfolio.*

## Risk identification and management process

Risks are identified across sector specific, technology, regulatory, commercial, financial, business, climate change and business continuity parameters

We designate a risk owner and champion responsible for structuring mitigation plans against identified risks

The outcomes of the first two stages are collectively mapped into our internal system with designated responsibilities and timelines to achieve risk-related targets

Our risk management system enables Cluster Risk Management Committees (CRMCs) to ensure seamless monitoring and review of current and future risk plans

A Risk Mitigation Completion Index (RMCI) is employed to determine and monitor the level of completion of mitigation actions

When the RMCI percentage is lower than the target, the deviation in mitigation action areas are reviewed for requisite intervention

Insights from the risk mitigation process are further incorporated in the risk plan to enable cross-functional learning across the organisation and enable efficacious risk management

Our risk register lays out concise and complete details of our identified risks and mitigation plans

Our risk management is governed by a Board-level Risk Management Committee (RMC), which comprises three Independent and two Non-Executive Directors (NED). In FY22, the RMC met three times to review critical risks and risk preparedness.

## Risk compliance

Our risk management approach lends impetus to ensure compliance with relevant legislations. Additionally, we have an established proprietary software to run an effective Compliance Management System (CMS) that allows for keen monitoring of the compliance status, with regard to applicable laws and regulations. The CMS at Tata Power also provides a robust governance structure and a streamlined reporting system that ensure cohesive compliance reporting to the management. The regulatory compliance status report is presented to the Tata Power Board on a quarterly basis.

- Compliance reports are regularly updated by the Compliance Department and independently reviewed by senior management, allowing for efficacious oversight across compliance practices
- The CMS covers Tata Power and all material domestic subsidiaries
- The extensive benefits of the software capture alerts that inform us of changes in laws/regulations, while also updating the database. If any legislation is no longer applicable, they are accordingly disabled in the system



## Our operating context and identified risks

We have in place a dedicated internal audit function, which reviews the sustained effectiveness of Internal Financial Controls (IFC) by adopting a systematic approach. To fulfil the requirements of the Companies Act, 2013, the internal audit team has integrated IFC controls into Risk Control Matrix (RCM) of enterprise processes. IFC controls are tested as part of the approved annual internal audit plan. Review of the internal audit observations and actions taken on audit observations indicate zero adverse observations having material impact on financials and no material non-compliances, which have not been acted upon.

As a process, we have also continued Control Self-Assessment (CSA) through an internally developed online tool, whereby responses of all process owners are used to assess the effectiveness of internal controls in each process. This supports CEO/CFO certifications for internal controls.

## Risk Management

### Key risks and their mitigation

Details of our identified risks, mitigation strategy and linkage to our strategic business objectives are provided below.

Risk category	Description	Mitigation strategy	Strategic Linkage
<b>R1</b> Sector-specific	<ul style="list-style-type: none"> <li>- Poor financial performance of state Discoms</li> <li>- Creditworthiness and business continuity of the customers</li> </ul>	<ul style="list-style-type: none"> <li>- Close monitoring of Discoms</li> <li>- Sustained advocacy with authorities</li> <li>- Diversification of renewable portfolio across various procurers, tariff structures and states</li> </ul>	<b>S1</b> <b>S8</b>
<b>R2</b> Technology	<ul style="list-style-type: none"> <li>- Cybersecurity risk having the potential to impede operational transactions</li> </ul>	<ul style="list-style-type: none"> <li>- Automated detection and preventive solutions</li> <li>- Reinforcement of security policies and procedures</li> <li>- Enterprise-wide training and awareness programs on information security</li> <li>- Inputs from Computer Emergency Response Team (CERT) and other private cyber intelligence agencies</li> <li>- Periodic testing to validate effectiveness of controls through vulnerability assessment and penetration testing</li> <li>- Regular internal and external audits</li> <li>- Investment in cyber insurance</li> <li>- ISO27001 certification for Digitalisations &amp; Information Technology (D&amp;IT). Currently, certification is done at Corporate level and in one of our subsidiaries</li> <li>- Implementation of Security Operations Centre (SOC) as service</li> </ul>	<b>S4</b> <b>S5</b>
<b>R3</b> Regulatory	<ul style="list-style-type: none"> <li>- Mundra coal under-recovery</li> <li>- Continuity of businesses, post expiry of PPAs</li> <li>- Water securitisation of hydro plants: risk of reduced generation</li> <li>- Risk of violating environment norms</li> <li>- Non-cost-reflective tariff, leading to accumulation of regulatory assets</li> <li>- Change in normative allowances - O&amp;M cost and ROE</li> </ul>	<ul style="list-style-type: none"> <li>- Advocacy with Mundra power procurers and the government at various levels</li> <li>- Advocacy with the Ministry and regulatory bodies at various levels</li> <li>- New avenues to utilise fly ash in ready mix concrete, slag cement, fertiliser etc. for 100% ash utilisations</li> <li>- Implementation of flue gas desulphurisation plant (FGD)</li> </ul>	<b>S7</b> <b>S8</b>

Risk category	Description	Mitigation strategy	Strategic Linkage
<b>R4</b> <b>Commercial</b>	<ul style="list-style-type: none"> <li>- Non-compliance and renegotiations of PPAs</li> <li>- Risk accumulation in large projects, EPC business and rooftop solar</li> <li>- Moderation of solar and wind tariff putting pressure on margins in the renewable sector</li> <li>- Meeting Aggregated Technical and Commercial (AT&amp;C) losses for Odisha Discoms as per the vesting order</li> <li>-Disallowance of costs / schemes in transmission</li> </ul>	<ul style="list-style-type: none"> <li>- Policy advocacy at the central and state levels, and legal remedial action, selective bidding and avoiding specific identified states</li> <li>- Credit risk assessment of private customers, advocacy for enforcement of payment security mechanism of letter of credit</li> <li>- Mitigation through prudent operations management, resource optimisations and prudent bidding practices</li> <li>- Focus on meter replacement, network strengthening, increasing efficiency in billing and collection and enforcement activities to avoid theft</li> <li>- Advocacy with State Transmission Utility (STU)/ regulator for acceptance of schemes through cost-benefit analysis</li> </ul>	<b>S1</b> <b>S5</b> <b>S8</b>
<b>R5</b> <b>Financial</b>	<ul style="list-style-type: none"> <li>- Availability of cost- effective capital, availability of debt</li> <li>- High leverage: increased borrowings over the last few years primarily due to losses in Mundra</li> <li>- Liquidation of regulatory assets</li> <li>- Forex risk</li> </ul>	<ul style="list-style-type: none"> <li>- Diversification of lenders base</li> <li>- Monetisations of non-core assets</li> <li>- Advocacy with relevant government authorities</li> <li>- Advocacy with regulators and government for tariff increase</li> <li>- Ensuring prior approval of capex schemes from the regulator</li> <li>- Hedging for commodity and exchange variation</li> </ul>	<b>S1</b> <b>S3</b>
<b>R6</b> <b>Business</b>	<ul style="list-style-type: none"> <li>- Availability of fuel for thermal plant at optimal cost</li> </ul>	<ul style="list-style-type: none"> <li>- Exploration of alternate coal sources</li> </ul>	<b>S8</b>
<b>R7</b> <b>Climate change, water and Business Continuity Plan (BCP)</b>	<ul style="list-style-type: none"> <li>- Climate change linked transitional risk: possibility of capping of carbon emissions</li> <li>- Climate change linked physical risks: <ul style="list-style-type: none"> <li>- For operations located in coastal areas</li> <li>- Rise in water temperature potentially affecting processes</li> <li>- Extreme weather events, such as floods and droughts, fuel, and water scarcity</li> </ul> </li> <li>- Risk of pandemic and other natural disasters</li> </ul>	<ul style="list-style-type: none"> <li>- Comprehensive, digitised GHG tracking through ESG platform and adoption of Science Based Targets</li> <li>- Lowering of carbon intensity by focusing more on the renewable portfolio as well as venturing into energy efficient businesses like rooftop solar, EV charging, microgrids, etc.</li> <li>- Improvement in operational efficiency for thermal power plants</li> <li>- Installation of pollution control and energy efficient equipment</li> <li>- Adherence to stringent design parameters (to address climate risks) while developing new projects.</li> <li>- Establishment of robust Business Continuity and Disaster Management Plan (BCDMP) evidenced through recertification on ISO 2230: 2019 from the British Standards Institute (BSI)</li> </ul>	<b>S1</b> <b>S2</b> <b>S8</b>

# Value Creation

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## Stakeholder Engagement

# Bolstering meaningful relationships

Our continued ability to engage with stakeholders and nurture meaningful relationships with them, has been at the core of our century-old journey.

At Tata Power, we regularly connect with our stakeholders to understand their perspective, receive feedback, and ascertain issues important to them. Seamless dialogue, empathy and focus on value creation underpin our stakeholder engagement.

Stakeholder groups	Why are they important?	Engagement mechanisms	Stakeholder recommendations	Tata Power's response to stakeholder recommendations
<b>External stakeholders</b>				
<b>Investors</b> 	Provide equity capital	<ul style="list-style-type: none"> <li>- Scheduled investor meets</li> <li>- Quarterly results call</li> <li>- Participation in events/ platforms organised by investors</li> </ul>	<ul style="list-style-type: none"> <li>- Reduce leverage</li> <li>- Growth and profitability of ESG oriented business</li> <li>- Better communication with stakeholders</li> <li>- Thrust on growing through energy efficient businesses</li> </ul>	<ul style="list-style-type: none"> <li>- Divestment of non-core assets</li> <li>- Introducing new businesses aligned to the green agenda and achieving leadership in them</li> <li>- Regular communications and interaction with investors</li> <li>- Thrust on growing through energy efficient businesses</li> </ul>
<b>Lenders</b> 	Provide debt capital	<ul style="list-style-type: none"> <li>- Periodic meetings</li> </ul>	<ul style="list-style-type: none"> <li>- Financial status of Discoms</li> <li>- Increased disclosure on ESG aspects</li> </ul>	<ul style="list-style-type: none"> <li>- Regular monitoring of the health of Discoms and portfolio diversification</li> <li>- Ensuring transparency and periodic communication with lenders</li> </ul>
<b>Regulatory authorities</b> 	Provide guidance for conducting business and resolving disputes	<ul style="list-style-type: none"> <li>- Scheduled meetings</li> <li>- Regular liaisoning</li> <li>- Industry forums</li> </ul>	<ul style="list-style-type: none"> <li>- Climate change related rules/ regulations</li> <li>- Optimal tariff to consumers</li> <li>- Optimal utilisation of natural resources</li> </ul>	<ul style="list-style-type: none"> <li>- Regular engagement, communications and advocacy with regulatory authorities</li> <li>- Strict compliance with rules and regulations-tracking compliance</li> </ul>
<b>Customers</b> 	Ultimate recipient of our products and services	<ul style="list-style-type: none"> <li>- Customer satisfaction surveys</li> <li>- Formal and informal feedback</li> </ul>	<ul style="list-style-type: none"> <li>- Timely and high quality completion of projects</li> <li>- Quality and reliability of power supply</li> <li>- Improved notifications of disruption, failures, or maintenance for customer transparency</li> <li>- Integrated, smart and convenient power management solutions</li> </ul>	<ul style="list-style-type: none"> <li>- Timely and high quality completion of renewable projects</li> <li>- Improvement of operational efficiency measures</li> <li>- Reduction in forced outages</li> <li>- Cost-effective energy solutions</li> <li>- Regular safety awareness campaigns for customers</li> <li>- Introduction of digitally-enabled solutions such as smart meters</li> <li>- Offering bundled solutions to enhance customer convenience</li> </ul>
<b>Suppliers/ Vendors</b> 	Help us develop our business ecosystem, support our sustainability initiatives, and create shared value	<ul style="list-style-type: none"> <li>- Regular supplier / vendor meets</li> <li>- Contract revision and negotiation meetings</li> </ul>	<ul style="list-style-type: none"> <li>- Formal supplier assessment to verify ESG performance</li> <li>- Increased awareness to partner green initiatives</li> </ul>	<ul style="list-style-type: none"> <li>- Evaluation of vendors/vendors through ESG criteria</li> <li>- Shared common vision through vendor meets</li> <li>- Contractual clauses to reflect organisational expectations on ESG</li> </ul>

Stakeholder groups	Why are they important?	Engagement mechanisms	Stakeholder recommendations	Tata Power's response to stakeholder recommendations
<b>Civil society</b> 	Enable better implementation of our environment and social initiatives and give feedback	- Project-based stakeholder meets - Periodic meetings	- Augmented community involvement - Transparency in business practices and their impacts - Responsible business conduct and commitment to sustainability	- Robust internal and financial control system - Emphasis on community development and affirmative action initiatives - Collaborative initiatives for carbon mitigation
<b>Local community</b> 	Provide a better socio-economic context in our operating environment	- Project-based stakeholder meets - Participation in CSR activities - Relief work for COVID-19	- Increased infrastructure for training community members - Safety and security of facilities as well as electricity supply	- Training and skill development of contractors undertaken by Tata Power Skill Development Institute (TPSDI) - Regular safety awareness campaigns undertaken for customers and other community stakeholders
<b>Media</b> 	Plays a vital role in keeping our stakeholders informed of business developments, new products and services as well as the impact of our business operations	- Media briefings - Press releases - Marketing communication	- Increased transparency and clarity in shared information	- Presence of a robust corporate communications team - A strong media and communication strategy across the Company
<b>Employee unions</b> 	Help set standards for education, skill levels, wages, health, and employee benefits and working conditions of our employees	- Scheduled meetings - Dedicated surveys	- Ethical and responsible business conduct - Equal opportunities for all	- Adherence to Tata Code of Conduct for all employees - Continuous support of management to promote diversity - Formulation and implementation of Human Rights policy - Support for collective bargaining through union employees
<b>Internal stakeholders</b>				
<b>Board Of Directors &amp; Leadership</b> 	Provide collective guidance and direction for the Company's strategy and operations	- Scheduled quarterly Board meetings - Strategy Board Meetings - Scheduled Board Committee Meetings	- Market Leadership - Maximise shareholder value - Focus on sustainable businesses - Focus on customer-centric policies and ethical business conduct - Proactive interaction with investors for ESG initiatives and strategy - Periodic review of perceived risks and mitigation strategy	- Periodic review of business strategy and performance - Greater emphasis on growth through non-fossil-based business ventures - Increased focus towards ESG disclosures and clear communication on ESG aspirations - Sustained focus on CSR activities for identified thrust areas
<b>Employees</b> 	Form the backbone of our business activities	- Training and seminars - Meetings and reviews - HR programmes - Employee satisfaction surveys - Departmental meetings - Townhall meetings - Quarterly management communication	- Work-life balance - Transparent appraisal and promotion policy - Stability of internal policy - Fair remuneration structure	- Successful implementation of work from home, ROTA system - Robust appraisal system and redressal process - Implementation of internal audit and control system - Benchmarking salary structure to be among the best in the industry

## Materiality Assessment

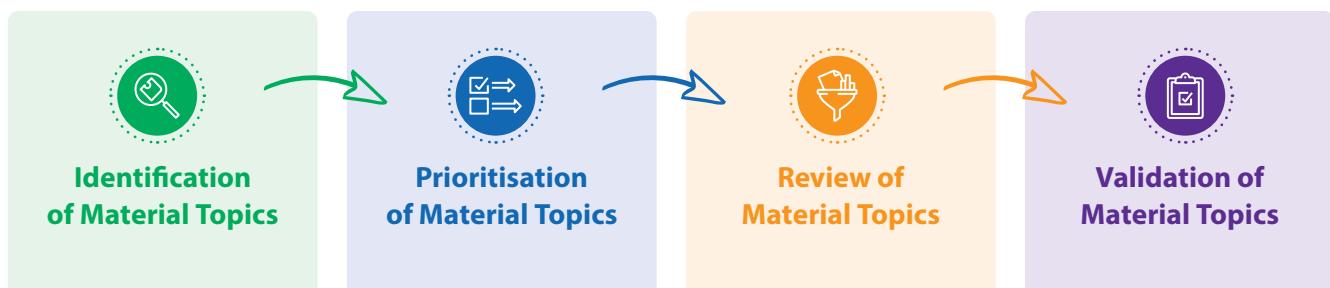
# Topics in focus

Our material issues reflect the most crucial topics for stakeholder value creation. These topics inform our strategy and decision-making, and feed into our ESG goal-setting. Progress on our material issues is also integral to our contribution to the UN SDGs.



## Our materiality assessment process

Detailed materiality assessment process was last done in FY20, which comprised peer benchmarking, extensive stakeholder consultations and response analysis. Through the process, we arrived at six key topics, critical for value creation. This year, the topics remain the same with similar degree of relevance.



## Critical material topics

Our most material topics across strategic, economic, environmental, social and governance have been provided below. The coverage on each material topic can be found in the subsequent sections of this report.

Material topic	Key focus areas	Capitals impacted	SBOs	UN SDGs
<b>Climate change management</b>	<ul style="list-style-type: none"> <li>- Increase in renewables portfolio (<b>p. 6 and 18</b>)</li> <li>- Carbon emission management (<b>p. 77</b>)</li> <li>- Operational efficiency (<b>p. 78 and 79</b>)</li> <li>- Demand-side management (<b>p. 59</b>)</li> </ul>		<b>S1</b> <b>S2</b>	 
<b>Environmental stewardship</b>	<ul style="list-style-type: none"> <li>- Waste and water management (<b>p. 79-81</b>)</li> <li>- Resource availability (<b>p. 81</b>)</li> <li>- Biodiversity (<b>p. 82</b>)</li> </ul>		<b>S2</b>	 
<b>Workforce well-being</b>	<ul style="list-style-type: none"> <li>- Training, education and development (<b>p. 70</b>)</li> <li>- Occupational health and safety (<b>p. 71-72</b>)</li> <li>- Human rights (<b>p. 75</b>)</li> </ul>		<b>S6</b>	 
<b>Future-ready and business continuity</b>	<ul style="list-style-type: none"> <li>- Impact on business due to change in coal pricing (<b>p. 9</b>)</li> <li>- Sustainable investing (<b>p. 21</b>)</li> <li>- Innovation in process, service, and solutions (<b>p. 59</b>)</li> <li>- Digitisation (<b>p. 21</b>)</li> <li>- Cybersecurity (<b>p. 38 and 55</b>)</li> <li>- Disaster management and planning (<b>p. 39</b>)</li> <li>- Local sourcing (<b>p. 60-61</b>)</li> </ul>		<b>S1</b> <b>S3</b> <b>S4</b> <b>S5</b> <b>S7</b> <b>S8</b>	 
<b>Corporate Governance</b>	<ul style="list-style-type: none"> <li>- ESG compliance (<b>p. 83</b>)</li> <li>- Risk management (<b>p. 36-39</b>)</li> </ul>		<b>S2</b> <b>S8</b>	
<b>Customer Relationships</b>	- Customer satisfaction ( <b>p. 55-56</b> )		<b>S4</b> <b>S5</b>	



Financial



Manufactured



Intellectual



Human



Social And  
Relationship



Natural



SBOs

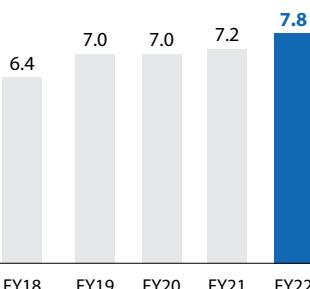
## Investors

# More Power with *better prospects*

Our business is powered by the continued trust that our investors place in us. We consider it our fiduciary duty to deliver on their expectations, and we achieve this through operational excellence, continued strengthening of our balance sheet, and efficient capital allocation that supports capex projects and new business ventures.

### Consistent shareholder returns (RoACE\*)

(%)



\* before exceptional items



### Key linkages



### Material topics

- Future-ready and business continuity

### UN Sustainable Development Goals



Decent work and economic growth



Partnerships for the goals



Industry, innovation and infrastructure



Climate action

## Deleveraging to power sustainable growth

We have maintained a consistent focus on strengthening our balance sheet by reducing the debt on our books, with an objective of maintaining our leverage ratios well within comfortable levels.

### To achieve this, we had initiated a number of actions such as:

- Divesting non-core investments and assets
- Raising equity to repay debt
- Restructuring / monetising the renewable business to unlock value for all our stakeholders while raising funds for growth capital

We have made significant progress on all the above initiatives and have been able to reduce debt. With these initiatives, our D/E ratio, which was more than 2.19 in FY19, has come down to 1.53 in FY22, a very significant improvement.

Further, we have also taken a number of initiatives to improve our working capital cycle, both on the debtors and creditors side. We have been able to facilitate financing arrangements for our suppliers and vendors, so that they are able to provide longer credit periods at very attractive terms. We have also been able to factor as well as arrange bill discounting facilities against our receivables from the Discoms, enabling us to improve our overall collections.

Leveraging the current interest rate scenario, we also pro-actively converted a portion of our short-term loans into long-term, thereby improving our liquidity position and mitigating any refinancing risks.

Our actions on debt management and key outcomes on our financial ratios have been positively assessed by both domestic and international credit rating agencies, thus resulting in a rating upgrade during the year.

## Business transformation to foster future growth

To future-proof our business, we are undertaking significant strides across multiple levels, and have established specific near-term goals to optimise our growth and market position.

*Think Big*

From **13.5 GW** to over **30 GW** Generation capacity in FY27

*Sustainability Focus*

From **34%** to over **80%** clean energy portfolio by FY30

*Customer @ Centre*

From **12 million** customer base in FY22 to over **40 million** customer base in FY27

*Innovation*

From a commodity player to a service provider for the end consumer, through rooftop solar, solar pumps, microgrids, EV ecosystem, home automation and other new age energy solutions

## Investors

### Managing financial capital and growth prospects

We are on a growth trajectory that requires continual investments for projects and ventures, in addition to maintaining optimal operational performance. Our financial capital is powered by a mix of debt and equity sources, apart from our rising cash flows and accruals. As part of our strategy, we are according an undeterred focus on deleveraging, tapping growth and returns from new growth areas, and an increased funding commitment from the promoters.

#### Strengthening balance sheet

In the recent past, we have offloaded considerable debt from our books through various initiatives including divestment in foreign assets, deploying strategies for input price management and undertaking mergers for better tax efficiency. We are also attracting equity stake in our future-ready Renewables business from world-class investors, potentially unlocking substantial value.

#### Attracting global capital for RE

Our Board of Directors has approved the raising of ₹ 4,000 crore by Tata Power Renewable Energy Limited (TPREL), wholly owned subsidiary of Tata Power, which will set up India's most comprehensive renewable energy platform. The funds of ₹ 4,000 crore would be invested by a consortium, led by BlackRock Real Assets, along with Mubadala as co-investors, at the equity base valuation of ₹ 34,000 crore\*.

Under the proposed structure, TPREL will become the holding company of all our renewable businesses, including utility scale generation, manufacturing of cells and modules, EPC for renewable business, O&M services, rooftop solar, solar pumps and EV charging business.

All future renewable businesses will be developed under this holding company.

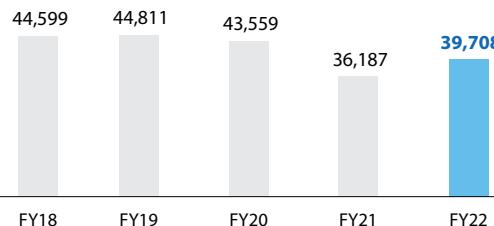
\*Subject to the adjustments based on FY23 EBITDA

#### Debt movement in FY22

In FY22, we have been able to maintain a sustainable debt profile, led by robust cash flows from operations and as an outcome of our strategy.

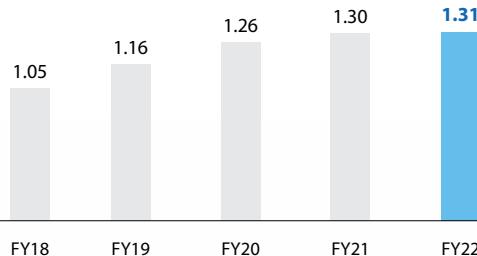
#### Net Debt

(₹ in crore)



#### Interest Coverage Ratio

(No of times)



**Ba2 with stable outlook**  
Moody's credit rating

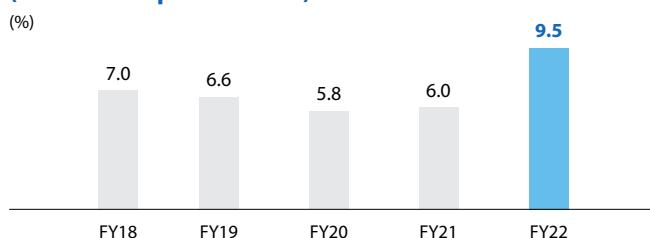
**>12%**  
RoE target

**<3.5**  
Net Debt/underlying  
EBITDA target

**<1.5**  
Net Debt/Equity target

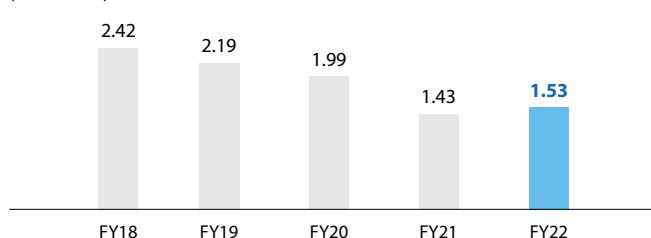
### Key Ratios

#### Return on Average Net Worth (ROANW) - (before exceptional item)



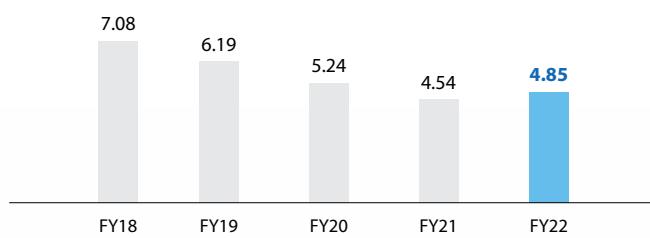
#### Net Debt to Equity

(No of times)



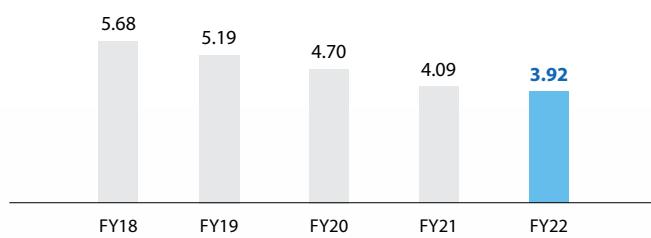
#### Net Debt to Reported EBITDA

(No. of times)



#### Net Debt to Underlying EBITDA

(No of times)



### Notes

- Return on Average Net Worth (ROANW) before exceptional items**

% = PAT before exceptional items / Average Equity

- Return on Average Net Capital Employed (ROACE) before exceptional items %** = NOPAT / Average Capital employed

Capital employed = Total Equity + Total Debt-cash & cash equivalents – Other Bank Balance – current investment – loan to related party + lease liability

NOPAT = PAT before exceptional items + finance cost – other income – tax shield on net finance cost

- Net Debt to Equity** = Net Debt / Equity

Net Debt = Total Debt – cash & cash equivalents – other bank balance – current investment – loan to related party

- Net Debt to Reported EBITDA** = Net Debt / Earning before Interest, Tax, Depreciation & Amortisation

- Net Debt to Underlying EBITDA** = Net Debt / Earning before Interest, Tax, Depreciation & Amortisation + Share of profit from JV & Associates

- Interest Coverage Ratio** = Earning before Interest and tax / Finance cost

## Investors

### Growth

At Tata Power, we are well placed to drive long-term shareholder returns by tapping into the large market potential and emerging opportunities. We are exponentially scaling up our Renewables business growth by aligning to the burgeoning RE environment, and pursuing strong opportunities in the transmission sector. We are transitioning to become a brand-led, and customer-focused player. We have laid out plans to expand our distribution footprint across India, leverage technology to expand rooftop solar and solar pumps, and create innovative, low carbon solutions for customers through ESCO, home automation and EV charging. This rightly positions us to become one of the top two energy companies in India.



### Planned growth for green portfolio and B2C business

**Capacity growth to 30 GW – more than 2/3<sup>rd</sup> portfolio  
'Clean & Green'**

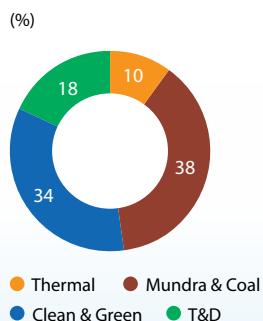
**New age business possessed for significant growth**

**Multifold growth in customer-oriented business**

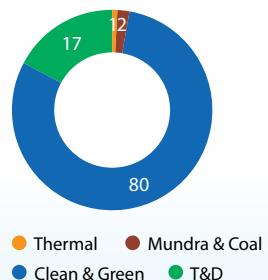
### Reallocation of capital employed

We are shifting capital employed from Mundra and thermal business to cleaner and consumer-driven businesses.

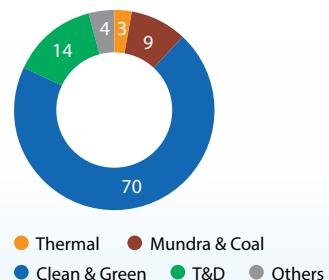
**Capital employed as on March 31, 2022**



**5-year Capex mix (%)**



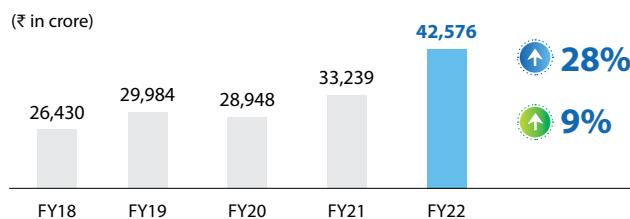
**Capital employed - FY27 (%)**



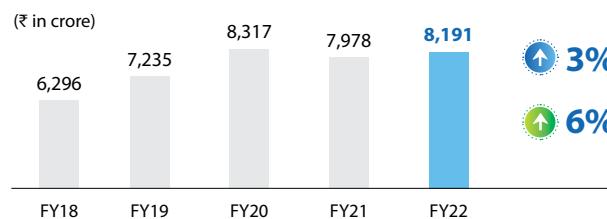
## Performance in FY22

All our business clusters contributed strongly to our profitable growth despite continued impact of COVID-19 and buoyant input prices.

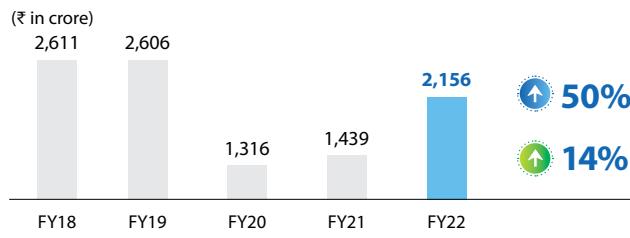
### Revenue



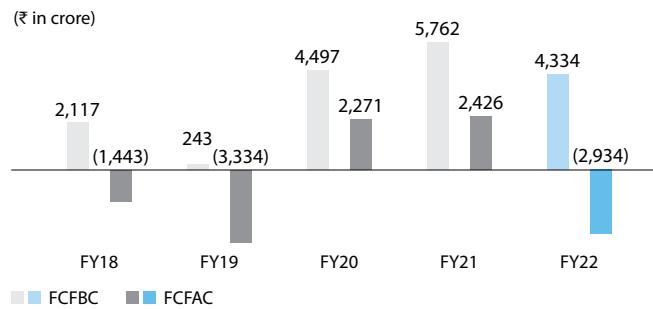
### EBITDA



### Net Profit After Tax



### Free Cash Flow



⬆️ y-o-y growth

⬆️ 5-year CAGR

**Note:** The Management Discussion and Analysis section on page 135 provides more details on the financial performance of the Company.

**Note:** FCFBC=Free cash flow before capex  
FCFAC= Free cash flow after capex

Free cash flow = Cash from operating activity + dividend income – dividend paid – distribution on unsecured perpetual securities – capex

## Economic value added

Particulars	FY20	FY21	FY22
Revenue generated <sup>1</sup>	29,510	33,679	43,496
Economic value distributed	29,110	33,322	43,336
Operating costs <sup>2</sup>	22,352	26,090	34,780
Employee wages and benefits	1,441	2,317	3,612
Payments to providers of financial capital <sup>3</sup>	4,674	4,429	4,214
Payments to government by country <sup>4</sup>	609	447	695
Community investments - CSR	34	39	35*
Economic value retained = Direct economic value generated less economic value distributed	400	357	160

### Notes:

1. Revenue generated including other income and movement in regulatory deferral balance
  2. Operating cost including Cost of power purchased, Cost of fuel, Transmission charges, Raw material consumed, Purchase of finished goods, increase/decrease in WIP, depreciation & other expenses excluding CSR
  3. Payment to providers of capital includes finance cost paid, dividend paid to shareholders & Distribution on Unsecured Perpetual Securities
  4. Payments to government by country include income tax paid (net of refund received)
- \* CSR in FY22 includes both spend and unspend amount

## Customers

# More Power through *innovation*

We are transitioning ourselves into a B2C player, offering future-ready and smart power to our customers. Through our differentiated offerings, continuous innovation, and smart energy solutions, we are delivering uninterrupted power supply and beyond-the-meter services to ensure utmost customer convenience and delight.



## Distribution customer base

**7.47 lakh**

Mumbai

**1.57 lakh**

Ajmer

**18.82 lakh**

Delhi

**95.19 lakh**

Odisha

## Key linkages



## Material topics

- Future ready and business continuity
- Customer relationships

## UN Sustainable Development Goals

<b>7 AFFORDABLE AND CLEAN ENERGY</b>	Affordable and clean energy	<b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b>	Responsible consumption and production
<b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b>	Industry, innovation and infrastructure	<b>13 CLIMATE ACTION</b>	Climate action
<b>11 SUSTAINABLE CITIES AND COMMUNITIES</b>	Sustainable cities and communities	<b>17 PARTNERSHIPS FOR THE GOALS</b>	Partnerships for the goals

**S** Strategic business objectives

**S** Social And Relationship Capital

**I** Intellectual Capital

**R** Key Risk

## Customer centricity

Our routine operations are driven by our endeavour to earn the affection of our customers by delivering superior value and enrich experience thereby making them our ambassadors. We have also adopted a 3D approach to ensure that we incorporate Tata Power's 'Customer Promise', which is communicated through our Corporate Customer Service Policy. This resonates with our commitment to continuously exceed customer expectations and be the most admired organisation in the power industry.

 The policy is in alignment with the Tata Group Customer Promise and can be accessed in the Tata Power website



### Our 3D approach

Develop insights into customer needs

Deliver quality products and services

Delight customers with great experience

We constantly evaluate the needs of our customers and integrate various measures of convenience into our daily interactions and operations.

#### Some on-ground initiatives we have undertaken in the recent past include:

- Revamping IVR system, making it easier for consumers to connect with an agent
- Providing bills to consumers on WhatsApp to reduce overall cycle time and avoid paper usage
- Option for customers to access their bills in vernacular languages such as Marathi
- Offers on bill payments through prominent Wallets like Amazon Pay, PhonePe, and Paytm
- Introduction of webchat-integrated chat bot

- 'Varishtha Nagrik - Samman Seva' initiative in which senior citizen customers in Mumbai can avail doorstep bill payment through cheque pick-up service
- Recognition and felicitation of consumers registered for Green Power
- Celebration of occasions such as 'International Women's Day' with customers

**5.7 lakh**

Digital bills in FY22

**1.65 lakh**

Consumers availing bills on WhatsApp

## Customers

### Empowering customers with 'Ujala'

Reinforcing our commitment to being an inclusive and caring service provider, we have introduced 'Ujala', which provides free-of-cost Braille-led electricity bills for visually challenged customers in our Mumbai circle.

Through this, the customers availing the facility will be empowered to understand the various components of their power supply bill, such as their consumer number, billed units, registered consumer details, bill due date, amount payable and others. The ease in understanding will also enable such consumers in making choices towards energy conservation and sustainable energy usage.



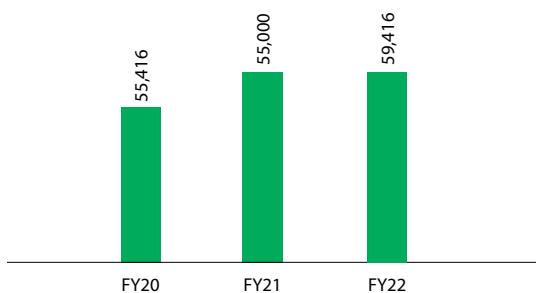
### Engagement touchpoints and initiatives

We have several physical and digital touchpoints we use to interact and engage with our customers. These include:

- Tata Power Customer Portal
- Tata Power Mobile Application
- Social Media Platforms (Twitter, Facebook, Instagram, WhatsApp, LinkedIn, Kaizala)
- SMS and email communication to consumer base
- Newsletters and press releases
- Displaying posters and distributing pamphlets at customer relations centre
- Personalised communication with HRB consumers through key account managers
- Camps at various C&I premises and residential societies to promote digital literacy and green tariff

- Message to consumers on monthly bills + advertisement on bills
- Programmes under Club Enerji, a unique initiative of Tata Power-DDL, based on the maxim of 'Collaborating to Conserve'. Under this initiative, we conduct sessions on energy conservation and awareness to effect attitudinal and behavioural changes among the residents of our distribution area. We undertake this through support of various schools in the area, and under Club Enerji Phase-XIV, 59,416 students have been sensitised.

### Number of students sensitised



In FY22, sessions were conducted at Mumbai Port Trust and visits were arranged for key clientele to highlight aspects of our green energy value chain. The visits were also facilitated to clients to our Power Systems Control Center (PSCC). Further, online technical training sessions for 278 technicians of HRB consumers were arranged at TPSDI.

During the year, we launched Know Your Electricity Consumption (KYEC), as part of our value-added services to help consumers monitor and analyse energy usage. KYEC helps consumers keep a track of various parameters such as daily and hourly consumption details, maximum demand levels, power and load factors.



## Service reliability

Our extensive distribution networks require constant monitoring to ensure minimal downtime and reliable power availability to our customers. We undertake several initiatives to achieve this, including:

- Preventive maintenance - Preparation and execution of Annual Patrolling Program as per IMS criteria
- Utilisation of new technologies to strengthen the operations, such as:
  - Drone Patrolling for operational excellence
  - Tower Patrolling App deployment across all sites for centralised monitoring and digitalisation of all O&M patrolling formats
  - Using Distometer (tool) for electrical clearance measurement and to avoid tripping
- Motorised tree pruner to eliminate the risk of working at height and aiding to a reliable line
- Creating community awareness on adverse impact of construction under line and advance intimation to authorities
- Jan-Jagriti Abhiyaan at sites
- Timely disbursement of crop compensation amounts as per government norms with details/guidelines

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## Data privacy

We have an established data privacy policy (<https://www.tatapower.com/>) in place to address concerns about data storage and the measures taken to safeguard customer information. Customers can also submit their complaints or concerns regarding data privacy through our various grievance redressal channels, which are regularly monitored. During FY22, we did not receive any complaints regarding breaches of customer privacy or any identified leaks, thefts or losses of consumer data.



## Health, safety and security

Electricity is a critical resource that mandates highest levels of safety and precaution in its handling. At Tata Power, we ensure that safety norms are established and followed across our value chain and extended to all stakeholders who either deliver or receive our services. For example, all employees related to operations and maintenance of power plants across generation, transmission and distribution are trained to use appropriate and relevant Personal Protective Equipment (PPE) and are expected to undergo annual health check-ups. Additionally, as a continuous procedure, we ensure health and safety communication for 100% of our products and services through safety signage in and around our substations in customer premises and public places.

We also provide appropriate information to market and label our products and services with relevant regulations, laws and codes. In FY22, there have been no incidents of non-compliance with regulations or voluntary codes concerning product information and labelling as well as marketing communication.

## Feedback and satisfaction

At Tata Power, we have integrated a structured process for customers to raise their concerns and voice their feedback. Our systems ensure that any customer complaint is reviewed and resolved within 24 hours of registration. If the resolution is not satisfactory, the customers can also approach our internal grievance redressal cell.

## Customers

### Real-time monitoring and fast feedback through maRC

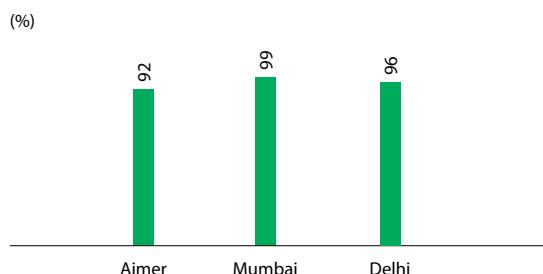
We have developed and implemented the in-house ‘mobile-GIS assisted system for Restoration and Care (maRC)’ application, an innovative and cost effective solution powering digitalisation in technical complaint management.

Through maRC, the technical crew’s availability at a customer location can be tracked on a real-time basis, and once the complaint is resolved by the technician(s), the maRC system sends an SMS to the customer, who can readily rate the service on the platform.



Across our customer facing units (specifically our distribution arms), we also undertake annual customer surveys to understand their overall satisfaction levels and ascertain our own improvement areas.

#### CSAT scores across distribution units (%)



### Low-carbon business offerings for customers

To enable our customers with future-ready and green solutions, we have unveiled several low-carbon business offerings that are witnessing significant traction. They play a key role in defining the Tata Power of tomorrow, and in redefining India’s energy consumption landscape.



#### Creating the utility of the future

We are bringing together smart and green choices for our retail customers through our #DoGreen initiative, powered by the motto of ‘Do little things today, to make a greener tomorrow’. The four prongs of this initiative are:



Creating smart homes of tomorrow through smart switches converters and controllers



Empowering smart mobility solutions for tomorrow through India’s largest infrastructure of charging stations



#### Smart Meter

Creating energy management solutions through digitally enabled metering



#### Green Power

Enabling sustainable energy consumption through Tata Power Renewables



## **Microgrids**

We have pioneered the installation of scalable microgrids in India, and have covered substantial ground in the past two years. Microgrids enable power availability in villages and townships, and are distributed in their nature. Powered predominantly by solar and other renewable sources, we have deployed microgrids in 191 sites in Uttar Pradesh and Bihar.

Scaling a steep learning curve of operating in rural India across the past two years, we have identified relevant and frugal innovations that can address challenges in rural power supply and energy usage. Through technology-led initiatives, we strive to make significant and positive social, economic and environmental impacts in the rural ecosystem.

One such notable innovation is 'Microgrid-in-a-Box', along with a compact and resilient inverter technology at more than 30 microgrids. Similarly, we have also developed an in-house remote monitoring solution 'i-Tap' for various plant performance parameters, which has been deployed at more than 50 microgrids. Further, to enhance safety and security of our microgrid plant assets, a local hooter along with the facility enabling remote calls to designated persons has been mass implemented at more than 100 microgrids.

### **Other selected initiatives include:**

- Enabling extensive usage of variable frequency drives, to enable migration of customers from diesel-operated machines to microgrid-operated electrical machines and to support migration of over 200 micro-enterprises and farmers from DG set to microgrid supply
- Making energy-efficient LED tube lights available to more than 1,500 consumers and providing energy-efficient motors, together with financing facility on a need basis

- Under Em-Power scheme, providing farmers with microgrid supply, helping them save on high diesel cost, while earning additional income by selling water to other nearby farmers. We have also helped develop 20 Village Level Entrepreneurs (VLEs) who are fully dependent on microgrid supply
- Releasing microgrid power supply to the first green, digital and smart village at Rewana in Uttar Pradesh, benefiting more than 100 underprivileged customers. The microgrid supply has also lighted up lives of those at the bottom of the pyramid at Bijua Village in Lakhimpur, UP
- Providing microgrid supply to more than 1,800 rural women entrepreneurs to run their small shops efficiently, along with financial impetus to enhance their business
- Piloting a partnership with USHA Silai School to train rural women to operate microgrid powered and electrically-operated sewing machines for additional income generation
- Facilitating bill payments through mobile-first platforms powered by Bharat Bill Payment Systems (BBPS) for rural and other customers



## **Solar pumps**

We empower the farming community by helping them transition from conventionally diesel-powered to solar-powered agricultural pumps. These pumps are critical in supporting field irrigation and supplying potable water for communities, while drawing water from multiple underground water sources. We are targeting the installation of more than 5 lakh pumps across India by FY27.

## Customers

### Rooftop solar

We have been consistently ranked the #1 solar rooftop player in India for the past eight years (by Bridge to India). Till date, we have installed 950 MW of rooftop solar capacity and have served 30,000 customers across 100 cities



**100+ cities**  
serving 30,000 customers

### Becoming an energy partner

As part of our transition to a B2C power company, we have innovated and introduced several solutions that help us play a partnering role for our customers.

### EV charging

We are taking the lead in India for installing the largest number of EV charging stations across the country. We are helping drive seamless EV charging experiences for customers across various public and private spaces including homes, offices, malls, hotels and retail outlets. Today, we are present in 352 cities and 3,000+ homes and have installed 2,200+ public EV charging points. Our EV charging initiative would save an estimated 2 million tonnes in CO<sub>2</sub> emissions on a per year basis.



**2,200+**  
Public EV charging points across 352 cities



### Home automation

Tata Power EZ Home (Home Automation brand of Tata Power) provides unique value proposition to its users such as remote operations, voice-based control, energy analytics, appliance overload protection and timer settings. The most demanding and unique value proposition of our smart home solution is energy management based on energy analytics. Users can save upto 20% of electricity bills by utilising the energy management features.

The brand has established its pan India presence through availability on all the major e-commerce platforms (Amazon, Flipkart, Tata Cliq and Croma online), modern retail stores (such as Croma) and authorised channel partners.

### 65+ cities

Tata Power EZ Home authorised channel partner presence/reach

### ESCO

ESCO is our 360-degree smart energy solution, envisaging integrated energy as a service (EaaS). It's an enterprise-level solution for large industrial and commercial clients helping them embrace digitalisation in power management. ESCO deployment helps them monitor their energy usage and savings, and subsequently enables reduction of carbon footprint through lower energy consumption. During the year, solutions were offered across geographies and many innovative use cases were successfully developed which offer tremendous scaling up potential. The integrated solutions aimed to meet present, latent and future energy needs of clients.

### 20 projects+

Successfully delivered during the year for energy intensive sectors/applications

## Customer-centric, climate-friendly initiatives

### Demand-side management (DSM) and energy efficiency programmes

Our DSM initiative entails cooperative activities between our consumers and us for optimum and judicious end-use of electricity. At Tata Power, we have a dedicated DSM cell, and we approach this fairly unique programme through a four-pronged process:

- Consumption pattern: Identifying the consumption pattern of various consumer categories
- Technology: Analysing various energy efficiency technologies available in the market
- Expectations: Understanding expectations of consumers from the DSM programme
- Programmes: Developing a wide range of options for stakeholders to choose from

In the past three years, we have saved 16,554 MWh of power through the DSM programme (1,976 MWh of energy savings recommendations provided in FY22) and have helped our consumers save 4,000 MWh and shifted 2 MW load in FY22. The components of this programme include:

- BLDC Ceiling Fan programme
- 5 star inverter-based Split AC programme
- 5 star Refrigerator programme
- Energy efficient LED Tube Light programme

With the launch of our 'Be Green' programme, we also help our consumers exchange their existing appliances for energy efficient appliances at a large discount, by partnering with leading electronics manufacturers. Till date, we have enabled the exchange of 25,000 appliances, and in FY22, 6,500 appliances were delivered through this initiative.

### Digitalisation - 100% paperless processes

Through our Maitri platform, we enable convenient and hassle-free bill payments. Today over 86% of our consumers make their payments digitally.

Similarly, we have enabled our customers to undertake their transactions via standing instruction, powered by NACH. Over 45,000 customers make e-payments via this facility. These initiatives have helped achieve an estimated total avoidance of 50 tonnes of CO<sub>2</sub> per annum.

## Empowering customers through technology, innovation and RE

We are helping our customers adapt to new energy realities through digital technologies and climate-friendly initiatives. Some of them include:

### Smart grid technologies

We deploy smart metering to facilitate more accurate, real-time and transparent reading of consumer electricity usage, and in turn contribute to energy efficiency. We also capitalise on technologies such as IoT, and grid-scale storage. We were the first distribution utility in Mumbai to initiate smart metering for our consumers, and till date we have completed the installation of 3.75 lakh smart meters (in Mumbai and Delhi only). The deployment of smart meters have resulted in several benefits including asset health monitoring, reduction in billing queries and overall customer empowerment. At the operational end, the smart metering system has also integrated seamlessly with our SAP billing, CRM and GIS system. We have also built a smart meter lab in our distribution area for competency building of field technicians.

### Green power supply

As part of our collective green ambitions, we are supporting our customers in becoming fully RE100 compliant by offering them 100% green power at a marginal additional tariff. Further, we also recognise the net zero efforts of our customers by issuing Green Energy certificates. We have pioneered this concept first in Maharashtra and are scaling this model basis the rising demand.

We are also developing 225 MW of hybrid renewables as part of our green power solutions

### Clean Energy International Incubation Centre (CEIIC)

Taking forward the national and global ambitions on clean energy, we are powering India's first-of-its-kind Clean Energy Lab for start-ups, entrepreneurs and innovators, offering complete "lab to market" incubation support to clean energy enterprises. The CEIIC is a joint initiative by Tata Power, Tata Trusts and the Government of India.

## Suppliers and Partners

# More Power through *collaboration*

Our suppliers and partners ecosystem is integral to our value-creation process. We engage with them through win-win propositions and develop them to be part of our competitive advantage.



## Policies

### Responsible Supply Chain Management Policy (RSCM)

We have made sustainable improvements in the process of identification, evaluation, selection and relationship building with our suppliers and service providers. We have a Responsible Supply Chain Management Policy (RSCM) which governs all our engagements with our Business Associates (BA). We share our commitment to the Tata Power RSCM policy at various strategic forums and business associate meets. We also evaluate business associates' commitment to our RSCM policy during selection/award of any material contracts.

### Our Procurement Policy

Our Procurement Policy caters to multiple business requirements across fuel sourcing, materials and services procurement, material management and inventory management. No significant changes were observed in our supply chain during the year.

### Environmental, Social and Governance Policy

We recognise that our partners can have notable impact on the environment and community, and therefore comprehend and endorse the need for adherence to environmental, social and governance policies consistent with our organisational values. To this effect, we have laid out a strong Environmental, Social and Governance Policy Statement with necessary impetus to achieve its desired growth in a responsible, inclusive and sustainable manner. From the evaluation standpoint, we look for partner initiatives and efforts to protect the environment, improve standard of living of employees, community and society as a whole; and ensure business is done in the most ethical and transparent manner. The partners are also required to substantiate their ESG journey with specific proof points. Preference is given to suppliers and service providers who score 50% or above in our ESG screening and show willingness to work towards our ESG commitments.

## Key linkages



### Material topics

- Future ready and business continuity
- Corporate governance

### UN Sustainable Development Goals

8 DECENT WORK AND ECONOMIC GROWTH	Decent work and economic growth	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Responsible consumption and production
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Industry, innovation and infrastructure	13 CLIMATE ACTION	Climate action
11 SUSTAINABLE CITIES AND COMMUNITIES	Sustainable cities and communities	17 PARTNERSHIPS FOR THE GOALS	Partnerships for the goals

Tata Power has been a front runner in adopting innovative technologies and partnering with collaborators to drive the transformation in India's power sector and becoming the leading power utility. In this pursuit, we have collaborated with more than 60 partners-technology companies, institutions, and funding agencies across the globe- to take technology and customer service to the next level. The collaboration approach is multi-faceted targeting different use cases and varied need of stakeholders. The areas of collaboration, hence, focus on multiple opportunities around enabling the power sector transition in India and include elements of Smart Metering, Battery Energy Storage System, Distributed Energy Resource Management, Low Voltage Automation, Demand Response, Data Analytics, EV charging infrastructure, amongst others.

#### **Some of the key collaborations are:**

- A USTDA funded project for development of roadmap for Distributed Energy along with an integrated DER Planning Tool for renewable energy integration along with E3 as a partner
- GIZ Project on estimation and load forecasting using artificial neural networks for renewable energy integration
- In partnership with AutoGrid and SHAKTI foundation, designing and deploying a Demand Response Programme to induce lower electricity usage by customers during high system demand
- Under the Horizon 2020 programme, funded by the European Union, Tata Power-DDL is deploying an Energy Islanding System at one of its distribution sub-stations
- Tata Power-DDL and Nexcharge (a joint venture between Exide India and Leclanché) launched India's first Grid-Connected Community Energy Storage System (CESS) in New Delhi
- Developing and deploying pole-mounted Battery Energy Storage unit in distribution operation area in partnership with Pixii
- Vegetation Management solution for electrical infrastructure through satellite imagery and data analytics in collaboration with Live-EO
- Co-developed with Solar Labs a solution for enabling quick and accurate estimation of capacity requirement and layout of rooftop solar system for end customer

## **Key highlights of FY22**

### **Screened 100% of new Business Associates**

(suppliers and service providers included) with order value greater than ₹ 5 crore in non-fuel procurement, were screened on the ESG evaluation criteria and were found acceptable

**99.30%**

of non-fuel procurement at Tata Power was sourced locally

**54.29%**

of the overall procurement was from indigenous sources (orders in INR)

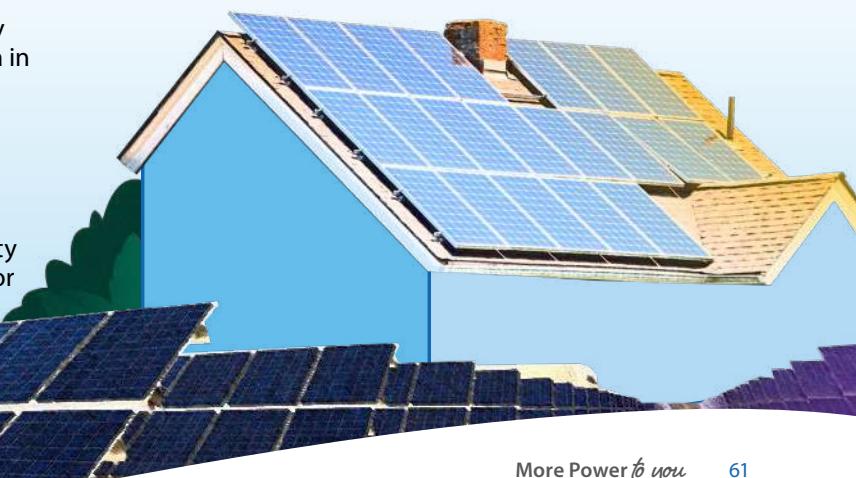
**39.94%**

of fuel sourced locally

## **Partnership highlights**

### **Surya Shakti Cell**

With an aim to strengthen the existing financing arrangement for solar power projects, we (via Tata Power Solar Systems Ltd.) have entered into an agreement with India's largest lender State Bank of India (SBI) and launched a dedicated centralised processing cell - 'Surya Shakti Cell'. The Surya Shakti Cell will process all the loan applications for solar projects with capacity up to 1 MW, sourced from across India, for installation by business entities as well as households.



## Communities

# More Power is *social empowerment*

We derive our social licence to operate from the communities around our operational value-chain. We carry forward the socially responsible ethos of the Tata Group and follow the Tata Code of Conduct in all our stakeholder interactions, including the ones with our communities.

At Tata Power, we execute and take forward our social responsibility initiatives through the Tata Power Community Development Trust (TPCDT) and other not-for-profit partners, envisioning our communities to be sustainable and future-ready by improving education and livelihoods while empowering the women, youth, institutions, and community collectively. We follow a scientific, outcome-focused and collaborative approach to community development, to create sustainable impact for everyone.

## CSR Vision

Strengthen ecosystems for inclusive education, digital & financial literacy, skilling and livelihoods – furthering our neighbouring target communities' future-readiness and environmental conservation awareness.

Key flagship programmes include Anokha Dhaaga and Abha for empowering women and farmers collectives, Roshini integrated vocational training centres, Adhikaar for enabling access to state social security schemes, Club Enerji for developing conservation champions and STEM education, Arpan as a volunteering platform, PayAutention, a support network for autism spectrum children and families, Mahseer conservation activities and Tree Mitra for furthering region-appropriate native species plantations and biodiversity restoration. The focus is on empowering public institutions and community groups through our four Es Framework i.e., Education, Employability, Employment, and Entrepreneurship. Our special commitment towards Tata Social Inclusivity & Affirmative Action enables targeted outreach to families from Scheduled Castes, Scheduled Tribes, other

backward classes, migrant families, sanitation workers, differently-abled as well as other such disadvantaged communities. TPCDT has been undertaking long-term philanthropic investments, voluntary programmes and commitments for community development in over 60 geographical clusters in our neighbourhoods across India. This also covers over 10 aspirational districts as declared by the Government of India

**With an objective of empowering communities, we focus on three themes**



Education (Including Financial and Digital Literacy)



Employability and Employment  
(Skilling for Livelihoods)



Entrepreneurship

## Key linkages



### Material topics

- Future ready and business continuity

### UN Sustainable Development Goals



No poverty



Zero hunger



Good health and well-being



Quality education



Clean water and sanitation



Decent work and economic growth



Partnerships for the goals



## Education

### Digital Literacy, Remedial Education and Financial Inclusion (Adhikaar) programmes

We have helped 13.67 lakh beneficiaries across 15 states to access schemes worth more than ₹ 200 crore. With a staunch focus on financial inclusivity and digital inclusivity, Adhikaar enables communities and institutions to access government social security and welfare schemes. By educating and hand-holding specific target groups such as women, elderly, differently-abled, and other disadvantaged sections of society, Adhikaar bridges the fundamental challenges of financial literacy and ability to access public welfare schemes. The programme offers support for required documentation, digital access and proactive convergence with relevant stakeholders in government systems. Through this we reach out to clusters across 15 Indian states, and also enable disaster response support such as insurance and vaccination support. Such support, extended even during the COVID-19 crisis, is aided by our multi-lingual live helpline.

**We have nurtured a unique model under the Adhikaar initiative – training and developing more than 840 'Adhikaarprenuers', who earn a livelihood as well as act as local #changeagents to lead transformation in their own communities.**



**We have helped 13.67 lakh beneficiaries across 15 states to access schemes worth more than ₹ 200 crore**



## Employability and Employment

We have focused on addressing the skill-gap challenge and trained nearly 1 lakh youth through uniquely created integrated skilling centres; thereby, ensuring 75% placement for eligible youth.



### TPSDI

Through the Tata Power Skill Development Institute (TPSDI), we have trained more than 1.3 lakh people in industrial safety, power sector-related skills and employable skills. TPSDI trained students can seek employment or internships and are even empowered to become entrepreneurs and create employment opportunities for others. Some alumni of the institute also are placed indirectly through contractors of Tata Power.

TPSDI's technical courses include hands-on practical and simulator lab sessions. It also provides green-job centric courses in solar, covering design, installation, operations, and maintenance of solar installations. Over 7,100 people have been imparted solar-related skills through the courses so far, and the institute is prepared to skill youth in upcoming employability areas like home automation, EV charging and smart metering as well.

## Communities



### Roshini

Abha, Abha Sakhi and Abha Sakhi are vocational skilling programmes for women implemented by Roshini – Integrated Vocational Training Centre, using a unique model to further women's livelihoods by combining customer connect and safety, and shared value generation by involving and upskilling women's SHGs.

Semi-skilled and unskilled women are provided mentoring and quality training on technical domains such as electricity metering, billing, and collections, along with awareness on energy conservation. Today, these community ambassadors of Tata Power are not only financially empowered but also rally a critical cause on energy conservation.

The flagship skilling and employment model is being furthered in Delhi as Abha, in Odisha as Abha Sakhi, and in Mumbai as Abha Sakhi, serving a large customer base in slums and rural areas. The initiative also focuses on vocational skill-building of semi-skilled/unskilled women, focusing on financial literacy, life skills and leadership training.

### 2.6 lakh+ youth

benefitted through Tata Power's skilling initiatives since 2018

### 8,000+ Abha women

engaged across Delhi, Jharkhand, Mumbai and Odisha in the last four years

### 99,000+ youth

trained and gainfully engaged in FY22, for different technical and non-technical courses

### ₹ 10,000

average monthly income earned by our community partners

### Daksh

Through Daksh, we help in skill building among the youth to provide employment opportunities. Till date, we have skilled 47,000 youth (with 11% of them belonging to the Affirmative Action community)

### Youth employment programme

We have collaborated with Tata Consultancy Services (TCS) to increase employment rate of youth in organised sectors and have designed interventions to provide training on soft skills, business communication and etiquette. The qualified candidates are placed in the BPS/KPO services of TCS.





## Entrepreneurship

We have engaged directly with more than 10,000 women members across geographies through entrepreneurship interventions focusing on micro enterprise–collectives.

Tata Power's flagship Anokha Dhaaga has been particularly designed to build the capabilities of women's collectives (self-help groups) and help them become empowered and earning members of society. Through this project, we aim to achieve our vision to build aspirational value for these collectives and empower them to be a part of the larger value chain.



## BlessdBox

### Anokha Dhaaga x BlessdBu<sup>y</sup> x Nida Mahmood

Anokha Dhaaga - Tata Power's flagship women empowerment initiative, collaborated with BlessdBu<sup>y</sup> - a platform showcasing 1,000+ sustainable and ethical products made by rural artisans, collectives, and NGOs, to create a limited edition 'BlessdBX' range.

This edition is a festive gift box designed by celebrity designer Nida Mahmood, 'Queen of Indian Kitsch' - aimed at supporting the livelihoods of aspiring women's collectives. Through this project, we aim to achieve its vision to build aspirational value for these collectives and empower them to be a part of the designer value chain.

With this gift box series, Anokha Dhagaa made an earnest effort to give a platform and showcase unique, sustainable, and ethically handmade products created by the underserved communities from rural and urban regions of India. With an emphasis on circular economy and sustainably sourced materials, this project endeavours to upskill and empower marginalised communities.

The collectives received an upskilling opportunity during the pandemic through digital and in-person quality training and hand-holding to develop this aspirational product line. Over 50% of the sales proceeds from this project go directly to the women makers in Delhi and Jojobera – increasing their earnings by more than double of the average earnings they get by producing for local markets. The BlessdBX is available for purchase in Anokha Dhagaa's e-commerce portal SaheliWorld and BlessdBu<sup>y</sup>.



## Communities

### COVID-19 response and support

As the country grappled with the COVID-19 pandemic, Tata Power Community Development Trust (TPCDT), complemented the government's efforts with its unprecedented support in the fight against this pandemic. We undertook several relief measures in 16 states which has benefitted over 2.87 lakh individuals with COVID-19 relief materials and extended direct support to Public Health Facilities across 63 locations in the country covering total 158 PHCs. Through collaborative efforts our Company has donated over 1,400 oxygen concentrators and produced SHG-95 masks (high protection filter based masks appropriate for Indian weather) and immunity boosters as well as other protection support—generating an income of ₹ 12.65 lakh for the women.

We continue to strengthen health infrastructure support and vaccination supplementation with the government authorities and partners across India and aided registrations on COWIN through push calls as a part of our flagship programme.



### Anokha Dhaaga x Billion Social Masks

To ensure livelihoods of community members during the pandemic, Anokha Dhaaga members were trained to manufacture specialised, high-protection cotton masks; furthering the Make in India aspiration.



TPCDT and Anokha Dhaaga are core members of the Billion Social Masks (BSM), a growing alliance that collectively represents social innovators from MIT, Stanford, Grand Challenges Canada, Biotechnology Industry Research Assistance Council, IKP Knowledge Park, TPCDT, SEWA, Samhita, SRDS and emerging startups like Parisodhana Technologies, among others.

The SHG-95 (trademarked) pure cotton cloth masks neatly embed a stitched-in filter within the outer cloth layers. The filter quality is tested at accredited laboratories at per ASTM international standards. The masks have comfortable elastic ear loops and breathability for Indian weather, with optimum protection. Created in minimalist designs and soothing colours, the masks are washable up to 10 times.

Over 50,000 masks have been produced by Anokha Dhaaga members in the first phase of the project. The alliance benefits are also being extended now to Navjeevan Cooperative Society in Kalinganagar, Odisha, also reaching out to the hospitality space with upcycled Benarasi masks for The Indian Hotels Company Limited (IHCL).

## Relief and resilience measures

Our holistic approach towards relief and resilience measures supported over 2.87 lakh community members, and more than 150 public institutions in underserved areas around 65+ operating sites, 6+ aspirational districts. We played an active role in strengthening the abilities of PHCs, sub-centres, local hospitals, district administrators, sarpanches, police, ANMs, aanganwadi workers, temporary COVID-19 relief centres, CSR teams, volunteers, SHG women and others in our local ecosystems.

Over 1.85 lakh people were covered through multiple stakeholder initiatives largely focussing on Common Minimum Programme, Sports and strengthening village institutions. We launched a Common Minimum Programme titled "**Urja: A step towards energising tomorrow**". It weaves a common standardised thread through a shared value model and will impart green and clean energy awareness along with experiential learning across communities through business and CSR synergies.

Under the initiative, the police stations will be set up with Water Filtration Solar Plant and schools will be introduced to integrated experiential learning, clubbed with Public Health Delivery System, which will focus on enhancing nutrition and establishing a health and sanitisation corner with focus on conducting training for local community ANMs/Aanganwadis.

Structured programmes for physical and mental fitness, self-defence and sports are integrated in key regions as a part of empowerment efforts for youth and women to strengthen the social fabric and channelise youth energy. 450+ youth were supported during the reporting year to pursue professional and technical training in the field of athletics, football, regional sports among others.

## Tata Power's Focus on Inclusive Community Development

### PAY AUTENTION: A different mind is a gifted mind

In line with Tata Power's philosophy of holistic and inclusive development, TPCDT, partnered with the Center for Autism and other Disabilities Rehabilitation Research and Education (CADRRE) to launch 'PAY AUTENTION - A different mind is a gifted mind', India's first bridgital autism support network.

Autism Spectrum Disorder (ASD) is a neuro-developmental disorder of variable severity, characterised by challenges in social interaction, communication, restrictive or repetitive patterns of behaviour; signs of which usually begin during early childhood and last throughout an individual's lifespan. It is the third-most common developmental disorder in the world.

The initiative aims to increase overall awareness about Autism Spectrum Disorder (ASD) and help people understand, accept and support individuals with autism and their parents and caregivers. The initiative shall pave the way for small towns and rural India to access specialised care and support and help create an auxiliary network of champions for differently-abled. This platform shall also enable mentoring people with autism.

The project which is designed around Tata Power's core CSR objective of 'Empowering with Care', is a major milestone in our journey of inclusive growth with focus on equity, equality, diversity, and inclusion.

Under this initiative, TPCDT and CADRRE aspire to empower parents, caregivers, Aanganwadi workers, public health centre workers, school teachers, staff of social development organisations, and social workers to be the primary identification and support champions, who will augment early intervention for children and young adults with autism.



## Employees

# More Power *to people*

Our people continue to be our most valuable assets. Their continuous commitment, contribution and knowledge enable our large ecosystem as a whole, and help in delivering sustained value to our customers, investors and all other stakeholders. Their continued career growth, health, well-being, experience, skilling and development remain our top priority.



### Total employee base\*

EMPLOYEE CATEGORY	FY22						Age Group	Male	Female	Total
	Female	Male	<30	30-50	>50	Total				
Senior Management	22	444	Nil	167	299	<b>466</b>	<30	2,734	623	<b>3,357</b>
Middle Management	149	1,669	3	1,339	476	<b>1,818</b>	30-50	12,640	874	<b>13,514</b>
Junior Management	914	5,985	2,237	4,120	542	<b>6,899</b>	>50	4,510	255	<b>4,765</b>
Workmen**	401	9,911	166	7,250	2,896	<b>10,312</b>				
FDA + SE ***	266	1,875	951	638	552	<b>2,141</b>				
<b>Total</b>	<b>1,752</b>	<b>19,884</b>	<b>3,357</b>	<b>13,514</b>	<b>4,765</b>	<b>21,636</b>		<b>19,884</b>	<b>1,752</b>	<b>21,636</b>

\* Includes only manpower numbers of Tata Power, TPREL, Mundra, TPSSL, TPRMG, PTL, WREL, MPL, IEL, TPTCL, TPADL, TPIPL, TERPL, TPCDT, FENR, NELCO, TPDDL, TPSODL, TPCODL, TPWODL and TPNODL

\*\* Workmen includes Non-Management Employees

\*\*\* FDA & SE includes employees and supervisory trainees on direct contract with the Company

### Key linkages



#### Material topics

- Workforce well-being

#### UN Sustainable Development Goals

	No poverty		Quality education		Partnerships for the goals
	Zero hunger		Decent work and economic growth		
	Good health and well-being		Reduced inequalities		

Strategic business objectives

Human Capital

Key Risk

## Key focus areas

Our people strategy is guided by our Group values, meritocracy, continuous development and the philosophy of purpose-led workplace. Across our organisation, we nurture our people to be leaders and specialists, contributing to business growth, while charting their individual career development.

**To ensure that our people have a rewarding experience, we focus on seven major focus areas as given below.**

 Talent acquisition and retention	 Diversity
 Employee engagement	 Succession planning
 Health and safety	 Human rights
 Employee welfare	
	

## Talent acquisition and retention

With a continuously evolving external environment, we constantly evaluate our requirements for skilled professionals, aligned with our business needs. Through fair, effective and systematic talent acquisition practices, we ensure that we have the talent to tackle the challenges of tomorrow, while helping deliver on organisational goals today. Adding to this is our diversity policy, which ensures that our workforce is balanced on various measures of diversity – from gender and background to experience and skill set.

### New hires

EMPLOYEE CATEGORY	FY22						Age Group	Male	Female	Total
	Female	Male	<30	30-50	>50	Total				
Senior Management	1	22	Nil	12	11	<b>23</b>	<30	1,273	292	<b>1,565</b>
Middle Management	7	95	1	88	13	<b>102</b>	30-50	829	64	<b>893</b>
Junior Management	260	1,646	1,187	719	Nil	<b>1,906</b>	>50	34	1	<b>35</b>
Workmen	9	35	20	24	Nil	<b>44</b>				
FDA + SE	80	338	357	50	11	<b>418</b>				
<b>Total</b>	<b>357</b>	<b>2,136</b>	<b>1,565</b>	<b>893</b>	<b>35</b>	<b>2,493</b>				
								<b>2,136</b>	<b>357</b>	<b>2,493</b>

With industry-benchmarked compensation and reward mechanisms, we continue to hold our position as a desired employer. Our performance management systems pegs employee performance to various levers including innovation and customer centricity.

### Attrition levels

EMPLOYEE CATEGORY	FY22						Age Group	Male	Female	Total
	Female	Male	<30	30-50	>50	Total				
Senior Management	Nil	18	Nil	7	11	<b>18</b>	<30	212	91	<b>303</b>
Middle Management	1	31	Nil	20	12	<b>32</b>	30-50	198	22	<b>220</b>
Junior Management	87	291	226	146	6	<b>378</b>	>50	34	3	<b>37</b>
Workmen	Nil	1	1	Nil	Nil	<b>1</b>				
FDA + SE	28	103	76	47	8	<b>131</b>				
<b>Total</b>	<b>116</b>	<b>444</b>	<b>303</b>	<b>220</b>	<b>37</b>	<b>560</b>				
								<b>444</b>	<b>116</b>	<b>560</b>

## Employees

Learning is a core value at Tata Power, and we constantly strive to provide best in class learning opportunities to our employees, ensuring relevant capabilities are developed for enhanced performance and productivity.

Training design is based on in-house AMP leadership competency framework that has been copyrighted. We have a robust employee development framework that comprises our 3 Tier Leadership Development programs, Senior Leaders Development Program (Tier 1), Achieving Your Leadership Potential (Tier 2) and Emerging Leaders Program (Tier 3), that have been conceptualised, designed internally and are executed and delivered in collaboration with best in class management institutions, IIM A, SPJIMR Mumbai, XLRI Jamshedpur and TMTc Pune, and our Future Skill academies in areas of Digital, Project Management, Sales and Customer Centricity that are aimed to make our employees future ready. We adopt a blended learning pedagogy for employee development pivoted on class room training, virtual live training, e-learning, coaching, action learning projects, on job training and mentoring among others.

Our eLearning platform 'Gyankosh' now has over 1 lakh learning resources, accessible anytime, anywhere, across any device. Gyankosh was awarded 'Skillsoft Program of the Year' in 2020, 'Skillsoft Champion of the Year' in 2021 at Skillsoft Global Perspectives, competing with some of the best organisations globally. It has been extremely popular with all our employees, having achieved global benchmarks in terms of a user adoption rate of 99.69% in FY20, 98.52% in FY21 and 99.44% in FY22, a course completion rate of 80.24% in FY20, 77.84% in FY21 and 75.84% in FY22, respectively. In FY22 5,80,037 resources have been completed by the employees.

### Average hours of training per employee in FY22\*

(levelwise)

Employee category	Male	Female
Senior Management	32.41	33.05
Middle Management	40.09	40.25
Junior Management	45.89	48.53
All employees (including workmen and FDA)	27.33	36.55

\*Includes data of Tata Power, TPREL, Mundra, TPSSL, TPRMG, PTL, WREL, MPL, IEL, TPTCL, TPADL, TPIPL, TERPL, TPCDT, FENR and TPDDL



## Employee engagement

We foster a continuous dialogue between the employees and the management with formal and informal initiatives. Through various engagements, we continuously listen to their concerns and aspirations, and ensure that their requirements are addressed in the most optimal way. Their feedback and voice help us refine our policies and programmes, and enable continuous improvement on the people experience front. About 47.66% of our employees are represented by unions and collective bargaining agreements. We maintain strong and enabling labour relations practices, to ensure that their rights are respected and needs addressed.

We have a process of annual engagement survey process of capturing feedback and actioning to enhance employee experience. We are now looking to capture more real time and frequent feedback focusing on specific employee cohorts which have specific needs and challenges of each group, and action upon feedback received. We have specific employee engagement initiatives that ensure that their productivity remains optimal, while helping them maintain a fine work-life balance. Avenues such as Achiever's Portal, Pulse Connect, VOICES, Engagement Action Planning, Town halls and Connect 2 Solve help in promoting open dialogues with employees and empowering them. It also offers employees a platform to express themselves, recognise each other, share their views and provide feedback on policy development as well as deployment. These initiatives have emerged and are continuously improved based on feedback received from employees and organisation's changing imperatives. Efforts are made to resolve employee grievances in a timely manner.

*In FY22, we conducted 'Youth Power Confluence', an in-person engagement programme for all the fresh campus recruits, comprising sports, business simulation games and workshops.*



To increase employee engagement and connect, we utilised various digital platforms such as:

- **Baaton Baaton Mein** – live online chat shows featuring leaders and their life stories, meant to inspire all
- **Gupshup**: an informal and interactive platform to connect with employees at remote locations
- **Annual R&R awards event**, involving all employees and their families across locations with an evening of recognition, entertainment and appreciation
- **Corporate Fun@Work Community** created on Yammer to build a happier, healthier and more connected workplace

ParibartanaRuPragati (#PRP) change management programme was conducted at newly acquired Odisha Discoms that saw 12K formerly government employees being successfully integrated and enthusiastically delivering results. We also publish an Engagement Activities Calendar with standardised events across the Company covering major festivals (#Festithon), birthday celebrations and sports events.

On Valentine's Day, "Love is all we need" campaign was launched to create engagement, awareness and celebration of 5 dimensions of love: i) Being grateful ii) Embracing differences iii) Driving inclusion iv) Demonstrating empathy v) being non-judgemental. This was to nurture an environment of open communication and support that would lead to high performance.



## Health and safety

At Tata Power, we follow the adage "Safety is a core value over which no business objective can have higher priority." Led by this philosophy, we also aspire to be a leader in safe work practices in the global power and energy business. This aspiration is anchored by three key tenets:

*Global leadership underlined with an ambition to be world-class, and enabled by digitalisation and new technology intervention*

*Safe work practices so that employees feel safe to work, all stakeholders experience safety and safety is embedded in the organisation's DNA*

*Safety performance to ensure no harm and no injury, powered by benchmarked approaches*

We accord paramount importance to the health and safety of all our employees, suppliers, partners, customers and all other stakeholders. We ensure this by engaging the Tata Power Safety Management Framework, which covers all our business activities and is aligned with the Tata Group Health and Safety Management System as well as ISO 45001:2018 requirements. We have established the Hazard Identification and Risk Assessment (HIRA) process for both routine and non-routine jobs. We regularly provide HIRA and Job Safety Assessment (JSA) trainings to our operation, maintenance and service engineers.

### Target of Zero

fatalities, recordable work related injuries and LTIs



At Tata Power, we are committed to fostering a positive environment in our workplaces that promotes holistic wellbeing of our employees, through programmes that support them to achieve their goals and lead a fuller life, which in turn will help the business thrive. Our approach encompasses physical, mental, emotional and financial wellbeing, and covers aspects of policies, infrastructure, benefits, programs and leveraging technology. Through partnerships such as with 1to1help.net, GOQii, we are committed to supporting holistic health of our employees, and are focused on delivering clear outcomes in terms of improved health of employees, measured through individual and organisational health index.

### Indirectly employed/contractual workforce

	Male	Female
Number of fatalities	1	Nil
High Consequence work related injuries (except fatalities)	8	Nil
Recordable work related injuries	4	Nil
Lost Time Injuries (LTIs) per million man-hours	0.15	Nil

## Employees

### Our other key interventions include:

- Internal safety audits to continuously improve safety practices
- SAP-EHSM platform to strengthen and ensure systematic incident reporting and investigation
- Digital tools such as Suraksha mobile application for swift reporting of unsafe conditions and tracking of remedial measures
- Ensuring all personnel are aware of health and safety information through platforms such as Red Stripe bulletin, and campaigns
- Enterprise Process Model (EPM) process established across divisions, enabling us to continuously improve our health and safety management systems. It also guides our critical safety procedures and provides instructions for safe operations and maintenance
- Regular health and safety training
- Presence of on-site trained and experienced Occupational physicians with a formal qualification in Industrial Health / Occupational Health, who help identify the various health risk, health hazards at workplace and identify the required health checks, aligning with Factories Act and other such advisories as applicable
- Full-fledged in-house lab with all biochemistry, pathology and Immunology apparatus and trained personnel
- Regular and scheduled check-ups and tracking of health conditions of employees
- Protected and secure access for workers to their health data and reports
- Access for employees and families to mediclaim, OPD facilities, medicines for chronic conditions, specialist medical personnel
- Several voluntary health promotion initiatives such as sports clubs, gyms engagements with eminent experts, women wellness programmes, among several others
- 100% employees can avail voluntary programmes such as mental awareness, yoga, thyroid care, eye screening, and others
- COVID-19 vaccination camps conducted for employees and allied workforce for both mandatory doses

In FY22, we continued to improve on our health and safety performance, led by our systematic processes, technology-led initiatives and overall orientation to safety culture.



### Employee welfare, feedback and policies

We place significant importance on the overall welfare of our employees, through holistic awareness and action programmes.

Policies at Tata Power are created/reviewed continuously to meet the needs of the organisation and different workforce segments. Inputs are taken from employees through formal and informal platforms such as engagement surveys, internal surveys, feedback from senior leaders and business HR. Policies are designed to ensure that employee feedback, industry norms and the legal norms are not only met in their true spirit, but also exceeded. For example, the Gender Diversity Policy provides for an exclusive one-year sabbatical for meeting family requirements; the Health & Wellness Policy provides benefits such as medicines for chronic illnesses including family members; inclusion of parents-in-law in the mediclaim scheme; Medical Fund Scheme providing unlimited coverage of medical expenses in excess of the eligibility; voluntary OPD to reimburse OPD expenses among others.

Our integrated Leave Policy addresses the leave requirements of various employee segments by providing leave for marriage, paternity, adoption, surrogacy, higher education, compassionate circumstances, sabbatical and others, in line with the industry best practices in the area of employee benefits.





## Diversity and inclusion

Our diversity ratio for campus was over 30% last year. We have 22% gender diversity in sales and customer facing roles, 34% in finance and accounting roles and 40% in digital and technology roles.

We are an equal opportunity employer working with the core belief that diversity alone can bring in perspectives that can promote innovation and enable a future-fit organisation. Even as a heavy industry, we take active interventions in ensuring that our workforce has notable non-male participation. We have an articulated vision and clarity on D&I outcomes we want to achieve at the Tata Power Group level. This dovetails into our performance scorecards, with specific goals for leaders, managers and HR, and these metrics get tracked on a quarterly basis and discussed with leadership with clear actionables. To create a culture of teamwork and to capitalise on the diverse thinking of the workforce, especially our younger workforce, various cross functional teams, across the levels of the organisation, are formed to work on critical projects for the organisation, e.g. Innorise.

Our approach and plans for diversity and inclusion are very contextual to Tata Power and based on segmented approach for each of the Business clusters, as the challenges pertaining to D&I are different in each cluster. Our focus areas are gender diversity, generational diversity and inclusion of persons with disabilities.

From a gender diversity perspective, women career trajectories are specifically mapped out and supported through various initiatives right from recruiting, mentoring program, to career progression, to a better work-life balance, and enabling life-stage transition. Through focused initiatives and programmes, we have been able to maintain the gender diversity ratio of 8% even after acquisitions of large entities, that have been traditionally gender skewed.

We have been consistently winning the KelpHR PoSH Awards, which recognises and rewards companies across all industries for the best Prevention of Sexual Harassment (PoSH) practices.

### Women employees across roles\*

**30%**  
Campus hires

**22%**  
Sales and customer facing roles

**34%**  
Finance and accounting roles

**40%**  
Digital and technology roles

### Parental leave and return to work in FY22

	Male	Female
Employees entitled to parental leave	6,621	703
Parental leave availed	242	60
Employees returning to work after end of parental leave	226	29
Employees returning from parental leave taken in the prior reporting period	45	11
Employees retained for 12 months after resuming from parental leave	185	4
Employees yet due to return to work after taking parental leave	Nil	20
Return to work rate	93.39%	48.33%
Retention Rate	91%	92%

### Gender pay comparison\*

*Employee category	Ratio of basic salary of women to men in FY22	Ratio of total remuneration of women to men in FY22
Senior Management	1 : 1.06	1 : 1.08
Middle Management	1 : 1.03	1 : 1.03
Junior Management	1 : 1.18	1 : 1.18
Trainees	1 : 1.00	1 : 1.00

\* Considers remuneration for employees of Tata Power, TPREL, Mundra, TPSSL, TPRMG, PTL, WREL, MPL, IEL, TPTCL, TPADL, TERPL, TPCDT, FENR only

## Employees

**Our enabling framework for diversity and inclusion is underpinned by three aspects:**

### Policies

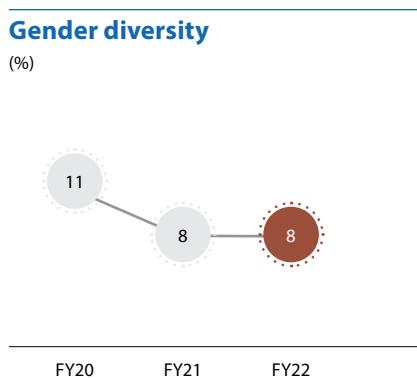
- Special sabbatical, extended maternity leaves, adoption and surrogacy leaves
- Flexible timings post maternity
- Performance rating protection during maternity
- Childcare facilities including crèche and nanny
- Spouse and ward recruitment policy

### Development programmes

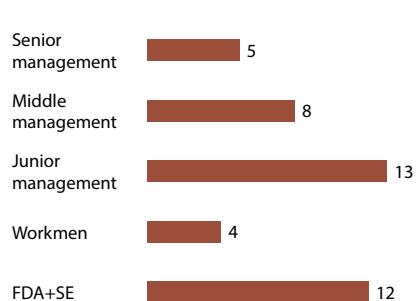
- Women's mentoring programme
- Returning mothers' coaching programme
- Tata Group programme for women in middle and senior management
- Tata SCIP (Second Career Innings Programme)

### Safety and care

- Special travel provisions for women employees
- Self-defence programmes
- Sensitisation sessions on POSH
- Gift hampers to celebrate motherhood



### Women in each category (%)



### Tata Power FY27 Outlook

**Improve overall gender diversity ratio to 18%**





## Succession planning

As a part of our talent management strategy, we identify roles that require succession in the near or medium term, and plan employee development accordingly.

At Tata Power, succession planning is conducted to ensure availability and readiness of capable manpower to take up critical roles as when required and thus promote business continuity from a critical resource standpoint. This is done for critical positions with a focus on those where incumbents are superannuating; suitable successors are identified in immediate, 1-2 year and 3-5 year categories with assigned development plans. Successor development and movement are closely monitored by the Apex leadership team. Succession planning is the best practice in Tata Group.

## Employee Retirements

	Next 5 years		6-10 years	
	Female	Male	Female	Male
Senior Management	4	185	5	133
Middle Management	6	197	11	288
Junior Management	31	199	30	324
Workmen	116	1,473	57	1,318
FDA + SE	3	301	2	182

## Integrated Leadership Development Framework

Structured leadership development programmes at all work levels will provide assured leader pipeline.

### Tier 1

#### Senior Leaders' Development Programme

15 months AMP@ IIMA for senior leaders comprises coaching, action learning projects, Hogan assessment, with alumni status

### Tier 2

#### Achieving Your Leadership Potential 2.0

6 months leadership development program in collaboration with TMTC & SPJIMR for officers in mid to senior roles to prepare for higher responsibilities

### Tier 3

#### Emerging Leaders' Programme

4 months leadership development program in collaboration with TMTC & XLRI for young officers towards sustained performance and managing teams



## Talent NXT

Talent NXT is a programme that endeavours to create next generation leaders by identifying high-potential talent to be groomed for CXO level positions.



## Human rights

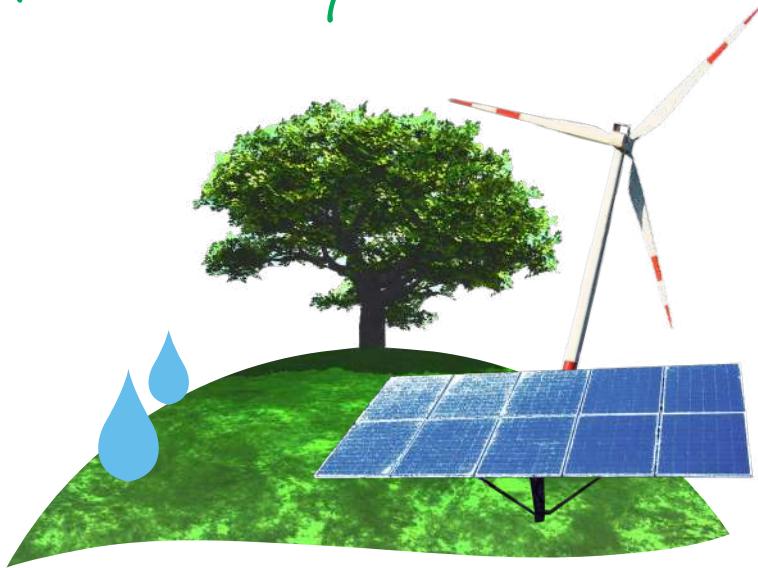
As part of the renowned Tata Group, we uphold the highest standards of human rights across our value-chain. We have zero tolerance approach towards any breach of our conduct regarding human rights and/or discrimination. As an outcome, we have strict measures in place to ensure zero child/bonded labour within our organisation and among organisations part of our direct value-chain. We have specific policies regarding any harassment or prejudice at workplace, and we constantly sensitise our employees on active and passive behaviours that may constitute a violation of such policies.

Our human rights policy is aligned to the principles of the International Labour Organisation (ILO) and United Nations Global Compact (UNGCR). We are also planning the preparation of a comprehensive human rights due diligence framework in line with the UN Guiding Principles Reporting Framework. The Policy is refined periodically to account for global best practice alignment and continued relevance. The policy is a key part of our pre-induction training and various refresher modules.

## Environment

# More Power through better stewardship

As an integrated energy player, we are dependent on the continued availability and accessibility of renewable and non-renewable natural resources such as coal, water, sunlight, wind and other raw materials. Across our operations, we progressively strive to leave behind a greener footprint, and have specific goals concerning the various aspects of natural capital conservation and preservation, and our alignment to a greener and more environmentally sustainable organisation.



## Our sustainability aspirations

We have taken on record specific aspirations regarding overall environmental sustainability, which are aligned to our Group strategy and goals. These aspirations are housed under three broad levers.

### ESG and environment

- ☒ **ESG rating improvement** and inclusion in S&P Global Emerging Market List by 2027
- ☒ Become **carbon net zero** before 2045
- ☒ Become 100% **water neutral** before 2030
- ☒ 100% **zero waste to landfill** before 2030
- ☒ **No Net impact on Biodiversity** before 2030

### Growth

- ☒ Achieve **clean and green portfolio** of 80% by 2030 and 100% before 2045
- ☒ Grow through **low carbon businesses** (Distribution, New Businesses)

### Technology

- ☒ Leverage technology to create the '**Utility of the Future**' (IoT, Smart Grids, BESS, Green H2, robotic panel cleaning etc.)

## Key linkages



### Material topics

- ☒ Climate change management
- ☒ Environmental stewardship
- ☒ Future ready and business continuity

### UN Sustainable Development Goals

	Affordable and clean energy		Climate action
	Industry, innovation and infrastructure		Partnerships for the goals
	Responsible consumption and production		

## Climate action and green energy leadership

One of the biggest trials humanity is facing today is climate change and as a responsible corporate, we have taken early action to contribute to the global agenda of climate action. Through conscious steps including growth through decarbonised and digitalised energy models; committing to no fresh coal based investments; ramping down thermal capacity at the end of contractual obligations, and adopting water and waste circularity, we continue to demonstrate our strong commitment to sustainable economic development. Further, we pursue our economic and environmental goals, while aiming to provide last-mile energy access through decentralised power generation and reliable models of distribution.

By aligning our business vision with the global UNSDG agenda, we have strengthened our ESG focus in its journey of being the 'Utility of the Future'. We are empowering customers with green choices, and are enabling communities by making them future-ready. As a major milestone in our climate action journey, we have committed to the Science-Based Targets initiative (SBTi), doing our part to keep the rise of global temperature well below 2°C, with the leadership goal of becoming carbon net neutral before 2045.

We are a signatory to TCFD and are committed towards alignment with TCFD Framework for Climate Change related Risk and Opportunity assessment and mitigation.

Each of the identified risks have mitigation and contingency plans outlined and integrated within our long-term strategy.

Tata Power strives to accelerate its short-term and long-term ESG goals by leveraging innovation, digitalisation, and technology transformation and has adopted a circular economy framework. In line with our sustainable business approach of 'Leadership with Care', we are pioneering inclusive energy transition and creating long-term value for stakeholders while carving a leadership niche of becoming the 'Most Preferred Green Energy Brand'.

### **GHG emissions (million tCO<sub>2</sub>e)**

CATEGORY	FY21	FY22
Scope 1 emissions	34.500	27.330
Scope 2 emissions	0.031	0.285
Scope 3 emissions	0.003	0.001
<b>Total emissions</b>	<b>34.534</b>	<b>27.616</b>

<sup>\$</sup> Includes IEL units and PPGCL on equity based approach

<sup>#</sup> Increase due to addition of T&D Loss in Scope-2

### **CO<sub>2</sub> intensity (tCO<sub>2</sub>e/MWh)**

FY21	FY22
0.687 <sup>#</sup>	0.794 <sup>\$</sup> 0.675 <sup>#</sup>

<sup>\$</sup> Due to addition of IEL units and PPGCL on equity based approach

<sup>#</sup> On operational basis approach as carried in FY21 excluding PPGCL and IEL emissions

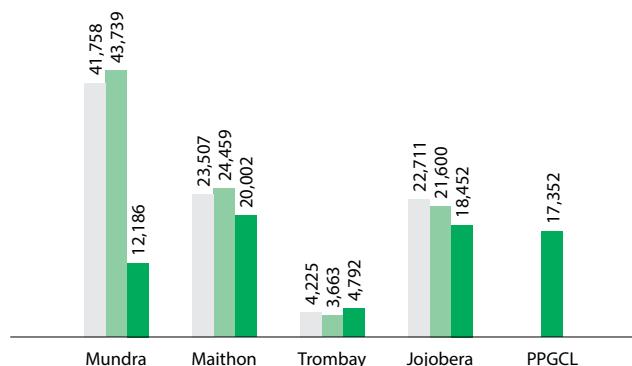


## Environment

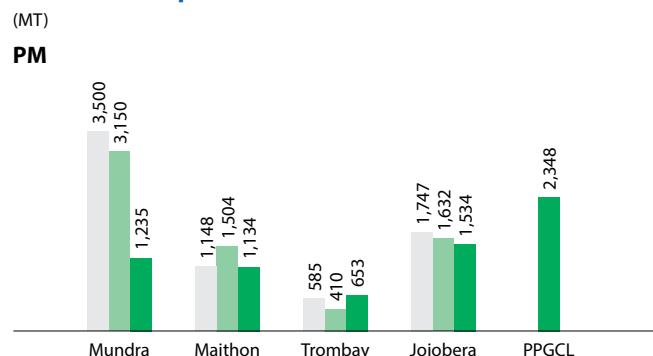
### Air emissions

Apart from GHG emissions, we take cognisance of the various other air pollutants such as oxides of sulphur and nitrogen and particulate matter, generated by our operations. To manage these emissions, we have implemented state-of-the-art equipment to reduce these at source, and manage them before releasing into the environment. The technologies and mechanisms we deploy to minimise air emissions include electrostatic precipitators, monitoring devices for carbon monoxide emissions, flue gas desulphurisation.

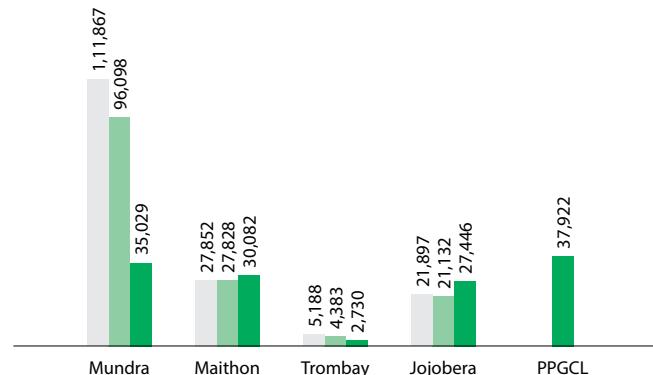
**NOx**



**Air emissions profile**



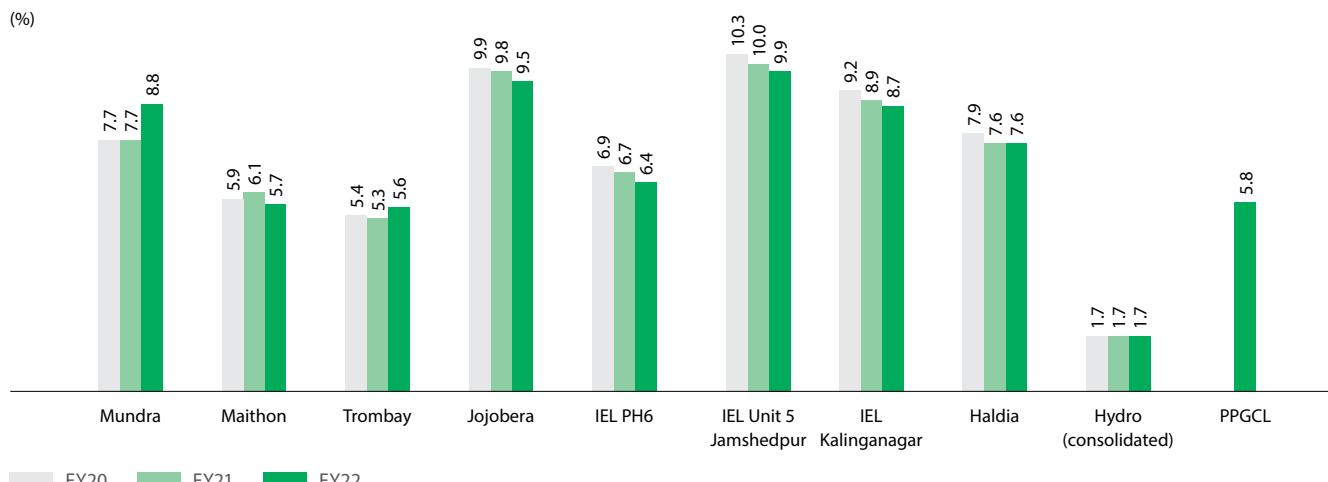
**SOx**



### Auxiliary power consumption (APC)

We continuously optimise our auxiliary power consumption (power used for own operations), through various measures such as stopping electrical equipment usage during low load operations and introduction of more power-efficient devices for lighting.

**APC**

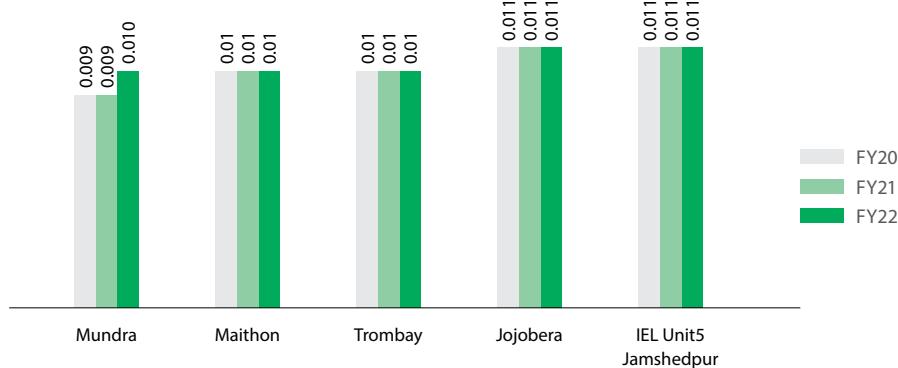


## Station Heat Rate (SHR)

We lay constant focus on improving the overall conversion efficiency of our plants and generation systems. Such initiatives enable more power per unit of input material, while reducing wastage, cost and GHG emissions.

### SHR

(GJ/kWh)



## Water management

A significant part of our generation portfolio still depends on thermal power generation, which uses substantial amounts of water for operational purposes. With water being a scarce and common resource, we are progressively reducing our dependence on freshwater and are taking proactive measures such as rainwater harvesting to achieve water neutrality before 2030.

From a discharge standpoint, most of our thermal units have attained a Zero Liquid Discharge (ZLD) status (excepting seawater used for cooling), and the quality of discharge in other locations is managed as per regulatory norms. The recycled water from Sewage Treatment Plants at our locations is used for gardening purposes.

PLANT	SOURCE OF WATER
<b>Trombay</b>	Fresh water (supplied by Brihanmumbai Municipal Corporation) for processes and services, Seawater for cooling processes
<b>Mundra</b>	Desalinated water for processes and cooling purpose. It is the only power plant in India which generates fresh water for itself
<b>Haldia</b>	Hooghly River
<b>Kalinganagar</b>	Kharsua River
<b>Maithon</b>	Maithon dam, Barakar River
<b>Jojobera</b>	Subarnarekha River
<b>Prayagraj</b>	Yamuna River

### Water withdrawal, consumption and discharge by source (million litres)

\*Third party water data comprises water purchased from municipal corporation, third-party treated effluent and packaged drinking water

## Environment



### Seawater\* (kilo litres)

Plant	Water withdrawn	Water consumed
Mundra	2,04,77,34,264	9,33,08,886
Trombay	81,06,62,000	6,95,08,033
<b>Total seawater</b>	<b>2,85,83,96,264</b>	<b>16,28,16,919</b>

\*Sea water is used for cooling only

### Water withdrawal and consumption by source

(million litres)

Source of water withdrawal	Plant	Water withdrawn	Water consumed
<b>Surface water</b>	Maithon	16,974	16,974
	Trombay <sup>ss</sup>	2	2
	IEL Kalinganagar <sup>#</sup>	35	35
	IEL PH#6 <sup>s</sup>	5	5
	Jojobera <sup>#</sup>	6	6
	Bhira	8,30,621	Nil
	Bhivpuri	2,13,187	Nil
	Haldia	2,415	2,415
	Khopoli	2,30,651	Nil
	PPGCL <sup>ss</sup>	23,696	25,397
	<b>Total surface water</b>	<b>13,17,592</b>	<b>44,834</b>
<b>Groundwater</b>	Solar	271	271
	<b>Total groundwater</b>	<b>271</b>	<b>271</b>
<b>Third Party*</b>	Trombay	668	704
	Jojobera <sup>ss</sup>	8,946	9,437
	IEL PH#6 <sup>ss</sup>	2,638	2,703
	IEL Kalinganagar <sup>s</sup>	486	6,445
	Wind	3	3
	Solar	102	102
	T&D ( Mumbai and Delhi)	222	222
	<b>Total third-party water</b>	<b>13,065</b>	<b>19,616</b>

<sup>s</sup> Includes Rain water harvested

<sup>ss</sup> Consumption Includes Recycled water

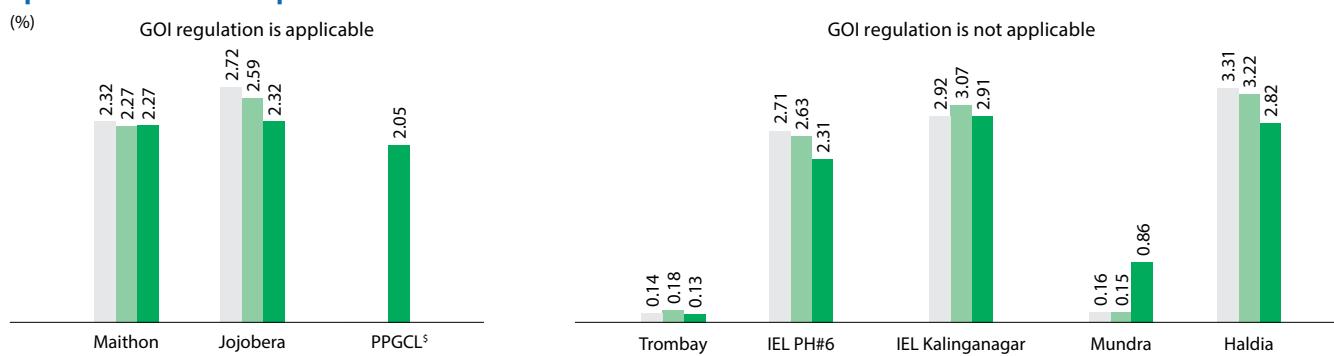
<sup>#</sup> Rainwater

\* Third party water data comprises of water purchased from municipal corporation, third-party treated effluent (e.g. Tata Steel provides clarified/treated water at IEL Kalinganagar) and packaged drinking water

### Specific Water Consumption (m3/mWh)

The Government of India, through a Gazette Notification in 2015 and subsequent amendments, mandated limits on fresh water for specific water consumption for coal fired thermal power generation. This is 3.5 m3/Mwh for units commissioned prior to 01-01-2017 and 3.0 m3/Mwh for others. Tata Power's specific water consumption falls within this metric across units, as illustrated below.

### Specific water consumption



Note: Specific water consumption at CGPL and Trombay considers water used for steam generation only. Cooling requirements are excluded as both plants utilise sea water for cooling.

## Raw material management

Our dependence on conventional fuels and raw materials are gradually decreasing, with our portfolio becoming greener. This portends to a reduced raw material risk for us as an organisation, and reduced extraction of limited natural resources such as coal, benefiting the environment.

### Raw material consumption

Power station	Coal (MT)	Light diesel oil (Tons)	Heavy furnace oil (Tons)	Natural gas (MT)	BFG (Million NM3)	COG (Million NM3)	LDG (Million NM3)
Mundra	3.6	2,860	1,886	Nil	NA	NA	NA
Maithon	4.6	929	Nil	Nil	NA	NA	NA
Trombay	2.3	1,199	Nil	181	NA	NA	NA
IEL- Jojobera (U#1- U#4)	2.0	626	NA	Nil	NA	NA	NA
Jojobera (U#5)	0.6	1,095	NA	NA	NA	NA	NA
PPGCL	7.2	2,867	NA	NA	NA	NA	NA
IEL- Kalinganagar	NA	962	NA	NA	2,468	112	NA
IEL- PH#6	NA	NA	NA	NA	2,162	19	293

## Waste management

At Tata Power, we are setting up the blocks to contribute to a circular economy at large. We have taken solid strides in proactive waste management practices across our value-chain, including maximisation of fly-ash utilisation and progressing to zero waste to landfill (in cases of PV panel disposal). Similarly, before the start of any project, we assess the proposed operations for best-in-class waste management practices and take the best possible way forward. Considering an average of 25 years life for PV panels, we also expect the waste from PV panels to go up post 2035 and are planning for future courses of action accordingly.

### Our ambitions include 100% fly ash utilisation and zero waste to landfill before FY30

Plant	Type of waste	Generated (MT)	Diverted from disposal (MT)
Mundra	Hazardous	73	73
	Non-hazardous	3,88,580	4,16,096
Maithon	Hazardous	23	23
	Non-hazardous	18,55,089	16,60,778
Trombay	Hazardous	14	14
	Non-hazardous	55,047	55,187
Jojobera	Hazardous	288	288
	Non-hazardous	13,09,901	13,09,895
IEL PH 6	Hazardous	1	1
	Non-hazardous	41	41
IEL Kalinganagar	Hazardous	60	60
	Non-hazardous	21,178	21,178
Haldia	Hazardous	1	1
	Non-hazardous	Nil	Nil
Bhira	Hazardous	8	8
	Non-hazardous	70	70
Bhivpuri	Hazardous	Nil	Nil
	Non-hazardous	199	199
Khopoli	Hazardous	2	2
	Non-hazardous	339	339

Plant	Type of waste	Generated (MT)	Diverted from disposal (MT)
Wind	Hazardous	18	18
	Non-hazardous	Nil	Nil
Solar	Hazardous	67	67
	Non-hazardous	1,090	1,090
PPGCL	Hazardous	540	540
	Non-hazardous	24,19,364	18,20,347
<b>Total</b>	Hazardous	<b>1,095</b>	<b>1,095</b>
	Non-hazardous	<b>60,50,898</b>	<b>52,85,220</b>

### Waste diverted from disposal

	Onsite (MT)	Offsite (MT)	Total (MT)
<b>Hazardous waste</b>			
Reuse	Nil	Nil	Nil
Recycling	Nil	Nil	Nil
Other recovery options	Nil	1,095	1,095
<b>Total</b>		1,095	1,095
<b>Non-hazardous waste</b>			
Reuse	Nil	Nil	Nil
Recycling	Nil	Nil	Nil
Other recovery options	Nil	52,85,220	52,85,220
<b>Total</b>			<b>52,86,315</b>
<GRI 306-2> (2016 standard)			

## Environment

### Biodiversity

The hydro catchment areas in and around our hydro plants are rich in biodiversity and genetic material. They are closely linked to ecological and social sustainability as well. At Tata Power, we are cognisant of our responsibility towards ensuring biodiversity conservation and we undertake biodiversity-related interventions under the following broad areas:

- ☒ Protection to existing flora and fauna
- ☒ Increasing Green cover
- ☒ Prevent soil erosion and reduce siltation
- ☒ Provide minor forest produce for the local villagers

#### Key highlights

**Biodiversity Action Plans (BAPs) for 10 locations across clusters**

#### Proactive engagement

with bodies such as WII, BNHS, IBBI, WASI

**13.4 lakh**

saplings planted in FY22



Through targeted interventions, we have conserved and grown the population of the rare and endangered Deccan Blue Fin Mahseer fish. Once an endangered species on the IUCN red listed, the Mahseer is now at a "Least Concern" status, owing to Tata Power's initiative.



#### Key conservation efforts across locations

- ☒ Grassland conservation - Neemuch
- ☒ GIS flora mapping – Mundra and Hydro
- ☒ Renewable initiated Biodiversity Management Plan for solar and wind sites
- ☒ Elephant conservation – TPCODL, TPNODL
- ☒ Mahseer conservation breeding project
- ☒ Miyawaki plantation for improving green cover

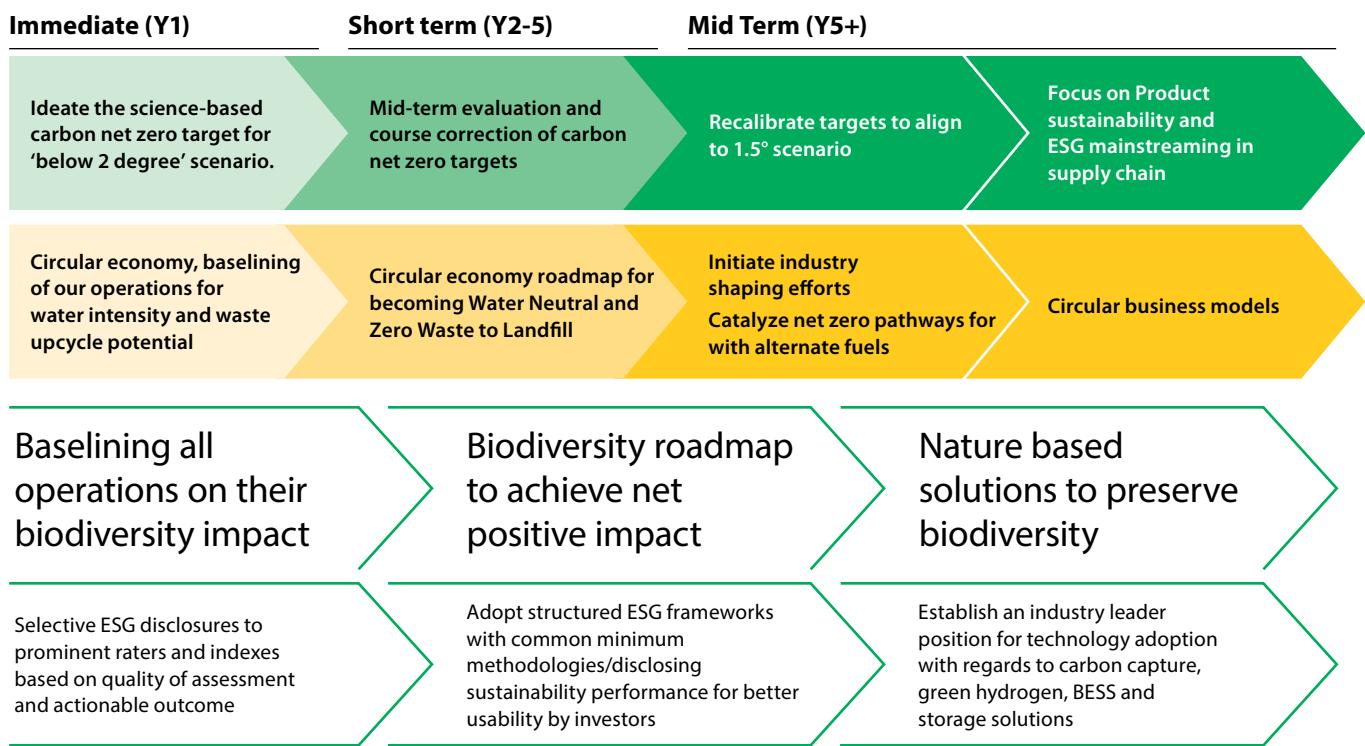


Act For Mahseer 50 years by Tata Power bags Gold as the  
**Corporate Social Crusader of the year**  
at Olive Crown Awards by IAA

## Long-term roadmap

We have a clear plan of action for achieving our environmental and ESG goals in the short, medium and long-terms.

### Setting medium and long-term goals for 'Leadership in Sustainability'



## Approach to Governance

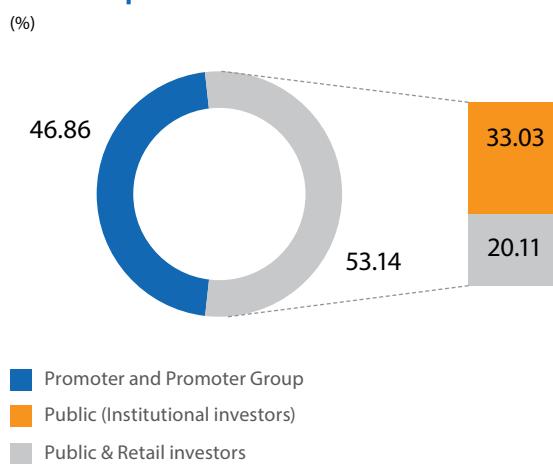
# Responsibility led by values

Our business operations, strategy, growth prospects and overall transformation are led by our visionary leadership, comprising our Board and Management. Our leaders and, in turn, the organisation are further guided by the principles of the Tata Code of Conduct and the Tata Business Excellence Model. These principles guide the organisation's growth, along a sound and sustainable pathway.

With our core objective of 'Leadership with Care', we aim to drive initiatives that are material to our Company and its stakeholders as well as in line with national thrust areas for development. Furthermore, we have strengthened our sustainability strategy in line with our goal to become carbon net neutral before 2045. An augmented element of sustainability to Tata Power's core governance structure has paved the way for numerous sustainability-related policies that effectively govern our strategic direction and ability to create value.

The Board of Directors is kept informed about regulatory changes, CSR and sustainability related matters to gain valued perspective and strategic orientation for the future performance of our Company. In addition, we have successfully completed a Senior Leaders' Development Programme (SLDP) in partnership with IIM Ahmedabad. This is an on-campus leadership development journey, which covered diverse modules such as emerging business models, customer-centric strategic planning, digital transformation, design thinking, and disruptive innovation, among others.

**Ownership Structure**



## Tata Power's Policies



Health and Safety Policy



Corporate Sustainability Policy



Human Rights Policy Corporate



Environment Policy



Whistle Blower Policy



Responsible Supply Chain Management Policy



Risk Management Policy



Safety Code of Conduct

 Further details on our policies can be accessed [here](#)

## Leading with responsibility and empathy

We employ a responsible approach to enhance organisational performance across the economic, environment, social and governance paradigm.

We consciously conduct business in an ethical and fair manner, propagating a corporate culture that is socially and environmentally responsible. For FY22, there were no cases pending in line with unfair trade practices, irresponsible advertising and/or anti-competitive behaviour. Additionally, there were no cases of corruption, with reference to our employees or our business partners.

We strongly encourage respect for human rights and the dignity of all people in line with Tata Power's core values. We are humbled to state that, to the best of our knowledge, there have been no complaints concerning the rights of

indigenous people, child labour, forced labour, freedom of association, the right of collective bargaining and gender or social discrimination. Besides, we comply with product and service regulations in regard to health and safety impacts, marketing communication as well as information and labelling. In FY22, there were no pending or unresolved show-cause notices issued from the Central Pollution Control Board (CPCB) or State Pollution Control Board (SPCB). At Tata Power, compliance is ubiquitous to our value creation story and we are proud to state that there have been no significant regulatory fines or sanctions for non-compliance with environmental or social local and national laws. All shareholder complaints received during FY22 have been resolved.

## Awards

# Recognitions across the spectrum

A list of top awards and accolades received by Tata Power is provided below.

## Financial and governance

### JRD QV Award

by the Tata Group

### CERT-In empanelment

as an Information Security  
Auditing Organisation

Tata Power-DDL wins various  
accolades at TATA Business  
Excellence Convention 2021 at  
Mumbai

Various accolades at  
International Convention on  
Quality Control Circles '21 at  
Hyderabad

### Institute of Chartered Accountants of India Award for **Excellence in Financial Reporting**

for the second consecutive year

### 'Best Electronics Security Company- Integrator' Award

by International Institute of Security  
& Safety management (IISM)

Won the  
**2nd Runner Up Award**  
for Best Presented Annual Report  
awards, Integrated Reporting  
Award

### Tata Power won the **Silver Award for Excellence in Financial Reporting**

for the year 2021 by ICAI under  
the category – Infrastructure  
and Construction Sector  
(turnover equal to or more than  
₹ 500 crore)

### AIRA (Asia Integrated Reporting Awards)

Finalist for Asia's Best Integrated  
Report for 2021 in the category  
of Large Company

## Safety

Tata Power-DDL wins  
**Safety Innovation  
Award - 2021**  
from Institution Of Engineers  
(India)

**Platinum Award**  
at 11th EXCEED Occupational  
Health, Safety and Security 2021

## Innovation and smart technology

**Top 25 Innovative Companies Award**  
at CII Industrial Innovation Awards 2021

**Tata InnoVista Award 2021**  
Design Honour Category

Smart Grid Lab recognised as  
**'In-House R&D Unit'**  
by Department of Scientific & Industrial Research (DSIR), Ministry of Science & Technology, Government of India

### India Smart Grid Forum 2022

#### Gold Award

- for Effective OT Cybersecurity Implementation for Modern Grids & Asset Management
- for Pole Mounted Battery Energy Storage System (BESS)
- for Smart Technology (Electricity Distribution) Drain Valve Less Transformer
- for Adoption of Disruptive Technology/Solution by a Utility - Intelligent Reactive Power Compensation & Control

#### Sanjeevni Award

for Smart Technology (Electricity Distribution)

#### Platinum Award

for its one-of-a-kind Submersible Distribution Transformer Substation

## Social

#### Highest Participation Rate Award

in Tata Volunteering Week (TVW) 16

Act For Mahseer 50 years by Tata Power bags Gold as the **Corporate Social Crusader of the year** at Olive Crown Awards by IAA

#### Global CSR Awards

##### Platinum Award

under the 'Best Country Award for Overall CSR Performance' category

Award for

**Promoting Gender Equality and Women Empowerment**  
by Indian Chamber of Commerce

**Silver Award**  
for 'Best Community Programme' category

**Gold at 2nd Edition of 'Green Urja and Energy Efficiency Award'**  
by Indian Chamber of Commerce

## Environmental

#### "Energy Efficient Unit" Award

during the 22nd National Award Ceremony for Excellence in Energy Management by CII

#### 3R Awards 2021

(service-sub category: waste to worth) by CII

## GRI Index

Tata Power Company Limited (TPCL) has reported the information cited in this GRI content index for the period April 01, 2021 to March 31, 2022 in accordance to the GRI Standards.

GRI Code	Indicator	Response/Page number
2-1	<b>Organizational Details</b>	
	Name of the organization	2
	Location of headquarters	Back cover
	Location of operations	18-19
	Ownership and legal form	2,10-13
	Nature of ownership and legal form.	
2-2	<b>Entities included in the organization's sustainability reporting</b>	
	List all entities included in its sustainable reporting This includes subsidiaries, joint ventures, and affiliates, including joint interests.	Inside Cover
	If the organization has audited consolidated financial statements or financial information filed on public record, specify the differences between the list of entities included in its financial reporting and the list included in its sustainability reporting; if the organization consists of multiple entities, explain the approach used for consolidating the information, including:	Consolidated financial statements
	<ul style="list-style-type: none"> <li>• whether the approach involves adjustments to information for minority interests</li> <li>• how the approach takes into account mergers, acquisitions, and disposal of entities or parts of entities</li> <li>• whether and how the approach differs across the disclosures in this Standard and across material topics.</li> </ul>	
2-3	<b>Reporting period</b>	
	Date of most recent report	Inside Cover
	Reporting cycle	Inside Cover
	Contact point for questions regarding the report	Inside Cover
2-4	<b>Restatements of information</b>	
	Restatement and the effect of any restatements of information given in previous reports, and the reasons for such restatements.	Inside Cover
2-5	<b>External assurance</b>	
	Describe the policy and practice for seeking external assurance along with if and how senior body is involved. If the report has been externally assured, provide	Inside Cover
	<ul style="list-style-type: none"> <li>i. the assurance statement,</li> <li>ii. What has been assured, using which standard and the limitations</li> <li>iii. describe relationship between the company and the assurance provider</li> </ul>	
2-6	<b>Activities, value chain and other business relationships</b>	24-25
	The company should disclose sectors of activity, describe their entire value chain, and describe other business relations. Also, they are to disclose any significant changes which have occurred since the previous reporting period.	
2-7	<b>Employees</b>	68
	The company should report the total number of employees with breakdown by gender and region. They should also give the following by breakdown into gender and region	
	<ul style="list-style-type: none"> <li>i. Permanent Employees</li> <li>ii. Temporary Employees</li> <li>iii. full-time employees</li> <li>iv. Part-time Employees</li> </ul>	
2-8	<b>Workers who are not employees</b>	68
	<ul style="list-style-type: none"> <li>a. report the total number of workers who are not employees and whose work is controlled by the organization and describe: <ul style="list-style-type: none"> <li>i. the most common types of worker and their contractual relationship with the organization;</li> <li>ii. the type of work they perform;</li> </ul> </li> <li>b. describe the methodologies and assumptions used to compile the data, including whether the number of workers who are not employees is reported: <ul style="list-style-type: none"> <li>i. in head count, full-time equivalent (FTE), or using another methodology;</li> <li>ii. at the end of the reporting period, as an average across the reporting period, or using another methodology;</li> </ul> </li> <li>c. describe significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods.</li> </ul>	

GRI Code	Indicator	Response/Page number
2-9	<b>Governance structure and composition</b> describe its governance structure, including committees of the highest governance body; a. list the committees of the highest governance body that are responsible for decisionmaking on and overseeing the management of the organization's impacts on the economy, environment, and people; b. describe the composition of the highest governance body and its committees by: i. executive and non-executive members; ii. independence; iii. tenure of members on the governance body; iv. number of other significant positions and commitments held by each member, and the nature of the commitments; v. gender; vi. under-represented social groups; vii. competencies relevant to the impacts of the organization; viii. stakeholder representation.	84-85, 163-164, 167-170
2-10	<b>Nomination and selection of the highest governance body</b> a. describe the nomination and selection processes for the highest governance body and its committees; b. describe the criteria used for nominating and selecting highest governance body members, including whether and how the following are taken into consideration: i. views of stakeholders (including shareholders); ii. diversity; iii. independence; iv. competencies relevant to the impacts of the organization.	165
2-11	<b>Chair of the highest governance body</b> a. report whether the chair of the highest governance body is also a senior executive in the organization; b. if the chair is also a senior executive, explain their function within the organization's management, the reasons for this arrangement, and how conflicts of interest are prevented and mitigated.	10-11
2-12	<b>Role of the highest governance body in overseeing the management of impacts</b> a. describe the role of the highest governance body and of senior executives in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainable development; b. describe the role of the highest governance body in overseeing the organization's due diligence and other processes to identify and manage the organization's impacts on the economy, environment, and people, including: i. whether and how the highest governance body engages with stakeholders to support these processes; ii. how the highest governance body considers the outcomes of these processes; c. describe the role of the highest governance body in reviewing the effectiveness of the organization's processes as described in 2-12-b, and report the frequency of this review.	84
2-13	<b>Delegation of responsibility for managing impacts</b> a. describe how the highest governance body delegates responsibility for managing the organization's impacts on the economy, environment, and people, including: i. whether it has appointed any senior executives with responsibility for the management of impacts; ii. whether it has delegated responsibility for the management of impacts to other employees; ii. describe the process and frequency for senior executives or other employees to report back to the highest governance body on the management of the organization's impacts on the economy, environment, and people.	84
2-14	<b>Role of the highest governance body in sustainability reporting</b> a. report whether the highest governance body is responsible for reviewing and approving the reported information, including the organization's material topics, and if so, describe the process for reviewing and approving the information; b. if the highest governance body is not responsible for reviewing and approving the reported information, including the organization's material topics, explain the reason for this.	Inside Front Cover
2-15	<b>Conflicts of interest</b> a. Processes for the highest governance body to ensure conflicts of interest are avoided and managed. b. Whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to: i. Cross-board membership; ii. Cross-shareholding with suppliers and other stakeholders; iii. Existence of controlling shareholder; iv. Related party disclosures.	161

**GRI**

<b>GRI Code</b>	<b>Indicator</b>	<b>Response/Page number</b>
2-16	<b>Communicating critical concerns</b> a. Process for communicating critical concerns to the highest governance body. b. Nature and total number of critical concerns i. Total number and nature of critical concerns that were communicated to the highest governance body. ii. Mechanism(s) used to address and resolve critical concerns."	170
2-17	<b>Collective knowledge of highest governance body</b> a. Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental, and social topics.	165
2-18	<b>Evaluating the highest governance body's performance</b> a. Processes for evaluating the highest governance body's performance with respect to governance of economic, environmental, and social topics. b. Whether such evaluation is independent or a self-assessment, and its frequency. c. Actions taken in response to evaluation of the highest governance body's performance including changes to the composition of the highest governance body and organizational practices.	168-169
2-19	<b>Remuneration policies</b> a. describe the remuneration policies for members of the highest governance body and senior executives, including: i. Fixed pay and variable pay, including performance-based pay, equity-based pay, bonuses, and deferred or vested shares; ii. Sign-on bonuses or recruitment incentive payments; iii. Termination payments; iv. Clawbacks; v. Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees. b. How performance criteria in the remuneration policies relate to the highest governance body's and senior executives' objectives for economic, environmental, and social topics. When compiling the information specified in Disclosure 102-35, the reporting organization should, if termination payments are used, explain whether: 1) notice periods for governance body members and senior executives are different from those for other employees; 2) termination payments for governance body members and senior executives are different from those for other employees; 3) any payments other than those related to the notice period are paid to departing governance body members and senior executives; 4) any mitigation clauses are included in the termination arrangements.	112-113
2-20	<b>Process for determining remuneration</b> a. describe the process for designing its remuneration policies and for determining remuneration, including: i. whether independent highest governance body members or an independent remuneration committee oversees the process for determining remuneration; ii. how the views of stakeholders (including shareholders) regarding remuneration are sought and taken into consideration; iii. whether remuneration consultants are involved in determining remuneration and, if so, whether they are independent of the organization, its highest governance body and senior executives; b. report the results of votes of stakeholders (including shareholders) on remuneration policies and proposals, if applicable.	112-113
2-21	<b>Annual total compensation ratio</b> a. Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country. b. Ratio of the percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.	134
2-22	<b>Statement on sustainable development strategy</b> Present a statement from the highest governance body or most senior executive of the organization about the relevance of sustainable development to the organization and its strategy for contributing to sustainable development	8-9

GRI Code	Indicator	Response/Page number
2-23	<b>Policy commitments</b> a. describe its policy commitments for responsible business conduct, including: i. the authoritative intergovernmental instruments that the commitments reference; ii. whether the commitments stipulate conducting due diligence; iii. whether the commitments stipulate applying the precautionary principle; iv. whether the commitments stipulate respecting human rights; b. describe its specific policy commitment to respect human rights, including: i. the internationally recognized human rights that the commitment covers; ii. the categories of stakeholders, including at-risk or vulnerable groups, that the organization gives particular attention to in the commitment; c. provide links to the policy commitments if publicly available, or, if the policy commitments are not publicly available, explain the reason for this; d. report the level at which each of the policy commitments was approved within the organization, including whether this is the most senior level; e. report the extent to which the policy commitments apply to the organization's activities and to its business relationships; f. describe how the policy commitments are communicated to workers, business partners, and other relevant parties.	85, 105
2-24	<b>Embedding policy commitments</b> a. describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships, including: i. how it allocates responsibility to implement the commitments across different levels within the organization; ii. how it integrates the commitments into organizational strategies, operational policies, and operational procedures; iii. how it implements its commitments with and through its business relationships; iv. training that the organization provides on implementing the commitments.	85, 105
2-25	<b>Processes to remediate negative impacts</b> a. describe commitments to provide for or cooperate in the remediation of negative impacts that the organization identifies it has caused or contributed to; b. describe approach to identify and address grievances, including the grievance mechanisms that the organization has established or participates in; c. describe other processes by which the organization provides for or cooperates in the remediation of negative impacts that it identifies it has caused or contributed to; d. describe how the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, and improvement of these mechanisms; e. describe how the organization tracks the effectiveness of the grievance mechanisms and other remediation processes, and report examples of their effectiveness, including stakeholder feedback.	91
2-26	<b>Mechanisms for seeking advice and raising concerns</b> The organization shall: a. describe the mechanisms for individuals to: i. seek advice on implementing the organization's policies and practices for responsible business conduct; ii. raise concerns about the organization's business conduct.	53, 85
2-27	<b>Compliance with laws and regulations</b> a. report the total number of significant instances of non-compliance with laws and regulations during the reporting period, and a breakdown of this total by: i. instances for which fines were incurred; ii. instances for which non-monetary sanctions were incurred; b. report the total number and the monetary value of fines for instances of noncompliance with laws and regulations that were paid during the reporting period, and a breakdown of this total by: i. fines for instances of non-compliance with laws and regulations that occurred in the current reporting period; ii. fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods; c. describe the significant instances of non-compliance; d. describe how it has determined significant instances of non-compliance.	85
2-28	<b>Membership associations</b> The organization shall report industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role.	98

## GRI

GRI Code	Indicator	Response/Page number
2-29	<b>Approach to stakeholder engagement</b> The organization shall: a. describe its approach to engaging with stakeholders, including: i. the categories of stakeholders it engages with, and how they are identified; ii. the purpose of the stakeholder engagement; iii. how the organization seeks to ensure meaningful engagement with stakeholders.	42-43
2-30	<b>Collective bargaining agreements</b> The organization shall: a. report the percentage of total employees covered by collective bargaining agreements; b. for employees not covered by collective bargaining agreements, report whether the organization determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other organizations.	43, 70, 85

GRI Standard	Disclosure	Description	Page number / Reference Link
<b>GRI 200: ECONOMIC</b>			
<b>GRI 201:</b> <b>ECONOMIC</b> <b>PERFORMANCE 2016</b>	103-1 103-2 103-3 201-1 201-2 201-3 201-4	Explanation of the material topic and its Boundary The management approach and its components Evaluation of the management approach Direct economic value generated and distributed Financial implications and other risks and opportunities due to climate change Defined benefit plan obligations and other retirement plans Financial assistance received from government	143-151 143-151 143-151 51 39 203, 281-286 51
<b>GRI 202:</b> <b>MARKET PRESENCE</b> <b>2016</b>	103-1 103-2 103-3 202-1	Explanation of the material topic and its Boundary The management approach and its components Evaluation of the management approach Ratios of standard entry level wage by gender compared to local minimum wage	18-19 18-19 18-19 208
<b>GRI 203:</b> <b>INDIRECT</b> <b>ECONOMIC IMPACTS</b> <b>2016</b>	103-1 103-2 103-3 203-1 203-2	Explanation of the material topic and its Boundary The management approach and its components Evaluation of the management approach Infrastructure investments and services supported Significant indirect economic impacts	60-65 60-65 60-65 60-65 60-65
<b>GRI 204:</b> <b>PROCUREMENT</b> <b>PRACTICES 2016</b>	103-1 103-2 103-3 204-1	Explanation of the material topic and its Boundary The management approach and its components Evaluation of the management approach Proportion of spending on local suppliers	60-61 60-61 60-61 61

<b>GRI Standard</b>	<b>Disclosure</b>	<b>Description</b>	<b>Page number / Reference Link</b>
<b>GRI 205: ANTI-CORRUPTION 2016</b>	103-1	Explanation of the material topic and its Boundary	85, 201
	103-2	The management approach and its components	85, 201
	103-3	Evaluation of the management approach	85, 201
	205-1	Operations assessed for risks related to corruption	85, 201
	205-2	Communication and training about anti-corruption policies and procedures	85, 201
	205-3	Confirmed incidents of corruption and actions taken	85, 201
<b>GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016</b>	103-1	Explanation of the material topic and its Boundary	84-85
	103-2	The management approach and its components	84-85
	103-3	Evaluation of the management approach	84-85
	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	84-85
<b>GRI 207: TAX 2019</b>	103-1	Explanation of the material topic and its Boundary	298-301
	103-2	The management approach and its components	298-301
	103-3	Evaluation of the management approach	298-301
	207-1	Approach to tax	298-301
	207-2	Tax governance, control, and risk management	298-301
	207-3	Stakeholder engagement and management of concerns	298-301
<b>GRI 300: ENVIRONMENT</b>			
<b>GRI 301: MATERIAL 2016</b>	103-1	Explanation of the material topic and its Boundary	81
	103-2	The management approach and its components	81
	103-3	Evaluation of the management approach	81
	301-1	Materials used by weight or volume	81
	301-2	Recycled input materials	81
<b>GRI 302: ENERGY 2016</b>	103-1	Explanation of the material topic and its Boundary	78
	103-2	The management approach and its components	78
	103-3	Evaluation of the management approach	78
	302-1	Energy consumption within the organization	78
	302-2	Energy consumption outside of the organization	78
	302-3	Energy intensity	77
	302-4	Reduction of energy consumption	78
	302-5	Reductions in energy requirements of products and services	56
<b>GRI 303: WATER AND EFFLUENTS 2018</b>	103-1	Explanation of the material topic and its Boundary	79-80
	103-2	The management approach and its components	79-80
	103-3	Evaluation of the management approach	79-80
	303-1	Interactions with water as a shared resource	79-80
	303-2	Management of water discharge-related impacts	79-80
	303-3	Water withdrawal	79-80
	303-4	Water discharge	79-80
	303-5	Water consumption	79-80

## GRI

GRI Standard	Disclosure	Description	Page number / Reference Link
<b>GRI 304: BIODIVERSITY 2016</b>	103-1	Explanation of the material topic and its Boundary	82
	103-2	The management approach and its components	82
	103-3	Evaluation of the management approach	82
	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	82
	304-2	Significant impacts of activities, products, and services on biodiversity	82
	304-3	Habitats protected or restored	82
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<b>GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016</b>	103-2	The management approach and its components	83, 85
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	103-2	The management approach and its components	60-61
	103-3	Evaluation of the management approach	60-61
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	308-2	Negative environmental impacts in the supply chain and actions taken	61

GRI Standard	Disclosure	Description	Page number / Reference Link
<b>GRI 400: SOCIAL</b>			
<b>GRI 401: EMPLOYMENT 2016</b>	103-1	Explanation of the material topic and its Boundary	69
	103-2	The management approach and its components	69
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	401-1	New employee hires and employee turnover	69
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<b>GRI 402: LABOR/MANAGEMENT RELATIONS 2016</b>	103-1	Explanation of the material topic and its Boundary	70
	103-2	The management approach and its components	70
	103-3	Evaluation of the management approach	70
	402-1	Minimum notice periods regarding operational changes	167 (A minimum notice period of 3 months to all employees)
<b>GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018</b>	103-1	Explanation of the material topic and its Boundary	71-72
	103-2	The management approach and its components	71-72
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	403-1	Occupational health and safety management system	71
	403-2	Hazard identification, risk assessment, and incident investigation	71
	403-3	Occupational health services	71
	403-4	Worker participation, consultation, and communication on occupational health and safety	71
	403-5	Worker training on occupational health and safety	71-72
	403-6	Promotion of worker health	71-72
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	72
	403-8	Workers covered by an occupational health and safety management system	71
<b>GRI 404: TRAINING AND EDUCATION 2016</b>	403-9	Work-related injuries	71
	403-10	Work-related ill health	71-72
	103-1	Explanation of the material topic and its Boundary	70
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	404-1	Average hours of training per year per employee	70
<b>GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016</b>	404-2	Programs for upgrading employee skills and transition assistance programs	70
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	405-1	Diversity of governance bodies and employees	74
	405-2	Ratio of basic salary and remuneration of women to men	73

**GRI**

<b>GRI Standard</b>	<b>Disclosure</b>	<b>Description</b>	<b>Page number / Reference Link</b>
<b>GRI 406: NON-DISCRIMINATION 2016</b>	103-1	Explanation of the material topic and its Boundary	75
	103-2	The management approach and its components	75
	103-3	Evaluation of the management approach	75
	406-1	Incidents of discrimination and corrective actions taken	85
<b>GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016</b>	103-1	Explanation of the material topic and its Boundary	70
	103-2	The management approach and its components	70
	103-3	Evaluation of the management approach	70
	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	85
<b>GRI 408: CHILD LABOR 2016</b>	103-1	Explanation of the material topic and its Boundary	75
	103-2	The management approach and its components	75
	103-3	Evaluation of the management approach	75
	408-1	Operations and suppliers at significant risk for incidents of child labor	85
<b>GRI 409: FORCED OR COMPULSORY LABOR 2016</b>	103-1	Explanation of the material topic and its Boundary	75
	103-2	The management approach and its components	75
	103-3	Evaluation of the management approach	75
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	85
<b>GRI 410: SECURITY PRACTICES 2016</b>	103-1	Explanation of the material topic and its Boundary	71
	103-2	The management approach and its components	71
	103-3	Evaluation of the management approach	71
<b>GRI 411: RIGHTS OF INDIGENOUS PEOPLES 2016</b>	103-1	Explanation of the material topic and its Boundary	85
	103-2	The management approach and its components	85
	103-3	Evaluation of the management approach	85
	411-1	Incidents of violations involving rights of indigenous peoples	85
<b>GRI 412: HUMAN RIGHTS ASSESSMENT 2016</b>	103-1	Explanation of the material topic and its Boundary	75
	103-2	The management approach and its components	75
	103-3	Evaluation of the management approach	75
	412-1	Operations that have been subject to human rights reviews or impact assessments	75
	412-2	Employee training on human rights policies or procedures	75
<b>GRI 413: LOCAL COMMUNITIES 2016</b>	103-1	Explanation of the material topic and its Boundary	62-65
	103-2	The management approach and its components	62-65
	103-3	Evaluation of the management approach	62-65
	413-1	Operations with local community engagement, impact assessments, and development programmes	62-65
<b>GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016</b>	103-1	Explanation of the material topic and its Boundary	60-61
	103-2	The management approach and its components	60-61
	103-3	Evaluation of the management approach	60-61
	414-1	New suppliers that were screened using social criteria	60-61
	414-2	Negative social impacts in the supply chain and actions taken	60-61

GRI Standard	Disclosure	Description	Page number / Reference Link
<b>GRI 415:</b> <b>PUBLIC POLICY</b> 2016	103-1 103-2 103-3 415-1	Explanation of the material topic and its Boundary The management approach and its components Evaluation of the management approach Political contributions	N/A N/A N/A N/A
<b>GRI 416:</b> <b>CUSTOMER HEALTH AND SAFETY</b> 2016	103-1 103-2 103-3 416-1 416-2	Explanation of the material topic and its Boundary The management approach and its components Evaluation of the management approach Assessment of the health and safety impacts of product and service categories Incidents of non-compliance concerning the health and safety impacts of products and services	55 55 55 55 55
<b>GRI 417:</b> <b>MARKETING AND LABELING</b> 2016	103-1 103-2 103-3 417-1 417-2 417-3	Explanation of the material topic and its Boundary The management approach and its components Evaluation of the management approach Requirements for product and service information and labeling Incidents of non-compliance concerning product and service information and labeling Incidents of non-compliance concerning marketing communications	56-58 56-58 56-58 56, 58 85 85
<b>GRI 418:</b> <b>CUSTOMER PRIVACY</b> 2016	103-1 103-2 103-3 418-1	Explanation of the material topic and its Boundary The management approach and its components Evaluation of the management approach Substantiated complaints concerning breaches of customer privacy and losses of customer data	55 55 55 55
<b>GRI 419:</b> <b>SOCIO-ECONOMIC COMPLIANCE</b> 2016	103-1 103-2 103-3 419-1	Explanation of the material topic and its Boundary The management approach and its components Evaluation of the management approach Non-compliance with laws and regulations in the social and economic area	84-85 84-85 84-85 84-85

## Annexures

### Annexure 1 - List of Memberships

#### The Tata Power Company Limited - Memberships

Indian Energy Exchange Ltd	Bombay Chamber of Commerce	India Energy Forum
National Safety Council (NSC)	Confederation of Indian Industry (CII)	Association of Power Producer
Committee for International Council on Large Electric Systems (CIGRE)	Electrical Research & Development Association	Central Power Research Institute

### Annexure 2 - List of Subsidiaries

#### The Tata Power Company Limited - Domestic subsidiaries

Af-Taab Investment Co. Limited (Merged with Holding Company)	Tata Power Solar Systems Limited	Tata Power Trading Company Limited
Tata Power Green Energy Limited	Nelco Limited	Tatanet Services Limited (Merged with Nelco Limited)
Maithon Power Limited	Coastal Gujarat Power Limited (Merged with Holding Company)	Tata Power Renewable Energy Limited
TP Renewable Microgrid Limited	Tata Power Delhi Distribution Limited	NDPL Infra Limited
Tata Power Jamshedpur Distribution Limited	Supa Windfarm Limited	Poolavadi Windfarm Limited
Nivade Windfarm Limited	TP Wind Power Limited	TP Solapur Limited
TP Kirnali Limited	Walwhan Renewable Energy Limited	Walwhan Urja Anjar Limited
Walwhan Solar AP Limited	Walwhan Solar Raj Limited	Northwest Energy Private Limited
Walwhan Solar Energy GJ Limited	Dreisatz MySolar24 Private Limited	MI MySolar24 Private Limited
Walwhan Energy RJ Limited	Walwhan Solar MP Limited	Walwhan Solar MH Limited
Walwhan Solar KA Limited	Walwhan Solar PB Limited	Walwhan Solar RJ Limited
Walwhan Wind RJ Limited	Walwhan Solar TN Limited	Walwhan Solar BH Limited
Clean Sustainable Solar Energy Private Limited	Walwhan Urja India Limited	Solarsys Renewable Energy Private Limited
Chirasthayee Surya Limited	Nelco Network Products Limited	Vagarai Windfarm Limited
TP Ajmer Distribution Limited	TCL Ceramics Limited (Ceased to be Subsidiary)	TP Central Odisha Distribution Limited
TP Kirnali Solar Limited	TP Solapur Solar Limited	TP Surya Limited
TP Akkalkot Renewable Limited	TP Roofurja Renewable Limited	TP Western Odisha Distribution Limited
TP Southern Odisha Distribution Limited	TP Northern Odisha Distribution Limited	TP Solapur Surya Limited
Dugar Hydro Power Limited #	Powerlinks Transmission Limited#	Industrial Energy Limited#

#Classified as Joint Ventures as per Indian Accounting Standards (Ind AS)

#### The Tata Power Company Limited - Foreign Subsidiaries

Bhira Investments Pte Limited	Bhivpuri Investments Limited	Khopoli Investments Limited
Trust Energy Resources Pte. Limited	PT Sumber Energi Andalan Tbk	Tata Power International Pte. Limited
Far Eastern Natural Resources LLC	PT Andalan Group Power	PT Sumber Power Nusantara
PT Indopower Energi Abadi	PT Andalan Power Teknikatama	

#### **The Tata Power Company Limited - Joint Ventures**

PT Mitratama Perkasa	PT Mitratama Usaha	PT Kalimantan Prima Power
PT Guruh Agung	PT Citra Kusuma Perdana	PT Citra Prima Buana
LTH Milcom Private Limited	Mandakini Coal Company Limited	Solace Land Holding Limited
Tubed Coal Mines Limited	Itezhi Tezhi Power Corporation Limited	Candice Investments Pte. Limited
PT Dwikarya Prima Abadi	PT Nusa Tambang Pratama	PT Marvel Capital Indonesia
PT Arutmin Indonesia	PT Kaltim Prima Coal	PT Indocoal Kalsel Resources
PT Indocoal Kaltim Resources	Indocoal Resources (Cayman) Limited	Indocoal KPC Resources (Cayman) Limited
Resurgent Power Ventures Pte. Limited	Renaissance Power Ventures Pvt Limited	Prayagraj Power Generation Co. Limited
Adjaristsqali Netherlands B.V.	Adjaristsqali Georgia LLC	Koromkheti Netherlands BV
Koromkheti Georgia LLC (Ceased to be Joint Venture)	PT Baramulti Suksesarana Tbk	PT Antang Gunung Meratus

#### **The Tata Power Company Limited - Associates**

Brihat Trading Private Limited	Yashmun Engineers Ltd.	Dagachhu Hydro Power Corporation Limited
Tata Projects Limited	The Associated Building Co. Limited	

## Board's Report

To the Members,

The Directors are pleased to present to you the third integrated report (prepared as per the framework set forth by the International Integrated Reporting Council and in accordance with Global Reporting Initiatives (GRI) Standards 2021) and One Hundred and Third Annual Report on the business and operations of your Company along with the audited Financial Statements for the financial year ended March 31, 2022.

### 1. Financial Results

Sl. No.	Particulars	(₹ crore)			
		Standalone		Consolidated	
		FY22	FY21 *	FY22	FY21 §
(a)	Revenue from Operations*	11,242	13,469	42,576	33,239
(b)	Less: Operating Expenditure	9,560	10,447	35,305	25,700
(c)	<b>Operating Profit</b>	<b>1,682</b>	<b>3,022</b>	<b>7,271</b>	<b>7,539</b>
(d)	Add: Other Income	2,987	1,260	920	439
(e)	<b>Earning before Interest, Tax, Depreciation &amp; Amortisation</b>	<b>4,669</b>	<b>4,282</b>	<b>8,191</b>	<b>7,978</b>
(f)	Less: Finance Cost	2,189	2,497	3,859	4,010
(g)	<b>Profit before Depreciation and Tax</b>	<b>2,480</b>	<b>1,785</b>	<b>4,332</b>	<b>3,968</b>
(h)	Less: Depreciation & Amortisation	1,134	1,235	3,122	2,745
(i)	<b>Profit Before Share of Profit of Associates and Joint Ventures</b>	<b>1,346</b>	<b>550</b>	<b>1,210</b>	<b>1,223</b>
(j)	Add: Share of Profit of Associates and Joint Ventures	Nil	Nil	1,943	873
(k)	<b>Profit/(Loss) before Exceptional Item</b>	<b>1,346</b>	<b>550</b>	<b>3,153</b>	<b>2,096</b>
(l)	(Less)/Add: Exceptional Item	1,412	(109)	(150)	(109)
(m)	<b>Profit/(Loss) before Tax</b>	<b>2,758</b>	<b>441</b>	<b>3,003</b>	<b>1,987</b>
(n)	(Less)/Add: Tax Expenses or credit	493	(101)	(379)	(502)
(o)	<b>Net Profit after Tax from Continuing Operations</b>	<b>3,251</b>	<b>340</b>	<b>2,624</b>	<b>1,485</b>
(p)	Net Profit/(Loss) after Tax from Discontinued Operations	(468)	(220)	(468)	(220)
(q)	(Less)/Add: Tax Expenses or Credit from Discontinued Operations	Nil	174	Nil	174
(r)	<b>Net Profit/(Loss) after Tax from Discontinued Operations</b>	<b>(468)</b>	<b>(46)</b>	<b>(468)</b>	<b>(46)</b>
(s)	<b>Net Profit for the year</b>	<b>2,783</b>	<b>294</b>	<b>2,156</b>	<b>1,439</b>
(t)	<b>Net Profit for the year Attributable to -</b>				
	- Owners of the Company	2,783	294	1,742	1,128
	- Non-controlling interests	Nil	Nil	414	311
(u)	Other Comprehensive income (Net of Tax)	314	243	473	(380)
(v)	<b>Total Comprehensive Income Attributable to -</b>	<b>3,097</b>	<b>537</b>	<b>2,629</b>	<b>1,059</b>
	- Owners of the Company	3,097	537	2,215	747
	- Non-controlling interests	Nil	Nil	414	312

\*Including regulatory income/ (expense)

# Restated due to CGPL and Af-Taab merger (refer page no. 325 of the Standalone Financial Statement)

§ Restated due to completion of acquisition accounting of Odisha Discoms (refer page nos. 464 and 465 of the Consolidated Financial Statement)

### 2. FINANCIAL PERFORMANCE AND THE STATE OF THE COMPANY'S AFFAIRS

#### 2.1 CONSOLIDATED

The Operating Revenue stood at ₹ 42,576 crore in FY22 compared to ₹ 33,239 crore in FY21 on a consolidated basis. The increase was mainly due to acquisition of Odisha Discoms, RE capacity addition and execution of major solar EPC projects. EBITDA was at ₹ 8,191 crore in FY22 compared to ₹ 7,978 crore in FY21 mainly due to favourable regulatory orders and capacity addition in RE generating companies,

improved performance and full year impact of Odisha Discoms offset by lower generation in Mundra [erstwhile Coastal Gujarat Power Limited (CGPL)]. Finance costs decreased from ₹ 4,010 crore to ₹ 3,859 crore mainly due to full year impact of repayment of loans in Mundra (erstwhile CGPL). The Profits from Joint Ventures (JVs) and Associates were higher mainly due to higher profits from Indonesian coal mines due to higher coal prices which was partly offset by higher loss in Tata Projects Limited (Tata Projects).

The Consolidated Profit after tax in FY22 was at ₹ 2,156 crore compared to ₹ 1,439 crore in FY21 mainly due to improved

performance and full year impact of Odisha Discoms, favourable regulatory orders in RE generating companies, lower finance cost offset by higher loss in Tata Projects.

## 2.2 STANDALONE

The Operating Revenue stood at ₹ 11,242 crore in FY22 compared to ₹ 13,469 crore in FY21 on a standalone basis. The decrease was mainly due to lower generation on account of partial shutdown in Mundra. The Profit after tax in FY22 was ₹ 2,783 crore as compared to ₹ 294 crore in FY21. The increase in the profit was mainly due to higher dividend from foreign subsidiaries, creation of deferred tax assets on merger, gain on sale of shares in Trust Energy Resources Pte. Limited to Tata Power International Pte. Limited partly offset by impairment loss in Strategic Engineering Division.

Refer Section 4 of Management Discussion and Analysis (MD&A) for more details.

No material changes and commitments have occurred after the close of the year under review till the date of this Report which affect the financial position of the Company.

## 2.3 ANNUAL PERFORMANCE

Details of your Company's annual financial performance as published on the Company's website and presented during the Analyst Meet, after declaration of annual results, can be accessed using the following link: <https://www.tatapower.com/investor-relations/investor-downloads.aspx>.

## 2.4 INTEGRATED REPORT

Continuing with our commitment towards a sustainable future and focus on governance-based reporting, your Company has progressed to publish third Integrated Report highlighting the Company's efforts to empower all categories of customers and stakeholders with future-ready, smart energy solutions.

## 3. IMPROVEMENT IN LEVERAGE RATIOS AND CASH FROM OPERATIONS

Your Company's Net Debt / Underlying EBIDTA ratio has shown improvement from 4.1 to 3.9 from FY21 to FY22 on a consolidated level reinforcing the Company's commitment to maintain comfortable debt position for sustainable growth. Net Debt / Equity on a consolidated level has remained largely in line with the previous year even after repayment of Unsecured Perpetual Securities of ₹ 1,500 crore and capex of ₹ 7,268 crore. A brief discussion on the highlights of financial performance of your Company and financial and return ratios is presented in the Investors section of Integrated Report (Pages 46-51).

## 4. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis, as required in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), is annexed to this Report.

## 5. DIVIDEND

Based on the Company's performance, the Directors of your Company recommend a dividend of ₹ 1.75 per share of ₹ 1 each, subject to the approval of the Members.

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 (TDS) from dividend paid to the Members at prescribed rates as per the Income-tax Act, 1961.

The Register of Members and Share Transfer Books of the Company will remain closed from Friday, June 17, 2022 to Thursday, July 7, 2022 (both days inclusive) for the purpose of payment of dividend for the financial year ended March 31, 2022.

According to Regulation 43A of the Listing Regulations, the top 1000 listed entities based on market capitalization, calculated as on 31st March of every financial year are required to formulate a Dividend Distribution Policy which shall be disclosed on the website of the listed entity and a weblink shall also be provided in their Annual Reports. Accordingly, the Dividend Distribution Policy of the Company can be accessed using the following link: <https://www.tatapower.com/pdf/aboutus/dividend-policy.pdf>.

## 6. CURRENT BUSINESS

Your Company is present across the entire value chain of power business viz. Generation, Transmission, Distribution, Power Trading, Power Services, Coal Mines and Logistics, Solar PV manufacturing and associated Engineering, Procurement and Construction services (EPC), Consumer facing businesses such as solar rooftop, solar pumps, EV charging, home automation and microgrid. Leading position in many of these segments places your Company as one of India's largest integrated power companies.

There has been no change in the nature of business of the Company during the year.

As on March 31, 2022, your Company has an installed capacity of 13,515 MW out of which 4,655 MW is from "Clean and Green sources" (Hydro, waste heat recovery, wind and solar) which constitute about 34% of total portfolio.

Moving away from conventional coal-based power plants with a commitment to reduce carbon footprint and

## Board's Report

dependency on fossil fuel-based resources like coal and gas, your Company has decided to focus on renewable generation, venturing into consumer-facing businesses like solar rooftop, solar pumps, EV charging, home automation as well as tapping into opportunities to widen its distribution network and broaden its customer base. During the year, your Company has acquired NESCO Utility through TP Northern Odisha Distribution Limited (TPNODL) in Odisha through competitive bidding which will cater to around 2 million consumers and is pursuing similar growth opportunity in distribution and transmission. Your Company, through Resurgent Power Ventures Pte. Limited (Resurgent Platform), has acquired NRSS XXXVI Transmission Limited. Your Company has installed 191 microgrid projects till March 31, 2022 in line with its commitment to provide rural population affordable, clean and reliable power.

Furthermore, your Company has launched smart energy solutions with the idea of "power of smart" through IoT based Home Automation solutions, smart energy management tools and various other home automation products encouraging customers to implement efficient and cost-effective home automation solutions to manage electricity usage.

Focussing on achieving growth in an environmentally responsible and sustainable manner, your Company has added 684 MW Solar PV assets in operating portfolio for supply of power to Discoms and captive consumers and around 23 MW of rooftop projects. Your Company's subsidiary, Tata Power Solar Systems Limited (TPSSL) has commissioned 1.5 GW of Utility scale projects and has an order book of around 3 GW amounting to ₹ 12,000 crore as on March 31, 2022. In the solar products domain, your Company is a leading player, with a portfolio of over 65,000 solar agricultural pumps in 16 states.

During the year, your Company has refinanced ₹ 1,500 crore of unsecured perpetual securities with long term debt carrying lower interest rate.

The National Company Law Tribunal, Mumbai Bench, vide its Orders dated March 31, 2022 and March 15, 2022 approved the Composite Scheme of Arrangement between between CGPL and the Company and their respective shareholders and the Scheme of Amalgamation of Af-Taab Investment Company Limited (Af-Taab) with the Company, under Sections 230 to 232 of the Act, respectively. The Appointed Date of both the Schemes was April 1, 2020.

Your Company's business portfolio has been discussed in detail in the Strategy for cluster section of Integrated Report (Pages 32-35).

## 7. RESERVES

As per Standalone financials, the net movement in the reserves of the Company for FY22 and FY21 is as follows:

Particulars	As of March 31, 2022	As of March 31, 2021*
Capital Redemption Reserve	5	5
Capital Reserve	66	66
Securities Premium	3,108	3,108
Special Reserve	Nil	126
Debenture Redemption Reserve	297	297
General Reserve	Nil	Nil
Retained Earnings	5,896	3,575
Equity Instruments through OCI	529	222
Statutory Reserve	660	660

# Restated due to CGPL and Af-Taab merger

The Board of Directors has decided to retain the entire amount of profits for FY22 in P&L account.

## 8. SUBSIDIARIES/Joint Ventures/Associates

As on March 31, 2022, your Company had 61 subsidiaries (41 were wholly owned subsidiaries), 32 JVs and 5 Associates. Of the subsidiaries, 3 companies have been classified as JVs under Indian Accounting Standards (Ind AS).

During the year under review, the following changes occurred in your Company's holding structure:

- a) The Company has acquired 51% stake in the following Odisha Discom:
  - i) TP Northern Odisha Distribution Limited
- b) The following company has been incorporated as a subsidiary of the Company:
  - i) TP Solapur Saurya Limited
- c) The following companies have merged with the Company:
  - i) Coastal Gujarat Power Limited
  - ii) Af-Taab Investment Company Limited
- d) The following company has been merged with Nelco Limited (subsidiary):
  - i) Tatanet Services Limited
- e) The following companies have ceased to be a subsidiary / JV of the Company:
  - i) TCL Ceramics Limited
  - ii) Koromkheti Georgia LLC

A report on the performance and financial position of each of the subsidiaries, JVs and Associates has been provided in Form AOC-1 as per Section 129(2) of the Companies Act, 2013 (the Act).

Further, pursuant to the provisions of Section 136 of the Act, the audited financial statements including consolidated financial statements along with relevant documents of the Company and audited financial statements of the subsidiaries are available on the website of the Company <https://www.tatapower.com/investor-relations/annual-reports-subsidiaries.aspx>.

The policy for determining material subsidiaries of the Company has been provided in the following link: <https://www.tatapower.com/pdf/aboutus/policy-for-determining-material-subsidiaries.pdf>.

## **9. DIRECTORS' RESPONSIBILITY STATEMENT**

Based on the framework of internal financial controls (IFCs) and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of IFCs over financial reporting by the Statutory Auditors and the reviews performed by management and the relevant Board Committees, including the Audit Committee of Directors, the Board is of the opinion that the Company's IFCs were adequate and effective during FY22.

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

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures.
- ii. they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. they 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;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **10. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, there was no change in the composition of the Board. However, at the Annual General Meeting (AGM) held on July 5, 2021, Members approved the re-appointment of Ms. Anjali Bansal, Ms. Vibha Padalkar and Mr. Sanjay V Bhandarkar as Independent Directors of the Company for the second consecutive term of 5 years commencing from October 14, 2021.

In accordance with the requirements of the Act and the Company's Articles of Association, Mr. Saurabh Agrawal retires by rotation and is eligible for re-appointment. Members' approval is being sought at the ensuing AGM for his re-appointment.

Mr. Kesava Menon Chandrasekhar was appointed as Independent Director by the Members on August 23, 2017 for a period of 5 years w.e.f. May 4, 2017 upto May 3, 2022. Based on an evaluation of the balance of skills, knowledge and experience on the Board and further, on the report of performance evaluation, the external business environment, business knowledge, skills, experience and the substantial contribution made by him during his tenure and considering that the continued association of Mr. Chandrasekhar as an Independent Director of the Company would be beneficial to the Company, and based on the recommendation of the Nomination and Remuneration Committee, the Board, vide Resolution passed on April 21, 2022, appointed Mr. Chandrasekhar as an Additional Director of the Company and subject to approval of the Members by way of Special Resolution at the ensuing AGM of the Company, re-appointed him as a Non-Executive Independent Director, not liable to retire by rotation, for a second consecutive term commencing from May 4, 2022 upto February 19, 2023, when he attains the retirement age of 75 years, as per the terms of the Governance Guidelines for Tata Companies on Board Effectiveness. Mr. Chandrasekhar shall also cease to be a Director of the Company with effect from close of business hours on February 19, 2023. Accordingly, Members' approval is being sought at the ensuing AGM for his re-appointment.

During the year under review, the Non-Executive Directors (NEDs) of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and commission, as applicable, received by them.

In terms of Section 149 of the Act, Ms. Anjali Bansal, Ms. Vibha Padalkar, Mr. Sanjay V. Bhandarkar, Mr. Kesava Menon Chandrasekhar and Mr. Ashok Sinha are the Independent Directors of the Company.

In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated

## Board's Report

that could impair or impact their ability to discharge their duties. Based upon the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

During the year under review, Mr. Ramesh N. Subramanyam, Chief Financial Officer and Key Managerial Personnel (KMP) of the Company tendered his resignation w.e.f. close of business hours on December 31, 2021. The Board places on record its appreciation for the valuable contribution and guidance of Mr. Subramanyam during his tenure as Chief Financial Officer. Mr. Sanjeev Churiwala has been appointed as the Chief Financial Officer and designated as KMP of the Company w.e.f. January 1, 2022.

In terms of Section 203 of the Act, following are the KMP of the Company as on March 31, 2022:

- Dr. Praveer Sinha, CEO and Managing Director
- Mr. Sanjeev Churiwala, Chief Financial Officer
- Mr. Hanoz M. Mistry, Company Secretary

### **11. ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the Listing Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors based on criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members based on criteria such as the composition of Committees, effectiveness of Committee meetings, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of the Executive Director and NEDs.

The NRC reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

The above criteria are broadly based on the Guidance note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a subsequent Board meeting, the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

### **12. POLICY ON BOARD DIVERSITY AND DIRECTOR ATTRIBUTES AND REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

In terms of the provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations, the NRC is responsible for determining qualification, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board, a policy relating to the remuneration of the Directors, KMP and other employees. In line with this requirement, the Board has adopted the Policy on Board Diversity and Director Attributes, which is provided in Annexure - I to this Report and Remuneration Policy for Directors, KMP and other employees of the Company, which is reproduced in Annexure - II to this Report.

### **13. BOARD AND COMMITTEES OF THE BOARD**

#### **Board Meetings:**

8 Board Meetings were held during the year under review. For further details, please refer to the Report on Corporate Governance, which forms a part of this Annual Report.

#### **Committees of the Board:**

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority.

The following statutory Committees constituted by the Board function according to their respective roles and defined scope:

- Audit Committee of Directors
- Nomination and Remuneration Committee

- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee
- Risk Management Committee

Details of composition, terms of reference and number of meetings held for respective Committees are given in the Report on Corporate Governance, which forms a part of this Annual Report.

The Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Act. The same can be accessed using the following link: <https://www.tatapower.com/pdf/aboutus/Code-of-Conduct-NEDs.pdf>.

All Senior Management personnel have affirmed compliance with the Tata Code of Conduct (TCoC). The CEO & Managing Director has also confirmed and certified the same. The certification is enclosed as Annexure - I at the end of the Report on Corporate Governance.

## **14. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

Your Company is a pioneer in propagating energy conservation and operational efficiency with the objective of providing substantial benefit to customers in the form of reduced emissions, pollutants and deliver cost effective and environment friendly energy solutions.

In Mumbai License area, a unique consumer initiative called 'Be Green' under Demand Side Management (DSM) was launched for residential customers to purchase energy efficient appliances at discounted prices and doorstep delivery. More than 6,500 appliances were delivered in FY22. It is our endeavour to incorporate cutting-edge energy efficiency technologies in our programs. These initiatives have been discussed in detail in the information on conservation of energy and technology absorption stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, as amended from time to time, attached as Annexure - III to this Report.

## **15. CORPORATE GOVERNANCE**

Pursuant to Regulation 34 of the Listing Regulations, Report on Corporate Governance along with the certificate from a Practicing Company Secretary certifying compliance with conditions of Corporate Governance forms part of this Annual Report.

## **16. VIGIL MECHANISM**

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

Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chief Ethics Counsellor / Chairman of the Audit Committee of Directors of the Company for redressal. No person has been denied access to the Chairman of the Audit Committee of Directors.

## **17. RISK MANAGEMENT**

The Board has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee of Directors has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Furthermore, your Company has set up a robust internal audit function which reviews and ensures sustained effectiveness of IFC by adopting a systematic approach to its work. The development and implementation of risk management policy has been covered in the Integrated Report (Pages 36-39).

### **Internal Financial Control Systems and their Adequacy**

Your Company's internal control systems are commensurate with the nature of its business, the size and complexity of its operations and such IFCs with reference to the Financial Statements are adequate. Your Company has implemented robust processes to ensure that all IFCs are effectively working. For details on IFC systems, please refer Integrated Report (Page 37).

## **18. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS**

No significant and materials orders were passed by the regulators or courts or tribunals impacting the going concern status and your Company's operations in future.

## Board's Report

There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

### 19. STATUTORY AND BRANCH AUDITORS

S R B C & CO. LLP (SRBC) (ICAI Firm Registration Number: 324982E / E300003), who are the statutory auditor of your Company, hold office until the conclusion of the 103rd AGM to be held on July 7, 2022.

Pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, SRBC are proposed to be re-appointed as Statutory Auditors of the Company for a second term of five years to hold office from the conclusion of the 103rd AGM till the conclusion of the 108th AGM in 2027, subject to approval of Members in the ensuing AGM. The necessary resolutions for re-appointment of SRBC form part of the Notice convening the ensuing AGM scheduled to be held on July 7, 2022.

The Company has in its Notice convening AGM sought approval from the Members for passing a resolution vide item No. 19 authorizing the Board to appoint Branch Auditors of any Branch office of the Company, whether existing or which may be opened/acquired, outside India, to act as Branch Auditors.

### 20. STATUTORY AUDITOR'S REPORT

The standalone and the consolidated financial statements of the Company have been prepared in accordance with Ind AS notified under Section 133 of the Act.

The Statutory Auditor's report does not contain any qualifications, reservations, adverse remarks or disclaimers.

The Statutory Auditors of the Company have not reported any fraud to the Audit Committee as specified under section 143(12) of the Act, during the year under review.

The Statutory Auditors were present in the last AGM.

### 21. COST AUDITOR AND COST AUDIT REPORT

Your Board has appointed M/s. Sanjay Gupta and Associates (Firm Registration No 000212), Cost Accountants, as Cost Auditors of the Company for conducting cost audit for FY23. A resolution seeking approval of the Members for ratifying the remuneration of ₹ 6,50,000 (Rupees Six lakh fifty thousand) plus applicable taxes, travel and actual out-of-pocket expenses payable to the Cost Auditors for FY23 is provided in the Notice to the ensuing AGM. Maintenance of cost records as specified by the Central

Government under section 148 (1) of the Act is not applicable to the Company. The Cost Audit Report does not contain any qualifications, reservations, adverse remarks or disclaimers.

### 22. SECRETARIAL AUDIT REPORT

M/s. Makarand M. Joshi & Co., Company Secretaries (Peer Review Number: P2009MH007000), were appointed as Secretarial Auditors of your Company to conduct a Secretarial Audit of records and documents of the Company for FY22. The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-compliances. The Secretarial Audit Report is provided in Annexure-IV to this Report.

The Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks or disclaimers.

As per the requirements of the Listing Regulations, Practicing Company Secretaries of the material unlisted subsidiaries of the Company have undertaken secretarial audits of such subsidiaries for FY22. The Audit Reports of such material unlisted subsidiaries confirm that they have complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-compliances.

The Secretarial Audit Reports of the unlisted material subsidiaries viz. Tata Power Delhi Distribution Limited, Tata Power Solar Systems Limited and Walwan Renewable Energy Limited have been annexed to this Report.

### 23. SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

### 24. LOANS, GUARANTEES, SECURITIES AND INVESTMENTS

Your Company, being an infrastructure company, is exempt from the provisions as applicable to loans, guarantees, securities and investments under Section 186 of the Act. Therefore, no details are required to be provided.

### 25. RELATED PARTY TRANSACTIONS

In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same can be accessed using the following link: <https://www.tatapower.com/pdf/aboutus/rpt-policy-framework-guidelines.pdf>.

During the year under review, all transactions entered into with related parties were approved by the Audit Committee of Directors. Certain transactions, which were repetitive in nature, were approved through omnibus route. There were no material transactions of the Company with any of its related parties. Therefore, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY22 and, hence, the same is not required to be provided.

## 26. SUSTAINABILITY

Your Company is committed to the Tata Group values and the nation's vision for sustainable growth and energy security for all. Your Company stays on the path to progressive practices and societal imperatives, in alignment with UN SDGs. Your Company is also conscious of rising gen-next consumer sentiment around environmentally responsible lifestyle and consumption and has created multiple products and services that enable customers to make small changes today for a greener tomorrow.

Nearly 1/3rd of your Company's generating capacity comes from clean energy sources like solar, wind and hydro. Your Company aims to be a significant contributor to India's promise on Carbon Net Zero by 2045, with an additional target on Water neutrality and Zero Waste to Landfill before 2030.

Your Company's efforts on this path have been validated and acknowledged by external ESG experts, with your Company consistently leading the Energy sector rankings, domestic and global. Your Company represented India to co-create the Global SDG roadmap for electric utilities with WBCSD (World Business Council for Sustainable Development) along with 10 other global energy utilities.

### 26.1 CARE FOR OUR COMMUNITY/COMMUNITY RELATIONS

As the country's oldest and leading integrated energy utility, your Company today serves millions of lives through its business value chain and the social development and ecological initiatives seeded through the Tata Power Community Development Trust (TPCDT).

Our ethos of nation building finds visibility through our focus on women empowerment and inclusive growth. Your Company has been working on three thrust areas viz. Education (including Financial and Digital Literacy), Employability and Employment (including skill training for livelihoods) and Entrepreneurship (including micro-enterprise through Self-Help Groups). In addition, special programs around Affirmative Action (AA) and Disabilities including Autism Care help further the inclusive growth commitment.

Your Company enlists support from all its employees to run a wide and deep volunteering program (Arpan) through which multiple Bio-diversity conservation efforts including Tree Mitra (to conserve native species) and Club Enerji (to develop young conservation champions) are amplified and clock over one lakh volunteering hours annually.

Your Company has been committed to long-term sustainable conservation efforts, most notable among them being 50 years of Mahseer conservation (which led to the Deccan Mahseer moving from endangered to Least Concern status) in Maharashtra. Your Company is also working in Odisha to raise awareness around Elephant Conservation.

In FY22, your Company's flagship programmes enabled an impact for lakhs of community members in over 60 districts spread across 17 states, including 10 aspirational districts (as defined by Government of India) and multiple marginalized communities served under our Tata AA efforts.

As a part of its COVID-19 response initiatives, your Company reached out to all possible geographical clusters across 16 states and union territories (UT) and also enabled COVID and disaster response support like insurance and vaccination support aided by a multi-lingual live helpline in the country. The Company's relief and resilience measures supported over 1.90 lakh community members and more than 150 public institutions in underserved areas around 65+ operating sites, 6+ aspirational districts; strengthening the abilities of PHCs, sub-centres, local hospitals, district administrators, sarpanches, police; ANMs, aanganwadi workers, temporary Covid relief centres, CSR teams, volunteers, Self-Help Group (SHG) women and others in our local ecosystems.

Flagship initiatives undertaken across various locations during FY22 can be summarized as below:

- Financial inclusivity (Adhikaar) program was undertaken across all major locations with nearly 3 lakh beneficiaries covered with resources worth ₹ 200 crore accessed under various Government schemes by communities. A unique model has been furthered under #Adhikaar - training and empowering more than 840 'Adhikaarpreneurs' who earn livelihoods while acting as local community change agents to lead transformation.
- 2,300 SHG (women) covering 16,000 members involved in various flagship initiatives such as Anokha Dhaaga, Abha, Roshni and Adhikaar with 5,000+ members are active economic value generating members through semi-organized, income generating activities with cumulative turnover of ₹ 2.3 crore across sites for all SHGs. A unique blend of Reduce, Re-use and Recycle has been adopted, piloted and deployed with SHG

## Board's Report

members in Maharashtra and Jharkhand focussing on products made from recycled papers.

- With core focus on addressing skill-gap challenge, your Company has trained nearly 1 lakh youth through uniquely created integrated skilling centres (Roshni) ensuring 75% of placement to eligible youth.
- Over 45,000 youth were skilled through Tata Power Skill Development Institute (Roshni). Of which 25% youth from AA community were benefitted from the intervention. Your Company has also launched and signed MoU for Skill Park in Kerala.
- Through its Tree Mittra program, over 8.5 lakh saplings are planted by its volunteers and partners year on year - covering multiple sites.

The CSR policy of the Company has been provided on the Company's website at <https://www.tatapower.com/pdf/aboutus/csr-policy.pdf>.

The Company's standalone CSR spend for FY22 stood at ₹ 2.09 crore (i.e. 2% CSR obligation). Details of the consolidated CSR activities of your Company and its key subsidiaries are described in Communities section of Integrated Report (Pages 62-67) as well as in the Business Responsibility and Sustainability Report (BRSR). The annual report on CSR activities (standalone) is provided in Annexure - V to this Report. On a consolidated basis, the Company's Group entities expenditure on CSR activities stood at ₹ 32.77 crore against the CSR obligation of ₹ 40.30 crore (calculated as per Section 135 of the Act) in FY22. The balance unspent of CSR obligation has been transferred to Special Bank Account in compliance with the provisions of the Act.

### 26.2 AFFIRMATIVE ACTION

As a part of AA, your Company continued particular focus on Social Inclusivity and AA commitment, targeted outreach to families from Scheduled Castes (SC), Scheduled Tribes (ST), Other Backward Classes (OBC), migrant families, sanitation workers, differently abled as well as other such disadvantaged communities. In alignment to Tata philosophy, your Company remains committed to the upliftment of the most marginalized communities and groups through defined Es- Entrepreneurship, Employability and Employment and Education around the operating sites. In its journey, your Company continued working with local vendors and promoting inclusion of SC/ST in the business opportunities. This is driven by Corporate Contracts department with a single point of contact at the corporate level as well as at division/site level to facilitate inclusion of SC/ST vendors. AA process for vendor enlistment and ordering was deployed to encourage and evolve entrepreneurship skill among the communities and enable them to be a part of business

ecosystem. It also made them compete with positive discrimination element by offering a price preference of 5% over the L1 bidder and gives incentive of 1% of contract value for engaging 50% workforce from SC/ST community. Your Company also promoted entrepreneurship at community level by supporting enterprise development. In FY22, business worth ₹ 9.63 crore was given to 24 vendors from SC/ST community.

### 26.3 SUSTAINABILITY REPORTING

Your Company has voluntarily adopted the International Integrated Reporting Council (IIRC)-IR Framework to prepare its third Integrated Report FY22 as per SEBI recommendations in February 2017. Your Company has also voluntarily prepared the Business Responsibility and Sustainability Report (BRSR) a year before the mandate by SEBI in May 2021 for the top 1,000 listed companies (by market capitalization) to report on BRSR by FY23. The content of the report is in accordance with the Global Reporting Initiative (GRI) 2021 standards and aligns to the National Voluntary Guidelines (NVG) on Social, Environmental and Economic responsibilities of the business as well as the United Nations Sustainable Development Goals (SDGs). The Integrated Report communicates your Company's performance on financial and non-financial aspects to all stakeholders, underlying the priority of our leadership and strategy towards value creation as well as commitment to a more sustainable future with low-carbon smart energy solutions giving more power to you.

#### 1. Environment

Your Company continues to strive for efficiency in operations and maintenance through adoption of best practices optimizing its efficiency parameters like heat rate and auxiliary power consumption resulting in lower resource consumption and lower carbon emissions. Continuing its path to be a pioneer for environmental stewardship in the power industry, your Company further focusses on efficient use of water, prudent recycling and waste disposal measures and remains committed to comply with regulations. Your Company also has been strategically focussing on scaling up renewables business, venturing into new energy efficient green business initiatives like Microgrids, EV charging, Home Automation, Solar Rooftop as well as exploring new opportunities in distribution businesses. All these initiatives reinforce your Company's commitment towards sustainable 'Green' growth and encouraging the customer to avail energy efficient, future-ready, smart energy solutions. A brief outline of your Company's efforts towards protection of environment and biodiversity is given in the Environment section of Integrated Report (Pages 76-83).

## 2. Health and Safety

Your Company is consciously committed to health and safety of all employees and other stakeholders with a defined safety vision 'To be a leader in Safety Excellence in the global power and energy business'. Your Company employs a pro-active and pre-emptive approach to occupational health and safety and is committed to actively drive the agenda through the length and breadth of the organization. Consequently, 100% of your employees and contractual workforce are trained on various aspects of Occupational Health and Safety. Close monitoring of safety performance has also helped your Company to achieve desired goal of zero injuries and fatalities. Suraksha mobile app is one such monitoring intervention that enables employees to conveniently report unsafe conditions and similar provision for reporting of unsafe conditions has been made available to contractual workforce through Stakeholder Suraksha Application. Furthermore, your Company has already started venturing towards application of advanced technologies like digitization, e-enablement of safety processes, usage of drones, remote monitoring, safe systems for high-risk activities, etc. to eliminate and minimize the risks associated with various activities for betterment of safety performance. More deployment of advanced technologies, skill set, and behavioral interventions are planned in the near future for further enhancement of safety performance. A detailed description of Health and Safety initiatives taken by your Company is outlined in Employee section of Integrated Report (Pages 68-75).

## 3. Customer Relationship

Your Company is working consistently towards a dedicated theme of energizing and sensitizing customers for smart and future-ready energy solutions to ensure a sustainable future. Relationships with customers play a crucial role in our value creation journey. The focus in our routine operations revolves around our customer affection statement, 'To earn the affection of customers by delivering superior value and superior experience thereby making them ambassadors'. Your Company ensures 100% health and safety communication for products and services through safety signage in and around substations and public places.

Your Company customises product and service delivery as per customer needs and offering customers a combination of power supply sources to minimise costs. Multiple technical solutions (basis study conducted by IIT, Mumbai) have been implemented to reduce voltage fluctuations. Measures were also implemented to reduce cost which was reflected

in the reduced tariff proposal in the Multi Year Tariff (MYT) petition.

Your Company has an Internal Grievance Redressal Cell for customers to lodge complaint in case of any dissatisfaction. As of March 31, 2022, there have been 0.011% of customer complaints or consumer cases pending beyond the turnaround time in Mumbai Distribution area.

Your Company has also been a pioneer in leveraging digital technology to serve customers efficiently. Few of such initiatives are Know Your Energy Consumption (KYEC), Webchat integrated chatbot TINA, e-Nach, all women customer relations centre, etc. Webchat integrated chatbot TINA went live on customer portal since January 2021 through which consumers can have live communication with Company officials. Furthermore, through implementation of e-billing, your Company reinforces its commitment towards saving of trees and ecosystem. Since the inception of this initiative, around 3.4 lakh customers opted for e-billing in Mumbai license area resulting in saving of approximately 5,960 trees. A detailed description of your customer relation measures is given in the Customers section in the Integrated Report (Pages 52-59).

## 4. Human Resource Management

A key area of focus for your Company is to create a performance driven workforce while ensuring the health and well-being of employees and their families. Many policies and benefits were implemented to maximize employee engagement and welfare. Your Company also continues to endeavour to create a work environment which is collaborative and learning and growth oriented to enable employees to perform at their full potential. Our Human Resource (HR) strategy adopts a multipronged approach covering all the key facets of employee development. Learning as a stated value of the Company also sets the tone of your Company's aim to develop competencies to rise to new challenges especially posed by ventures into new business areas and renewable energy. Some of the key HR programmes of your Company are Talent Next, Youth Power Confluence, Gyankosh, Reward and Recognition, etc. A detailed description is given in the Employee section of the Integrated Report (Pages 68-75).

## 26.4 BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

The Company has provided BRSR in lieu of Business Responsibility Report and the same is in line with the SEBI requirement based on the 'National Voluntary Guidelines

## Board's Report

on Social, Environmental and Economic Responsibilities of Business' notified by Ministry of Corporate Affairs (MCA), Government of India, in July 2011 and the amendment to Listing Regulations in May 2021. Your Company reported its performance for FY22 as per the BRSR framework, describing initiatives taken from an environmental, social and governance perspective.

As per Regulation 34 of the Listing Regulations, a BRSR is a part of this Annual Report. Since the Company is publishing Annual Report under Integrated Reporting Council Framework (IIRC), report on the nine principles of the National Voluntary Guidelines on social, environmental and economic responsibilities of business as framed by the MCA, is provided in relevant sections of IR with suitable references to the BRSR.

### 26.5 PREVENTION OF SEXUAL HARASSMENT

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 have been provided in the Report on Corporate Governance as well as MD&A.

### 27. ANNUAL RETURN

Pursuant to Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available on the website of the Company on the following link: <https://www.tatapower.com/pdf/investor-relations/Annual-Return-MGT-21-22.pdf>.

### 28. PARTICULARS OF EMPLOYEES AND REMUNERATION

The information required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as Annexure - VI.

Statement containing the particulars of top ten employees and the employees drawing remuneration in excess of limits prescribed under Section 197(12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is an annexure forming part of this Report. In terms of the proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Members excluding the aforesaid annexure. The said statement is also available for inspection with the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary at [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com).

Officers of the organisation are classified into five management work levels i.e. MA, MB, MC, MD and ME. The work levels are further divided into grades. Non-management employees are across different grades and

also have been classified as unskilled, semi-skilled, skilled and highly skilled.

### 29. DEPOSITS

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

### 30. FOREIGN EXCHANGE - EARNINGS AND OUTGO

(₹ crore)

<b>Particulars - Standalone</b>	<b>FY22</b>	<b>FY21*</b>
Foreign Exchange Earnings	4,656	809
Foreign Exchange Outflow mainly on account of:	4,714	4,891
• Fuel purchase	4,678	4,745
• Interest on foreign currency borrowings, NRI dividends	5	4
• Purchase of capital equipment, components and spares and other miscellaneous expenses	31	142

# Restated due to CGPL and Af-Taab merger

### 31. ACKNOWLEDGEMENTS

On behalf of the Directors of the Company, I would like to place on record our deep appreciation to our shareholders, customers, business partners, vendors (both international and domestic), bankers, financial institutions and academic institutions for all the support rendered during the year.

The Directors are thankful to the Government of India, the various ministries of the State Governments, the Central and State Electricity Regulatory authorities, communities in the neighbourhood of our operations, municipal authorities of Mumbai and local authorities in areas where we are operational in India; as also partners, governments and stakeholders in international geographies where the Company operates, for all the support rendered during the year.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

Finally, we appreciate and value the contributions made by all our employees and their families for making the Company what it is.

On behalf of the Board of Directors,

**N. Chandrasekaran**

**Chairman**

(DIN:00121863)

Mumbai, May 6, 2022

## Annexure - I : POLICY ON BOARD DIVERSITY AND DIRECTOR ATTRIBUTES

(Ref.: Board's Report, Section 12)

### 1. Objective

- 1.1 The Policy on Board Diversity ('the Policy') sets out the approach to diversity on the board of directors ('the Board') of The Tata Power Company Limited ('the company').
- 1.2 The company recognises that diversity at board level is a necessary requirement in ensuring an effective board. A mix of executive, independent and other non-executive directors is one important facet of diverse attributes that the company desires. Further, a diverse board representing differences in the educational qualifications, knowledge, experience, gender, age, thought and perspective results in delivering a competitive advantage and a better appreciation of the interests of stakeholders. These differences should be balanced against the need for a cohesive, effective board. All board appointments shall be made on merit having regard to this policy.

### 2. Attributes of Directors

- 2.1 The following attributes need to be considered in considering optimum board composition:
  - i) **Gender diversity**  
Having at least one woman director on the Board with an aspiration to reach three women directors.
  - ii) **Age**  
The average age of board members should be in the range of 60 - 65 years.
  - iii) **Competency**  
The board should have a mix of members with different educational qualifications, knowledge and with adequate experience in finance, accounting, economics, legal and regulatory matters, the environment, green technologies, operations of the company's businesses, energy commodity markets and other disciplines related to the company's businesses.
  - iv) **Independence**  
The independent directors should satisfy the requirements of the Companies Act, 2013 ('the

Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the 'independence' criterion.

### Additional Attributes

- The directors should not have any other pecuniary relationship with the company, its subsidiaries, associates or joint ventures and the company's promoters, besides sitting fees and commission.
- The directors should not have any of their relatives (as defined in the Act and Rules made thereunder) as directors or employees or other stakeholders (other than with immaterial dealings) of the company, its subsidiaries, associates or joint ventures.
- The directors should maintain an arm's length relationship between themselves and the employees of the company, as also with the directors and employees of its subsidiaries, associates, joint ventures, promoters and stakeholders for whom the relationship with these entities is material.
- The directors should not be the subject of allegations of illegal or unethical behaviour, in their private or professional lives.
- The directors should have ability to devote sufficient time to the affairs of the Company.

### 3. Role of the Nomination and Remuneration Committee

- 3.1 The Nomination and Remuneration Committee ('the NRC') shall review and assess board composition whilst recommending the appointment or reappointment of independent directors.

### 4. Review of the Policy

- 4.1 The NRC will review this policy periodically and recommend revisions to the board for consideration.

## Board's Report

### Annexure - II : REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

(Ref.: Board's Report, Section 12)

The philosophy for remuneration of directors, Key Managerial Personnel ('KMP') and all other employees of The Tata Power Company Limited ('company') is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ('Act') and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ('NRC') has considered the factors laid down under Section 178(4) of the Act, which are as under:

- "(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals."

Key principles governing this remuneration policy are as follows:

- **Remuneration for independent directors and non-independent non-executive directors**
  - o Independent directors ('ID') and non-independent non-executive directors ('NED') may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.
  - o Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
  - o Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the company and its future growth imperatives).
- **Remuneration for managing director ('MD')/executive directors ('ED')/KMP/rest of the employees<sup>1</sup>**
  - o The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be:
    - Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent).

- Driven by the role played by the individual.
  - Reflective of size of the company, complexity of the sector/industry/company's operations and the company's capacity to pay.
  - Consistent with recognized best practices.
  - Aligned to any regulatory requirements.
  - In terms of remuneration mix or composition:
    - The remuneration mix for the MD/EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
    - Basic/fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
    - In addition to the basic/fixed salary, the company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalisation through re-imbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
    - The company provides retirement benefits as applicable.
    - In addition to the basic/fixed salary, benefits, perquisites and allowances as provided above, the company provides MD/EDs such remuneration by way of commission, calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.
    - The company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the company.
  - **Remuneration payable to Director for services rendered in other capacity**  
The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such director in any other capacity unless:
    - The services rendered are of a professional nature; and
    - The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession.
  - **Policy implementation**  
The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.
- 
- <sup>1</sup>*Excludes employees covered by any long term settlements or specific term contracts. The remuneration for these employees would be driven by the respective long term settlements or contracts.*

## Board's Report

### Annexure - III : CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

(Ref.: Board's Report, Section 17)

#### A. CONSERVATION OF ENERGY

##### i. The steps taken or impact on conservation of energy:

Your Company is a pioneer in propagating energy conservation and operational efficiency with the objective to provide substantial benefit to customers in the form of reduce emissions, pollutants and deliver cost effective and environment friendly energy solutions.

In Mumbai License area, your Company launched a unique consumer initiative called 'Be Green' under Demand Side Management (DSM) for residential customers to purchase energy efficient appliances at discounted prices and doorstep delivery. More than 6,500 appliances delivered in FY22. It is our endeavour to incorporate cutting-edge energy efficiency technologies in our programs.

Following DSM programs were implemented in FY22.

- i) BLDC Ceiling Fan program
- ii) 5-star inverter based Split AC program
- iii) 5-star Refrigerator program
- iv) Energy efficient LED Tube Light program

One of the significant steps taken in Mumbai is introduction of the concept of 'paperless office' through e-billing. Since the inception of this initiative around 3.4 lakh customers opted for e-billing in Mumbai resulting in saving of approximately 5,960 trees.

Your Company continues to strive for new avenues to improve operational efficiency across generation, renewables and transmission and distribution businesses leading to conservation of energy and optimization of resource consumption.

#### Generation Business

In the generation business, various initiatives have been taken for optimization of operating parameters across various plants. Few of these initiatives are highlighted below:

1. Unit 8 FGET optimization and Unit 7 Asset Performance Management (APM) gas under drawl project taken up under 6 Sigma quality initiative (Trombay)
2. Optimization under Reliability Centred Maintenance (RCM) approach and GE APM analytics in Trombay
3. Raw Water consumption optimized under SANKALP initiative

4. Renovation of raw water pipelines with internal Coro-coating to eliminate internal corrosion in Haldia
5. Specific Energy Consumption (SEC) formulation for optimum use of equipment in Coal Handling Plant (CHP) in MPL
6. Real time monitoring of Generation schedule, Automatic Generation Control (AGC) to avoid Deviation Settlement Mechanism (DSM) losses in Maithon Power Limited
7. Use of G-APM tool in Boiler Feed Pump (BFP) forefficiency calculation led to reduction of Aux consumption in Mundra
8. Optimization of shut down losses by switching off redundant transformers in Mundra

#### Renewables Business

Few of the initiatives taken in our renewables business is highlighted below:

##### For Solar sites:

1. Central Control Room for Renewable Assets (CCRA) capability is further augmented for providing Predictive and Prescriptive analytics
2. CCRA equipped to provide weather forecasting data in short and medium term led to the accuracy of generation forecasting and scheduling in solar sites
3. Drone based thermography across all solar sites to detect faulty / disconnected modules
4. Serial number mapping of modules in Solar Field
5. AI based soiling loss analysis in solar sites

##### For Wind sites:

1. Common mode mitigation modification in DFIG machines to reduce generator bearings and PM3000 failures
2. Refurbishment for blade and generators to avoid failures for old machines
3. Modifications to reduce breaker tripping during lightening conditions

#### Transmission and Distribution Business

Few initiatives taken in transmission and distribution business are highlighted below:

1. IoT based feeder pillar for data analysis and network planning in Mumbai Distribution Area
2. Space optimization by implementing Micro Pad mounted substation and Tower mounted substation
3. Voice assisted Switchgear to improve operational safety
4. LORA based monitoring for improving reliability parameters
5. Smart metering Infrastructure back bone developed for 1 lakh smart meters in Mumbai
6. Integration of Smart meter data with energy audit transformer loading report, AT&C loss calculations duly integrated with GIS, billing engine, implementation of Smart prepaid metering
7. Unique in-house developed KYEC (Know Your Electricity Consumption) which facilitates consumer to monitor and control their energy consumption
8. In-house Energy Management Solutions: Facilitates customers for installation of home automation devices
9. Development of mobile apps for ease of access
10. Installation of energy efficient devices under Demand Side Management (DSM) programme
11. IoT based transformer monitoring

Furthermore, your Company facilitated energy audits for industrial and commercial consumers through energy auditors accredited by Bureau of Energy Efficiency (BEE) helping them to get precise and actionable recommendations for energy saving. 1,976 MWh of energy savings recommendations provided in FY22.

Your Company remains committed to deliver superior customer value by leveraging on digital technologies. In FY22, designing an aesthetic sub-station in line with the architecture of the Mumbai International Airport and offering customers a combination of power supply sources to minimise costs e.g. providing solar rooftop EPC solutions to consumers drawing power from the distribution grid, webchat integrated chatbot TINA were made live on customer portal enabling consumers to interact with the Company officers directly through live

chat. Furthermore, your Company introduced availability of hourly, daily and monthly consumption graphs, peer consumption comparison, alerts for consumption slab cross overs and increase in daily consumptions by Smart Meter Analytics are few of the initiatives undertaken to enhance customer experience.

In Delhi License area, the Company installed a total of 234 solar net meters with a capacity of 4.5 MWp in FY22. Further, the Company conducted Solar EPC activity awareness campaigns at RWA, IWA and Customer meetings covering domestic and industrial customers and one to one outreach done to Express and Key Customers, Educational Institutes and High Revenue Customers, etc. Solar EPC order of 224 KW received from three consumers, out of which 70 KW has been commissioned.

Your Company's mission of 'being the lead adopter of technology with a spirit of pioneering and calculated risk taking' is geared to make the Company future ready for all technological disruption coming up in the near future.

- ii. The steps taken by the Company for utilising alternate sources of energy:

Your Company has taken following major initiatives for utilising alternate sources of energy:

- a. Installation of Rooftop Solar project in receiving stations. 7 receiving stations are in commissioning stage and additional 12 receiving stations are planned for solarisation
- b. Solar project in Trombay plant of 2,000 KWp for Auxiliary consumption
- c. Installation of solar plant of 867.27 KW in various location in Mumbai license area
- d. Installed roof top solar plant of 10.23 KW in Pratapgarh wind plant to reduce energy consumption

- iii. The capital investment on energy conservation equipments:  
The total capital investment on energy conservation equipments is ₹ 6.55 crore.

## Board's Report

### B. TECHNOLOGY ABSORPTION

1	The efforts made towards technology absorption	<ul style="list-style-type: none"> <li>a) Deployment of Distributed Acoustic Sensing System for transmission line for real time monitoring and use of Augmented Operator Adviser for real time operations and monitoring</li> <li>b) Transmission lines conductor core inspection bot and use of Asset guard devices for vacuum breakers health monitoring</li> <li>c) Deployment of Unmanned Aerial Vehicles (Drones) with different sensors and cameras for inspection of solar plants, transmission lines, high rise structures, switchyard thermal scanning, hydro power plant assets and by DISCOMs for billing and theft detection in rural areas</li> <li>d) Deployment of BOTs for waterless cleaning of solar modules</li> <li>e) Implemented Augmented Reality (AR) and Virtual Reality (VR) based various training modules</li> <li>f) IoT based smart devices for control, monitoring and efficient energy management of home appliances under Home Automation services</li> <li>g) TPDDL with Nexcharge launched India's First Grid-Connected Community Energy Storage System with installation of 150 KW storage to improve the supply reliability</li> <li>h) Installation of pole mounted Battery Energy Storage unit in Tata Power-DDL operational area which is helpful in contributing to a greener, more cost-effective and reliable grid</li> <li>i) Vegetation Management through Satellite Imagery: Using ML based satellite imagery based analytics to identify area of concerns for vegetation growth across geographical spread</li> <li>j) Designing unitized sub-station (USS) - DT, RMU and Low Tension Switch on single Platform</li> <li>k) Monopole having handrails on Arms for safe maintenance work</li> <li>l) Prototype design of Distance Hot Line Tool for LT Live Works at height</li> <li>m) Mass roll out of DT cooling fan temperature Monitoring system</li> <li>n) Commissioning of Digital Grid Sub-station at Bawana-6</li> <li>o) Planned to adopt SF6 free Switchgear at 33 kV Indoor Panel</li> </ul>
2	The benefits derived like product improvement, cost reduction, product development or import substitution	<ul style="list-style-type: none"> <li>a) Increase in power system reliability and equipment availability by reducing forced outages</li> <li>b) Potential business opportunities vide new product development initiatives</li> <li>c) Substantial reduction in cost, time and efforts for preventive maintenance and inspection on improving safety standards</li> <li>d) Digitization of assets and inspected objects for future reference</li> <li>e) Better maintenance planning, vegetation management and improved operational management aspects</li> <li>f) Set-up of energy storage units will be helpful in contributing to a greener, cost-effective and reliable grid solutions</li> </ul>
3	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year), following information may be furnished:	<p>Artificial Intelligence and Machine Language (AI and ML) based solution for load forecasting: Integrated Blue Wave AI with Power Planner.</p> <p>System driven approach towards load forecast of TPC-D consumers. Automation of process reduced cycle time of entire process. Timely decision for power management leads to reduction in DSM charges and penalties.</p> <ul style="list-style-type: none"> <li>a) BluWave AI</li> <li>b) April 2021</li> <li>c) Yes</li> </ul>
4	Expenditure on R & D (in ₹ crore)	<ul style="list-style-type: none"> <li>a) Capital ₹ 13.72 crore</li> <li>b) Revenue R&amp;D, Prototyping, Pilot Projects and expenses towards innovation initiatives: ₹ 2.54 crore</li> </ul>

## C. RESEARCH AND DEVELOPMENT

1	<p>Specific area in which R&amp;D carried out by the Company</p> <ul style="list-style-type: none"> <li>a) Universal Solar Module Mounting Structure, Material optimization for PV Modules, development of cost-effective safety accessories and cost optimization of Floating Solar System for renewables business</li> <li>b) Development of 490 W module with 182 mm cell, Bifacial Photo Voltaic Cell, smart HSAT tracking system and Top Link Mechanism for Module Tilting</li> <li>c) Development of I-Taps Remote monitoring and NOC Monitoring system, Solar Power bank / wall for residential and Industrial applications and soiling loss estimation Model for yield improvement</li> <li>d) Development of Thermal cooler based industrial scale dehumidifiers for moisture control in high voltage termination box</li> <li>e) Application of Robotics for medium voltage switchgear remote and unmanned operations</li> <li>f) Digitalization with Video analytics for optimization of coal conveyer operations</li> <li>g) In-house development of Tetrapods using bottom ash from thermal plants</li> <li>h) CCUS opportunity evaluation with engagement with technology OEMs for CO<sub>2</sub> utilization options</li> <li>i) Evaluation of opportunities in the Green hydrogen, Hydrogen blending, P2P and Green ammonia opportunities</li> <li>j) Optimum utilization of resources (land) to utilize additional water resources for power generation in hydro areas</li> <li>k) Drone Technology in T&amp;D operation provides variety of solutions like Transmission Tower spot check, regular ground patrolling, substation upgradation, storm restoration, etc.</li> <li>l) Development of low cost smart meter with OEM</li> <li>m) IElectrix Project: In collaboration with European Union (EU) framework for R&amp;D, Tata Power-DDL partnered for joint demonstration of urban Microgrid / Integrated local energy system focusing on integration and optimization of solar energy</li> <li>n) Distributed Energy Resources: This is a USTDA funded project for development of a tool for RE integration</li> <li>o) GiZ Project (Load Forecasting): State estimation and load forecasting using artificial neural network for RE integration</li> <li>p) Designing and deploying Demand Response program in partnership with AutoGrid and SHAKTI Foundation. This induces lower electricity usage by consumers during high system demand through Critical Peak Pricing (CPP) or Critical Peak Rebate (CPR) to meet load growth</li> </ul>
2	<p>Benefits derived as a result of the above R&amp;D</p> <ul style="list-style-type: none"> <li>a) Reduce forced outages by improving plant and equipment reliability and enhancing equipment life by upgrading preventive maintenance capabilities</li> <li>b) Optimum utilization of bottom and fly ash</li> <li>c) Improvement in human safety, quality of surveillance and quick response through digitization and automation</li> <li>d) Operational cost reduction with emphasis on safety standards improvement</li> <li>e) Business potential by upscaling of low-cost customized products / devices</li> <li>f) Cost savings with SCADA replacement for utility scale and rooftop businesses in renewables</li> <li>g) Improvement in efficiency of solar generation, cycle time reduction in module tilting and reduction in cell to module conversion loss, increase in higher watt product distribution enabling further cost competitiveness in our solar offering</li> <li>h) Availability of additional hydro resource water during the dry season every year resulting in additional Power Generation (87 MUs in FY22) thereby giving 57% savings towards land requirement conventionally</li> <li>i) Improved Grid reliability and restoration time</li> <li>j) Higher business potential by upscaling of low-cost customized products / devices</li> <li>k) Capacity building and load forecasting efficiency enhancement</li> <li>l) Cost optimization and revenue generation opportunities</li> <li>m) Improved customer participation and engagement leading to customer empowerment and better customer services</li> <li>n) Enablement for smooth energy transition</li> <li>o) Establishment of brand image as a green / sustainable company among external stakeholders</li> </ul>

## Board's Report

- 3 Future plan of action
- a) Collaboration with start-ups for new technology and incubating start-ups with potential innovative idea which will be useful to organisation for business growth
  - b) Upscaling and horizontal deployment of innovative solutions and identification of innovative solutions which have business potential
  - c) Explore innovative, Portable float decks for floating solar business, Solar trackers for roof top power plants, BIPV
  - d) Investments in SMART grid technologies such as smart meters, sensors, IoTs to make more intelligent and efficient network
  - e) Development and upgradation of energy storage and battery system specially to meet high energy demand due to EV charging solutions, etc
  - f) Aerial meter reading through Drone and Bluetooth technology

On behalf of the Board of Directors,

**N. Chandrasekaran**

**Chairman**

(DIN:00121863)

Mumbai, May 6, 2022

## Annexure - IV : Secretarial Audit Report

(Ref.: Board's Report, Section 22)

**FORM NO. MR.3  
SECRETARIAL AUDIT REPORT  
For the Financial Year Ended March 31, 2022  
[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
**The Tata Power Company Limited**  
Bombay House, 24  
Homi Mody Street  
Fort Mumbai - 400001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **The Tata Power Company Limited** (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.

### Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

### Unmodified Opinion:

Based on our verification of the Company'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, 2022 (hereinafter called the 'Audit Period') 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, 2022 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment; (**Foreign Direct Investment and External Commercial Borrowings Not Applicable to the Company during the Audit Period**)
- (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;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (**Not Applicable to the Company during the Audit Period**)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (**Not Applicable to the Company during the Audit Period**)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations,

## Board's Report

1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not Applicable to the Company during the Audit Period**); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not Applicable to the Company during the Audit Period**).

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder (Hereinafter referred as '**Listing Regulations**').

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

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

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards made there under for all the above laws to the extent possible.

### 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 and Listing Regulations.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

**We further report that** during the audit period, the Company:

- i. has received approval from National Company Law Tribunal vide order dated March 15, 2022, sanctioning the Scheme of Amalgamation of Af-Taab Investment Company Limited with the Company and their respective shareholders under Section 230 to 232 and other applicable provisions of the Companies Act, 2013.
- ii. has received approval from National Company Law Tribunal vide order dated March 31, 2022, sanctioning the Composite Scheme of Arrangement between Coastal Gujarat Power Limited and the Company and their respective shareholders under Section 230 to 232 and other applicable provisions of the Companies Act, 2013.

**Makarand M. Joshi & Co.  
Practicing Company Secretaries**

**Makarand M. Joshi  
Partner  
FCS No. 5533  
CP No. 3662  
P.R. No: 640/2019  
UDIN: F005533D000280390**

**Date: May 6, 2022**

**Place: Mumbai**

\*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,  
**The Tata Power Company Limited**  
Bombay House, 24  
Homi Mody Street  
Fort Mumbai - 400001

Our Secretarial Audit Report for the financial year ended March 31, 2022 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Makarand M. Joshi & Co.**  
**Practicing Company Secretaries**

**Makarand M. Joshi**  
**Partner**  
**FCS No. 5533**  
**CP No. 3662**  
**P.R. No: 640/2019**  
**UDIN: F005533D000280390**

**Date: May 6, 2022**  
**Place: Mumbai**

## Board's Report

**FORM No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**For the Financial Year ended March 31, 2022**  
**[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 Board of Directors,**  
**Tata Power Delhi Distribution Limited**  
(CIN: U40109DL2001PLC111526)  
NDPL House,  
Hudson Lines, Kingsway Camp,  
Delhi- 110 009

We have conducted the Secretarial Audit of the compliance of the applicable provisions of the Companies Act, 2013 and the adherence to good corporate practices by **Tata Power Delhi Distribution Limited** (hereinafter called 'the Company'), which is an Unlisted 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.

We report that-

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) 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.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events, etc.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

- f) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- g) We adhered to best professional standards and practices as could be possible while carrying out audit during the conditions due to Covid-19. The Company made due efforts to make available all the relevant records and documents which were verified through online means to conduct and complete the audit in the aforesaid conditions.

Based on our verification of the Company'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 Financial Year ended on March 31, 2022 (Audit Period), 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 Audit Period according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **{Not Applicable during the audit period}**
- (iv) The Company is engaged in the business of electricity distribution and on the basis of management representation and our check on test basis, we are of the view that the Company has adequate system to ensure compliance of laws specifically applicable on it which are mentioned herein below:
  - The Electricity Act, 2003;
  - The Electricity (Supply) Act, 1948;
  - The Indian Electricity Rules, 1956;
  - The Rules, regulations and applicable order(s) under Central and State Electricity Regulatory Commission/ Authority;
  - The Energy Conservation Act, 2001

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and General Meetings issued by the Institute of Company Secretaries of India, which the Company has been generally complied.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines to the extent applicable, as mentioned above.

**We further report** that the Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors, Woman Directors and Independent Directors. There were changes in the composition of the Board of Directors during the period under review which were in Compliance of the provisions of the Act.

Adequate notices were given to all Directors to schedule the Board Meetings, Committee meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Board decisions were carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

**We further report** that there are 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 Statutory Registers as required under the Act were maintained by the Company.

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

The Board in its meeting held on January 21, 2022 had accorded its approval for issuance of Listed/Unlisted Non-Convertible Debentures upto ₹ 500 crore.

**For Sanjay Grover & Associates  
Company Secretaries  
Firm Registration No. P2001DE052900**

**Kapil Dev Taneja  
Partner  
FCS No: F4019, CP No: 22944  
UDIN: F004019D000118595**

**Place: New Delhi  
Date: April 14, 2022**

## Board's Report

**FORM No. MR-3  
SECRETARIAL AUDIT REPORT  
For The Financial Year Ended March 31, 2022  
(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,**  
**Tata Power Solar Systems Limited**  
CIN U40106MH1989PLC330738  
C/o The Tata Power Company Limited,  
Corporate Center B, 34 Sant Tukaram Road,  
Carnac Bunder Mumbai- 400009

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TATA POWER SOLAR SYSTEMS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Tata Power Solar Systems Limited 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Tata Power Solar Systems Limited for the financial year ended on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (**Not applicable to the Company during the audit period**)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (**Not applicable to the Company during the audit period**)
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign

Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (**Not applicable to the Company during the audit period**)

- (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; (**Not applicable to the Company during the audit period**)
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (**Not applicable to the Company during the audit period**)
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (**Not applicable to the Company during the audit period**)
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and 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 (Issue and Listing of Debt Securities) Regulations, 2008; (**Not applicable to the Company during the audit period**)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (**Not applicable to the Company during the audit period**)
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the audit period**); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (**Not applicable to the Company during the audit period**)
- (vi) Other laws applicable specifically to the Company namely:
  - (a) The Indian Electricity Rules, 1956;
  - (b) The Energy Conservation Act, 2001;

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted. 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 notices were given to all directors to schedule the Board Meeting, Agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, 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.

All the decisions in the Board Meeting and Committee meeting are carried out unanimously and recorded in the minutes of the meetings of the Board of Directors and committee of the Board of Directors, as the case may be.

I 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.

I further reported that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For and behalf of Sumant Bhargava & Co.**

**Sumant K. Bhargava**  
**Proprietor**  
**FCS No. 8250**  
**CP. No.: 15656**  
**UDIN: F008250D000115247**

**Date: 14/04/2022**  
**Place: Navi Mumbai**

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

## ANNEXURE -A

To,

**The Members,**  
**Tata Power Solar Systems Limited**

CIN U40106MH1989PLC330738  
 C/o The Tata Power Company Limited,  
 Corporate Center B, 34 Sant Tukaram Road,  
 Carnac Bunder Mumbai- 400009

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

**For and behalf of Sumant Bhargava & Co.**

**Sumant K. Bhargava**  
**Proprietor**  
**FCS No. 8250**  
**CP. No.: 15656**  
**UDIN: F008250D000115247**

**Date: 14/04/2022**  
**Place: Navi Mumbai**

## Board's Report

### **Secretarial Audit Report of Walwhan Renewable Energy Limited (The Unlisted Material Subsidiary)**

**FORM No. MR-3  
SECRETARIAL AUDIT REPORT  
For the Financial Year Ended March 31, 2022  
[Pursuant to Section 204 (1) of the  
Companies Act, 2013 and rule 9 of the  
Companies (Appointment and Remuneration  
of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
**Walwhan Renewable Energy Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Walwhan Renewable Energy Limited (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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information to the extent provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by The Ministry of Corporate Affairs warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2022, generally 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 made available to us and maintained by the Company for the financial year ended on March 31, 2022 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (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; (Not applicable to the Company during the audit period);
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; [applicable upto January 31, 2022 since the Non-Convertible Debentures were redeemed]
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; [applicable upto January 31, 2022 since the Non-Convertible Debentures were redeemed]
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and amendments from time to time; (Not applicable to the Company during the audit period);
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- (vi) Other laws applicable specifically to the Company namely:-
  - a. The Electricity Act, 2003
  - b. The Indian Electricity Rules, 1956

- c. The rules, regulations and applicable order(s) under the Central and State Electricity Regulatory Commissions/ Authority
- d. The Energy Conservation Act, 2001

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. [applicable upto January 31, 2022 since the Non-Convertible Debentures were redeemed].

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We report that the Company has spent an amount of Rs. 1.16 crore against the amount of ₹ 2.45 crore to be spent during the year towards Corporate Social Responsibility.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of 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.

Notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, 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.

As per the minutes, decisions at the Board Meetings were taken unanimously.

We further report that there are 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 etc.

We further report that during the audit period following event occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc:

- a) The Non-Convertible Debentures aggregating to ₹ 1200 crore were fully redeemed as on January 31, 2022.
- b) Commercial papers aggregating to ₹ 500 core were issued during the period under review and commercial papers aggregating to ₹ 900 crore were redeemed on the maturity date.

**For Parikh & Associates  
Company Secretaries**

**Mohammad Pillikandlu**  
**Partner**  
**FCS No: 10619 CP No: 14603**  
**UDIN: F010619D000187950**  
**PR No.: 1129/2021**

**Place: Mumbai**  
**Date: April 22, 2022**

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.

## Board's Report

### 'Annexure A'

To,  
The Members,  
Walwhan Renewable Energy Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Parikh & Associates  
Company Secretaries**

**Mohammad Pillikandlu  
Partner**  
**FCS No: 10619 CP No: 14603**  
**UDIN: F010619D000187950**  
**PR No.: 1129/2021**

**Place: Mumbai**  
**Date: April 22, 2022**

## Annexure - V : Annual Report on CSR Activities

(Ref.: Board's Report, Section 26.1)

**1. Brief outline on CSR Policy of the Company:**

Tata Power is committed to ensuring the social wellbeing of the communities in the vicinity of its business operations through Corporate Social Responsibility initiatives (CSR) in alignment with Tata Group Focus Initiatives.

Tata Power shall engage with the community by undertaking the following principles and activities:

- Consult pro-actively with the community and other key stakeholders for understanding needs and designing initiatives for the social wellbeing of the community.
- Undertake activities as per 3 major thrust areas, which include:
  1. Education (Including financial and digital literacy)
  2. Employability and Employment (Skilling for livelihood)
  3. Entrepreneurship

The Company focussed on Consolidation, Co-Creation and Communication with focus on standardizing our CSR narrative and flagship programmes across our regions. The consolidation across locations helped achieve scale and deliver sustainable results and bring positive change to the communities through Tata Power Community Development Trust (TPCDT), which has internal capabilities to execute CSR programs effectively and efficiently. The Company's CSR policy, including overview of projects or programs undertaken or proposed to be undertaken, is provided on the Company's website.

**2. Composition of CSR Committee:**

Sl. No.	Name of the Director	Category of Directorship	No. of CSR Committee Meetings held during tenure	No. of CSR Committee Meetings attended
1.	Ms. Anjali Bansal, Chairperson	Independent, Non-Executive	4	4
2.	Mr. K. M. Chandrasekhar	Independent, Non-Executive	4	4
3.	Dr. Praveer Sinha	Executive	4	4

**3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

<https://www.tatapower.com/corporate/board-committees.aspx>

<https://www.tatapower.com/pdf/aboutus/csr-policy.pdf>

<https://www.tatapower.com/investor-relations/tata-power/social-and-relationship-capital.html>

**4. Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):**

Not Applicable

## Board's Report

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set off for the financial year, if any (in ₹)	
		.....Not Applicable.....		

6. Average net profit of the company as per section 135(5):

₹ 104.25 crore

7. (a) Two percent of average net profit of the company as per section 135(5):

₹ 2.09 crore

- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:

Not Applicable

- (c) Amount required to be set off for the financial year, if any:

Not Applicable

- (d) Total CSR obligation for the financial year (7a+7b-7c).

₹ 2.09 crore

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	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 section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 2.09 crore	.....Not Applicable.....				

- (b) Details of CSR amount spent against ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item form the list of activities in Schedule VII to the Act	(4) Local Area (Yes/No)	(5) Location of the Project		(6) Project Duration	(7) Amount allocated for the project (in ₹)	(8) Amount spent in the current financial year (in ₹)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				(State)	(District)						Name	CSR Registration number
											.....Not Applicable.....	

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project		(6) Amount spent for the project (in ₹ crore)	(7) Mode of Implemen- tation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Regis- tration number
1.	COVID Response initiatives	(ii)	Yes	• Andhra Pradesh • Bihar • Delhi • Gujarat • Jharkhand • Karnataka • Kerala • Madhya Pradesh • Maharashtra • Odisha • Punjab • Rajasthan • Tamil Nadu • Telangana • Uttar Pradesh • West Bengal	Cuddapah Kadapa Kurnool Gaya Muzaffarpur Delhi Kutch Ahmedabad Dhanbad East Singhbhum Bengaluru Kolar Chitradurga Kasaragod Neemuch Mumbai Pune Ahmednagar Sangli Satara Solapur Sambalpur Ganjam Balasore Khordha Bhatinda Bikaner Jaisalmer Jodhpur Sawai Madhopur Churu Ajmer Pratapgarh Tiruppur Dindigul Tiruchirappalli Vikarabad Mancherial Prayagraj Gonda Siliguri Purba Medinipur	1.05	No	TPCDT	CSR00002946
2.	Integrated Vocational Training	(ii)	Yes	• Maharashtra • Gujarat • Jharkhand	Mumbai Kutch East Singhbhum	0.44	Yes	TPCDT	CSR00002946

## Board's Report

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project		(6) Amount spent for the project (in ₹ crore)	(7) Mode of Implemen- tation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Regis- stration number
3.	Promotion of e-education	(ii)	Yes	• Maharashtra	Mumbai	0.08	No	TPCDT	CSR00002946
4.	Sports Intervention	(vii)	Yes	• Jharkhand • Odisha	Dhanbad Khordha	0.10	No	TPCDT	CSR00002946
5.	Others	(x)	Yes	• Maharashtra	Mumbai	0.32	No	TPCDT	CSR00002946
<b>TOTAL</b>						1.99			

(d) Amount spent in Administrative Overheads:

₹ 0.10 crore

(e) Amount spent on Impact Assessment, if applicable:

Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e):

₹ 2.09 crore

(g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (in ₹ crore)
(i)	Two percent of average net profit of the company as per section 135(5)	2.09
(ii)	Total amount spent for the Financial Year	2.09
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount	Date of Transfer	
.....Not Applicable.....							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (in ₹)	(7) Amount spent on the project in the reporting Financial Year (in ₹)	(8) Cumulative amount spent at the end of reporting Financial Year (in ₹)	(9) Status of the project - Completed /Ongoing
.....Not Applicable.....								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

Not Applicable

- (a) Date of creation or acquisition of the capital asset(s):

Not Applicable

- (b) Amount of CSR spent for creation or acquisition of capital asset:

Not Applicable

- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc:

Not Applicable

- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):

Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

Not Applicable

**Praveer Sinha**  
**CEO & Managing Director**  
(DIN: 01785164)

**Anjali Bansal**  
**Chairperson, CSR Committee**  
(DIN: 00207746)

Mumbai  
May 6, 2022

## Board's Report

### Annexure - VI : DISCLOSURE OF MANAGERIAL REMUNERATION

(Ref.: Board's Report, Section 28)

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of Director	Ratio of Director's remuneration to the median remuneration of the employees of the Company for the financial year
Mr. N. Chandrasekaran <sup>\$</sup>	N.A.
Ms. Anjali Bansal	5.21
Ms. Vibha Padalkar	5.23
Mr. Sanjay V. Bhandarkar	5.57
Mr. K. M. Chandrasekhar	5.19
Mr. Hemant Bhargava	4.03
Mr. Saurabh Agrawal <sup>#</sup>	N.A.
Mr. Banmali Agrawala <sup>#</sup>	N.A.
Mr. Ashok Sinha	5.51
Dr. Praveer Sinha, CEO and Managing Director	54.55

- b) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name of Director and Key Managerial Personnel	Percentage increase in remuneration in the financial year
Mr. N. Chandrasekaran <sup>\$</sup>	N.A.
Ms. Anjali Bansal	14.70
Ms. Vibha Padalkar	7.50
Mr. Sanjay V. Bhandarkar	14.57
Mr. K. M. Chandrasekhar	15.29
Mr. Hemant Bhargava	9.33
Mr. Saurabh Agrawal <sup>#</sup>	N.A.
Mr. Banmali Agrawala <sup>#</sup>	N.A.
Mr. Ashok Sinha	12.55
Dr. Praveer Sinha, CEO and Managing Director (KMP)	11.26
Mr. Sanjeev Churiwala <sup>^</sup> , Chief Financial Officer (KMP) (w.e.f. January 1, 2022)	N.A.
Mr. Ramesh N. Subramanyam <sup>@</sup> , Chief Financial Officer (KMP) (till December 31, 2021)	15.21
Mr. Hanooz M. Mistry, Company Secretary (KMP)	19.34

<sup>\$</sup> As a policy, Mr. N. Chandrasekaran, Chairman, has abstained from receiving Commission from the Company.

<sup>#</sup> In line with the internal guidelines of the Company, no payment is made towards commission to the Non-Executive Directors of the Company, who are in full time employment with any other Tata Company.

<sup>^</sup> Mr. Sanjeev Churiwala, Chief Financial Officer of the Company was appointed effective January 1, 2022. Hence, his remuneration is not comparable.

<sup>@</sup> Mr. Ramesh Subramanyam, Chief Financial Officer of the Company resigned w.e.f. close of business hours on December 31, 2021. Hence, only the proportionate increase in remuneration is considered.

- c) The percentage increase in the median remuneration of employees in the financial year: 3.82
- d) The number of permanent employees on the rolls of the company: 2,815
- e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year, its comparison with the percentile increase in the managerial remuneration, justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
- Average percentile increase in the salaries of employees other than managerial personnel was 9%.
  - Average increase in remuneration of Managers (defined as MD and ED on the Board of your Company) was 11.26%.

- f) Affirmation that the remuneration is as per the remuneration policy of the Company:

It is affirmed that the remuneration is as per the 'Remuneration Policy for Directors, Key Managerial Personnel and other employees' adopted by the Company.

On behalf of the Board of Directors,

**N. Chandrasekaran  
Chairman**  
(DIN:00121863)

Mumbai, May 6, 2022

# Management Discussion & Analysis

## 1. INDUSTRY DEVELOPMENTS



### GLOBAL POWER SECTOR

With clean energy, and meeting net zero targets becoming imperative for the world at large, transformation of the global power sector is gaining ground. New benchmarks are being set across a range of segments and sectors, ranging from mining, automobile, telecom, IT, and so on. Decarbonisation continues to fuel exponential growth in renewable capacity installations, driven by solar and wind. Battery energy storage systems and microgrids have become mainstream grid components. Advanced nuclear power designs and hydrogen-based energy schemes are gradually progressing, and carbon capture and storage (CCS) is becoming the new norm, with a focus on climate change amidst increased pace of industrialisation. These emerging trends could thus pave a new operating path for the global power and renewables market in the coming years.

The electrification move opens up opportunities for power companies to capitalise on the trend, by tapping the innovative mindset prevalent across academic institutions, research labs and start-ups around the world that would come up with newer, encouraging and challenging technologies in future. The sector is witnessing the next level of competition across the value chain with the advent of newer technologies and the entry of non-conventional players and start-ups offering unique solutions.

### Receding Impact of COVID

The year 2021 unfolded as the year of recovery, although the pandemic's grip continued over the course of the year. The year ended with downside impacts, such as emergence of the Omicron variant that held back a broader recovery. With slightly receding impact of COVID, the global GDP tread on the path towards recovery, growing at an estimated rate of 5.9% in 2021 from -3.1% in the previous year (Source: IMF World Economic Outlook, January 2022). This was accompanied by exceptional demand for electricity combined with strong economic growth and extreme weather conditions, boosting electricity demand by more than 6% in 2021 (Source: IEA Electricity Market Report, January 2022), the largest increase since 2010. The steep rise in demand strained coal and natural gas supplies, putting upward pressure on electricity prices and impacting end users across countries, especially in China, Europe and India.

### Significant Energy Crisis

While economic activities recovered post COVID, supply of materials and inputs did not keep pace with the demand, causing imbalance, resulting in a series of energy shortages and rapid rise in wholesale electricity prices across several countries in 2021. Multiple electricity security events took place including the Texas power crisis in February, supply shortages in Japan and China, large-scale outages in Pakistan and Chinese Taipei. Subsequently, Lebanon suffered a complete blackout in early October 2021 due to a diesel supply shortage for the country's thermal power plants, and China and India were subject to electricity supply shortages in September and October 2021, mainly affecting industrial consumers.

Demand for natural gas and coal rose higher than expected driven by unforeseen weather-related events, while on the supply side, both gas and coal faced constraints including heavy maintenance and unplanned outages, leading to sluggish built up of inventories, thus pushing up prices to multi-year highs in the second half of 2021. Natural gas prices more than doubled compared to 2020 to \$ 4.5/MBtu during H2 2021, prompting substantial gas-to-coal switching in the developed economies, especially Europe. The rise in price of coal got further accentuated by the geo-political crisis between Russia and Ukraine in February 2022. Global coal prices that stood at about \$ 61/MT in 2020, increased to \$ 138/MT in 2021 (Source: World Commodity Outlook, April 2022, World Bank) and further soared to above \$ 200/MT in February 2022.

## Management Discussion & Analysis

The energy crisis brought to the fore the importance of coal, as energy security, affordability and sustainability continue to be the centre stage of nations across the globe. After declining in 2019 and 2020, coal-fired electricity generation increased by around 9% and reached a new all-time high, contributing to more than half of the rise in demand in 2021. Renewables, on the other hand, grew by 6% in 2021, despite the unfavourable weather conditions. This rise in coal power generation can be seen as a one-off event, attributed to the exceptional year for electricity markets due to the strong growth in electricity demand, unfavourable renewable conditions and increasing gas prices, while the shift in trend towards renewables is expected to continue under normal circumstances.

### Rising Climate Actions

Climate protection policies are shaping up energy transition worldwide, as governments are increasingly focused on tackling climate change issues, deploying a suite of policy measures to decarbonise their economies and electricity sectors in line with both, medium and long-term climate ambitions, including coal phase out plans and a range of carbon pricing measures. International carbon markets received a boost in 2021 with a series of commitments announced at the COP26 conference held in Glasgow in November 2021. 23 nations committed to phase out coal by 2030-2040, and a group of 25 countries along with public financial institutions signed a joint statement to end international public support to fossil fuel investments by the end of 2022. Amongst the net zero targets by the top five emitters globally, the US, and the EU undertook to meet the said target by 2050, while the developing countries like China, and Russia targeted 2060, and India committed to meet it by 2070.

### Growth of RE Sources

Driven by the climate commitments and the aim towards a sustainable growth path, investment in cleaner energy sources is gaining greater prominence. Renewable energy sector remained markedly resilient in 2021, as rapid technology improvements, and decreasing renewables' costs accompanied with increased competitiveness of battery storage, helped the segment emerge as one of the most promising among other energy sources. Despite global uncertainties, renewables continued to grow and gain momentum. By the end of 2021, global renewable generation capacity amounted to 3,064 (GW), growing by 9.1 % from the previous year, with wind and solar accounting for 88% of the new renewable capacity in 2021. As per IEA's Electricity Market Report 2022, renewables are expected to provide more than 32% of the world's electricity supply (from 28% in 2021) by 2024, holding its position as the promising energy technology, going ahead.



### System Flexibility Needs

The massive influx of variable renewable capacities is driving more emphasis on greater flexibility needs. Coal and natural gas generation continue to remain the cornerstones of electricity flexibility, but flexibility profiles could undergo a change in the longer term with hydropower, bioenergy, and also nuclear power plants becoming more central to system flexibility. Energy storage systems are making inroads and gaining prominence driven by declining costs, improved performance indices, and policy support, thus creating opportunities for battery storage market. Storage technologies, including batteries, pumped hydro, compressed air energy storage, gravity storage, hydrogen and ammonia energy storage, would likely play a larger role in the coming years, alongside a greater potential for demand side response as well.

### Electric Vehicles (EVs) on the Rise

Electric Vehicles are growing rapidly as they play a central role in the ambitious objective of zero emission targets set by nations around the world. EV sales have been growing steadily over the past few years and 2021 seems to be a turnaround year, with EV sales more than doubling to 6.6 million, representing close to 9% of the global car market (Source: IEA). All the net growth in global car sales in 2021 came from electric cars. The segment started to see a wide range of offerings from the manufacturers like more affordable models, various choices across different brands and in different segments, enabling rise in sales. The prospect of EV adoption is getting brighter, driven by a combination of factors of policy support, improvements in battery technologies, more charging infrastructure being built, and rising commitments from automakers. The combined intent and support from all stakeholders- government's action, automakers' commitments, and customers' demand, would help catapult it to the next level in the years to come.

## H2 and CCS Gaining Ground

Driven by the decarbonisation commitments with the pressing climate protection urgency, green hydrogen is emerging as a game changer for achieving climate neutrality without compromising industrial growth and development. A growing number of countries have set pathways to tap hydrogen's decarbonisation potential, with 39 countries, led by the EU, having adopted the hydrogen strategy and several others developing, or considering developing of strategies for the said purpose. The hydrogen industry growth momentum remains strong around the world, with more than 520 projects announced in 2021, up 100% compared to 2020, translating to an investment of \$ 160 billion. However, of this just \$ 20 billion (13%) has passed the final investment decision (FID) so far, with another \$ 64 billion (40%) in the feasibility or front-end engineering and design (FEED) stage. While the sentiment remains strong, right regulatory and policy framework is required for implementation and scaling up of this technology to tap its full potential. Alongside, other newer technologies like carbon capture and storage (CCS) are also gaining momentum amid countries' efforts to limit greenhouse gas emissions across key industries. Rapid industrialisation, particularly in emerging economies, along with significant expansion of manufacturing facilities is primarily facilitating the deployment of carbon capture and storage across the globe, supported by favourable initiatives being undertaken by the government bodies.

## Digitalisation Becoming Core to Power Sector

With the connected energy systems getting more complex, digitalisation plays a central part in unlocking insights, providing flexibility, and cutting costs through increased efficiency. Companies worldwide are undertaking significant digitalisation initiatives to improve plant performance, boost operations and maintenance, and improve services. As the focus shifts from being an energy provider to offering end-to-end management of a customer's energy assets and services, digitisation forms the most important element for customised offerings. This has brought about increased M&As and partnership deals between companies and with start-ups to leverage the technological knowhow and unique solutions. Thus, digitalisation, mergers and collaborations are playing a greater role in shaping the global power sector.



## INDIAN POWER SECTOR

India's power market is undergoing a significant transformation, owing to the efforts taken by the government to improve electricity access in the country, along with its plans to increase the share of renewables in the country's power generation mix. India's green push gained momentum during the year, intensifying further with the COP26 Conference at Glasgow. Driven by its commitment towards climate change, India made a historic announcement of becoming net zero emitter by 2070, and having 500 GW of non-fossil capacity by 2030, meeting 50% of energy requirements from RE by the said period. While the Indian power sector was relatively less affected by the COVID-19 pandemic, it witnessed its own share of issues during the year as the lingering effects of the pandemic induced supply disruptions during the year.

FY22 began with reoccurrence of COVID that continued to impact life and economic activities for the second year in a row, with the second wave having dampening impact during the first half of the year. While increased vaccination coverage helped resume activities in H2 2021, the year ended with a new variant- Omicron making rounds. Energy demand increased by about 8% in FY22, driven by the C&l segment as industries sprung back to action with easing of lockdown restrictions. Peak power demand crossed the 200 GW mark, reaching the highest ever level in July during the year.

As power demand in India continues to be met mainly through thermal generation, a surge in power demand puts pressure on fuel supply. The unanticipated rise in demand for electricity with pickup in economic activities was not met by proportional growth in coal supplies (also in part due to sharp jump in global coal price), resulting in severe coal shortages. The coal stocks fell to critical level to as low as three days at some thermal plants in October 2021. The demand-supply gap also prompted increased demand at the power exchange, where electricity prices surged to the ceiling rate of ₹ 20/unit for some 15-minute blocks in August and October 2021. The government quickly intervened, initiating a slew of measures like utilising 6 GW capacity at Mundra that remained idle on account of PPA issue, urging utilities to use imported coal for blending and enhancing rake availability among others, to alleviate the crisis, resulting in normalisation of prices at the exchange. The average price of electricity at the exchange ranged between ₹ 3-4/unit in November and December 2021 from an average of ₹ 8/unit in October 2021.

Another pressing issue to be addressed is the turnaround of Discoms. A major focus of the government has been increased participation of the private players in the T&D space to improve

## Management Discussion & Analysis



the operational efficiencies and financial performance of the Discoms. Distribution continued to be plagued by several issues like high AT&C losses, insufficient tariff hikes widening ACS-ARR gap, accumulation of regulatory assets, thus impacting the financial position of Discoms, resulting in rise of pending dues to Gencos. The state-wise ratings of Discoms by the Ministry of Power (MoP) indicated a skewed improvement of ratings with just about two states performing, while others mostly showing below average and/or poor performance over the years. The government announced multiple schemes and decisions towards addressing the issues in the distribution sector, including the Revamped Reforms Based Result Linked Power Distribution Sector Scheme worth ₹ 3 trillion, aimed at improving operational efficiencies and financial stability of Discoms, subject to stringent preconditions to avail the financial assistance. It also came up with Electricity (Amendment) Bill, 2021 proposing "delicensing" of the power distribution business to foster competition in the sector. However, progress on both, privatisation and Electricity Bill remained slow. Privatisation of UT Discoms faced hurdles. While privatisation of Chandigarh UT could not be concluded, Dadra and Nagar Haveli and Daman and Diu finally took off after a hiatus of High Court orders suspending the tender process, and the Supreme Court thereafter, lifting the stay orders. Though slow, the stage is set for privatisation to take place and may not be halted as seen from the successful takeover of Odisha Discoms that could set a trend for others to follow. The much-awaited Electricity Amendment Bill also could not be passed in the parliament, as it was surrounded by protests and its passage is likely to take some time.



### Generation

India's installed generation capacity stands at 399.5 GW as on March 31, 2022, with capacity addition of more than 17 GW in FY22 compared to 12 GW during FY21. The capacity additions in FY22 happened majorly in the renewables segment, led by solar. Renewables accounted for 90% share of the incremental capacity addition in FY22, up from 61% in the previous year, with solar alone contributing to 80% of the total capacity addition in FY22-a sharp jump from 45% in the previous year.

#### Thermal Generation

Coal-based capacities continue to dominate India's total installed capacity, accounting for half of the capacities installed, though the share has been consistently declining over the past ten years from 56% in FY12 to about 52% in FY22. India's new thermal capacity installations have come down significantly with only 1.3 GW net additions in FY22, contributing to less than 10% of total capacities installed, indicating a slowdown of the sector with movement towards clean energy. This is also evident in the PLF of thermal plants that have witnessed a declining trend in the last decade, falling from 73.3% in FY12 to 58.8% in FY22.

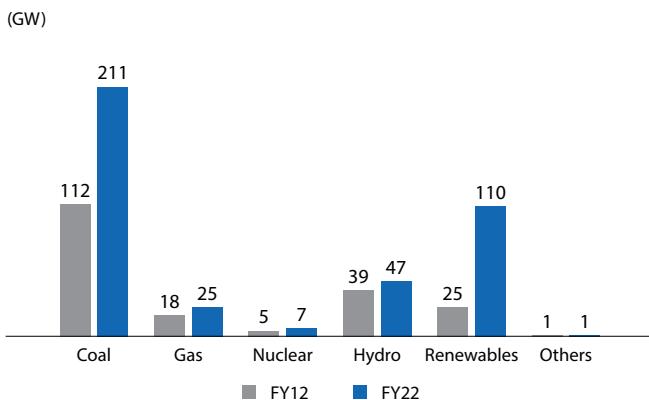
#### Renewable Generation

The focus on renewable energy sector has led to steady growth of India's renewable energy capacity over the years. The total installed renewable energy capacity of the country has been on the rise from 12% share in FY12 to 28% in FY22, crossing the 100 GW mark in FY22. Solar has been the mainstay of renewables growth in India over the past decade. Its share in total RE installed capacity has risen from 4% in FY12 to 49% in FY22 and its share in India's total installed capacity has increased from 0.5% to 14% during the same period.

The government-backed policy initiatives along with the consistent fall in cost of solar technology boosted solar energy sector as seen in increased participation by both, domestic and global players in project tenders. The changing dynamics driven by maturing technologies have shifted the trend from plain standalone solar and wind projects, to rising interest in more complex projects including hybrid, RTC, peak power, floating solar and storage.

The average solar tariffs discovered in auction had fallen steeply over 2014-18 at a CAGR of 19%. From 2018, the tariffs continued to drop, albeit at a slower pace. Entry of new players, declining equipment costs and gaining experience of IPPs, are leading to fall in average tariffs. However, supply disruptions caused due to COVID, hike in GST rate from 5% to 12%, imposition of 40%

## Installed Capacity



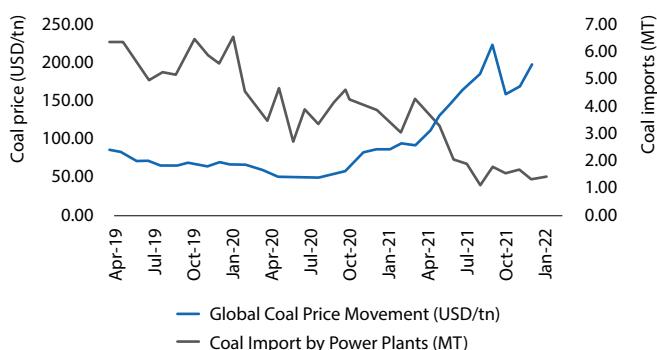
Source: CEA

Basic Custom Duty (BCD) on module imports, the application of Approved List of Models & Manufacturers (ALMM) and rising commodity prices are seen to have an upward pressure on tariffs of solar projects. Government continued with its enabling policies like net metering, ISTS waiver for renewable projects, etc. to help further boost adoption of renewables. With a push towards domestic solar manufacturing and lower import dependency, the government introduced the PLI scheme across 13 sectors including solar modules and batteries. It gave a nod to the Production Linked Incentives (PLI) scheme worth ₹ 4,500 crore for solar manufacturing, aimed at adding 10 GW manufacturing capacity of integrated solar PV modules, which was further enhanced to ₹ 24,000 crore. The sector, however, is faced with some challenges like delay in Power Purchase Agreement (PPA) tie-ups, renegotiation of PPAs, cancellation of bids, land issues, supply chain disruptions, etc. which need to be resolved for the sector to meet its targeted growth.

### Fuel

Coal produced by Coal India Limited (CIL), and its subsidiaries, increased by 4.4% during FY22 to 623 MT (from 596 MT in previous fiscal). Despite improved production by the coal behemoth, domestic thermal power sector faced massive supply crisis as fuel supplies could not keep pace with the rebound in demand for electricity, as economic activities picked up post COVID. Sharp rise in global coal price (127% in 2021) deterred import of coal, putting further pressure on demand for domestic coal. The war between Russia and Ukraine has further aggravated the situation, with a sharp upward movement in global coal prices.

## Global Coal Price and India's Coal Imports



Source: World Bank, CEA

### Transmission

The backbone transmission system in India is mainly through 765 kV, 400 kV and 220 kV AC networks, with the highest transmission voltage level being 800 kV (HVDC). Total transmission lines and substation capacity reached nearly 4.56 lakh Ckms and 11.04 lakh MVA, respectively, reflecting an increase of about 14,895 Ckms and 78,982 MVA over the previous year. The National Electricity Plan (Volume II-Transmission) i.e., NEP-Trans, has been notified to review the development of transmission system during the 12th Plan period, the current planning period 2017-2022 and the subsequent period 2022-2027.

With changing power generation mix on account of increase in renewables, the government is emphasising on augmenting the transmission infrastructure to support demand growth. In order to expedite the development of transmission lines for solar/wind parks, the Green Energy Corridor is a series of infrastructure projects aimed at synchronising the power generated from renewable energy sources like wind, solar, hydro, etc. with the conventional national grid of India. The project is divided into two parts i.e., Phase-I and Phase-II.

Under Green Corridor Phase-I, Power Grid Corporation of India Limited (PGCIL) is responsible for strengthening transmission networks and constructing inter-state transmission network for connecting renewable energy-rich states.

Under Green Corridor Phase-II, the government has opened-up private participation (which is still limited to 7%), and has decided to award these projects to private players through Tariff Based Competitive Bidding (TBCB). As of now, 64 TBCB projects have been awarded, amongst which, 34 have been commissioned, 22 are under construction, and the rest have not been started due to litigation or have been scrapped by Central Electricity Regulatory Commission (CERC).

## Management Discussion & Analysis

### Distribution

Distribution sector, the most important part of the power value chain, continues to face challenges impacting the viability of the entire power value chain. While the distribution segment was on path towards transformation on the back of several reforms and schemes announced by the government to help address the challenges faced by the sector, a trend reversal in terms of the betterment of Discom performance in the recent past is being witnessed as far as Discom dues are concerned. Overdue amount of Discoms to Gencos crossed the ₹ 1 trillion-mark again in the last quarter of FY22, indicating the stress in the sector. The segment continues to be faced with the lingering issues of high AT&C losses, widening ACS-ARR gap, insufficient tariff hikes and backlog of subsidy payments by the government, resulting in continued weakness in the operational and financial performance of Discoms. This is despite a number of schemes and reforms launched in the distribution segment in the past, implying limited success in improving the overall financial and operational performance of Discoms. One of the biggest reform packages announced in 2021 was the ₹ 3.03 trillion Revamped Distribution Sector Scheme (RDSS), aimed at improving the operational efficiency and financial sustainability through measures focussed towards smart metering, energy accounting, infrastructure works for loss reduction, modernisation and system augmentation. The central government also allowed additional borrowing space to the state governments, conditioned on them undertaking and sustaining specific reforms. The government also emphasised on Discom privatisation and competition in the distribution sector, in order to help improve the situation. However, the Discoms' privatisation drive in the UTs saw limited success so far with progress being seen only in Dadra and Nagar Haveli. Thus, the revival of the power distribution segment is contingent on the on-ground effective implementation of the reform measures, introduced under government schemes and programmes.

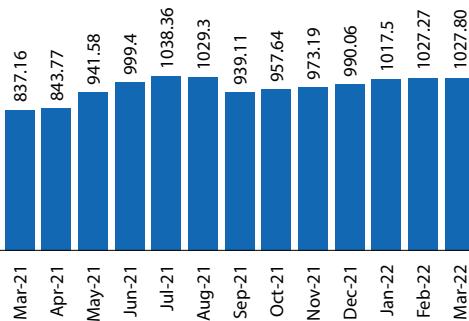
### All India AT&C Loss



Source: PFC Report on Performance of Power Utilities 2019-20

### Overdue Amount at Month end

(₹ Bn)



Source: PRAAPTI portal

### Power Trading

Around 184 billion units (BUs) of electricity were traded in the short-term power market during FY22, as compared to a total of 146 BUs traded during FY21. Out of this, about 47% of trading took place using power exchange platforms. The trading margins were under immense pressure due to high competition amongst traders. The market is concentrated with 8 larger players and remaining traders operating in regional pockets, largely for trading their own power.

At ₹ 4.39 per unit, the average clearing price for spot markets in FY22 increased by 56% as compared to the previous fiscal. The increase in spot prices is largely attributable to the combined effect of surge in overall demand post second - wave of Covid-19, erratic renewable generation, increase in prices of international coal and gas, shortage in supply of domestic coal, especially during monsoons.

### Regulatory and Policy Developments

Regulatory and policy reforms in the sector are critical to help avert the issues surrounding the power value chain alongside creating an enabling environment for increased investments in the sector. 2021 was a year of policy announcements across all segments of the power sector. Some of the key announcements by the government during the year included the following:

- **Net Metering-** The Ministry of Power (MoP) allowed net metering for rooftop solar systems for loads up to 500 kW, thus removing the ambiguity surrounding the rooftop segment.
- **ISTS waiver-** With a view to encourage faster capacity addition based on solar or wind energy sources, in supersession of earlier orders, MoP notified that for solar or wind, Hydro Pumped Storage Plant (HPSP) and Battery Energy Storage System (BESS) projects commissioned up to June 30, 2025, the waiver of inter-state transmission charges shall be applicable subject to certain conditions. The waiver shall be applicable

for a period of 25 years for solar, wind and hydro PSP or for a period of 12 years for BESS or for a period subsequently notified for future projects by the central government, from the date of commissioning of the power plant. Waiver is allowed for ISTS charges only, and not for loss. However, it is clarified that the waiver of losses shall be applicable for the projects whose bidding was completed up to January 15, 2021.

- **Change in Law Rules-** The MoP notified the Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021 vide notification dated October 22, 2021 applicable to generating company and transmission licensee affected by a 'Change in Law' (CIL) event to be restored to the same economic position as before the event by way of adjustments to the monthly tariff. Further, a formula has been provided under the Schedule to the Rules, to calculate adjustments in the monthly tariff due to the impact of CIL.
- **Curtailment Rules-** The MoP has notified the Electricity (Promotion of Generation of Electricity from Must-Run Power Plant) Rules, 2021 vide notification dated October 22, 2021, providing that a must-run power plant will not be subjected to curtailment or regulation of generation or supply of electricity on account of merit order dispatch or any other commercial consideration. It may be curtailed or regulated only in the event of any technical constraint in the electricity grid or for reasons of security of the electricity grid. In the event of a curtailment of supply from a must-run power plant, compensation will be payable by the procurer to the must-run power plant at the rates specified in the agreement for purchase or supply of electricity. The RE generator is also allowed to sell power in the power exchange and recover the cost suitably helping in realisation of revenue by the generator and power available in the electricity grid for use of consumers.
- **GDAM-** Launch of Green Day Ahead Market segment at Indian Energy Exchange Limited (IEX) exclusively for renewable energy, thus expected to deepen the green market and provide competitive price signals.
- **Automatic Pass Through-** Union Power Ministry directed state electricity regulators to adopt an 'automatic pass-through model', requiring the state-run Discoms to pay higher tariffs to power plants as soon as the cost of fuel escalates.

- **Renewable Energy (RE) Bundling-** Guidelines issued for RE bundling wherein thermal power generation companies could either set up renewable energy generation capacities themselves or through developers by inviting bids and supply power to consumers under existing PPAs.
- **National Infrastructure Monetization Pipeline-** National Infrastructure Monetisation Pipeline announced opening up opportunities for participation of private players.
- **Emission Norms-** The date for meeting the emission norms was extended based on the categorisation as per the severity of pollution. Thermal power plants within 10 km of the National Capital Region (NCR) and in cities with more than 1 million population were to comply with new emission norms by December 2022, while those within 10 km radius of critically polluted areas or non-attainment cities need to comply by December 2023, and the remaining by December 2024.
- **DSM Regulations-** CERC has notified DSM Regulations 2022. Linkage to frequency has been removed, to be controlled by System Operator by way of ancillary services. Deviation limits for over injection have been curtailed for RE. Penalty charges for under injection linked to normal rate i.e., weighted average ancillary service charge. Till such rate is available, it will be highest of the weighted average area clearing price (ACP) of the day ahead market segments of all the power exchanges, the weighted average ACP of the real-time market segments of all the power exchanges, or the weighted average ancillary service charge of all the regions for that time block.
- **Cyber Security-** Release of Cyber Security Guidelines for the power sector for the first time.
- **Green Hydrogen Mission** document has been announced. This will lead to increase in demand for RE as green hydrogen has to be produced by electrolysis process enabled by RE.
- **Hydro Purchase Obligation-** HPO notified as a separate entity within Non-Solar Renewable Purchase Obligation (RPO).

With electricity falling under the concurrent list, reforms initiated at the central level will be subject to states' Electricity Regulatory Commissions' discretion for implementation in the respective states.

## Management Discussion & Analysis

### 2. TATA POWER BUSINESS PORTFOLIO, OPPORTUNITIES AND OUTLOOK

The Company's generation business operates under various business models across divisions in the domestic as well as international markets with the PPA / Fixed Tariff model contributing to the largest share of the generation segment. The following is a summary of the different business models under which various generation assets of the Company operate:

Model	Returns	Project	Capacity (MW)	% Overall Capacity
Regulated Tariff	Regulated Return on Equity (ROE)	Mumbai operations (Trombay and Hydro), Maithon Jojobera (Unit 2 and 3), TPDDL-Rithala	2,775	20.5
PPA / Fixed Tariff (Renewables)	Feed In Tariff+ Bid Driven	Wind and Solar Projects (Domestic), TPTCL, TPDDL	3,400	25.2
PPA / Fixed Tariff (Bid / Others)	Bilateral Agreement + Bid Driven	Jojobera (Unit 1 and 4), Mundra, Itezhi-Tezhi, Hydro Projects, Georgia Hydro, IEL-Kalinganagar	4,685	34.7
Captive	Bilateral Captive Agreement	IEL (Unit 5, PH6, KPO), CKP (Indonesia)	429	3.2
Merchant	Market Driven	Haldia, Dagachhu	246	1.8
Under Platform Management	PPA Based	Prayagraj	1,980	14.6
<b>Total</b>			<b>13,515</b>	<b>100</b>

The Company had significant footprint in the power distribution business in the country and is present in the following areas:

Model	Returns	Distribution Area / Entity	No. of Customers (million)
Distribution Licensee	Regulated Return on Equity (ROE)	Mumbai Distribution	0.75
Public-Private-Partnership (PPP)	Regulated + Bid conditions driven	TPDDL, TPCODL, TPWODL, TPSODL and TPNODL	11.40
Distribution Franchisee (DF)	Input energy growth and investment driven	TPADL	0.16
<b>Total</b>			<b>12.31</b>

The Indian market continues to remain the primary focus of business for the Company. Currently, the domestic market accounts for more than 95% of its generation capacity. As highlighted earlier, the Company has plans in place to grow in the areas of renewable generation, transmission, distribution and new and service-led businesses.



#### THERMAL AND HYDRO GENERATION

In line with its intent of achieving carbon neutrality by FY45, the Company plans to limit its exposure to coal-based projects and does not intend to expand its existing portfolio, offsetting the generated carbon dioxide (CO<sub>2</sub>) storage, etc. to achieve net zero emission of greenhouse gases. The Company is promoting carbon neutrality, which will not only reduce carbon emissions constantly, but also decrease the concentration of air pollutants, thus improving air quality. The Company does not have any greenfield or brownfield expansion plans in the near term, but would continue to maintain the existing thermal and hydro operations in a sustainable manner. The Company will, however,

be evaluating inorganic opportunities that might come up in hydro power generation assets. The Company is also looking at opportunities in Waste Heat Recovery (WHR) based portfolio through the JV (IEL) with Tata Steel Limited (Tata Steel).

Additionally, the Company is evaluating growth opportunities in services for thermal and hydro plants by leveraging the technical and operation expertise.



#### CONSUMER BUSINESSES

The Company has major plans to scale up consumer businesses, such as rooftop solar, EV charging, solar pumps, microgrids, energy efficiency solutions, and home automation.

We have collaborated with electric vehicle Original Equipment Manufacturers (OEMs) to roll out EV charging infrastructure and aim to expand our presence further in many cities of India. The Company has also developed a robust software platform for customers of EV charging, and has released a mobile-based application (Tata Power EZ Charge) for the same. This would

enable us to offer value-added services to our customers. With the increase in EV adoption, the Company plans to cover the segments of home, workplace and captive charging (including e-Bus charging) through different models and approaches. We are also actively evaluating opportunities in the electric 3-wheeler and 2-wheeler charging market.

In the space of rooftop solar, the Company has presence in more than 180 districts of India and has rolled out differentiated value-added services with its offerings across segments (residential, commercial and industrial, including corporates, owners, MSMEs, institutions and small commercial establishments). The Company has recognised the opportunities arising in rooftop solar and is developing new offerings and models to enhance its adoption among consumers, including financing solutions, extending the EPC model, recurring revenue model and other value-added offerings.

We have installed over 191 microgrids till March 2022 and are evaluating numerous approaches and models for scaling up this business. We have been successful in benefiting a rural consumer base of over 14,000 consumers. As a part of value-added services, we have launched a mobile app and EMI scheme for new connections and are providing energy efficient appliances.

The Company has identified eight business-wide Strategic Business Objectives (SBO) for a focused approach towards capitalising the opportunities. You may refer to page number ..... of the Integrated Report for a detailed explanation of these SBOs along with goals and action plans to achieve these objectives.



### 3. BUSINESS PERFORMANCE

Consolidated operations of the Company can be categorised into four segments: generation, transmission and distribution, renewables and others. Report on the performance and financial position of each of the subsidiaries, JVs and associate companies has been provided in Form AOC-1.

The Company's business performance in FY22 was higher mainly due to full year impact of Odisha Discoms, favourable order in RE generating companies, lower finance cost and improved performance across all business offset by higher loss in Tata Projects. A sizable portfolio of the Company's business under the regulated framework provides a steady and reliable source for its finances. Also, the Company's portfolio is suitably structured to capitalise on favourable market conditions for market-linked businesses in its portfolio, while ensuring stable returns from the regulated businesses.

Highlights of the operational performance of key entities are listed below:



#### RENEWABLES

##### **TATA POWER RENEWABLE ENERGY LIMITED (TPREL & ITS SUBSIDIARIES) (2,079 MW)**

Type of Entity: Wholly-owned subsidiary (TPREL, TP Wind Power, TP Kirnali and TP Solapur)

Particulars	FY22	FY21
Generation-Sales (MUs)	3,078	2,611
Revenue from Operations (₹ crore)	1,435	1,143
PAT (₹ crore)	195	13

Higher sales were due to addition of 652 MW solar capacity during the year and higher PLF from wind capacity.

PAT for the year increased on account of additional capacities commissioned, coupled with one-time impact of ₹ 126 crore pertaining to favourable tariff order, judgements and compensations.

TP Kirnali Limited is currently executing 220 MW solar PV projects under long-term PPAs in Gujarat and Maharashtra. 120 MW capacity is under execution in Gujarat with Gujarat Urja Vikas Nigam Limited (GUVNL), and 100 MW capacity is under execution in Maharashtra with Maharashtra State Electricity Distribution Company Limited (MSEDCL).

The commissioned capacity plus capacity under execution by TPREL and its direct subsidiaries at the end of FY22 was 2,299 MW, which included TPREL standalone (2,049 MW), TP Kirnali Limited (220 MW under execution) and TP Wind Power Limited (30 MW).

## Management Discussion & Analysis

### **WALWHAN RENEWABLES ENERGY LIMITED - WREL (CONSOLIDATED) (1,010 MW)**

Type of entity: Wholly-owned subsidiary of TPREL

WREL has an operating capacity of 1,010 MW, out of which 864 MW is solar power and 146 MW is wind power. A major part of the capacity is in Tamil Nadu, followed by Rajasthan, Madhya Pradesh, Karnataka and Andhra Pradesh.

The generation achieved by WREL in FY22 was 1,676 MUs, marginally higher than 1,659 MUs achieved in FY21. In FY22, the availability of wind and solar assets of WREL has improved through various initiatives taken during last two years. Wind generation has also been better in FY22 as compared to FY21.

Particulars	FY22	FY21
Generation Sales (MUs)	1,663	1,645
Revenue from Operations (₹ crore)	1,277	1,181
PAT (₹ crore)	441	320

PAT has increased mainly due to one-time impact of ₹ 56 crore pertaining to favourable tariff orders / judgements coupled with reduction in finance cost due to prepayments of borrowings made in FY21 / FY22 and downward interest rate resets.

### **RENEWABLES - CAPTIVE (105 MW)**

Type of Entity: Subsidiary (Poolavadi, Vagarai, TP Kirnali Solar, TP Solapur Solar and TP Akkalkot)

Particulars	FY22	FY21
Generation Sales (MUs)	163	85
Revenue from Operations (₹ crore)	62	35
PAT (₹ crore)	(4)	(10)

Loss has lowered in FY22 mainly due to capacity addition during the year, full year impact of capacity commissioned in the previous year and higher generation from wind sites.

### **RENEWABLES - OTHERS (174 MW)**

Type of Entity: Wholly-owned subsidiary (Tata Power Green, TP Saurya, TP Roofurja, Chirasthayee Saurya and TP Solapur Saurya); Division (Nivade and Visapur)

Particulars	FY22	FY21
Generation Sales (MUs)	276	263
Revenue from Operations (₹ crore)	120	127
PAT (₹ crore)	15	33

PAT has decreased in FY22 mainly due to lower rates offset by higher generation on account of higher average wind speed.

### **TATA POWER SOLAR SYSTEMS LIMITED – TPSSL**

Type of entity: Wholly-owned subsidiary

Particulars	FY22	FY21
Revenue from Operations (₹ crore)	8,506	5,119
PAT (₹ crore)	161	208

TPSSL continues to demonstrate significant growth driven by growing demand for renewable power in the country and capabilities of the Company, which have been augmented over time.

The sales from the large projects segment, which contributes a major portion of sales for TPSSL, has increased by 54% as compared to the previous year. Further, the revenue from rooftop solar and products segments increased by approximately 2.5 times and 2 times respectively, as compared to the previous year and had an order book of 184 MW.

During the year, TPSSL has commissioned 1.5 GW of utility-scale solar projects and has an additional 3 GW under execution amounting to ₹ 12,000 crore.

During the year, TPSSL stabilised its manufacturing operations of the newly commissioned Cell and Module lines, which have significantly augmented the production capacity and capability to manufacture modules of 440 Wp.

### **TP RENEWABLE MICROGRID LIMITED**

Type of entity: Wholly-owned subsidiary

TP Renewable Microgrid has been setting up microgrids in rural villages of Bihar (six districts) and Uttar Pradesh (seven districts). As of March 31, 2022, the Company has commissioned 191 microgrids with an installed capacity of 5.73 MW, serving more than 14,000 rural consumers.

The Company has been creating a green footprint in rural India. Various 'Do Green' initiatives are getting deployed, which reduce environmental (air and noise) pollution and reduce consumer dependence on fossil fuels and alleviate poverty. Few green flagship programs are DG to MG Conversion (migration of diesel operated motors to electrical operated motors of micro-entrepreneurs), financing for energy efficient motors (for consumers on EMI), green irrigation for farmers (diesel pumps replaced with electric pumps and linked to income generation), Nari Shakti (self-defence training for new women police cadets), empowering women entrepreneurship (green electricity with financial stimuli), development of new village level entrepreneur (VLE) for launching a new business in the rural community using microgrid supply.

The Company not only deployed various new technologies, and enabled process automation and digitalisation for business sustainability, but also showed impetus for digital transformation at the rural community level. The Company has released a microgrid power supply to UP's 1st Green, Digital and Smart Village at Rewana in Lakhimpur District, thereby benefiting more than 100 underprivileged customers. Further, to improve digital payment penetration for its rural consumers, the Company, apart from providing physical outlets for payment collection through payments bank rural outlets, has also collaborated with Common Service Centres (CSC) for payment collection at their centres and Bharat Bill Payment System (BBPS) for payment collection through mobile phones.

#### TATA POWER HYDROS (447 MW)

Type of entity: Division

Particulars	FY22	FY21
Generation Sales (MUs)*	1,566	1,500

\*Includes sales to Company's distribution division

During the year, generation sales were higher, mainly due to increase in storage capacity in Mulshi reservoir, and increased demand for hydro power by beneficiaries. Availability for the year was 98.77% in line with previous year. Reduction in Aux Power Consumption (APC) was achieved through various energy conservation measures under sustainability initiatives and 6-Sigma projects.



#### MUNDRA, COAL AND RELATED INFRASTRUCTURE COMPANIES

#### MUNDRA THERMAL PLANT (4,150 MW)

Type of entity: Division [erstwhile Coastal Gujarat Power Limited (CGPL)]

Particulars	FY22	FY21
Generation Sales (MUs)	8,361	24,536
Revenue from Operations (₹ crore)	3,109	6,990
PAT (₹ crore)	(1,651)	(637)

Loss in FY22 was higher as compared to FY21 mainly due to lower capacity revenue on account of lower units in operation partly offset by lower fuel under-recovery, effective coal procurement strategy and reduction in finance cost on pre-payment of long-term loans.

Under-recovery of fuel cost is listed below:

Particulars	FY22	FY21
(in ₹ crore)	(527)	(1,019)
(in ₹ per kWh)	(0.63)	(0.42)

\* Fuel under-recovery consists of total coal cost under recovery (Fuel revenue net of coal costs) and non-cash impact of Ind-AS 116 of ₹ 243 crore and ₹ 260 crore for FY22 and FY21 respectively..

The Company continues to engage with the procuring states to find a solution for long-term commercial viability of the plant and the supplementary PPA is in advanced stage of discussion with procurers.

Mundra is also making efforts to reduce losses through initiatives like sourcing of low-cost coal from other geographies, and increasing blending of low calorific value coal.



#### COAL AND INFRASTRUCTURE COMPANIES

The Company, through its subsidiaries, holds a 30% stake in PT Kaltim Prima Coal (KPC) and a 26% stake in PT Baramulti Suksessarana Tbk (BSSR), which are strategic assets to hedge imported coal price exposure at Mundra, and form an important part of the supply chain for its coal off-take requirements.

We have signed an agreement in the earlier year to sell our 30% stake in PT Arutmin Indonesia and associated companies in coal trading and infrastructure. The aggregate consideration for the stake is \$ 401 million, subject to certain closing adjustments and restructuring actions. The Company received \$ 243 million till March 2022, and is pursuing steps to conclude this transaction.

The mining licence for KPC has been renewed for 10 years in December 2021, with a total area of 61,543 ha. The government of Indonesia has changed several regulations effective January 1, 2022, such as royalty with tier rate depending on HBA price of coal, new corporate tax rate of 22%, obligation to pay VAT as per prevailing law, and 10% profit sharing to government.

## Management Discussion & Analysis

### PT Kaltim Prima Coal, Indonesia

Particulars	FY22	FY21
Coal Production (Million Tons)	52.9	59.1
Revenue from Operations* (₹ crore)	34,206	21,663
PAT* (₹ crore)	4,615	910

\*Figures are on 100% basis. The Company's share is 30%

KPC's coal production was impacted due to incessant heavy rainfall during the second half of the financial year. The coal price realisation for the year was at \$ 85.2/tonne as compared to \$ 48.8/tonne in the previous year. KPC's profitability was higher due to an increase in the international coal price index.

### PT Baramulti Saksesarana Tbk and PT Antang Gunung Meratus, Indonesia

Particulars	FY22	FY21
Coal Production (Million Tons)	13.3	10.7
Revenue from Operations* (₹ crore)	5,413	2,358
PAT* (₹ crore)	1,642	222

\*Figures are on 100% basis. The Company's share is 26%

PAT is higher due to higher average price realisation at \$ 55.6/tonne as compared to \$ 29.7/tonne in the previous year.

### PT Nusa Tambang Pratama, Indonesia (Infrastructure Company)

Particulars	FY22	FY21
Revenue from Operations* (₹ crore)	815	935
PAT* (₹ crore)	466	653

\*Figures are on 100% basis. The Company's share is 30%

PAT is lower mainly due to the reduction in rates and lower tonnage of coal handled during the year.

### TRUST ENERGY RESOURCES PTE. LIMITED- (TERPL)

Type of entity: Wholly-owned subsidiary of Tata Power International Pte Limited (TPIPL)

Particulars	FY22	FY21
Revenue from Operations (₹ crore)	538	1,003
PAT (₹ crore)	8	608

Post-sale of vessel in FY21, TERPL continues to perform freight services for Mundra at an optimised freight rate under the Unified Freight Contract. Revenue and PAT for FY22 has reduced on account of reduction in number of shipments due to lower offtake from Mundra.



### THERMAL GENERATION

#### MAITHON POWER LIMITED- MPL (1,050 MW)

Type of entity: Subsidiary (Tata Power: 74%, DVC: 26%)

Particulars	FY22	FY21
Generation Sales (MUs)	7,215	5,819
Revenue from Operations (₹ crore)	2,782	2,503
PAT (₹ crore)	281	311

Profit for the FY22 is lower mainly due to one-time impact of order issued by the CERC during the year.

MPL maintained its strong financial position as evident from the ratings given by CARE and CRISIL for the long-term facilities (CARE AA Stable and CRISIL AA+) and short-term (CRISIL A1+) bank facilities. MPL started coal transportation through railway mode during the year.

The construction work for setting up of the flue gas desulphurisation (FGD) has started and expected to be completed as per the agreed timelines.

#### INDUSTRIAL ENERGY LIMITED- IEL (415 MW)

Type of entity: Subsidiary (Tata Power: 74%, Tata Steel: 26%) (Joint Venture under Ind AS)

Particulars	FY22	FY21
Generation Sales (MUs)	2,999	2,845
Revenue from Operations (₹ crore)	300	298
PAT (₹ crore)	121	112

IEL operates a 120 MW tolling coal-based plant in Jojobera. It also operates a 120 MW co-generation plant (Powerhouse #6) in Jamshedpur, inside the Tata Steel plant, which is based on blast furnace and coke oven gas. Two out of the three units of 67.5 MW each of co-generation plant at Kalinganagar, Odisha, are also under operation by deploying production gases from Tata Steel's plant.

PAT for the year is higher due to reduction in finance cost due to scheduled repayment of loan offset by lower PLF incentives.

IEL is in an advanced stage of executing the third turbine of 67.5 MW co-generation plant at Kalinganagar, Odisha and Domjuri Solar Plant (15 MW), based on discussions with Tata Steel.

## TROMBAY (930 MW)

Type of entity: Division

Particulars	FY22	FY21
Generation Sales (MUs)*	5,153	4,703

\*Includes sales to Company's distribution division

Trombay plant achieved an availability of 92.1% in FY22 as compared to last year's availability of 92.3%. Higher generation in FY22 is mainly due to surge in demand post COVID period. Unit 8 LP turbine and boiler overhauling and Unit 7 STG blade replacement have been successfully completed. Trombay plant had undertaken several operational improvement measures, including reduction in make-up losses, optimising operational expenses and reducing store inventory.

## JOJOBERA (428 MW)

Type of entity: Division

Particulars	FY22	FY21
Generation Sales (MUs)	2,814	2,523

Jojobera plant achieved availability of 96% in FY22 as compared to last year's availability of 93%. Higher generation in FY22 is mainly due to surge in demand post COVID period. Jojobera plant has secured 1.28 lakh MT coal through special forward e-auction for FY22.

## HALDIA (120 MW)

Type of entity: Division

Particulars	FY22	FY21
Generation Sales (MUs)	792	655

Generation sales in FY22 were higher than previous year mainly due to improvement in flue gas availability from Tata Steel coke oven plant, on account of higher demand of coke. Significant improvement in PLF in FY22 of 87% compared to previous year level of 72% is due to several operational improvement measures, such as enhancing boiler and coke oven performance through collaborative approach with Tata Steel, and reduction in high energy steam loss.



## TRANSMISSION

### MUMBAI TRANSMISSION

Type of entity: Division

Particulars	FY22	FY21
Grid Availability (%)	99.9	99.9

The transmission assets, which are a part of the Mumbai licence area, had a grid availability of 99.9% in FY22 as against the Maharashtra Electricity Regulatory Commission (MERC) norm of 98%. Availability was maintained at high levels by proactive actions taken to reduce forced shutdowns. Key initiatives included, effective preventive maintenance practices, adoption of new technology and digitalisation initiatives for condition monitoring and optimisation of planned outages by judicious planning and execution.

### POWERLINKS TRANSMISSION LIMITED – PTL

Type of entity: Subsidiary (Tata Power: 51%, PGCIL: 49%) (Joint Venture under Ind AS)

Particulars	FY22	FY21
Revenue from Operations (₹ crore)	139	117
PAT (₹ crore)	91	102

The average availability of the lines was maintained at same level as in previous year (i.e., 99.96%).

Revenue for the year is higher mainly due to recovery of way leave charges from beneficiaries. PAT is lower mainly as previous year including one-time tax impact .

## Management Discussion & Analysis



### DISTRIBUTION

#### MUMBAI DISTRIBUTION

Type of entity: Division

Particulars	FY22	FY21
Sales (MUs)	4,851	4,184
Consumer Base (Nos.)	7,47,458	7,30,515

Mumbai Distribution has added approx. 17,000 customers in FY22 and MUs sales increased by 16% during the year, mainly due to increase in demand as compared to the previous year.

Some key highlights of the Mumbai distribution business, including certain initiatives to improve customer experience, are:

- More than 16,000 consumers opted for green power tariff with annualised consumption of 176 MUs.
- Over 3.4 lakh consumers have opted for e-bills. WhatsApp bill services were launched in FY22 and 1 lakh+ consumers opted for the same.
- 42,500 smart meters installed under Smart Meter Rollout project in Mumbai.
- NABL Accreditation received as per IS 16,444 for meter testing and calibration laboratory.
- Wi-Fi devices and mobile applications were developed for meter reading and data transfer for real time billing.
- Deployment of Robotic Process Automation (RPA) in business processes.
- Social advancement for knowledge and household income -134 Sakhis enrolled for bill delivery and recovery.
- 100+ EV chargers installed in societies.
- 2,000+ lead generated for home automation.
- UJALA-Braille Electricity Supplementary Bills launched for visually impaired consumers.
- A Patent has been granted to Tata Power Mumbai Distribution for voice-assisted switchgear innovation.
- Won 3 Gold Awards in ICCQC 2021 and 6 Par Excellence Awards in NCQC.

#### TATA POWER DELHI DISTRIBUTION LIMITED – TPDDL

Type of entity: Subsidiary (Tata Power: 51%, Government of National Capital Territory (NCT) of Delhi: 49%)

Particulars	FY22	FY21
Distribution Sales (MUs)	8,787	8,347
Revenue from Operations (₹ crore)	7,978	7,297
PAT (₹ crore)	439	428

In FY22, TPDDL had a registered customer base of 18.82 lakh, spanning across an area of 510 sq. km. in north and north-west parts of Delhi. The AT&C losses for the year stood at 6.8% as against 7.3% last year.

TPDDL was able to reduce the System Average Interruption Duration Index (SAIDI) to a level of 13.2 hours against 16.6 hours in the previous year, an improvement of 21%. TPDDL has adopted TQM framework for taking operational excellence to the next level.

Average System Availability Index has improved from 99.80% to 99.84%.

TPDDL has also added solar generation as a part of its sustainable initiatives since 2008 and has installed 15 solar plants on the rooftop of its grid sub-stations, with a total generation capacity of 1.8 MW. It also has a total net metering cumulative capacity of 46.8 MWp. The Company is now working on setting up a smart grid with the integration of roof top solar, energy storage, e-charging of electric vehicles, home automation, etc. in its network.

Key initiatives undertaken by TPDDL during the year are:

- Digital Payment Index increased to 84% in FY22 compared to 77.5% in last year
- The Company sustained system reliability at 99.84% and touched the peak load at 2106 MW during the year. Street light functionality was 99.2%, there were 590 collection avenues, customer delight index was 96, and billing efficiency and collection efficiency were at 92.9% and 100.4% respectively, as on March 31, 2022.
- TPDDL in partnership with AutoGrid has launched a unique Incentive linked Behavioral Demand Response program to support effective utilisation of smart meters and reduce network management cost.
- TPDDL has been recognised as the first power distribution utility in the country to receive CERT-In empanelment as an Information Security Auditing Organisation (related to cyber security)
- Launched an interactive bill service through WhatsApp with audio description, six months billing history and nearby payment avenues along with existing offers and schemes.

- Launched various energy efficiency programmes such as 5-star AC replacement scheme, super-efficient BLDC fan, LED lighting products, which helped energy savings of 108 MUs and 88,480 KG CO<sub>2</sub> reduction since FY15
- Under the Horizon 2020 program, funded by the European Union, TPDDL is carrying out a pilot exercise of deploying an energy islanding system at one of its distribution sub-stations with the aim of creating a model for individual community-based storage systems. The project has deployed a holistic approach, including community engagement and technology deployment to create a successful model.
- Partnered with SUN Mobility to set up a network of swap points in New Delhi to cater to the growth of 2-wheeler and 3-wheeler EV market, recently established the battery swapping station in Azadpur, Delhi.
- Collaborated with Nexcharge to power up India's first grid connected Community Energy Storage System (CESS) at Rani Bagh, Delhi

#### **TP AJMER DISTRIBUTION LIMITED – TPADL**

Type of Entity: Wholly-owned Subsidiary

Particulars	FY22	FY21*
Distribution Sales (MUs)	488	461
Revenue from Operation (₹ crore)	431	418
PAT (₹ crore)	(0.34)	0.36

TPADL has been operating as a franchisee for the supply and distribution of power in Ajmer, over the past five years. The total area under the franchisee is around 190 sq km. The total consumer base in FY22 is 1.57 lakh and peak demand was 97.90 MW, which has increased by 5% compared to last year.

In FY22, PAT is lower mainly due to higher O&M expenses.

For enhancing customer-centricity and reliability, various initiatives were implemented, resulting in improvement in business performance and reduction in AT&C loss to 9.5% in FY22 from 10.2% in the last year. Further reduction in provisional billing from 1.6% in previous year to 1.2% in FY22 and increase in digital payment to 55% in FY22 compared to 49% in FY21.

#### **TP Central Odisha Distribution Limited – TPCODL**

Type of Entity: Subsidiary (Tata Power: 51%, GRIDCO Limited: 49%)

Particulars	FY22	FY21*
Distribution Sales (MUs)	6,722	5,226
Revenue from Operations (₹ crore)	4,070	2,999
PAT (₹ crore)	29	7

\* Acquisition date June 1, 2020

In FY22, TPCODL has a registered consumer base of 29.38 lakh spanning over an area of 29,354 sq.km in central part of Odisha. The AT&C loss stood at 26.7%.

PAT for the year has increased mainly due to full year operation coupled with lower AT&C losses.

The key initiatives taken up by TPCODL are as under:

- 96,605 new connections with a load of 310.5 MW have been energised during the year
- Booked theft load of 90.5 MW and recovered ₹ 22.4 crore during FY22
- Integrated 113 primary substations during the year. Cumulatively, 169 substations are being remotely monitored, out of which 86 are controlled from Central PSCC, Bhubaneswar. In FY22, 51 substations have been unmanned
- 21 Area PSCC (APSCC) have been made operational in TPCODL for better monitoring of non-automated sub stations. Works related to 33 kV and 11 kV are carried out through PTW (Suraksha Kavach application). All breakdown-related trippings are entered into the application for near real time information
- 3.9 lakh defective and mechanical single- phase meters have been replaced in FY22. This has led to an overall meter replacement of 6.1 lakh
- 660 'Gaon Chalo' Programs and RWA meets conducted to reach out to rural customers. Various Pay and Win schemes introduced to enhance digital payment. 9 CCC (total 14) across various divisions. Mobile cash collection van introduced.
- 8 trolley mounted mobile sub stations have been introduced to mitigate any emergency
- Rebar Lacing Pole has been tested at CPRI Bangalore and can withstand 300 km/ hr. It is lighter and cheaper than H Pole and can be now used for disaster resilient network

#### **TP Northern Odisha Distribution Limited – TPNODL**

Type of Entity: Subsidiary (Tata Power: 51%, GRIDCO Limited: 49%)

Particulars	FY22
Distribution Sales (MUs)	4,392
Revenue from Operations (₹ crore)	2,722
PAT (₹ crore)	74

During the year, the Company acquired 51% stake in TP Northern Odisha Distribution Limited as a licensee to carry out the function of distribution and retail supply of electricity, covering the distribution circles of Balasore, Bhadrak, Baripada, Jaipur and

## Management Discussion & Analysis

Keonjhar in the state of Odisha for a period of 25 years effective from April 1, 2021. This added a further 19.10 lakh to the Company's customer base.

In FY22, TPNODL had a registered customer base of 20.89 lakh, spanning across an area of 28,000 sq. km. in northern parts of Odisha. The AT&C losses for the year stood at 23.1%.

TPNODL achieved the System Average Interruption Duration Index (SAIDI) to a level of 455 hours and System Average Interruption Frequency Index (SAIFI) of 680 Nos.

Key initiatives undertaken by TPNODL during the year are:

- AT&C losses - 23.1% - reduction of 2%+ in the very first year of operation
- 24 x 7 call centre and customer care centre started in 5 circles and launched 'My Tata Power' app with features of OCR based self-meter reading/billing, bill payment, billing and payment history, online complaint registration, and others
- 18 primary substations mapped under unmanned SCADA operation and 30 integrated
- Received 'Original Business Leader of the Year Award' for innovative project of the year - aerial meter reading for rural and lift irrigation customers
- Suraksha portal launched for reporting safety incidents/near miss/unsafe situation/unsafe acts/others
- Booked theft load of 72.2 MW and recovered ₹ 19.6 crore during FY22

- 500 smart meters installed for government consumers
- SCADA, GIS and 50-seater call centres made operational
- Achieved reduction in energy theft to 53 MW against target of 50 MW
- New Load added: 134 MW against target of 83 MW

### TP Western Odisha Distribution Limited – TPWODL

Type of Entity: Subsidiary (Tata Power: 51%, GRIDCO Limited: 49%)

Particulars	FY22	FY21*
Distribution Sales (MUs)	7,493	1,562
Revenue from Operations (₹ crore)	4,243	839
PAT (₹ crore)	64	(1)

\* Acquisition date January 1, 2021

In FY22, TPWODL had a registered customer base of 21.10 lakh. It has a vast distribution area in western part of Odisha covering 48,373 sq. km across nine revenue districts of Odisha, such as Bargarh, Bolangir, Deogarh, Jharsuguda, Kalahandi, Nuapada, Sambalpur, Sonepur and Sundergarh.

AT&C losses for the year stood at 27.7%. TPWODL has established Power System Control Center (PSCC) in TPWODL for complete remote monitoring of the distribution network for any abnormalities and helps in taking corrective measures within the stipulated time frame.

SAIDI is measured to 424 hour and SAIFI is 600 Nos.

Key initiatives undertaken by TPWODL during the year are:

- 'My Tata Power,' mobile application launched to digitally empower 2.1 million electricity consumers and to generate their Electricity Bills online by providing self-meter reading and instantly paying option, in addition to getting a chance to claiming a rebate of 4%
- Basic SCADA System was implemented to control and monitor the 33/11 KV network
- 24x7 call centre was established for 3 languages (Odia, Hindi and English) IVRS, and auto-forwarding of complaints and acknowledgments over SMS
- Exclusive E-Care Centre has been set up for responding to consumer queries, requests, complaints, and grievances through e-mails, letters and social media
- Interactive Voice Response System (IVRS) was developed for capturing mobile numbers and e-mail ids to improve consumer reachability and other service-related communications
- Load of 416 MVA added

### TP Southern Odisha Distribution Limited – TPSODL

Type of Entity: Subsidiary (Tata Power: 51%, GRIDCO Limited: 49%)

Particulars	FY22	FY21*
Distribution Sales (MUs)	3,021	686
Revenue from Operations (₹ crore)	1,689	338
PAT (₹ crore)	69	22

\* Acquisition date January 1, 2021

In FY22, TPSODL had a registered customer base of 23.82 lakh, spanning across an area of 48,751 sq. km. in the southern part of Odisha. The AT&C losses for the year stood at 32.5%.

TPSODL achieved the SAIDI of 155 hours and SAIFI of 233 Nos.

Key initiatives undertaken by TPSODL during the year are:

- 3 lakh single phase and 12,000 three phase defective meters were replaced
- 25 digital payment avenues made available to the consumers

- 1,34,817 man-hours of safety training provided and safety practices created in 17 divisions
- Constructed 427 DTR fencing for public safety and elephant corridor
- Enforcement load of 80.9 MW booked and recovered ₹ 19.1 crore

#### **TATA POWER TRADING COMPANY LIMITED - TPTCL**

Type of Entity: Wholly owned subsidiary

Particulars	FY22	FY21
Traded (MUs)	19,433	10,626
Revenue from Operations (₹ crore)	374	265
PAT (₹ crore)	55	33

TPTCL's sales volumes are 19,433 MUs in FY22 with an increase of 83% over last year. Further, PAT is also 65% higher than last year's actuals on account of higher volumes due to high demand and increased participation through tenders as well as in power exchange. There is optimum utilisation of the working capital cycle along efficient receivable management, resulting in negligible finance costs and higher interest incomes. TPTCL has no long-term or any short-term borrowings and can be termed as a debt free company.



#### **OTHER BUSINESSES SERVICES**

In FY22, the services division of T&D worked on assignments in diverse geographies in India and abroad. T&D services added large scale implementation projects in India, which include smart metering of 37 lakh consumers for KSEB Kerela, and smart grid implementation for BEST, Mumbai. International advisory assignments during the year include consulting for smart metering for Oman, and management and technical advisory for Tajikistan.

#### **CONSUMER BUSINESSES- EV CHARGING**

The Company has made a significant impact in developing an EV ecosystem and we are encouraging EV adoption in the country. The Company is committed to playing a key role along with other stakeholders in achieving the national goal of transition to electric-mobility. Tata Power partnered with Tata Motors, Morris Garages India Limited and Jaguar Land Rover for developing EV charging infrastructure for their customers and dealers and installed 2,253 charging points across the country, including those

for e-buses used by multiple state transport utilities. During the year, the Company rolled out Version 2.0 of its software platform and mobile app that plays a crucial role in EV charging by helping customers in locating EV charging stations, charging EVs and making bill payments online. Tata Power EV charging points are now present in more than 352 cities and various key highways under various business models and market segments. The Company aims to increase its presence, both in terms of a greater number of charging stations and larger geographical presence across the country.

#### **CONSUMER BUSINESSES- HOME AUTOMATION**

The Company has developed IoT-based home automation solutions and introduced home automation products as a part of its smart energy management tool. The purpose is to encourage customers to implement efficient and cost-effective home automation solutions to manage their electricity usage. These products enable customers to monitor, operate and schedule any kind of home appliances such as AC, geyser, light and fan from anywhere through EZ home app and can also be operated through voice-enabled devices. The Tata Power EZ home products sold across India through some solar rooftop channel partners. In addition, we have also initiated sales of our home automation products through e-commerce platforms and modern retail stores. The annual sale of FY22 was 33,373 units.

#### **INTERNATIONAL BUSINESSES**

#### **DAGACHHU HYDRO POWER CORPORATION LIMITED - DHPC (126 MW)**

Type of Entity: Associate (Tata Power 26%, DGPC & Affiliates: 74%)

Particulars	FY22	FY21
Generation Sales (MUs)	587	536
Revenue from Operations (₹ crore)	184	181
PAT (₹ crore)	34	65

\*Figures are on 100% basis. The Company's share is 26%

#### **ADJARISTSQALI NETHERLANDS BV (ABV)**

Type of Entity: Joint Venture (TPIPL: 50%, Clean Energy Invest: 50%)

Adjaristsqali Georgia LLC (AGL) is wholly owned subsidiary of ABV. AGL has developed a 187 MW hydropower project (Shuakhevi and Skhalta projects) on the Adjaristsqali river and its tributaries in Georgia. This is one of the largest infrastructure investments in Georgia.

## Management Discussion & Analysis

Based on the operational performance in the last two years, the Company, during the year, reassessed the recoverability of its investment in ABV and accordingly, has recognised an impairment provision of ₹ 150 crore in the consolidated financial results. Investment in ABV is shown as 'assets held for sale' during the year.

### DIGITAL INITIATIVES

The Company is focussed on leveraging digital technologies and solutions across the different business segments to achieve operational efficiency, enhance consumer experience, create competitive differentiation by providing digital platforms and support the business growth. All of these have led to a significant increase in digitalisation across the Company.

Tata Power Digital and IT services have aligned with the accepted global benchmarks with its sustained certification for Integrated Management System (IMS) comprising ISO 27001:2013 and ISO 9001:2015 for digital and IT in March 2020, and will go for recertification in FY23 after successful closure of two cycles of surveillance audits.

Some of the key initiatives across business/functions during the year are as follows:

#### Initiatives to enhance customer experience

- **Smart meter consumer analytics:** Personalised insights regarding the consumption trends and savings potential provided on the customer portal. Self-service facility has also been enabled for the consumers to subscribe / unsubscribe to alert notifications
- **Prepaid metering and billing:** Implementation of prepaid metering using smart meter interfaces like daily meter reading, meter operational state, remote disconnection and remote reconnection post recharge
- **Transmission lines image analytics:** Use of AI / ML to build a model that provides analytics for predictive decision-making and also to derive valuable insights and actionable items for eliminating safety hazards
- **Consumer sentiment analysis:** Feedback received from consumers through various digital channels is collated and analysed using Natural Language Processing (NLP) and classified into 3 categories viz. positive, negative and neutral. This has enabled the customer relationship team to provide better services by diagnosing the problems and taking informed decisions

- **WhatsApp integration:** WhatsApp integration has been completed for sending bill generation messages to consumers, who have provided their consent for availing the facility

#### Initiatives to enhance employee productivity, experience and learning

- **Employee Mobile App:** Single mobile app available for employees that enables to fetch information and carry out various tasks on mobility
- **Do Green App:** Mobile App to enable employees to contribute towards the organisational goal of carbon reduction
- **Stakeholder Suraksha App:** Has improved safety awareness in vendors / contractor workforce, which in turn has led to improve the safe working environment and safety indices of the plant

#### Initiatives for business growth

- Enabled the EV platform with new booking / cancellation facility, customer review, RFID card-based charging, additional payment channels for customers, etc. Also, added features for housing society and home accounts
- New features added for rooftop platform, like channel partner account statement, tracking of leads, smartruck salesforce integration for shipment tracking, monitoring and management of the entire field sales team
- Mobile app and consumption analytics launched for home automation customers with dashboard, developed for call centre agents to resolve customer queries quickly

#### Initiatives to enhance operational efficiency (asset performance and digitalisation of processes)

- **Field Force Automation:** Deployment of meter installation, replacement and removal app, which is integrated with GIS and various map functionalities
- **Robotic Process Automation:** Robotic Process Automation (RPA) implemented in various functions of consumer billing and meter reading, finance and HR, which has reduced the cycle time and also improved workforce productivity
- **Condenser Vacuum Optimisation:** Predictive analytics for vacuum level of condensers and real time monitoring to reduce losses and improve power plant operations

#### 4. FINANCIAL PERFORMANCE – STANDALONE

The Company recorded a profit after tax of ₹ 2,783 crore during the financial year ended March 31, 2022 (PAT was ₹ 294 crore in FY21). Both the basic and the diluted earnings per share were at ₹ 8.61 for FY22. During the year, National Company Law Tribunal (NCLT) issued an order for merger of Coastal Gujarat Power Limited (CGPL) and Af-taab with the Company effective April 1, 2020 and accordingly previous year figures are restated.

The analysis of major items of the standalone financial statements is shown below.

##### REVENUE

Particulars	(₹ in crore)		%	
	FY 22	FY 21	Change	Change
Revenue from Operations	11,108	13,169	(2,061)	(16)
Regulatory Deferral Balances including deferred tax recoverable/(payable)	134	300	(166)	(55)
<b>Total</b>	<b>11,242</b>	<b>13,469</b>	<b>(2,227)</b>	<b>(17)</b>

The decrease in revenue is mainly due to lower generation in Mundra due to unit shutdown on account of higher coal prices.

##### OTHER INCOME

Particulars	(₹ in crore)		%	
	FY 22	FY 21	Change	Change
Interest Income	250	180	70	39
Dividend Income	2,640	998	1,642	165
Gain/(Loss) on Investments	8	23	(15)	(65)
Other Non-operating Income	89	59	30	51
<b>Total</b>	<b>2,987</b>	<b>1,260</b>	<b>1,727</b>	<b>137</b>

The increase in Other Income is mainly due to higher dividend income from foreign subsidiary.

##### COST OF POWER PURCHASED AND COST OF FUEL

Particulars	(₹ in crore)		%	
	FY 22	FY 21	Change	Change
Cost of Power Purchased	798	581	217	37
Cost of Fuel	6,569	7,842	(1,273)	(16)

Cost of power purchased was higher on account of increase in power purchase price. Cost of fuel was lower mainly due to lower generation in CGPL.

##### TRANSMISSION CHARGES

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Transmission Charges	259	258	1	0.4

Transmission charges is in line with PY.

##### EMPLOYEE BENEFIT EXPENSES

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Employee Benefit Expenses	738	697	41	6

Employee benefit expenses are higher mainly due to normal increment.

##### FINANCE COSTS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Finance Costs	2,189	2,497	(308)	(12)

Finance costs were lower mainly due to refinancing of borrowings at lower interest rates.

##### DEPRECIATION AND AMORTISATION

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Depreciation and Amortisation	1,134	1,235	(101)	(8)

Depreciation has decreased mainly due to sale of winds assets to TPREL and Tata Power Green Energy Limited (TPGEL).

##### OPERATIONS AND OTHER EXPENSES

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Repairs and Maintenance	479	441	38	9
Others	718	628	90	14
<b>Total</b>	<b>1,197</b>	<b>1,069</b>	<b>128</b>	<b>12</b>

Repairs and maintenance expenses are higher mainly due to repairs work related to SCADA projects in MO-Transmission being charged off to P&L account, based on MERC order. Other expenses are higher due to forex loss.

## Management Discussion & Analysis

### EXCEPTIONAL ITEMS- CONTINUED OPERATION

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Gain on sale of Investment in Subsidiary	1,519	Nil	1,519	NA
Standby Litigation	Nil	(109)	109	(100)
Provision for Impairment of Investments	(107)	Nil	(107)	NA
<b>Total</b>	<b>1,412</b>	<b>(109)</b>	<b>1,521</b>	<b>(1,395)</b>

#### Gain on sale of investment in subsidiary

During the year, the Company has sold its investment in TERPL, a wholly owned subsidiary of the Company to TPIL another wholly owned subsidiary of the Company for a consideration of ₹ 2,127 crore (\$ 286 million) and recognised a profit amounting to ₹ 1,519 crore in the financial results.

#### Provision for impairment of investments

During the year, the Company has reassessed the recoverability of its investment in ABV, held through its wholly owned subsidiary TPIL based on the current operational performance and accordingly, has recognised an impairment provision of ₹ 107 crore as an exceptional item in the financial results.

#### Standby litigation

In the previous year, MERC vide its order dated March 30, 2020 allowed the recovery of part of the total standby litigation amount from consumers. During the previous year, MERC vide its order dated December 21, 2020, revised its earlier order and disallowed the recovery of said standby charges. Consequently, the Company has recognised an expense of ₹ 109 crore (including carrying cost) and disclosed it as an exceptional item.

### EXCEPTIONAL ITEMS- DISCONTINUED OPERATION (Strategic Engineering Division)

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Impairment Loss on Remeasurement to Fair Value	(468)	(160)	(308)	193

During the previous year, the Company had sold its Strategic Engineering Division (SED) to Tata Advanced Systems Limited (TASL). During the year, the Company has reassessed the fair value of the contingent consideration receivable and recognised an impairment loss of ₹ 468 crore as an exceptional item in the financial results (₹ 160 crore in previous year).

### TAX EXPENSES / (CREDIT) FOR CONTINUED OPERATIONS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Current Tax	(105)	207	(312)	(151)
Deferred Tax	(9)	(105)	96	(91)
Deferred Tax Relating to Earlier Year	(739)	Nil	(739)	NA
Remeasurement of Deferred Tax on Account of New Tax Regime (net)	360	Nil	360	NA
<b>Total</b>	<b>(493)</b>	<b>101</b>	<b>(594)</b>	<b>(588)</b>

#### Current tax

Subsequent to the merger of the erstwhile CGPL with the Company with effect from April 1, 2020, the Company has reassessed its provision for current taxes and has written back an amount of ₹ 105 crore during the current year pertaining to earlier year.

#### Deferred tax

During previous year, the Company entered into a Business Transfer Agreement with TPREL and TPGEL, wholly-owned subsidiaries, for the transfer of renewable assets (forming part of renewable segment) as a 'going concern' on a slump sale basis effective on or after April 1, 2021. Consequently, as per the requirement of Ind AS 12, the Company has reassessed its deferred tax balances including its unrecognised deferred tax assets on capital losses and has recognised gain of ₹ 131 crore.

#### Deferred tax relating to earlier year

The Company has also reassessed the recoverability of unabsorbed depreciation and brought forward tax losses post merger and has recognised deferred tax asset amounting to ₹ 969 crore and has written off deferred tax asset on capital losses amounting to ₹ 230 crore during the current year.

#### Remeasurement of deferred tax on account of new tax regime (net)

The Company has transitioned to the new tax regime effective April 1 2020 and accordingly, the Company had remeasured its tax balances and reversed the deferred tax asset amounting to ₹ 360 crore.

## TAX EXPENSES FOR DISCONTINUED OPERATIONS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Current Tax	Nil	(101)	101	(100)
Deferred Tax	Nil	(72)	72	(100)
<b>Total</b>	<b>Nil</b>	<b>(173)</b>	<b>173</b>	<b>(100)</b>

During FY21, the Company completed sale of its SED business to TASL.

## PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTY AND INTANGIBLE ASSETS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Property, plant and equipment	20,875	21,602	(727)	(3)
Right of Use Assets	2,834	2,831	3	0.1
Intangible Assets	37	61	(24)	(39)
Capital Work-in-Progress	965	322	643	200
<b>Total</b>	<b>24,711</b>	<b>24,816</b>	<b>(105)</b>	<b>0.4</b>

The above assets decreased mainly due to transfer of renewable assets to TPREL and TPGEL in FY22 offset by increased capex spending.

## NON-CURRENT INVESTMENTS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Investment in Subsidiary, JV and Associate	9,543	9,236	307	3
Statutory Investments	124	168	(44)	(26)
Others	1,044	558	749	87
<b>Total</b>	<b>10,711</b>	<b>9,962</b>	<b>749</b>	<b>8</b>

Non-current investments increased mainly due to infusion of additional investments in Tata Project for future growth, acquisition of TPNODL and reclassification of Tata Teleservices (Maharashtra) Limited (TTML) from assets held for sale.

## CURRENT INVESTMENTS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Mutual Funds (Unquoted)	68	247	(179)	(72)
<b>Total</b>	<b>68</b>	<b>247</b>	<b>(179)</b>	<b>(72)</b>

Current investment is lower mainly due to redemption of investment in mutual funds during the year.

## TRADE RECEIVABLES

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	Nil	Nil	Nil	Nil
Current	1,027	1,580	(553)	(35)
<b>Total</b>	<b>1,027</b>	<b>1,580</b>	<b>(553)</b>	<b>(35)</b>

Decrease in trade receivables is mainly due to lower billing in Mundra on account of lower generation and higher recovery of dues in Mumbai operations.

## LOANS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	453	454	(1)	(0.2)
Current	1,328	1,336	(8)	(0.6)
<b>Total</b>	<b>1,781</b>	<b>1,790</b>	<b>(9)</b>	<b>(0.6)</b>

No major change in the loan balance during the year.

## FINANCE LEASE RECEIVABLE

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	521	530	(9)	(2)
Current	43	37	6	16
<b>Total</b>	<b>564</b>	<b>567</b>	<b>(3)</b>	<b>(0.5)</b>

Finance lease receivable reduced due to recovery of lease rentals offset by new contracts undertaken in EV business segment during the year.

## OTHER FINANCIAL ASSETS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	97	658	(561)	(85)
Current	1,987	147	1,840	1,252
<b>Total</b>	<b>2,084</b>	<b>805</b>	<b>1,279</b>	<b>159</b>

Other financial assets increased mainly due to dividend receivable from Bhira, offset by reversal of contingent consideration receivable from sale of SED business.

## OTHER ASSETS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	1,649	1,342	307	23
Current	213	192	21	11
<b>Total</b>	<b>1,862</b>	<b>1,534</b>	<b>328</b>	<b>21</b>

## Management Discussion & Analysis

Other assets increased mainly due to increase in recoverable from consumers in Mumbai Regulated Business, higher pre-paid expenses and increase in capital advances in Mundra, Jojobera and SRA projects.

### ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Land	301	301	Nil	Nil
Building	1	9	(8)	(89)
Investments	276	276	Nil	Nil
Investment carried at fair value through Other Comprehensive Income	Nil	179	(179)	(100)
Loan and other receivables (including interest accrued)	23	23	Nil	Nil
Transmission Lines	Nil	9	(9)	(100)
<b>Total</b>	<b>601</b>	<b>797</b>	<b>(16)</b>	<b>(25)</b>

Assets held for sale reduced mainly due to reclassification of TTML to investment and receipt of reimbursement of expenses incurred for Vikhroli Transmission lines from MERC.

### LIABILITY CLASSIFIED AS HELD FOR SALE

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Other Liabilities	114	114	Nil	Nil
<b>Total</b>	<b>114</b>	<b>114</b>	<b>Nil</b>	<b>Nil</b>

This liability pertains to advance received towards sale of Dehrand land.

### REGULATORY DEFERRAL ACCOUNT – ASSET / (LIABILITY)

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Regulatory Deferral – Asset	726	574	152	26
Less: Regulatory Deferral – Liability	Nil	Nil	Nil	Nil
<b>Total Regulatory Deferral – Asset (Net)</b>	<b>726</b>	<b>574</b>	<b>152</b>	<b>26</b>

Regulatory Deferral Assets (Net) pertains to regulatory receivables in the Mumbai Distribution Business. The same has increased mainly due to increase in power purchase cost and higher carrying cost on regulatory assets.

### TOTAL EQUITY

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Equity Share Capital	320	320	Nil	Nil
Unsecured Perpetual Securities	Nil	1,500	(1,500)	(100)
Other Equity	10,560	8,059	2,501	31
<b>Total Equity</b>	<b>10,880</b>	<b>9,879</b>	<b>1,001</b>	<b>10</b>

Total Equity has increased mainly due to higher profit during the year on account gain on sale of TERPL's shares to TPIPL, higher dividend from coal companies and tax income on account of merger offset by higher losses in Mundra. During the year, the Company has exercised the call option to redeem the unsecured perpetual securities along with interest.

### BORROWINGS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	18,088	16,583	1,505	9
Current	6,620	7,878	(1,258)	(16)
<b>Total</b>	<b>24,708</b>	<b>24,461</b>	<b>247</b>	<b>1</b>

Current borrowings is refinanced by Non-current borrowings to improve liquidity risk profile.

### LEASE LIABILITY

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	2,555	2,460	95	4
Current	304	289	15	5
<b>Total</b>	<b>2,859</b>	<b>2,749</b>	<b>110</b>	<b>4</b>

Lease liability has increased mainly due to remeasurement of future lease liabilities on account of change in CERC Index pertaining to Mundra.

### TRADE PAYABLES

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	Nil	Nil	Nil	Nil
Current	4,080	3,282	798	24
<b>Total</b>	<b>4,080</b>	<b>3,282</b>	<b>798</b>	<b>24</b>

Trade payable increased mainly on account of payable for fuel in the Mundra and Mumbai Regulated Business.

## OTHER FINANCIAL LIABILITIES

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	13	12	1	8
Current	2,761	2,208	553	25
<b>Total</b>	<b>2,774</b>	<b>2,220</b>	<b>554</b>	<b>25</b>

Other Financial Liabilities increased mainly due to higher factoring liability pertaining to receivables of Mundra and Mumbai Generation Business.

## OTHER LIABILITIES

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	757	667	90	13
Current	555	500	55	11
<b>Total</b>	<b>1,312</b>	<b>1,167</b>	<b>145</b>	<b>12</b>

Other liabilities increased mainly due to increase in deferred revenue liability pertaining to Mundra and increase in statutory liabilities and statutory consumer reserve.

## PROVISIONS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	274	275	(1)	(0.3)
Current	45	39	6	15
<b>Total</b>	<b>319</b>	<b>314</b>	<b>5</b>	<b>2</b>

No major movement in provisions during the year.

## TAX ASSETS/(LIABILITY)

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-Current Tax Assets	338	144	194	134
Deferred Tax Assets	250	Nil	250	NA
Deferred Tax Liability	Nil	(135)	135	(100)
Current Tax Liability	(108)	(135)	27	(20)
<b>Total</b>	<b>480</b>	<b>(126)</b>	<b>606</b>	<b>(481)</b>

The Hon'ble NCLT has approved the composite scheme of arrangement for merger of erstwhile CGPL along with the capital reorganisation with the Company effective April 1, 2020.

During the current year, subsequent to the merger of the erstwhile CGPL, the Company has reassessed its recoverability of unabsorbed depreciation and brought forward tax losses and has recognised deferred tax asset amounting to ₹ 969 crore and has written off deferred tax asset on capital losses amounting to ₹ 230 crore during the year. Further, the Company has transitioned to the new tax regime effective April 1, 2020 and accordingly, the Company had remeasured its tax balances and reversed the deferred tax asset amounting to ₹ 360 crore during the year.

During the previous year, the Company entered into a Business Transfer Agreement with TPREL and TPGEL, wholly-owned subsidiaries, for the transfer of renewable assets (forming part of renewable segment) as a 'going concern' on a slump sale basis effective on or after April 1, 2021. Consequently, as per the requirement of Ind AS 12, the Company reassessed its deferred tax balances including its unrecognised deferred tax assets on capital losses and has recognised gain of ₹ 131 crore.

## 5. Financial Performance – Consolidated

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Revenue from Operations*	42,576	33,239	9,337	28
Depreciation & Amortisation	3,122	2,745	377	14
Finance Costs	3,859	4,010	(151)	(4)
Exceptional Items	(618)	(269)	(349)	(130)
Profit Before Taxes	2,535	1,767	768	43
<b>Profit for the year</b>	<b>2,156</b>	<b>1,439</b>	<b>717</b>	<b>50%</b>

\*Includes Regulatory Income/ (Expenses)

- Revenue from Operations increased primarily due to full year impact of Odisha Discoms and execution of solar EPC projects
- Depreciation increased primarily due to increased capitalisation
- Finance costs were lower mainly due to refinancing of loans, and reduction in interest rate
- Exceptional items in FY22 included impairment of Georgia assets and reversal of contingent consideration in SED
- Exceptional items in FY21 included disallowance of recovery of standby charges by MERC and reversal of contingent consideration in SED

## Management Discussion & Analysis

### PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTY AND INTANGIBLE ASSETS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Property, plant and equipment	50,503	45,356	5,147	11
Right to use assets	3,662	3,682	(20)	(0.5)
Intangible Assets	1,366	1,345	21	2
Capital Work-in-Progress	4,635	3,270	1,365	42
<b>Total</b>	<b>60,166</b>	<b>53,653</b>	<b>6,513</b>	<b>12</b>

The above assets increased mainly on account of increased spending in renewables business, acquisition of Odisha Discoms, increased capitalisation in TPDDL and Mumbai Regulated Business.

### GOODWILL

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Goodwill	1,858	1,795	63	4

Goodwill increased on account of acquisition of TPNODL during the year.

### NON-CURRENT INVESTMENTS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Investments in Joint Ventures & Associates	12,580	11,921	659	6
Statutory Investments	124	168	(44)	(26)
Others	1,046	561	485	86
<b>Total</b>	<b>13,750</b>	<b>12,650</b>	<b>1,100</b>	<b>9</b>

Increase in non-current investment is mainly due to additional infusing of equity in Tata Projects to fund the future expansion plan and reclassification of TTML from assets held for sale.

### CURRENT INVESTMENTS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Statutory Investments	56	Nil	56	NA
Investments in Mutual Funds	355	500	(145)	(29)
<b>Total</b>	<b>411</b>	<b>500</b>	<b>(89)</b>	<b>(18)</b>

Current investments are lower mainly due to lower investment in mutual fund in Tata Power & MPL offset by increase in investment in WREL and TPWDL.

### TRADE RECEIVABLES

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	686	605	81	13
Current	5,980	5,200	780	15
<b>Total</b>	<b>6,666</b>	<b>5,805</b>	<b>861</b>	<b>15</b>

Increase in trade receivables was mainly due to increase in receivables in Odisha Discom offset by higher collection in Mundra and TPSSL.

### LOANS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	3	5	(2)	(40)
Current	9	8	1	13
<b>Total</b>	<b>12</b>	<b>13</b>	<b>(1)</b>	<b>(8)</b>

There is no major movement in loans during the year.

### FINANCE LEASE RECEIVABLE

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	589	599	(10)	(2)
Current	47	41	6	15
<b>Total</b>	<b>636</b>	<b>640</b>	<b>(4)</b>	<b>(1)</b>

There is no major movement in finance lease receivable during the year.

### OTHER FINANCIAL ASSETS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	1,685	1,919	(234)	(12)
Current	501	330	171	52
<b>Total</b>	<b>2,186</b>	<b>2,249</b>	<b>(63)</b>	<b>(3)</b>

Non-current financial assets has decreased mainly due to reversal of contingent consideration in SED division, conversion of advance against equity for acquisition of TPNODL offset by increase in deposit balances on account of acquisition of Odisha Discoms. Current financial assets increased mainly due to increase in advances in TPREL, Mumbai T&D Business and new business in Tata Power.

## OTHER ASSETS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	1,850	1,459	391	27
Current	1,480	914	566	62
<b>Total</b>	<b>3,330</b>	<b>2,373</b>	<b>957</b>	<b>40</b>

Non-current Assets increased mainly due to increase in recoverable from consumers in Mumbai Regulated Business and increase in capital vendor in MPL on account of FGD projects. Current Assets increased mainly due to increase in advances to vendors in TPSSL and Orissa Discoms and higher pre-paid expenses in Tata Power.

## ASSETS/ (LIABILITY) CLASSIFIED AS HELD FOR SALE

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Assets Classified as Held for Sale	3,047	3,047	Nil	Nil
(Less): Liability Classified as Held for Sale	(114)	(140)	26	(23)
<b>Total (Net)</b>	<b>2,933</b>	<b>2,907</b>	<b>26</b>	<b>23</b>

Net movement in assets/ (liability) classified as held for sale due to completion of sale transaction of TCL Ceramics Limited during the year.

## REGULATORY DEFERRAL ACCOUNT – ASSET/ (LIABILITY)

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Regulatory Deferral – Asset	6,811	6,222	589	10
Less: Regulatory Deferral – Liability	(635)	(99)	(536)	541
<b>Total Regulatory Deferral – Asset (Net)</b>	<b>6,176</b>	<b>6,123</b>	<b>53</b>	<b>1</b>

Regulatory deferral assets (net) pertains to regulatory receivables in TPDDL, Odisha Discoms and Mumbai Distribution Business. This has marginally increased in Delhi Discom, Mumbai Discom, and Odisha Discoms.

## TOTAL EQUITY

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Equity Share Capital	320	320	Nil	Nil
Unsecured Perpetual Securities	Nil	1,500	(1,500)	(100)
Other Equity	22,122	20,503	1,619	8
<b>Total</b>	<b>22,442</b>	<b>22,323</b>	<b>119</b>	<b>1</b>

Total equity has increased mainly due to higher profit during the year offset by the repayment of unsecured perpetual securities.

## BORROWINGS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	32,730	30,045	2,685	9
Current	14,860	13,126	1,734	13
<b>Total</b>	<b>47,590</b>	<b>43,171</b>	<b>4,419</b>	<b>10</b>

Increase in borrowing is mainly due to funding for growth projects in renewables and T&D business and to fund the repayment of perpetual securities.

## LEASE LIABILITY

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	3,208	3,142	66	2
Current	397	395	2	1
<b>Total</b>	<b>3,605</b>	<b>3,537</b>	<b>68</b>	<b>2</b>

Lease liability has increased due to remeasurement of future lease liabilities on account of change in CERC index pertaining to the Mundra during the year.

## TRADE PAYABLES

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	Nil	2	(2)	(100)
Current	10,460	7,146	3,314	46
<b>Total</b>	<b>10,460</b>	<b>7,148</b>	<b>3,312</b>	<b>46</b>

Trade payable increased mainly in TPSSL on account of being payable to vendors for execution of solar EPC projects, increase in fuel payable in Mundra and Tata Power and higher power purchase payable in Delhi and Odisha Discoms.

## Management Discussion & Analysis

### OTHER FINANCIAL LIABILITIES

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	1,157	1,371	(214)	(16)
Current	9,632	7,648	1,984	26
<b>Total</b>	<b>10,789</b>	<b>9,019</b>	<b>1,770</b>	<b>20</b>

Other financial liabilities have increased mainly due to acquisition of Odisha Discoms and advance received from sale of investments in PT Arutmin.

### OTHER LIABILITIES

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	8,139	5,987	2,152	36
Current	2,779	2,481	298	12
<b>Total</b>	<b>10,918</b>	<b>8,468</b>	<b>2,450</b>	<b>29</b>

Other liabilities have increased mainly due to deferred revenue on account of service line contribution and deferred revenue grant pertaining to Orissa Discoms and increase in statutory liabilities in Orissa Discom and Tata Power.

### PROVISIONS

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current	1,218	667	551	83
Current	345	163	182	112
<b>Total</b>	<b>1,563</b>	<b>830</b>	<b>733</b>	<b>88</b>

Provision has increased mainly due to the increase in provision for employee benefits in Orissa Discoms and increase in provision for rectification works in TPSSL during the year.

### TAX LIABILITIES / (ASSETS)

Particulars	(₹ in crore)			
	FY 22	FY 21	Change	% Change
Non-current Tax Liability	3	3	Nil	Nil
Current Tax Liability	147	198	(51)	(26)
Deferred Tax Liabilities (Net)	1,033	976	57	6
(Less): Non-current Tax Assets	(521)	(360)	(161)	45
(Less): Deferred Tax Assets	(335)	(184)	(151)	82
<b>Total (Net)</b>	<b>327</b>	<b>633</b>	<b>(306)</b>	<b>(48)</b>

The Hon'ble NCLT has approved the composite scheme of arrangement for merger of erstwhile CGPL along with the capital reorganisation with the Company effective April 1, 2020.

During the current year, subsequent to the merger of the erstwhile CGPL, the Company has reassessed its recoverability of unabsorbed depreciation and brought forward tax losses and has recognised deferred tax asset amounting to ₹ 969 crore and has written off deferred tax asset on capital losses amounting to ₹ 380 crore during the year. Further, the Company has transitioned to the new tax regime effective April 1, 2020 and accordingly, the Company had remeasured its tax balances and reversed the deferred tax asset amounting to ₹ 360 crore during the year.

During the previous year, the Company entered into a Business Transfer Agreement with TPREL and TPGEL, wholly-owned subsidiaries, for the transfer of renewable assets (forming part of renewable segment) as a 'going concern' on a slump sale basis effective on or after April 1, 2021. Consequently, as per the requirement of Ind AS 12, the Company reassessed its deferred tax balances including its unrecognised deferred tax assets on capital losses and has recognised gain of ₹ 131 crore.

## Report on Corporate Governance

***"The Tata philosophy of management has always been, and is today more than ever, that corporate enterprises must be managed not merely in the interests of their owners, but equally in those of their employees, of the consumers of their products, of the local community and finally the country as a whole."***

- Jamsetji N. Tata

### Company's Philosophy on Corporate Governance

The essence of Corporate Governance is about maintaining the right balance between economic, social, individual and community goals. At Tata Power, good corporate governance is a way of life and the way we do our business, encompassing every day's activities and is enshrined as a part of our way of working. The Company is focused on enhancement of long-term value creation for all stakeholders without compromising on integrity, societal obligations, environment and regulatory compliances. Our actions are governed by our values and principles, which are reinforced at all levels of the organisation. These principles have been and will continue to be our guiding force in future.

For your Company, good corporate governance is a synonym for sound management, transparency and adequate disclosure, encompassing good corporate practices, procedures, standards and implicit rules which propel a company to take sound decisions. As a Company with a strong sense of values and commitment, Tata Power believes that profitability must go hand in hand with a sense of responsibility towards all stakeholders. This is an integral part of Tata Power's business philosophy. The cardinal principles such as independence, accountability, responsibility, transparency, trusteeship and disclosure serve as means for implementing the philosophy of Corporate Governance.

This philosophy is reflected and practised through the Tata Code of Conduct (TCoC), the Tata Business Excellence Model (TBEM)

and the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices. Further, these codes allow the Board to make decisions that are independent of the management. The Company is committed to focus its energies and resources in creating and positively leveraging shareholders' wealth and, at the same time, safeguarding the interests of all stakeholders. This is our path to sustainable and profitable existence and growth.

The Company has adopted Governance Guidelines to cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, Director's term, retirement age and committees of the Board. It also covers aspects relating to nomination, appointment, induction of Directors, Director's remuneration, subsidiary oversight, Board effectiveness review.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time, including relaxations granted by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) from time to time on account of the COVID-19 pandemic with regard to corporate governance.

The various material aspects of corporate governance and the Company's approach to them are discussed in the table below:

Table 1

Material Aspect	Company's Approach
Avoidance of conflict of interest	Chairmanship of the Board is a non-executive position and separate from that of the Chief Executive Officer and Managing Director (CEO & Managing Director). The Code of Conduct for Non-Executive Directors (NEDs) and for Independent Directors (IDs) carries explicit clauses covering avoidance of conflict of interest. Likewise, there are explicit clauses in the TCoC prohibiting any employee - including the Managing Director (MD) and Executive Directors (EDs) - from accepting any position of responsibility, with or without remuneration, with any other organisation without the Company's prior written approval. For MD and EDs, such approval must be obtained from the Board.
Board independence and minority shareholders' interests	The TCoC, which defines the governance philosophy at Tata Power, emphasizes fairness and transparency to all stakeholders. Shareholders can communicate any grievance to the Company Secretary's office through a well-publicized channel, where complaints are tracked to closure. The Stakeholders' Relationship Committee (SRC) oversees the redressal of these complaints. The Annual General Meeting (AGM) is another forum where they can interact with the Board.

## Report on Corporate Governance

Material Aspect	Company's Approach
Values, Ethics and compliance	<p>Tata Power consistently adheres to the highest principled conduct and has earned its reputation for trust and integrity in the course of building a highly successful global business. The Company's core values are SCALE viz. Safety, Care, Agility, Learning and Ethics.</p> <p>TCoC, which every employee signs at the time of joining the Company, serves as a moral guide and a governing framework for responsible corporate citizenship. Periodic refresher courses are conducted to ensure continued awareness of the code, and employee communications from the leadership reiterate the importance of our values and the TCoC.</p> <p>Customers and suppliers are made aware of the TCoC principles in contract discussions, and through inclusion of specific clauses in proposals and contracts. The Tata Power Supplier Code of Conduct is shared with suppliers as part of the procurement process and is published on the Tata Power website.</p> <p>Changes to legislation are closely monitored, risks are evaluated and effectively managed across our operations. Avenues have been provided for all employees and stakeholders to report concerns or non-compliance which are investigated and addressed by following due process. At the apex level, the Audit Committee of Directors (AC) oversees compliance with internal policies and external regulations.</p>
Succession planning	<p>Succession planning is an integral part of the operations of the Company. Succession planning of senior management is reviewed by the Board. Business or unit heads are invited to present on specific topics at Board meetings from time to time, offering an opportunity for the directors to assess their values, competencies and capabilities.</p>

### Board of Directors

- i. The Board is the focal point and custodian of corporate governance for the Company. The Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, gender and other distinctions between directors. These differences will be considered in determining the optimum composition of the Board and when possible, will be balanced appropriately.
- ii. **The size and composition of the Board as on March 31, 2022 is as under:**

As on March 31, 2022, the Company has 10 (ten) Directors. Out of 10, 5 (five) (i.e. 50%) are Independent, Non-Executive; 4 (four) (i.e. 40%) are Non-Independent, Non-Executive (including a Nominee Director) and 1 (one) (i.e. 10%) is Executive.

None of the Directors held directorship in more than 7 (seven) listed companies. Further, none of the IDs of the Company served as an ID in more than 7 (seven) listed companies. None of the IDs serving as a whole-time director/managing director in any listed entity, serves as an ID of more than 3 (three) listed entities. None of the Directors held directorship in more than 20 (twenty) Indian companies, with not more than 10 (ten) public limited companies.

None of the Directors is a member of more than 10 (ten) committees or acted as chairperson of more than 5 (five) committees (being AC and SRC, as per Regulation 26(1) of the Listing Regulations) across all the public limited companies in which he/she is a Director. The necessary disclosures regarding committee positions have been made by the Directors.

All IDs of the Company have been appointed as per the provisions of the Companies Act, 2013 (the Act) and Listing Regulations. The Chairman of the Company is an NED and not related to the CEO & Managing Director.
- iii. The composition of the Board is in compliance with the requirements of the Act and Regulation 17 of the Listing Regulations. The profile of the Directors can be accessed on our website at <https://www.tatapower.com/corporate/leadership/board-of-directors.aspx>.
- iv. Eight Board meetings were held during the year under review and the gap between two meetings did not exceed 120 days. The said meetings were held on April 2, 2021, May 12, 2021, July 1, 2021, August 6, 2021, September 11, 2021, October 28, 2021, February 9, 2022 and March 25, 2022. All Board meetings in FY22 were held through Video Conferencing.
- v. There are no inter-se relationships between the Board members.

**vi. The details of each member of the Board as on March 31, 2022 and their attendance at Board Meetings during the year and last AGM are provided hereunder:**

Table 2

Sl. No.	Name of the Director	Category of Directorship	Number of Board Meetings attended during FY22	Whether attended last AGM held on July 5, 2021	No. of other Directorships*		No. of Committee positions held**		No. of shares held in the Company	Directorship in other listed entities including debt listed (Category of Directorship)
					Chair-person	Member	Chair-person	Member		
1.	Mr. N. Chandrasekaran, Chairman DIN: 00121863	Non-Independent, Non-Executive	8	Yes	7	0	0	0	7,00,000	Tata Consultancy Services Limited @ Tata Steel Limited @ Tata Motors Limited @ The Indian Hotels Company Limited @ Tata Consumer Products Limited @ (formerly Tata Global Beverages Limited) Tata Chemicals Limited @
2.	Ms. Anjali Bansal DIN: 00207746	Independent, Non-Executive	7	Yes	0	4	0	2	Nil	Volta Limited # Piramal Enterprises Limited # Siemens Limited #
3.	Ms. Vibha Padalkar DIN: 01682810	Independent, Non-Executive	8	Yes	0	3	1	2	Nil	HDFC Life Insurance Company Limited (MD & CEO)
4.	Mr. Sanjay V. Bhandarkar DIN: 01260274	Independent, Non-Executive	8	Yes	0	6	4	2	8,162 (As a joint holder)	HDFC Asset Management Company Limited # Walhan Renewable Energy Limited (Debt Listed) # Tata Power Renewable Energy Limited (Debt Listed) # Chemplast Sanmar Limited #
5.	Mr. K. M. Chandrasekhar DIN: 06466854	Independent, Non-Executive	8	Yes	0	8	0	4	Nil	Coastal Gujarat Power Limited (Debt Listed) #\\$
6.	Mr. Hemant Bhargava [Nominee of Life Insurance Corporation of India (LIC) as an equity investor] DIN: 01922717	Non-Independent, Non-Executive	7	Yes	0	3	0	2	Nil	Larsen & Toubro Limited ^ ITC Limited # UGRO Capital Limited #
7.	Mr. Saurabh Agrawal DIN: 02144558	Non-Independent, Non-Executive	8	Yes	5	2	0	1	Nil	Tata Steel Limited @ Volta Limited @ Tata AIG General Insurance Company Limited (Debt Listed) @ Tata Capital Limited (Debt Listed) @
8.	Mr. Banmali Agrawala DIN: 00120029	Non-Independent, Non-Executive	8	Yes	4	2	1	0	Nil	Tata Realty and Infrastructure Limited (Debt Listed) @ Tata Housing Development Company Limited (Debt Listed) @ Tata Projects Limited (Debt Listed) @

## Report on Corporate Governance

Sl. No. Director	Name of the Director	Category of Directorship	Number of Board Meetings attended during FY22	Whether attended last AGM held on July 5, 2021	No. of other Directorships*		No. of Committee positions held**		No. of shares held in the Company	Directorship in other listed entities including debt listed (Category of Directorship)
					Chair-person	Member	Chair-person	Member		
9.	Mr. Ashok Sinha DIN: 00070477	Independent, Non-Executive	8	Yes	0	7	4	2	Nil	Cipla Limited # J. K. Cement Limited # Navin Fluroine International Limited # Coastal Gujarat Power Limited (Debt Listed) #\\$ Maithon Power Limited (Debt Listed) # Tata Telecommunications Limited #
10.	Dr. Praveer Sinha <sup>&amp;</sup> , CEO & Managing Director DIN: 01785164	Executive	8	Yes	3	4	0	0	Nil	Tata Power Renewable Energy Limited (Debt Listed) @

Notes:

1. Category of Directorship held: @ Non-Independent, Non-Executive; # Independent, Non-Executive; ^ Nominee Director
2. \* Excludes directorship in the Company, private companies, foreign companies and companies under Section 8 of the Act.
3. \*\* Pertains to memberships/chairpersonships of the AC and SRC of Indian public companies (excluding the Company) as per Regulation 26(1)(b) of the Listing Regulations.
4. & Dr. Praveer Sinha, CEO & Managing Director is not an ID of any other listed company.
5. \$ Coastal Gujarat Power Limited has been merged with the Company effective from April 28, 2022.

- vii. The Company has not issued any convertible instruments.
- viii. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022 have been made by the Directors.
- ix. IDs are NEDs as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the Listing Regulations, IDs have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the IDs, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management. Further, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the IDs of the Company have included their names in the data bank of IDs maintained with the Indian Institute of Corporate Affairs.

### x. Skills/expertise/competencies of the Board of Directors

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence. The Board provides leadership, strategic guidance, objective and an independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. The Board periodically evaluates the need for change in its composition and size.

The Company requires skills/expertise/competencies in the areas of strategy, finance, leadership, technology, governance, mergers and acquisitions, human resources, etc. to efficiently carry on its core businesses such as generation, distribution and transmission of thermal/renewables/hydro power, power trading, solar photovoltaic (PV) manufacturing and associated engineering, procurement and construction (EPC) services, coal mines and logistics.

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company, which are currently available with the Board:

Table 3

Name of the Director	Area of skills/expertise/competence							
	Strategy	Finance	Leadership	Technical	HR	Governance	M&A	Government/Regulatory
Mr. N. Chandrasekaran	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Anjali Bansal	✓	✓	✓	✓	✓	✓	-	-
Ms. Vibha Padalkar	✓	✓	✓	-	✓	✓	✓	-
Mr. Sanjay V. Bhandarkar	✓	✓	✓	-	-	✓	✓	-
Mr. K. M. Chandrasekhar	✓	✓	✓	-	✓	✓	-	✓
Mr. Ashok Sinha	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Hemant Bhargava	✓	✓	✓	-	✓	✓	✓	✓
Mr. Saurabh Agrawal	✓	✓	✓	-	-	✓	✓	✓
Mr. Banmali Agrawala	✓	-	✓	✓	✓	✓	-	✓
Dr. Praveer Sinha	✓	-	✓	✓	✓	✓	✓	✓

#### x. Changes in Board composition

There were no changes in board composition during FY22. However, during the year under review, at the AGM of the Company held on July 5, 2021, the Members approved the re-appointment of Ms. Anjali Bansal, Ms. Vibha Padalkar and Mr. Sanjay Bhandarkar as IDs of the Company for a second consecutive term of 5 years commencing from October 14, 2021 to October 13, 2026. Further, Mr. K. M. Chandrasekhar was appointed as an Additional Director w.e.f. May 4, 2022. He was also re-appointed as a Non-Executive Independent Director of the Company for a second consecutive term commencing from May 4, 2022 upto February 19, 2023, when he attains the retirement age of 75 years, as per the terms of the Governance Guidelines for Tata Companies on Board Effectiveness, subject to approval of the Members at the ensuing 103<sup>rd</sup> AGM of the Company.

#### xii. Term of Board membership

The Nomination and Remuneration Committee (NRC) determines the appropriate characteristics, skills and experience required for the Board as a whole and for individual members. Board members are expected to possess the required qualifications, integrity, expertise and experience for the position. They also possess expertise and insights in sectors/areas relevant to the Company and have ability to contribute to the Company's growth. As per the existing policy, the retirement age for MD / EDs is 65 years, NEDs is 70 years and IDs is 75 years.

#### xiii. Selection and appointment of new directors

The Board is responsible for the appointment of new directors. The Board has delegated the screening and selection process for new directors to the NRC. Considering the existing composition of the Board and requirement of

new domain expertise, if any, the NRC reviews potential candidates. The assessment of candidates to the Board is based on a combination of criteria that include ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. For appointment of an ID, the NRC evaluates the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepares a description of the role and capabilities required of an ID. The potential ID is also assessed on the basis of independence criteria defined in Section 149(6) of the Act read with rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. If the Board approves, the person is appointed as an Additional Director whose appointment is subject to the approval of the Members at the Company's general meeting.

#### xiv. Letter of appointment issued to Independent Directors

The IDs on the Board of the Company are given a formal appointment letter *inter alia* containing the term of appointment, role, duties and responsibilities, time commitment, remuneration, insurance, code of conduct, training and development, performance evaluation process, disclosure, confidentiality, etc. The terms and conditions of appointment of IDs are available on the Company's website at <https://www.tatapower.com/pdf/investor-relations/Terms-&-conditions-of-IDs-appointment.pdf>.

#### xv. Information provided to the Board

During FY22, information as mentioned in Part A of Schedule II of the Listing Regulations, has been placed before the Board for its consideration.

## Report on Corporate Governance

### xvi. Meeting of Independent Directors

During the year under review, one separate meeting of the IDs was held on March 25, 2022. At the said meeting, the IDs reviewed the performance of the NEDs, of the Board as a whole and the Chairman, after considering the view of the CEO & Managing Director and NEDs.

### xvii. Details of familiarisation programmes for Directors including Independent Directors

All Board members of the Company are accorded every opportunity to familiarize themselves with the Company, its management, its operations and above all, the industry perspective and issues. They are made to interact with senior management personnel and proactively provided with relevant news, views and updates on the Company and sector. All the information/documents sought by them are also shared with them for enabling a good understanding of the Company, its various operations and the industry of which it is a part. Separate sessions are organised with external domain experts to enable Board members to update their knowledge of the sector.

Details of the familiarization program on cumulative basis are available on the Company's website at <https://www.tatapower.com/pdf/investor-relations/familiarisation-programme-for-directors-21-22.pdf>.

### xviii. Code of Conduct

The Company has adopted a Code of Conduct for its employees including the MD. In addition, the Company has adopted a Code of Conduct for its NEDs which includes Code of Conduct for IDs which suitably incorporates the duties of IDs as laid down in the Act. All Board members and senior management personnel have affirmed compliance with their respective Code of Conduct. The CEO & Managing Director has also confirmed and declared the same. The declaration is reproduced at the end of this Report and marked as Annexure I.

### xix. Tata Code of Conduct for Prevention of Insider Trading & Code of Corporate Disclosure Practices

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices (the Code).

Mr. Sanjeev Churiwala, Chief Financial Officer (CFO) of the Company is the 'Compliance Officer' in terms of this Code.

### xx. Remuneration to Directors and Key Managerial Personnel

#### a) Details of remuneration to NEDs during and for FY22:

Sl. No. of No. of the Director	Commission for FY22*	Table 4 (Gross Amount in ₹)	
		Commission for FY22*	Sitting Fees paid during FY22
1 Mr. N. Chandrasekaran <sup>s</sup> Chairman	N.A.	3,30,000	
2 Ms. Anjali Bansal	70,00,000	5,70,000	
3 Ms. Vibha Padalkar	70,00,000	6,00,000	
4 Mr. Sanjay V. Bhandarkar	75,00,000	6,00,000	
5 Mr. K. M. Chandrasekhar	70,00,000	5,40,000	
6 Mr. Ashok Sinha	75,00,000	5,10,000	
7 Mr. Hemant Bhargava <sup>@</sup>	55,00,000	3,60,000	
8 Mr. Saurabh Agrawal <sup>#</sup>	N.A.	3,90,000	
9 Mr. Banmali Agrawala <sup>#</sup>	N.A.	3,90,000	

\* Commission relates to the financial year ended March 31, 2022, which was approved by the Board on May 6, 2022, to be paid during FY23.

\$ As a policy, Mr. N. Chandrasekaran has abstained from receiving commission from the Company.

@ Sitting fees for attending meetings are paid to Mr. Bhargava and the Commission is paid to LIC.

# In line with the internal guidelines of the Company, no payment is made towards commission to the NEDs of the Company, who are in full time employment with any other Tata Company.

The NEDs are paid remuneration by way of Commission and Sitting Fees. The distribution of Commission amongst the NEDs is placed before the NRC and the Board. The Commission payment for the financial year ended March 31, 2022 was distributed based on the Company's performance and keeping in mind the attendance of Directors at Board and Committee meetings and their contribution at these meetings.

None of the NEDs had any pecuniary relationship or transactions with the Company other than the Directors' sitting fees and commission, as applicable, received by them. The Company reimburses the out-of-pocket expenses, if any, incurred by the Directors for attending meetings.

**b) Details of remuneration and perquisites paid to the CEO & Managing Director during FY22:**

Table 5  
(Gross Amount in ₹)

Name	Salary & allowances	Commission for FY22*	Perquisites & Benefits	Retirement Benefits	Total
Dr. Praveer Sinha	1,68,15,006	5,00,00,000	95,65,178	29,16,000	7,92,96,184

@ Commission (variable component) relates to the financial year ended March 31, 2022, which was approved by the Board on May 6, 2022, to be paid during FY23.

**Salient features of the agreement executed by the Company with the CEO & Managing Director:**

Table 6

Terms of Agreement	
Period of appointment	01.05.2018 to 30.04.2023
Remuneration	Basic salary upto a maximum of ₹ 15,00,000 p.m.
Commission	Within the limits stipulated under the Act.
Incentive Remuneration	Not exceeding 200% of basic salary.
Benefits, perquisites and allowances (excluding Company's contribution to Provident Fund, Superannuation, Gratuity, Leave Encashment)	As may be determined by the Board from time to time.
Notice period	The Agreement may be terminated by either party giving to the other party six months' notice or the Company paying six months' remuneration in lieu thereof.
Severance fees	There is no separate provision for payment of severance fees.
Stock Option	Nil

**c) Details of remuneration and perquisites paid to the other Key Managerial Personnel during FY22:**

Table 7  
(Gross Amount in ₹)

Name of KMPs	Designation	Salary & allowances	Perquisites & benefits	Retirement benefits	Total
Mr. R. N. Subramanyam*	Chief Financial Officer	4,04,34,645^	7,19,464	7,38,009	4,18,92,118
Mr. Sanjeev Churiwala*	Chief Financial Officer	1,14,97,380^	Nil	2,84,400	1,17,81,780
Mr. H. M. Mistry	Company Secretary	1,43,15,211^	3,99,524	11,03,929	1,58,18,664

\* Mr. Subramanyam resigned as CFO w.e.f. December 31, 2021 and Mr. Sanjeev Churiwala was appointed as CFO w.e.f. January 1, 2022.

^ Includes Performance Pay for FY21 paid in FY22.

The Company does not have any employee stock option plan.

**Board Committees**

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework designed by the Board and make specific recommendations to the Board on matters in their areas or purview. All decisions and recommendations of the Committees are placed before the Board for information or for approval, if required. To enable better and more focused attention on the affairs of the Company, the Board has delegated particular matters to the Committees of the Board set up for the purpose.

The Board has seven committees as on March 31, 2022, comprising five statutory committees and two non-statutory committees that

have been formed considering the needs of the Company. Details of the statutory and non-statutory committees are as follows:

**❖ Statutory Committees**

The Board has the following statutory Committees as on March 31, 2022:

- (i) Audit Committee of Directors
- (ii) Nomination and Remuneration Committee
- (iii) Corporate Social Responsibility Committee
- (iv) Stakeholders Relationship Committee
- (v) Risk Management Committee

## Report on Corporate Governance

### Audit Committee of Directors

The composition of the Committee as on March 31, 2022 and attendance details of meetings during FY22, are as follows:

Table 8

Name of the Director	No. of meetings held during FY22	No. of meetings attended
Mr. Ashok Sinha, Chairman	5	5
Mr. Sanjay V. Bhandarkar	5	5
Ms. Vibha Padalkar	5	5
Mr. Saurabh Agrawal	5	5
Ms. Anjali Bansal	5	5
Mr. K. M. Chandrasekhar	5	5

All members are financially literate and bring in expertise in the fields of finance, accounting, development, strategy and management.

Meetings of the Committee were held on May 11, 2021, July 1, 2021, August 5, 2021, October 27, 2021 and February 8, 2022, with the requisite quorum.

The CFO assists the Committee in the discharge of its responsibilities. The Committee invites such employees or advisors as it considers appropriate to attend. The CFO, the head of internal audit and statutory auditors are generally invited to attend meetings unless the Committee considers otherwise. Quarterly Reports are provided to the members of the Committee on matters relating to the Code. The Company Secretary acts as the Secretary of the Committee.

The Internal Auditors and Statutory Auditors of the Company discuss their audit findings and updates with the Committee and submit their views directly to the Committee. Separate discussions are held with the Internal Auditors to focus on compliance issues and to conduct detailed reviews of the processes and internal controls in the Company. The permissible non-audit related services undertaken by the Statutory Auditors are also pre-approved by the Committee.

The Board has approved the Charter of the Audit Committee defining *inter alia* its composition, role, responsibilities, powers and processes.

The terms of the Charter broadly include:

- Oversee the processes that ensure the integrity of financial statements.
- Oversee the adequacy and effectiveness of the processes and controls for compliance with laws and regulations.
- Oversee the adequacy and effectiveness of the process by which confidential or anonymous complaints or information regarding financial or commercial matters are received and acted upon. This includes the protection of whistle-blowers

from victimization and the provision of access by whistle-blowers to the Chairman of the Committee.

- Approval/modification of the transactions with related parties.
- Enquiry into reasons for any default by the Company in honouring its obligations to its creditors and members.
- Oversee the quality of internal accounting controls and other controls.
- Oversee the system for storage (including back-up).
- Oversee the quality of the financial reporting process, including the selection of the most appropriate of permitted accounting policies.
- Ensure the independence of the auditor.
- Recommend to the Board the appointment and remuneration of the auditors (including cost auditors).
- Framing of rules for the hiring of any current or former employee of the audit firm.
- Scrutinize inter-corporate loans and investments.
- Monitor the end use of funds raised through public offers.
- Conducting the valuation of any undertaking or asset of the Company.
- Oversee the internal audit function and approve the appointment of the Chief Internal Auditor.
- Bring to the notice of the Board any lacunae in the TCoC and the vigil mechanism (whistle blowing process) adopted by the Company.
- Reviewing with the CEO and the CFO of the Company the underlying process followed by them in their annual certification to the Board of Directors.
- Approving the appointment of the CFO.

All the recommendations made by the Committee during the year under review were accepted by the Board.

Mr. Ashok Sinha, Chairman of the Committee, was present at the last AGM held on July 5, 2021.

### Nomination and Remuneration Committee

The composition of the Committee as on March 31, 2022 and attendance details of meetings during FY22, are as follows:

Table 9

Name of the Director	No. of meetings held during FY22	No. of meetings attended
Mr. Sanjay V. Bhandarkar, Chairman	3	3
Mr. N. Chandrasekaran	3	3
Ms. Vibha Padalkar	3	3

Meetings of the Committee were held on May 12, 2021, October 28, 2021 and March 25, 2022, with the requisite quorum.

In terms of the provisions of Section 178(3) of the Act and Regulation 19(4) read with Part D of Schedule II to the Listing Regulations, the Committee is responsible for *inter alia* formulating the criteria for determining qualification, positive attributes and independence of a Director. The Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Board has adopted the Policy on Board Diversity & Director Attributes and Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company, which are attached as Annexures I and II respectively to the Board's Report. The Company does not have any Employee Stock Option Scheme.

The Board has also approved the Charter of the Committee defining its composition, powers, responsibilities, reporting, evaluation, etc. The terms of the Charter broadly include Board composition and succession planning, evaluation, remuneration, board development and review of HR Strategy, Philosophy and Practices.

Mr. Sanjay V. Bhandarkar, Chairman of the Committee was present at the last AGM held on July 5, 2021.

### **Corporate Social Responsibility Committee**

The composition of the Committee as on March 31, 2022 and attendance details of meetings during FY22, are as follows:

Table 10

Name of the Director	No. of meetings held during FY22	No. of meetings attended
Ms. Anjali Bansal, Chairperson	4	4
Mr. K. M. Chandrasekhar	4	4
Dr. Praveer Sinha	4	4

Meetings of this Committee were held on May 11, 2021, August 5, 2021, October 27, 2021 and February 8, 2022 with the requisite quorum.

The Company has adopted a CSR policy which indicates the activities to be undertaken by the Company as specified in Schedule VII to the Act. The policy, including overview of projects or programs proposed to be undertaken, is provided on the Company's website at <https://www.tatapower.com/pdf/aboutus/csr-policy.pdf>.

#### Brief Terms of Reference/Roles and Responsibilities:

- Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act.
- Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy.
- Monitor the CSR Policy.

Ms. Anjali Bansal, Chairperson of the Committee, was present at the last AGM held on July 5, 2021.

### **Stakeholders' Relationship Committee**

The composition of the Committee as on March 31, 2022 and attendance details of meetings during FY22, are as follows:

Table 11

Name of the Director	No. of meetings held during FY22	No. of meetings attended
Mr. Banmali Agrawala, Chairman	2	2
Mr. Hemant Bhargava	2	2
Ms. Anjali Bansal	2	2

Meetings of this Committee were held on November 30, 2021 and March 28, 2022 with the requisite quorum.

The Committee specifically discharges duties of servicing and protecting the various aspects of interest of shareholders, debenture holders and other security holders.

The Board has approved the Charter of the Committee defining its composition, powers, responsibilities, etc. The terms of the Charter broadly include:

- Approval of issue of duplicate certificates for securities and transmission of securities.
- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Oversee the statutory compliance relating to all securities including dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund.
- Review of movements in shareholding and ownership structures of the Company.
- Conduct a Shareholder Satisfaction Survey to judge the level of satisfaction amongst shareholders.
- Suggest and drive implementation of various investor-friendly initiatives.
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

## Report on Corporate Governance

### Name, designation and address of the Compliance Officer:

Mr. H. M. Mistry, Company Secretary  
 Bombay House, 24, Homi Mody Street, Mumbai 400 001  
 Tel: 022 6665 8282  
 Email id: [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com)

In accordance with Regulation 6 of the Listing Regulations, the Board has appointed Mr. H. M. Mistry, Company Secretary as the Compliance Officer. He is authorised to approve share transfers/transmissions, in addition to the powers with the members of the Committee. Share transfer formalities are regularly attended to and atleast once a fortnight. All investor complaints which cannot be settled at the level of the Compliance Officer, are placed before the Committee for final settlement.

The status of total number of complaints received during the year under review is as follows:

Table 12

Sl. No.	Description	Total		
		Received	Replied	Pending
<b>A. Letters received from Statutory Bodies</b>				
Securities & Exchange Board of India	17	17	1*	
Stock Exchanges	18	18	0	
Depositories (NSDL/CDSL)	4	4	0	
Ministry of Corporate Affairs	0	0	0	
Consumer Forum	0	0	0	
<b>B. Dividends</b>				
Non-receipt of dividend/ interest warrants (pending reconciliation at the time of receipt of letters)	0	0	0	
<b>Total</b>	<b>39</b>	<b>39</b>	<b>1*</b>	

\* 1 complaint of Mr. J. P. Balasubramanian, received through SEBI and brought forward from last year, remains pending for closure at SEBI's end.

Mr. Banmali Agrawala, Chairman of the Committee, was present at the last AGM held on July 5, 2021.

### Risk Management Committee

The composition of the Committee as on March 31, 2022 and attendance details of meetings during FY22, are as follows:

Table 13

Name of the Director	No. of meetings held during FY22	No. of meetings attended
Ms. Vibha Padalkar, Chairperson	3	3
Mr. Banmali Agrawala	3	3
Mr. Sanjay V. Bhandarkar	3	3
Mr. Hemant Bhargava	3	2
Mr. Ashok Sinha	3	3

Meetings of this Committee were held on July 14, 2021, November 22, 2021 and March 28, 2022 with the requisite quorum.

The Board has adopted Risk Management Strategy Document which specifies the objective, benefits of Risk Management, Risk Management Policy, Risk Management Process, Risk Organization Structure, Risk Culture, etc. The Board has also approved the Charter of the Committee defining its composition, powers, responsibilities, etc.

The terms of the Charter broadly include:

- Formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, forex, commodity, product, reputational, operational, sectoral, market, sustainability (particularly ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- Review the Company's risk governance structure, risk assessment and risk management practices and guidelines, policies and procedures for risk assessment and risk management including the risk management plan.
- Appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Committee.
- Review the alignment of the ERM framework with the strategy of the Company.
- Oversee Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels.
- Review and analyze risk exposure related to specific issues, concentrations and limit excesses, and provide oversight of risk across organization.
- Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems
- Nurture a healthy and independent risk management function in the Company.
- Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.

- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

Ms. Vibha Padalkar, Chairperson of the Committee, was present at the last AGM held on July 5, 2021.

### ❖ Non-statutory Committees

The Board has also constituted the following non-statutory Committees:

- (i) Executive Committee of the Board
- (ii) Committee of Directors

### Executive Committee of the Board

The Committee comprises the following as on March 31, 2022:

- Mr. N. Chandrasekaran, Chairman
- Mr. Sanjay V. Bhandarkar
- Dr. Praveer Sinha

#### Terms of Reference:

The Committee covers a detailed review of the following matters before they are presented to the Board:

- Business and strategy review.
- Long-term financial projections and cash flows.
- Capital and revenue budgets and capital expenditure programmes.
- Acquisitions, divestments and business restructuring proposals.
- Any other item as may be decided by the Board.

The said matters were discussed in various Board meetings held during the year under review in the presence of the Executive Committee of the Board with the intent to avail expertise of all Board members.

### Committee of Directors

The Committee comprises the following as on March 31, 2022:

- Mr. Sanjay V. Bhandarkar, Chairman
- Mr. Banmali Agrawala
- Dr. Praveer Sinha

#### Terms of Reference:

The role of this Committee is as follows:

- Borrowings of the Company subject to outstanding facilities not exceeding an amount of ₹ 12,500 crore of term loans and ₹ 8,000 crore of working capital facilities.

- Create security on the assets of the Company to secure the borrowings of the Company subject to these being within the limit approved by the shareholders of the Company under Section 180(1)(a) of the Act.

- Issue of corporate guarantees to secure the borrowings of wholly owned subsidiaries / step-down subsidiaries of wholly owned subsidiaries of the Company.
- Change in authorised signatories for the existing borrowings including working capital facilities of the Company.
- Commitment to capex item exceeding ₹ 200 crore (within Board approved Annual Business Plan) in a financial year.
- Enter into any coal, fuel and freight contracts having tenure above 5 years.
- Write off of receivables exceeding ₹ 10 crore in a financial year.
- Claim settlement and dispute exceeding ₹ 25 crore per instance and ₹ 50 crore in aggregate in a financial year.
- Waiver of delayed payment surcharge exceeding ₹ 50 crore in a financial year.
- Approve investments and recommend investment proposals to Tata Power group companies within overall Board approved framework.
- Framing of Investment Guidelines outlining prudential norms for investing in Mutual Funds, Fixed Deposits, Inter-Corporate Deposits with approved corporates, Central and State Government securities and any subsequent amendments.
- Modification/addition/deletion of authorised signatory list to give effect to investments within the Prudential Investment Norms.
- Reconstitution of the Boards of Trustees of The Tata Power Consolidated Provident Fund, The Tata Power Company Limited Staff Superannuation Fund and Tata Power Gratuity Fund.
- Change in operating instructions involving the Company's bank accounts.
- Submit Request for Qualification for any project and authorise execution of all documents, including Powers of Attorney, in connection with the same.
- All other matters earlier delegated by the Board/ Committee thereof, to a Committee comprising the CEO & Managing Director and COO & Executive Director.
- To change the authorised signatories for all transactions, contracts, agreements, etc., entered into by the Company in the ordinary course of business.
- Grant authority to the Company's officers to exercise powers of a higher Work level under the Company's Schedule of Authorities.

## Report on Corporate Governance

### General Body Meetings

a) **The details of the last three AGMs of the Company:**

Year ended	Day, Date & Time	Venue	Special Resolutions passed
March 31, 2021	Monday, July 5, 2021 at 3 p.m. (IST)	Virtual Meeting through Video Conferencing / Other Audio Visual Means	<ul style="list-style-type: none"> <li>Re-appointment of Ms. Anjali Bansal (DIN:00207746) as an Independent Director</li> <li>Re-appointment of Ms. Vibha Padalkar (DIN:01682810) as an Independent Director</li> <li>Re-appointment of Mr. Sanjay V. Bhandarkar (DIN: 01260274) as an Independent Director</li> </ul>
March 31, 2020	Thursday, July 30, 2020 at 3 p.m. (IST)		<ul style="list-style-type: none"> <li>Issuance of Equity Shares to Tata Sons Private Limited, Promoter of the Company, on a Preferential basis</li> </ul>
March 31, 2019	Tuesday, June 18, 2019 at 3 p.m. (IST)	Birla Matushri Sabhagar, Sir Vithaldas Thackersey Marg, 19, New Marine Lines, Mumbai 400 020	Nil

b) **Extraordinary General Meeting:**

No Extraordinary General Meeting of the Members was held during FY22.

c) **Details of the meeting convened in pursuance of the order passed by the National Company Law Tribunal (NCLT):**

Not applicable

d) **Postal Ballot:**

(i) **Details of special resolutions passed by postal ballot:**

During the year under review, below resolution was passed by means of postal ballot on December 2, 2021:

- Amended Composite Scheme of Arrangement between Coastal Gujarat Power Limited and the Company and their respective shareholders

(ii) **Details of Voting Pattern:**

Special Resolution No.	Ballots Received	Total Shares	In favour		Against		Invalid	
			Ballots	Votes	Ballots	Votes	Ballots	Votes
1	7,522	215,59,07,387	7,365	215,58,35,263	157	72,124	Nil	Nil

(iii) **Person who conducted the aforesaid postal ballot exercise:**

Mr. P. N. Parikh (ICSI Membership No. FCS 327), Practising Company Secretary of Parikh & Associates conducted the aforesaid postal ballot exercise in a fair and transparent manner.

(iv) **Whether any special resolution is proposed to be conducted through postal ballot:**

No Special Resolution is currently proposed to be conducted through postal ballot.

(v) **Procedure followed for Postal Ballot:**

In compliance with the NCLT Orders dated October 6, 2021 in connection with CA.239/2021 in CP.CAA.42/2021 in CA(CAA)1140/2020 and CP(CAA) No.42/MB-IV/2021 connected with CA(CAA) No. 1140/MB-IV/2020 (NCLT Orders), provisions of Sections 108, 110 and other

applicable provisions of the Act, read with (i) Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended; (ii) Regulation 44 of the Listing Regulations, as amended from time to time and read with (iii) General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 10/2021 dated June 23, 2021 in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", issued by the MCA, to the extent applicable (MCA Circulars), the Company provided only remote e-Voting facility to its Equity Shareholders to enable them to cast their votes electronically instead of submitting the Postal Ballot form.

Table 14

Table 15

The Company engaged the services of National Securities Depository Limited (NSDL) for facilitating remote e-Voting to enable the Members to cast their votes electronically.

In terms of the MCA Circulars read with the NCLT Orders, the Company sent the Postal Ballot Notice in electronic form only to those Equity Shareholders whose names appeared in the Register of Members/ List of Beneficial Owners as received from NSDL and Central Depository Services (India) Limited (CDSL) and whose email addresses were available with the Company / Depositories / the Depository Participants / the Company's Registrar and Share Transfer Agent as on the cut-off date.

Voting rights were reckoned on the paid-up value of the shares registered in the names of the Members as on the cut-off date i.e. Friday, October 29, 2021. Members who desired to exercise their votes by electronic mode were requested to vote before close of business hours on the last date of e-Voting.

The Scrutinizer, after the completion of scrutiny, submitted his report to Mr. H. M. Mistry, Company Secretary who was authorised to accept, acknowledge

and countersign the Scrutinizer's Report as well as declare the voting results in accordance with the provisions of the Act, the Rules framed thereunder and the Secretarial Standard 2 on General Meetings. The consolidated results of the voting by postal ballot and e-Voting were then announced by Mr. Mistry. The results were announced on December 2, 2021 and were also available on the Company's website at [www.tatapower.com](http://www.tatapower.com) besides being communicated to BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and NSDL.

#### **Means of Communication to the shareholders**

##### a) **Calendar of financial year ended March 31, 2022**

The Company follows April-March as the financial year. The meetings of the Board of Directors for approval of quarterly and annual financial results for the financial year ended March 31, 2022 were held on the following dates:

<i>Table 16</i>	
<b>Particulars</b>	<b>Date</b>
Quarter ended June 30, 2021	August 6, 2021
Quarter/half-year ended September 30, 2021	October 28, 2021
Quarter/nine months ended December 31, 2021	February 9, 2022
Quarter/year ended March 31, 2022	May 6, 2022

##### b) **Quarterly, Half-yearly and Annual Results**

Quarterly, half-yearly and annual financial results of the Company are published in widely circulated national newspapers, as per the details given below:

*Table 17*

<b>Name of the Newspaper</b>	<b>Region</b>	<b>Language</b>
Indian Express - All editions	Kolkata, Jaipur, Delhi, Pune, Mumbai, Lucknow, Chandigarh and Ahmedabad	English
Financial Express - All editions	Kolkata, Jaipur, Delhi, Pune, Mumbai, Lucknow, Chandigarh, Ahmedabad, Chennai, Hyderabad, Kochi and Bengaluru	English
Loksatta - All editions	Ahmednagar, Mumbai, Pune, Nagpur, Nashik and Aurangabad	Marathi
Jam-e-Jamshed Weekly	Mumbai	English
Vyapar + Phulchhab	Vyapar (Mumbai) and Phulchhab (Rajkot)	Gujarati

Post results, an Investor Conference call is held where members of the financial community are invited to participate in the Q&A session with the Company's management. The key highlights are discussed and investor/analyst queries are resolved in this forum. The quarterly, half-yearly, annual financial results and audio call recordings of the analyst calls are also uploaded on the Company's website at <https://www.tatapower.com/investor-relations/quarterly-results.aspx>.

## Report on Corporate Governance

- c) **Annual Reports and Annual General Meetings:** The Annual Reports are emailed to Members and others entitled to receive them. The Annual Report is also available on the Company's website at <https://www.tatapower.com/investor-relations/annual-reports.aspx> in a user-friendly downloadable form. The Company also provides live webcast facility of its AGM in co-ordination with NSDL. The Notice of the AGM along with the Annual Report for FY22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. However, Members desiring a physical copy of the Annual Report for FY22, may either write to us or email us on [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com), to enable the Company to dispatch a copy of the same. Please include details of Folio No./DP ID and Client ID and holding details in the said communication.
- d) **News Releases, Presentations, etc.:** Official news releases, detailed presentations made to media, analysts, institutional investors, etc. are displayed on the Company's website at <https://www.tatapower.com/investor-relations/analyst-presentation-archive.aspx>. Official media releases, sent to the Stock Exchanges, are given directly to the press.
- e) **Website:** Comprehensive information about the Company, its business and operations, Press Releases and investor information can be viewed at the Company's website at [www.tatapower.com](http://www.tatapower.com). The "Investor" section serves to inform the investors by providing key and timely information like financial results, annual reports, shareholding pattern, presentations made to analysts, etc.
- f) **NSE Electronic Application Processing System (NEAPS) and BSE Online Portal:** NSE has provided online platform NEAPS wherein the Company submits all the compliances/disclosures to the Stock Exchanges in the SEBI prescribed format. Similar filings are made with BSE on their online Portal viz. BSE Corporate Compliance & Listing Centre.
- g) **eXtensible Business Reporting Language (XBRL):** XBRL is a standardized and structured way of communicating business and financial data in an electronic form. XBRL provides a language containing various definitions (tags) which uniquely represent the contents of each piece of financial statements or other kinds of compliance and business reports. BSE and NSE provide XBRL based compliance reporting featuring identical and homogeneous compliance data structures between Stock Exchanges and MCA. XBRL filings are done on the NEAPS portal as well as the BSE online portal.
- h) **Web-based Query Redressal System:** Members also have the facility of raising their queries/complaints on share related matters through an option provided on the Company's website at [https://www.tatapower.com/investor-relations/investor\\_query.aspx](https://www.tatapower.com/investor-relations/investor_query.aspx).
- i) **SEBI Complaints Redressal System (SCORES):** A centralised web-based complaints redressal system, which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports (ATRs) by the concerned company and online viewing by the investors of actions taken on the complaint and its current status.
- j) **Dedicated email ID for communication with Investor Education and Protection Fund Authority:** The Company has a dedicated email ID [iepf@tatapower.com](mailto:iepf@tatapower.com) for communication with the IEPF Authorities. Investors are requested to send their IEPF claim documents at [iepfclaim@tcplindia.co.in](mailto:iepfclaim@tcplindia.co.in).
- k) **Reminder to investors:** Reminders to collect unclaimed dividend on shares or debenture redemption/interest are sent to the concerned shareholders and debenture holders.

### General Shareholder Information

- (a) **Details of AGM :** Thursday, July 7, 2022 at 3 p.m. (IST)  
The AGM will be held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) only.
- (b) **Financial Year :** April 1 to March 31
- (c) **Dividend :** Dividend of ₹ 1.75 per Equity share of ₹ 1 each fully paid up (175%) for the financial year 2021-22 has been recommended by the Board of Directors to Members for their approval. If approved by the Members, payment will be made on and from Monday, July 11, 2022. For the Members who are unable to receive the dividend directly in their bank accounts, the Company shall dispatch the dividend warrant to them.
- (d) **Book Closure :** From Friday, June 17, 2022 to Thursday, July 7, 2022 (both days inclusive).
- (e) **E-Voting Dates :** The cut-off date for the purpose of determining the shareholders eligible for e-Voting is Thursday, June 30, 2022. The e-Voting commences on Monday, July 4, 2022 at 9 a.m. (IST) and ends on Wednesday, July 6, 2022 at 5 p.m. (IST)

(f) **International Securities Identification Number (ISIN) (for equity shares):** INE245A01021

(g) **Corporate Identity Number (CIN):**  
L28920MH1919PLC000567

(h) **Listing on Stock Exchanges:**

**Listing of Equity Shares:** The Company's Equity Shares are listed on two Stock Exchanges in India viz. (a) BSE Limited (Regional Stock Exchange), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 and (b) National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400 051.

**Listing of GDS and GDRs:** In February 1994, the Company jointly with the erstwhile The Tata Hydro-Electric Power Supply Company Limited and The Andhra Valley Power

Supply Company Limited issued Global Depository Shares (GDS) in the International Market which have been listed on Luxembourg Stock Exchange, 35 Boulevard Joseph II, 1840, Luxembourg and have been accepted for clearance through Euroclear and Cedel. They have also been designated for trading in the PORTAL System of the National Association of Securities Dealers, Inc.

In July 2009, the Company raised USD 335 million through offering of Global Depository Receipts (GDRs). The GDRs are listed and traded in Euro MTF market of Luxembourg Stock Exchange and are also available for trading on IOB (International Order Board) of London Stock Exchange.

Number of outstanding GDS as on March 31, 2022:

- 376 (Issued in 1994 to Citibank NA)
- 2,180 (Issued in 2009 to Bank of New York, Mellon)

**Listing of Debt Securities:** The various series of Debentures issued by the Company are listed as under:

Table 18

Sl. No.	Series	Amount outstanding as on March 31, 2022 (₹ in crore)	Listed on	Name of the Debenture trustees with full contact details
1.	9.15% Secured, Non-Convertible, Non-Cumulative, Redeemable, Taxable Debentures with Separately Transferable Redeemable Principal Parts	80	NSE	Centbank Financial Services Limited Central Bank of India, MMO Bldg., 3rd Floor (East Wing), 55, Mahatma Gandhi Road, Fort, Mumbai 400 001. Tel: 022 2261 6217 Fax: 022 2261 6208 Email : <a href="mailto:info@cfsl.in">info@cfsl.in</a>
2.	9.15% Secured, Non-Convertible, Non-Cumulative, Redeemable, Taxable Debentures with Separately Transferable Redeemable Principal Parts	74	NSE	
3.	9.40% Redeemable, Transferable, Secured, Non-Convertible Debentures	210	NSE	
4.	10.75% Unsecured Debentures	1,500	NSE	
5.	7.99% Unsecured, Redeemable, Non-Convertible Debentures	900	BSE	IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai 400 001. Tel: 022 4080 7000 Fax: 022 6631 1776 Email : <a href="mailto:itsl@idbitrustee.com">itsl@idbitrustee.com</a>
6.	9% Series I Unsecured, Redeemable, Listed, Rated, Non-Convertible Debentures	250	NSE	
7.	8.84% Series II Unsecured, Redeemable, Taxable, Listed, Rated, Non-Convertible Debentures	500	NSE	
8.	8.84% Series III Unsecured, Redeemable, Taxable, Listed, Rated, Non-Convertible Debentures	750	NSE	
9.	7.60% Unsecured, Redeemable, Non-Convertible Debentures	1,000	NSE	SBICAP Trustee Company Limited Apeejay House, 6th Floor, 3, Dinshaw Wachha Road, Churchgate, Mumbai 400 020 Tel: 022 4302 5555 Fax: 022 2204 0465 Email: <a href="mailto:corporate@sbicaptrustee.com">corporate@sbicaptrustee.com</a>
10.	6 % Unsecured, Redeemable, Non-Convertible Debentures	1,000	NSE	
11.	8.21% Unsecured, Redeemable, Non-Convertible Debentures	300	NSE	

## Report on Corporate Governance

Sl. No.	Series	Amount outstanding as on March 31, 2022 (₹ in crore)	Listed on	Name of the Debenture trustees with full contact details
12.	6.18% Unsecured, Redeemable, Non-Convertible Debentures	400	BSE	Axis Trustee Services Limited The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai 400 028 Tel: 022 6230 0603 Mob: 98191 37920 Email: <a href="mailto:Sameer.Kabra@axistrustee.in">Sameer.Kabra@axistrustee.in</a>
13.	7.05% Unsecured, Redeemable, Non-Convertible Debentures	500	BSE	
14.	7.77% Unsecured, Redeemable, Non-Convertible Debentures	500	BSE	

**(i) Listing and Custodial Fees:**

The Company has paid the requisite Annual Listing and Custodial Fees to the Stock Exchanges and Depositories viz. CDSL and NSDL, respectively for the financial years 2021-22 and 2022-23.

**(j) Listing Details:**

Table 19

Name of the Exchange	Stock Code
BSE Limited (physical form)	400
(demat form)	500400
National Stock Exchange of India Limited	TATAPOWER EQ

**(k) Market Price Data:** Month wise High, Low and trading volumes of the Company's Equity Shares during the last financial year at BSE and NSE are given below:

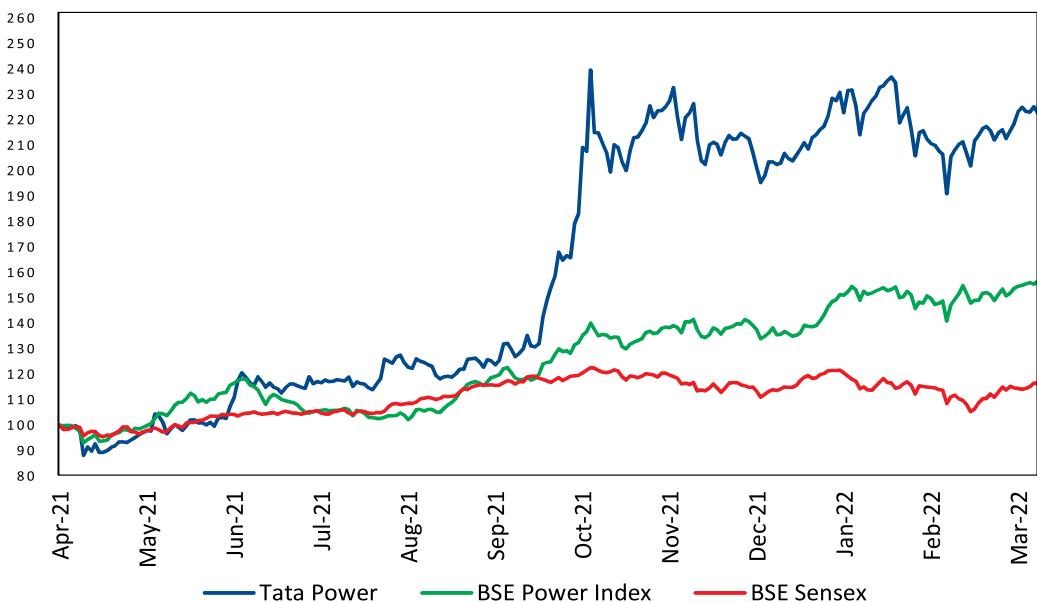
Table 20

Stock Exchange	BSE			NSE		
	Month	High (₹)	Low (₹)	No. of shares traded	High (₹)	Low (₹)
April 2021	105.05	92.20	5,33,37,366	105.05	92.20	85,74,28,757
May 2021	110.00	99.85	5,30,23,633	109.95	99.85	77,91,64,292
June 2021	127.60	104.75	12,17,35,392	127.60	104.65	149,04,40,703
July 2021	125.90	120.40	5,62,87,302	125.90	120.35	56,78,63,571
August 2021	135.15	124.95	5,80,60,808	135.15	124.95	68,81,28,549
September 2021	158.70	130.05	8,73,71,798	158.75	130.05	70,59,13,470
October 2021	257.25	163.75	24,29,17,708	257.30	163.75	259,66,75,894
November 2021	249.90	216.80	12,11,06,281	249.90	216.80	136,46,14,418
December 2021	230.20	209.10	6,66,88,460	230.25	209.10	72,42,31,023
January 2022	248.65	223.35	6,07,38,425	248.65	223.40	64,04,53,708
February 2022	254.35	204.35	8,52,19,392	254.35	204.30	78,52,39,707
March 2022	241.60	216.65	4,68,53,117	241.70	216.20	44,82,44,719

(i) The market share price in comparison to broad-based indices like BSE Sensex and Nifty are given below:

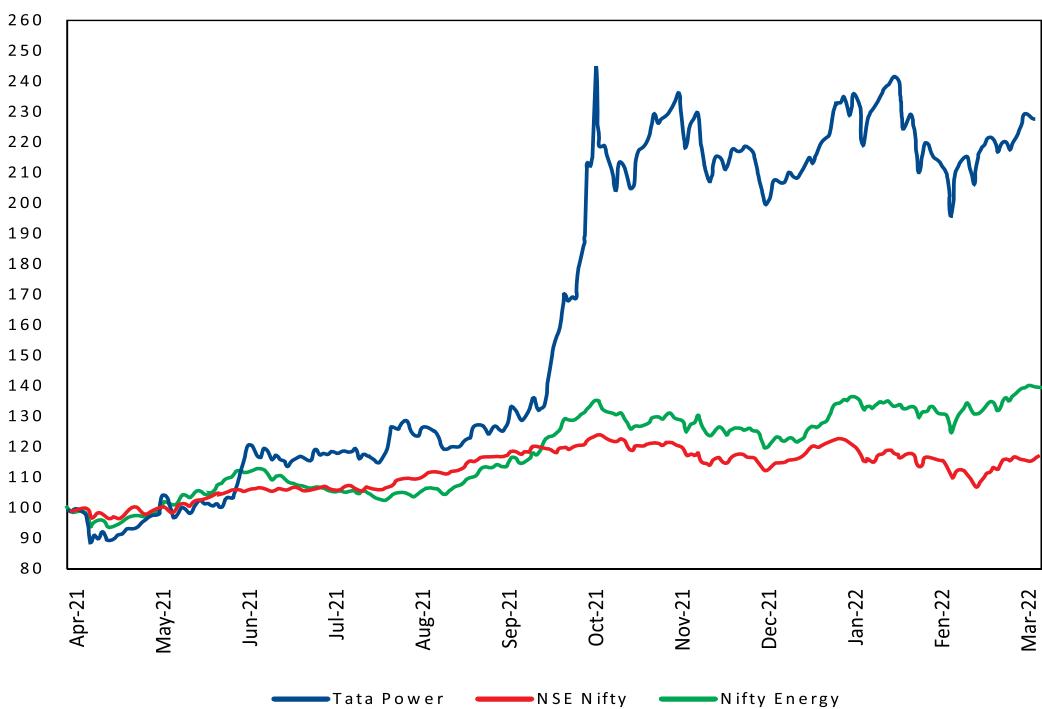
(i) Comparison of the Company's Share Price with BSE Sensex and BSE Power Sensex in FY22

Table 21



(ii) Comparison of the Company's Share Price with NSE Nifty and NSE Nifty Energy in FY22:

Table 22



## Report on Corporate Governance

- (m) None of the Company's securities have been suspended from trading.
- (n) **Registrars and Transfer Agents:** For share related matters, Members are requested to correspond with the Company's Registrar and Transfer Agents (RTA) - TSR Consultants Private Limited (erstwhile TSR Darashaw Consultants Private Limited) (TCPL) quoting their Folio No./DP ID & Client ID at the following addresses:
  1. For transfer lodgement, delivery and correspondence: TSR Consultants Private Limited, Unit: The Tata Power Company Limited, C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083. Tel: 022-6656 8484; Fax: 022- 6656 8494; email: [csg-unit@tcplindia.co.in](mailto:csg-unit@tcplindia.co.in); website: <https://www.tcplindia.co.in>.
  2. For the convenience of investors based in the following cities, transfer documents and letters will also be accepted at the following branches/agencies of TSR Consultants Private Limited:
    - (i) **Mumbai:** Building 17/19, Office no. 415 Rex Chambers, Ballard Estate, Walchand Hirachand Marg, Fort, Mumbai-400 001. Tel: 7304874606, Email : [csg-unit@tcplindia.co.in](mailto:csg-unit@tcplindia.co.in) website: <https://www.tcplindia.co.in>.
    - (ii) **Bengaluru:** C/o. Mr. D. Nagendra Rao, "Vaghdevi" 543/A, 7th Main 3rd Cross, Hanumanthnagar, Bengaluru - 560 019. Tel: +91-80-26509004, Email : [tsrdbang@tcplindia.co.in](mailto:tsrdbang@tcplindia.co.in)
    - (iii) **Jamshedpur:** Bungalow No.1, "E" Road, Northern Town, Bistupur, Jamshedpur - 831 001. Tel: +91-657-2426937, Email : [tsrdljsr@tcplindia.co.in](mailto:tsrdljsr@tcplindia.co.in)
    - (iv) **Kolkata:** C/o Link Intime India Private Limited, Vaishno Chamber, Flat No. 502 & 503, 5th Floor, 6, Brabourne Road, Kolkata - 700 001. Tel: +91-33-40081986, Email : [tsrdlcal@tcplindia.co.in](mailto:tsrdlcal@tcplindia.co.in)
    - (v) **New Delhi:** C/o Link Intime India Private Limited, Noble Heights, 1st Floor, Plot No NH-2, C-1 Block, LSC Near Savitri Market, Janakpuri, New Delhi - 110 058. Tel: +91-11-49411030, Email : [tsrdlde@tcplindia.co.in](mailto:tsrdlde@tcplindia.co.in)
    - (vi) **Ahmedabad:** C/o Link Intime India Private Limited, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off. C.G. Road, Ellisbridge, Ahmedabad - 380 006. Tel: +91-79-26465179, Email : [csg-unit@tcplindia.co.in](mailto:csg-unit@tcplindia.co.in)

For the convenience of Members, all communications/documents are also accepted at the abovementioned branches/agency of TCPL between 10.00 a.m. to 3.30 p.m. (Monday to Friday except bank holidays).

### (o) Share transfer system:

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 demat 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, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the weblink at <https://www.tatapower.com/investor-relations/investor-services-forms.aspx> and on the website of the Company's RTA at <https://www.tcplindia.co.in>. It may be noted that any service request can be processed only after the folio is KYC compliant. 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.

### Compliance of Share Transfer formalities:

As per the requirement of Regulation 40(9) of the Listing Regulations, the Company has obtained certificates from the Company Secretary in practice for due compliance of share transfer formalities.

The number of shares transferred/transmitted in physical form during the last two financial years are given below:

Table 23

Shares transferred/transmitted in physical form	FY22	FY21
Number of transfers/transmissions	130	581
Number of shares	4,51,933	9,02,808

**(p) Shareholding details of the Company:**

i. **Distribution of Equity Shareholding as on March 31, 2022:**

Table 24

Range of Holdings	Number of shares			Number of shareholders						
	Physical	Demat	Total	%	Physical	%	Demat	%	Total	%
1 - 5000	1,82,56,541	47,98,13,082	49,80,69,623	15.59	14,389	90.79	34,90,476	99.45	35,04,865	99.41
5001 - 10000	72,32,568	7,89,31,762	8,61,64,330	2.70	1,045	6.59	11,055	0.31	12,100	0.34
10001 - 20000	39,69,699	6,53,36,436	6,93,06,135	2.17	282	1.78	4,676	0.13	4,958	0.14
20001 - 30000	15,31,409	3,34,41,290	3,49,72,699	1.09	64	0.40	1,361	0.04	1,425	0.04
30001 - 40000	12,38,500	1,96,48,971	2,08,87,471	0.65	35	0.22	563	0.02	598	0.02
40001 - 50000	5,24,580	1,45,07,095	1,50,31,675	0.47	12	0.08	322	0.01	334	0.01
50001 - 100000	10,31,400	4,28,26,335	4,38,57,735	1.37	16	0.10	613	0.02	629	0.02
100001 and above	19,74,340	242,50,75,539	242,70,49,879	75.96	6	0.04	606	0.02	612	0.02
<b>Total</b>	<b>3,57,59,037</b>	<b>315,95,80,510</b>	<b>319,53,39,547*</b>	<b>100.00</b>	<b>15,849</b>	<b>100.00</b>	<b>35,09,672</b>	<b>100.00</b>	<b>35,25,521</b>	<b>100.00</b>

\*It only represents number of listed Equity shares. It excludes 28,32,060 equity shares not allotted but held in abeyance, 44,02,700 equity shares cancelled pursuant to a Court Order, 4,80,40,400 equity shares of the Company held by the erstwhile The Andhra Valley Power Supply Co. Ltd. cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature at Bombay and 16,52,300 forfeited equity shares.

ii. **Shareholding pattern of the Company as on March 31, 2022:**

Table 25

Particulars	Equity Shares of ₹ 1 each	
	No. of Shares	%
Promoters (including Promoter Group)	149,72,57,565	46.86
Directors and their relatives	7,16,262	0.02
Insurance Companies	34,51,86,392	10.80
Financial Institutions/Banks	12,11,512	0.04
Mutual Funds / UTI	15,43,64,937	4.83
Provident Funds / Pension Funds	23,72,716	0.07
Clearing Members	50,73,185	0.16
Corporate Bodies	3,16,33,033	0.99
Body Corporate-NBFC	92,042	0.00
Limited Liability Partnership-LLP	28,71,052	0.09
Alternate Investment Fund	44,44,477	0.14
Trusts	10,20,614	0.03
Resident Individuals & HUF	74,32,77,742	23.27
Central / State Governments	1,01,55,863	0.32
Foreign Portfolio Investors - Corporate	34,58,13,689	10.82
OCBs	4,000	0.00
OCBs-DR	3,65,990	0.01
Global Depository Receipts	3,60,300	0.01
Non-Resident Indians	3,95,50,553	1.24
IEPF Suspense A/c	95,67,623	0.30
<b>Total</b>	<b>319,53,39,547</b>	<b>100.00</b>

## Report on Corporate Governance

### iii. Top 10 Shareholders of the Company as on March 31, 2022

Table 26

Sl. No.	Name of Shareholder	Total holdings	% to capital
1	Tata Sons Private Limited	144,45,13,021	45.21
2	Life Insurance Corporation of India	21,57,40,379	6.75
3	Tata Steel Limited	3,91,22,725	1.22
4	HDFC Life Insurance Company Limited	3,90,30,554	1.22
5	Matthews Pacific Tiger Fund	3,56,86,119	1.12
6	General Insurance Corporation of India	3,11,20,100	0.97
7	Vanguard Emerging Markets Stock Index Fund, A Series Of Vanguard International Equity Index Funds	2,83,30,290	0.89
8	Vanguard Total International Stock Index Fund	2,59,92,358	0.81
9	Kotak Equity Arbitrage Fund	2,17,83,333	0.68
10	Franklin India Equity Advantage Fund	1,77,71,050	0.56
<b>Grand Total</b>		<b>189,90,89,929</b>	<b>59.43</b>

**Persons holding 1% or more of the equity shares in the Company as on March 31, 2022 excluding the list of top 10 shareholders of the Company:** None

### (q) Details of Equity Shares in dematerialised and physical form as on March 31, 2022:

The Company's shares are compulsorily traded in dematerialised form and are available for trading through both the Depositories in India viz. NSDL and CDSL. The details of number of equity shares of the Company which are in dematerialised and physical form are given below:

Table 27

Particulars of Shares	Shares of ₹ 1 each			Shareholders	
	Dematerialised form	Number	% to total	Number	% to total
NSDL* (A)	279,18,67,864	87.37		7,19,262	20.40
CDSL (B)	36,77,12,646	11.51		27,90,410	79.15
<b>Sub-total (A+B)</b>	<b>315,95,80,510</b>	<b>98.88</b>		<b>35,09,672</b>	<b>99.55</b>
Physical form	3,57,59,037	1.12		15,849	0.45
<b>Total</b>	<b>319,53,39,547</b>	<b>100.00</b>		<b>35,25,521</b>	<b>100.00</b>

\* includes shares held by Tata Sons and promoter group representing 46.86% of the total shareholding.

### (r) Commodity price risk or foreign exchange risk and hedging activities:

The Company has adopted the Commodity Price Risk Management Policy to manage its risks associated with commodity imports (presently only Coal) from international markets. The objective of this policy is to ensure protection from risk arising out of adverse and volatile movement in commodity prices by proper monitoring of the exposures and taking timely actions to keep risks to acceptable levels. In terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018, the required information is provided as under:

- Risk management policy of the Company with respect to commodities including through hedging: The Commodity Price Risk Management Policy is available on the Company's website at <https://www.tatapower.com/pdf/aboutus/commodity.pdf>.
- Exposure of the Company to commodity and commodity risks faced by the Company throughout the year:
  - Total exposure of the listed entity to commodities in ₹ - Total coal exposure of the Company in FY22 was approx. ₹ 3,115.27 crore.
  - Exposure of the listed entity to various commodities:

Table 28

Commodity Name	Exposure in ₹ towards the particular commodity	Exposure in quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives			
			Domestic market		International market	
			OTC	Exchange	OTC	Exchange
Coal	Trombay Plant - ₹ 744.52 crore Jojobera Plant - ₹ 382.83 crore Mundra Plant - ₹ 1,987.92 crore	Trombay Plant - 2.37 Million MT (imported) Jojobera Plant - 0.94 Million MT (domestic) Mundra Plant - 4.74 Million MT (imported)	Nil	Nil	Nil	Nil

- Commodity risks faced by the Company during the year and how they have been managed are given below:

The Company has its coal based power generation plants situated at Trombay, Mumbai (Maharashtra) and Jojobera, Jamshedpur (Jharkhand) and Mundra (Gujarat). The Trombay and Mundra plants import coal from Indonesia under long term index linked contract in accordance with Indonesian price regulation, while Jojobera Plant uses domestic coal (Indigenous coal) which is governed by notified price declared by Coal India Limited.

The Company, therefore, inherently faces commodity price risk from use of coal for its power generation facilities. In case of Trombay and Jojobera, the cost of coal is pass-through and the Company does not have any risk towards fluctuation of price of coal being sourced for these plants. Therefore, the price risk on imported as well as domestic coal is not hedged. The foreign exchange variation on the imported coal for Trombay Plant is allowed as a full cost pass-through in the tariff of the two regulated businesses and is, therefore, not hedged.

However, in case of Mundra Plant, the Company has entered into a PPA under which a portion of the fuel component in revenues recoverable is not eligible for escalation. This exposes the Company to any unfavourable movement in spot coal prices over the term of the PPA. Further, since the Plant relies entirely on coal imported primarily from Indonesia, its profitability has been affected by the Indonesian government's directive that coal can only be sold at market rates/benchmark price, regardless of mutually negotiated or contracted rates. As the Company's bid for the Mundra UMPP was based on coal prices forecasted based on prevailing rates at the time of bidding, the Company has been exposed to considerably higher costs than originally contemplated. Given the volatility in fuel prices and significant increases in recent years, this has already had, and could in the future, have a material adverse effect on the Company's results of operations and financial condition. While the Company has taken certain commercial and technical measures to reduce the impact of this adverse development including renegotiation of the commercial terms of the power sale arrangement with the power procurers, there can be no assurance that such measures will be successful. To reduce the price fluctuation risk, the foreign exchange variation on the imported coal for Mundra Plant is hedged.

To address short term price volatility and assure supply, the Company has entered into long term coal procurement agreements. Further, to manage sourcing, the Company has a dedicated Fuel Procurement team with strong understanding of coal markets. This team works closely with coal suppliers and the Company's operations team to plan and source its coal supplies through reliable and lowest cost supply chain.

(s) **Plant locations of the Company and Group Companies:**

Table 29

Type of plants	Address of plants
Thermal Power Generating Plants	Trombay Generating Station, Mahul Road, Chembur, Mumbai, Maharashtra
	Jojobera Power Plant, Jojobera, Jamshedpur, Jharkhand
	Haldia Power Plant, HFC Complex, Patikhali, Haldia, District Purba Medinipur, West Bengal
	Mundra Ultra Mega Power Plant, Tunda-Vandh Road, Village Tunda, Taluka Mundra, Kutch, Gujarat
	Maithon Power Limited, Village Dambhui, P.O. Barbindia, P.S. Nirsa, District Dhanbad, Jharkhand
	Industrial Energy Limited, Inside of Tata Steel Limited, Kalinganagar, Jajpur, Jajpur Road, Duburi, Odisha
	Prayagraj Power Generation Company Limited, P.O. Lohgara, Tehsil: Bara, Prayagraj (Allahabad), Uttar Pradesh

## Report on Corporate Governance

Type of plants	Address of plants
Hydro Generating Stations	<p>Bhira P.O. Bhira, Taluka Mangaon, District Raigad, Maharashtra</p> <p>Bhivpuri, P.O. Bhivpuri Camp, Taluka Karjat, District Raigad, Maharashtra</p> <p>Khopoli, P.O. Khopoli Power House, Taluka Khalapur, District Raigad, Maharashtra</p> <p>Dagachhu Hydro Power Corporation Limited, Dagapela, Dagana, Bhutan</p> <p>Adjaristaqali Georgia LLC:</p> <ul style="list-style-type: none"> <li>- Shuakhevi - 178 MW (2 x 89 MW) - Shuakhevi Hydro Power Plant, Adjara Region Shuakhevi Municipality, Village Akhaldaba, Georgia</li> <li>- Skhalta - 9 MW (3 x 3 MW) - Skhalta Hydro Power Plant, Adjara Region Khulo Municipality, Village Tsablana, Georgia</li> </ul>
Wind Farms	<p>Walwan Wind RJ Limited, 132 KV Dhalmo Substation, Village Dhalmo, Tehsil Pratapgarh, District Pratapgarh, Rajasthan</p> <p>Walwan Energy Rajasthan Limited, Dangri Wind Farm, Village Dangri, District Jaisalmer, Rajasthan</p> <p>Tata Power Renewable Energy Limited:</p> <ul style="list-style-type: none"> <li>- Agaswadi Wind Farm, Village Kannarwadi, Hiwarwadi &amp; Agaswadi, Taluka Khatav, District Satara, Maharashtra</li> <li>- Poolavadi Wind Farm, Villages Anikaduvu, Mongilphuluvu, Illupunagaram, Taluka Madathukulam, District Tripur, Tamil Nadu</li> <li>- Samana Wind Farm, Village Mota Panchdevda, Taluka Kalavad, District Jamnagar, Gujarat</li> <li>- Gadag Wind Farm, Hosur, Kanavi, Mulgund, Shiroland Harti, District Gadag, Karnataka</li> <li>- Dalot Wind Farm, Village Raipur, Jungle, Khanpur, Talabkheda, Karaikheda, Taluka Arnod, District Pratapgarh, Rajasthan</li> <li>- Rojmal Phase I Wind Farm, Village Sukhpur, Taluka Babra, District Amreli, Gujarat</li> <li>- Rojmal Phase II Wind Farm, Village Sukhpur, Taluka Babra, District Amreli, Gujarat</li> <li>- Dwarka Wind Farm, Village Bhatiya, District Khambhalia, Gujarat</li> <li>- Lahori Wind Farm, Village Lahori, District Shajapur, Madhya Pradesh</li> <li>- Dangri Wind Farm, Village Dangri, District Jaisalmer, Rajasthan</li> <li>- Nimbagallu Wind Project, Nimbagallu Village, Uravakonda (Mandal), District Anantapur, Andhra Pradesh</li> <li>- Visapur 32 MW Wind Farm, Village Kokrale, Visapur, Girijashankarwadi &amp; Rajachekurle, Taluka Khatav, District Satara, Maharashtra</li> </ul> <p>Tata Power Green Energy Limited:</p> <ul style="list-style-type: none"> <li>- Supa Wind Farm, Kauda Dongar, Village Shahjahanpur &amp; Pimpalgaon Kauda, Taluka - Parner, District Ahmednagar, Maharashtra</li> <li>- Khandke Wind Farm, Village Ranjani Agadgaon, Deogaon &amp; Mehkari, District Ahmednagar, Maharashtra</li> <li>- Bramanvel Wind Farm, Village Valve, Taluka Sakri, District Dhulia, Maharashtra</li> <li>- Sadawaghapur Wind Farm, Village Sadawaghapur, Taluka Patan, District Satara, Maharashtra</li> </ul> <p>The Tata Power Company Limited:</p> <ul style="list-style-type: none"> <li>- Nivade Wind Farm, Village Sawarghar and Niwade, Taluka Patan, District Satara, Maharashtra</li> <li>- Visapur 10 MW Wind Farm, Village: Kakrole, Visapur, Taluka - Khatav, District – Satara</li> </ul> <p>TP Wind Power Limited, Jath, Dist-Sangli, Maharashtra</p> <p>Vagarai Wind Farm Limited, Appayampatti Village, Oddan Chatram Taluk, District Dindigul, Tamil Nadu</p>
Solar Plants	<p>Walwan Urja Anjar Limited, Village Khirasara, Taluka Anjar, District Kutch, Gujarat</p> <p>Walwan Solar Energy GJ Limited, Village Khirasara, Taluka Anjar, District Kutch, Gujarat</p> <p>MI MySolar 24 Private Limited, Village Fatepur, Taluka Dasada, District Surendranagar, Gujarat</p> <p>Dreisatz MySolar 24 Private Limited, Village Fatepur, Taluka Dasada, District Surendranagar, Gujarat</p> <p>Walwan Solar Raj Limited, Khasra No. 44, Village Rawra, Tehsil Bap, Phalodi District, Jodhpur, Rajasthan</p> <p>Northwest Energy Private Limited, Khasra No. 240/1, Village Rawra, Tehsil Bap, Phalodi District, Jodhpur, Rajasthan</p> <p>Walwan Solar AP Limited, Village Shrimandrup Nagar and Rawra, Tehsil Phalodi, District Jodhpur, Rajasthan</p> <p>Walwan Solar RJ Limited, Village Deh, Tahsil Kolayat, District Bikaner, Rajasthan</p> <p>Walwan Solar MP Limited:</p> <ul style="list-style-type: none"> <li>- 105 MW Solar Power plant, Village Bhagwanpura, Diken Area, Tehsil Jawad, District Neemuch, Madhya Pradesh</li> <li>- 25 MW Solar Power plant, Village Padaliya, Ratangarh Area, Tehsil Singoli, District Neemuch, Madhya Pradesh</li> </ul> <p>Walwan Solar MH Limited, MIDC Mangalwedha (G.C.), Taluka Mangalwedha, Maharashtra</p> <p>Walwan Renewable Energy Limited, C/o Clean Sustainable Solar Energy Private Limited, Village Shirshuphal, Baramati, Pune, Maharashtra</p> <p>Walwan Solar AP Limited., Plot No- 5A, 6A &amp; 6B, IDC Park, APIIC, Pulivendula, Kadappa District, Andhra Pradesh</p>

Type of plants	Address of plants	
Solar Plants	<p><b>Walwhan Renewable Energy Limited:</b></p> <ul style="list-style-type: none"> <li>-30 MW Site, Survey No. 863 &amp; 864, Near Lomada Village, Shimadripuram Mandal, Pulivendula Taluka, District Kadapa, Andhra Pradesh</li> <li>-70 MW Site Vermalapudu, Owk - Mandal Tq, Kurnool District, Andhra Pradesh</li> <li>-16 MW Site Rajapura Village, Molakalmuru Tq, Chitradurga District, Karnataka</li> <li>-34 MW Site, Kodihalli Village, Hiriyuru Tq, Chitradurga District, Karnataka</li> <li>-50 MW Site Bedareddyhalli Village, Challakere Tq, Chitradurga District, Karnataka</li> <li>-50 MW Solar Site, Panchapatti, Veeriyapalayam Village, Krishnarayauram Taluk, Karur District, Tamil Nadu</li> <li>-50 MW Solar Site, Iyermalai, Karupathur &amp; Vayalur Village, Krishnarayauram Taluk, Karur District, Tamil Nadu</li> <li>-Kayathar - 49 MW Plant, Metupirancheri Village, Manur Taluk, Tirunelveli District, Tamil Nadu</li> <li>-Honda Cars India Limited, Plot No. A-1, Sector - 40/41, Surajpur Kasna Road, Greater Noida, Uttar Pradesh</li> <li>-Honda Cars India Limited, SPL-1, Tapukara Industrial Area, Khuskhera, Alwar District, Rajasthan</li> </ul> <hr/> <p>Walwhan Solar KA Limited, Villages Nagasamudra &amp; Heruru Taluka Molakalamuru, District Chitradurga, Karnataka</p> <hr/> <p>Walwhan Solar PB Limited, Villages Jagaram Tirath &amp; Teona Pujarian, Tehsil Talwandi Sabo, Bhatinda, Punjab</p> <hr/> <p>Walwhan Solar TN Limited, Musri &amp; TT PET - 100 MW, Krishnapuram Village, Valaiyeduppu Post, Musiri Taluk, Trichy District, Tamil Nadu</p> <hr/> <p><b>Walwhan Solar BH Limited:</b></p> <ul style="list-style-type: none"> <li>-Bahera, Block: Dobhi, P.O. Barachatti Anchal, Gaya, Bihar</li> <li>-Savkala &amp; AMP, Khaira Khurd, Block Amas, P.O.: Sherghati Anchal, Sherghati, Gaya, Bihar</li> </ul> <hr/> <p>Walwhan Solar MH Limited, Village Dhalmu, Pratapgarh, Rajasthan</p> <hr/> <p><b>Tata Power Renewable Energy Limited (TPREL):</b></p> <ul style="list-style-type: none"> <li>-Mulshi Solar Plant, Mulshi (Khurd), Post Male, Taluka Mulshi, District Pune, Maharashtra</li> <li>-Bidar, Srinivasapura, Kanakagiri, Karnataka</li> <li>-Palsawade Solar Plant, Palsawade, Taluka Maan, District Satara, Maharashtra</li> <li>-Mithapur Solar Plant, Plot B, Survey No. 78, Mithapur, District Jamnagar, Gujarat</li> <li>-Solar Plant, Belampalli Village, Ankepalli and Venkapalli, Mandal, Tandur, District Mancherial, Telangana</li> <li>-Plot No.6, Gujarat Solar Park Charanka, District Patan, Gujarat</li> <li>-400 MW Solar Power Plants (blocks # 15,17, 18, 19, 21, 27, 32 and 34) @ 2000 MW Solar Park, Thirumani Village, Pavagada Taluka, Tumkur District, Karnataka</li> <li>-Plot - P4&amp;P5, Ananthapuramu Ultra Mega Solar Park, Thumkunta Village, Galiveedu Mandal, Raychoti Taluka, Kadapa, Andhra Pradesh</li> <li>-150 MW TPREL MSEDCI Chhayan Solar PV Plant, Chhayan I, Pokhran, District Jaisalmer, Rajasthan</li> <li>-150 MW TPREL TPC-D Chhayan Solar PV Plant, Chhayan II, District - Jaisalmer, Rajasthan</li> <li>-100 MW TPREL 100 MW, Raghunesda Solar Park, Plot - G, Village - Raghunesda, Taluka - Vav, Dist - Banaskantha, Gujarat</li> <li>-50 MW TPREL Solar PV Plant, Vill: Bijora-Bijuria, Block- Khutar, Tehsil:- Powayan, Dist, Shahjahanpur, Uttar Pradesh</li> <li>-50 MW TPREL Prayagraj Solar PV Plant Vill-Khan Semra, Tehsil- Bara, Dist.-Prayagraj, Uttar Pradesh</li> <li>-300 MW TPREL Mahadevpura Village, Rahtalav Road, Dholera S.I.R, Dholera Taluk, Dist. Ahmedabad, Gujarat</li> </ul> <hr/> <p>Poolavadi Windfarm Limited, Netmagic 50 MW, Gholasgaon, Taluka: Akkalkot, District Solapur, Maharashtra</p> <hr/> <p>TP Kirmali Solar Limited, (11.5 MW IHCL) Gholasgaon, Taluka: Akkalkot, District Solapur, Maharashtra</p> <hr/> <p>TP Solapur Solar Limited, (10 MW) Gholasgaon, Taluka: Akkalkot, District Solapur, Maharashtra</p> <hr/> <p><b>Transmission and Distribution Division</b></p> <td> <p>Ambernath Receiving Station, Murbad Road, Varap, P O (Via) Kalyan, Dist. Thane, Mumbai, Maharashtra</p> <hr/> <p>Antophill Receiving Station, The Tata Power Company Limited, Transmission project Site, Shaikh Misree Road, Antop Hill, Wadala Landmark- Near Wamanrao Mahadik MCGM School, Mumbai, Maharashtra</p> <hr/> <p>Backbay Receiving Station, 148, Lt. Gen. J. Bhonsle Marg, Nariman Point, Mumbai, Maharashtra</p> <hr/> <p>BKC Substation, Near Asian Heart Hospital, Opposite Bharat Diamond Bourse, Bandra Kurla Complex, Bandra (E), Mumbai, Maharashtra</p> <hr/> <p>Borivali Receiving Station, Tata Power House Road, Borivali (E), Mumbai, Maharashtra</p> </td>	<p>Ambernath Receiving Station, Murbad Road, Varap, P O (Via) Kalyan, Dist. Thane, Mumbai, Maharashtra</p> <hr/> <p>Antophill Receiving Station, The Tata Power Company Limited, Transmission project Site, Shaikh Misree Road, Antop Hill, Wadala Landmark- Near Wamanrao Mahadik MCGM School, Mumbai, Maharashtra</p> <hr/> <p>Backbay Receiving Station, 148, Lt. Gen. J. Bhonsle Marg, Nariman Point, Mumbai, Maharashtra</p> <hr/> <p>BKC Substation, Near Asian Heart Hospital, Opposite Bharat Diamond Bourse, Bandra Kurla Complex, Bandra (E), Mumbai, Maharashtra</p> <hr/> <p>Borivali Receiving Station, Tata Power House Road, Borivali (E), Mumbai, Maharashtra</p>

## Report on Corporate Governance

Type of plants	Address of plants
Transmission and Distribution Division	Bhokarpada Receiving Station, Hiranandani Business Park, Opposite Maharashtra Jeevan Pradhikaran at Bhokarpada Village, Post Poyanje, Panvel, District – Raigad, Mumbai, Maharashtra
	Carnac Receiving Station, 34, Sant Tukaram Road, Carnac Bunder, Mumbai, Maharashtra
	Chembur Receiving Station, PO Box H O 18801, RCF Premises, Near Gate No.2, Chembur, Mumbai, Maharashtra
	Dharavi Receiving Station, Matunga, Near Shalimar Industrial Estate, Dharavi, Mumbai, Maharashtra
	Kalyan Receiving Station, Transmission Division, Shil Road, Netivli, Kalyan, Dist. Thane, Mumbai, Maharashtra
	Kolshet Sub Station, Ghodbunder Road, Manpada, Thane (W), Mumbai, Maharashtra
	Kurla Receiving Station, Tata Power, Kirol Road, Kamani, (Inside HDIL Premier SRA project, opposite building No. 29), Kurla(W), Mumbai, Maharashtra
	Malad Sub Station, Malad Marve Road, Malad (W), Mumbai, Maharashtra
	Mankhurd Sub Station, Near Mankhurd - Ghatkopar Highway, Mumbai Pune Road, Mankhurd, Mumbai, Maharashtra
	Mahalaxmi Sub-Station, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra
	Parel Receiving Station, G D Ambekar Marg (Parel Tank Road), Parel, Mumbai, Maharashtra
	Panvel Receiving Station, Old Mumbai Pune Road, Behind MSECL Bhingari, substation, Bhingari Panvel, Dist Raigad, Maharashtra
	Powai Receiving Station, Near MTNL Hiranandani Kailas Complex Road, Powai, Mumbai, Maharashtra
	Saki Receiving Station, 42, Saki Vihar Road, Andheri (East), Mumbai, Maharashtra
	Sahar Receiving Station, Near Hotel Leela, Sahar T2 Airport Road, Andheri East, Mumbai, Maharashtra
	Salsette Receiving Station, Lake Road, Bhandup, Mumbai, Maharashtra
	Versova Sub Station, Off Andheri - Malad Link Road, Andheri (West), Mumbai, Maharashtra
	Vikhroli Sub Station, Godrej Soap Premises, Vikhroli (East), Mumbai, Maharashtra
	Trombay Station A RSS, Mahul Road, Chembur, Mumbai, Maharashtra
	Distribution Division, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra
	Waghwali Receiving Station, Transmission project Site NMIA, Waghwali Sector 17A, Navi Mumbai, Panvel, Maharashtra
	Karanjade, The Tata Power Company Limited, Transmission project Site, Plot no 81A, Sector 5A, Karanjade Village, Panvel, Maharashtra

(t) **Address for correspondence:**

The Tata Power Company Limited  
Bombay House, 24, Homi Mody Street, Mumbai 400 001.  
Tel.: 022 6665 8282  
Email: [tatapower@tatapower.com](mailto:tatapower@tatapower.com);  
Website: [www.tatapower.com](http://www.tatapower.com)

The rating of A1+ for the Company's short-term bank facilities and Commercial Paper has also been reaffirmed by CRISIL. This highest rating of A1+ indicates a very strong degree of safety with regard to timely payment of interest and principal. Such instrument carry lowest credit risk.

(u) **Credit Rating:**

During the year under review, ICRA Limited (ICRA) has upgraded its rating on Non-Convertible Debentures (NCDs) of the Company from AA-/Positive to AA/Stable. Instruments with AA rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

Further, CRISIL Limited has reaffirmed its rating on the long term bank facilities and NCDs (including subordinated NCD) as CRISIL AA/Stable. Instruments with AA rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

CARE Ratings Limited has reaffirmed its rating on the long term bank facilities and NCDs (including subordinated NCD) as CARE AA with Stable outlook.

India Ratings & Research Private Limited (Ind-Ra), has reaffirmed its rating on NCDs of the Company as IND AA with Stable outlook.

The rating of A1+ for Commercial Paper has also been reaffirmed by Ind-Ra. Rating of A1+ indicates a very strong degree of safety with regard to timely payment of interest and principal.

## Other Disclosures:

Table 30

Particulars	Regulation/Schedule of Listing Regulations	Details and Web link
Web link where policy for determining material subsidiaries is disclosed	Regulation 16 (1)(c) and Schedule V (C) 10(e)	The policy for determining material subsidiaries, adopted by the Board, is uploaded on the Company's website. <a href="https://www.tatapower.com/pdf/aboutus/policy-for-determining-material-subsidiaries.pdf">https://www.tatapower.com/pdf/aboutus/policy-for-determining-material-subsidiaries.pdf</a>
Code of Conduct	Regulation 17	The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them. A certificate by the CEO & Managing Director on the compliance of same, is reproduced at the end of this report and marked as Annexure I.
Details of establishment of Vigil Mechanism, Whistle Blower policy, and affirmation that no personnel has been denied access to the Audit Committee	Regulation 22 and Schedule V (C) 10(c)	The Company has adopted a Whistle Blower Policy & Vigil Mechanism for directors, employees and stakeholders to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The said policy has been posted on the Company's website. The Company affirms that no personnel have been denied access to the Chairman of the AC. <a href="https://www.tatapower.com/pdf/aboutus/whistle-blower-policy-and-vigil-mechanism.pdf">https://www.tatapower.com/pdf/aboutus/whistle-blower-policy-and-vigil-mechanism.pdf</a>
Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large and Web link for policy on dealing with related party transactions	Regulation 23 and Schedule V (C) 10(f)	There are no material related party transactions during the year under review that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the AC. Certain transactions, which were repetitive in nature, were approved through omnibus route. The Board has received disclosures from senior management relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large. The policy on dealing with related party transactions, adopted by the Company, is uploaded on the Company's website. <a href="https://www.tatapower.com/pdf/aboutus/rpt-policy-framework-guidelines.pdf">https://www.tatapower.com/pdf/aboutus/rpt-policy-framework-guidelines.pdf</a>
Subsidiary Companies	Regulation 24	The AC reviews the financial statements of subsidiaries of the Company. It also reviews the investments made by such subsidiaries, the statement of all significant transactions and arrangements entered into by the subsidiaries, if any, and the compliances of each materially significant subsidiary on a periodic basis. The minutes of board meetings of the unlisted subsidiary companies are placed before the Board. Composition of the Board of material subsidiaries is in accordance with Regulation 24(1) of the Listing Regulations.
Familiarisation Program	Regulation 25(7) read with Regulation 46	Details of familiarization program imparted to IDs are available on the Company's website. <a href="https://www.tatapower.com/investor-relations/corporate-governance/familiarisation-programme.aspx">https://www.tatapower.com/investor-relations/corporate-governance/familiarisation-programme.aspx</a>
Archival Policy and Policy on Preservation of Documents	Regulation 30 and Regulation 9	The Archival Policy and Policy on Preservation of Documents, adopted by the Board, are uploaded on the Company's website. <a href="https://www.tatapower.com/pdf/aboutus/archival-policy.pdf">https://www.tatapower.com/pdf/aboutus/archival-policy.pdf</a> <a href="https://www.tatapower.com/pdf/aboutus/preservation-policy-documents.pdf">https://www.tatapower.com/pdf/aboutus/preservation-policy-documents.pdf</a>
Policy on Determination of Materiality for Disclosures	Regulation 30	The Policy on determination of materiality for disclosures, adopted by the Board, is uploaded on the Company's website. <a href="https://www.tatapower.com/pdf/aboutus/determining-policy.pdf">https://www.tatapower.com/pdf/aboutus/determining-policy.pdf</a>
Dividend Distribution Policy	Regulation 43A	The Dividend Policy, adopted by the Board, is uploaded on the Company's website. <a href="https://www.tatapower.com/pdf/aboutus/dividend-policy.pdf">https://www.tatapower.com/pdf/aboutus/dividend-policy.pdf</a>
Terms and conditions of Appointment of IDs	Regulation 46	Terms and conditions of appointment/re-appointment of IDs are available on the Company's website. <a href="https://www.tatapower.com/pdf/investor-relations/Terms-&amp;-conditions-of-IDs-appointment.pdf">https://www.tatapower.com/pdf/investor-relations/Terms-&amp;-conditions-of-IDs-appointment.pdf</a>

## Report on Corporate Governance

Particulars	Regulation/Schedule of Listing Regulations	Details and Web link
Details of mandatory requirements and adoption of the non-mandatory requirements	Schedule II Part E	All mandatory requirements of the Listing Regulations have been complied with by the Company. The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the Listing Regulations, is as under: <ul style="list-style-type: none"> <li><b>Shareholder Rights:</b> The half-yearly financial performance of the Company is sent to all the Members possessing email IDs. The results are also posted on the Company's website.</li> <li><b>Modified opinion(s) in Audit Report:</b> The auditors have expressed an unmodified opinion in their report on the financial statements of the Company.</li> <li><b>Reporting of Internal Auditor:</b> The Internal Auditor reports to the AC.</li> </ul>
Details of non - compliance by the Company, penalty, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets	Schedule V(C) 10(b)	There were no instances of non-compliance, penalties, strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory authority, on any matter related to capital markets, during the last 3 years.
Disclosures of commodity price risks and commodity hedging activities	Schedule V(C) 10(g)	The disclosure of commodity price risks and hedging activities is provided under section 'General Shareholder Information'. The policy on Commodity Price Risk Management adopted by the Company is uploaded on the Company's website. <a href="https://www.tatapower.com/pdf/aboutus/commodity.pdf">https://www.tatapower.com/pdf/aboutus/commodity.pdf</a>
A certificate from Company Secretary in practice for non-debarment/disqualification	Schedule V(C) 10(i)	A certificate from the Practicing Company Secretaries has been received stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/MCA or any such statutory authority and the same is reproduced at the end of this report and marked as Annexure IV.
Disclosure with respect to non-acceptance of any recommendation of any Committee of the Board which is mandatorily required, along with reasons thereof	Schedule V(C) 10(j)	All the recommendations of the various mandatory committees were accepted by the Board.
Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)	Schedule V(C) 10(h)	During the year, there was no issuance of equity shares of the Company under preferential allotment or qualified institutions placement.

### Other Disclosures:

1. The Company has maintained an integrated compliance dashboard which provides assurance to the Management and the Board of Directors regarding effectiveness of timely compliances. All the compliances applicable to the Company have been captured in the dashboard and are mapped amongst the respective users. The timelines are fixed based on the legal requirement and the system is aligned in such a manner that it alerts the users in a timely manner.
2. In terms of Regulation 17(8) of the Listing Regulations, the CEO & Managing Director and the CFO made a certification to the Board of Directors in the prescribed format for the year under review, which has been reviewed by the Audit Committee and taken on record by the Board. The same is reproduced at the end of this report and marked as Annexure II.

3. The Company has obtained compliance certificate from the Practising Company Secretaries on corporate governance. The same is reproduced at the end of this report and marked as Annexure III.
4. Details of fees paid/payable to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditor is a part, by the Company and its subsidiaries, during the year, are given below:

Table 31  
(₹ in crore)

Particulars	By the Company*	By Subsidiaries*	Total Amount
Statutory Audit	4.73	4.14	8.87
Other Services	0.68	1.63	2.31
Out-of-pocket expenses	0.01	0.12	0.13
<b>Total</b>	<b>5.42</b>	<b>5.89</b>	<b>11.31</b>

\* The above fees are exclusive of applicable tax.

**5. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. The Company has complied with the applicable provisions of the aforesaid Act, and the rules framed thereunder, including constitution of the Internal Complaints Committee. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the same is available on the Company's website at <https://www.tatapower.com/pdf/aboutus/Sexual-harass-policy.pdf>. All employees (permanent, contractual, temporary and trainees, etc.) are covered under this Policy.

The Company took many initiatives for spreading awareness like POSH Posters, POSH films, caricature series, different competition regarding POSH, POSH stories in English and local languages. Going beyond, the Company extended awareness to employees' children by arranging competition for them on a sensitive subject like 'GOOD Touch & BAD Touch Poster'. The Company also made film for the children on 'GOOD & BAD Touch' and shared across. All these efforts were widely appreciated by employees as well as the outside world. This has led to proud moment for the Company for winning Kelp HR- POSH award for safe work place for two consecutive years viz. FY21 and FY22.

Status of complaints as on March 31, 2022:

Sl. No.	Particulars	Number of Complaints
1.	Number of complaints filed during the financial year	1
2.	Number of complaints disposed off during the financial year	1
3.	Number of complaints pending at the end of the financial year	0

6. The Company has complied with all the requirements of Corporate Governance Report as stated under sub-paras (2) to (10) of section (C) of Schedule V to the Listing Regulations.
7. The Company follows Indian Accounting Standards (Ind-AS) in the preparation of its financial statements.
8. As required under Regulation 36(3) of the Listing Regulations and the Secretarial Standards, particulars of the Director seeking re-appointment at the forthcoming AGM are given in the Notice of the AGM to be held on July 7, 2022.
- 9. Directors and Officers Liability Insurance:**
- As per the provisions of the Act and in compliance with Regulation 25(10) of the Listing Regulations, the Company

has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including IDs and Officers of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

**Other Shareholder Information:**

➤ **Transfer of unclaimed/unpaid amounts to Investor Education and Protection Fund:**

In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as 'IEPF Rules') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the Unpaid Dividend Account is required to be transferred to the Investor Education and Protection Fund (IEPF) maintained by the Central Government. In pursuance of this, the dividend remaining unclaimed in respect of dividends declared upto the financial year ended March 31, 2014 have been transferred to the IEPF. The details of the unclaimed dividends so transferred are available on the Company's website at <https://www.tatapower.com/investor-relations/unclaimed-dividends.aspx> and on the website of MCA at <http://www.iepf.gov.in/>.

In accordance with Section 124(6) of the Act, read with the IEPF rules, all the shares in respect of which dividend has remained unclaimed for a period of seven consecutive years or more from the date of transfer to the unpaid dividend account are required to be transferred to the demat account of the IEPF Authority. Accordingly, all the shares in respect of which dividends were declared upto the financial year ended March 31, 2014 and remained unclaimed were due to be transferred to the IEPF. The Company had sent notices to all such Members in this regard and published a newspaper advertisement and, thereafter, transferred the shares to the IEPF during FY21. The details of such shares transferred have been uploaded on the Company's website at <https://www.tatapower.com/investor-relations/unclaimed-dividends.aspx>.

The details of unclaimed dividends and equity shares transferred to IEPF during the year 2021-22 are as follows:

Amount of unclaimed dividend transferred	Number of Equity shares transferred
₹ 1,87,76,701.73	7,32,629

## Report on Corporate Governance

The below table gives information relating to various outstanding dividends and the dates by which they can be claimed by the Members from the Company's RTA:

<b>Date of dividend declaration</b>	<b>Unclaimed Dividend (As on March 31, 2022)</b>	<b>Last date for claiming payment from TCPL</b>	<i>Table 34 (Amount in ₹)</i>
05.08.2015	2,15,67,190.51	07.09.2022	
21.09.2016	2,58,28,127.00	24.10.2023	
23.08.2017	2,53,16,211.70	24.10.2023	
20.09.2024	2,69,52,552.90	20.09.2024	
27.07.2018	2,13,61,718.30	20.08.2025	
18.06.2019	2,02,51,229.70	17.07.2026	
30.07.2020	2,32,40,708.60	30.08.2027	
07.07.2021	2,37,76,365.45	07.08.2028	

**It may be noted that the unclaimed dividend for FY15 declared on August 5, 2015, is due to be transferred to the IEPF. The same can, however, be claimed by the Members by September 12, 2022.** Members who have not encashed the dividend warrant(s) from the financial year ended March 31, 2015 onwards may forward their claims to TCPL before they are due to be transferred to the IEPF.

The Members whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in e-Form IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). No claim shall lie against the Company in respect of the dividend/shares so transferred.

➤ **Shares held in physical form:** Members holding shares in physical form are requested to send the following details/documents to TCPL at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083, latest by Monday, June 27, 2022:

- Form ISR-1 along with supporting documents. The said form is available on the website of the Company at <https://www.tatapower.com/investor-relations/investor-services-forms.aspx> and on the website of the RTA at <https://tcplindia.co.in/home-KYC.html>.
- Cancelled cheque in original, bearing the name of the Member or first holder, in case shares are held jointly. In case name of the holder is not available on the cheque, kindly submit the following documents:
  - Cancelled cheque in original;
  - Bank attested legible copy of the first page of the Bank Passbook / Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and full address of the bank branch.

- Self-attested copy of the PAN Card of all the holders; and
- Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company.

Further, Members are requested to refer to process detailed on <https://tcplindia.co.in/home-KYC.html> and proceed accordingly.

➤ **Shares held in electronic form:** Members holding shares in electronic form may please note that their bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the DPs and the Company will not be able to accede to any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in electronic form are requested to ensure that their Electronic Bank Mandate is updated with their respective DPs by Monday, June 27, 2022. Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form. For Members who are unable to receive the dividend directly in their bank account through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the Warrant/Bankers' Cheque/Demand Draft through postal or courier services and, in case of any disruption of postal or courier services due to prevalence of COVID-19 in containment zones, upon normalisation of such services.

➤ **Payment of dividend or interest or redemption or repayment:**

As required under Regulation 12 read with Schedule I to the Listing Regulations, companies are directed to use, either directly or through the depositories or through their RTA, electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer, etc. for making payment of dividend/interest on securities issued/redemption or repayment amount to the investors. For investors holding shares in demat mode, relevant bank details from the depositories will be sought. Investors holding shares in physical form, are requested to register instructions regarding their bank details with the RTA. Only in cases where either the bank details such as Magnetic Ink Character Recognition (MICR), Indian Financial System Code (IFSC), etc., that are required for making electronic payment, are not available or the electronic payment instructions have failed or have been rejected by the bank, physical payment instruments for making cash payments to the Investors may be used.

➤ **Investor contact:**

In compliance with Regulation 62 of the Listing Regulations, a separate email ID [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com) has been set up as a dedicated email ID solely for the purpose of dealing with Members' queries/complaints.

The Company maintains a TOLL-FREE Investor Helpline No. 1800-209-8484 to give Members the convenience of one more contact point with TCPL for redressal of grievances/ responses to queries.

The Shareholders' Relations Team is located at the Registered Office of the Company.

Contact Person: Mr. Jitendra Prasad Tel.: 022 6665 7526

➤ **E-Voting:**

E-voting is a common internet infrastructure that enables investors to vote electronically on resolutions of companies. The Company will also have the e-Voting facility for the items to be transacted at this AGM. The MCA has authorised NSDL and CDSL for setting up electronic platform to facilitate casting of votes in electronic form. The Company has entered into agreements with NSDL and CDSL for availing e-Voting facilities.

➤ **Nomination Facility:**

Pursuant to the provisions of Section 72 of the Act, Members are entitled to make nominations in respect of shares held by them. Members holding shares in physical form and intending to make/change the nomination in respect of their shares in the Company, may submit their requests in Form No. SH.13 to TCPL. Members holding shares in electronic form are requested to give the nomination request to their respective DPs directly.

Form No. SH.13 can be obtained from TCPL or downloaded from the Company's website under the section 'Investor Relations' at <https://www.tatapower.com/pdf/nomination-form-14.pdf>.

➤ **Depository Services:**

Members may write to the respective Depository or to TCPL for guidance on depository services. Address for correspondence with the Depositories is as follows:

National Securities Depository Limited, Trade World, 4<sup>th</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013

Tel. No. : 022 2499 4200; Fax No. : 022 2497 6351

Email : [info@nsdl.co.in](mailto:info@nsdl.co.in); Website: [www.nsdl.co.in](http://www.nsdl.co.in)

Central Depository Services (India) Limited, Marathon Futurex, A-Wing, 25th floor, N. M. Joshi Marg, Lower Parel, Mumbai 400 013

Tel. No. : 022 2272 3333; Fax No. : 022 2272 3199

Email : [investor@cdslindia.com](mailto:investor@cdslindia.com); Website: [www.cdslindia.com](http://www.cdslindia.com)

➤ **Secretarial Audit:**

In terms of the Act, the Company appointed M/s. Makarand M. Joshi & Co, Practising Company Secretaries, to conduct Secretarial Audit of records and documents of the Company for FY22. The Secretarial Audit Report is provided as Annexure IV to the Board's Report.

➤ **Reconciliation of Share Capital Audit:**

A Company Secretary in practice carried out a quarterly Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL (collectively '**Depositories**') and the total issued and listed capital. The audit report confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL). The Audit report is disseminated to the Stock Exchanges on quarterly basis and is also available on our website <https://www.tatapower.com/investor-relations/stock-exchange-intimation.aspx>

➤ **Description of voting rights:**

All Equity shares issued by the Company carry equal voting rights.

➤ **Awareness Sessions/Workshops:**

Employees across the Company as well as those forming part of the Tata Power group are being sensitized about the various policies and governance practices of the Company. The Company had developed a system of keeping its employees educated about TCoC, Vigil Mechanism and Whistle Blower Policy, Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, SEBI Insider Trading Regulations, etc. through emails, presentations and workshops.

➤ **Stakeholder Engagement:**

The Company has a dedicated department which facilitates an on-going dialogue between the Company and its stakeholders. The communication channels include:

**For external stakeholders** - Analyst/investors meet, meeting with key stakeholders, online service and dedicated email service for grievances, corporate website and access to business media to respond to queries, etc.

**For internal stakeholders** - Employee satisfaction surveys, employee engagement surveys for improvement in employee engagement processes, circulars and messages from management, corporate social initiatives, welfare

## Report on Corporate Governance

initiatives for employees and their families, online updates for conveying topical developments, helpdesk facility, etc.

### ➤ **Investor safeguards:**

In pursuit of the Company's objective to mitigate/avoid risks while dealing with shares and related matters, the following are the Company's recommendations to its Members:

#### i) **Open Demat Account and dematerialise your shares**

Members are requested to convert their physical holdings into electronic holdings.

#### ii) **Consolidate your multiple folios**

Members are requested to consolidate their shareholdings held under multiple folios. This facilitates one-stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios. It will also help in avoidance of multiple mailing.

#### iii) **Confidentiality of security details**

Folio Nos./DP ID/Client ID should not be disclosed to any unknown persons. Signed delivery instruction slips should not be given to any unknown persons.

#### iv) **Dealing with Registered Intermediaries**

Members should transact through a registered intermediary. In case the intermediary does not act professionally, Members can take up the matter with SEBI.

#### v) **Obtain documents relating to purchase and sale of securities**

A valid Contract Note/Confirmation Memo should be obtained from the broker/sub-broker, within 24 hours of execution of the trade. It should be ensured that the

Contract Note/Confirmation Memo contains order no., trade no., trade time, quantity, price and brokerage.

### vi) **Prevention of Frauds**

There is a possibility of fraudulent transactions relating to folios which lie dormant. Hence, we urge you to exercise diligence and notify the Company of any change in address, as and when required.

### vii) **Web links of Corporate policies and Charters are available on the Company's website at <https://www.tatapower.com/corporate/policies.aspx>.**

### ➤ **Norms for furnishing of PAN, KYC, Bank details and Nomination**

SEBI vide circular dated November 3, 2021, has mandated listed companies to have PAN, KYC, bank details and Nomination of all shareholders holding shares in physical form. Folios wherein any one of the cited details / documents (i.e. PAN, KYC, Bank details and Nomination) are not available with us, on or after April 1, 2023, shall be frozen as per the aforesaid SEBI circular.

The forms for updation of PAN, KYC Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available on our website <https://www.tatapower.com/investor-relations/investor-information.aspx>. In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest.

The Company has sent a letter to the Members holding shares in physical form in relation to the aforesaid on February 10, 2022.

In respect of Members who hold shares in dematerialized form and wish to update their PAN, KYC, Bank details and Nomination are requested to contact their respective Depository Participants.

### **Annexure I**

### **DECLARATION**

As required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I affirm that Board Members and the Senior Management Personnel have confirmed compliance with the Codes of Conduct, as applicable to them, for the year ended March 31, 2022.

For **The Tata Power Company Limited**

**Praveer Sinha**  
CEO & Managing Director  
DIN: 01785164

Mumbai, May 6, 2022

## Annexure II

### **Chief Executive Officer (CEO) & Chief Financial Officer (CFO) Certification**

To  
 The Board of Directors  
**The Tata Power Company Limited**

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of The Tata Power Company Limited ("the Company"), to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2022 and to the best of our knowledge and belief, we state that:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are no transactions entered into by the Company during the financial year, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
  - (i) significant changes, if any, in the internal control over financial reporting during the year;
  - (ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Mumbai, May 6, 2022

**Praveer Sinha**  
**CEO & Managing Director**  
(DIN:01785164)

**Sanjeev Churiwala**  
**Chief Financial Officer**

## Report on Corporate Governance

**Annexure III**

### Practicing Company Secretaries' Certificate on Corporate Governance

#### CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To  
The Members,  
**The Tata Power Company Limited**

We have examined the compliance of conditions of Corporate Governance by **The Tata Power Company Limited** ("the Company") for the year ended on March 31, 2022, as stipulated in Regulations 17 to 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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, and representations made by the management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Makarand M. Joshi & Co.**

**Makarand Joshi**  
**Partner**  
**FCS No. 5533**  
**CP No. 3662**  
**UDIN: F005533D000280478**  
**P.R. No: 640 / 2019**

**Place:** Mumbai  
**Date:** May 6, 2022

#### Annexure IV

### **Practicing Company Secretaries' Certificate on Independent Directors**

#### **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(Pursuant to Regulation 34 (3) and Schedule V Para C Clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
The Members  
**THE TATA POWER COMPANY LIMITED**

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) to THE TATA POWER COMPANY LIMITED having CIN L28920MH1919PLC000567 and having registered office at Bombay House, 24, Homi Mody Street, Mumbai, Maharashtra, 400001 (hereinafter referred to as 'the Company') for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information, based on (i) Documents available on the website of the Ministry of Corporate Affairs (MCA) (ii) Verification of Directors Identification Number (DIN) status on the website of the MCA, and (iii) disclosures provided by the Directors (as enlisted in Table A) to the Company, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India, under Section 164 of Companies Act, 2013 for MCA or such other statutory authority as on March 31, 2022.

**Table A**

Sl. No.	Name of the Directors	Director Identification Number	Date of appointment in the Company
1.	Mr. Chandrasekaran Natarajan	00121863	11/02/2017
2.	Ms. Anjali Bansal	00207746	14/10/2016
3.	Ms. Vibha Padalkar	01682810	14/10/2016
4.	Mr. Sanjay Vijay Bhandarkar	01260274	14/10/2016
5.	Mr. Kesava Menon Chandrasekhar	06466854	04/05/2017
6.	Mr. Hemant Bhargava	01922717	24/08/2017
7.	Mr. Saurabh Mahesh Agrawal	02144558	17/11/2017
8.	Mr. Banmali Agrawala	00120029	17/11/2017
9.	Mr. Ashok Sinha	00070477	02/05/2019
10.	Dr. Praveer Sinha	01785164	01/05/2018

For **Makarand M. Joshi & Co.**  
Practicing Company Secretaries

**Kumudini Bhalerao**  
**Partner**  
**UDIN: F006667D000276057**  
**FCS No. 6667**  
**CP No. 6690**

**Place:** Mumbai  
**Date:** May 5, 2022

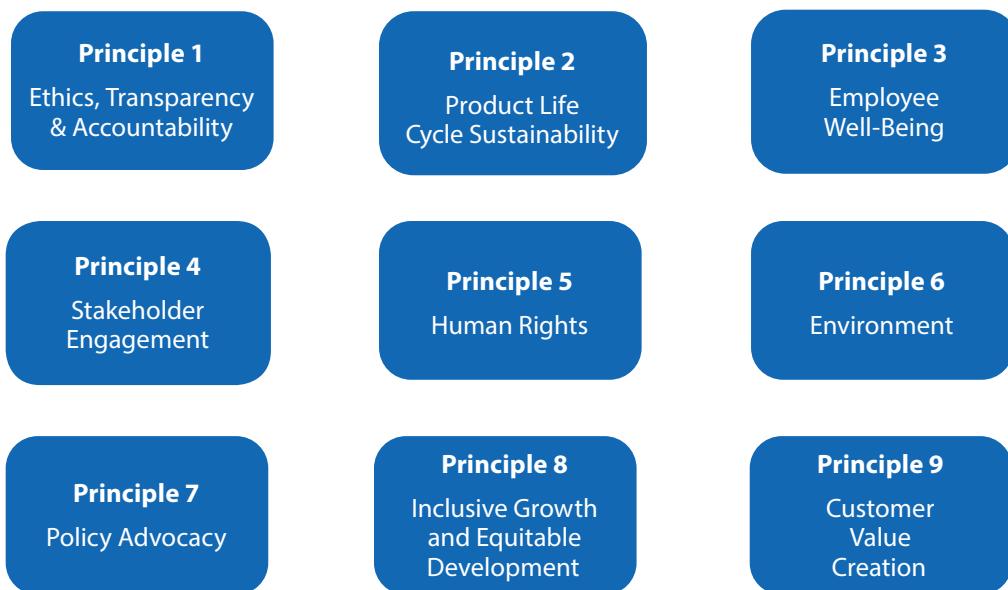
## Business Responsibility & Sustainability Report

The Tata Power Company Limited (Tata Power/the Company) is one of India's largest integrated power companies with presence across the power value chain viz. generation of renewable and conventional power including hydro and thermal energy; transmission, distribution and trading. Tata Power is committed to sustainable and clean energy development and is shaping the power sector transformation through new business models in EV charging, Solar rooftop and pumps, Microgrids, storage solutions, ESCO, Home automation and smart meters.

Tata Power believes in conducting its business activities in a responsible and sustainable manner and is aligned to the United Nations Sustainable Development Goals (SDGs). In consonance with the Materiality assessment, 9 SDGs, 4 business SDGs and 5 CSR SDGs have been prioritized for focused action in achieving Tata Power's vision to '**Empower a billion lives through sustainable, affordable and innovative energy solutions**'.

On March 31, 2022, Tata Power together with its subsidiaries and jointly controlled entities, had an installed/managed capacity of 13,515 MW based on various fuel sources - thermal (coal, oil, gas), hydroelectric power, renewable energy (wind and solar PV) and waste heat recovery. The Company (including its subsidiaries) has 34% of its capacity (in MW terms) in clean and green generation sources (hydro, wind, solar and waste heat recovery). Tata Power is currently serving more than 12 million consumers via its Discoms, under public-private partnership model viz. Tata Power Delhi Distribution Limited with the Government of National Capital Territory of Delhi in North and North West Delhi, TP Northern Odisha Distribution Limited, TP Central Odisha Distribution Limited, TP Western Odisha Distribution Limited and TP Southern Odisha Distribution Limited with Government of Odisha.

The Business Responsibility & Sustainability Report (BRSR) is provided in lieu of Business Responsibility Report (BRR) and is aligned with the National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business, issued by the Ministry of Corporate Affairs (MCA) and is in accordance with clause (f) of sub-regulation (2) of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (Listing Regulations). Your Company's Business Performance and Impacts are disclosed based on the 9 Principles as mentioned in the NVGs.



## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1. **Corporate Identity Number (CIN) of the Listed Entity:** L28920MH1919PLC000567
2. **Name of the Listed Entity:** The Tata Power Company Limited
3. **Year of incorporation:** 1919
4. **Registered office address:** Bombay House, 24, Homi Mody Street, Mumbai - 400 001, Maharashtra, India
5. **Corporate address:** Corporate Center, 34 Sant Tukaram Road, Carnac Bunder, Mumbai - 400 009, Maharashtra, India
6. **E-mail:** [tatapower@tatapower.com](mailto:tatapower@tatapower.com)
7. **Telephone:** 022-6665 8282
8. **Website:** [www.tatapower.com](http://www.tatapower.com)
9. **Financial year for which reporting is being done:** April 2021 - March 2022
10. **Name of the Stock Exchange(s) where shares are listed:** BSE Limited and National Stock Exchange of India Limited
11. **Paid-up Capital:** ₹ 319.56 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:** Ms. Jyoti Kumar Bansal, Chief-Branding, Corp Communication, CSR & Sustainability  
Email – [jyotikumar.bansal@tatapower.com](mailto:jyotikumar.bansal@tatapower.com)  
Contact Number: 022-6717 1666
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. Products/services

14. **Details of business activities (accounting for 90% of the turnover):**

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Generation	Comprises generation of power from hydroelectric sources and thermal sources (coal, gas and oil) from plants owned and operated under lease arrangement and related ancillary services. It also comprises coal - mining, trading, shipping and related infra business.	17.5
2	Renewables	Comprises generation of power from renewable energy sources i.e. wind and solar. It also comprises EPC and maintenance services with respect to solar.	17.1
3	Transmission & Distribution	Comprises transmission and distribution network, sale of power to retail customers through distribution network and related ancillary services. It also comprises power trading business.	64.7

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	Electric Power Generation, Transmission and Distribution	351	99.3

## Business Responsibility & Sustainability Report

### III. Operations

#### 16. Number of locations where plants and/or operations/offices of the entity are situated:

State	Total	Hydro	Wind	Solar	Thermal	Transmission	Distribution
Andhra Pradesh	6	Nil	1	5	Nil	Nil	Nil
Andaman & Nicobar	1	Nil	Nil	1	Nil	Nil	Nil
Bihar	2	Nil	Nil	2	Nil	Nil	Nil
Delhi	30	Nil	Nil	27	1	1	1
Goa	1	Nil	Nil	1	Nil	Nil	Nil
Gujarat	14	Nil	5	8	1	Nil	Nil
Haryana	2	Nil	Nil	2	Nil	Nil	Nil
Jharkhand	10	Nil	Nil	7	3	Nil	Nil
Karnataka	14	Nil	1	13	Nil	Nil	Nil
Madhya Pradesh	2	Nil	1	1	Nil	Nil	Nil
Maharashtra	48	3	9	33	1	1	1
Odisha	5	Nil	Nil	Nil	1	Nil	4
Punjab	1	Nil	Nil	1	Nil	Nil	Nil
Rajasthan	12	Nil	4	7	Nil	Nil	1
Tamil Nadu	9	Nil	2	7	Nil	Nil	Nil
Telangana	5	Nil	Nil	5	Nil	Nil	Nil
Uttar Pradesh	6	Nil	Nil	5	1	Nil	Nil
Uttarakhand	6	Nil	Nil	6	Nil	Nil	Nil
West Bengal	5	Nil	Nil	4	1	Nil	Nil
<b>Total</b>	<b>179</b>	<b>Nil</b>	<b>23</b>	<b>135</b>	<b>9</b>	<b>2</b>	<b>7</b>

Location	Total number of plants and/or operations/offices
National	179
International	7

#### 17. Markets served by the entity:

##### a. Number of locations

Locations	Number
National (No. of States)	19 (including 4 license areas -Ajmer, Delhi, Odisha and Mumbai)
International (No. of Countries)	7 (Bhutan, Georgia, Indonesia, Singapore, Zambia, South Africa and Mauritius)

##### 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: Tata Power serves B2G, B2B and B2C customers meeting their energy requirements across the power value chain. Please refer the Customer section of the Integrated Report FY22 (Pages 52-59).

## 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)
<b>EMPLOYEES</b>						
1.	Permanent (D)	19,495	18,009	92.38	1,486	7.62
2.	Other than Permanent (E)	2,141	1,875	87.58	266	12.42
3.	Total Employees (D + E)	21,636	19,884	91.90	1,752	8.10
<b>WORKERS</b>						
4.	Permanent (F)	Nil	Nil	NA	Nil	NA
5.	Other than Permanent (G)	44,311	43,408	97.96	903	2.04
6.	Total Employees (F + G)	44,311	43,408	97.96	903	2.04

#### b. Differently abled Employees and workers:

S No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent	34	31	91.18	3	8.82

### 19. Participation/Inclusion/Representation of women

		Total (A)	No. and percentage of Females	
			No. (B)	% (B / A)
Board of Directors		10	2	20
Key Management Personnel		3	Nil	Nil

### 20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years):

	FY22			FY21			FY20		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	1.89%	5.92%	2.20%	1.82%	3.59%	1.95%	4.26%	10.12%	4.82%

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

### 21. Names of holding / subsidiary / associate companies / joint ventures:

As on March 31, 2022, the Company had 61 subsidiaries, 32 Joint Ventures (JVs) and 5 Associates. Of the subsidiaries, 3 companies have been classified as JVs under Indian Accounting Standards (Ind AS). Please refer page nos. 350 and 437 of the Integrated Report FY22.

## VI. CSR Details

### 22. Tata Power, in alignment to its CSR policy, Schedule VII to the Companies Act, 2013 and the 5 prioritised CSR SDGs undertakes initiatives across three themes viz. Education (including Financial and Digital Literacy), Employability and Employment (Skilling for Livelihoods) and Entrepreneurship. Tata Power has covered 13.67 lakh beneficiaries in 65+ operating sites across 15 states utilizing ₹ 32.8 crore CSR funds.

#### (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

#### (ii) Turnover (in ₹): ₹ 42,576 crore

#### (iii) Net worth (in ₹): ₹ 26,028 crore

The highlights of Tata Power Group entities' CSR interventions are reported in the Integrated Report FY22 (Pages 62-67).

## Business Responsibility & Sustainability Report

### 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:

Being a Tata Group company, Tata Power abides by the Tata Code of Conduct (TCoC), which is a comprehensive document for ethical conduct for all internal and external stakeholders of the Company, thus, covering 100% of its operations. TCoC consists 10 sections with sub-clauses that cover employees, customers, communities and the environment, value chain partners, financial stakeholders, governments and group companies. The TCoC extends to Group JVs/Subsidiaries/Suppliers/Contractors. There are defined channels for receiving complaints/grievances from stakeholders and these are addressed with expediency in upholding the ethical standards practiced in the Group.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY22		Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	FY21	Remarks
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year					
Communities	Yes <a href="https://www.tatapower.com/contact/community-relations.aspx">https://www.tatapower.com/contact/community-relations.aspx</a>	2	Nil	NA	Nil	Nil	NA	
Investors (other than Shareholders)	Yes <a href="https://www.tatapower.com/contact/registered-office.aspx">https://www.tatapower.com/contact/registered-office.aspx</a>	Nil	Nil	NA	Nil	Nil	NA	
Shareholders	Yes <a href="https://www.tcplindia.co.in/InvestorCharter.html">https://www.tcplindia.co.in/InvestorCharter.html</a>	39	1	Complaint of Mr. J. P. Balasubramanian, received through SEBI and brought forward from last year, remains pending for closure at SEBI's end.	13	Nil	NA	
Employees and workers	Yes <a href="https://www.tatapower.com/pdf/aboutus/whistle-blower-policy-and-vigil-mechanism.pdf">https://www.tatapower.com/pdf/aboutus/whistle-blower-policy-and-vigil-mechanism.pdf</a>	85	Nil	NA	63	2	The complaints pending have been duly resolved.	
Customers		13	Nil	NA	1	Nil	NA	
Value Chain Partners		28	Nil	NA	15	Nil	NA	
Other (including contract workers, anonymous, trainees, etc)		1	Nil	NA	Nil	Nil	NA	

Above complaints of various stakeholders are only relating to concerns raised through the TCoC channel.

#### 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:**

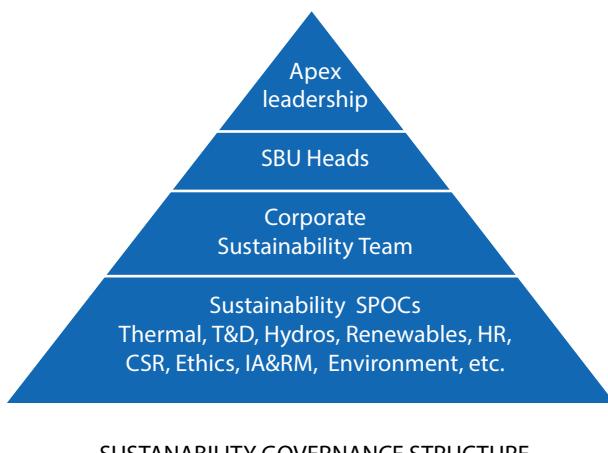
Materiality Assessment is a foundational aspect of Integrated Reporting at Tata Power given the influence material issues have on the business activities, stakeholders and their ability to create sustainable value. In FY20, the Company undertook a new materiality assessment methodology in accordance with the IIRC framework to gain a detailed understanding of the most

relevant matters that could impact the Company's business in the short, medium and long term and the Company re-visits the material issues annually to factor in any realignment due to evolving business environment. Please refer section on Materiality assessment in Integrated Report FY22 (Pages 44-45).

## 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 NGRBC Principles and Core Elements.

Tata Power has a well-established Sustainability Governance Structure to benchmark, implement and monitor sustainability aligned decisions and actions. The sustainability performance funnels into the Apex Leadership team and the CSR Committee at Board for guidance.



SUSTANABILITY GOVERNANCE STRUCTURE

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
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	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	<a href="https://www.tatapower.com/corporate/policies.aspx">https://www.tatapower.com/corporate/policies.aspx</a>								
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, Trusteia) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Tata Power policies are based on the NVG principles and conform to the International standards like ISO 9000, 14000, and 45001, UNGC principles, ILO principles and United Nations SDGs. Tata Power follows GRI standards for measuring and reporting its sustainability performance, reports to Carbon Disclosure Project (CDP) on Climate Change and Water and has also committed to Science Based Targets initiative (SBTi)								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Please refer 'Embedding ESG factors in business' section on Page 23 of the Integrated Report FY22								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Please refer 'Strategy' section on Pages 20-22 of the Integrated Report FY22								
<b>Governance, leadership and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Please refer 'Message from the CEO & MD' on Pages 8-9 of the Integrated Report FY22								

## Business Responsibility & Sustainability Report

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
8. <b>Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</b>	Dr. Praveer Sinha, CEO & Managing Director (DIN: 01785164)								
9. <b>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.</b>	Corporate Social Responsibility Committee (CSR Committee). For composition of CSR Committee, please refer Page 169 of the Integrated Report FY22.								
10. <b>Details of Review of NGRBCs by the Company*</b>									
<b>Performance against above policies and follow up action</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
- Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee	A	A	A	A	A	A	A	Q	A
- Frequency **									
<b>Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
- Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee	A	A	A	A	A	A	A	Q	A
- Frequency**									
11. <b>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.***</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

\* Reviews are conducted periodically, however specific issues on NGRBCs are also addressed on a need to need basis.

\*\* A - Annually, Q - Quarterly

\*\*\* The policies and performance on its working is part of the Tata Business Excellence Model (TBEM) assessments of Tata Power. Any opportunities for improvement are addressed through implementation of TBEM action plan.

### 12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not Applicable since the policies of the Company cover all Principles on NGRBCs.

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

### 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:

Tata Power is guided by the principles of the TCoC and TBEM. The Company requires its employees to be aware of the TCoC and conduct themselves in line with the principles outlined therein. There are regular training sessions for new inductees and annual online certification/re-certification on the learning platform which are required to be completed to ensure thorough dissemination of what is considered ethical conduct and the repercussions of non-adherence.

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, the Board engaged in various updates pertaining to business, regulatory, safety, ESG matters, etc. These topics provided insights on the said Principles.	100
Key Managerial Personnel	2	TCoC, ESG	100
Employees other than BoD and KMPs	254	TCoC, Business Ethics and values	100
Workers	195	TCoC, Business Ethics and values	100

- 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. (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of the Listing Regulations, 2015 and as disclosed on the entity's website):**

For FY22, there were no cases pending pertaining to unfair trade practices, irresponsible advertising and/or anti-competitive behavior. Additionally, there were no cases of corruption, with reference to the employees or the business partners.

- 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:**

In the TCoC, clause 10, section D: Our Employees, the guidance on Bribery and Corruption is outlined as: Our employees and those representing us, including agents and intermediaries, shall not, directly or indirectly, offer or receive any illegal or improper payments or comparable benefits that are intended or perceived to obtain undue favours for the conduct of our business.

Emphasis is laid on violation by even a single employee of any law relating to anti-bribery, anti-corruption, anti-competition, data privacy, etc. resulting in severe financial penalties and irreparable reputational damage to the Company.

<https://www.tatapower.com/pdf/aboutus/Tata-Code-of-Conduct.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:**

No Directors/KMPs/employees/workers were involved in bribery/corruption both in FY22 and FY21. On above grounds, no action was taken by any law enforcement agency.

- 6. Details of complaints with regard to conflict of interest:**

No complaints were received with regard to conflict of interest against Directors/KMPs in FY22 and FY21.

- 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

## 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:**

	FY22 (%)	FY21 (%)	Details of improvements in environmental and social impacts
R&D	100	100	Please refer section on Research and Development in Annexure III to the Board's Report (Page no. 133 of the Integrated Report FY22)
Capex	63	41	Capex represents spend on clean and green business

## Business Responsibility & Sustainability Report

**2. a. Does the entity have procedures in place for sustainable sourcing?**

Yes

**b. If yes, what percentage of inputs were sourced sustainably?**

Tata Power has policies and robust process to ensure sustainable sourcing from Business Associates. The Company's Responsible Supply Chain Management Policy (RSCM) governs all the engagements with Business Associates. The Company also evaluates Business Associates commitment to the Company's RSCM policy during selection / award of any material contracts. The Business Associates share same commitment as enunciated in Tata Power Corporate Environment policy, Energy Conservation and Corporate Sustainability Policy. The terms and conditions of business are structured and uniform across divisions to ensure business process standardization and governance.

Tata Power practices responsible sourcing with respect to environment, safety, human rights and ethics, apart from economic considerations. Strict conformation to labour principles and related laws are mandatory requirements for all suppliers to qualify. Work method and standards, along with performance of supply and services, form a critical part of technical evaluation. In addition, safety evaluation and qualification are an integral part for the award and online vendor registration process. Please refer page nos. 60 and 61 of the Integrated Report FY22.

100% of the non-fuel inputs sourced from Corporate Contracts are sourced sustainably.

**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:**

Tata Power believes in going beyond compliance and has taken numerous steps to improve waste management practices across its operations. All businesses are optimized to minimise waste generation through evaluation of various options of resources, technologies and processes. These processes are also continuously reviewed and improvement initiatives are suitably undertaken and monitored for effectiveness. There are policies in place to ensure effective waste management including:

<https://www.tatapower.com/pdf/aboutus/ash-policy.pdf>

<https://www.tatapower.com/pdf/aboutus/e-waste-mgmt-policy.pdf>

The major waste for Tata Power is the Fly Ash generated from thermal power stations. This is redirected towards construction (Ready Mix Concrete as per Fly Ash Notification) and Quarry filling (as per SPCB No Objection Certificate). Tata Power's endeavour is to utilize the bottom ash as well in line with MoEFCC guidelines. For the renewable operations, Tata Power conducted a study on end-of-life considerations for photovoltaic solar panels. The study portrays future projections with respect to PV panel waste quantum, disposal problems and how to address them through technology and advocacy. Please refer page no. 81 of the Integrated Report FY22.

**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 Tata Power's activities. However, waste management plan of the Company considers the evolving regulations both from a waste minimization and recycling/reuse perspective. Tata Power also engages its communities to propagate plastic reuse through its energy and resource conservation programs.

## **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	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	18,009	18,009	100	18,009	100	18,009	100	18,009	100	18,009	100
Female	1,486	1,486	100	1,486	100	1,486	100	1,486	100	1,486	100
<b>Total</b>	<b>19,495</b>	<b>19,495</b>	<b>100</b>	<b>19,495</b>	<b>100</b>	<b>19,495</b>	<b>100</b>	<b>19,495</b>	<b>100</b>	<b>19,495</b>	<b>100</b>
<b>Other than Permanent employees</b>											
Male	1,875	1,875	100	1,875	100	1,875	100	Nil	NA	1,875	100
Female	266	266	100	266	100	266	100	Nil	NA	266	100
<b>Total</b>	<b>2,141</b>	<b>2,141</b>	<b>100</b>	<b>2,141</b>	<b>100</b>	<b>2,141</b>	<b>100</b>	<b>Nil</b>	<b>NA</b>	<b>2,141</b>	<b>100</b>

#### **b. Details of measures for the well-being of workers:**

The Company ensures that all statutory benefits are extended to contract workforce.

#### **2. Details of retirement benefits, for Current FY and Previous Financial Year:**

Benefits	FY22			FY21		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	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 workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	100	100	Y	100	100	Y

#### **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

#### **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.**

In line with Tata Power's philosophy of holistic and inclusive development, TPCDT, partnered with the Center for Autism and other Disabilities Rehabilitation Research and Education (CADRRE) to launch 'PAY AUTENTION - A different mind is a gifted mind', India's first digital Autism support network:

<https://www.tatapower.com/sustainability/social-capital/pay-autention.aspx>

<https://www.tatapower.com/pdf/aboutus/Tata-Code-of-Conduct.pdf>

#### **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	93.39	91.00		
Female	48.33	92.00		
Total	84.44	91.00		
			There are no permanent workers in the Company.	

## Business Responsibility & Sustainability Report

- 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:**

If yes, give details of the mechanism in brief

Permanent Workers	Yes, the Company has multiple mechanisms to redress grievances such as Suraksha (safety), TCoC (ethics) and Connect to Solve (HR and admin) platforms on Sangam, an internal portal.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

- 7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY22		% (B/A)	FY21		% (D/C)
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)		Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	
<b>Total Permanent Employees</b>						
Male	18,009	9,911	55.03	15,584	9,273	59.50
Female	1,486	401	26.99	1,227	377	30.73

- 8. Details of training given to employees and workers\*:**

Category	FY22				FY21			
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)
<b>Permanent employees</b>								
Male	4,437	3,286	74.06	3,583	80.75	4,247	2,205	51.92
Female	538	443	82.34	481	89.41	425	266	62.59
<b>Total</b>	<b>4,975</b>	<b>3,729</b>	<b>74.95</b>	<b>4,064</b>	<b>81.69</b>	<b>4,672</b>	<b>2,471</b>	<b>52.89</b>

\*Includes Tata Power, Mundra, TPCL, IEL, MPL, TPREL, TPRMG, PTL, TPCDT, TPSSL, TPADL, WREL, TERPL, TPIPL and FENR

All the employees have access to relevant learning and development opportunities. The Company has a robust e-learning platform which is coupled with other online and offline interventions. The learning needs are identified by a combination of self, manager and department head and classified under functional, behavioral and organizational needs.

- 9. Details of performance and career development reviews of employees and worker:**

Category	FY22			FY21		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	19,884	19,884	100	17,134	17,134	100
Female	1,752	1,752	100	1,492	1,492	100
<b>Total</b>	<b>21,636</b>	<b>21,636</b>	<b>100</b>	<b>18,626</b>	<b>18,626</b>	<b>100</b>

All the employees undergo Performance and Career Development Reviews. The Company has a robust IT tool to conduct the same. Discussions are carried out periodically and feedback for development is provided.

Performance review of workers are determined on the basis of Productivity Linked Performance Based Contract (PLPBC).

#### **10. Health and safety management system:**

- a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes / No). If yes, the coverage such system?**

Yes, safety is a core value over which no business objective can have a higher priority. Tata Power Safety Management Framework covers all the business activities and the same are aligned with the Tata Group Health and Safety Management System as well as ISO 45001:2018 requirements. The coverage is 100% and includes all employees and workers.

- b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Tata Power Safety Management System (TPSMS) comprises followings safety processes for identifying Work related hazards and assess risks on routine and non-routine basis-

- i. Safety Leadership and accountability with OH&S Objective Planning
- ii. Hazard Identification Risk Assessment and Risk Management
- iii. Design, Construction, Operational planning and control
- iv. People Competency Behaviours
- v. Communication, Consultation and Participation
- vi. Observation Incident Nonconformity reporting, Investigation and Learning
- vii. Change Management Process
- viii. Contractor Safety Management
- ix. Measurement, monitoring and review
- x. Fire Detection Protection System Management

- c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks.**

Yes, the Company has an established Hazard Identification and Risk Assessment (HIRA) process for both routine and non-routine jobs and routinely provides HIRA and Job Safety Assessment (JSA) trainings to operation, maintenance and service engineers. The process of incident reporting and investigation is digitalized through the SAP-EHSM platform and through the Suraksha mobile application.

- d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?**

Yes, all the sites have access to non-occupational medical and healthcare services either on-site or through tie-ups with reputed medical entities in close proximity. In addition, personnel are being trained to respond appropriately to medical emergencies on-site.

#### **11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY22	FY21
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	0.14
	Workers	0.15	0.14
Total recordable work-related injuries	Employees	Nil	4
	Workers	4	4
No. of fatalities	Employees	Nil	Nil
	Workers	1	2
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	2
	Workers	8	7

## Business Responsibility & Sustainability Report

### 12. Describe the measures taken by the entity to ensure a safe and healthy work place:

- i. Hazard identification, Risk Assessment and Management is done in accordance with Hazard Identification and Risk Assessment (HIRA) Procedure and Job Safety Analysis (JSA) Procedure.
- ii. Hierarchy of controls is followed for application of risk control measures, Control Plans commensurate to risk are deployed before execution of job. No job is executed until risks are brought to acceptable range.
- iii. Safety Committees are in place at various levels to review the adequacy of resources for safety and to provide support for safety management system deployment.
- iv. Deployment of Safe and Healthy system of work is assured through periodic safety audits and inspections across sites.

### 13. Number of Complaints on the Working Conditions and Health and Safety made by employees and workers:

Tata Power has not received any complaint on "Health & Safety" and "Working Conditions" in FY22 and FY21. However, the Company encourages its employees and contractor workers to proactively submit safety observations and report unsafe acts and conditions at workplace as a preventive action.

### 14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Working Conditions	100
Health and Safety	100

### 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.

- i. All safety related accidents are being investigated and learnings from investigation reports are shared across organization for deployment of corrective actions to stop recurrence of such incidents. Effectiveness of Corrective actions deployment being checked during safety Audits.
- ii. Significant risks/concerns arising from assessment of Health and Safety Practices are addressed through elimination of manual job by use of Technology/Digitization, Safety Capability Building, Monitoring and supervision, etc.

### Leadership Indicators

#### 1. Does the entity extend any life insurance or any compensatory package in the event of death of

- (A) Employees: Yes
- (B) Workers: Yes

#### 2. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100
Working Conditions	100

#### 3. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

- i. ISO 45001 /OHSAS 18001 certification is mandatory for all Value chain partners involved with High-Risk jobs execution with organization
- ii. Ensured 100% Safety Training of Workforce of Service providers by approved Training Institute
- iii. Periodic safety performance Evaluation of Service providers.
- iv. Safety performance linked incentive schemes for service providers.

## **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.**

Tata Power identifies its stakeholder groups through the Stakeholder Engagement and Materiality Assessment (SEMA) process.

#### **2. List of stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly / Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Communities	Yes (Affirmative Action)	On site community meetings, sms	Regular	CSR interventions
Investors (other than Shareholders)	No	Investor meet, email	Annual, periodic	Tata Power performance
Shareholders	No	Annual General Meeting, email	Annual, periodic	Tata Power performance
Employees and workers	No	Sangam portal, Yammer, email, MD communication meet, Business wise town halls	Regular	Employee engagement
Customers	No	Email, sms, advertisement, website, social media	Regular	Offers
Value Chain Partners	No	Email, vendor meet	Annual, periodic	Process refresh, engagement

## **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	FY22			FY21		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	4,424	1,985	44.87	4,402	2,949	66.99
Other than Permanent	551	14	2.54	270	Nil	Nil
<b>Total Employees</b>	<b>4,975</b>	<b>1,999</b>	<b>40.18</b>	<b>4,672</b>	<b>2,949</b>	<b>63.12</b>

\*Includes Tata Power, Mundra, TPTCL, IEL, MPL, TPREL, TPRM, PTL, TPCDT, TPSSL, TPADL, WREL, TERPL, TPIPL and FENR

## Business Responsibility & Sustainability Report

**2. Details of minimum wages paid to employees and workers, in the following format:**

Category	FY22					FY21				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/A)	No. (C)	% (C / A)		Number (E)	% (E/D)	Number (F)	% (F / D)
<b>Employees</b>										
<b>Permanent</b>										
Male	18,009	Nil	NA	18,009	100	15,584	Nil	NA	15,584	100
Female	1,486	Nil	NA	1,486	100	1,227	Nil	NA	1,227	100
<b>Other than Permanent</b>										
Male	1,875	Nil	NA	1,875	100	1,550	Nil	NA	1,550	100
Female	266	Nil	NA	266	100	265	Nil	NA	265	100
<b>Workers</b>										
<b>Permanent</b>										
Male	Nil	Nil	NA	Nil	NA	Nil	Nil	NA	Nil	NA
Female	Nil	Nil	NA	Nil	NA	Nil	Nil	NA	Nil	NA
<b>Other than Permanent</b>										
Male	43,408	Nil	NA	43,408	100	40,025	Nil	NA	40,025	100
Female	903	Nil	NA	903	100	1,792	Nil	NA	1,792	100

**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	67,00,000	2	75,85,000
Key Managerial Personnel	2	2,45,32,310	Nil	Nil
Employees other than BoD and KMP (including Workmen)	3,969	10,97,718	452	8,49,390

\*Includes Tata Power, Mundra, TPTCL, IEL, MPL, TPREL, TPRMG, PTL, TPCDT, TPSSL, TPADL, WREL, TERPL, TPIPL and FENR

\*\*Includes commission and sitting fees

**4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?**

Human rights is the basic tenet at Tata Power and is guided by Human Rights Policy. Focal points of contacts are:

Dr. Praveer Sinha - CEO & Managing Director

Mr. Himal Tewari - CHRO

Ms. Jyoti Kumar Bansal - Chief-Branding, Corporate Communications, CSR, Sustainability

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Human Rights Policy elaborated on the grievance mechanism. Refer link - <https://www.tatapower.com/pdf/sustainability/human-rights-policy.pdf>

**6. Number of Complaints on the Sexual Harassment, Discrimination at workplace, Child Labour, Forced Labour/Involuntary Labour, Wages and Other human rights related issues made by employees and workers:**

Please refer Employee and Worker section in response 23 on Section A.

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Refer TCoC at <https://www.tatapower.com/pdf/aboutus/Tata-Code-of-Conduct.pdf>

**8. Do human rights requirements form part of your business agreements and contracts?**

Yes

**9. Assessments for the year:**

Human Rights assessment is being undertaken in FY23.

**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

**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	FY22	FY21
Total electricity consumption (Giga Joules) (A)	1,23,319	2,39,432
Total fuel consumption (Giga Joules) (B)	27,79,48,920	36,17,59,315
<b>Total energy consumption (Giga Joules) (A+B)</b>	<b>27,80,72,239</b>	<b>36,19,98,747</b>
Energy intensity per crore rupee of turnover (Total energy consumption (Giga Joules) / turnover in crore rupees)	6,531.20	10,890.78

Note: Data verification is carried out through 3rd party assurance each year for Integrated Report and CDP Climate and CDP Water reports. For FY22, the assurance on Integrated Report has been carried out by Deloitte and for FY21, the assurance was carried out by S R B C & Co LLP.

**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? (Y/N) 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.**

Yes, all thermal operating divisions of Tata Power were part of PAT cycle II (2016-17 to 2018-19) notified on March 31, 2016 and aims to achieve an overall energy consumption reduction of 8.869 MTOE. PAT cycle II Target details along with action plan is as outlined below. New targets will be taken in alignment with PAT cycle VII which is awaited in FY24.

Divisions	PAT Cycle II Notified Target (Kcal/kwh)	Achieved (Kcal/kwh)	Remedial Action in case target not achieved
Mundra	2,256	2,257	Unit 30 & 50 HP Heaters replacement along with installation of Variable Frequency Drive in Condensate Extraction pump variable was planned and commissioned.
Maithon	2,460	2,445	Better than Notified Target
Trombay (coal, oil and gas)	2,652	2,566	Better than Notified Target
Trombay (Gas)	2,006	2,047	This was not achieved due to lower Plant load factor in view of low APM gas availability. This has been taken up with BEE, however it was not considered for normalization.
Jojobera	2,839	2,836	Better than Notified Target

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY22	FY21
<b>Water withdrawal by source (in million litres)</b>		
(i) Surface water	13,17,592	12,39,352
(ii) Groundwater	271	194
(iii) Third party water	13,065	17,709
(iv) Seawater / desalinated water	28,58,396	53,66,791
<b>Total volume of water withdrawal (in million litres) (i + ii + iii + iv)</b>	<b>41,89,324</b>	<b>66,24,046</b>
<b>Total volume of fresh water consumption (in million litres)</b>	<b>64,721</b>	<b>33,437</b>
<b>Water intensity per rupee of turnover (litre/rupee)</b>	<b>0.15</b>	<b>0.10</b>

## Business Responsibility & Sustainability Report

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

The Company's major thermal power plants has Zero-Liquid Discharge (ZLD) wherein the waste water is treated and reused. - Maithon, Jojobera, Waste Heat Recovery units. Trombay and Mundra use sea water.

The quality of effluent discharge where applicable is ensured as per regulatory requirements at all applicable locations.

**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY22	FY21
NOx	Tonnes	72,784	93,461
SOx	Tonnes	1,33,209	1,49,441
Particulate matter (PM)	Tonnes	6,904	6,696
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY22	FY21
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Million Metric tonnes of CO <sub>2</sub> equivalent	27.330	34.500
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Million Metric tonnes of CO <sub>2</sub> equivalent	0.285	0.031
Total Scope 1 and Scope 2 emissions per rupee of turnover		6.486 x 10 <sup>-5</sup>	10.389 x 10 <sup>-5</sup>
Total Scope 1 and Scope 2 emission intensity (optional – the relevant metric may be selected by the entity)	tCO <sub>2</sub> e/MWh	0.794* 0.675**	0.687**

\*In FY22, PPGCL and IEL units have been included. Calculations are as per equity-based approach.

\*\*The calculations are as per operational basis approach as carried out in FY21 and PPGCL and IEL are not included.

**7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

Tata Power is committed to climate action and to create a positive impact for the community and environment in which it operates. The Company is India's first power utility to publicly pledge to Carbon Net Zero before 2045. In line with the aspirations, Tata Power has committed to SBTi to provide the pathway to develop integrated solutions for becoming carbon neutral. This includes phasing out coal-based power plants and ramping up renewables and other forms of clean energy, investments in improvement measures and operational efficiency technology for Station Heat Rate and Auxiliary Power Consumption to reduce GHG emissions. Please refer to the key collaborations section on page no 61 of the Integrated Report FY22.

**8. Provide details related to waste management by the entity, in the following format\*:**

Parameter	FY22	FY21
Total Waste generated (in metric tonnes)		
Hazardous waste generated	1,095	314
Non-hazardous waste generated	60,50,898	32,60,147
<b>Total</b>	<b>60,51,993</b>	<b>32,60,461</b>
Waste diverted from disposal		
Category of waste (Hazardous)		
(i) Recycled	Nil	63
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	1,095	45
<b>Total</b>	<b>1,095</b>	<b>108</b>
Category of waste ( Non Hazardous)		
(i) Recycled	Nil	19,82,181
(ii) Reused	Nil	8
(iii) Other recovery options	52,85,220	19
<b>Total</b>	<b>52,85,220</b>	<b>19,82,208</b>

\* Increase in Waste from the previous year is due to addition of PPGCL.

**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.**

Tata Power has robust waste management practices and aims to be Zero Waste to Landfill before 2030. The major waste stream at Tata Power is ash (fly ash +bottom ash) and the Company has achieved 100% fly ash utilization in FY22. In addition, measures are being taken up to increase the bottom ash utilization to reach the Company's stated intent. Tata Power has also conducted a study on end-of-life considerations for Solar PV panels in preparedness for dealing with future waste streams. 100% of the hazardous and toxic waste is treated/discharged responsibly. For further details, please refer Waste Management section on page no. 81 of the Integrated Report FY22.

**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 hereof and corrective action taken, if any.
1.	Hydro Power Plants like Bhira, Bhivpuri and Khopoli are in the region of northern western ghats which is one of the major biodiversity hotspots in the world	Generation	These hydro plants have been in operation for over 100 years. Tata Power has taken up afforestation program in the catchment area by planting species which are native to this area. Company also took up conservation breeding program for endangered species Deccan Mahseer (Tor khudree). This program helped to increase population of the species and brought the fish from IUCN red list of endangered species to the least concern category.

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Tata Power has added 707 MW clean and green capacity in FY22 for which EIA notification 2006 is 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 (Y/N). If not, provide details of all such non-compliances.**

Not Applicable as Tata Power is 100% compliant.

## Business Responsibility & Sustainability Report

### Leadership Indicators

- 1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): For each facility / plant located in areas of water stress?, provide the following information:**

- i. Name of the area - Specific projects in Rajasthan, Gujarat, Karnataka, Maharashtra, Tamil Nadu (~16% of projects)
- ii. Nature of operations - Solar generation

Water Stress Classification : Ref : CGWA Document titled " Block Wise Ground Water Resource Assessment -2020"

- 2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY22	FY21
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Million Metric tonnes of CO <sub>2</sub> equivalent	0.001	0.003
Total Scope 3 emissions per rupee of turnover		2.349 × 10 <sup>-9</sup>	9.026 × 10 <sup>-9</sup>

Note: FY22 Scope 3 emissions include only Business travel. T&D emissions (power purchase and losses) have been recategorized from Scope 3 in FY21 to Scope 2 in FY22.

- 3. 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.**

- a. Afforestation Drive and Mahseer Conservation Program at Hydros:

Since 1972, Tata Power have been arranging mega afforestation drive of native plants in the Hydros which is situated in the northern western ghat area.

In FY22, more than 9 lakh trees were planted and seeds were sowed in the catchment area of Hydros.

In order to increase survival rate of plantation and to save forests from forest fires, the Company has been organizing educational programs to create an awareness among children with the help of Bharati Vidyapeeth.

Mahseer conservation program was taken up in the year 1970 for ecological enrichment of the hydel lakes and to rehabilitate the Deccan Mahseer which had been decimated in their natural habitat. After the five decades of efforts, Deccan Mahseer is finally declared as 'least concern' species in the IUCN red list.

- 4. 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:**

Sr. No	Initiative undertaken	Outcome of the initiative
1	FGD and De-NOx systems are under implementation	Reduction of emissions (SO <sub>2</sub> , NO <sub>x</sub> )

- 7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Tata Power has a robust Business Continuity and Disaster Management Plan (BCDMP) and is certified as per ISO 22301:2012 from the British Standards Institute (BSI). In addition, workforce are continuously trained by carrying out mock drills and disaster management exercises for possible emergency situations. The Company also has a comprehensive BCDMP policy which can be found at <https://www.tatapower.com/pdf/aboutus/bcp-policy.pdf>.

## **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:** Five
- 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	Bombay Chamber of Commerce and Industry	State
2	CII Corporate Governance Council	National
3	CII Western Region Council	National
4	The Committee for International Council on Large Electric Systems (CIGRE)	International
5	CII National Committee of Power	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 Tata Power Company Limited on any issues related to anti-competitive conduct.

## **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 applicable for any of the projects undertaken by the Company. However, the Company assesses the effectiveness of all projects undertaken voluntarily as a part of Tata way of giving back to society.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

S. No.	Name of project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in FY22 (In crore)
1	Dr Babasaheb Ambedkar SRA CHSL	Maharashtra	Mumbai Suburban	1,003*	100	19.95

\* No. of slum dwellers identified as per the approval of Government Authorities

3. **Describe the mechanisms to receive and redress grievances of the community.**

There is regular engagement with key community institutions and representatives from key neighbourhoods across India. Stakeholder suggestions can also be emailed to the company through the following link-

<https://www.tatapower.com/contact/community-relations.aspx>

4. **Percentage of inputs directly sourced from MSMEs / small producers**

Parameter	FY22	FY21
Directly sourced from MSMEs / small producers	13.51%	4%
Sourced directly from within the district and neighbouring districts	*	*

13.51% of spend is from MSME vendors.

\* Tata Power is one of India's largest integrated power companies present at multiple locations across the country. The enterprise resource planning structure does not differentiate sourcing from within or outside a particular area/district/locality. Tata Power stands by its responsibility towards upliftment of the society/ communities in and around its operating environment. The workforce deployed in various Tata Power Generating plants include a noteworthy proportion of local youth as a mandate. Tata Power is committed to local sourcing across the value chain.

In FY22, 99.30% of Non-fuel procurement at Tata Power was sourced locally i.e. from domestic / indigenous suppliers. On an overall basis 54.29% of the overall procurement including fuel was sourced from Indigenous sources.

## Business Responsibility & Sustainability Report

### Leadership Indicators

- 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

- Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent (In ₹)
1.	Andhra Pradesh	YSR Cuddapah	4,29,000
2.	Rajasthan	Jaisalmer	5,32,117
3.	Bihar	Gaya	27,87,324
4.	Odisha	Kalahandi	20,00,000

- (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?**

Yes

- What percentage of total procurement (by value) does it constitute?**

Tata Power has policies and guidelines in place for vendor enlistment and ordering to encourage and provide growth opportunities to entrepreneurs among the marginalized /vulnerable groups or communities.

Tata Power Affirmative Action's Policy (Affirmative Action.pdf) emphasis on empowering and encouraging socio-economically derived communities for entrepreneurship and quality-based inclusion in supply chain.

Tata Power is committed to help people from SC/ST background either by promoting them to become entrepreneurs or by engaging workforce from SC/ST community under contracts. Tata Power on merit basis considers incentives in payment for contractors engaging more than 30% of total deployment from the SC/ST community. In order to motivate entrepreneurs from this community, Tata Power considers preferential treatment in commercial parameters if the company is owned by a person from SC/ST community having minimum 50% holding in the company. This motivates the community to be a part of business ecosystem.

In FY22, business (only direct orders) worth ₹ 12.18 crore were given to SC/ST Business Associates against more than 300 orders which is 0.4% of the Company's total annual non-fuel procurement value.

- 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

- 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

- Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Education	19,01,476	19.00
2.	Employability and Employment	3,77,677	11.64
3.	Entrepreneurship	2,182	44.00
4.	Others - Stakeholder Engagement Sports, Volunteering & social inclusion	55,92,486	2.25

## **PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner: Essential Indicators**

### **1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

**Mumbai Distribution** - "Keeping the Customer at the Centre of All We Do", Tata Power's mission is embedded in every customer team member and is the foundation for excelling in customer service. The Company has following touch points to engage with its customers to build trust and strengthen transparency, while addressing their queries and concerns.

- |                                       |                       |
|---------------------------------------|-----------------------|
| i. 10 Customer Relationship Centres   | vii. SMS              |
| ii. Call Centre offering 24/7 support | viii. WhatsApp        |
| iii. E-Care (email response)          | ix. Twitter           |
| iv. Customer Web portal               | x. Facebook           |
| v. Customer Chat bot - TINA           | xi. Microsoft Kaizala |
| vi. Mobile App                        | xii. Facebook         |

'We listen', - Customer feedback across touch points is received through 'Post Transactional Feedback' system. Post transaction closure, customers have the option to rate the services offered by the Company and give their feedback through a system generated link. This feedback system gives the opportunity to the team to do an in-depth analysis and adopt corrective actions and measures to restore consumer confidence and delight. The Customer Satisfaction Survey conducted every year is another mechanism which captures customer confidence and feedback on the service parameters adopted by Tata Power in its customer service journey.

#### **TPDDL**

TPDDL always strives to provide the customers seamless connectivity to resolve their concerns at various platforms with quick response time. Tata Power-DDL's customer interactions are primarily ensured through 24x7 Call Centre. The Call Centre handles approx. 50 lakh interactions per annum for Commercial and Operational services comprising of Queries, requests, complaint notifications and Follow Ups through IVRS and the executives deployed based on manpower contract.

### **2. Turnover of products and / services as a percentage of turnover from all products/service that carry information about:**

99.3% of the turnover corresponds to electricity generated, transmitted and distributed. The Company educates its customers on environmental parameters and for safe and responsible usage of power.

### **3. Number of consumer complaints in respect of the Data privacy, Advertising, Cyber-security, Delivery of essential services, Restrictive Trade Practices, Unfair Trade Practices, other:**

In FY22, total 13 complaints were received and all of them were resolved within the expected timelines. No complaints are pending.

### **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.**

<https://www.tatapower.com/pdf/aboutus/information-security-policy.pdf>

### **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.**

TPDDL is certified for ISO 27001:2018 (Information Security Management System) and Risk Management Guidelines (31000). Accordingly, the organization also has rolled out corporate policies to ensure necessary compliance at all stakeholder's end.

## Business Responsibility & Sustainability Report

### Leadership Indicators

- 1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**
  - i. Customer Care Email ID
  - v. TPDDL connect Mobile application
  - ii. CCAG Email ID
  - vi. Customer care centres
  - iii. 24X7 Sampark kendra
  - vii. Letters
  - iv. Websites
  - viii. Social Media
  
- 2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**  
Awareness on safety through:
  - i. Social Media (LinkedIn, Facebook, Instagram)
  - ii. Safety SMS
  - iii. Outreachs
  - iv. News letters
  
- 3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**
  - i. 24X7 Sampark kendra
  - ii. Website
  - iii. Social Media
  - iv. TPDDL connect Mobile application
  - v. SMS/Emailer
  - vi. Customer care centres
  
- 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. 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) Not applicable**
  
- 5. Provide the following information relating to data breaches:**
  - a. **Number of instances of data breaches along-with impact:** Not applicable as no data breaches occurred
  - b. **Percentage of data breaches involving personally identifiable information of customers** Not applicable

# Independent Auditor's Report

## To the Members of The Tata Power Company Limited

### Report on the Audit of the Standalone Ind AS Financial Statements

#### Opinion

We have audited the accompanying standalone Ind AS financial statements of The Tata Power Company Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's

Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

#### Key audit matters

##### **Management's assessment of appropriateness of Going Concern assumption**

The Company has current liabilities of ₹ 14,472.74 crores and current assets of ₹ 7,095.60 crores as at March 31, 2022.

Current liabilities exceed current assets as at the year end. Given the nature of its business i.e. contracted long term power supply agreements and a significant composition of cost plus contracts leading to significant stability of cashflows and profitability, management is confident of refinancing and consider the liquidity risk as low and accordingly, the Company uses significant short term borrowings to reduce its borrowing costs.

Management has made an assessment of the Company's ability to continue as a Going Concern as required by Ind AS 1 Presentation of Financial Statements considering all the available information and has concluded that the going concern basis of accounting is appropriate.

Going Concern assessment has been identified as a key audit matter considering the significant judgements and estimates involved in the assessment and its dependence upon management's ability to complete the planned divestments, raising long term capital and / or successful refinancing of certain current financial obligations.

#### How our audit addressed the key audit matter

##### *(as described in Note 43.4.3 of the standalone Ind AS financial statements)*

Our procedures included the following:

- Obtaining an understanding of the process which includes approval of annual business plan, raising short term borrowings and review of MIS; and testing the internal controls associated with the management's assessment of Going Concern assumption.
- Discussing with management and assessing the assumptions, judgements and estimates used in developing business plan and cash flow projections having regards to past performance and current emerging business trends affecting the business and industry.
- Assessing the Company's ability to refinance its short term obligation based on the past trends, credit ratings, analysis of solvency and liquidity ratios and ability to generate cash flows and access to capital.
- Assessing the adequacy of the disclosures in the standalone Ind AS financial statements.

## Independent Auditor's Report

### Key audit matters

#### **Revenue recognition and accrual of regulatory deferrals** (as described in Note 19 and Note 31 of the standalone Ind AS financial statements)

In the regulated generation, transmission and distribution business of the Company, tariff is determined by the regulator on cost plus return on equity basis wherein the cost is subject to prudential norms. The Company invoices its customers on the basis of pre-approved tariff which is based on budget and is subject to true up.

The Company recognizes revenue as the amount invoiced to customers based on pre-approved tariff rates agreed with regulator. As the Company is entitled to a fixed return on equity, the difference between the revenue recognized and entitlement as per the regulation is recognized as regulatory assets / liabilities. The Company has recognized ₹ 1,368.05 crores for generation and transmission business and ₹ 725.92 crores for distribution business as accruals as at March 31, 2022.

Accruals are determined based on tariff regulations and past tariff orders and are subject to verification and approval by the regulators. Further the costs incurred are subject to prudential checks and prescribed norms. Significant judgements are made in determining the accruals including interpretation of tariff regulations. Further certain disallowances of claims have been litigated by the Company which are in various stages of dispute.

#### **Mundra power plant:**

The Company sells power to customers in accordance with the long-term Power Purchase Agreement (PPA) entered into with them.

As per the PPA, the Company's entitlement to capacity revenue is dependent on availability declared. Accordingly, the Company accrues capacity revenue based on the actual declared capacity. As per PPA, Company is required to pay compensation to customers in case the declared capacity is lower than the minimum capacity to be declared as per PPA. Based on the actual capacity declared, management has recognized an amount of ₹ 509.55 crores as a reduction in revenue which includes ₹ 123.27 crores relating to earlier years and compensation towards lower annual availability.

Also, Company is in discussion to amend certain terms of PPA with one of the customers. The discussions are at very advanced stage and agreement is reached except few items, for which discussions are ongoing and accordingly the SPPA is yet to be signed and approved. To ensure continuous supply of power, customer has requested the Company to continue supplying power based on the proposed amendments which will be effective January 1, 2022. Accordingly, based on the legal opinion obtained, the differential revenue of ₹ 324.00 crores has been recognized on the basis of the current agreed draft of SPPA.

Revenue recognition and accrual of regulatory deferrals is a key audit matter considering the significance of the amount, interpretation of clauses in PPA and tariff regulations and significant judgements involved in the determination of revenue and regulatory accruals.

### How our audit addressed the key audit matter

#### *(as described in Note 19 and Note 31 of the standalone Ind AS financial statements)*

Our procedures included the following:

- Read the Company's accounting policies with respect to revenue recognition and accrual of regulatory deferrals and assessing its compliance with Ind AS 114 "Regulatory Deferral Accounts" and Ind AS 115 "Revenue from Contract with Customers".
- Performing test of controls over revenue recognition and accrual of regulatory deferrals through inspection of evidence of performance of these controls.
- Performing substantive audit procedures including:
  - Read the executed PPAs with the customer, tariff regulations and tariff orders and evaluating relevant clauses to understand management's assessment of the Company's right vis-a-vis the customers.
  - Evaluating the key assumptions used by the Company by comparing it with prior years, past precedents and the legal opinion obtained by the management.
  - Considering the independence, objectivity and competence of management's expert.
  - Assessing management's evaluation of the likely outcome of the key disputes based on past precedents and / or advice of management's expert.
  - Assessing the impact recognized by the Company in respect of tariff orders received, revenue adjustment on account of actual declared capacity and revenue recognized based on ongoing discussion in relation to proposed amendments in PPA.
  - Reading the legal opinion obtained by the management for assessing the Company's right with respect to power supply to customer for the period wherein terms of PPA are under discussion.
  - Assessing the disclosures in accordance with the requirements of Ind AS 114 "Regulatory Deferral Accounts" and Ind AS 115 "Revenue from Contract with Customers".

Key audit matters	How our audit addressed the key audit matter
<b>Recognition and Measurement of Deferred Tax</b> (as described in Note 36 of the standalone Ind AS financial statements)	<p>The Company has recognized deferred tax assets of ₹ 100 crores on unabsorbed depreciation.</p> <p>During the year, National Company Law Tribunal ('NCLT') has approved the composite scheme of arrangement between the Company and Coastal Gujarat Power Limited ('CGPL') with the Appointed date as April 1, 2020. Accordingly, the Company has reassessed tax provisions recognized by the Company since the effective date of merger and recoverability of unabsorbed depreciation and brought forward business losses of CGPL available for utilization against Company's future profit. Basis the assessment, Company has reversed the tax provision amounting to ₹ 105.11 crores and has recognized the deferred tax assets on unabsorbed depreciation amounting to ₹ 968.56 crores in the statement of profit and loss.</p> <p>The recognition and measurement of deferred tax balances; is a key audit matter considering the significance of the amount, judgement involved in assessing the recoverability of such tax credits, estimation of the financial projections for utilization of unabsorbed depreciation and judgements involved in the interpretation of tax regulations and tax positions adopted by the Company.</p>
<b>Impairment of assets</b> (as described in Note 5a, 5b and 5c of the standalone Ind AS financial statements)	<p>At the end of every reporting period, the Company assesses whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or CGU.</p> <p>The determination of recoverable amount, being the higher of fair value less costs to sell and value-in-use involves significant estimates, assumptions and judgements of the long-term financial projections.</p> <p>The Company is carrying impairment provision amounting to ₹ 310.94 crores with respect to Mundra CGU (comprising of Mundra power plant, investment in companies owning coal mines and related infrastructure), ₹ 552.91 crores for investment in Company owning hydro power plant in Georgia and ₹ 100 crores with respect to a generating unit in Trombay. During the year, as the indication exists, the Company has reassessed its impairment assessment with respect to the specified CGUs and has recognized additional impairment provision of ₹ 106.82 crores towards investment in Company owning hydro power plant in Georgia.</p> <p>Impairment of assets is a key audit matter considering the significance of the carrying value, estimations and the significant judgements involved in the impairment assessment including projected generation, coal prices, exchange rate, energy prices post power purchase agreement period and weighted average cost of capital.</p>
	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>● Read Company's accounting policies with respect to recognition and measurement of tax balances in accordance with Ind AS 12 "Income Taxes"</li> <li>● Performing test of controls over recognition and measurement of tax balances through inspection of evidence of performance of these controls.</li> <li>● Performing substantive audit procedures including: <ul style="list-style-type: none"> <li>○ Involving tax specialists who evaluates the Company's tax positions basis the tax law and also by comparing it with prior years and past precedents</li> <li>○ Discussing the future business plans and financial projections with the management</li> <li>○ Assessing the management's long-term financial projections and the key assumptions used in the projections by comparing it to the approved business plan and projections used for impairment assessment where applicable.</li> </ul> </li> <li>● Assessing the disclosures in accordance with the requirements of Ind AS 12 "Income Taxes".</li> </ul> <p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>● Read the Company's accounting policies with respect to impairment in accordance with Ind AS 36 "Impairment of assets"</li> <li>● Performing test of controls over key financial controls related to accounting, valuation and recoverability of assets through inspection of evidence.</li> <li>● Performing substantive audit procedures including: <ul style="list-style-type: none"> <li>○ Obtaining the management's impairment assessment</li> <li>○ Evaluating the key assumptions including projected generation, coal prices, exchange rate, energy prices post power purchase agreement period and weighted average cost of capital by comparing them with prior years and external data, where available.</li> <li>○ Obtaining and evaluating the sensitivity analysis</li> </ul> </li> <li>● Assessing the disclosures in accordance with the requirements of Ind AS 36 "Impairment of assets".</li> </ul>

## Independent Auditor's Report

### Other Information

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

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS 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 for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone Ind AS 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2022 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**

- As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- As required by Section 143(3) of the Act, we report that:
  - 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;
  - 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;
  - The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with

Companies (Indian Accounting Standards) Rules, 2015, as amended;

- On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- 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:
  - The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 39 to the standalone Ind AS financial statements;
  - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 11 and Note 25 to the standalone Ind AS financial statements;
  - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
  - a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 9 to the standalone Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

## Independent Auditor's Report

- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 21 to the standalone Ind AS financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

per **Abhishek Agarwal**  
Partner

Place of Signature: Mumbai  
Date: May 6, 2022

Membership Number: 112773  
UDIN: 22112773AINAVY3679

## Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

### Re: The Tata Power Company Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (i) (a) (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (i) (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (i) (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 5a and note 18a to the standalone Ind AS financial statements are held in the name of the Company except 2 number of immovable properties as indicated in the below mentioned cases as at March 31, 2022 for which title deeds are not in name of the Company.

Description of Property	Gross carrying value (₹ in crores)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Land at Dehrand*	225.65	Maharashtra Industrial Development Corporation	No	Since 2015 till date	The land was acquired from MIDC; which the Company is now in process of selling it back to MIDC. Hence, not transferred in the name of the Company.
Land at Mundra – 0.51 hectares	0.09	Sushilabha Fatehsinh Zala	No	Since 2009 till date	It is an agricultural land which is not converted to non - agricultural land and hence little deed is not registered in name of the Company

\* Asset classified as held for sale

Certain title deeds of the immovable Properties, in the nature of freehold land & buildings, as indicated in the below mentioned cases which were acquired pursuant to a Composite Scheme of Arrangement of merger between Coastal Gujarat Power Limited and The Tata Power Company Limited approved by National Company Law Tribunal's (NCLT) Order dated March 31, 2022, and Scheme of Amalgamation of Chemical Terminal Trombay Limited and The Tata Power Company Limited approved by NCLT order dated July 27, 2017, are not individually held in the name of the Company as on March 31, 2022.

Description of Property	Gross carrying value (₹ in crores)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Land of erstwhile Chemical Terminal Trombay Ltd.	0.88	Chemical Terminal Trombay Ltd.(CTTL)	No	2014 to till date	Land is in name of erstwhile company.
Land and Building of Mundra power plant	872.70	Coastal Gujarat Power Limited (a wholly owned subsidiary)	No	Since April 1, 2020 till date	Land and Building are in name of erstwhile company

- (i) (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- (i) (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.
- (ii) (b) As disclosed in Note 29 to the standalone Ind AS financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are generally in agreement with the books of accounts of the Company except as follows:

<b>Quarter ended</b>	<b>Value per books of account</b>	<b>Value per quarterly return / statement</b>	<b>Discrepancy (give details)</b>
June 30, 2021	Nil	₹ 625 crores	Unapproved regulatory asset disclosed as Approved*
September 30, 2021	Nil	₹ 709 crores	Unapproved regulatory asset disclosed as Approved*
December 31, 2021	Nil	₹ 677 crores	Unapproved regulatory asset disclosed as Approved*
March 31, 2022	Nil	₹ 867 crores	Unapproved regulatory asset disclosed as Approved*
December 31, 2021	₹ 1,920 crores	₹ 1,964 crores	Excess debtors reported by ₹ 44 crores#

\*While submitting the quarterly statements for all four quarters during the year, the Company inadvertently included and disclosed unapproved regulatory balances as approved. However, subsequent to year end, the Company has communicated to Bank about the said discrepancy. Further, Bank has confirmed that the intention was not to exclude unapproved balances from the receivable and has initiated the process to change the sanction letter wherein total regulatory asset balance should be considered as receivables for the purpose of sanction limit.

#Subsequent to year end, Company has submitted the revised statement for quarter ended December 2021 and receivable balances as per revised statement are in agreement with the books of accounts.

- (iii) (a) During the year the Company has provided loans and stood guarantee to the companies as follows:

	<b>Guarantees</b>	<b>Security</b>	<b>Loans</b>	<b>(₹ in crores)</b>	<b>Advances in nature of loans</b>
Aggregate amount granted / provided during the year					
- Wholly owned Subsidiaries	655.57	Nil	5,038.07	Nil	
Balance outstanding as at balance sheet date in respect of above cases					
- Wholly owned Subsidiaries	6,337.57	Nil	1,778.48	Nil	

- (iii) (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies are not prejudicial to the Company's interest.
- (iii) (c) The Company has granted loans during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (iii) (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (iii) (e) The Company had granted loans to companies which had fallen due during the year and Company had extended / granted fresh loans during the year to the respective parties to settle the dues of the existing loans.

The aggregate amount of such dues extended / settled by fresh loans and the percentage of the aggregate to the total loans granted during the year are as follows:

<b>Name of Parties (Wholly Owned Subsidiaries)</b>	(₹ in crores)
TP Renewable Microgrid Limited	39.11
TP Ajmer Distribution Limited	95.00
Tata Power Green Energy Limited	29.55
Tata Power Solar Systems Limited	300.00
Tata Power Renewable Energy Limited	625.00
TP Kirnali Solar Limited	24.70
TP Saurya Limited	4.70
TP Solapur Limited	33.00
Chirasthayee Saurya Limited	255.00
TP Kirnali Limited	4.00
Tata Power Trading Company Ltd	10.00
<b>Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year</b>	<b>28.19%</b>

- (iii) (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the generation of Electricity, and are of the opinion that *prima facie*, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally been regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (vii) (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

<b>Name of the statute</b>	<b>Nature of the dues</b>	<b>Amount (₹ in crores)</b>	<b>Period to which the amount relates</b>	<b>Forum where the dispute is pending</b>
The Customs Act, 1962	Customs Duty	34.43	2011-12 and 2012-13	The Customs Excise and Service Tax Appellate Tribunal (CESTAT)
		0.31	2004-05 and 2005-06	CESTAT
		23.87*	2011-12 and 2012-13	Supreme Court

Name of the statute	Nature of the dues	Amount (₹ in crores)	Period to which the amount relates	Forum where the dispute is pending
The Water (Prevention & Control of Pollution) Cess Act 1977	Cess	1.13	2009-10	Chairman, Maharashtra Pollution Control Board (MPCB)
Income Tax Act, 1961	Income Tax	0.20	2009-10	Commissioner of Income Tax (Appeals)
		65.08	2010-11	Supreme Court
		0.09	2014-15	Income Tax Appellate Tribunal
		105.77	2018-19	Commissioner of Income Tax (Appeals)
	Tax deducted at source ("TDS")	40.15#	2016-17	Commissioner of Income Tax (Appeals)
The Finance Act, 1994	Service Tax	375.29	July 2012 to June 2017	High Court
		5.86	2011-12 to 2014-15	CESTAT
		0.25	2007-08	Joint Commissioner (appeal)
Green Cess Act, 2011	Green Cess	464.89	2011-12 to 2021-22	Supreme Court
Mumbai Municipal Corporation Act, 1888	Property Tax	0.89	2015-16	Supreme Court

\* net of amount paid under protest of ₹ 52.45 crores for Custom Duty

# net of amount paid under protest of ₹ 10.04 crores for TDS liability

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (ix) (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (ix) (c) Term loans were applied for the purpose for which the loans were obtained.
- (ix) (d) On an overall examination of the standalone Ind AS financial statements of the Company, the Company has used funds raised on short-term basis in the form of short-term loans, cash credits from Banks, commercial papers, Inter Corporate Deposits and other financial liabilities aggregating to ₹ 4,066.03 crore for long-term purposes.
- (ix) (e) On an overall examination of the standalone Ind AS financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (ix) (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (x) (b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (xi) (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor / secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

- (xi) (c) We have taken into consideration the whistleblower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (xiv) (b) The internal audit reports of the Company issued till the date of the audit report, 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 its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (xvi) (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvi) (d) The Group has five CICs which are registered with the Reserve Bank of India and one CIC which is not required to be registered with the Reserve Bank of India.
- (xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year respectively.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 44 to the standalone Ind AS financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 35 to the financial statements
- (xx) (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 35 to the financial statements.

For **S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

per **Abhishek Agarwal**

Partner

Membership Number: 112773  
UDIN: 22112773AINAVY3679

Place of Signature: Mumbai  
Date: May 6, 2022

## Annexure 2 to the Independent Auditor's Report of even date on the standalone Ind AS financial statements of The Tata Power Company Limited

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone Ind AS financial statements of The Tata Power Company Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these standalone Ind AS 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 Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.

#### Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Ind AS Financial Statements

A company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting with reference to these standalone Ind AS 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 Ind AS 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 Ind AS financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS 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 over financial reporting with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial



statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the

essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

Place of Signature: Mumbai  
Date: May 6, 2022

per **Abhishek Agarwal**  
Partner  
Membership Number: 112773  
UDIN: 22112773AINAVY3679

# Standalone Balance Sheet

as at March 31, 2022

	Notes	Page	As at March 31, 2022 ₹ crore	As at* March 31, 2021 ₹ crore
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, Plant and Equipments	5a	244	20,874.79	21,602.44
(b) Right of Use Assets	5b	248	2,833.74	2,830.91
(c) Capital Work-in-Progress	6	251	965.15	322.43
(d) Intangible Assets	5c	249	37.43	60.97
(e) Financial Assets				
(i) Investments	7	252	10,711.38	9,961.60
(ii) Loans	9	258	453.17	454.28
(iii) Finance Lease Receivables	10	260	520.91	529.57
(iv) Other Financial Assets	11	261	97.30	657.86
(f) Deferred Tax Asset	26	280	250.00	Nil
(g) Non-Current Tax Assets (Net)	12	262	338.00	144.00
(h) Other Non-Current Assets	13	263	1,649.45	1,342.29
<b>Total Non-Current Assets</b>			<b>38,731.32</b>	<b>37,906.35</b>
<b>Current Assets</b>				
(a) Inventories	14	264	2,292.33	1,181.40
(b) Financial Assets				
(i) Investments	15	264	67.60	246.49
(ii) Trade Receivables	8	256	1,026.65	1,579.87
(iii) Unbilled Revenue			58.86	75.37
(iv) Cash and Cash Equivalents	16	265	57.36	364.13
(v) Bank Balances other than (iv) above	17	266	21.19	19.00
(vi) Loans	9	258	1,328.48	1,336.41
(vii) Finance Lease Receivables	10	260	42.61	36.52
(viii) Other Financial Assets	11	261	1,987.03	147.53
(c) Other Current Assets	13	263	213.49	192.24
<b>Total Current Assets</b>			<b>7,095.60</b>	<b>5,178.96</b>
Assets Classified as Held For Sale	18a	266	600.56	796.73
<b>Total Assets before Regulatory Deferral Account</b>			<b>46,427.48</b>	<b>43,882.04</b>
Regulatory Deferral Account - Assets	19	268	725.92	573.60
<b>TOTAL ASSETS</b>			<b>47,153.40</b>	<b>44,455.64</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	20a	270	319.56	319.56
(b) Unsecured Perpetual Securities	20b	271	Nil	1,500.00
(c) Other Equity	21	271	10,560.24	8,058.51
<b>Total Equity</b>			<b>10,879.80</b>	<b>9,878.07</b>

## Standalone Balance Sheet

as at March 31, 2022 (Contd.)

	Notes	Page	As at March 31, 2022	As at* March 31, 2021		
			₹ crore	₹ crore		
<b>Liabilities</b>						
<b>Non-Current Liabilities</b>						
(a) Financial Liabilities						
(i) Borrowings	22	274	18,087.97	16,583.06		
(ii) Lease Liabilities	23	277	2,555.11	2,460.38		
(ii) Other Financial Liabilities	25	280	13.07	12.08		
(b) Deferred Tax Liabilities (Net)	26	281	Nil	135.43		
(c) Provisions	27	281	274.00	274.73		
(d) Other Non-Current Liabilities	28	288	757.15	667.27		
<b>Total Non-Current Liabilities</b>			<b>21,687.30</b>	<b>20,132.95</b>		
<b>Current Liabilities</b>						
(a) Financial Liabilities						
(i) Borrowings	29	289	6,620.41	7,878.24		
(ii) Lease Liabilities	23	277	303.76	288.66		
(ii) Trade Payables						
(a) Total outstanding dues of micro enterprises and small enterprises	24	279	39.16	18.54		
(b) Total outstanding dues of trade payables other than micro enterprises and small enterprises	24	279	4,040.73	3,263.93		
(iii) Other Financial Liabilities	25	280	2,761.44	2,207.69		
(b) Current Tax Liabilities (Net)	30	290	107.67	135.17		
(c) Provisions	27	281	44.59	39.07		
(d) Other Current Liabilities	28	288	554.98	499.76		
<b>Total Current Liabilities</b>			<b>14,472.74</b>	<b>14,331.06</b>		
Liabilities directly associated with Assets Classified as Held For Sale	18b	266	113.56	113.56		
<b>Total Liabilities</b>			<b>36,273.60</b>	<b>34,577.57</b>		
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>47,153.40</b>	<b>44,455.64</b>		

See accompanying notes to the Standalone Financial Statements

\* Restated (Refer Note 47)

As per our report of even date

**For S R B C & CO LLP**

**Chartered Accountants**

ICAI Firm Registration No.324982E/E300003

**per ABHISHEK AGARWAL**

**Partner**

Membership No. 112773

Mumbai, May 6, 2022

For and on behalf of the Board,

**PRAVEER SINHA**

**CEO & Managing Director**

DIN 01785164

**BANMALI AGRAWALA**

**Director**

DIN 00120029

**SANJEEV CHURIWALA**

**Chief Financial Officer**

**HANOZ M. MISTRY**

**Company Secretary**

Mumbai, May 6, 2022

# Standalone Statement of Profit and Loss

for the year ended March 31, 2022

	Notes	Page	For the year ended March 31, 2022	For the year ended* March 31, 2021
			₹ crore	₹ crore
<b>I Revenue from Operations</b>	31	290	11,107.93	13,169.48
<b>II Other Income</b>	32	294	2,987.11	1,260.19
<b>III Total Income</b>			<b>14,095.04</b>	<b>14,429.67</b>
<b>IV Expenses</b>				
Cost of Power Purchased			797.64	580.80
Cost of Fuel			6,569.00	7,842.00
Transmission Charges			258.84	258.18
Employee Benefits Expense (net)	33	295	737.59	697.49
Finance Costs	34	296	2,188.94	2,496.68
Depreciation and Amortisation Expenses	5d	250	1,134.23	1,234.70
Other Expenses	35	296	1,197.46	1,069.04
<b>Total Expenses</b>			<b>12,883.70</b>	<b>14,178.89</b>
<b>V Profit/(Loss) Before Movement in Regulatory Deferral Balance, Exceptional Items and Tax</b>			<b>1,211.34</b>	<b>250.78</b>
Add/(Less): Net Movement in Regulatory Deferral Balances	19	268	91.00	258.00
Add/(Less): Deferred Tax Recoverable/(Payable)			43.35	41.62
			<b>134.35</b>	<b>299.62</b>
<b>VI Profit/(Loss) Before Exceptional Items and Tax</b>			<b>1,345.69</b>	<b>550.40</b>
Add/(Less): Exceptional Items				
Gain on Sale of Investment in Subsidiary	7	252	1,518.93	Nil
Standby Litigation	40a	304	Nil	(109.29)
Provision for Impairment of Non Current Investments	7	252	(106.82)	Nil
			1,412.11	(109.29)
<b>VII Profit/(Loss) Before Tax from Continuing Operations</b>			<b>2,757.80</b>	<b>441.11</b>
<b>VIII Tax Expense/(Credit)</b>	36	298		
Current Tax			Nil	206.60
Current Tax in respect of earlier year			(105.11)	Nil
Deferred Tax			(8.91)	(105.20)
Deferred Tax in respect of earlier year			(738.56)	Nil
Deferred tax remeasurement on account of transition to New Tax regime (Net)			359.62	Nil
			(492.96)	<b>101.40</b>
<b>IX Profit/(Loss) from Continuing Operations</b>			<b>3,250.76</b>	<b>339.71</b>
<b>X Profit/(Loss) before tax from Discontinued Operations</b>	18c	267	Nil	(59.84)
Impairment Loss on Remeasurement at Fair Value	18c	267	(467.83)	(160.00)
<b>XI Tax Expense/(Credit) of Discontinued Operations</b>	36	298		
Current Tax			Nil	(101.48)
Deferred Tax			Nil	(72.17)
<b>Tax Expense/(Credit) of Discontinued Operations</b>			Nil	(173.65)
<b>XII Profit/(Loss) from Discontinued Operations</b>	18c	267	<b>(467.83)</b>	<b>(46.19)</b>
<b>XIII Profit/(Loss) for the year</b>			<b>2,782.93</b>	<b>293.52</b>

## Standalone Statement of Profit and Loss

for the year ended March 31, 2022 (Contd.)

	Notes	Page	For the year ended March 31, 2022	For the year ended* March 31, 2021
			₹ crore	₹ crore
<b>XIV Other Comprehensive Income/(Expenses) - Continuing Operations</b>				
Add/(Less):				
(i) Items that will not be reclassified to profit or loss				
(a) Remeasurement of Defined Benefit Plans	27	281	9.64	19.06
(b) Equity Instruments classified at FVTOCI			307.12	73.55
(c) Assets Classified as Held For Sale				
- Equity Instruments classified at FVTOCI			Nil	155.87
(ii) Tax relating to items that will not be reclassified to Profit or Loss	36	298	(2.43)	(4.61)
(a) Deferred Tax				
			<b>314.33</b>	<b>243.87</b>
<b>XV Other Comprehensive Income/(Expenses) - Discontinued Operations</b>				
Add/(Less):				
(i) Items that will not be reclassified to Profit or Loss			Nil	(0.34)
			<b>Nil</b>	<b>(0.34)</b>
<b>XVI Other Comprehensive Income/(Expenses)</b>			<b>314.33</b>	<b>243.53</b>
<b>XVII Total Comprehensive Income (XIII+ XVI)</b>			<b>3,097.26</b>	<b>537.05</b>
<b>XVIII Basic and Diluted Earnings Per Equity Share (of ₹ 1/- each) (₹)</b>	41	305		
(i) From Continuing Operations before net movement in regulatory deferral balances			9.76	(0.09)
(ii) From Continuing Operations after net movement in regulatory deferral balances			10.07	0.56
(iii) From Discontinued Operations			(1.46)	(0.15)
(iv) Total Operations after net movement in regulatory deferral balances			8.61	0.41
See accompanying notes to the Standalone Financial Statements				
* Restated (Refer Note 47)				

As per our report of even date

**For S R B C & CO LLP**

**Chartered Accountants**

ICAI Firm Registration No.324982E/E300003

**per ABHISHEK AGARWAL**

**Partner**

Membership No. 112773

Mumbai, May 6, 2022

For and on behalf of the Board,

**PRAVEER SINHA**

**CEO & Managing Director**

DIN 01785164

**BANMALI AGRAWALA**

**Director**

DIN 00120029

**SANJEEV CHURIWALA**

**Chief Financial Officer**

**HANOZ M. MISTRY**

**Company Secretary**

Mumbai, May 6, 2022

# Standalone Cash Flow Statement

for the year ended March 31, 2022

	For the year ended March 31, 2022	For the year ended* March 31, 2021
	₹ crore	₹ crore
<b>A. Cash flow from Operating Activities</b>		
Profit/(Loss) before tax from continuing operations	2,757.80	441.11
Profit/(Loss) before tax from discontinued operations	(467.83)	(219.84)
Adjustments to reconcile profit before tax to net operating cash flows:		
Depreciation and amortisation expense	1,134.23	1,234.71
Interest income	(250.36)	(204.19)
Delayed payment charges	(5.75)	(7.02)
Dividend income	(2,639.95)	(997.50)
Finance cost (net of capitalisation)	2,188.94	2,521.59
(Gain)/Loss on disposal of property, plant and equipment (Net)	10.77	(16.83)
(Gain)/Loss on sale/fair value of current investment measured at fair value through profit and loss	(8.43)	(23.49)
(Gain)/Loss on sale of non-current investments	(1,518.93)	Nil
Guarantee commission from subsidiaries and joint ventures	(25.51)	(21.82)
Amortisation of service line contributions	(8.64)	(8.25)
Transfer to statutory consumer reserve	12.57	11.00
Bad debts	2.27	2.43
Allowance for doubtful debts and advances (Net)	(10.78)	33.85
Provision for standby litigation	Nil	109.29
Provision /(Reversal) of impairment of non-current investments and related obligation	106.82	(8.00)
Amortisation of Deferred Revenue	40.25	35.13
Impairment loss on remeasurement at fair value related to discontinued operations	467.83	160.00
Effect of exchange fluctuation (Net)	(10.07)	(17.02)
	<b>(514.74)</b>	<b>2,803.88</b>
	<b>1,775.23</b>	<b>3,025.15</b>
Working Capital adjustments:		
Adjustments for (increase) / decrease in assets:		
Inventory	(1,090.31)	2.14
Trade receivables	630.39	(111.37)
Finance lease receivables	26.03	18.83
Loans - non-current	1.11	1.23
Other current assets	(21.29)	(236.51)
Other non-current assets	(266.36)	(150.67)
Unbilled revenue	(3.70)	(105.79)
Other financial assets - current	(63.05)	134.90
Other financial assets - non-current	(7.58)	(8.44)
Regulatory deferral account - assets	(152.32)	(315.28)
	<b>(947.08)</b>	<b>(770.96)</b>
	<b>828.15</b>	<b>2,254.19</b>

## Standalone Cash Flow Statement

for the year ended March 31, 2022 (Contd.)

	For the year ended March 31, 2022	For the year ended* March 31, 2021
	₹ crore	₹ crore
Adjustments for increase / (decrease) in liabilities:		
Trade payables	810.51	164.06
Other current liabilities	34.71	194.09
Other non-current liabilities	(0.97)	(2.68)
Current provisions	15.16	(15.12)
Non-current provisions	(0.73)	38.08
Other financial liabilities - current	111.87	781.00
Other financial liabilities - non current	1.45	0.28
	972.00	1,159.71
Cash flow from/(used in) operations	1,800.15	3,413.90
Income tax paid (Net of refund received)	(116.40)	(79.89)
<b>Net cash flows from/(used in) Operating Activities</b>	<b>A</b>	<b>1,683.75</b>
<b>B. Cash flow from Investing Activities</b>		
Capital expenditure on property, plant and equipment and other Intangible assets (including capital advances)	(1,186.26)	(1,061.49)
Proceeds from sale of property, plant and equipment (including property, plant and equipment classified as held for sale)	18.01	257.67
Proceeds from sale of Strategic Engineering Division (Net) (Refer Note 18C)	Nil	420.85
Purchase of non current investments	(779.22)	(670.14)
Proceeds from sale of non-current investments	2,130.25	Nil
(Purchase of) / proceeds from sale of current investments (Net)	242.99	(41.00)
Proceeds from sale of renewable assets (Refer Note 5(a)(v))	169.30	Nil
Interest received	186.48	136.59
Delayed payment charges received	5.75	7.02
Loans given	(5,038.07)	(9,283.75)
Loans repaid	4,991.50	8,043.96
Dividend received	819.30	997.50
Guarantee commission received	25.05	18.70
Bank balance not considered as cash and cash equivalents	2.00	(0.01)
<b>Net cash flow from/(used in) Investing Activities</b>	<b>B</b>	<b>1,587.08</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from issue of shares	Nil	2,600.00
Repayment of unsecured perpetual securities	(1,500.00)	Nil
Distribution on unsecured perpetual securities	(100.26)	(171.00)
Proceeds from non-current borrowings	4,733.00	5,668.58
Repayment of non-current borrowings	(2,201.68)	(6,312.81)
Proceeds from current borrowings	20,539.62	18,156.18
Repayment of current borrowings	(22,471.00)	(19,719.33)

# Standalone Cash Flow Statement

for the year ended March 31, 2022 (Contd.)

		For the year ended March 31, 2022		For the year ended* March 31, 2021	
		₹ crore		₹ crore	
		C	(A+B+C)	(3,634.98)	(2,618.40)
Interest and other borrowing costs			(1,870.27)		(2,135.62)
Dividends paid			(495.28)		(419.24)
Increase in capital/service line contributions			8.19		5.29
Payment of lease liability			(277.30)		(290.45)
<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>C</b>		<b>(3,634.98)</b>		<b>(2,618.40)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(A+B+C)</b>		<b>(364.15)</b>		<b>(458.49)</b>
<b>Cash and cash equivalents as at April 1 (Opening Balance)</b>			<b>364.13</b>		<b>822.62</b>
<b>Cash and cash equivalents as at March 31 (Closing Balance)</b>			<b>(0.02)</b>		<b>364.13</b>
		<b>As at March 31, 2022</b>		<b>As at* March 31, 2021</b>	
			<b>₹ crore</b>		<b>₹ crore</b>
Cash and Cash Equivalents include:					
(a) Balances with banks					
In current accounts			57.35		264.13
In deposits accounts (with original maturity of three months or less)			0.01		100.00
(b) Bank overdraft			(57.38)		Nil
<b>Cash and cash equivalents related to continuing operations</b>			<b>(0.02)</b>		<b>364.13</b>
(a) Balances with banks					
In current accounts			Nil		Nil
In Deposit Accounts (with original maturity of three months or less)			Nil		Nil
(b) Book overdraft			Nil		Nil
<b>Cash and cash equivalents related to discontinued operations</b>			<b>Nil</b>		<b>Nil</b>
<b>Total of cash and cash equivalents</b>			<b>(0.02)</b>		<b>364.13</b>

Notes:

The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 - statement of cash flows

See accompanying notes to the Standalone Financial Statements

\* Restated (Refer Note 47)

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.324982E/E300003

per ABHISHEK AGARWAL

Partner

Membership No. 112773

Mumbai, May 6, 2022

For and on behalf of the Board,

PRAVEER SINHA

CEO & Managing Director

DIN 01785164

BANMALI AGRAWALA

Director

DIN 00120029

SANJEEV CHURIWALA

Chief Financial Officer

Mumbai, May 6, 2022

HANOZ M. MISTRY

Company Secretary

## Standalone Statement of Changes in Equity

for the year ended March 31, 2022

### A. Equity Share Capital

	₹ crore	
	No. of Shares	Amount
<b>Balance as at April 1, 2020</b>		
2,704,773,510		270.50
Issued during the year		
490,566,037		49.06
<b>Balance as at March 31, 2021</b>		<b>319,53,39,547</b>
		<b>319.56</b>
 <b>Balance as at April 1, 2021</b>		
		319,53,39,547
Issued during the year		
Nil		Nil
<b>Balance as at March 31, 2022</b>		<b>319,53,39,547</b>
		<b>319.56</b>

### B. Unsecured Perpetual Securities

	₹ crore	
	No. of Securities	Amount
<b>Balance as at April 1, 2020</b>		
15,000		1,500.00
Issued during the period		
Nil		Nil
<b>Balance as at March 31, 2021</b>		<b>15,000</b>
		<b>1,500.00</b>
 <b>Balance as at April 1, 2021</b>		
15,000		1,500.00
Repaid during the year		
(15,000)		(1,500.00)
Issued during the year		
Nil		Nil
<b>Balance as at March 31, 2022</b>		<b>Nil</b>
		<b>Nil</b>

## Standalone Statement of Changes in Equity

for the year ended March 31, 2022 (Contd.)

Description	Reserves and Surplus						Item of Other Comprehensive Income	Total	
	General Reserve	Securities Premium	Debtenture Redemption Reserve	Capital Reserve	Capital Redemption Reserve	Statutory Reserve	Special Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income
<b>Balance as at April 1, 2020</b>	3,853.98	5,634.98	296.95	1.85	61.66	660.08	Nil	3,027.08	(45.11) 13,491.47
Changes in balance on account of Merger (Refer Note 47)	5.94	12.82	Nil	2.66	4.58	124.07	(8,118.29)	37.51 (7,930.71)	
Capital Re-organisation (Refer Note 47)	(3,859.92)	(5,091.20)	Nil	Nil	Nil	Nil	8,951.12	Nil Nil	
<b>Restated Balance as at April 1, 2020</b>	<b>Nil</b>	<b>556.60</b>	<b>296.95</b>	<b>4.51</b>	<b>66.24</b>	<b>660.08</b>	<b>124.07</b>	<b>3,859.91</b>	<b>(7.60) 5,560.76</b>
Profit/(Loss) for the year	Nil	Nil	Nil	Nil	Nil	Nil	293.52	Nil	293.52
Other Comprehensive Income/(Expenses) for the year (Net of Tax)	Nil	Nil	Nil	Nil	Nil	Nil	14.11	229.42	243.53
<b>Total Comprehensive Income</b>	<b>Nil</b>	<b>556.60</b>	<b>296.95</b>	<b>4.51</b>	<b>66.24</b>	<b>660.08</b>	<b>124.07</b>	<b>4,167.54</b>	<b>221.82 6,097.81</b>
Issue of Equity Shares during the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dividend paid (including tax on dividend)	Nil	Nil	Nil	Nil	Nil	Nil	(419.24)	Nil	(419.24)
Securities Premium collected during the year	Nil	2,550.94	Nil	Nil	Nil	Nil	Nil	Nil	2,550.94
Transfer from Retained Earnings to Special Reserve	Nil	Nil	Nil	Nil	Nil	Nil	2.21	(2.21)	Nil
Distribution on Unsecured Perpetual Securities	Nil	Nil	Nil	Nil	Nil	Nil	(171.00)	Nil	(171.00)
<b>Balance as at March 31, 2021</b>	<b>Nil</b>	<b>3,107.54</b>	<b>296.95</b>	<b>4.51</b>	<b>66.24</b>	<b>660.08</b>	<b>126.28</b>	<b>3,575.09</b>	<b>221.82 8,058.51</b>
<b>Balance as at April 1, 2021</b>	<b>Nil</b>	<b>3,107.54</b>	<b>296.95</b>	<b>4.51</b>	<b>66.24</b>	<b>660.08</b>	<b>126.28</b>	<b>3,575.09</b>	<b>221.82 8,058.51</b>
Profit/(Loss) for the period	Nil	Nil	Nil	Nil	Nil	Nil	2,782.93	Nil	2,782.93
Other Comprehensive Income/(Expenses) for the year (Net of Tax)	Nil	Nil	Nil	Nil	Nil	Nil	7.21	307.12	314.33
<b>Total Comprehensive Income</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>2,790.14</b>	<b>307.12</b>	<b>3,097.26</b>
Share Premium collected during the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dividend paid (including tax on dividend)	Nil	Nil	Nil	Nil	Nil	Nil	(495.28)	Nil	(495.28)
Transfer to Retained Earnings (Refer note 21)	Nil	Nil	Nil	Nil	Nil	Nil	(126.28)	Nil	Nil
Distribution on Unsecured Perpetual Securities	Nil	Nil	Nil	Nil	Nil	Nil	(100.25)	Nil	(100.25)
<b>Balance as at 31st March, 2022</b>	<b>Nil</b>	<b>3,107.54</b>	<b>296.95</b>	<b>4.51</b>	<b>66.24</b>	<b>660.08</b>	<b>Nil</b>	<b>5,895.98</b>	<b>528.94 10,560.24</b>
Notes:	See accompanying notes to the Standalone Financial Statements								
	* Restated (Refer Note 47)								

### C. Other Equity (Refer Note 21)

For and on behalf of the Board,

**PRAVEER SINHA**

CEO & Managing Director

DIN 01785164

**BANMALI AGRAWALA**

Director

DIN 00120029

**HANOZ M. MISTRY**

Company Secretary

**SANJEEV CHURIWALA**

Chief Financial Officer

**FOR RBC & CO LLP**

Chartered Accountants

ICAI Firm Registration No.324982E/E300003

**PRABHISHEK AGARWAL**

Partner

Membership No. 112773

# Notes to the Standalone Financial Statements

## 1. Corporate Information

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

The Company was amongst the pioneers in generation of electricity in India more than a century ago. The Company has an installed generation capacity of 5,955.55 MW in India and a presence in all the segments of the power sector viz. Generation (thermal, hydro, solar and wind), Transmission and Distribution.

## 2. Significant Accounting Policies:

### 2.1 Statement of compliance

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

### 2.2 Basis of preparation and presentation

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

- derivative financial instruments;
- certain financial assets and liabilities measured at fair value (Refer accounting policy regarding financial instruments);
- employee benefit expenses (Refer Note 27 for accounting policy)

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

The standalone financial statements are presented in Indian Rupees (₹) and all amounts are in Crore unless otherwise stated.

## 3. Other Significant Accounting Policies

### 3.1 Foreign Currencies

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

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the Statement of Profit and Loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated. Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

### 3.2 Current versus non-current classification

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

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

## Notes to the Standalone Financial Statements

### 3. Other Significant Accounting Policies (Contd.)

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

#### 3.3 Onerous contracts

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

#### 3.4 Financial Instruments

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

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in the statement of profit and loss.

#### 3.5 Financial Assets

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

##### 3.5.1 Financial assets at amortised cost

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

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

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

## Notes to the Standalone Financial Statements

### 3. Other Significant Accounting Policies (Contd.)

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

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

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

#### 3.5.4 Investment in subsidiaries, jointly controlled entities and associates

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

##### **Impairment of investments:**

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

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

#### 3.5.5 Derecognition

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

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

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

#### 3.5.6 Impairment of financial assets

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

## Notes to the Standalone Financial Statements

### 3. Other Significant Accounting Policies (Contd.)

#### 3.6 Financial liabilities and equity instruments

##### 3.6.1 Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### 3.6.2 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

##### 3.6.3 Financial liabilities

Financial liabilities are subsequently measured at amortised cost using the effective interest method or FVTPL. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

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

##### 3.6.4 Derecognition

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

##### 3.6.5 Financial guarantee contracts

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

#### 3.7 Derivative financial instruments

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

#### 3.8 Reclassification of financial assets and liabilities

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

## Notes to the Standalone Financial Statements

### 3. Other Significant Accounting Policies (Contd.)

#### 3.9 Offsetting of financial instruments

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

#### 3.10 Dividend distribution to equity shareholders of the Company

The Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. A corresponding amount is recognised directly in equity.

#### 3.11 Cash Flow Statement

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

#### 3.12 Operating Cycle

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

### 4. Critical accounting estimates and judgements

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

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

The areas involving critical estimates or judgements are:

Estimations used for impairment of property, plant and equipment of certain cash generating units (CGU) - Note 5a, 5b and 5c

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

Estimation of defined benefit obligation - Note 27

Estimations used for determination of tax expenses and tax balances (including Minimum Alternate Tax credit) - Note 36

Estimates related to accrual of regulatory deferrals and revenue recognition - Note 19 and Note 31

Estimates and judgements related to the assessment of liquidity risk - Note 43.4.3

Judgement to estimate the amount of provision required or to determine required disclosure related to litigation and claims against the Company - Note 39

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

## Notes to the Standalone Financial Statements

### 5. Amendments not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022 as below:

#### (i) Ind AS 103 - Business Combination

The amendments specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework), issued by the ICAI at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its standalone financial statements.

#### (ii) Ind AS 16 - Property, Plant and Equipment (PPE)

The amendments clarifies that excess of net sale proceeds of items produced over the cost of testing while preparing the asset for its intended use (if any), shall not be recognise in the profit or loss but deducted from the directly attributable cost considered as part of cost of an item PPE. The Company has evaluated the amendment and there is no impact in recognition of its property, plant and equipment on its standalone financial statements

#### (iii) Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its standalone financial statements.

#### (iv) Ind AS 109 - Financial Instruments

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability or to consider as modification of existing financial liability. The Company does not expect the amendment to have any significant impact in its standalone financial statements.

## 5a Property, Plant and Equipments

### Accounting Policy

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price (net of trade discount and rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with the Ind AS 23. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipments as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

### Depreciation

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

### Regulated Assets:

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

### Non-Regulated Assets:

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

## Notes to the Standalone Financial Statements

### 5a Property, Plant and Equipments (Contd.)

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

Type of assets	Useful lives
Hydraulic Works	40 years
Buildings-Plant	5 to 40 years
Buildings-Others	25 to 60 years
Coal Jetty	25 years
Railway Sidings, Roads, Crossings, etc.	5 to 40 years
Plant and Equipments (excluding Computers and Data Processing units)	5 to 40 years
Plant and Equipments (Computers and Data Processing units)	3 years
Transmission Lines, Cable Network, etc.	4 to 40 years
Furniture and Fixtures	5 to 10 years
Office Equipments	5 years
Motor Cars	5 years
Motor Lorries, Launches, Barges etc.	25 to 40 years
Helicopters	25 years

#### Derecognition

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

#### Impairment

##### Impairment of tangible and intangible assets

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

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

In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

Impairment losses of tangible and intangible assets are recognised in the Statement of Profit and Loss.

## Notes to the Standalone Financial Statements

### 5a Property, Plant and Equipments (Contd.)

#### A. Owned Assets

Description	Freehold Land (Refer Note vi)	Hydraulic Works	Buildings-Plant	Buildings-Others (Refer Note vi)	Coal Jetty	Roads, Railway sidings, crossings	Plant and Equipment	Transmission lines and cable network	Furniture and Fixtures	Office Equipment	Motor Vehicles, Launches, Barges	₹ crore	Total
<b>Cost</b>													
<b>Balance as at April 1, 2021</b>	355.40	545.29	1,575.75	481.99	106.10	96.75	27,079.10	3,781.94	80.75	31.49	44.73	35.30	34,214.59
Additions	0.07	18.91	40.60	1.13	Nil	2.09	523.91	258.71	2.72	2.34	0.48	Nil	580.96
Disposals (Refer Note v below)	(31.67)	Nil	(1.37)	(0.63)	Nil	(7.32)	(2,056.81)	(17.42)	(2.71)	(1.32)	(8.50)	Nil	(2,127.75)
Reclassified from asset held for sale (Refer Note 8(a)(ii))	Nil	Nil	Nil	18.16	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	18.16
<b>Balance as at March 31, 2022</b>	<b>323.80</b>	<b>564.20</b>	<b>1,614.98</b>	<b>500.65</b>	<b>106.10</b>	<b>91.52</b>	<b>25,546.20</b>	<b>4,023.23</b>	<b>80.76</b>	<b>32.51</b>	<b>36.71</b>	<b>35.30</b>	<b>32,955.96</b>
<b>Accumulated depreciation and impairment (Refer Note i below)</b>													
<b>Balance as at April 1, 2021</b>	Nil	316.25	457.77	180.82	67.21	72.09	9,877.91	1,487.58	60.75	22.95	37.07	31.75	12,612.15
Depreciation Expense	Nil	10.97	47.29	17.71	5.60	1.04	751.60	169.89	4.47	1.50	2.36	0.01	1,012.44
Disposal of assets (Refer Note v below)	Nil	Nil	(1.24)	(0.28)	Nil	(5.65)	(1,522.23)	(12.78)	(2.58)	(1.27)	(7.53)	Nil	(1,533.56)
Reclassified from asset held for sale (Refer Note 8(a)(ii))	Nil	Nil	Nil	10.14	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	10.14
<b>Balance as at March 31, 2022</b>	<b>Nil</b>	<b>327.22</b>	<b>503.82</b>	<b>208.39</b>	<b>72.81</b>	<b>67.48</b>	<b>9,107.28</b>	<b>1,644.69</b>	<b>62.64</b>	<b>23.18</b>	<b>31.90</b>	<b>31.76</b>	<b>12,081.17</b>
<b>Net carrying amount</b>													
<b>As at March 31, 2022</b>	<b>323.80</b>	<b>236.98</b>	<b>1,111.16</b>	<b>282.26</b>	<b>33.29</b>	<b>24.04</b>	<b>16,438.92</b>	<b>2,378.54</b>	<b>18.12</b>	<b>9.33</b>	<b>4.81</b>	<b>3.54</b>	<b>20,874.79</b>

Description	Freehold Land (Refer Note vi)	Hydraulic Works	Buildings-Plant	Buildings-Others (Refer Note vi)	Coal Jetty	Roads, Railway sidings, crossings	Plant and Equipment	Transmission lines and cable network	Furniture and Fixtures	Office Equipment	Motor Vehicles, Launches, Barges	₹ crore	Total
<b>Cost</b>													
<b>Balance as at 1st April, 2020</b>	117.25	536.37	1,001.07	240.38	106.10	46.76	9,896.78	3,413.96	61.79	25.88	36.19	35.30	15,517.83
Adjustments on account of merger (Refer Note 47)	164.72	Nil	461.20	241.40	Nil	49.99	16,858.43	0.60	19.58	5.88	17.63	Nil	17,819.43
Additions	73.43	9.35	114.94	1.23	Nil	Nil	389.96	371.44	1.51	2.72	1.36	Nil	965.94
Disposals	Nil	(0.43)	(1.46)	(1.02)	Nil	Nil	(66.07)	(4.06)	(2.13)	(2.99)	(10.45)	Nil	(88.61)
<b>Balance as at March 31, 2021</b>	<b>355.40</b>	<b>545.29</b>	<b>1,575.75</b>	<b>481.99</b>	<b>106.10</b>	<b>96.75</b>	<b>27,079.10</b>	<b>3,781.94</b>	<b>80.75</b>	<b>31.49</b>	<b>44.73</b>	<b>35.30</b>	<b>34,214.59</b>
<b>Accumulated depreciation and impairment (Refer Note i below)</b>													
<b>Balance as at 1st April, 2020</b>	Nil	306.23	297.56	101.84	61.61	24.74	5,684.76	1,336.41	40.50	22.58	28.40	31.73	7,936.36
Adjustments on account of merger (Refer Note 47)	Nil	115.88	63.50	Nil	46.00	3,396.89	0.27	17.17	1.98	14.48	Nil	3,656.17	
Depreciation Expense - Continuing Operations	Nil	10.33	45.00	16.49	5.60	1.35	854.31	154.08	4.91	1.21	3.61	0.02	1,096.91
Disposal of assets	Nil	(0.31)	(0.67)	(1.01)	Nil	Nil	(58.05)	(3.18)	(1.83)	(2.82)	(9.42)	Nil	(77.29)
<b>Balance as at March 31, 2021</b>	<b>Nil</b>	<b>316.25</b>	<b>457.77</b>	<b>180.82</b>	<b>67.21</b>	<b>72.09</b>	<b>9,877.91</b>	<b>1,487.58</b>	<b>60.75</b>	<b>22.95</b>	<b>37.07</b>	<b>31.75</b>	<b>12,612.15</b>
<b>Net carrying amount</b>													
<b>As at March 31, 2021</b>	<b>355.40</b>	<b>229.04</b>	<b>1,117.98</b>	<b>301.17</b>	<b>38.89</b>	<b>24.66</b>	<b>17,201.19</b>	<b>2,294.36</b>	<b>20.00</b>	<b>8.54</b>	<b>7.66</b>	<b>3.55</b>	<b>21,602.44</b>

② Buildings include cost of ordinary shares in co-operative housing societies.

#### Notes:

- The Company had in accordance with Ind AS 36 – "Impairment of Assets", carried out impairment assessment of its assets of Mundra Ultra Mega Power Project (UMPP), along with investments in Indonesian mining companies PT Kaltim Prima Coal (KPC) and PT Baramulti Suksesara TBK (BSSR) through intermediate holding companies (associates operating coal mines in Indonesia and supplying coal to Mundra plant for UMPP).

## Notes to the Standalone Financial Statements

### 5a Property, Plant and Equipments (Contd.)

All these companies and assets of UMPP constitute a single cash generating unit (CGU) and form part of same segment due to interdependency of cash flows. There are significant losses being incurred in UMPP on account of significant increase in coal prices due to change in Indonesian laws which is offset by the profits earned by the mining companies.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. For Mundra power plant, future cash flows is estimated based on remaining period of long term power purchase agreement (PPA) and thereafter based on management's estimate on tariff and other assumptions. Further as discussed in note no.31 to the financial statements, the Supplementary Power Purchase Agreement (SPPA) is likely to be signed and approved; and accordingly the same has been considered in estimating the cashflows. Cash flow projection of mines are derived based on estimated coal production considering renewed license for operating the mines. The license for operating mines are renewed for a period of 10 years with an option of renewal of further period of 10 years with Government of Indonesia. In the past, the Company had recognised an impairment provision of ₹311 crore in CGU.

A reassessment of the assumptions used in estimating the impact of impairment of the cash generating unit (CGU) comprising of UMPP and the Indonesian coal mines, combined with the significant impact of unwinding of a year's discount on the cash flows, would have resulted in a reversal of ₹ 311 crore of provision for impairment. Management believes that the reversal of impairment has not resulted from any significant improvement in the estimated service potential of the concerned CGU; and hence the Company has not effected reversal of impairment. Key assumptions used for value in use calculation include coal prices, energy prices post PPA period, signing of SPPA, discount rates and exchange rates. Short term coal prices and energy prices used in three to five years projections are based on market survey and expert analysis report. Afterwards increase in cost of coal and exchange rates are considered based on long term historical trend. Further the management strongly believes that mining Licenses will be renewed post expiry for further period of 10 years by Government of Indonesia. Discount rate represents the current market assessment of the risk specific to CGU taking into consideration the time value of money. Pre tax discount rate used in the calculation of value in use of Property, plant and equipments in power plant is 9.45% p.a. (March 31, 2021: 10.50% p.a.) and investment in coal mines and related infrastructure companies is 13.44% p.a. (March 31, 2021: 14.11% p.a.).

- ii. During the earlier years, the Company had recorded an impairment charge of ₹ 100 crore in respect of Unit 6 generating station (Generation Segment) located at Trombay.
- iii. Refer Note 22 for charge created on Property, Plant and Equipment.
- iv. Includes gain on fair valuation of land which is not available for distribution ₹ 87.88 crore.
- v. Disposal includes sale of renewables assets of ₹ 557.90 crore (Written down value) (forming part of renewable segment) to Tata Power Renewable Energy Limited and Tata Power Green Energy Limited, wholly owned subsidiaries of the Company pursuant to the Business Transfer Agreement as a "going concern" on a slump sale basis effective April 1, 2021.
- vi. The title deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company, except for as shown in table below:

**As on March 31, 2021 and 31 March 2022**

Description	Relevant line item in the Balance Sheet	Gross carrying value (₹ in Crore)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Land of Chemical Terminal Trombay Ltd.	Freehold Land	0.88	Chemical Terminal Trombay Ltd. (erstwhile subsidiary)	No	Since 2014 till date	Land is acquired by the Company on account of Amalgamation. Land is in name of erstwhile company.
Land and Building at Mundra	Freehold Land, Buildings - Plant and Buildings - Others	872.70	Coastal Gujarat Power Limited (erstwhile subsidiary)	No	Since April 1, 2020 till date (Refer Note 47). Merger order dated March 31, 2022	Land and Building are acquired by the Company on account of merger. Land and Building are in name of erstwhile company.

## Notes to the Standalone Financial Statements

### 5a Property, Plant and Equipments (Contd.)

Description	Relevant line item in the Balance Sheet	Gross carrying value (₹ in Crore)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Land at Dehrand	Land classified as asset held for sale. (Refer Note 18a)	225.65	Maharashtra Industrial Development Corporation (MIDC)	No	Since 2015 till date	The land was acquired from MIDC; which the Company is now in process of selling it back to MIDC. Hence, the Company has not transferred the title deed of the land in its name.
Land at Mundra-0.51 hectare	Freehold Land	0.09	Sushilaba Fatehsinh Zala	No	Since April 1, 2020 till date (Refer Note 47). Merger order dated March 31, 2022	It is an agricultural land which is not converted to non - agricultural land and hence title deed is not registered in name of the Company.

### 5b Right of Use Assets

#### Accounting Policy

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

- Plant and Equipment - 2 years
- Port and Intake Channels - 40 years
- Leasehold land including sub surface right - 2 to 40 years

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

Description	Leasehold Land, Sub-surface right	Plant and Equipment	Port and Intake Channels	₹ crore Total
<b>Cost</b>				
<b>Balance as on April 1, 2021</b>	663.10	11.43	2,422.32	3,096.85
Additions	Nil	Nil	111.05	111.05
Deletions*	(4.84)	(11.43)	Nil	(16.27)
<b>Balance as at March 31, 2022</b>	<b>658.26</b>	<b>Nil</b>	<b>2,533.37</b>	<b>3,191.63</b>
<b>Accumulated depreciation and impairment</b>				
<b>Balance as on April 1, 2021</b>	107.92	9.14	148.88	265.94
Depreciation Expense	23.69	1.52	77.74	102.95
Deletions *	(0.34)	(10.66)	Nil	(11.00)
<b>Balance as at March 31, 2022</b>	<b>131.27</b>	<b>Nil</b>	<b>226.62</b>	<b>357.89</b>
<b>Net carrying amount</b>				
<b>As at March 31, 2022</b>	<b>526.99</b>	<b>Nil</b>	<b>2,306.75</b>	<b>2,833.74</b>

\* Deletion includes sale of renewables assets of ₹ 4.50 crore (Written down value) (forming part of renewable segment) to Tata Power Renewable Energy Limited and Tata Power Green Energy Limited, wholly owned subsidiaries of the Company pursuant to the Business Transfer Agreement as a "going concern" on a slump sale basis effective April 1, 2021.

## Notes to the Standalone Financial Statements

### 5b Right of Use Assets (Contd.)

Description	Leasehold Land, Sub-surface right	Plant and Equipment	Port and Intake Channels	₹ crore Total
<b>Cost</b>				
<b>Balance as on 1st April, 2020</b>	420.95	11.43	2,362.55	2,794.93
Adjustments on account of merger (Refer Note 47)	290.87	Nil	Nil	290.87
Additions	Nil	Nil	59.77	59.77
Deletions	(48.72)	Nil	Nil	(48.72)
<b>Balance as at March 31, 2021</b>	<b>663.10</b>	<b>11.43</b>	<b>2,422.32</b>	<b>3,096.85</b>
<b>Accumulated depreciation and impairment</b>				
<b>Balance as on 1st April, 2020</b>	35.21	4.57	Nil	39.78
Adjustments on account of merger (Refer Note 47)	63.47	Nil	73.38	136.85
Depreciation Expense	29.20	4.57	75.50	109.27
Deletions	(19.96)	Nil	Nil	(19.96)
<b>Balance as at March 31, 2021</b>	<b>107.92</b>	<b>9.14</b>	<b>148.88</b>	<b>265.94</b>
<b>Net carrying amount</b>				
<b>As at March 31, 2021</b>	<b>555.18</b>	<b>2.29</b>	<b>2,273.44</b>	<b>2,830.91</b>

### 5c Intangible Assets

#### Accounting Policy

##### Intangible Assets acquired separately

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

##### Internally generated Intangible Assets

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

##### Derecognition of Intangible Assets

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

##### Useful lives of Intangible Assets

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

Estimated useful lives of the intangible assets are as follows:

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

## Notes to the Standalone Financial Statements

### 5c Intangible Assets (Contd.)

Description	Computer softwares \$	Copyrights, patents, other intellectual property rights, services and operating rights #	Licences and franchises \$	₹ crore Total
<b>Cost</b>				
<b>Balance as at April 1, 2021</b>	275.93	0.57	Nil	276.50
Additions	3.35	Nil	Nil	3.35
Disposal	(4.33)	Nil	Nil	(4.33)
<b>Balance as at March 31, 2022</b>	<b>274.95</b>	<b>0.57</b>	<b>Nil</b>	<b>275.52</b>
<b>Accumulated amortisation and impairment</b>				
<b>Balance as at April 1, 2021</b>	214.98	0.55	Nil	215.53
Amortisation expense	22.97	Nil	Nil	22.97
Disposal	(0.41)	Nil	Nil	(0.41)
<b>Balance as at March 31, 2022</b>	<b>237.54</b>	<b>0.55</b>	<b>Nil</b>	<b>238.09</b>
<b>Net carrying amount</b>				
<b>As at March 31, 2022</b>	<b>37.41</b>	<b>0.02</b>	<b>Nil</b>	<b>37.43</b>

Description	Computer softwares \$	Copyrights, patents, other intellectual property rights, services and operating rights #	Licences and franchises \$	₹ crore Total
<b>Cost</b>				
<b>Balance as at 1st April, 2020</b>	249.79	0.57	0.26	250.62
Adjustments on account of merger (Refer Note 47)	4.16	Nil	Nil	4.16
Additions	22.09	Nil	Nil	22.09
Disposal	(0.11)	Nil	(0.26)	(0.37)
<b>Balance as at March 31, 2021</b>	<b>275.93</b>	<b>0.57</b>	<b>Nil</b>	<b>276.50</b>
<b>Accumulated amortisation and impairment</b>				
<b>Balance as at 1st April, 2020</b>	187.64	0.50	0.26	188.40
Adjustments on account of merger (Refer Note 47)	1.55	Nil	Nil	1.55
Amortisation expense	25.90	0.05	Nil	25.95
Disposal	(0.11)	Nil	(0.26)	(0.37)
<b>Balance as at March 31, 2021</b>	<b>214.98</b>	<b>0.55</b>	<b>Nil</b>	<b>215.53</b>
<b>Net carrying amount</b>				
<b>As at March 31, 2021</b>	<b>60.95</b>	<b>0.02</b>	<b>Nil</b>	<b>60.97</b>

Notes:

# Internally generated intangible assets.

\$ Other than internally generated intangible assets.

### 5d Depreciation/Amortisation - Continuing Operations:

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Depreciation on Tangible assets	1,012.44	1,096.91
Depreciation on Right of Use assets	102.95	109.27
Amortisation on Intangible assets	22.97	25.95
Other adjustments (including inventorisation)	(4.13)	2.57
<b>Total</b>	<b>1,134.23</b>	<b>1,234.70</b>

## Notes to the Standalone Financial Statements

### 6. Capital Work-in-Progress ("CWIP")

#### Accounting Policy

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

#### CWIP ageing Schedule as at March 31, 2022

Capital Work in Progress	Amount in CWIP for a period of				₹ crore Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	848.00	69.68	9.37	38.10	965.15
Projects temporarily suspended	Nil	Nil	Nil	Nil	Nil
<b>Total</b>	<b>848.00</b>	<b>69.68</b>	<b>9.37</b>	<b>38.10</b>	<b>965.15</b>

#### CWIP ageing Schedule as at March 31, 2021

Capital Work in Progress	Amount in CWIP for a period of				₹ crore Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	220.12	34.52	5.77	52.89	313.30
Projects temporarily suspended	Nil	0.02	0.04	9.07	9.13
<b>Total</b>	<b>220.12</b>	<b>34.54</b>	<b>5.81</b>	<b>61.96</b>	<b>322.43</b>

#### CWIP Completion Schedule whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2022

Capital Work in Progress	To be completed in				₹ crore
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in progress</b>					
Transmission projects:					
220 KV Trombay Dharavi Salsette Lines	Nil	5.87	Nil	Nil	Nil
220 KV Receiving Station - Antop Hill	Nil	1.84	Nil	Nil	Nil
220 KV Kalwa Salsette Lines	109.49	Nil	Nil	Nil	Nil
Others	11.6	0.92	Nil	Nil	Nil
Distribution projects	2.69	Nil	Nil	Nil	Nil
Generation projects:					
Fuel Gas Desulphurisation project at Mundra plant	Nil	199.09	Nil	Nil	Nil
Fuel Gas Desulphurisation project at Jojobera plant	Nil	40.46	Nil	Nil	Nil
Projects temporarily suspended	Nil	Nil	Nil	Nil	Nil

#### CWIP Completion Schedule whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2021

Capital Work in Progress	To be completed in				₹ crore
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in progress</b>					
Transmission projects:					
220 KV Trombay Dharavi Salsette Lines	Nil	10.69	Nil	Nil	Nil
220 KV Receiving Station - Antop Hill	3.29	Nil	Nil	Nil	Nil
Refurbishment of fire fighting system	4.54	Nil	Nil	Nil	Nil
Diversion of cables and erection of switching stations for Navi Mumbai International Airport project.	Nil	8.55	Nil	Nil	Nil
Others	0.67	5.15	Nil	Nil	Nil
Distribution projects	Nil	0.12	Nil	Nil	Nil
Generation projects:					
Fuel Gas Desulphurisation project at Mundra plant	Nil	Nil	6.06	Nil	Nil
Projects temporarily suspended	Nil	Nil	Nil	9.13	Nil

## Notes to the Standalone Financial Statements

### 7. Non-Current Investments

	As at March 31, 2022	As at March 31, 2021	Face Value (in ₹ unless stated otherwise)	As at March 31, 2022		As at March 31, 2021	
				Quantity	₹ crore	Quantity	₹ crore
<b>I Investments carried at cost less accumulated impairment, if any</b>							
<b>(A) Investment in Subsidiaries</b>							
<b>(i) Investment in Equity Shares fully paid-up</b>							
<b>Quoted</b>							
Nelco Ltd.	1,14,18,090	1,14,18,090	10	14.02	14.02	14.02	14.02
<b>Unquoted</b>							
Tata Power Trading Co. Ltd.	1,60,00,000	1,60,00,000	10	37.09	37.09	37.09	37.09
Maithon Power Ltd.	111,65,99,120	111,65,99,120	10	1,116.83	1,116.83	1,116.83	1,116.83
Bhira Investments Pte. Ltd. [Refer Note 5(a)(i)]	10,00,000	10,00,000	USD 1	4.10	4.10	4.10	4.10
Bhivpuri Investments Ltd. [Refer Note 5(a)(i)]	7,46,250	7,46,250	Euro 1	4.08	4.08	4.08	4.08
Tata Power Green Energy Ltd.	50,000	50,000	10	0.02	0.02	0.02	0.02
Khopoli Investments Ltd.	4,70,07,350	4,70,07,350	USD 1	255.20	255.20	255.20	255.20
Trust Energy Resources Pte. Ltd. (Refer Note x below)	Nil	12,91,53,344	USD 1	Nil	607.95	607.95	607.95
Tata Power Delhi Distribution Ltd.	53,65,20,000	53,65,20,000	10	200.93	200.93	200.93	200.93
TP Ajmer Distribution Ltd.	1,00,00,000	1,00,00,000	10	10.00	10.00	10.00	10.00
Tata Power Jamshedpur Distribution Ltd.	80,50,000	80,50,000	10	8.05	8.05	8.05	8.05
TP Renewable Microgrid Ltd.	4,01,00,000	4,01,00,000	10	40.10	40.10	40.10	40.10
TCL Ceramics Ltd.(Refer Note vi below)	Nil	Nil	2	Nil	Nil	Nil	Nil
Tata Power Renewable Energy Ltd. (Refer Note viii & xiii below)	104,51,07,715	104,51,07,715	10	1,054.03	1,054.03	1,054.03	1,054.03
Tata Power Solar Systems Ltd.	2,29,77,567	2,29,77,567	100	322.98	322.98	322.98	322.98
Tata Power International Pte. Ltd. [Refer Note 5(a)(i)]	6,77,30,650	6,77,30,650	USD 1	577.55	577.55	577.55	577.55
TP Central Odisha Distribution Ltd. (Refer Note vii below)	25,70,14,500	15,30,00,000	10	282.96	282.96	178.95	178.95
TP Southern Odisha Distribution Ltd (Refer Note vii below)	12,64,49,400	10,20,00,000	10	151.97	151.97	127.52	127.52
TP Western Odisha Distribution Ltd (Refer Note vii below)	18,35,66,646	15,30,00,000	10	285.60	285.60	255.04	255.04
Supa Windfarm Ltd.	1,10,00,000	1,10,00,000	10	10.95	10.95	10.95	10.95
TP Kirnali Solar Ltd.	1,15,65,090	1,15,65,090	10	11.57	11.57	11.57	11.57
TP Solapur Solar Ltd.	1,01,67,748	50,000	10	10.17	10.17	0.05	0.05
TP Surya Ltd.	50,000	50,000	10	0.05	0.05	0.05	0.05
TP Solapur Surya Ltd	50,000	Nil	10	0.05	0.05	Nil	Nil
TP Roof Urja Renewable Ltd	50,000	Nil	10	0.05	0.05	Nil	Nil
TP Akkalkot Renewable Energy Ltd.	95,90,400	50,000	10	9.59	9.59	0.05	0.05
TP North Odisha Distribution Ltd (Refer Note vii below)	15,04,21,236	Nil	10	214.17	214.17	Nil	Nil
<b>Less: Impairment in the value of Investments</b>				<b>4,608.09</b>	<b>4,823.09</b>		
Tata Power Jamshedpur Distribution Ltd.				8.05	8.05	8.05	8.05
Tata Power International Pte. Ltd.(Refer Note xii below)				552.91	552.91	446.09	446.09
				<b>4,047.13</b>	<b>4,368.95</b>		

## Notes to the Standalone Financial Statements

### 7. Non-Current Investments (Contd.)

	As at March 31, 2022	As at March 31, 2021	Face Value (in ₹ unless stated otherwise)	As at March 31, 2022	As at March 31, 2021
	Quantity	Quantity	₹ crore	₹ crore	
<b>(ii) Investment in Perpetual Securities</b>					
<b>Unquoted</b>					
Tata Power Renewable Energy Ltd. (Refer Note v below)	N.A.	N.A.	3,895.00	3,895.00	
TP Renewable Microgrid Ltd. (Refer Note v below)	N.A.	N.A.	56.15	Nil	
			<b>3,951.15</b>	<b>3,895.00</b>	
			<b>8,012.30</b>	<b>8,277.97</b>	
<b>(B) Investment in Associates</b>					
<b>Investment in Equity Shares fully Paid-up</b>					
<b>Unquoted</b>					
Yashmun Engineers Ltd.	19,200	19,200	100	0.01	0.01
The Associated Building Co. Ltd.	1,400	1,400	900	0.17	0.17
Tata Projects Ltd. (Refer Note ix below)	7,92,78,886	9,67,500	100	658.28	85.01
Dagachhu Hydro Power Corporation Ltd.	10,74,320	10,74,320	Nu 1,000	107.43	107.43
Brihat Trading Private Ltd.	3,350	3,350	10	0.00	0.00
			<b>765.89</b>	<b>192.62</b>	
<b>(C) Investment in Joint Ventures</b>					
<b>Investment in Equity Shares fully Paid-up</b>					
<b>Unquoted</b>					
Tubed Coal Mines Ltd.	1,01,97,800	1,01,97,800	10	10.20	10.20
Itezhi Tezhi Power Corporation (Refer Note viii below)	Nil	Nil	ZMW 1	Nil*	Nil*
Mandakini Coal Company Ltd. (Refer Note viii below)	3,93,00,000	3,93,00,000	10	39.30	39.30
Powerlinks Transmission Ltd. (Refer Note viii below)	23,86,80,000	23,86,80,000	10	238.68	238.68
Industrial Energy Ltd. (Refer Note viii below)	49,28,40,000	49,28,40,000	10	492.84	492.84
LTH Milcom Pvt. Ltd.	Nil	Nil	10	Nil*	Nil*
Dugar Hydro Power Ltd.	4,34,25,002	4,34,25,002	10	43.42	43.42
			<b>824.44</b>	<b>824.44</b>	
<b>Less: Impairment in the value of Investments</b>					
Tubed Coal Mines Ltd.				10.20	10.20
Dugar Hydro Power Ltd.				10.00	10.00
Mandakini Coal Company Ltd.				39.30	39.30
				<b>59.50</b>	<b>59.50</b>
				<b>764.94</b>	<b>764.94</b>
<b>Sub-total I (A) + I (B) + I (C)</b>					
Carried forward.....				9,543.13	9,235.53
				9,543.13	9,235.53

## Notes to the Standalone Financial Statements

### 7. Non-Current Investments (Contd.)

	As at March 31, 2022	As at March 31, 2021	Face Value (in ₹ unless stated otherwise)	As at March 31, 2022	As at March 31, 2021
	Quantity	Quantity		₹ crore	₹ crore
Brought forward.....				9,543.13	9,235.53
<b>II Investments designated at Fair Value through Other Comprehensive Income</b>					
<b>Investment in Equity Shares fully Paid-up</b>					
<b>Quoted</b>					
Voltas Ltd.	2,33,420	2,33,420	1	29.07	23.39
Tata Consultancy Services Ltd.	766	766	1	0.29	0.24
Tata Teleservices (Maharashtra) Ltd. (Refer Note xi below)	126,720,193	Nil	10	447.96	Nil*
Bharti Airtel Ltd.	62,919	62,919	10	4.75	3.25
Tata Motors Ltd.	3,57,159	3,57,159	15	15.49	10.78
Tata Motors Ltd. - Differential Voting rights	51,022	51,022	1	1.05	0.65
Tata Investment Corporation Ltd.	7,94,416	7,94,416		107.75	82.26
				<b>606.36</b>	<b>120.57</b>
<b>Unquoted</b>					
Tata Services Ltd.	1,664	1,664	1,000	Nil	Nil
Tata Industries Ltd. #	68,28,669	68,28,669	100	115.47	115.47
Tata Sons Pvt. Ltd. #	6,673	6,673	1,000	194.70	194.70
Haldia Petrochemicals Ltd.	2,24,99,999	2,24,99,999	10	56.48	56.48
Tata International Ltd.	36,000	36,000	1,000	58.44	58.44
Tata Teleservices Ltd.	Nil	Nil	10	Nil	Nil
Taj Air Ltd.	7,900,760	7,900,760	10	Nil	Nil
Tata Capital Ltd.	2,333,070	2,333,070	10	12.04	12.04
Others				0.50	0.50
				<b>437.63</b>	<b>437.63</b>
				<b>1,043.99</b>	<b>558.20</b>
<b>III Investments carried at Amortised Cost</b>					
<b>(A) Investment in Subsidiaries</b>					
<b>(i) Investment in Preference Shares fully Paid-up</b>					
<b>Unquoted</b>					
TCL Ceramics Ltd. (Refer note vi below)	Nil	Nil	100	Nil	Nil
				<b>Nil</b>	<b>Nil</b>
<b>(B) Government Securities (Unquoted) fully Paid-up</b>				Nil	3.03
<b>(C) Statutory Investments</b>					
<b>Contingencies Reserve Fund Investments</b>					
Government Securities (Unquoted) fully Paid-up				124.26	164.84
<b>Sub-total III (A) + III (B) +III (C)</b>				<b>124.26</b>	<b>167.87</b>
<b>Total</b>				<b>10,711.38</b>	<b>9,961.60</b>

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

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

## Notes to the Standalone Financial Statements

### 7. Non-Current Investments (Contd.)

#### Notes:

- i. Aggregate Market Value of Quoted Investments 3,089.45 335.97
- ii. Aggregate Carrying Value of Quoted Investments [Refer Note 7(xi)] 620.38 134.59
- iii. Aggregate Carrying Value of Unquoted Investments (Net) 10,091.00 9,827.01
- iv. Aggregate amount of impairment in value of Investments 620.46 513.64
- v. The Company has invested in unsecured subordinated perpetual securities issued by Tata Power Renewable Energy Ltd and TP Renewable Microgrid Limited, its subsidiary companies. These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of dividend paid on the issuer's ordinary shares. The interest can be deferred if the issuer does not pay any dividend on its ordinary shares for the financial year. The issuer has classified this instrument as equity under Ind AS - 32 'Financial Instruments Presentation'. Accordingly, the Company has classified this investment as Equity Instrument and has accounted at cost as per Ind AS - 27 'Separate Financial Statements'.
- vi. Pursuant to the Share Purchase Agreement ('Agreement') dated January 4, 2020, in the past the Company had transferred Equity and Preference share of TCL Ceramics Limited ("TCL") to the purchasers as a part of the conditions mentioned in the Agreement subject to final closing. On March 24, 2022, the Company signed an amendment to original share purchase agreement and transferred all the beneficial ownership to the buyer and accordingly TCL ceased to be subsidiary of the Company w.e.f March 24, 2022.
- vii. The Company has acquired 51 % stake in TP Central Odisha Distribution Limited ('TPCODL'), TP Western Odisha Distribution Limited ('TPWODL'), TP Southern Odisha Distribution Limited ('TPSODL') and TP Northern Odisha Distribution Limited ('TPNODL'). TPCDL, TPWODL, TPSODL and TPNODL are the licensees to carry out the function of distribution and retail supply of electricity covering the distribution circles of Central, Western, Southern Odisha and Northern Odisha for a period of 25 years effective from 1st June, 2020, 1st January, 2021, 1st January, 2021 and 1st April 2021 respectively. Further during the year, the Company has subscribed to the right issue of equity shares offered by TPCDL, TPWODL, TPSODL and TPNODL.
- viii. Shares pledged :

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

Details	Category	March 31, 2022 Nos.	March 31, 2021 Nos.
Tata Power Renewable Energy Ltd.	Subsidiary	258,114,935	258,114,935
Itezhi Tezhi Power Corporation *	Joint Venture	4,52,500	4,52,500
Mandakini Coal Company Ltd.	Joint Venture	20,043,000	20,043,000
Powerlinks Transmission Ltd.	Joint Venture	238,680,000	238,680,000
Industrial Energy Ltd.	Joint Venture	251,348,400	251,348,400

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

- ix. During the year, the Company has subscribed to the right issue of equity shares for ₹ 573.27 crore offered by Tata Projects Limited.
- x. During the year, the Company has sold its investment in Trust Energy Resources Pte. Limited, a wholly owned subsidiary of the Company to Tata Power International Pte Limited, another wholly owned subsidiary of the Company for a consideration of ₹2,126.88 crore (\$286 million) and recognized a profit amounting to ₹1,518.93 crore in the standalone financial statements.
- xi. The Company holds 12.67 crore shares of Tata Teleservices (Maharashtra) Limited ("TTML") designated as fair value through OCI which is carried out at each balance sheet date basis the quoted price. Quoted price of TTML has increased from ₹ 35.35 per share as on September 30, 2021 to ₹ 166.70 per share as on March 31, 2022. The management believe that this quoted price may not represent the fair value of TTML shares since it has accumulated losses and negative net worth. Accordingly on a conservative basis, the management have not recognized any fair value gain in OCI after September 30, 2021.

## Notes to the Standalone Financial Statements

### 7. Non-Current Investments (Contd.)

xii. The Company holds investments in Adjaristsqali Netherlands B.V. (ABV) (a joint venture of the Company operating 187 MW hydro power plant in Georgia) through intermediate holding company Tata Power International Pte. Ltd. (TPIPL). In the past, the Company, in accordance with Ind AS 36 - 'Impairment of Assets' had recognized impairment provision on investment of ₹ 446.09 crore. Pursuant to the decline in the operational performance of the plant, the Company reassessed the recoverability of the investment and recognized a further provision of ₹ 106.82 crore during the year ended 31<sup>st</sup> March, 2022.

The Company has performed the recoverability assessment and determined the value in use based on estimated cash flow projections over the life of the assets included in CGU. Projected cash flows include cash flow projections approved by management for 3 years and the cash flows beyond that has been projected based on the long term forecast.

The following key assumptions were used for performing the valuation:

- Tariff post PPA period of 15 years.
- A pre-tax discount rate of 5.94 % was applied;

xiii. The Company and Tata Power Renewable Energy Limited ("TPREL"), a wholly owned subsidiary have entered into binding agreements with Green Forest New Energies Bidco Ltd. (UK) ("Investor") wherein Investor has agreed to invest ₹ 4,000 crore (~US\$ 525 million) by way of equity and compulsorily convertible instruments in TPREL. Green Forest is a consortium led by BlackRock Real Assets along with Mubadala Investment Company. Further, pursuant to this agreement, Company has also agreed to transfer the Roof top solar business, Electronic Vehicle charging business, 20.95 MW Nivade wind asset, 10 MW Visapur wind asset and investment in equity shares of Tata Power Solar System Limited, TP Saurya Limited, Tata Power Green Energy Limited, TP Kirnali Solar Limited, TP Akkalkot Renewable Limited, TP Solapur Solar Limited, TP Roofurja Limited, Supa Windfarm Limited and TP Solapur Saurya Limited to TPREL for a total consideration of ₹1,200 crore, subject to closing adjustment and necessary approvals.

### 8. Trade Receivables

(Unsecured unless otherwise stated)

	As at March 31, 2022		As at March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
<b>Current</b>				
Considered Good - Secured (Refer Note (a) below)	247.78	245.75		
Considered Good (Refer Note (b) below)	803.15	1,358.41		
Credit Impaired	140.23	146.79		
	1,191.16	1,750.95		
Less: Allowance for Doubtful Trade Receivables	164.51	171.08		
<b>Total</b>	<b>1,026.65</b>	<b>1,579.87</b>		

Note:

- a Company holds security deposits of ₹ 247.78 crore (March 31, 2021 - ₹ 245.75 crore) in respect of electricity receivables.
- b The carrying amount of trade receivable does not include receivables of ₹ 1,150.64 Crore (March 31, 2021: ₹ 188.67 Crore) which are subject to a factoring arrangement. Under this arrangement, the Company has transferred the relevant receivables to the factor in exchange for cash on non recourse basis. The Company, therefore, has derecognised the said receivables under the said arrangement. Amount received from such customers not transferred to factoring agent is disclosed as financial liability (Refer Note 25).

#### 8 (a) Trade Receivables

As at March 31, 2022, ₹ 628.66 Crore (March 31, 2021 - ₹ 1,001.63 crore) is due from Brihanmumbai Electric Supply & Transport Undertaking, Maharashtra State Electricity Transmission Company Ltd., Maharashtra State Electricity Distribution Company Ltd, Gujarat Urja Vikas Nigam Limited, Haryana Power Generation Corporation Limited and Tata Steel Ltd. which represents Company's large customers who owe more than 5% of the total balance of trade receivables.

## Notes to the Standalone Financial Statements

### 8. Trade Receivables (Contd.)

In the Generation business, the Company supplies power only to a few customers which are State distribution companies and in Transmission business, the Company provides transmission services to Government Company and hence the Company assesses expected credit allowance on case to case basis.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables relating to Distribution business based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing of Receivables	Expected Credit loss (%)	
	As at March 31, 2022	As at March 31, 2021
Within the credit period	0.07%	1.67%
1-90 days past due	2.24%	1.40%
91-182 days past due	23.36%	3.53%
More than 182 days past due	56.44%	35.72%

#### 8 (b) Trade Receivables Ageing schedule as at March 31, 2022

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	
(i) Undisputed Trade Receivables							
a) Considered good	656.88	270.73	12.79	11.64	6.82	17.96	976.82
b) Significant increase in credit risk	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Credit Impaired	Nil	Nil	0.56	1.26	5.89	17.24	24.95
(ii) Disputed Trade Receivables							
a) Considered good	Nil	1.35	12.80	Nil	Nil	59.96	74.11
b) Significant increase in credit risk	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Credit Impaired	Nil	Nil	Nil	3.00	4.50	107.78	115.28
<b>Total (i) + (ii)</b>	<b>656.88</b>	<b>272.08</b>	<b>26.15</b>	<b>15.90</b>	<b>17.21</b>	<b>202.94</b>	<b>1,191.16</b>

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

#### Trade Receivables Ageing schedule as at March 31, 2021

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	
(i) Undisputed Trade Receivables							
a) Considered good	986.06	462.50	48.91	16.34	5.30	25.09	1,544.20
b) Significant increase in credit risk	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Credit Impaired	Nil	Nil	0.96	6.01	8.25	16.29	31.51
(ii) Disputed Trade Receivables							
a) Considered good	Nil	Nil	Nil	Nil	Nil	59.96	59.96
b) Significant increase in credit risk	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Credit Impaired	Nil	3.00	Nil	4.50	20.50	87.28	115.28
<b>Total (i) + (ii)</b>	<b>986.06</b>	<b>465.50</b>	<b>49.87</b>	<b>26.85</b>	<b>34.05</b>	<b>188.62</b>	<b>1,750.95</b>

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

## Notes to the Standalone Financial Statements

### 8. Trade Receivables (Contd.)

#### Movement in the allowance for doubtful trade receivables

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
<b>Balance at the beginning of the year</b>	171.08	154.99
Add/(Less): Expected credit loss provided/(reversed)	(6.57)	16.09
<b>Balance at the end of the year</b>	<b>164.51</b>	<b>171.08</b>

The average credit period ranges from 30 days to 60 days. 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.

### 9. Loans

(Unsecured unless otherwise stated)

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
<b>Non-Current - At Amortised Cost</b>		
<b>Loans to Related Parties (Refer note 42)</b>		
Considered Good	450.00	450.00
Credit Impaired	54.38	54.38
	<b>504.38</b>	<b>504.38</b>
Less: Allowance for Doubtful Loans	54.38	54.38
	<b>450.00</b>	<b>450.00</b>
<b>Other Loans</b>		
Loans to Employees		
Considered Good	3.17	4.28
<b>Total</b>	<b>453.17</b>	<b>454.28</b>
<b>Current - At Amortised Cost</b>		
<b>Loans to Related Parties (Refer note 42)</b>		
Considered Good	1,328.48	1,336.41
Credit Impaired	Nil	12.00
	<b>1,328.48</b>	<b>1,348.41</b>
Less: Allowance for Doubtful Loans	Nil	12.00
	<b>1,328.48</b>	<b>1,336.41</b>
<b>Other Loans</b>		
Credit Impaired	9.50	Nil
	<b>9.50</b>	<b>Nil</b>
Less: Allowances for Doubtful Loans	9.50	Nil
	<b>Nil</b>	<b>Nil</b>
<b>Total</b>	<b>1,328.48</b>	<b>1,336.41</b>

## Notes to the Standalone Financial Statements

### 9. Loans (Contd.)

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

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

Name of the Company	Relationship	Amount Outstanding as at the year end		Maximum Principal Amount Outstanding during the year (excluding interest accrued)	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Chirasthaayee Saurya Ltd.	Subsidiary	Nil	255.00	255.00	255.00
TP Wind Power Limited	Subsidiary	Nil	8.00	8.00	8.00
Industrial Energy Ltd.	Joint Venture	Nil	Nil	Nil	2.60
Mandakini Coal Company Ltd. \$	Joint Venture	54.39	54.39	54.39	54.39
Tata Power Green Energy Ltd.	Subsidiary	149.86	29.82	173.16	37.07
Tata Power Renewable Energy Ltd.	Subsidiary	1,000.80	789.60	1,209.15	1,974.50
Tata Power Solar Systems Ltd	Subsidiary	Nil	509.83	1,099.83	586.82
Tata Power Trading Company Ltd.	Subsidiary	Nil	Nil	10.00	30.00
TCL Ceramics Ltd. \$ (Ceased to be subsidiary w.e.f March 24, 2022)	Subsidiary	Nil	12.00	12.00	12.00
TP Ajmer Distribution Ltd.	Subsidiary	95.00	95.00	95.00	115.00
TP Kirnali Ltd.	Subsidiary	314.00	4.00	499.00	4.00
TP Kirnali Solar Ltd.	Subsidiary	Nil	24.70	24.70	40.00
TP Renewable Microgrid Ltd.*	Subsidiary	Nil	27.95	54.50	39.74
TP Surya Ltd.	Subsidiary	195.31	1.00	195.32	1.00
TP Solapur Solar Ltd.	Subsidiary	Nil	33.00	33.00	33.00
Vagarai Windfarm Ltd.	Subsidiary	Nil	8.50	8.50	8.50
Walwanh Renewable Energy Limited	Subsidiary	23.50	Nil	334.35	207.00
		<b>1,832.86</b>	<b>1,852.79</b>		
Itezhi Tezhi Power Corporation #	Joint Venture	18.59	18.59	18.59	18.59
<b>Total</b>		<b>1,851.45</b>	<b>1,871.38</b>		

#### Notes:

No Loan has been given to related parties which is repayable on demand and without terms of repayment.

\$ Provided for.

# Reclassified as held for sale (including interest accrued).

\* Converted to unsecured non-cumulative perpetual debt.

## Notes to the Standalone Financial Statements

### 9. Loans (Contd.)

During the year, the Company has given loan to its fellow subsidiary company Walwhan Renewable Energy Limited (WREL) which was further given to the subsidiaries of the Company i.e. Tata Power Solar Systems Limited (TPSSL) and Tata Power Green Energy Limited (TPGEL). WREL, TPSSL and TPGEL are registered in India.

Date of loan given to Intermediary	Date of loan given to ultimate beneficiary	Amount (₹ crores)	Details of Intermediary	Details of ultimate beneficiary
May 17, 2021	May 17, 2021	100.00	WREL (CIN U40103MH2009PLC197021, Registered office- The Tata Power Company Limited, Corporate Center B, 34 Sant Tukaram Road, Carnac Bunder, Mumbai, Maharashtra)	TPSSL (CIN U40106MH1989PLC330738, Registered office-The Tata Power Company Limited, Corporate Center B, 34 Sant Tukaram Road, Carnac Bunder, Mumbai, Maharashtra)
May 18, 2021	May 18, 2021	200.00	WREL (CIN U40103MH2009PLC197021, Registered office- The Tata Power Company Limited, Corporate Center B, 34 Sant Tukaram Road, Carnac Bunder, Mumbai, Maharashtra)	TPSSL (CIN U40106MH1989PLC330738, Registered office-The Tata Power Company Limited, Corporate Center B, 34 Sant Tukaram Road, Carnac Bunder, Mumbai, Maharashtra)
June 28, 2021	June 28, 2021	34.35	WREL (CIN U40103MH2009PLC197021, Registered office- The Tata Power Company Limited, Corporate Center B, 34 Sant Tukaram Road, Carnac Bunder, Mumbai, Maharashtra)	TPGEL (CIN U40108MH2011PLC211851, Registered office- B Block, Corporate Center 34, Sant Tukaram Road, Carnac Bunder, Mumbai, Maharashtra)

### 10. Finance Lease Receivable - At Amortised Cost

(Unsecured unless otherwise stated)

#### Accounting Policy

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating lease. Amount due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
Finance Lease Receivable - Non-current	520.91	529.57
Finance Lease Receivable - Current	42.61	36.52
<b>Total</b>	<b>563.52</b>	<b>566.09</b>

#### 10.1 Leasing Arrangements

There are two types of leasing arrangement:

- Generation of Power: The Company has entered into Power Purchase Agreements (PPA) with a customer for its assets located at Jojobera. The assets relate to 30 years of take or pay agreements with the customer to supply electricity at a fixed plus variable charge. The customer, during the term of the PPAs has a right to purchase the assets and at the end of the contract is obligated to purchase the same on the basis of the valuation to be determined as per the PPAs. The Company has recognised an amount of ₹ 77.68 crore as income for finance lease during the year ended March 31, 2022
- Electric Vehicle charging facilities: The Company has entered into arrangement with customer for providing Infrastructure facilities and chargers for public transport utilities. The arrangement is for the period of 10 years for providing and maintaining infrastructure facility at a fixed charge. The Company has recognised an amount of ₹ 2.13 crore as income for finance lease during the year ended March 31, 2022

## Notes to the Standalone Financial Statements

### 10. Finance Lease Receivable - At Amortised Cost (Contd.)

#### 10.2 Amount receivable under Finance Lease

	Minimum Lease Payments as at March 31, 2022 ₹ crore	Minimum Lease Payments as at March 31, 2021 ₹ crore
Less than a year	117.87	113.49
One to two years	113.39	109.62
Two to three years	112.45	108.46
Three to four years	110.65	107.36
Four to five years	108.31	105.56
<b>Total (A)</b>	<b>562.67</b>	<b>544.49</b>
More than five years (B)	455.33	535.95
<b>Total (A +B)</b>	<b>1,018.00</b>	<b>1,080.44</b>
Less: Unearned finance income	454.48	514.35
<b>Present Value of Minimum Lease Payments Receivable</b>	<b>563.52</b>	<b>566.09</b>

#### Lessor - Operating Lease

The Company has entered into operating leases for its certain building, plant and machinery and other equipment. These typically have lease terms of between 1 and 10 years. The Company has recognized an amount of ₹ 20.01 crore (March 31, 2021 - ₹ 13.60 crore) as rental income for operating lease during the year ended March 31, 2022.

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

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
<b>Non-Current</b>		
(i) Security Deposits		
Considered Good	47.79	37.98
Credit Impaired	29.90	32.01
Less: Allowance for Doubtful Deposits	77.69	69.99
	29.90	32.01
	<b>47.79</b>	<b>37.98</b>
(ii) Accruals		
Doubtful		
Interest Accrued on Loans to Related Parties	1.24	1.24
Less: Allowance for Doubtful Interest	1.24	1.24
	<b>Nil</b>	<b>Nil</b>
(iii) Others		
Unsecured, considered good		
Advance towards Equity (Refer Note 1a, 1b below)	0.12	204.16
Balances with Banks:		
In Deposit Accounts (with remaining maturity of more than twelve months) (Refer Note 2 below)	1.90	0.96
Receivable on sale of Strategic Engineering Division (at fair value through profit or loss) (Refer Note 3 below)	Nil	365.99
Other Assets	47.49	48.77
<b>Total</b>	<b>49.51</b>	<b>619.88</b>
	<b>97.30</b>	<b>657.86</b>

#### Note:

- 1a. During the year, pursuant to the vesting order by the Odisha Electricity Regulatory Commission ('OERC') for the completion of sale, the equity shares of North Electricity Supply Utility of Odisha has been issued against the advance of ₹ 191.24 crore which was paid to OERC in the previous year.

## Notes to the Standalone Financial Statements

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

- 1b. During the current year, pursuant to the allotment of the equity shares of TP Akkalkot Renewable Energy Ltd. to the Company, the advance of ₹ 12.92 crore has been reclassified to non-current investment.
2. Balances with Banks held as Margin Money Deposits against Guarantees.
3. Previous year includes contingent consideration receivable on sale of Strategic Engineering Division (SED) on achievement of certain milestones. (Refer note 18 (c).

	As at March 31, 2022		As at March 31, 2021	
			₹ crore	₹ crore
	Current			
<b>(i) Security Deposits</b>				
Considered Good		4.69		5.48
		<b>4.69</b>		<b>5.48</b>
<b>(ii) Accruals</b>				
Unsecured, considered good				
Interest Accrued on Inter-corporate/Bank Deposits		0.06		0.64
Interest Accrued on Investments		3.50		3.48
Interest Accrued on Finance Lease Receivable		6.29		6.63
Interest Accrued on Loans to Related Parties		4.61		47.22
Doubtful				
Interest Accrued on Loans to Related Parties		0.55		0.55
Interest Accrued on Inter-corporate Deposits		1.40		1.40
		16.41		59.92
Less: Allowance for Doubtful Interest		1.95		1.95
		<b>14.46</b>		<b>57.97</b>
<b>(iii) Others</b>				
Unsecured, considered good				
Recoverable from Consumers		98.68		75.67
Dividend Receivable		1,820.65		Nil
Derivative Contracts		5.06		1.48
Other Receivables		43.49		2.74
Balances with Banks: (Refer Note below)				
In Deposit Accounts (with remaining maturity of less than twelve months)		Nil		4.19
		<b>1,967.88</b>		<b>84.08</b>
<b>Total</b>		<b>1,987.03</b>		<b>147.53</b>

Note:

Balances with Banks held as Margin Money Deposits against Guarantees.

### 12. Non-Current Tax Assets

	As at March 31, 2022		As at March 31, 2021	
			₹ crore	₹ crore
	Advance Income-tax (Net)			
		338.00		144.00
<b>Total</b>		<b>338.00</b>		<b>144.00</b>

## Notes to the Standalone Financial Statements

### 13. Other Assets

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
<b>Non-current</b>		
<b>(i) Capital Advances</b>		
Unsecured, considered good	148.81	107.59
Doubtful	0.53	0.11
Less: Allowance for Doubtful Advances	149.34	107.70
	0.53	0.11
	<b>148.81</b>	<b>107.59</b>
<b>(ii) Balances with Government Authorities</b>		
Unsecured, considered good		
Advances	13.28	12.23
Amount Paid Under Protest	62.82	52.78
VAT/Sales Tax Receivable	6.69	7.81
	<b>82.79</b>	<b>72.82</b>
<b>(iii) Others</b>		
Unsecured, considered good		
Prepaid Expenses	9.55	0.82
Recoverable from Consumers	1,408.30	1,161.06
	<b>1,417.85</b>	<b>1,161.88</b>
<b>Total</b>	<b>1,649.45</b>	<b>1,342.29</b>
<b>Current</b>		
<b>(i) Balances with Government Authorities</b>		
Unsecured, considered good		
Advances	8.83	6.83
VAT/Sales Tax Receivable	Nil	7.89
Doubtful	0.37	0.37
Less: Allowance for Doubtful Advances	9.20	15.09
	0.37	0.37
	<b>8.83</b>	<b>14.72</b>
<b>(ii) Others</b>		
Unsecured, considered good		
Prepaid Expenses	134.17	93.38
Advances to Vendors	68.15	57.88
Other Advances	2.34	26.26
Doubtful	0.19	0.19
Less: Allowance for Doubtful Advances	204.85	177.71
	0.19	0.19
	<b>204.66</b>	<b>177.52</b>
<b>Total</b>	<b>213.49</b>	<b>192.24</b>

## Notes to the Standalone Financial Statements

### 14. Inventories

#### Accounting Policy

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

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
	<b>Inventories</b>	
(a) Fuel	1,257.26	365.55
(b) Fuel-in-Transit	533.40	386.65
(c) Stores and Spares	256.48	240.51
(d) Loose Tools	0.56	0.71
(e) Others		
Property under Development	244.63	187.98
<b>Total</b>	<b>2,292.33</b>	<b>1,181.40</b>

#### Notes:

- Refer Note 22 for Inventories pledged as security for liabilities.
- During the year ended March 31, 2022, the Company has recognised ₹ 12.01 crore (March 31, 2021 - ₹1.94 crore) as an expense for the write down of fuel and unserviceable stores and spares inventory.

### 15. Current Investments

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
	<b>Investments carried at Amortised Cost</b>	
<b>Statutory Investments</b>		
Government Securities (Unquoted)	55.67	Nil
<b>Investments carried at Fair Value through Profit and Loss</b>		
Mutual Funds (Unquoted)	11.93	246.49
<b>Total</b>	<b>67.60</b>	<b>246.49</b>
Note:		
Aggregate Carrying Value of Unquoted Investments	67.60	246.49

## Notes to the Standalone Financial Statements

### 16. Cash and Cash Equivalents - At Amortised Cost

#### Accounting Policy

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

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

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
Balances with Banks:		
In Current Accounts	57.35	264.13
In Deposit Accounts (with original maturity three months or less)	0.01	100.00
<b>Cash and Cash Equivalents as per Balance Sheet</b>	<b>57.36</b>	<b>364.13</b>
Bank Overdraft (Refer Note 29)	(57.38)	Nil
<b>Cash and Cash Equivalents as per Statement of Cash Flows - Continuing Operations</b>	<b>(0.02)</b>	<b>364.13</b>

#### Reconciliation of Liabilities from Financing Activities

Particulars	As at April 1, 2021	Cash flows		Transferred alongwith renewable assets (Refer Note 45)	Other Transactions*	As at March 31, 2022	₹ crore
		Proceeds	Repayment				
Non-current Borrowings (including Current Maturities of Non-current Borrowings)	18,740.60	4,733.00	(2,201.68)	Nil	15.07	21,286.99	
Current Borrowings (excluding Bank Overdraft)	5,720.70	20,539.62	(22,471.00)	(425.31)	Nil	3,364.01	
Lease liabilities	2,749.04	Nil	(277.30)	Nil	387.13	2,858.87	
<b>Total</b>	<b>27,210.34</b>	<b>25,272.62</b>	<b>(24,949.98)</b>	<b>(425.31)</b>	<b>402.20</b>	<b>27,509.87</b>	

\* includes interest on lease liabilities, remeasurement of lease liabilities and amortisation of processing charges on loans

Particulars	As at April 1, 2020	Cash flows		Reclassified as part of Discontinued Operations	Other Transactions	As at March 31, 2021	₹ crore
		Proceeds	Repayment				
Non-current Borrowings (including Current Maturities of Non-current Borrowings)	19,222.81	5,668.58	(6,312.81)	57.83	104.19	18,740.60	
Current Borrowings (excluding Bank Overdraft)	7,274.33	18,156.18	(19,719.33)	Nil	9.52	5,720.70	
Lease liabilities	2,739.69	Nil	(290.45)	Nil	299.80	2,749.04	
<b>Total</b>	<b>29,236.83</b>	<b>23,824.76</b>	<b>(26,322.59)</b>	<b>57.83</b>	<b>413.51</b>	<b>27,210.34</b>	

\* includes interest on lease liabilities, remeasurement of lease liabilities and amortisation of processing charges on loans

## Notes to the Standalone Financial Statements

### 17. Other Balances with Banks - At Amortised Cost

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
(a) In Deposit Accounts (Refer Note below)	2.00	Nil
(b) In Earmarked Accounts-		
Unpaid Dividend Account	19.19	19.00
<b>Total</b>	<b>21.19</b>	<b>19.00</b>

**Note:**

Balances with banks held as margin money deposits against guarantees.

### 18a Assets Classified as Held For Sale

#### Accounting Policy

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

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

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

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

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

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Land (Refer note i below)	301.58	301.58
Building and Plant and Equipment (Refer note ii below)	0.49	8.67
Investments carried at Fair Value through Other Comprehensive Income (Refer note v below)	Nil	178.68
Investments carried at Cost in Associates and Joint Ventures (Refer note iii below)	275.75	275.75
Loans and other receivables from Joint Venture (Refer note iii below)	22.74	22.74
Transmission Lines - Capital Work in Progress (Refer note iv below)	Nil	9.31
	<b>600.56</b>	<b>796.73</b>

**Notes:**

- (i) Following Land has been classified as held for sale:
  - (a) Land at Tiruldih ₹ 1.43 crore (net of impairment loss of ₹ 34 crore) (March 31, 2021 - ₹ 1.43 crore)
  - (b) Land at Vadaval ₹ 3.21 crore (March 31, 2021 - ₹ 3.21 crore)
  - (c) Land at Naraj Marthapur ₹ 81.38 crore (net of impairment loss of ₹ 37 crore) (March 31, 2021 - ₹ 81.38 crore)

## Notes to the Standalone Financial Statements

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

- (d) Land at Dehrand ₹ 215.56 crore (March 31, 2021 - ₹ 215.56 crore). During the earlier year, the Company had received an advance of ₹113.56 crore against sale
- (ii) During the year, the Company has reclassified building at Mumbai of ₹ 8.02 crore from held for sale to Property, Plant and Equipment.
- (iii) The Company had decided to divest its investments in Itezhi Tezhi Power Corporation ('ITPC') of ₹ 275.75 crore along with loans and other receivables amounting to ₹ 22.74 crore. Accordingly, the said investments along with loans and other receivables have been classified as held for sale.
- (iv) Maharashtra Electricity Regulatory Commission ('MERC') had ordered termination of Vikhroli Transmission Lines project and accordingly, the Company reclassified the said project as held for sale. During the year, the Company has received an amount of ₹ 8.44 crore against the said project.
- (v) During the year, the Company has reclassified its Investment in Tata Tele Maharashtra Limited from held for sale to Non-Current Investment.

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

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Advance received for land classified as held for sale	113.56	113.56
<b>Total</b>	<b>113.56</b>	<b>113.56</b>

#### Note

The company has received an advance of ₹ 113.56 crore towards the sale of Dehrand land having net book value of ₹ 215.55 crore (March 31, 2021 - ₹ 215.55 crore).

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

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

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

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
<b>Income</b>		
Revenue from Operations	Nil	193.63
Other Income	Nil	23.52
<b>Total Income</b>	<b>Nil</b>	<b>217.15</b>
<b>Expenditure</b>		
Cost of Components Consumed	Nil	139.28
Employee Benefits Expense	Nil	52.66
Finance Costs	Nil	24.91
Other Expenses	Nil	60.14
<b>Total Expenses</b>	<b>Nil</b>	<b>276.99</b>

## Notes to the Standalone Financial Statements

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

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
<b>Profit/(Loss) before tax from Discontinued Operations</b>	<b>Nil</b>	<b>(59.84)</b>
<b>Impairment Loss on Remeasurement of Fair Value (Refer Note below)</b>	<b>(467.83)</b>	<b>(160.00)</b>
<b>Tax Expense/(Income)</b>		
Current Tax/(Credit)	Nil	(101.48)
Deferred Tax	Nil	(72.17)
	<b>Nil</b>	<b>(173.65)</b>
<b>Profit/(Loss) after tax from Discontinued Operations</b>	<b>(467.83)</b>	<b>(46.19)</b>
Other Comprehensive Income/(Expense)	Nil	Nil
Tax on Other Comprehensive Income	Nil	Nil
<b>Total Comprehensive Income/(Expense)</b>	<b>(467.83)</b>	<b>(46.19)</b>

Note:

During the year, Company has reassessed the fair value of the contingent consideration receivable and recognized an impairment loss of ₹467.83 crore (March 31, 2021: ₹160 crore) as exceptional item in the standalone financial statements. The fair value on consideration has been determined based on the expected value of the consideration using discounted present value technique. The fair value has been categorised under Level 3 inputs, the key assumption being expectation of achievement/non achievement of milestones as defined in the scheme of arrangement.

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

Particulars	From 1st April 2020 to 31st October, 2020
	₹ crore
Net Cash Flow from/(used in) in Operating Activities	286.62
Net Cash Flow from/(used in) in Investing Activities	(32.30)
Net Cash Flow from/(used in) in Financing Activities	(85.62)
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>168.70</b>
<b>Cash and Cash Equivalents as at 1st April (Opening Balance)</b>	<b>7.60</b>
<b>Cash and Cash Equivalents (Closing Balance)</b>	<b>176.30</b>
Less: Transferred on sale of Strategic Engineering Division	(176.30)
<b>Total of cash and cash equivalents (Net)</b>	<b>Nil</b>

## 19. Regulatory Deferral Account

### Accounting Policy

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

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

## Notes to the Standalone Financial Statements

### 19. Regulatory Deferral Account (Contd.)

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

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
<b>Regulatory Deferral Account - Liability - Current</b>		
Regulatory Liabilities	Nil	Nil
<b>Regulatory Deferral Account - Assets - Non-current</b>		
Regulatory Assets	725.92	573.60
<b>Net Regulatory Assets/(Liabilities)</b>	<b>725.92</b>	<b>573.60</b>

#### Rate Regulated Activities

- (i) As per Ind AS 114 - 'Regulatory Deferral Accounts', the business of electricity distribution is a Rate Regulated activity wherein Maharashtra Electricity Regulatory Commission ('MERC'), determines Tariff to be charged from consumers based on prevailing regulations.
- MERC Multi Year Tariff Regulations, 2019 ('MYT Regulations'), is applicable for the period beginning from 1st April, 2020 to 31st March, 2025. These regulations require MERC to determine tariff in a manner wherein the Company can recover its fixed and variable costs including assured rate of return on approved equity base, from its consumers. The Company determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in MYT Regulations.
- (ii) Reconciliation of Regulatory Assets/Liabilities of distribution business as per Rate Regulated Activities is as follows:

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
Opening Regulatory Assets (Net of Liabilities) (A)	573.60	258.32
Regulatory Income/(Expenses) during the year		
(i) Power Purchase Cost	2,642.77	1,885.99
(ii) Other expenses as per the terms of Tariff Regulations including return on equity	909.32	892.10
(iii) Billed during the year as per approved Tariff	(3,461.09)	(2,520.09)
(iv) Amount Collected in respect of earlier years (Net)	Nil	Nil
Net Movement in Regulatory Deferral Balances (i + ii + iii + iv) (B)	91.00	258.00
Regulatory Assets/(Liabilities) on carrying cost recognised as revenue (C)	18.00	3.00
Recovery from/(Payable to) Company's Generation Business (D)	(0.03)	12.66
Regulatory Assets/(Liabilities) on Deferred Tax Expense/(Income) (E)	43.35	41.62
Closing Regulatory Assets (Net of Liabilities) (A + B + C + D + E)	<b>725.92</b>	<b>573.60</b>

### 20a. Share Capital

	As at March 31, 2022		As at March 31, 2021	
	Number	₹ crore	Number	₹ crore
<b>Authorised</b>				
Equity Shares of ₹ 1/- each				
At the beginning of the year	550,00,00,000	550.00	350,00,00,000	350.00
Add: Increase during the year	Nil	Nil	200,00,00,000	200.00
Add: Increase due to merger (Refer Note 47)	10015,00,00,000	10,015.00	Nil	Nil
Outstanding at the end of the year	10,565.00			550.00
Cumulative Redeemable Preference Shares of ₹ 100/- each	2,29,00,000	229.00	2,29,00,000	229.00
	<b>10,794.00</b>			<b>779.00</b>

## Notes to the Standalone Financial Statements

### 20a. Share Capital (Contd.)

	As at March 31, 2022		As at March 31, 2021	
	Number	₹ crore	Number	₹ crore
<b>Issued</b>				
Equity Shares [including 28,32,060 shares (March 31, 2021- 28,32,060 shares) not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Ltd cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]	325,22,67,007	325.23	325,22,67,007	325.23
<b>Subscribed and Paid-up</b>				
Equity Shares fully paid-up [excluding 28,32,060 shares (March 31, 2021 - 28,32,060 shares) not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Ltd cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]	319,53,39,547	319.54	319,53,39,547	319.54
Less: Calls in arrears [including ₹ 0.01 crore (March 31, 2021 - ₹0.01 crore) in respect of the erstwhile The Andhra Valley Power Supply Company Ltd and the erstwhile The Tata Hydro-Electric Power Supply Company Ltd]		0.04		0.04
		<b>319.50</b>		<b>319.50</b>
Add: Equity Shares forfeited - Amount paid	16,52,300	0.06	16,52,300	0.06
<b>Total Subscribed and Paid-up Share Capital</b>	<b>319.56</b>		<b>319.56</b>	

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

	As at March 31, 2022		As at March 31, 2021	
	Number	₹ crore	Number	₹ crore
<b>Equity Shares</b>				
At the beginning of the year	319,69,91,847	319.56	2,706,425,810	270.50
Issued during the year [Refer Note 21(iv)]	Nil	Nil	490,566,037	49.06
Outstanding at the end of the year	319,69,91,847	<b>319.56</b>	319,69,91,847	<b>319.56</b>

#### (ii) Terms/rights attached to equity shares

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

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

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

	As at March 31, 2022		As at March 31, 2021	
	Number	% Holding	Number	% Holding
<b>Equity Shares of ₹ 1/- each fully paid</b>				
Tata Sons Pvt. Ltd.	144,45,13,021	45.21	144,45,13,021	45.21
Life Insurance Corporation of India	21,57,53,479	6.75	16,41,25,329	5.14

## Notes to the Standalone Financial Statements

### 20a. Share Capital (Contd.)

#### (iv) Shareholding of Promoters

Shares held by promoters at the end of the year						% Change during the year
SI No	Promoter name	No. of shares	% of total shares	No. of shares	% of total shares	
1	Tata Sons Pvt. Ltd.	144,45,13,021	45.21	1,44,45,13,021	45.21	Nil
<b>Shares held by promoters at the end of the year</b>						
SI No	Promoter name	No. of shares	% of total shares	No. of shares	% of total shares	% Change during the year
1	Tata Sons Pvt. Ltd.	144,45,13,021	45.21	95,39,46,984	35.27	9.94

### 20b. Unsecured Perpetual Securities

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
11.40% Unsecured Perpetual Securities	1,500.00	1,500.00
Repayment during the year	(1,500.00)	Nil
<b>Total</b>	<b>Nil</b>	<b>1,500.00</b>

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

### 21. Other Equity

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
General Reserve		
Opening Balance	Nil	3,853.98
Add/(Less): Changes in balance on account of merger (Refer Note 47)	Nil	5.94
Add/(Less): Capital re-organisation (Refer Note 47)	Nil	(3,859.92)
Restated opening balance	Nil	Nil
<b>Closing Balance</b>	<b>Nil</b>	<b>Nil</b>
Securities Premium		
Opening Balance	3,107.54	5,634.98
Add/(Less): Changes in balance on account of merger (Refer Note 47)	Nil	12.82
Add/(Less): Capital re-organisation (Refer Note 47)	Nil	(5,091.20)
Restated opening balance	3,107.54	556.60
Add/(Less): Increase on issue of shares during the year (Refer Note (iv) below)	Nil	2,550.94
<b>Closing Balance</b>	<b>3,107.54</b>	<b>3,107.54</b>
Capital Redemption Reserve		
Opening Balance	4.51	1.85
Add/(Less): Changes in balance on account of merger (Refer Note 47)	Nil	2.66
Restated opening balance	4.51	4.51
<b>Closing Balance</b>	<b>4.51</b>	<b>4.51</b>

## Notes to the Standalone Financial Statements

### 21. Other Equity (Contd.)

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
Capital Reserves		
Opening Balance	66.24	61.66
Add/(Less): Changes in balance on account of merger (Refer Note 47)	Nil	4.58
Restated opening balance	66.24	66.24
<b>Closing Balance</b>	<b>66.24</b>	<b>66.24</b>
Statutory Reserve	660.08	660.08
Debenture Redemption Reserve	296.95	296.95
Special Reserve		
Opening Balance	126.28	Nil
Add/(Less): Changes in balance on account of merger (Refer Note 47)	Nil	124.07
Restated opening balance	126.28	124.07
Add/(Less): Created during the year	Nil	2.21
Add/(Less): Amount transferred to Retained Earnings	(126.28)	Nil
<b>Closing Balance</b>	<b>Nil</b>	<b>126.28</b>
Retained Earnings (Refer Note (ii) below)		
Opening Balance	3,575.09	3,027.08
Add/(Less): Changes in balance on account of merger (Refer Note 47)	Nil	(8,118.29)
Add/(Less): Capital re-organisation (Refer Note 47)	Nil	8,951.12
Restated opening balance	3,575.09	3,859.91
Add/(Less): Profit/(Loss) for the year	2,782.93	293.52
Other Comprehensive Income/(Expense) arising from remeasurement of Defined Benefit Obligation (Net of Tax)	7.21	14.11
Payment of Dividend (Refer Note (i) below)	(495.28)	(419.24)
Distribution on Unsecured Perpetual Securities	(100.25)	(171.00)
Transfer to/from Special Reserve	126.28	(2.21)
<b>Closing Balance</b>	<b>2,320.89</b>	<b>(284.82)</b>
	<b>5,895.98</b>	<b>3,575.09</b>
Equity Instruments through Other Comprehensive Income		
Opening Balance	221.82	(45.11)
Add/(Less): Changes in balance on account of merger (Refer Note 47)	Nil	37.51
Restated opening balance	221.82	(7.60)
Add/(Less): Change in fair value of equity instruments through Other Comprehensive Income	307.12	73.55
Change in fair value of equity instruments classified as held for sale	Nil	155.87
<b>Closing Balance</b>	<b>528.94</b>	<b>221.82</b>
<b>Total</b>	<b>10,560.24</b>	<b>8,058.51</b>

#### Notes:

- i The shareholders of the Company in their meeting held on July 5, 2021, approved final dividend of ₹ 1.55 per share aggregating ₹ 495.28 crore for the financial year 2020-21. The said dividend was paid to the holders of fully paid equity shares on July 7, 2021.

## Notes to the Standalone Financial Statements

### 21. Other Equity (Contd.)

- ii Includes gain on fair valuation of land which is not available for distribution ₹ 87.88 crore
- iii The Board of Directors at its meeting held on May 6, 2022 proposed a dividend of ₹ 1.75 per equity share subject to the approval of the shareholders in the upcoming annual general meeting and has not been included as a liability in the Standalone financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 559.68 crore.
- iv During the previous year, the shareholders in the Annual General Meeting dated July 30, 2020 had approved the issuance of 49,05,66,037 equity shares of the face value of ₹ 1 each at ₹ 53 per equity share for an amount aggregating to ₹ 2,600 crores to Tata Sons Pvt Ltd on preferential basis. The Company had allotted the said equity shares to Tata Sons Pvt Ltd on August 13, 2020.

#### **Nature and purpose of reserves:**

##### **General Reserve**

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

##### **Securities Premium**

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

##### **Debenture Redemption Reserve**

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

##### **Capital Redemption Reserve**

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

##### **Capital Reserve**

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

##### **Statutory Reserve**

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

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

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

##### **Special Reserve**

Special Reserve Fund represents the amount transferred from the annual profits of Af-Taab pursuant to section 45 of the Reserve Bank of India Act, 1934. Pursuant to scheme of arrangement for merger as mentioned in note 47 to the standalone financial statement, erstwhile Af-taab has ceased to exist and hence the reserves is no longer required and accordingly has been transferred to retained earning.

##### **Retained Earnings**

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

# Notes to the Standalone Financial Statements

## 21. Other Equity (Contd.)

### Equity Instruments through Other Comprehensive Income

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

## 22. Non-current Borrowings - At Amortised Cost

	As at March 31, 2022		As at March 31, 2021	
	Non-current (` crore)	Current* Maturities (` crore)	Non-current (` crore)	Current* Maturities (` crore)
<b>(i) Unsecured</b>				
<b>Redeemable Non-Convertible Debentures</b>				
(a) 10.75% Series 2072	1,498.21	Nil	1,496.25	Nil
(b) 7.77% Series 2031	197.87	Nil	197.46	Nil
(c) 7.77% Series 2030	148.54	Nil	148.09	Nil
(d) 7.77% Series 2029	148.09	Nil	148.09	Nil
(e) 9.90% Series 2028	998.41	Nil	998.13	Nil
(f) 7.05% Series 2026	496.76	Nil	495.74	Nil
(g) 9.00% Series 2025	249.91	Nil	249.81	Nil
(h) 7.99% Series 2024	598.49	300.00	898.16	300.00
(i) 5.70% Series 2024	567.30	Nil	Nil	Nil
(j) 6.18% Series 2024	397.55	Nil	396.64	Nil
(k) 8.84% Series 2023	Nil	750.00	748.43	Nil
(l) 8.21% Series 2023	300.38	Nil	300.07	Nil
(m) 7.20% Series 2023	997.61	Nil	995.39	Nil
(n) 6.00% Series 2023	991.42	Nil	985.96	Nil
(o) 9.70% Series 2023	1,698.41	Nil	1,697.42	Nil
(p) 8.55% Series 2023	349.58	Nil	350.09	Nil
(q) 8.84% Series 2022	Nil	500.00	499.55	Nil
(r) 9.15% Series 2022	Nil	370.00	368.91	Nil
(s) 9.15% Series 2021	Nil	Nil	Nil	370.00
	<b>9,638.53</b>	<b>1,920.00</b>	<b>10,974.19</b>	<b>670.00</b>
<b>Term Loans from Banks</b>				
(t) ICICI Bank	1000.00	Nil	Nil	225.00
(u) Axis Bank	500.00	Nil	Nil	166.67
(v) First Abu Dhabi Bank	Nil	66.00	65.74	67.00
(w) Sumitomo Mitsui Banking Corporation	78.84	205.00	283.53	215.00
(x) Bank of Baroda	999.93	Nil	Nil	Nil
(y) Kotak Mahindra Bank	348.94	150.00	Nil	Nil
(z) Yes Bank	500.00	Nil	Nil	Nil
(aa) Punjab National bank	300.00	Nil	Nil	Nil
	<b>3,727.71</b>	<b>421.00</b>	<b>349.27</b>	<b>673.67</b>
<b>Deferred Payment Liabilities</b>				
(ab) Sales Tax Deferral	Nil	Nil	Nil	2.83
	<b>(A)</b>	<b>13,366.24</b>	<b>2341.00</b>	<b>11,323.46</b>
				<b>1,346.50</b>

## Notes to the Standalone Financial Statements

### 22. Non-current Borrowings - At Amortised Cost (Contd.)

	As at March 31, 2022		As at March 31, 2021	
	Non-current (` crore)	Current* Maturities (` crore)	Non-current (` crore)	Current* Maturities (` crore)
<b>(ii) Secured</b>				
<b>Redeemable Non-Convertible Debentures</b>				
(a) 7.55% Series 2028	164.70	16.25	180.95	16.25
(b) 9.15% Series 2025	57.92	16.00	73.92	16.00
(c) 9.15% Series 2025	60.07	20.00	80.00	20.00
(d) 9.40% Series 2022	Nil	210.00	209.80	Nil
	<b>282.69</b>	<b>262.25</b>	<b>544.67</b>	<b>52.25</b>
<b>Term Loans from Banks</b>				
(e) HDFC Bank	1,635.20	170.25	1,450.44	140.00
(f) ICICI Bank	237.63	150.00	386.61	120.00
(g) Kotak Mahindra Bank	425.78	61.48	487.25	161.48
(h) State Bank of India	1,002.43	75.64	1,078.07	75.64
(i) Canara Bank	Nil	18.40	55.00	5.00
(j) Axis Bank	230.55	60.00	290.36	226.67
	<b>3,531.59</b>	<b>535.77</b>	<b>3,747.73</b>	<b>728.79</b>
<b>Term Loans from Others</b>				
(k) Housing Development Finance Corporation Ltd	907.45	60.00	967.20	30.00
	<b>907.45</b>	<b>60.00</b>	<b>967.20</b>	<b>30.00</b>
	<b>(B)</b>	<b>4,721.73</b>	<b>858.02</b>	<b>5,259.60</b>
<b>Total</b>	<b>(A) + (B)</b>	<b>18,087.97</b>	<b>3,199.02</b>	<b>16,583.06</b>
				<b>2,157.54</b>

\* Amount disclosed under Current borrowings (Refer Note 29)

#### Security

- (i) The debentures mentioned in (a) have been secured by pari passu charge on all movable fixed assets (excluding land and building), present and future (except wind, solar and Haldia plant assets both present and future) including movable machinery, machinery spares, tools and accessories, present and future, but excluding vehicles, launches and barges.
- (ii) The loans and debentures mentioned in (b), (c), (e), (g), (h), (i), (j) and (k) have been secured by pari passu charge on all movable fixed assets (excluding land and building), present and future (except assets of all wind projects both present and future) including movable machinery, machinery spares, tools and accessories, present and future, but excluding vehicles, launches and barges.
- (iii) The debentures mentioned in (d) have been secured by a charge on the land situated at Village Takve Khurd (Maharashtra) and movable fixed assets (except the wind assets) including movable machinery, machinery spares, tools and accessories but excluding vehicles, launches and barges, present and future.
- (iv) The Loans mentioned in (f) have been secured by whole of current assets of the Company, present and future, in a first pari passu manner.

## Notes to the Standalone Financial Statements

### 22. Non-current Borrowings - At Amortised Cost (Contd.)

#### Terms of Repayment

Particulars	Amount Outstanding as at March 31, 2022	Financial Year							(₹ crore)
		FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-32	FY 32-33 and onwards	
<b>(i) Unsecured - At Amortised Cost</b>									
<b>Redeemable Non-Convertible Debentures</b>									
(a) 10.75% Series 2072 (Refer Note 1 below)	1,500.00	Nil	Nil	Nil	Nil	Nil	Nil	1,500.00	
(b) 7.77% Series 2031	200.00	Nil	Nil	Nil	Nil	Nil	200.00	Nil	
(c) 7.77% Series 2030	150.00	Nil	Nil	Nil	Nil	Nil	150.00	Nil	
(d) 7.77% Series 2029	150.00	Nil	Nil	Nil	Nil	Nil	150.00	Nil	
(e) 9.90% Series 2028	1,000.00	Nil	Nil	Nil	Nil	Nil	1,000.00	Nil	
(f) 7.05% Series 2026	500.00	Nil	Nil	Nil	500.00	Nil	Nil	Nil	
(g) 9.00% Series 2025	250.00	Nil	Nil	250.00	Nil	Nil	Nil	Nil	
(h) 7.99% Series 2024	900.00	300.00	300.00	300.00	Nil	Nil	Nil	Nil	
(i) 5.70% Series 2024	570.00	Nil	Nil	570.00	Nil	Nil	Nil	Nil	
(j) 6.18% Series 2024	400.00	Nil	400.00	Nil	Nil	Nil	Nil	Nil	
(k) 8.84% Series 2023	750.00	750.00	Nil	Nil	Nil	Nil	Nil	Nil	
(l) 8.21% Series 2023	300.00	Nil	300.00	Nil	Nil	Nil	Nil	Nil	
(m) 7.20% Series 2023	1,000.00	Nil	1,000.00	Nil	Nil	Nil	Nil	Nil	
(n) 6.00% Series 2023	1,000.00	Nil	1,000.00	Nil	Nil	Nil	Nil	Nil	
(o) 9.70% Series 2023	1,700.00	Nil	1,700.00	Nil	Nil	Nil	Nil	Nil	
(p) 8.55% Series 2023	350.00	Nil	350.00	Nil	Nil	Nil	Nil	Nil	
(q) 8.84% Series 2022	500.00	500.00	Nil	Nil	Nil	Nil	Nil	Nil	
(r) 9.15% Series 2022	370.00	370.00	Nil	Nil	Nil	Nil	Nil	Nil	
<b>Term Loans from Banks (Refer Note 2 below)</b>									
(s) ICICI Bank	1,000.00	Nil	1,000.00	Nil	Nil	Nil	Nil	Nil	
(t) Axis Bank	500.00	Nil	500.00	Nil	Nil	Nil	Nil	Nil	
(u) First Abu Dhabi Bank	66.00	66.00	Nil	Nil	Nil	Nil	Nil	Nil	
(v) Sumitomo Mitsui Banking Corporation	285.00	205.00	45.00	35.00	Nil	Nil	Nil	Nil	
(w) Bank of Baroda	999.93	Nil	999.93	Nil	Nil	Nil	Nil	Nil	
(x) Kotak Mahindra Bank	500.00	150.00	150.00	200.00	Nil	Nil	Nil	Nil	
(y) Yes Bank	500.00	Nil	500.00	Nil	Nil	Nil	Nil	Nil	
(z) Punjab National Bank	300.00	Nil	Nil	300.00	Nil	Nil	Nil	Nil	
<b>(ii) Secured - At Amortised Cost</b>									
<b>Redeemable Non-Convertible Debentures</b>									
(a) 7.55% Series 2028	180.94	16.25	16.25	16.25	16.25	16.25	99.69	Nil	

## Notes to the Standalone Financial Statements

### 22. Non-current Borrowings - At Amortised Cost (Contd.)

Particulars	Amount Outstanding as at March 31, 2022	Financial Year						
		FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-32	FY 32-33 and onwards
(b) 9.15% Series 2025	74.00	16.00	16.00	16.00	16.00	10.00	Nil	Nil
(c) 9.15% Series 2025	80.00	20.00	20.00	20.00	20.00	Nil	Nil	Nil
(d) 9.40% Series 2022	210.00	210.00	Nil	Nil	Nil	Nil	Nil	Nil
<b>Term Loans from Banks (Refer Note 2 below)</b>								
(e) HDFC Bank	1,808.88	170.25	170.25	170.25	196.50	231.18	686.21	184.24
(f) ICICI Bank	390.00	150.00	240.00	Nil	Nil	Nil	Nil	Nil
(g) Kotak Mahindra Bank	487.27	61.48	61.48	61.48	87.72	76.47	138.64	Nil
(h) State Bank of India	1,078.05	75.64	151.35	302.69	548.37	Nil	Nil	Nil
(i) Canara Bank	18.40	18.40	Nil	Nil	Nil	Nil	Nil	Nil
(j) Axis Bank	290.00	60.00	130.00	100.00	Nil	Nil	Nil	Nil
<b>Term Loans from Others (Refer Note 2 below)</b>								
(k) Housing Development Finance Corporation Ltd	970.00	60.00	70.00	90.00	120.00	140.00	490.00	Nil
	<b>21,328.47</b>	<b>3,199.02</b>	<b>9,120.26</b>	<b>2,431.67</b>	<b>1,504.84</b>	<b>473.90</b>	<b>2,914.54</b>	<b>1,684.24</b>
Less: Less: Impact of recognition of borrowing at amortised cost using effective interest method.	41.48							
	<b>21,286.99</b>							

#### Notes:

- The 10.75% Redeemable Non-Convertible Debentures are redeemable at par at the end of 60 years from the date of allotment viz. August 21, 2072. The Company has the call option to redeem the same at the end of 10 years viz. August 21, 2022 and at the end of every year thereafter.
- The rate of interest for term loans from banks ranges from 5.05% to 8.15% (March 31, 2021 - 5.45% to 9.83%) and rate of interest for term loans from others is 7.60% (March 31, 2021 - 7.60%).

### 23. Lease Liabilities

#### Accounting Policy

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

#### As a Lessee

##### i) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company

## Notes to the Standalone Financial Statements

### 23. Lease Liabilities (Contd.)

uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

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

#### ii) Short term leases and leases of low value of assets

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

#### Leasing arrangement as Lessee

The Company has lease contracts for various items of plant, machinery, land, vehicles and other equipment used in its operations. Leases of Leasehold land including sub-surface rights and plant and equipment generally have lease term between 2 and 40 years. Generally, the Company is restricted from assigning and subleasing the leased assets.

Amount recognised in the Statement of Profit and Loss	For the year ended March 31, 2022		For the year ended March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
Depreciation of Right-of-use assets	102.95		109.27	
Interest on lease liabilities	275.36		270.14	
Expenses related to short term leases	29.84		28.85	
Expenses related to leases of low value assets, excluding short term leases of low value assets	0.81		0.33	

Refer Note 5(b) for additions to Right-of-Use Assets and the carrying amount of Right-of-Use Assets. Further, Refer Note 43.4.3 for maturity analysis of lease liabilities.

Amount as per the Statement of Cash Flows	For the year ended March 31, 2022		For the year ended March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
Total cash outflow of leases	277.30		290.45	
	As at March 31, 2022		As at March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
<b>Non-Current</b>				
(i) Lease Liabilities	2,555.11		2,460.38	
	<b>2,555.11</b>		<b>2,460.38</b>	
<b>Current</b>				
(i) Lease Liabilities	303.76		288.66	
	<b>303.76</b>		<b>288.66</b>	

## Notes to the Standalone Financial Statements

### 24. Trade Payables

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Current</b>		
Outstanding dues of micro enterprises and small enterprises (Refer Note 37)	39.16	18.54
Outstanding dues of trade payables other than micro enterprises and small enterprises	4,040.73	3,263.93
<b>Total</b>	<b>4,079.89</b>	<b>3,282.47</b>

#### Trade Payables Ageing schedule as at March 31, 2022

Particulars	Others	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	
<b>(i) Undisputed Trade Payables</b>								
a) MSME	Nil	20.07	18.90	0.13	0.04	0.02	39.16	
b) Others	177.51	3,319.25	423.93	28.13	12.57	20.01	3,981.40	
<b>(ii) Disputed Trade Payables</b>								
a) MSME	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Others	Nil	Nil	Nil	Nil	59.33	Nil	59.33	
<b>Total (i) + (ii)</b>	<b>177.51</b>	<b>3,339.32</b>	<b>442.83</b>	<b>28.26</b>	<b>71.94</b>	<b>20.03</b>	<b>4,079.89</b>	

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

\* Provision for expenses which is certain and not related to any litigation

#### Trade Payables Ageing schedule as at March 31, 2021

Particulars	Others	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	
<b>(i) Undisputed Trade Payables</b>								
a) MSME	Nil	14.48	3.71	0.24	0.10	0.01	18.54	
b) Others	214.62	2,682.80	230.54	29.97	23.81	22.86	3,204.60	
<b>(ii) Disputed Trade Payables</b>								
a) MSME	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Others	Nil	Nil	Nil	59.33	Nil	Nil	59.33	
<b>Total (i) + (ii)</b>	<b>214.62</b>	<b>2,697.28</b>	<b>234.25</b>	<b>89.54</b>	<b>23.91</b>	<b>22.87</b>	<b>3,282.47</b>	

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

\* Provision for expenses which is certain and not related to any litigation

## Notes to the Standalone Financial Statements

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

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Non-current</b>		
(a) Security Deposits from Customers	11.21	9.76
(b) Guarantee Commission Obligation	1.86	2.32
<b>Total</b>	<b>13.07</b>	<b>12.08</b>
<b>Current</b>		
(a) Interest accrued but not due on Borrowings	506.46	518.57
(b) Interest accrued but not due on Borrowings from Related Party	2.61	3.85
(c) Investor Education and Protection Fund shall be credited by the following amounts namely: (Refer Note 2 below)		
Unpaid Dividend	23.35	23.16
Unpaid Matured Debentures	0.09	0.09
(d) Other Payables		
Payables for Capital Supplies and Services (Refer Note 37)	655.46	308.06
Security deposits from electricity consumers	247.78	245.75
Security deposits from others	38.22	31.66
Payable to Consumers	220.48	310.53
Supplier's Credit (Refer Note 1 below)	330.53	652.94
Factoring Liability (Refer Note 8(b))	496.80	Nil
Derivative contracts (at Fair Value through Profit and Loss)	13.12	35.84
Other Financial Liabilities	226.54	77.24
<b>Total</b>	<b>2,761.44</b>	<b>2,207.69</b>

#### Notes

- The Company has entered into a Suppliers' Credit Program ("Facility") with a third party whereby the third party shall pay the said coal suppliers on behalf of the Company and the Company shall pay the third party on the due date along with interest. The Company has utilised USD 43.99 million of this facility as at March 31, 2022. As the Facility provided by the third party is within the credit period provided by the coal vendors, the outstanding liability has been disclosed under other financial liabilities.
- Includes amounts outstanding aggregating ₹ 0.21 crore (March 31, 2021 - ₹ 1.69 crore) for more than seven years pending disputes and legal cases.

### 26. Deferred Tax Liabilities/(Asset)(Net)

(Refer Note 36)

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Deferred Tax Assets	4,140.70	1,028.59
Deferred Tax Liabilities	3,890.70	1,164.02
<b>Net Deferred Tax Liabilities/(Assets)</b>	<b>(250.00)</b>	<b>135.43</b>

## Notes to the Standalone Financial Statements

### 27. Provisions

#### Accounting Policy

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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

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

#### Defined contribution plans

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

#### Defined benefits plans

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

Past service costs are recognised in the Statement of Profit and Loss on the earlier of:

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

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

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

The cost of the defined benefit gratuity plan and other post-employment medical benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

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

## Notes to the Standalone Financial Statements

### 27. Provisions (Contd.)

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
<b>Non-current</b>		
<b>Provision for Employee Benefits</b>		
Compensated Absences	82.48	82.70
Gratuity [Refer Note 27 (2.3b)]	15.19	13.35
Post-Employment Medical Benefits [Refer Note 27 (2.1) and (2.3)]	59.39	57.67
Other Defined Benefit Plans [Refer Note 27 (2.1) and (2.3)]	100.84	106.35
Other Employee Benefits	16.10	14.66
<b>Total</b>	<b>274.00</b>	<b>274.73</b>
<b>Current</b>		
<b>Provision for Employee Benefits</b>		
Compensated Absences	15.33	15.65
Post-Employment Medical Benefits [Refer Note 27 (2.1) and (2.3)]	3.27	3.15
Other Defined Benefit Plans [Refer Note 27 (2.1) and (2.3)]	23.57	16.62
Other Employee Benefits	2.06	3.29
<b>Total</b>	<b>44.23</b>	<b>38.71</b>
<b>Other Provisions</b>	0.36	0.36
<b>Total</b>	<b>44.59</b>	<b>39.07</b>

#### Employee Benefit Plans

##### 1. Defined Contribution plan

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

The Company has recognised ₹ 7.16 crore (March 31, 2021 - ₹ 7.84 crore) for superannuation contribution in the Statement of Profit and Loss. The contribution payable to the plan by the Company is at rates specified in the rules of the plan.

- b) The Company operates defined contribution retirement benefit plans for employees of Mundra Plant. The employees of the Company are members of Employee Provident Fund. The Company is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Company with respect to the retirement benefit plan is to make the specified contributions.

The total expense recognized in Statement of Profit & Loss is ₹ 1.43 crores (for the year ended March 31, 2021 ₹ 1.44 crores) represents contribution for the year paid/payable to the Employee Provident Fund. The contribution outstanding as at March 31, 2022 of ₹ 0.35 crore (as at March 31, 2021 ₹ 0.35 crore) due in respect of financial year 2021-22 (financial year 2020-21) is payable in the subsequent reporting periods.

- c) The Company is in the process of transferring employees under erstwhile Coastal Gujarat Power Limited to the payroll of the Company. Post transfer, all employees will get transferred to existing provident fund scheme and gratuity fund scheme of the Company.

## Notes to the Standalone Financial Statements

### 27. Provisions (Contd.)

#### 2. Defined benefit plans

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

###### Funded:

###### Provident Fund

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

The actuary has provided a valuation of provident fund liability based on the assumptions listed and determined the net short fall of ₹ Nil as at March 31, 2022 (March 31, 2021 - ₹ 6.50 crore) which has been recognised as an expense during the year.

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

Particulars	As at March 31, 2022		As at March 31, 2021	
	8.10% p.a.	8.50% p.a.	6.80% p.a.	6.60% p.a.
Interest rate	8.10% p.a.	8.50% p.a.	6.80% p.a.	6.60% p.a.
Discount rate				
Contribution during the year (₹ crore)	20.20		19.92	
Short fall recognised as an expenditure for the year (₹ crore)	Nil		6.50	

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

Funded Plan:	Present value of obligation ₹ crore	Fair value of plan assets ₹ crore	Net amount ₹ crore
<b>Balance as at 1st April, 2020</b>	<b>807.76</b>	<b>750.52</b>	<b>57.24</b>
Current service cost	18.87	Nil	18.87
Interest Cost/(Income)	48.84	47.79	1.05
<b>Amount recognised in Statement of Profit and Loss</b>	<b>67.71</b>	<b>47.79</b>	<b>19.92</b>
<b>Remeasurement (gains)/losses</b>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	68.73	(68.73)
Actuarial (gains)/losses arising from changes in demographic assumptions	Nil	Nil	Nil
Actuarial (gains)/losses arising from changes in financial assumptions	52.89	Nil	52.89
Actuarial (gains)/losses arising from experience	22.34	Nil	22.34
<b>Amount recognised in Other Comprehensive Income</b>	<b>75.23</b>	<b>68.73</b>	<b>6.50</b>
Employer contribution	Nil	18.62	(18.62)
Employee contribution	44.14	44.14	Nil
Benefits paid	(124.23)	(116.10)	(8.13)
Acquisitions credit/(cost)	22.80	22.80	Nil
<b>Balance as at March 31, 2021</b>	<b>893.41</b>	<b>836.51</b>	<b>56.91</b>

## Notes to the Standalone Financial Statements

### 27. Provisions (Contd.)

<b>Funded Plan:</b>	<b>Present value of obligation</b>	<b>Fair value of plan assets</b>	<b>Net amount</b>
	<b>₹ crore</b>	<b>₹ crore</b>	<b>₹ crore</b>
<b>Balance as at April 1, 2021</b>	<b>893.41</b>	<b>836.51</b>	<b>56.91</b>
Current service cost	20.14	Nil	20.14
Interest Cost/(Income)	50.03	49.97	0.06
<b>Amount recognised in Statement of Profit and Loss</b>	<b>70.17</b>	<b>49.97</b>	<b>20.20</b>
<b>Remeasurement (gains)/losses</b>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	(20.41)	20.41
Actuarial (gains)/losses arising from changes in demographic assumptions	Nil	Nil	Nil
Actuarial (gains)/losses arising from changes in financial assumptions	(28.28)	Nil	(28.28)
Actuarial (gains)/losses arising from experience	(0.21)	Nil	(0.21)
<b>Amount recognised in Other Comprehensive Income</b>	<b>(28.49)</b>	<b>(20.41)</b>	<b>(8.08)</b>
Employer contribution	Nil	18.71	(18.71)
Employee contribution	42.43	42.43	Nil
Benefits paid	(56.02)	(60.17)	4.15
Acquisitions credit/(cost)	16.89	16.89	Nil
<b>Balance as at March 31, 2022</b>	<b>938.39</b>	<b>883.93</b>	<b>54.46</b>

#### Funded/Unfunded:

##### Post Employment Medical Benefits

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

##### Pension (including Director pension)

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

##### Ex-Gratia Death Benefit

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

##### Retirement Gift

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

##### Gratuity

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. The gratuity plan is a combination of funded plan and unfunded plan. Unfunded plan pertains to employees of erstwhile Coastal Gujarat Power Limited which has been merged with the Company based on National Company Law Tribunal (NCLT) order dated 31.03.2022. In case of funded plan, the fund has the form of a trust and is governed by Trustees appointed by the Company. The Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy in accordance with the trust regulations.

## Notes to the Standalone Financial Statements

### 27. Provisions (Contd.)

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

Valuation as at	As at March 31, 2022	As at March 31, 2021
Discount Rate	6.80% p.a.	6.60% p.a.
Salary Growth Rate		
- Management	7% p.a.	7% p.a.
- Non-Management	6% p.a.	5% p.a.
Turnover Rate - Age 21 to 44 years		
- Management	6% p.a.	6% p.a.
- Non-Management	0.50% p.a.	0.50% p.a.
Turnover Rate - Age 45 years and above		
- Management	2% p.a.	2% p.a.
- Non-Management	0.50% p.a.	0.50% p.a.
Pension Increase Rate	4% p.a.	4% p.a.
Mortality Table	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) modified Ult
Annual Increase in Healthcare Cost	8% p.a.	8% p.a.

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

(a) Gratuity Fund Plan:	Present value of obligation	Fair value of plan assets	Net amount
	₹ crore	₹ crore	₹ crore
<b>Balance as at 1st April, 2020 *</b>	<b>273.90</b>	<b>(309.35)</b>	<b>(35.45)</b>
Current service cost	17.38	Nil	17.38
Interest Cost/(Income)	17.49	(20.11)	(2.62)
Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations	(0.89)	Nil	(0.89)
<b>Amount recognised in Statement of Profit and Loss - Continuing Operations</b>	<b>33.98</b>	<b>(20.11)</b>	<b>13.87</b>
<b>Remeasurement (gains)/losses</b>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	(16.60)	(16.60)
Actuarial (gains)/losses arising from changes in demographic assumptions	Nil	Nil	Nil
Actuarial (gains)/losses arising from changes in financial assumptions	(1.76)	Nil	(1.76)
Actuarial (gains)/losses arising from experience	(3.16)	Nil	(3.16)
Less: Amount recognised in Other Comprehensive Income - Discontinued Operations	(0.34)	Nil	(0.34)
<b>Amount recognised in Other Comprehensive Income</b>	<b>(5.26)</b>	<b>(16.60)</b>	<b>(21.86)</b>
Benefits paid	(24.61)	Nil	(24.61)
Acquisitions credit/(cost)	(22.36)	Nil	(22.36)
Add: Amounts recognised in current year - Discontinued Operations	0.89	Nil	0.89
<b>Balance as at March 31, 2021 *</b>	<b>256.54</b>	<b>(346.06)</b>	<b>(89.52)</b>
* Net asset is classified as "Other Current Assets".			
<b>Balance as at April 1, 2021 *</b>	<b>256.54</b>	<b>(346.06)</b>	<b>(89.52)</b>
Current service cost	14.46	Nil	14.46
Interest Cost/(Income)	15.81	(22.84)	(7.03)

## Notes to the Standalone Financial Statements

### 27. Provisions (Contd.)

(a) Gratuity Fund Plan:	Present value of obligation	Fair value of plan assets	Net amount
	₹ crore	₹ crore	₹ crore
<b>Amount recognised in Statement of Profit and Loss - Continuing Operations</b>	<b>30.27</b>	<b>(22.84)</b>	<b>7.43</b>
Remeasurement (gains)/losses	Nil	(6.46)	(6.46)
Return on plan assets excluding amounts included in interest cost/(income)	(0.33)	Nil	(0.33)
Actuarial (gains)/losses arising from changes in financial assumptions	5.68	Nil	5.68
Actuarial (gains)/losses arising from experience	<b>5.35</b>	<b>(6.46)</b>	<b>(1.11)</b>
<b>Amount recognised in Other Comprehensive Income</b>			
Benefits paid	(33.96)	Nil	(33.96)
Acquisitions credit/(cost)	(5.50)	Nil	(5.50)
<b>Balance as at March 31, 2022 *</b>	<b>252.70</b>	<b>(375.36)</b>	<b>(122.66)</b>

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

(b) Unfunded Plan - Gratuity and Other Defined Benefit Plans:	Gratuity	Other Defined Benefit Plans
	Amount ₹ crore	Amount ₹ crore
<b>Balance as at 1st April, 2020</b>	<b>14.32</b>	<b>123.25</b>
Current service cost	1.24	5.65
Interest Cost/(Income)	0.89	7.94
<b>Amount recognised in Statement of Profit and Loss - Continuing Operations</b>	<b>2.13</b>	<b>13.59</b>
Remeasurement (gains)/losses		
Actuarial (gains)/losses arising from changes in financial assumptions	(0.15)	1.51
Actuarial (gains)/losses arising from experience	(1.49)	(3.23)
<b>Amount recognised in Other Comprehensive Income</b>	<b>(1.64)</b>	<b>(1.72)</b>
Benefits paid	(1.20)	(5.55)
Acquisitions credit/(cost)	(0.26)	(2.79)
Add: Amounts recognised in current year - Discontinued Operations	Nil	0.10
<b>Balance as at March 31, 2021</b>	<b>13.35</b>	<b>126.88</b>
<b>Balance as at April 1, 2021</b>	<b>13.35</b>	<b>126.88</b>
Current service cost	1.14	5.47
Interest Cost/(Income)	0.87	8.13
<b>Amount recognised in Statement of Profit and Loss - Continuing Operations</b>	<b>2.01</b>	<b>13.60</b>
Remeasurement (gains)/losses		
Actuarial (gains)/losses arising from changes in demographic assumptions	Nil	7.53
Actuarial (gains)/losses arising from changes in financial assumptions	(0.31)	(2.93)
Actuarial (gains)/losses arising from experience	(0.42)	(4.32)
<b>Amount recognised in Other Comprehensive Income</b>	<b>(0.73)</b>	<b>0.28</b>
Benefits paid	(0.11)	(8.11)
Acquisitions credit/(cost)	0.67	(0.04)
<b>Balance as at March 31, 2022</b>	<b>15.19</b>	<b>132.61</b>

## Notes to the Standalone Financial Statements

### 27. Provisions (Contd.)

#### 2.4 Sensitivity analysis

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

	Change in assumption		Increase in assumption		Decrease in assumption		
	March 31, 2022	March 31, 2021	March 31, 2022 ₹ crore	March 31, 2021 ₹ crore	March 31, 2022 ₹ crore	March 31, 2021 ₹ crore	
Discount rate	0.50%	0.50%	Decrease by	18.86	17.99	Increase by	17.54
Salary/Pension growth rate	0.50%	0.50%	Increase by	12.03	11.86	Decrease by	11.35
Mortality rates	1 year	1 year	Decrease by	5.46	5.86	Increase by	5.36
Healthcare cost	0.50%	0.50%	Increase by	4.91	4.74	Decrease by	4.38

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

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

These plans typically expose the Company to actuarial risks such as: Investment Risk, Interest Risk, Longevity Risk and Salary Risk.

Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest Risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

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

	Funded- Provident Fund		Funded- Gratuity		Unfunded		
	March 31, 2022 ₹ crore	March 31, 2021 ₹ crore	March 31, 2022 ₹ crore	March 31, 2021 ₹ crore	March 31, 2022 ₹ crore	March 31, 2021 ₹ crore	
Within 1 year	66.56	61.74	17.89	19.83	9.79	9.54	
Between 1 - 2 years	100.75	101.81	31.26	31.63	10.38	10.03	
Between 2 - 3 years	106.87	94.42	32.12	31.53	11.46	10.46	
Between 3 - 4 years	95.81	93.72	25.49	31.68	12.02	11.33	
Between 4 - 5 years	112.88	86.54	29.38	26.77	12.60	11.47	
Beyond 5 years	581.36	533.46	165.82	166.99	57.90	62.34	
<b>The weighted average duration of:</b>							
Provident Fund					March 31, 2022	March 31, 2021	
Gratuity Fund					8.0 Years	7.0 Years	
					7.6 Years	7.4 Years	

The contribution expected to be made by the Company during the financial year 2022-23 is ₹ 19.97 crore.

#### 2.6 Risk exposure:

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

## Notes to the Standalone Financial Statements

### 27. Provisions (Contd.)

#### Asset volatility:

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

#### Inflation rate risk:

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

#### Demographic risk:

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

#### 2.7 Major categories of plan assets:

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

	Provident Fund				Gratuity			
	As at March 31, 2022		As at March 31, 2021		As at March 31, 2022		As at March 31, 2021	
	₹ crore	%						
<b>Quoted</b>								
Equity Instruments	59.13	6.69%	43.33	5.00%	78.06	20.80%	65.75	19.00%
Government Securities	472.55	53.46%	450.96	54.00%	117.37	31.27%	88.63	25.63%
Debt and other Instruments	352.24	39.85%	342.21	41.00%	179.93	47.93%	191.68	55.00%

### 28. Other Liabilities

	As at March 31, 2022		As at March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
<b>Non-current</b>				
Deferred Revenue - Service Line Contributions from Consumers			104.60	112.95
Deferred Revenue Liability			610.77	511.56
Deferred Rent Liability			41.78	42.76
<b>Total</b>			<b>757.15</b>	<b>667.27</b>
<b>Current</b>				
Statutory Liabilities			135.66	105.08
Advance from Customers/Public Utilities			152.18	178.23
Deferred Revenue - Service Line Contributions from Consumers			7.90	Nil
Statutory Consumer Reserves			191.57	179.00
Liabilities towards Consumers			40.25	12.61
Other Liabilities			27.42	24.84
<b>Total</b>			<b>554.98</b>	<b>499.76</b>

## Notes to the Standalone Financial Statements

### 29. Current Borrowings - At Amortised Cost

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
<b>Unsecured</b>		
<b>From Banks</b>		
(a) Bill Discounting	54.09	Nil
(b) Term Loans		
(i) Repayable on Demand	620.00	999.69
(ii) Others	640.00	360.00
(c) Bank Overdraft - Repayable on Demand	57.38	Nil
<b>From Related Parties</b>		
<b>From Others</b>		
Commercial Paper [maximum amount outstanding during the year is ₹ 6, 900 crore (March 31, 2021 - ₹ 6, 925 crore)]	1,389.92	3,523.81
	<b>3,361.39</b>	<b>5,660.70</b>
<b>Secured</b>		
<b>From Banks</b>		
(a) Term Loans	60.00	60.00
	<b>60.00</b>	<b>60.00</b>
<b>Current Maturities of Non-current Borrowings (Refer Note 22)</b>	3,199.02	2,157.54
<b>Total</b>	<b>6,620.41</b>	<b>7,878.24</b>

#### Notes:

- The rate of interest for term loans from banks ranges from 4.60% to 9.50% (March 31, 2021 - 6.50% to 9.50%) and loan from others is 3.42% to 6.99% (March 31, 2021 - 3.13% to 7.50%).
- The term loan mentioned in (a) above have been secured by pari passu first charge over all current assets of the Company, present and future, except for specific wind assets.

#### Current borrowings secured against current assets

The quarterly returns or statements of current assets filed by the Company with the banks or financial institutions are in agreement with the books of accounts except as follows:

Quarter ended	Value per books of account	Value per quarterly return / statement	Discrepancy
June 30, 2021	Nil	₹ 625 crore	Unapproved regulatory asset included and disclosed as Approved*
September 30, 2021	Nil	₹ 709 crore	
December 31, 2021	Nil	₹ 677 crore	
March 31, 2022	Nil	₹ 867 crore	
December 31, 2021	₹ 1,920 crore	₹ 1,964 crore	Excess debtors reported by ₹ 44 crore#

\* While submitting the quarterly statements for all four quarters during the year, the Company inadvertently included and disclosed unapproved regulatory balances as approved. However, subsequent to year end, the Company has communicated to Bank about the said discrepancy. Further, Bank has confirmed that the intention was not to exclude unapproved balances from the receivable and has initiated the process to change the sanction letter wherein total regulatory asset balance should be considered as receivables for the purpose of sanction limit.

# Subsequent to year end, Company has submitted the revised statement for quarter ended December 2021 and receivable balances as per revised statements are in agreement with the books of accounts.

## Notes to the Standalone Financial Statements

### 30. Current Tax Liabilities

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Income Tax Payable (Net)	107.67	135.17
<b>Total</b>	<b>107.67</b>	<b>135.17</b>

### 31. Revenue from Operations

#### Revenue recognition

##### Accounting Policy

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

Description of performance obligations are as follows :

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

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

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

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

(ii) Sale of Power - Generation: Non-regulated

Revenue from sale of power is recognised net of cash discount, rebate, etc. when the power is supplied as it best depicts the value to the customer and complete satisfaction of performance obligation.

Variable Consideration forming part of the total transaction price including compensation on account of change in law will be allocated and recognised when the terms of variable payment relate specifically to the Company's efforts to satisfy the performance obligation i.e. in the year of occurrence of event linked to variable consideration.

The transaction price has been adjusted for significant financing component, if any and the adjustment is accounted as finance cost. The difference between the revenue recognised and amount invoiced has been presented as deferred revenue/unbilled revenue.

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

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

(iv) Transmission of Power

Revenue from transmission of power is recognised net of cash discount over time for transmission of electricity. The Company as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies. Input method is used to recognize revenue based on the Company's efforts or inputs to the satisfaction of a performance obligation to deliver power. As per tariff regulations, the Company determines ARR and any surplus/shortfall in recovery of the same is accounted as revenue.

(v) Sale of Power - Distribution

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

## Notes to the Standalone Financial Statements

### 31. Revenue from Operations (Contd.)

#### (vi) Rendering of Services

Revenue from a contract to provide services is recognised over time based on : Input method where the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of performance obligation. Revenue, including estimated fees or profits, are recorded proportionally based on measure of progress. Output method where direct measurements of value to the customer based on survey's of performance completed to date. Revenue is recognised net of cash discount at a point in time at the contracted rate.

- (vii) Consumers are billed on a monthly basis and are given average credit period of 30 to 60 days for payment. Wherever applicable no delayed payment charges ('DPC') is charged for the initial 30 days from the date of receipt of invoice by customers. Thereafter, DPC is charged as per the relevant contracts on the outstanding balance. Revenue in respect of delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realisation supported by either an acknowledgement from customers or on receipt of favourable order from regulator / authorities.
- (viii) In the regulated operations of the Company where tariff recovered from consumers is determined on cost plus return on equity, the Income tax cost is pass through cost and accordingly the Company recognises Deferred tax recoverable/payable against any Deferred tax expense/ income. The same is included in 'Revenue from Operations' in case of Generation and Transmission business.

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

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
<b>(a) Revenue from Power Supply and Transmission Charges (Refer Note (i),(ii) and 40(d))</b>		
Add/(Less): Income to be adjusted in future tariff determination (Net)	9,443.46	11,628.47
Add/(Less): Income to be adjusted in future tariff determination (Net) in respect of earlier years	100.00	157.00
Add/(Less): Deferred Tax Recoverable / (Payable)	Nil	(8.53)
	46.12	44.80
	<b>9,589.58</b>	<b>11,821.74</b>
<b>(b) Revenue from Power Supply - Assets Under Finance Lease</b>	1,022.35	942.03
<b>(c) Project/Operation Management Services</b>	206.29	173.88
<b>(d) Income from Finance Lease</b>	79.81	84.66
<b>(e) Other Operating Revenue</b>		
Rental of Land, Buildings, Plant and Equipment, etc.	20.01	13.70
Income in respect of Services Rendered	91.11	60.16
Income from Storage and Terminalling	16.67	16.31
Amortisation of Service Line Contributions	8.64	8.25
Sale of Fly Ash	10.77	13.90
Miscellaneous Revenue	62.70	34.85
	<b>209.90</b>	<b>147.17</b>
<b>Total</b>	<b>11,107.93</b>	<b>13,169.48</b>

## Notes to the Standalone Financial Statements

### 31. Revenue from Operations (Contd.)

#### Details of Revenue from Contract with Customers

Particulars	For the year ended		For the year ended	
	March 31, 2022		March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
Total Revenue from Contract with Customers	10,949.69		13,033.09	
Add/(Less): Significant Financing Component	(58.95)		(49.59)	
Add: Cash Discount/Rebates etc.	94.06		120.64	
<b>Total Revenue as per Contracted Price</b>	<b>10,984.80</b>		<b>13,104.14</b>	

#### Transaction Price - Remaining Performance Obligation

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

The aggregate value of performance obligations that are partially unsatisfied as at March 31, 2022, other than those meeting the exclusion criteria mentioned above, is ₹ 71,547.14 crore (March 31, 2021 - ₹ 1,06,758.95 crore). Out of this, the Company expects to recognize revenue of around 11.11% within next one year and the remaining thereafter.

Note:

- (i) With respect to Mundra Power Plant, the Company has initiated the discussions with Gujarat Urja Vikas Nigam Limited to enter into a supplementary power purchase agreement (SPPA). The discussions are at very advanced stage and agreement is reached except few items for which discussions are ongoing and accordingly the SPPA is yet to be signed and approved. To ensure continuous supply of power, GUVNL has requested the Company to continue supplying power based on the SPPA which will be effective January 1, 2022. Accordingly the differential revenue of ₹ 324.00 crore has been recognized on the basis of the current agreed draft of SPPA for the period from January 2022 to March 2022. Management believes that the Company has an enforceable right to recover the tariff as per draft SPPA and does not expect any significant reversal in the amount recognised as revenue.
- (ii) As per power purchase agreement for Mundra Power Plant, the Company's entitlement to capacity revenue is dependent on availability declared. Accordingly, the Company accrues capacity revenue based on actual declared capacity in the past and for the current year. During the year ended March 31, 2022, based on the actual capacity declared, management has recognized an amount of ₹ 230.47 crore (including ₹ 123.27 crore relating to earlier years) as a reduction in revenue.

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

	Revenue from Contracts with Customers		Others		Total	
	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>₹ crore</b>						
<b>Generation of Power - Thermal and Hydro</b>						
Sale of Power	5,142.08	8,365.15	Nil	Nil	5,142.08	8,365.15
Sale of Power from Assets Under Lease	1,022.35	942.03	Nil	Nil	1,022.35	942.03
Project/Operation Management Services	178.07	144.60	Nil	Nil	178.07	144.60
Income from Finance Lease	Nil	Nil	77.68	84.66	77.68	84.66
Others	13.31	16.98	29.08	18.74	42.39	35.72
<b>Total (A)</b>	<b>6,355.81</b>	<b>9,468.76</b>	<b>106.76</b>	<b>103.40</b>	<b>6,462.57</b>	<b>9,572.16</b>

## Notes to the Standalone Financial Statements

### 31. Revenue from Operations (Contd.)

	Revenue from Contracts with Customers		Others		Total	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
<b>Generation of Power - Wind and Solar</b>						
Sale of Power	0.05	107.70	Nil	Nil	0.05	107.70
Others	Nil	Nil	0.04	Nil	0.04	Nil
<b>Total (B)</b>	<b>0.05</b>	<b>107.70</b>	<b>0.04</b>	<b>Nil</b>	<b>0.09</b>	<b>107.70</b>
<b>Transmission and Distribution of Power</b>						
Transmission of Power	975.64	828.79	Nil	Nil	975.64	828.79
Distribution of Power	3,465.23	2,520.09	Nil	Nil	3,465.23	2,520.09
Net Movement in Regulatory Deferral Balances	Nil	Nil	134.35	299.62	134.35	299.62
Project/Operation Management Services	22.04	22.45	Nil	Nil	22.04	22.45
Others	9.92	10.82	37.74	27.23	47.66	38.05
<b>Total (C)</b>	<b>4,472.83</b>	<b>3,382.15</b>	<b>172.09</b>	<b>326.85</b>	<b>4,644.92</b>	<b>3,709.00</b>
<b>Others (D)</b>	<b>51.25</b>	<b>34.40</b>	<b>2.15</b>	<b>Nil</b>	<b>53.40</b>	<b>34.40</b>
<b>Unallocable Revenue (E)</b>	<b>69.75</b>	<b>40.08</b>	<b>11.55</b>	<b>5.76</b>	<b>81.30</b>	<b>45.84</b>
<b>Revenue from Continuing Operations (including Net Movement in Regulatory Deferral Balances) (A + B + C + D + E)</b>	<b>10,949.69</b>	<b>13,033.09</b>	<b>292.59</b>	<b>436.01</b>	<b>11,242.28</b>	<b>13,469.10</b>
<b>Revenue from Discontinued Operations</b>	<b>Nil</b>	<b>193.63</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>193.63</b>

Reconciliation of Revenue	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Revenue from Continuing Operations as per above table	11,242.28	13,469.10
Less: Net Movement in Regulatory Deferral Balances	134.35	299.62
<b>Total Revenue from Operations</b>	<b>11,107.93</b>	<b>13,169.48</b>

Contract Balances	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Contract Assets</b>		
Recoverable from Consumers		
Non-current	1,408.30	1,161.06
<b>Total Contract Assets</b>	<b>1,408.30</b>	<b>1,161.06</b>
<b>Contract Liabilities</b>		
Liabilities towards Consumers		
Non-current	610.77	511.56
Current	40.25	12.61
<b>Total Contract Liabilities</b>	<b>651.02</b>	<b>524.17</b>
<b>Receivables</b>		
Trade Receivables (Gross)	1,191.16	1,750.95
Unbilled Revenue for passage of time	58.86	75.37
Recoverable from Consumers	98.68	75.67
(Less): Allowances for Doubtful Debts	(164.51)	(171.08)
<b>Net Receivables</b>	<b>1,184.19</b>	<b>1,730.91</b>
<b>Total</b>	<b>3,243.51</b>	<b>3,416.14</b>

## Notes to the Standalone Financial Statements

### 31. Revenue from Operations (Contd.)

#### **Contract assets**

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

#### **Contract Liabilities**

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

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

Particulars	As at March 31, 2022		As at March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
<b>Opening Balance</b>				
Recoverable from consumers	1,161.06		960.84	
Liabilities towards consumers	(524.17)		(487.60)	
	<b>(A)</b>		<b>636.89</b>	<b>473.24</b>
Income to be adjusted in future tariff determination (Net)	100.00		157.00	
Income to be adjusted in future tariff determination in respect of earlier years (Net)	Nil		(8.53)	
Movement in Deferred Revenue Liability	(99.21)		(84.72)	
Refund to customers (including Company's distribution business)	67.41		57.58	
Deferred tax recoverable/(payable)	46.12		44.80	
Others	6.07		(2.48)	
	<b>(B)</b>		<b>120.39</b>	<b>163.65</b>
<b>Closing Balance</b>				
Recoverable from consumers	1,408.30		1,161.06	
Liabilities towards consumers	(651.02)		(524.17)	
	<b>(A + B)</b>		<b>757.28</b>	<b>636.89</b>

### 32. Other Income

#### **Accounting Policy**

#### **Dividend and Interest income**

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

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

	For the year ended		For the year ended	
	March 31, 2022	₹ crore	March 31, 2021	₹ crore
<b>(a) Interest Income</b>				
<b>(i) On Financial Assets carried at Amortised Cost</b>				
Interest on Banks Deposits	1.57		3.44	
Interest on Overdue Trade Receivables (Refer note 31 (ii))	107.05		45.49	
Interest on Non-current Investment	12.19		10.96	
Interest on Non-current Investment - Deferred Tax Liability Fund	0.10		0.84	
Interest on Financial Assets - Subsidiaries	125.66		119.38	
Other Interest	3.79		0.51	
	<b>250.36</b>		<b>180.62</b>	

## Notes to the Standalone Financial Statements

### 32. Other Income (Contd.)

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
<b>(b) Dividend Income</b>		
From Non-current Investments		
Subsidiaries	2,516.94	941.51
Joint Ventures	112.11	47.74
Associates	1.78	Nil
Others - Equity Investments designated as FVTOCI	9.12	8.25
	<b>2,639.95</b>	<b>997.50</b>
<b>(c) Gain/(Loss) on Investments</b>		
Gain on sale/Fair Value of current investment measured at FVTPL	8.43	23.49
	<b>8.43</b>	<b>23.49</b>
<b>(d) Other Non-operating Income</b>		
Guarantee Commission from Subsidiaries and Joint Ventures	25.51	21.82
Gain/(Loss) on Disposal of Property, Plant and Equipment (Net)	(10.77)	17.21
Delayed Payment Charges	5.75	7.02
Liability Written Back (Refer Note Below)	49.25	Nil
Other Income	18.63	12.53
	<b>88.37</b>	<b>58.58</b>
<b>Total</b>	<b>2,987.11</b>	<b>1,260.19</b>

Note:

Liability written back includes, reversal of provision pertaining to fly ash of ₹ 21.74 crore recognised in earlier years pursuant to an order passed by National Green Tribunal on February 12, 2020. During the year, Ministry of Environment, Forest and Climate Change (MoEF&CC) issued a Notification on 31st December, 2021 prescribing timelines and manner of utilization of legacy ash as on the date of the notification. The Company believes that it will be able to utilize the legacy fly ash within the revised applicable timeline and accordingly the fly ash provision is reversed.

### 33. Employee Benefits Expense

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Salaries and Wages	587.74	559.18
Contribution to Provident Fund	21.64	21.36
Contribution to Superannuation Fund	7.16	7.84
Gratuity	9.44	16.00
Compensated Absences	21.12	13.75
Pension	18.28	15.23
Staff Welfare Expenses	112.81	101.69
	<b>778.19</b>	<b>735.05</b>
<i>Less:</i>		
Employee Cost Capitalised	30.49	27.12
Employee Cost Inventorised	10.11	10.44
	<b>40.60</b>	<b>37.56</b>
<b>Total</b>	<b>737.59</b>	<b>697.49</b>

## Notes to the Standalone Financial Statements

### 34. Finance Costs

#### Accounting Policy

#### Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
<b>(a) Interest Expense:</b>		
<b>On Borrowings - At Amortised Cost</b>		
Interest on Debentures	1,066.10	944.06
Interest on Loans - Banks, Financial Institutions and Commercial Papers	688.03	1,119.73
Interest on Loans - Related Parties	21.76	10.36
<b>Others</b>		
Interest on Consumer Security Deposits - At Amortised cost	10.36	11.05
Interest on Lease Liabilities - At Amortised cost	275.36	270.14
Other Interest and Commitment Charges	13.79	15.72
	<b>2,075.40</b>	<b>2,371.06</b>
Less: Interest Capitalised	8.23	8.38
Less: Interest Inventorised	15.76	10.23
	<b>2,051.41</b>	<b>2,352.45</b>
<b>(b) Other Borrowing Costs:</b>		
Other Finance Costs	137.53	144.23
<b>Total</b>	<b>2,188.94</b>	<b>2,496.68</b>

Note:

The weighted average capitalisation rate on the Company's general borrowings is 6.90 % p.a. (March 31, 2021 - 7.64 % p.a.).

### 35. Other Expenses

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
<b>Consumption of Stores and Oil</b>		
	71.70	58.42
<b>Rental of Land, Buildings, Plant and Equipment</b>		
	25.11	12.17
<b>Repairs and Maintenance -</b>		
(i) To Buildings and Civil Works	116.84	91.14
(ii) To Machinery and Hydraulic Works	355.94	343.79
(iii) To Furniture and Vehicles	5.94	5.75
	<b>478.72</b>	<b>440.68</b>
<b>Rates and Taxes</b>		
	54.97	53.38
<b>Insurance</b>		
	65.69	70.44
<b>Other Operation Expenses</b>		
	99.22	100.57

## Notes to the Standalone Financial Statements

### 35. Other Expenses (Contd.)

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Ash Disposal Expenses	10.25	14.01
Travelling and Conveyance Expenses	21.94	17.47
Consultants' Fees	23.02	17.08
Auditors' Remuneration	6.40	5.92
Cost of Services Procured	121.27	110.12
Bad Debts	2.27	2.43
Net (gain)/ Loss on Foreign Exchange	128.88	58.78
Allowance for Doubtful Debts and Advances (Net)	(10.78)	16.62
Legal Charges	24.46	18.54
Corporate Social Responsibility	2.09	3.67
Transfer to Statutory Consumer Reserve	12.57	11.00
Miscellaneous Expenses	59.68	57.74
<b>Total</b>	<b>1,197.46</b>	<b>1,069.04</b>

#### (i) Payment to the auditors

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
For Statutory Audit	4.73	4.42
For Taxation Matters	0.20	0.19
For Other Services	0.48	0.39
For Reimbursement of Expenses	0.01	0.03
Goods and Service Tax on above	0.98	0.89
<b>Total</b>	<b>6.40</b>	<b>5.92</b>

#### (ii) Corporate Social Responsibility

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Contribution to Tata Power Community Development Trust	1.46	3.50
Other expenses	0.63	0.17
<b>Total</b>	<b>2.09</b>	<b>3.67</b>
Amount required to be spent as per section 135 of the Companies Act 2013.	2.09	3.67
Amount spent during the year on:		
(a) Construction/Acquisition of asset	Nil	Nil
(b) On purposes other than (a) above	2.09	3.67

## Notes to the Standalone Financial Statements

### 36. Income taxes

#### Accounting Policy

##### Current Tax

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

Current income tax related to items recognised outside Statement of Profit and Loss are recognised either in other comprehensive income or in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### Deferred Tax

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Deferred tax related to items recognised outside profit or loss is recognised either in other comprehensive income or in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

#### (i) Income Tax Expenses

##### 1. Income taxes recognised in the Statement of Profit and Loss (Continuing Operations)

	For the year ended March 31, 2022	For the year ended March 31, 2021	
		₹ crore	₹ crore
		Nil	206.60
Current tax	(105.11)	Nil	Nil
Current tax in respect of earlier years (Refer Note a and c)	(8.91)	(105.20)	
Deferred tax	(738.56)	Nil	
Deferred tax relating to earlier years (Refer Note b)	359.62	Nil	
Deferred tax remeasurement on account of transition of New Tax regime (Net) (Refer Note c)	(492.96)	101.40	
<b>Total income tax expense</b>			

Note:

- a Subsequent to the merger of Coastal Gujarat Power Limited (CGPL) with the Company with effect from April 1, 2020, the Company has reassessed its provision for current taxes and has written back an amount of ₹87.30 crore relating to previous year.

## Notes to the Standalone Financial Statements

### 36. Income taxes (Contd.)

- b The Company has also reassessed the recoverability of unabsorbed depreciation and brought forward tax losses of CGPL and has recognized deferred tax asset amounting to ₹ 968.56 crore and has written off deferred tax asset on capital losses amounting to ₹230.00 crore.
- c The Company has transitioned to the new tax regime effective April 1, 2020 and accordingly, during the year, the Company had remeasured its tax balances and reversed the deferred tax asset amounting to ₹359.62 crore and written back current tax provision amounting to ₹17.81 crore.

### 2. Income taxes recognised in the Statement of Profit and Loss (Discontinued Operations)

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Current tax	Nil	(101.48)
Deferred tax	Nil	(72.17)
<b>Total income tax expense</b>	<b>Nil</b>	<b>(173.65)</b>

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

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Profit/(Loss) before tax Continuing Operation	2,757.80	441.11
Profit/(Loss) before tax Discontinuing Operation	(467.83)	(219.84)
<b>Profit/(Loss) Before Tax</b>	<b>2,289.97</b>	<b>221.27</b>
Income tax expense @25.17% (March 31, 2021: 34.944%)	576.39	77.32
<b>Add/(Less) tax effect on account of :</b>		
Provision for impairment	144.64	Nil
Utilisation of unrecognised capital loss on sale of investment/asset	(382.21)	(11.52)
Effect of tax holiday period	Nil	(66.77)
Deduction under section 80M	Nil	(146.65)
Profit taxable at different rates	Nil	(11.42)
Deferred Tax Asset on losses and MAT credit not recognised	Nil	189.72
Non-Deductible expenses	5.41	49.50
Deferred tax asset in respect of earlier years (Refer Note 36(i)(b))	(968.56)	Nil
Utilisation of unrecognised unabsorbed depreciation	(353.14)	Nil
Current tax in respect of earlier years - (Refer Note 36(i) (a) and (c))	(105.11)	Nil
Remeasurement of deferred tax balances on the expected sale of assets/investments (Refer Note 36(i) (b) and Note 1 below)	230.00	(131.00)
Remeasurement of deferred tax on account of transition to new tax regime (Refer Note 36(i)(c))	359.62	Nil
Measurement of deferred tax at 25.17% expected to be reversed in the new tax regime	Nil	(20.38)
Others	Nil	(1.05)
<b>Income tax expenses recognised in Statement of Profit and Loss</b>	<b>(492.96)</b>	<b>(72.25)</b>
Tax expense for the Continuing Operations	(492.96)	101.40
Tax expense for the Discontinued Operations	Nil	(173.65)
<b>Income tax expense recognised in Statement of Profit and Loss</b>	<b>(492.96)</b>	<b>(72.25)</b>

Notes:

- 1 During the previous year, the Company had entered into a Business Transfer Agreement with Tata Power Renewable Energy Limited and Tata Power Green Energy Limited, wholly owned subsidiaries, for transfer of renewable assets (forming part of renewable segment) as a "going concern" on a slump sale basis effective on or after April 1, 2021. Consequently, as per the requirement of Ind AS 12, the Company

## Notes to the Standalone Financial Statements

### 36. Income taxes (Contd.)

had reassessed its deferred tax balances including its unrecognized deferred tax assets on capital losses and had recognized gain of ₹ 131.00 crore in the Standalone Financial Statements.

#### 3. Income tax recognised in other comprehensive income

		For the year ended March 31, 2022	For the year ended March 31, 2021
		₹ crore	₹ crore
<b>Current Tax</b>			
Remeasurement of defined benefit obligation		Nil	Nil
<b>Deferred tax</b>			
Remeasurements of defined benefit obligation		2.43	4.61
<b>Total income tax recognised in other comprehensive income</b>		<b>2.43</b>	<b>4.61</b>
Items that will not be reclassified to Statement of Profit and Loss		2.43	4.61

#### (ii) Deferred Tax

		As at March 31, 2022	As at March 31, 2021
		₹ crore	₹ crore
<b>Deferred Tax Assets</b>			
Deferred Tax Assets		4,140.70	3,878.50
Deferred Tax Liabilities		3,890.70	4,013.93
<b>Deferred Tax Liabilities/(Assets) (Net)</b>		<b>(250.00)</b>	<b>135.43</b>

2021-22	Opening balance	Recognised in profit or loss (including discontinued operation)	Recognised in other comprehensive Income (including discontinued operation)	Closing balance	
				₹ crore	₹ crore
<b>Deferred tax assets in relation to</b>					
Allowance for doubtful debts, deposits and advances	58.60	(11.26)	Nil	47.34	
Provision for employee benefits and others	74.00	(31.43)	(2.43)	40.14	
Minimum Alternate Tax credit	437.51	(437.51)	Nil	Nil	
Impact of measuring derivative financial instrument at fair value	6.90	(4.87)	Nil	2.03	
Capital loss on sale of investments and indexation benefit available on investments	492.56	(342.56)	Nil	150.00	
Lease liability	633.85	8.62	Nil	642.47	
Deferred revenue - Ind AS 115	128.74	24.97	Nil	153.71	
Unabsorbed depreciation	2,045.97	1,059.03	Nil	3,105.00	
	<b>3,878.13</b>	<b>264.99</b>	<b>(2.43)</b>	<b>4,140.70</b>	
<b>Deferred tax liabilities in relation to</b>					
Property, Plant and Equipment (including finance leases)	3,381.97	(108.72)	Nil	3,273.25	
Right of use asset	626.74	(14.14)	Nil	612.60	
Others	4.85	Nil	Nil	4.85	
	<b>4,013.56</b>	<b>(122.86)</b>	<b>Nil</b>	<b>3,890.70</b>	
<b>Deferred Tax Liabilities/(Assets) (Net)</b>	<b>135.43</b>	<b>(387.85)</b>	<b>2.43</b>	<b>(250.00)</b>	

## Notes to the Standalone Financial Statements

### 36. Income taxes (Contd.)

2020-21	Opening balance	Recognised in profit or loss (including discontinued operation)	Recognised in other comprehensive income (including discontinued operation)	Closing balance
	₹ crore	₹ crore	₹ crore	₹ crore
<b>Deferred tax assets in relation to</b>				
Allowance for doubtful debts, deposits and advances	66.08	(7.48)	Nil	58.60
Provision for employee benefits and others	76.30	2.31	(4.61)	74.00
Minimum Alternate Tax credit	437.51	Nil	Nil	437.51
Impact of measuring derivative financial instrument at fair value	0.15	7.12	Nil	7.27
Capital loss on sale of investments and indexation benefit available on investments	379.97	112.59	Nil	492.56
Lease liability	872.32	(238.47)	Nil	633.85
Deferred revenue - Ind AS 115	149.15	(20.41)		128.74
Unabsorbed depreciation	3,165.80	(1,119.83)	Nil	2,045.97
	<b>5,147.28</b>	<b>(1,264.17)</b>	<b>(4.61)</b>	<b>3,878.50</b>
<b>Deferred tax liabilities in relation to</b>				
Property, Plant and Equipment (including finance leases)	4,529.47	(1147.50)	Nil	3,381.97
Impact of measuring derivative financial instrument at fair value	30.90	(30.53)	Nil	0.37
Right of use asset	889.39	(262.65)	Nil	626.74
Others	5.71	(0.86)	Nil	4.85
	<b>5,455.47</b>	<b>(1441.54)</b>	<b>Nil</b>	<b>4,013.93</b>
<b>Deferred Tax Liabilities/(Assets) (Net)</b>	<b>308.19</b>	<b>(177.37)</b>	<b>4.61</b>	<b>135.43</b>

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

As at March 31, 2022	Within one year	Greater than one year, less than five years	Greater than five years	No expiry date	Closing balance
	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
Capital loss on sale of investment and indexation benefit*	Nil	407.92	141.96	Nil	549.88
Business loss	Nil	Nil	1,025.36	Nil	1,025.36
Unabsorbed depreciation	Nil	Nil	Nil	134.00	134.00
Minimum Alternate Tax credit	Nil	Nil	Nil	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>407.92</b>	<b>1,167.32</b>	<b>134.00</b>	<b>1,709.24</b>

As at March 31, 2021	Within one year	Greater than one year, less than five years	Greater than five years	No expiry date	Closing balance
	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
Capital loss on sale of investment and indexation benefit*	Nil	Nil	501.90	Nil	501.90
Business loss	163.81	504.92	293.23	Nil	961.96
Unabsorbed depreciation	Nil	Nil	Nil	1,788.49	1,788.49
Contingent provision against standard asset	0.11	Nil	Nil	Nil	0.11
Minimum Alternate Tax credit	Nil	4.67	212.98	Nil	217.65
<b>Total</b>	<b>163.92</b>	<b>509.59</b>	<b>1,008.11</b>	<b>1,788.49</b>	<b>3,470.11</b>

\* The unrecognised deferred tax asset on impairment of investments of ₹ 141.96 crores (March 31, 2021 - ₹ 134.61 crore) relating to capital loss shall expire within 8 years from the date of sale of investment.

## Notes to the Standalone Financial Statements

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

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
(a) Principal amount remaining unpaid	58.28*	23.94
(b) Interest due thereon	0.55	0.20
	<b>58.83</b>	<b>24.14</b>
(c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	Nil	Nil
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.75	0.20
(f) The amount of further interest remaining 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 of the MSMED Act, 2006	Nil	Nil

\* It includes amount payable in the nature of capital creditors as disclosed under note 25 - Other Financial Liabilities

### 38. Commitments:

- (a) Estimated amount of Contracts remaining to be executed on capital account and not provided for ₹ 1,920.97 crore (March 31, 2021 - ₹ 2,060.12 crore.)
- (b) Other Commitments
  - (i) The Company has undertaken to arrange for the necessary financial support to its subsidiaries Bhira Investments Pte. Ltd., Khopoli Investments Ltd., Bhivpuri Investments Ltd., TP Renewable Microgrid Ltd., Tata Power Jamshedpur Distribution Ltd. and Tata Power International Pte. Ltd.
  - (ii) In respect of Maithon Power Ltd. (MPL), the Company jointly with Damodar Valley Corporation (DVC) has undertaken to the lenders of MPL, to provide support by way of base equity contribution and additional equity or subordinated loans to meet the increase in Project Cost. Further, the Company has given an undertaking to MPL to fulfil payment obligations of Tata Power Trading Company Ltd. (TPTCL) and Tata Power Delhi Distribution Ltd. (TPDDL) in case of their default.

### 39. Contingent liabilities

#### Accounting Policy

In the normal course of business, contingent liabilities arise from litigations and claims. It is a possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses the same.

## Notes to the Standalone Financial Statements

### 39. Contingent liabilities (Contd.)

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Contingent liabilities including:</b>		
a) <b>Claims against the Company not probable and hence not acknowledged as debts consists of</b>		
(i) Demand disputed by the Company relating to Service tax on transmission charges received for July 2012 to June 2017 (excluding interest and penalty).	375.29	375.29
(ii) Way Leave fees (including interest) claims disputed by the Company relating to rates charged.	53.21	48.47
(iii) Custom duty claims disputed by the Company relating to applicability and classification of coal.	110.81	110.81
(iv) Access Charges demand for laying underground cables.	24.04	30.14
(v) Rates, Cess, Excise and Custom Duty claims disputed by the Company.	7.31	10.20
(vi) Other claims against the Company not acknowledged as debts.	42.59	41.68
(vii) Applicability of Green cess on generation of electricity.	464.89	446.71
(viii) Applicability of Stamp Duty on import of coal	41.00	37.48
(ix) Petition seeking approval for additional Short term Renewable Power Purchase for Renewable Power obligation compliance.	9.41	Nil
	<b>1,128.55</b>	<b>1,100.78</b>

Notes:

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

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>b) Other Contingent Liabilities:</b>		
Taxation matters for which liability is disputed by the Company and not provided for (computed on the basis of assessments which have been re-opened / remaining to be completed).	115.45	152.68
In an earlier year, Maharashtra State Electricity Distribution Company Limited (MSEDCL) had raised a demand for determination of fixed charges for unscheduled interchange of power. The Company had filed a petition against the said demand for which stay has been granted by the ATE till the methodology for the determination is fixed. Considering the same, currently, the amount of charges payable is not ascertainable and hence, no provision has been recognized during the year. Further, in case of unfavourable outcome, the Company believes that it will be allowed to recover the same from consumers through future adjustment in tariff.	215.02	215.02

	As at March 31, 2022	As at March 31, 2021
	₹ crore*	₹ crore*
<b>c) Indirect exposures of the Company:</b>		
<b>Guarantees given :</b>		
(i) Khopoli Investments Ltd.	946.51 (equivalent to USD 125.01 million)	913.97 (equivalent to USD 125.01 million)
(ii) Bhira Investments Pte. Ltd.	1,476.51 (equivalent to USD 195.01 million)	1,425.75 (equivalent to USD 195.01 million)
(iii) Tata Power Renewable Energy Ltd.	2,774.66	2,962.87
(iv) Tata Power International Pte. Ltd.	754.52 (equivalent to USD 100.19 million)	732.49 (equivalent to USD 100.19 million)
(v) Walwan Renewable Energy Ltd.	164.17	1,320.55
(vi) Walwan Solar TN Ltd.	104.39	33.98
(vii) Walwan Wind RJ Ltd.	105.44	83.28

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

## Notes to the Standalone Financial Statements

### 39. Contingent liabilities (Contd.)

- d) The Company has provided a Bank Guarantee of USD 87 Million (₹ 659.34 crore) (March 31, 2021 USD 90 Million (₹ 657.99 crore)) and Corporate Guarantee of USD 32 Million(₹ 242.52crore) (March 31, 2021 USD 40 Million (₹ 292.44 crore)) to Oldendorff as per the affreightment contract entered by Trust Energy Resources Pte. Ltd.
- e) The Company had acquired 51 % stake in TP Central Odisha Distribution Limited ('TPCODL'), TP Western Odisha Distribution Limited ('TPWODL') TP Southern Odisha Distribution Limited ('TPSODL') and TP Northern Odisha Distribution Limited ('TPNODL') to carry out the function of distribution and retail supply of electricity covering the distribution circles of central, western, southern and northern parts of Odisha. Pursuant to these acquisition and as per the terms of the vesting order, in previous year the Company has issued bank guarantee to Odisha Electricity Regulatory Commission ('OERC') for TPCODL,TPWODL,TPSODL and TPNODL of ₹ 150.00 crore (March 31, 2021, ₹150.00 crore), ₹150.00 crore (March 31, 2021, ₹150.00 crore), ₹100.00 crore (March 31, 2021, ₹100.00 crore) and ₹150 crore (March 31, 2021, ₹150.00 crore) respectively.
- f) The Company has given performance guarantee and letter of credit on behalf of TP Ajmer Distribution Ltd of ₹ 106.17 crore (March 31, 2021 ₹ 106.17 crore) to Ajmer Vidyut Vitran Nigam Ltd as per the distribution franchisee agreement.
- g) The Company has given performance guarantee on behalf of Trust Energy Resources Pte. Ltd. to Maxpente Shipping Corporation of USD 10 Million (₹75.78 crore) (March 31, 2021 USD 10 Million (₹73.11 crore)) for its obligation under the cost of affreightment contract.

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

### 40. Other disputes

- a. In the earlier year, the Company had recognised an expense of ₹ 276.35 crore net of amount recoverable from customers including adjustment with consumer reserve in relation to Hon'ble Supreme Court's judgement on standby litigation. Further in the earlier year, Maharashtra Electricity Regulatory Commission (MERC) vide its order dated March 30, 2020 had allowed the recovery of part of the standby charges amount from the consumers. In the previous year, MERC vide its order dated 21st December, 2020, has revised its earlier order and disallowed the recovery of the said amount. Consequently, the Company had recognized an expense of ₹ 109.29 crore (including carrying cost) and disclosed as an exceptional item.
- b. In the earlier year, Maharashtra Electricity Regulatory Commission has disallowed certain costs amounting to ₹ 503.00 crore (adjusted upto the current year) (March 31, 2021 ₹ 419.00 crore) recoverable from consumers in the tariff true up order. The Company has filed appeal against the said order to Appellate Tribunal for Electricity which is pending for final disposal. The Company believes it has a strong case and accordingly no adjustment is required.
- c. In an earlier year, Maharashtra Electricity Regulatory Commission has disallowed carrying cost and other costs amounting to ₹ 269.00 crore (March 31, 2021 ₹ 269.00 crore) which was upheld by the Appellate Tribunal for Electricity (ATE). The Company has filed Special Leave Petition (SLP) against the order of ATE with the Supreme Court which is pending for final disposal. The Company believes it has a strong case and accordingly no adjustment is required.
- d. The Hon'ble Appellate Tribunal for Electricity (APTEL), vide its order dated April 27, 2021 allowed the appeal with respect to certain claims related to change in law for Mundra Power Plant. Accordingly, the Company has recognized an income amounting to ₹ 351.79 crore during the year ended March 31, 2022 comprising of ₹ 279.87 crore classified as Revenue from Operations (including an amount of ₹268.94 crore relating to earlier years) and ₹ 71.92 crore classified as Other Income (including an amount of ₹ 58.82 crore relating to earlier years). The Consumer has litigated the said order in the Supreme Court. The Company believes it has a strong case and does not expect any significant reversal of revenue.
- e. During year ended March 31, 2022, the Company has received Notice of Arbitration (NoA) filed by Kleros Capitals to commence arbitration in Singapore International Arbitration Centre (SIAC) against the Company. The NoA is served pursuant to alleged breach of various sections of Non disclosure agreements (NDA) entered by the Company in earlier years and circumvention of Kleros's economic interests in addition to loss of profits. The Company believes that there has been no use of confidential data and there was no breach to sections of NDA. Based on above assessment and legal opinion obtained, the Company strongly believes that there is strong case and hence no provision is required for the concerned matter of arbitration.

## Notes to the Standalone Financial Statements

### 41. Earnings Per Share (EPS)

#### Accounting Policy

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

		For the year ended March 31, 2022	For the year ended March 31, 2021
		₹ crore	₹ crore
<b>A. EPS - Continuing operations (before net movement in Regulatory Deferral Balances)</b>			
Net Profit/ (Loss) from Continuing Operations	A	3,250.76	339.71
Net movement in Regulatory Deferral Balances	B	134.35	299.62
Income-tax attributable to Regulatory Deferral Balances	C	(33.82)	(104.70)
Net movement in Regulatory Deferral Balances (Net of tax)	D=(B+C)	<b>100.53</b>	<b>194.92</b>
Net Profit/ (Loss) (before net movement in Regulatory Deferral Balances)	E=(A-D)	3,150.23	144.79
Less: Distribution on Perpetual Securities (on accrual basis)	F	(29.52)	(171.00)
<b>Profit/ (Loss) from Continuing Operations attributable to equity shareholders (before net movement in Regulatory Deferral Balances)</b>	G=(E+F)	<b>3,120.71</b>	<b>(26.21)</b>
No. of Equity Shares		<b>3,19,81,71,607</b>	<b>3,01,80,73,391</b>
Weighted average number of equity shares for Basic and Diluted EPS		<b>3,19,81,71,607</b>	<b>3,01,80,73,391</b>
<b>EPS - Continuing Operations (before net movement in Regulatory Deferral Balances)</b>			
<b>- Basic and Diluted (In ₹)</b>		<b>9.76</b>	<b>(0.09)</b>
<b>B. EPS - Continuing Operations (after net movement in Regulatory Deferral Balances)</b>			
Net Profit/ (Loss) from Continuing Operations		3,250.76	339.71
Less: Distribution on Perpetual Securities (on accrual basis)		(29.52)	(171.00)
<b>Profit/ (Loss) attributable to equity shareholders (after net movement in Regulatory Deferral Balances)</b>		<b>3,221.24</b>	<b>168.71</b>
Weighted average number of equity shares for Basic and Diluted EPS		<b>3,19,81,71,607</b>	<b>3,01,80,73,391</b>
<b>EPS - Continuing operations (after net movement in Regulatory Deferral Balances)</b>			
<b>- Basic and Diluted (In ₹)</b>		<b>10.07</b>	<b>0.56</b>

## Notes to the Standalone Financial Statements

### 41. Earnings Per Share (EPS) (Contd.)

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>	
		₹ crore	₹ crore
<b>C. EPS - Discontinued operations</b>			
<b>Net Profit/ (Loss) from Discontinued Operations</b>	<b>(467.83)</b>	<b>(46.19)</b>	
Weighted average number of equity shares for Basic and Diluted EPS	<b>3,19,81,71,607</b>	<b>3,01,80,73,391</b>	
<b>EPS - Discontinued Operations</b>			
- <b>Basic and Diluted (In ₹)</b>	<b>(1.46)</b>	<b>(0.15)</b>	
<b>D. EPS - Total Operations (after net movement in Regulatory Deferral Balances)</b>			
Net Profit/(Loss) from Operations (after net movement in Regulatory Deferral Balances)	2,782.93	293.52	
Less: Distribution on Perpetual Securities (on accrual basis)	(29.52)	(171.00)	
<b>Net Profit/ (Loss) from Total Operations attributable to equity shareholders (after net movement in Regulatory Deferral Balances)</b>	<b>2,753.41</b>	<b>122.52</b>	
Weighted average number of equity shares for Basic and Diluted EPS	<b>3,19,81,71,607</b>	<b>3,01,80,73,391</b>	
<b>EPS - Total Operations (after net movement in Regulatory Deferral Balances)</b>			
- <b>Basic and Diluted (In ₹)</b>	<b>8.61</b>	<b>0.41</b>	

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

### 42. Related Party Disclosures:

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

Names of the related parties and description of relationship:

(a) Related parties where control exists:

(i) Subsidiaries

- 1) Af-Taab Investment Company Ltd  
(Merged with the Company. Refer Note 47).
- 3) Tata Power Trading Company Ltd.
- 5) NELCO Ltd.
- 7) Maithon Power Ltd.
- 9) Tata Power Renewable Energy Ltd.
- 11) Bhira Investments Pte Limited
- 13) Khopoli Investments Ltd.
- 15) Trust Energy Resources Pte. Ltd.\*\*  
(Ceased to be direct subsidiary w.e.f July 22, 2021)
- 17) NDPL Infra Ltd. \*\*
- 19) PT Sumber Energi Andalan Tbk \*\*
- 21) TCL Ceramics Ltd.  
(Ceased to be a subsidiary w.e.f March 24, 2022)
- 23) Poolavadi Windfarm Ltd. \*\*
- 2) Tata Power Solar Systems Ltd.
- 4) Tata Power Green Energy Ltd.
- 6) Tatemet Services Ltd.  
\*\*(Now merged with the Nelco Ltd w.e.f. June 9, 2021)
- 8) Coastal Gujarat Power Ltd  
(Merged with the Company. Refer Note 47).
- 10) TP Renewable Microgrid Ltd.
- 12) Bhivpuri Investments Ltd.
- 14) Tata Power International Pte. Ltd.
- 16) Tata Power Jamshedpur Distribution Ltd.
- 18) Supa Windfarm Ltd.
- 20) Nivade Windfarm Ltd. \*\*
- 22) Walwan Renewable Energy Ltd. \*\*
- 24) Walwan Solar AP Ltd. \*\*

## Notes to the Standalone Financial Statements

### 42. Related Party Disclosures: (Contd.)

- 25) TP Wind Power Limited
- 27) Walwhan Urja Anjar Ltd. \*\*
- 29) Walwhan Solar Raj Ltd. \*\*
- 31) Walwhan Solar Energy GJ Ltd. \*\*
- 33) MI MySolar24 Pvt. Ltd. \*\*
- 35) Walwhan Solar MP Ltd. \*\*
- 37) Walwhan Solar KA Ltd. \*\*
- 39) Walwhan Solar RJ Ltd. \*\*
- 41) Walwhan Solar TN Ltd. \*\*
- 43) Clean Sustainable Solar Energy Pvt. Ltd. \*\*
- 45) Solarsys Renewable Energy Pvt. Ltd. \*\*
- 47) Nelco Network Products Ltd. \*\*
- 49) TP Ajmer Distribution Ltd.
- 51) TP Solapur Ltd.\*\*
- 53) TP Central Odisha Distribution Ltd.  
(w.e.f. June 1, 2020)
- 55) TP Western Odisha Distribution Ltd.  
(w.e.f. January 1, 2021)
- 57) TP Southern Odisha Distribution Ltd.  
(w.e.f. January 1, 2021)
- 59) TP Saurya Ltd (w.e.f. August 2, 2020)
- 61) TP Northern Odisha Distribution Ltd.  
(w.e.f. April 1, 2021)
- 26) Northwest Energy Pvt. Ltd. \*\*
- 28) Dresatz MySolar24 Pvt. Ltd. \*\*
- 30) Walwhan Energy RJ Ltd. \*\*
- 32) Walwhan Solar MH Ltd. \*\*
- 34) Walwhan Solar PB Ltd. \*\*
- 36) Walwhan Wind RJ Ltd. \*\*
- 38) Walwhan Solar BH Ltd. \*\*
- 40) Walwhan Urja India Ltd. \*\*
- 42) Chirasthaayee Surya Ltd. \*\*
- 44) Vagarai Windfarm Ltd. \*\*
- 46) Far Eastern Natural Resources LLC \*\*
- 48) Tata Power Delhi Distribution Ltd.
- 50) TP Kirnali Ltd.\*\*
- 52) TP Kirnali Solar Ltd. (w.e.f. July 23, 2020)
- 54) TP Akkalkot Renewable Ltd (w.e.f. August 11, 2020)
- 56) TP Solapur Solar Ltd. (w.e.f. July 29, 2020)
- 58) TP Solapur Saurya Ltd (w.e.f. May 27, 2021)
- 60) TP Roofurja renewable Ltd (w.e.f. August 22, 2020)

\*\* Through Subsidiary Companies

#### (ii) Employment Benefit Funds

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

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

##### (i) Associates and its related entities

- 1) Tata Projects Ltd.
- 3) The Associated Building Co. Ltd.
- 5) Brihat Trading Pvt Ltd.
- 7) TP Luminare Pvt Ltd. \*\*
- 2) Yashmun Engineers Ltd.
- 4) Dagacchu Hydro Power Corporation Ltd.
- 6) Ind Project Engineering (Sanghai) Co Ltd \*\*
- 8) Tata Projects Provident Fund Trust\*

\* Fund of Associates

\*\* 100% Subsidiary of Associates

##### (ii) Joint Venture Companies

- 1) Tubed Coal Mines Ltd.
- 3) Powerlinks Transmission Ltd.
- 5) PT Antang Gunung Meratus\*\*
- 2) Mandakini Coal Company Ltd.
- 4) Itezhi Tezhi Power Corporation
- 6) PT Kaltim Prima Coal\*\*

## Notes to the Standalone Financial Statements

### 42. Related Party Disclosures: (Contd.)

- 7) Adjaristsqali Netherlands BV\*\*
- 8) Industrial Energy Ltd.
- 9) LTH Milcom Pvt. Ltd.
- 10) Dugar Hydro Power Ltd.
- 11) Renascent Power Ventures Pvt. Ltd. \*\*
- 12) Prayagraj Power Generation Co Ltd. \*\*
- 13) Adjaristsqali Georgia LLC \*\*
- 14) PT Arutmin Indonesia \*\*
- 15) PT Baramulti Suksesarana Tbk\*\*

\*\* Joint Venture of Subsidiaries

- (c)** **(i) Promoters holding more than 20% - 'Promoter'**      1) Tata Sons Pvt. Ltd.
- (ii) Subsidiaries and Jointly Controlled Entities of Promoter - Promoter Group (where transactions have taken place during the year or previous year / balances outstanding) :**

- 1) Ewart Investments Ltd.
- 2) Tata AIG General Insurance Company Ltd.
- 3) Tata Industries Ltd.
- 4) Tata Communications Ltd.
- 5) Tata Investment Corporation Ltd.
- 6) Tata International Ltd.
- 7) Tata Consultancy Services Ltd.
- 8) Tata Ltd.
- 9) Tata Realty and Infrastructure Ltd.
- 10) Tata Sky Ltd.
- 11) Infiniti Retail Ltd.
- 12) Ecofirst Services Ltd.
- 13) Tata Consulting Engineers Ltd.
- 14) Tata Housing Development Co. Ltd. Employees Provident Fund
- 15) Niskalp Infrastructure Services Ltd.  
(Formerly Niskalp Energy Ltd.)
- 16) Tata Consultancy Services Employees Provident Fund
- 17) Tata Housing Development Company Ltd.
- 18) Tata AIA Life Insurance Company Ltd.
- 19) Tata Capital Financial Services Ltd.
- 20) Tata Teleservices Ltd.
- 21) Tata Teleservices (Maharashtra) Ltd.
- 22) Tata Communications Payment Solutions Ltd.
- 23) Tata Advanced System Ltd.
- 24) Tata International DLT Pvt Ltd
- 25) Tata International Singapore Ltd.
- 26) Tata Autocomp Systems Limited
- 27) Tata Medical and diagnostic Ltd.

**(d) Key Management Personnel**

- 1) N. Chandrasekaran, Non-Executive Director
- 2) Praveer Sinha, CEO and Managing Director
- 3) Banmali Agrawala, Non-Executive Director
- 4) Saurabh Agrawal, Non-Executive Director
- 5) Kesava Menon Chandrasekhar, Independent Director
- 6) Ashok Sinha, Independent Director
- 7) Vibha U. Padalkar, Independent Director
- 8) Anjali Bansal, Independent Director
- 9) Sanjay V. Bhandarkar, Independent Director
- 10) Hemant Bhargava, Nominee Director
- 11) Ramesh N. Subramanyam, Chief Financial Officer  
(upto December 31, 2021)
- 12) Hanoz Minoo Mistry, Company Secretary
- 13) Sanjeev Churiwala, Chief Financial Officer (w.e.f January 1, 2022)

**(e) Relative of Key Managerial Personnel (where transactions have taken place during the year or previous year / balances outstanding) :**

- 1) Neville Minoo Mistry (Brother of Hanoz Minoo Mistry - Company Secretary)

## Notes to the Standalone Financial Statements

### 42. Related Party Disclosures: (Contd.)

(f) Details of Transactions:

Sr. No.	Particulars	Subsidiaries	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds / Trust	Promoter Group	Promoter
		₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
1)	Purchase of goods/power (Net of Discount Received on Prompt Payment)	238.85	15.79	2,174.75	Nil	Nil	121.92	Nil
		64.49	Nil	2,721.92	Nil	Nil	302.54	Nil
2)	Sale of goods/power (Net of Discount on Prompt Payment)	301.45	0.16	0.04	Nil	Nil	14.85	Nil
		176.37	0.02	Nil	Nil	Nil	15.59	Nil
3)	Purchase of Property, Plant and Equipment and Intangibles	232.89	158.80	Nil	Nil	Nil	21.44	Nil
		86.07	0.70	Nil	Nil	Nil	7.82	Nil
4)	Sale of Property, Plant and Equipment	Nil	Nil	Nil	Nil	Nil	Nil	Nil
		0.02	Nil	Nil	0.00*	Nil	0.68	Nil
5)	Rendering of services	115.82	6.34	156.33	Nil	Nil	13.58	2.07
		125.04	7.59	83.48	Nil	Nil	9.11	2.38
6)	Receiving of services	412.38	12.95	0.06	Nil	Nil	69.33	0.33
		873.29	21.22	0.06	0.18	Nil	40.93	1.23
7)	Brand equity contribution	Nil	Nil	Nil	Nil	Nil	Nil	28.77
		Nil	Nil	Nil	Nil	Nil	Nil	16.26
8)	Contribution to Employee Benefit Plans	Nil	Nil	Nil	Nil	27.37	Nil	Nil
		Nil	Nil	Nil	Nil	29.93	Nil	Nil
9)	Guarantee, collaterals etc. given	795.61	Nil	Nil	Nil	Nil	Nil	Nil
		3,872.34 <sup>s</sup>	Nil	Nil	Nil	Nil	Nil	Nil
10)	Guarantee, collaterals etc. cancelled	1,875.91	Nil	Nil	Nil	Nil	Nil	Nil
		2,125.95 <sup>s</sup>	Nil	Nil	Nil	Nil	Nil	Nil
11)	Sale of Renewable Net Assets (Refer PPE Note No. 5(a)(v))	169.30	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil	Nil	Nil	Nil
12)	Remuneration paid - short term employee benefits	Nil	Nil	Nil	19.22*	Nil	Nil	Nil
		Nil	Nil	Nil	12.55*	Nil	Nil	Nil
13)	Short term employee benefits paid	Nil	Nil	Nil	0.23	Nil	Nil	Nil
		Nil	Nil	Nil	0.13	Nil	Nil	Nil
14)	Interest income	125.66	Nil	Nil	Nil	Nil	Nil	Nil
		119.38	Nil	0.00*	Nil	Nil	0.00*	Nil
15)	Interest paid (including distribution on unsecured perpetual securities)	21.76	0.01	Nil	Nil	Nil	7.81	Nil
		10.28	0.08	0.09	Nil	Nil	26.44	Nil
16)	Dividend income	2,516.97	1.78	112.11	Nil	Nil	2.29	6.67
		941.55	Nil	47.74	Nil	Nil	0.00	6.67
17)	Dividend paid	Nil	Nil	Nil	Nil	Nil	2.11	223.90
		Nil	Nil	Nil	Nil	Nil	2.11	147.86
18)	Guarantee commission earned	25.51	Nil	Nil	Nil	Nil	Nil	Nil
		21.82	Nil	Nil	Nil	Nil	Nil	Nil

## Notes to the Standalone Financial Statements

### 42. Related Party Disclosures: (Contd.)

Sr. No.	Particulars	Subsidiaries	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds / Trust	Promoter Group	Promoter
		₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
19)	Loan Taken	1,251.80	Nil	Nil	Nil	Nil	Nil	Nil
		1,373.04	Nil	120.00	Nil	Nil	Nil	Nil
20)	Loans given	5,038.07	Nil	Nil	Nil	Nil	Nil	Nil
		3,743.55	Nil	2.60	Nil	Nil	Nil	Nil
21)	Impairment in value of Investments	106.82	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil	Nil	Nil	Nil
22)	Reversal of Impairment of Investments/provision for doubtful loans	2.50	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	Nil	8.00	Nil	Nil	Nil	Nil
23)	Equity contribution (includes advance towards equity contribution, rights issue and perpetual bonds)	192.30	573.27	Nil	Nil	Nil	Nil	Nil
		637.08	Nil	Nil	Nil	Nil	2.89	Nil
24)	Loans taken repaid	1,429.00	Nil	Nil	Nil	Nil	Nil	Nil
		601.29	Nil	120.00	Nil	Nil	Nil	Nil
25)	Loans repaid	4,994.00	Nil	Nil	Nil	Nil	Nil	Nil
		2,503.75	Nil	2.60	Nil	Nil	Nil	Nil
26)	Conversion of Loan Given into Perpetual Securities	56.15	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil	Nil	Nil	Nil
27)	Deposits taken	0.88	Nil	Nil	Nil	Nil	1.27	Nil
		22.50	Nil	Nil	Nil	Nil	0.01	Nil
28)	Deposits Refunded	Nil	Nil	Nil	Nil	Nil	0.12	Nil
		Nil	Nil	Nil	Nil	Nil	Nil	Nil
29)	Impairment of Receivable of Strategic Engineering Division	Nil	Nil	Nil	Nil	Nil	467.83	Nil
		Nil	Nil	Nil	Nil	Nil	Nil	Nil
30)	Advance Given	0.06	80.38	Nil	Nil	Nil	0.02	Nil
		0.01	110.85	Nil	Nil	Nil	Nil	Nil
31)	Advance adjusted	Nil	13.54	Nil	Nil	Nil	0.02	Nil
		Nil	2.51	Nil	Nil	Nil	Nil	Nil
32)	Bad Debts	Nil	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	1.16	Nil	Nil	Nil	Nil	Nil
33)	Sale of Investments	2,126.88	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil	Nil	Nil	Nil
34)	Allotment of Equity shares (including securities premium paid)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil	Nil	2,600.00	Nil
35)	Consideration received on Sale of SED (Note 18c)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil	Nil	597.00*	Nil
36)	Redemption of Unsecured Perpetual Securities	Nil	0.70	Nil	Nil	Nil	197.50	Nil
		Nil	Nil	Nil	Nil	Nil	Nil	Nil

## Notes to the Standalone Financial Statements

### 42. Related Party Disclosures: (Contd.)

Sr. No.	Particulars	Subsidiaries	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds / Trust	Promoter Group	Promoter
		₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
<b>(g) Balances outstanding</b>								
1)	Unsecured Perpetual Securities	Nil	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	0.70	Nil	Nil	Nil	197.50	Nil
2)	Redeemable Non-Convertible Debentures	Nil	Nil	Nil	Nil	Nil	36.50	Nil
		Nil	Nil	Nil	Nil	Nil	36.50	Nil
3)	Investments	8,573.27	765.89	1,100.19*	Nil	Nil	741.89*	194.70
		8,732.11	192.62	1,100.19*	Nil	Nil	268.40*	194.70
4)	Impairment in value of investments	560.96	Nil	59.50	Nil	Nil	Nil	Nil
		454.14	Nil	59.50	Nil	Nil	Nil	Nil
5)	Other receivables	94.92	7.15	60.42*	Nil	122.67	6.92	2.78
		79.49	8.86	17.81*	Nil	89.52	371.33	2.12
6)	Loans given (including interest thereon)	1,783.18	Nil	72.98*	Nil	Nil	Nil	Nil
		1,845.70	Nil	72.98*	Nil	Nil	Nil	Nil
7)	Loans taken (including interest thereon)	602.61	Nil	Nil	Nil	Nil	Nil	Nil
		781.05	Nil	Nil	Nil	Nil	Nil	Nil
8)	Loans provided for as doubtful advances (including interest thereon)	Nil	Nil	54.39	Nil	Nil	Nil	Nil
		12.00	Nil	54.39	Nil	Nil	Nil	Nil
9)	Deposits taken outstanding	23.38	Nil	Nil	Nil	Nil	1.38	2.00
		22.50	Nil	Nil	Nil	Nil	0.22	2.00
10)	Advance given outstanding	0.07	183.93	Nil	Nil	Nil	Nil	Nil
		0.01	117.10	Nil	Nil	Nil	Nil	Nil
11)	Guarantees, collaterals etc. outstanding	7,961.01	Nil	Nil	Nil	Nil	Nil	Nil
		9,041.31	Nil	Nil	Nil	Nil	Nil	Nil
12)	Advance towards Equity	0.12	Nil	Nil	Nil	Nil	Nil	Nil
		12.91	Nil	Nil	Nil	Nil	Nil	Nil
13)	Dividend receivable	1,818.87	1.78	Nil	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil	Nil	Nil	Nil
14)	Other payables	442.83	74.25	1,569.90	10.97	54.47	129.64	29.49
		486.86	5.09	1,570.56	7.32	56.91	21.31	17.07

Notes:

All outstanding balances are unsecured.

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

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

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

# Denotes below ₹ 50,000

@ Includes amount reclassified as held for sale

# Notes to the Standalone Financial Statements

## 43. Financial Instruments

### 43.1 Fair values

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

	Carrying value		Fair Value	
	As at March 31, 2022		As at March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
<b>Financial assets #</b>				
Cash and Cash Equivalents	57.36	364.13	57.36	364.13
Other Balances with banks	21.19	19.00	21.19	19.00
Trade Receivables	1,026.65	1,579.87	1,026.65	1,579.87
Unbilled Revenues	58.86	75.37	58.86	75.37
Loans	1,786.26	1,837.91	1,786.26	1,837.91
Finance Lease Receivables	563.52	566.09	563.52	566.09
FVTPL Financial Investments	11.93	246.49	11.93	246.49
FVTOCI Financial Investments (Refer Note below)	1,043.99	558.20	1,043.99	558.20
Amortised Cost financial investments	183.43	171.35	184.86	176.76
Derivative instruments not in hedging relationship	5.06	1.48	5.06	1.48
Receivable on sale of Strategic Engineering Division (Refer Note 18c)	Nil	365.99	Nil	365.99
Other Financial Assets	2,071.16	387.22	2,071.16	387.22
<b>Asset Classified as Held For Sale (Refer Note 18) #</b>				
- FVTOCI Financial Investments (Refer Note below)	Nil	178.68	Nil	178.68
- Loans and other receivables (including accrued interest)	22.74	22.74	22.74	22.74
<b>Total</b>	<b>6,852.15</b>	<b>6,374.52</b>	<b>6,853.58</b>	<b>6,379.93</b>
<b>Financial liabilities</b>				
Trade Payables	4,079.89	3,282.47	4,079.89	3,282.47
Floating rate borrowings (including current maturities)	10,042.76	6,954.88	10,043.21	6,949.17
Fixed rate borrowings (including current maturities)	15,152.63	18,004.42	15,169.26	18,033.24
Lease Liabilities	2,858.87	2,749.04	3,333.38	2,770.33
Derivative contracts (Net)	13.12	35.84	13.12	35.84
Other financial liabilities	2,274.39	1,685.93	2,274.39	1,685.93
	<b>34,421.66</b>	<b>32,712.58</b>	<b>34,913.25</b>	<b>32,756.98</b>

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

Note:

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

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

## Notes to the Standalone Financial Statements

### 43. Financial Instruments (Contd.)

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

- Fair value of the government securities are based on the price quotations near the reporting date. Fair value of the unquoted equity shares have been estimated using market comparable method. The valuation requires management to make certain assumptions about the marketability, active market price, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for those unquoted equity investments.
- The fair value of the remaining FVTOCI financial assets are derived from quoted market price in active markets.
- The fair value of debentures is determined by using the quoted prices .The own non-performance risk as on March 31, 2022 was assessed to be insignificant.
- The cost of certain unquoted investments approximate their fair value because there is a wide range of possible fair value measurements and the cost represents the best estimate of fair value within that range.
- The fair value of loans from banks, other current financial liabilities and other non-current financial liabilities is estimated by discounting future cash flow using rates currently available for debt on similar terms, credit risk and remaining maturities.

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

Unlisted shares irrevocably designated as at FVTOCI (Refer Note below)	For the year ended March 31, 2022		For the year ended March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
Opening balance	437.63		446.64	
Gain/(Loss)				
- in other comprehensive income		Nil	(12.40)	
- in profit or loss		Nil	Nil	
- changes on purchase of equity shares		Nil	3.39	
<b>Closing balance</b>	<b>437.63</b>		<b>437.63</b>	

Note:

- Unlisted shares irrevocably designated as at FVTOCI includes certain investments whose cost approximates to their fair value because there is a wide range of possible fair value measurements and their cost represents the best estimate of fair value within that range. Such investments have been excluded for quantitative sensitivity analysis as disclosed below.
- All gains and losses included in other comprehensive income related to unlisted shares held at the end of the reporting period and are reported under "Equity Instruments through Other Comprehensive Income".

The significant unobservable input used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2022 and March 31, 2021 are as shown below:

Description of significant unobservable inputs to valuation:

	Valuation techniques	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Investments in unquoted equity shares	Price of recent transaction (PORT)	Transaction price	Varies on case to case basis	5% (March 31, 2021: 5%) increase (decrease) in the transaction price would result in increase (decrease) in fair value by ₹ 6.35 crores (March 31, 2021: ₹ 6.35 crore).

## Notes to the Standalone Financial Statements

### 43. Financial Instruments (Contd.)

#### 43.2 Fair value hierarchy

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

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

**Valuation techniques with observable inputs (Level 2):** Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This includes derivative financial instruments and unquoted floating and fixed rate borrowings.

**Valuation techniques with significant unobservable inputs (Level 3):** Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares and contingent consideration receivable.

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

	Date of valuation	Fair value hierarchy as at March 31, 2022			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		₹ crore	₹ crore	₹ crore	₹ crore
<b>Asset measured at fair value</b>					
FVTPL Financial Investments	March 31, 2022	11.93	Nil	Nil	11.93
FVTOCI Financial Investments:					
- Quoted equity shares	March 31, 2022	606.36	Nil	Nil	606.36
- Unquoted equity shares	March 31, 2022	Nil	Nil	437.63	437.63
Derivative instruments not in hedging relationship	March 31, 2022	Nil	5.06	Nil	5.06
<b>Asset for which fair values are disclosed</b>					
Amortised cost Financial Investments:					
- Government securities	March 31, 2022	184.86	Nil	Nil	184.86
		<b>803.15</b>	<b>5.06</b>	<b>437.63</b>	<b>1,245.84</b>
	Date of valuation	Fair value hierarchy as at March 31, 2022			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		₹ crore	₹ crore	₹ crore	₹ crore
<b>Liabilities measured at fair value</b>					
Derivative financial liabilities	March 31, 2022	Nil	13.12	Nil	13.12
<b>Liabilities for which fair values are disclosed</b>					
Fixed rate borrowings	March 31, 2022	11,357.55	3,811.71	Nil	15,169.26
Floating rate borrowings	March 31, 2022	1,069.07	8,974.14	Nil	10,043.21
		<b>12,426.62</b>	<b>12,798.97</b>	<b>Nil</b>	<b>25,225.59</b>

## Notes to the Standalone Financial Statements

### 43. Financial Instruments (Contd.)

	Date of valuation	Fair value hierarchy as at March 31, 2021				Total ₹ crore
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	₹ crore	
		₹ crore	₹ crore	₹ crore	₹ crore	
<b>Asset measured at fair value</b>						
FVTPL financial investments	March 31, 2021	246.49	Nil	Nil	246.49	
FVTOCI financial investments:						
- Quoted equity shares	March 31, 2021	120.57	Nil	Nil	120.57	
- Unquoted equity shares	March 31, 2021	Nil	Nil	437.63	437.63	
Derivative instruments not in hedging relationship		Nil	1.48	Nil	1.48	
- Assets Classified as Held For Sale	March 31, 2021	178.68	Nil	Nil	178.68	
Receivable on sale of Strategic Engineering Division	March 31, 2021	Nil	Nil	365.99	365.99	
<b>Asset for which fair values are disclosed</b>						
Amortised Cost financial investments:						
- Government securities	March 31, 2021	176.76	Nil	Nil	176.76	
		<b>722.50</b>	<b>1.48</b>	<b>803.62</b>	<b>1,527.60</b>	
	Date of valuation	Fair value hierarchy as at March 31, 2021				Total ₹ crore
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	₹ crore	
		₹ crore	₹ crore	₹ crore	₹ crore	
<b>Liabilities measured at fair value</b>						
Derivative financial liabilities	March 31, 2021	Nil	35.84	Nil	35.84	
<b>Liabilities for which fair values are disclosed</b>						
Fixed rate borrowings	March 31, 2021	11,500.34	6,532.90	Nil	18,033.24	
Floating rate borrowings	March 31, 2021	1,064.69	5,884.48	Nil	6,949.17	
<b>Total</b>		<b>12,565.03</b>	<b>12,453.22</b>	<b>Nil</b>	<b>25,018.25</b>	

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

#### 43.3 Capital Management & Gearing Ratio

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. From time to time, the Company reviews its policy related to dividend payment to shareholders, return capital to shareholders or fresh issue of shares. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio around 50%. The Company includes within net debt, interest bearing loans and borrowings, less cash and bank balances as detailed in the notes below.

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

## Notes to the Standalone Financial Statements

### 43. Financial Instruments (Contd.)

#### Gearing ratio

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

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
	25,217.45	24,983.72
Debt (i)	25,217.45	24,983.72
Less: Cash and Bank balances	57.36	364.13
<b>Net debt</b>	<b>25,160.09</b>	<b>24,619.59</b>
Total Capital (ii)	10,879.80	9,878.07
<b>Capital and net debt</b>	<b>36,039.89</b>	<b>34,497.66</b>
Net debt to Total Capital plus net debt ratio (%)	69.81	71.37

- (i) Debt is defined as Non-current borrowings (including current maturities) and Current borrowings (excluding derivative, financial guarantee contracts and contingent considerations) and interest accrued on Non-current and Current borrowings.
- (ii) Equity is defined as Equity share capital, Unsecured perpetual securities and other equity.

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

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

#### 43.4 Financial risk management objectives and policies

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

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

##### 43.4.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: currency risk, interest rate risk and equity price risk. The impact of equity price risk is not significant. Financial instruments affected by market risk include loans and borrowings, derivative financial instruments and FVTOCI investments.

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

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

## Notes to the Standalone Financial Statements

### 43. Financial Instruments (Contd.)

#### a. Foreign currency risk management

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

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

Foreign Currency Liabilities	As at March 31, 2022		As at March 31, 2021	
	Foreign Currency (In Millions)	₹ crore	Foreign Currency (In Millions)	₹ crore
In USD	434.07	3,289.66	408.45	2,986.28
In EURO	0.07	0.55	0.08	0.58
In GBP	0.06	0.64	Nil	Nil
In SGD	0.04	0.22	Nil	Nil
In JPY	2.52	0.16	5.90	0.39

Foreign Currency Assets	As at March 31, 2022		As at March 31, 2021	
	Foreign Currency (In Millions)	₹ crore	Foreign Currency (In Millions)	₹ crore
In USD	248.97	1,886.81	9.05	66.17
In JPY	Nil	Nil	5.90	0.39
In ZAR	0.02	0.01	0.41	0.20
In SGD	0.04	0.24	0.04	0.21
In VND	3.37	0.00	56.76	0.02
In TAKA	Nil	Nil	0.20	0.02

#### (i) Foreign currency sensitivity analysis

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

	As of March 31, 2022	Rupee depreciate by ₹ 1 against USD	Effect on profit before tax and consequential impact on equity before tax	
			₹ crore	(-) ₹ 18.51
		Rupee appreciate by ₹ 1 against USD		(+) ₹ 18.51
As of March 31, 2021	Rupee depreciate by ₹ 1 against USD	Rupee appreciate by ₹ 1 against USD	(+) ₹ 39.94	(-) ₹ 39.94

Notes:

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

#### (ii) Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a Bank or a Financial Institution.

## Notes to the Standalone Financial Statements

### 43. Financial Instruments (Contd.)

These derivative financial instrument are valued based on quoted prices for similar asset and liabilities in active markets or inputs that is directly or indirectly observable in the marketplace.

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

	As at March 31, 2022		
	Foreign Currency (in millions)	Nominal Value in	Fair Value in
		₹ crore	₹ crore
<b>Other Derivatives</b>			
Forward contracts			
In USD	Buy	306.35	2,321.72
Option contracts			
In USD	Buy	27.02	204.77
As at March 31, 2021			
	Foreign Currency (in millions)	Nominal Value in	Fair Value in
		₹ crore	₹ crore
<b>Other Derivatives</b>			
Forward contracts			
In USD	Buy	293.37	2144.90
In USD	Sell	130.00	950.46

Note: Fair Value in () denote liability

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

		Effect on profit before tax and consequential impact on equity before tax
		₹ crore
<b>As of March 31, 2022</b>	Rupee depreciate by ₹1 against USD	(+) ₹ 33.34
	Rupee appreciate by ₹1 against USD	(-) ₹ 33.34
<b>As of March 31, 2021</b>	Rupee depreciate by ₹1 against USD	(+) ₹ 16.34
	Rupee appreciate by ₹1 against USD	(-) ₹ 16.34

#### b. Interest rate risk management

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

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

#### Interest rate sensitivity:

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

## Notes to the Standalone Financial Statements

### 43. Financial Instruments (Contd.)

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

Foreign Currency Assets	As at March 31, 2022		As at March 31, 2021	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
	₹ crore	₹ crore	₹ crore	₹ crore
Interest expense on loan	(+) 32.98	(-) 32.98	(+) ₹ 32.55	(-) ₹ 32.55
Effect on profit before tax	(-) 32.98	(+) 32.98	(-) ₹ 32.55	(+) ₹ 32.55

#### 43.4.2 Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans and other financial instruments.

	As at March 31, 2022	As at March 31, 2022
	₹ crore	₹ crore
Trade receivables	1,026.65	1,579.87
Loans	1,781.65	1,790.69
Finance lease receivables	563.52	566.09
Other financial assets	2,084.33	805.39
Unbilled Revenue	58.86	75.37
Financial Assets Classified as Held for Sale	22.74	22.74
<b>Total</b>	<b>5,537.75</b>	<b>4,840.15</b>

Refer Note 8 for credit risk and other information in respect of trade receivables. Other receivables as stated above are due from the parties under normal course of the business and as such the Company believes exposure to credit risk to be minimal.

The Company has not acquired any credit impaired asset.

#### 43.4.3 Liquidity risk management

The current liabilities of the Company exceeds the current assets. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Having regards to the nature of the business wherein the Company is able to generate fixed cash flows over a period of time and to optimize the cost of funding, the Company, from time to time, funds its long-term investment from short-term sources. The short-term borrowings can be rollforward or, if required, can be refinanced from long term borrowings. Hence, the Company considers the liquidity risk as low.

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

	Up to 1 year	1 to 5 years	5+ years	Total ₹ crore	Carrying Amount ₹ crore
	₹ crore	₹ crore	₹ crore		
<b>March 31, 2022</b>					
<b>Non-Derivatives</b>					
Borrowings #	8,754.19	16,453.75	12,597.07	37,805.01	25,217.45
Trade Payables	4,079.89	Nil	Nil	4,079.89	4,079.89
Lease Liabilities#	316.69	1,671.76	6,575.16	8,563.61	2,858.87
Other Financial Liabilities	2,239.25	13.07	Nil	2,252.32	2,252.32
<b>Total Non-Derivative Liabilities</b>	<b>15,390.02</b>	<b>18,138.58</b>	<b>19,172.23</b>	<b>52,700.83</b>	<b>34,408.53</b>
<b>Derivatives</b>					
Other Financial Liabilities	13.12	Nil	Nil	13.12	13.12
<b>Total Derivative Liabilities</b>	<b>13.12</b>	<b>Nil</b>	<b>Nil</b>	<b>13.12</b>	<b>13.12</b>

## Notes to the Standalone Financial Statements

### 43. Financial Instruments (Contd.)

	Up to 1 year ₹ crore	1 to 5 years ₹ crore	5+ years ₹ crore	Total ₹ crore	Carrying Amount ₹ crore
<b>March 31, 2021</b>					
<b>Non-Derivatives</b>					
Borrowings #	9,852.30	15,396.40	13,125.02	38,373.72	24,983.72
Trade Payables	3,282.47	Nil	Nil	3,282.47	3,282.47
Lease Liabilities#	304.85	1,155.52	7,053.65	8,514.02	2,749.04
Other Financial Liabilities	1,649.43	12.08	Nil	1,661.51	1,661.51
<b>Total Non-Derivative Liabilities</b>	<b>15,089.05</b>	<b>16,564.00</b>	<b>20,178.67</b>	<b>51,831.72</b>	<b>32,676.74</b>
<b>Derivatives</b>					
Other Financial Liabilities	35.84	Nil	Nil	35.84	35.84
<b>Total Derivative Liabilities</b>	<b>35.84</b>	<b>Nil</b>	<b>Nil</b>	<b>35.84</b>	<b>35.84</b>

- # The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Company. The amounts included above for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.
- The amount included in Note 39(c) for financial guarantee contracts are the maximum amounts the Company could be forced to settle under respective arrangements for the full guaranteed amount if that amount is claimed by the counterparty to the guaranteee. Based on expectations at the end of the reporting period, the Company considers that it is more likely than not that such amount will not be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

### 44. Financial Ratios

SI No	Ratios	Numerator	Denominator	Note	As at March 31, 2022	As at March 31, 2021	% of Variance	Reason for Variance in excess of 25%
					₹ crore	₹ crore		
a)	Current Ratio (in times)	Current Assets	Current Liabilities	a	0.53	0.41	28%	The increase is mainly on account of significant increase in dividend receivable from non current investments.
b)	Debt-equity ratio (in times)	Total Debt	Total Equity	b	2.58	2.81	-8%	
c)	Debt service coverage ratio (in times)	Profit before exceptional items & tax + interest expenses + depreciation & amortisation - current tax expense	Interest expense + scheduled principal repayment of long-term debt and lease liabilities during the period	c	1.09	0.94	15%	
d)	Return on equity ratio (%) (ROE)	Net Profits after taxes (including continuing and discontinued operations) - Interest on Perpetual securities	Average Shareholder's Equity	d	28.60%	1.72%	1558%	The increase is mainly on account of gain on sale of investment and increase in dividend income from non current investments
e)	Inventory turnover (in number of days)	Average fuel Inventories x number of days	Cost of fuel		71	37	92%	The increase is due to higher quantity of inventory purchased towards the end of the year to meet the higher demand in the coming year and increase in coal prices.
f)	Trade receivables turnover (in number of days)	Average receivable (including regulatory balances wherever applicable) x number of days	Gross Sales		76	67	13%	

## Notes to the Standalone Financial Statements

### 44. Financial Ratios (Contd.)

Sl No	Ratios	Numerator	Denominator	Note	As at March 31, 2022		% of Variance	Reason for Variance in excess of 25%
					₹ crore	₹ crore		
g)	Trade payables turnover (in number of days)	Average trade payable x number of days	Net credit purchases	e	149	117	27%	The increase is due to higher quantity of inventory purchased towards the end of the year to meet the higher demand in the coming year and increase in coal prices.
h)	Net capital turnover ratio (in times)	Revenue from operation including net movement in Regulatory deferral balances	Working capital = Current assets – Current liabilities	f	(3.90)	(2.45)	59%	The increase is mainly on account of significant increase in dividend receivable from non current investments.
i)	Net profit ratio (%) including exceptional item	Net Profit after Tax (including exceptional item)	"Revenue including net movement in Regulatory deferral balances"		24.75%	2.18%	1036%	The increase is mainly on account of gain on sale of investment and increase in dividend income from non current investments
j)	Net profit ratio (%) excluding exceptional item	Net Profit after Tax (excluding exceptional item)	Revenue including net movement in Regulatory deferral balances		16.35%	4.18%	291%	The increase is mainly on account of increase in dividend income from non current investments
k)	Return on capital employed (%) (ROCE)	Profit before tax and exceptional item + interest expense excluding interest on consumer security deposit	Average Capital employed (Shareholder's equity + Total Debt + Deferred tax liability)"	g	9.37%	8.33%	13%	
l)	Return on investment (%) (ROI)	Interest income + Dividend income + Gain on fair value of current investment at Fair Value through Profit & Loss + Gain on Sale of Investment in Subsidiary.	Average (Investment + Fixed deposit+ Loans Given)	h	34.93%	10.29%	240%	The increase is mainly on account of gain on sale of investment and increase in dividend income from non current investments

#### Note:

- a) Current Assets as per balance sheet and assets held for sale.  
Current Liabilities as per balance sheet and liabilities classified as held for sale
- b) Total Debt: Long term borrowings (including current maturities of long term borrowings), lease liabilities (current and non current), short term borrowings and interest accrued on these debts  
Total Equity : Issued share capital, other equity and unsecured perpetual securities
- c) For the purpose of computation, scheduled principal repayment of long term borrowings does not include prepayments (including prepayment by exercise of call/put option)
- d) Average Shareholders Equity: Issued share capital and other equity (excluding unsecured perpetual securities)
- e) Net credit purchases comprise of (a) cost of power purchased; (b) cost of fuel; (c) Transmission charges and (d) Other expenses excluding (i) Bad debts (including provision); (ii) Net loss on foreign exchange; (iii) CSR expenses and (iv) Transfer to contingency reserve  
Trade Payable: as per balance sheet less employee related trade payables
- f) Working Capital:  
i) Current Assets: as per balance sheet and assets held for sale

## Notes to the Standalone Financial Statements

### 44. Financial Ratios (Contd.)

- ii) Current Liabilities as per balance sheet (excluding current maturities of long term debt and lease liability and interest accrued on long-term debts) and liabilities classified as held for sale
- g) Average Shareholders Equity: Issued share capital and other equity (excluding unsecured perpetual securities)
- h) Interest Income:  
Interest on bank deposits, Interest on non-current investment and Interest on loans given

### 45. Segment Reporting:

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

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

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

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

**Others:** Comprises of project management contracts/infrastructure management services, rooftop solar projects, electric vehicle charging stations, property development and lease rent of oil tanks.

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

#### (a) Segment Information:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
<b>Segment Revenue</b>		
Generation	8,375.92	10,832.76
Renewables	15.52	228.90
Transmission and Distribution	4,644.92	3,709.00
Others	53.40	34.40
	13,089.76	14,805.06
(Less): Inter Segment Revenue - Generation	(1,913.35)	(1,260.60)
(Less): Inter Segment Revenue - Renewables	(15.43)	(121.20)
<b>Total Segment Revenue</b>	<b>11,160.98</b>	<b>13,423.26</b>
Discontinued Operations- Others #	Nil	193.63
<b>Revenue / Income from Operations (including Net Movement in Regulatory Deferral Balances)</b>	<b>11,160.98</b>	<b>13,616.89</b>
<b>Segment Results</b>		
Generation	(33.42)	1,173.95
Renewables	3.99	45.73
Transmission and Distribution	802.05	724.69
Others	(27.94)	(7.22)
<b>Total Segment Results</b>	<b>744.68</b>	<b>1,937.15</b>

## Notes to the Standalone Financial Statements

### 45. Segment Reporting: (Contd.)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
(Less): Finance Costs	(2,188.94)	(2,496.68)
Add/(Less): Exceptional Item - Generation (Refer Note 40a)	Nil	(109.29)
Add/(Less): Exceptional Item - Unallocable [Refer Note 7(x) and (xii)]	1,412.11	Nil
Add/(Less): Unallocable Income/(Expense) (Net)	2,789.95	1,109.93
<b>Profit/(Loss) Before Tax from Continuing Operations</b>	<b>2,757.80</b>	<b>441.11</b>
<b>Profit/(Loss) Before Tax from Discontinued Operations</b>	<b>Nil</b>	<b>(59.84)</b>
Impairment Loss on Remeasurement to Fair Value #	(467.83)	(160.00)
<b>Profit/(Loss) Before Tax from Discontinued Operations</b>	<b>(467.83)</b>	<b>(219.84)</b>
<b>Segment Assets</b>		
Generation	22,327.40	22,173.92
Renewables	25.10	651.96
Transmission and Distribution	7,844.23	6,819.98
Others	754.86	362.23
Unallocable*	16,201.81	14,447.55
<b>Total Assets</b>	<b>47,153.40</b>	<b>44,455.64</b>
<b>Segment Liabilities</b>		
Generation	5,073.76	4,277.07
Renewables	1.83	32.97
Transmission and Distribution	1,617.48	1,618.77
Others	167.39	95.81
Unallocable*	29,413.14	28,552.95
<b>Total Liabilities</b>	<b>36,273.60</b>	<b>34,577.57</b>
Capital Expenditure		
Generation	325.15	199.05
Renewables	Nil	5.40
Transmission and Distribution	618.53	743.19
Others	237.18	66.83
Discontinued Operations	Nil	32.97
	<b>1,180.86</b>	<b>1,047.44</b>
<b>Depreciation/Amortisation (to the extent allocable to the segment)</b>		
Generation	725.65	760.65
Renewables	2.73	95.61
Transmission and Distribution	357.96	331.12
Others	9.91	3.18
	<b>1,096.25</b>	<b>1,190.56</b>

## Notes to the Standalone Financial Statements

### 45. Segment Reporting: (Contd.)

#### RECONCILIATION OF REVENUE

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Revenue from Operations	11,107.93	13,169.48
Add/(Less): Net Movement in Regulatory Deferral Balances	91.00	258.00
Add/(Less): Deferred Tax Recoverable/(Payable)	43.35	41.62
Add/(Less): Unallocable Revenue	(81.30)	(45.84)
<b>Total Segment Revenue</b>	<b>11,160.98</b>	<b>13,423.26</b>
Discontinued Operations- Others #	Nil	193.63
<b>Total Segment Revenue as reported above</b>	<b>11,160.98</b>	<b>13,616.89</b>

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

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

#### Notes:

- Revenue from two DISCOMS on sale of electricity with which Company has entered into a Power Purchase Agreement, accounts for more than 10% of Revenue.
- Transfer pricing between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

#### (b) Geographic Information:

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

### 46. Relationship with Struck off Companies

SI No.	Name of struck off Company	Nature of transactions with struck off Company	Transaction during the year ended March 31, 2022	Balance outstanding as on March 31, 2022	Balance outstanding as on March 31, 2021	Relationship with the Struck off company
1	A One Cut Gems Pvt Ltd	Sale of electricity	0.01	*	*	Customer
2	Adorn Jew Pvt Ltd	Sale of electricity	*	*	*	Customer
3	Aloke Speciality Machines & Components Pvt. Ltd.	Sale of electricity	0.01	*	*	Customer
4	Chintamani Textiles Pvt Ltd	Sale of electricity	*	*	*	Customer
5	Highlands Garments Pvt Ltd	Sale of electricity	*	*	*	Customer
6	Optimus Properties Pvt. Ltd. .	Sale of electricity	*	*	*	Customer
7	Panacia Properties Pvt Ltd	Sale of electricity	0.12	*	*	Customer
8	Plant Genome Sciences Private Limited	Sale of electricity	0.03	*	*	Customer
9	Narayani Nivesh Nagam Pvt.Ltd.	Sale of electricity	0.02	*	*	Customer
10	Parth Developers	Sale of electricity	0.01	*	*	Customer
11	Sony Constructions Pvt Ltd	Repair work	Nil	(0.01)	(0.01)	Supplier

\* Denotes below ₹ 50,000

## Notes to the Standalone Financial Statements

### 47. Merger of Coastal Gujarat Power Limited (CGPL) and Af-Taab Investment Company Limited (Af-Taab) (wholly owned subsidiary companies):

- (1) Pursuant to the Composite Scheme of Arrangement of erstwhile Coastal Gujarat Power Limited (CGPL) and Scheme of Amalgamation of erstwhile Af-Taab Investment Company Limited (Af-Taab) with the Company under Sections 230 to 232 of the Companies Act, 2013 sanctioned by National Company Law Tribunal, Mumbai on March 31, 2022 and March 15, 2022 respectively, all assets and liabilities of CGPL and Af-Taab are transferred and vested in the Company with appointed date of April 1, 2020.
- (2) The arrangement and amalgamation have been accounted in the books of account of the Company in accordance with Ind AS 103 'Business Combination' read with Appendix C to Ind AS 103 specified under Section 133 of the Act, read with the Companies (Accounting Standards) Amendment Rules, 2016. Accordingly, the accounting treatment has been given as follows:
  - (i) The assets, liabilities and reserves of CGPL and Af-Taab have been incorporated in the financial statements at the carrying values as appearing in the consolidated financial statement of the Company.
  - (ii) Inter-Company balances and transactions have been eliminated and resultant adjustment of ₹ 82.92 crores has been adjusted in retained earnings.
  - (iii) 800,04,20,000 equity share of ₹ 10 each fully paid in CGPL and 10,73,000 equity share of ₹ 10 each fully paid in Af-Taab, held as investment by the Company stands cancelled.
  - (iv) As per capital reorganisation mentioned in the Composite scheme of arrangement of CGPL:
    - (a) the debit balance in the Retained earnings ₹ 5,091.20 crore after giving effect of the accounting treatment as mentioned above in point (i) to (iii) above have been adjusted against Securities Premium; and
    - (b) post-merger credit balance in General Reserve of the Company of ₹ 3,859.92 crore has been transferred to Retained earnings.
  - (v) The financial information in the standalone financial statements in respect of prior period have been restated as if business combination had occurred from the beginning of the preceding period in the standalone financial statements as the appointed date of merger is April 1, 2020.
- (3) Pursuant to the Scheme of merger, the authorised equity share capital of the Company has been increased by the authorised equity share capital of the erstwhile CGPL and Af-Taab.

### 48. The Code on Social Security, 2020

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

### 49. Other Statutory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Company have 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 to or on behalf of the Ultimate Beneficiaries.
- (v) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).

## Notes to the Standalone Financial Statements

### 49. Other Statutory information (Contd.)

- (vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

### 50. Significant Events after the Reporting Period

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

### 51. Approval of Standalone Financial Statements

The Standalone financial statements were approved for issue by the Board of Directors on May 6, 2022.

As per our report of even date

**For S R B C & CO LLP**

**Chartered Accountants**

ICAI Firm Registration No.324982E/E300003

For and on behalf of the Board,

**PRAVEER SINHA**

**CEO & Managing Director**

DIN 01785164

**BANMALI AGRAWALA**

**Director**

DIN 00120029

**per ABHISHEK AGARWAL**

**Partner**

Membership No. 112773

Mumbai, May 6, 2022

**SANJEEV CHURIWALA**

**Chief Financial Officer**

**HANOZ M. MISTRY**

**Company Secretary**

Mumbai, May 6, 2022

# Independent Auditor's Report

## To the Members of The Tata Power Company Limited

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of The Tata Power Company Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint ventures comprising of the consolidated Balance sheet as at March 31 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity 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").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2022. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

## Independent Auditor's Report

<b>Key audit matters</b>	<b>How our audit addressed the key audit matter</b>
<b>Management assessment of appropriateness of Going Concern assumptions</b> (as described in Note 43.4.3 of the consolidated Ind AS financial statements)	
The Group has current liabilities of ₹ 38,620.09 crore and current assets of ₹ 21,585.43 crore as at March 31, 2022.	Our audit procedures and procedures performed by component auditors, included the following:
Current liabilities exceed current assets as at the year end. Given the nature of its business i.e. contracted long term power supply agreements and a significant composition of cost plus contracts leading to significant stability of cashflows and profitability, management is confident of refinancing and consider the liquidity risk as low and accordingly, the Group uses significant short term borrowings to reduce its borrowing costs.	<ul style="list-style-type: none"> <li>• Obtaining an understanding of the process which includes approval of annual business plan, raising short term borrowings and review of MIS; and testing the internal controls associated with the management's assessment of Going Concern assumption.</li> <li>• Discussing with management and assessing the assumptions, judgements and estimates used in developing business plan and cash flow projections having regards to past performance and current emerging business trends affecting the business and industry.</li> <li>• Assessing the Group's ability to refinance its short term obligation based on the past trends, credit ratings, analysis of solvency and liquidity ratios and ability to generate cash flows and access to capital.</li> <li>• Assessing the adequacy of the disclosures in the consolidated Ind AS financial statements.</li> </ul>
Management has made an assessment of the Group's ability to continue as a Going Concern as required by Ind AS 1 Presentation of Financial Statements considering all the available information and has concluded that the going concern basis of accounting is appropriate.	
Going Concern assessment has been identified as a key audit matter considering the significant judgements and estimates involved in the assessment and its dependence upon management's ability to complete the planned divestments, raising long term capital and / or successful refinancing of certain current financial obligations.	
<b>Revenue recognition and accrual of regulatory deferrals</b> (as described in Note 20 and 31 of the consolidated Ind AS financial statements)	
<b>Regulated generation, transmission and distribution business of the Group:</b>	Our audit procedures and procedures performed by component auditors included the following:
Tariff is determined by the regulator on cost plus return on equity basis wherein the cost is subject to prudential norms. The Group invoices its customers on the basis of pre-approved tariff which is based on budget and is subject to true up.	<ul style="list-style-type: none"> <li>• Read the Group's accounting policies with respect to accrual of regulatory deferrals and assessing its compliance with Ind AS 114 "Regulatory Deferral Accounts" and Ind AS 115 "Revenue from Contract with Customers".</li> <li>• Performing test of controls over revenue recognition and accrual of regulatory deferrals through inspection of evidence of performance of these controls.</li> <li>• Performing substantive audit procedures including:           <ul style="list-style-type: none"> <li>• Read the executed PPAs with the customer, tariff regulations and tariff orders and evaluating relevant clauses to understand management's assessment of the Group's right vis-a-vis the customers.</li> <li>• Evaluating the key assumptions used by the Group by comparing it with prior years, past precedents and the legal opinion obtained by the management.</li> <li>• Considering the independence, objectivity and competence of management's expert.</li> <li>• Assessing the management's evaluation of the likely outcome of the key disputes based on past precedents and / or advice of management's expert.</li> <li>• Assessing the impact recognized by the Group in respect of tariff orders received, revenue adjustment on account of actual declared capacity and revenue recognized based on ongoing discussion in relation to proposed amendments in PPA.</li> <li>• Reading the legal opinion obtained by the management for assessing the Group's right with respect to claims with customers and power supply to customer for the period wherein terms of PPA are under discussion.</li> </ul> </li> </ul>
<b>Mundra power generation plant:</b>	
The Group sells power to customers in accordance with the long-term Power Purchase Agreement (PPA) entered into with them.	
As per the PPA, the Group's entitlement to capacity revenue is dependent on availability declared. Accordingly, the Group accrues capacity revenue based on the actual declared capacity. As per PPA, Group is required to pay compensation to customers in case of declared capacity is lower than the minimum capacity to be declared as per PPA. Based on the actual capacity declared, Group has recognized an amount of ₹ 509.55 crore as a reduction in revenue which includes ₹ 123.27 crore relating to earlier years and compensation towards lower annual availability.	

### **Key audit matters**

Also, Group is in discussion to amend certain terms of PPA with one of the customers. The discussions are at very advanced stage and agreement is reached except few items for which discussions are ongoing and accordingly the SPPA is yet to be signed and approved. To ensure continuous supply of power, customer has requested the Group to continue supplying power based on the proposed amendments which will be effective January 1, 2022. Accordingly, based on the legal opinion obtained, the differential revenue of ₹ 324.00 crore has been recognized on the basis of the current agreed draft of SPPA.

### **Renewable Operations:**

In the renewables business of the Group, certain customers have raised dispute with respect to the tariff as per the executed power purchase agreement ('PPA') and are making part payment of invoices. Pending outcome of litigation, Group continues to recognize revenue at PPA rate. Further, Group based on various orders by judicial authorities and legal opinions obtained, have assessed its claims under various contracts with customers and recognized an revenue amounting to ₹ 259.46 crore (including an amount of ₹ 170.45 crore relating to earlier years).

Revenue recognition and accrual of regulatory deferrals is a key audit matter considering the significance of the amount and significant judgements involved in the determination.

### **Recognition and measurement of deferred tax (as described in Note 14 and Note 37 of the consolidated Ind AS financial statements)**

The Group has recognized Minimum Alternate Tax (MAT) credit receivable of ₹ 890.10 crore as at March 31, 2022. The Group also has recognized deferred tax assets of ₹ 3,262.73 crore on unabsorbed depreciation.

During the year, National Company Law Tribunal ('NCLT') has approved the composite scheme of arrangement between the Holding Company and Coastal Gujarat Power Limited ('CGPL'), a wholly owned subsidiary, with the Appointed date as April 1, 2020. Accordingly, Holding Company has reassessed the tax provisions recognized by the Holding Company since the effective date of merger and recoverability of unabsorbed depreciation and brought forward business losses of CGPL available for utilization against Holding Company's future profit. Basis the assessment, Group has reversed the tax provision amounting to ₹ 105.11 crore and has recognized the deferred tax assets on unabsorbed depreciation amounting to ₹ 968.56 crore in the statement of profit and loss.

The recognition and measurement of MAT credit receivable and deferred tax balances; is a key audit matter considering the significance of the amount, judgement involved in assessing the recoverability of such credits, estimation of the financial projections for utilization of unabsorbed depreciation and determination of the year of transition to new tax regime and judgements involved in the interpretation of tax regulations and tax positions adopted by the Group.

### **Impairment of Assets (as described in Note 4, 7, 8 and 19 of the consolidated Ind AS financial statements)**

As per the requirements of Ind AS 36, the Group tests the Goodwill acquired in business combination for impairment annually. For other assets, the Group assesses at the end of every reporting period, whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset or CGU.

### **How our audit addressed the key audit matter**

- Assessing the disclosures in accordance with the requirements of Ind AS 114 "Regulatory Deferral Accounts" and Ind AS 115 "Revenue from Contract with Customers".

Our audit procedures and procedures performed by component auditors included the following:

- Read Group's accounting policies with respect to recognition and measurement of tax balances in accordance with Ind AS 12 "Income Taxes"
- Performing test of controls over recognition and measurement of tax balances through inspection of evidence of performance of these controls.
- Performing substantive audit procedures including:
  - Involving tax specialists who evaluated the Group's tax positions basis the tax law and also by comparing it with prior years and past precedents
  - Discussing the future business plans and financial projections with the management
  - Assessing the management's long-term financial projections and the key assumptions used in the projections by comparing it to the approved business plan, projections used for estimation of likely year of transition to the new tax regime and projections used for impairment assessment where applicable.
- Assessing the disclosures in accordance with the requirements of Ind AS 12 "Income Taxes".

Our audit procedures and procedures performed by component auditors, included the following:

- Read the Group's accounting policies with respect to impairment in accordance with Ind AS 36 "Impairment of assets"
- Performing test of controls over key financial controls related to accounting, valuation and recoverability of assets through inspection of evidence.

## Independent Auditor's Report

### **Key audit matters**

The determination of recoverable amount, being the higher of fair value less costs to sell and value-in-use involves significant estimates, assumptions and judgements of the long-term financial projections.

The Group is carrying Goodwill of ₹ 1,636.03 crore relating to acquisition of renewable energy businesses. The Group is also carrying impairment provision amounting to ₹ 1,122.38 crore with respect to Mundra CGU (comprising Mundra power plant, investment in companies owning coal mines and related infrastructure), ₹ 372.13 crore for investment in company owning hydro power plant in Georgia and ₹ 100.00 crore with respect to a generating unit in Trombay. During the year, as the indication exists, the Group has reassessed its impairment assessment with respect to the specified CGUs and has recognized additional impairment provision of ₹ 150.27 crore towards investment in Company owning hydro power plant in Georgia.

Impairment of assets is a key audit matter considering the significance of the carrying value, estimations and the significant judgements involved in the impairment assessment.

### **Receivables related to Group's distribution business in Odisha (as described in Note 9 of the consolidated Ind AS financial statements)**

The Odisha Discoms ('Discoms') have outstanding trade receivables of ₹ 2,020.32 crore as at March 31, 2022, including overdue/ aged receivables.

Discoms supplies electricity to various types of customers including individual customers with wide ranging characteristics in the different region of Odisha. There exists inherent exposure to credit risk for these customers. Since, the business was recently acquired by the Group, limited past experiences are available to estimate credit loss allowance.

Considering the recent trend and significant effort placed in recent months, Group recognised Expected Credit Loss (ECL) allowance on trade receivables as per the OERC tariff regulations, i.e., @ 1% of revenue from power supply and believes that provision amount is appropriate.

ECL allowance for trade receivables is a key audit matter considering the significance of the amount, estimations and the significant judgements involved in the assessment.

### **How our audit addressed the key audit matter**

- Performing substantive audit procedures including:
- Obtaining the management's impairment assessment
- Evaluating the key assumptions including projected generation, coal prices, exchange rate, energy prices post power purchase agreement period and weighted average cost of capital by comparing them with prior years and external data, where available.
- Obtaining and evaluating the sensitivity analysis
- Assessing the disclosures in accordance with the requirements of Ind AS 36 "Impairment of assets".

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, 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.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements

### **How our audit addressed the key audit matter**

- Our audit procedures and procedures performed by component auditors, included the following:
- Obtaining an understanding of the process and testing the internal controls associated with the management's assessment of determining loss allowance for trade receivables.
  - Obtaining an understanding of the management plan and steps being taken to collect overdue/ aged receivables.
  - Evaluating management's assessment of recoverability of the outstanding receivables including recoverability of overdue / aged receivables through inquiry with management, and analyzing recent collection trends in respect of receivables particularly aged and pre-acquisition receivables.
  - Evaluating management's assumption and judgment relating to collection considering business environment in which the Discoms operates and rights available with the Discoms to recover amount due from customers for estimating the amount of loss allowance.
  - Assessing the disclosures in the financial statements.

or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures

in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures 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.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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.

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

- Identify and assess the risks of material misstatement of the 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 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 and its associates and joint ventures 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 and its associates and joint ventures 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 and its associates and joint ventures of which we are the independent auditors and whose financial information we have audited, 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.

## Independent Auditor's Report

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.

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.

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 for the financial year ended March 31, 2022 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 Matter

(a) We did not audit the financial statements and other financial information, in respect of 14 subsidiaries whose financial statements include total assets of ₹ 13,380.50 crore as at March 31, 2022, and total revenues of ₹ 9,007.25 crore and net cash outflows of ₹ 27.41 crore for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of ₹ 1,673.89 crore for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of 6 associates and joint ventures, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of such other auditors.

Certain of these subsidiaries, associates and joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with

accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries, associates and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries, associates and joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 1 subsidiary whose financial statements and other financial information reflect total assets of ₹ 17.19 crore as at March 31, 2022, and total revenues of ₹ Nil and net cash outflows of ₹ 0.62 crore for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of ₹ 0.57 crore for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of 12 associates and joint ventures, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above 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 and other financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

- 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, based on our audit and on the consideration of report of the other auditors

on separate financial statements and the other financial information of the subsidiary companies, associate companies and joint venture companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
  - (a) We/the other auditors whose report we have relied upon 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 consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account 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, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint ventures, none of the directors of the Group's companies, its associates and joint ventures, incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, associate companies and joint ventures, incorporated in India, and the operating effectiveness of

such controls, refer to our separate Report in "Annexure 2" to this report;

- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other matter' paragraph:
  - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures in its consolidated financial statements – Refer Note 39 and 40 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;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint ventures, incorporated in India during the year ended March 31, 2022;
  - iv. a) The respective managements of the Holding Company and its subsidiaries, associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group, associates and joint ventures to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group, associates and joint ventures ("Ultimate

## Independent Auditor's Report

- Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The respective managements of the Holding Company and its subsidiaries, associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of its knowledge and belief, no funds have been received by the Group, associates and joint ventures from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group, associates and joint ventures shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associates and joint ventures which are companies incorporated in India 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 (a) and (b) contain any material mis-statement;
- v) The final dividend paid by the Holding Company, its subsidiaries, associates and joint venture companies incorporated in India during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- The respective Board of Directors of the Holding Company, its subsidiaries, associates and joint ventures companies, incorporated in India have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

**For S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

**per Abhishek Agarwal**  
Partner

Place of Signature: Mumbai  
Date: May 6, 2022

Membership Number: 112773  
UDIN: 22112773AIMZZK3853

## Annexure 1 referred to in Paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

Sr. No.	Name	CIN	Holding company/ subsidiary / Joint Venture	Clause number of the CARO report which is qualified or is adverse
1.	The Tata Power Company Limited	L28920MH1919PLC000567	Holding Company	(i)(c); (ii)(b); (iii)(e);(ix)(d);
2.	Tata Power Trading Company Limited	U40100MH2003PLC143770	Subsidiary	(iii)(c); (iii)(e); (iii)(f)
3.	Maithon Power Limited	U74899MH2000PLC267297	Subsidiary	(i)(c)
4.	Tata Power Renewable Energy Limited	U40108MH2007PLC168314	Subsidiary	(i)(c); (iii)(e); vii(a); (ix)(d)
5.	Tata Power Solar Systems Limited	U40106MH1989PLC330738	Subsidiary	(ii)(b)
6.	TP Western Odisha Distribution Limited	U40109OR2020PLC035230	Subsidiary	(vii)(a)
7.	TP Southern Odisha Distribution Limited	U40109OR2020PLC035195	Subsidiary	(vii)(a)
8.	TP Northern Odisha Distribution Limited	U40109OR2021PLC035951	Subsidiary	(vii)(a)
9.	Walwhan Renewable Energy Limited	U40103MH2009PLC197021	Subsidiary	(iii)(e); (vii)(a)
10.	Poolavadi Windfarm Limited	U40300MH2016PLC271899	Subsidiary	(ix)(d)
11.	TP Renewable Microgrid Limited	U40100MH2007PLC168291	Subsidiary	(ix)(d)
12.	TP Ajmer Distribution Limited	U40100MH2017PLC293914	Subsidiary	(ix)(d)
13.	TP Kirnali Limited	U40100MH2020PLC337950	Subsidiary	(ix)(d)
14.	Tata Power Green Energy Ltd.	U40108MH2011PLC211851	Subsidiary	(i)(c)
15.	Clean Sustainable Solar Energy Private Limited	U40300MH2014PTC254371	Subsidiary	(iii)(e)
16.	Dreisatz Mysolar24 Private Limited	U40102MH2009PTC326890	Subsidiary	(iii)(e)
17.	MI Mysolar24 Private Limited	U40106MH2009PTC326791	Subsidiary	(iii)(e)
18.	Northwest Energy Private Limited	U40108MH2008PTC182762	Subsidiary	(ix)(d)
19.	Solarsys Renewable Energy Private Limited	U74999MH2004PTC325049	Subsidiary	(ix)(d)
20.	Walwhan Solar Energy GJ Limited	U40104MH2008PLC184134	Subsidiary	(iii)(e)
21.	Walwhan Solar Raj Limited	U40105MH2010PLC202097	Subsidiary	(ix)(d)
22.	Walwhan Solar BH Limited	U40106MH2010PLC209615	Subsidiary	(iii)(e)
23.	Walwhan Solar MH Limited	U40108MH2006PLC165673	Subsidiary	(ix)(d)
24.	Walwhan Wind RJ Limited	U40108MH2006PLC325050	Subsidiary	(ix)(d)
25.	Walwhan Solar AP Limited	U40109MH2008PLC178769	Subsidiary	(vii)(a); (ix)(d)
26.	Walwhan Solar KA Limited	U40300MH2012PLC233418	Subsidiary	(ix)(d)
27.	Walwhan Solar MP Limited	U40106MH2010PLC206275	Subsidiary	(iii)(e); (ix)(d)
28.	Walwhan Solar PB Limited	U40300MH2010PLC326052	Subsidiary	(ix)(d)
29.	Walwhan Solar TN Limited	U40106MH2010PLC326794	Subsidiary	(iii)(e); (ix)(d)
30.	Walwhan Urja Anjar Limited	U40300MH2010PLC326888	Subsidiary	(ix)(d)
31.	Welspun Urja India Limited	U40109MH2006PLC165964	Subsidiary	(ix)(d)
32.	Nelco Limited	L32200MH1940PLC003164	Subsidiary	(vii)(a)
33.	Prayagraj Power Generation Company Limited	U40101UP2007SGC032835	Joint Venture	(iii)(f); (xiv)(b)
34.	Industrial Energy Limited	U74999MH2007PLC167623	Joint Venture	(i)(c)
35.	Tata Projects Limited	U45203TG1979PLC057431	Associate	(iii)(f); (xxi)

The report of the following components included in the consolidated financial statements has not been issued by its auditor till the date of our auditor's report:

Sr. No.	Name	CIN	Subsidiary/ associate/ joint venture
1.	LTH Milcom Pvt Limited.	U74999MH2015PTC267502	Joint Venture
2.	Tubed Coal Mines Limited	U10100MH2007PLC174466	Joint Venture
3.	Mandakini Coal Co. Limited	U10100DL2008PLC175417	Joint Venture
4.	Solace Land Hold Limited	U70109DL2012PLC242177	Joint Venture
5.	Yashmun Engineers Limited	U29100MH1966PLC006109	Associate

For **S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

per **Abhishek Agarwal**

Partner

Membership Number: 112773  
UDIN: 22112773AIMZZK3853

Place of Signature: Mumbai  
Date: May 6, 2022

## Annexure 2 to the Independent Auditor's Report of Even Date on the Consolidated Financial Statements of the Tata Power Company Limited

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of The Tata Power Company Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures, which are companies incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, its associates and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Companies Act, 2013.

#### Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with

reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

#### Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated 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 consolidated 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 Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Group , its associates and joint ventures, which are companies incorporated in India, have, maintained

in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31,2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

#### **Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 14 subsidiaries and 2

associates, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, associates and joint ventures incorporated in India.

For **S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

per **Abhishek Agarwal**  
Partner

Place of Signature: Mumbai      Membership Number: 112773  
Date: May 6, 2022      UDIN: 22112773AIMZZK3853

## Consolidated Balance Sheet

as at March 31, 2022

	Notes	Page	As at	As at
			March 31, 2022	March 31, 2021*
			₹ crore	₹ crore
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, Plant and Equipments	4	357	50,502.96	45,356.46
(b) Right of Use Assets	5	361	3,661.99	3,682.27
(c) Capital Work-in-Progress	6	362	4,635.10	3,270.26
(d) Goodwill	7 a	362	1,858.31	1,794.57
(e) Other Intangible Assets	7 b	363	1,366.18	1,345.85
(f) Investments accounted for using the Equity Method	8 a	366	12,580.00	11,920.63
(g) Financial Assets				
(i) Other Investments	8 c	376	1,169.81	728.88
(ii) Trade Receivables	9	378	685.78	604.71
(iii) Loans	10	380	3.45	4.60
(iv) Finance Lease Receivables	11	381	588.69	598.61
(v) Other Financial Assets	12	382	1,684.53	1,919.25
(h) Non-current Tax Assets (Net)	13	383	520.54	359.83
(i) Deferred Tax Assets (Net)	14 a	383	334.60	184.02
(j) Other Non-current Assets	15	388	1,849.82	1,459.24
<b>Total Non-current Assets</b>			<b>81,441.76</b>	<b>73,229.18</b>
<b>Current Assets</b>				
(a) Inventories	16	389	4,231.52	1,885.62
(b) Financial Assets				
(i) Investments	17	390	410.52	499.54
(ii) Trade Receivables	9	378	5,979.74	5,200.08
(iii) Unbilled Revenue			2,285.57	1,591.14
(iv) Cash and Cash Equivalents	18 a	390	3,077.24	3,669.62
(v) Bank Balances other than (iv) above	18 b	391	3,563.46	2,201.05
(vi) Loans	10	380	9.34	7.63
(vii) Finance Lease Receivables	11	381	46.91	41.45
(viii) Other Financial Assets	12	382	501.45	329.61
(c) Current Tax Assets (Net)	13	383	0.01	Nil
(d) Other Current Assets	15	388	1,479.67	914.04
<b>Total Current Assets</b>			<b>21,585.43</b>	<b>16,339.78</b>
Assets Classified as Held For Sale	19 a	392	3,046.83	3,047.46
<b>Total Assets before Regulatory Deferral Account</b>			<b>106,074.02</b>	<b>92,616.42</b>
Regulatory Deferral Account - Assets	20	395	6,810.57	6,222.44
<b>TOTAL ASSETS</b>			<b>112,884.59</b>	<b>98,838.86</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	21 a	396	319.56	319.56
(b) Unsecured Perpetual Securities	21 b	397	Nil	1,500.00
(c) Other Equity	22	398	22,122.00	20,502.70
<b>Equity attributable to Shareholders of the Company</b>			<b>22,441.56</b>	<b>22,322.26</b>
Non-controlling Interests			3,586.90	2,927.30
<b>Total Equity</b>			<b>26,028.46</b>	<b>25,249.56</b>

## Consolidated Balance Sheet

as at March 31, 2022 (Contd.)

	Notes	Page	As at	As at		
			March 31, 2022 ₹ crore	March 31, 2021* ₹ crore		
<b>Liabilities</b>						
<b>Non-Current Liabilities</b>						
(a) Financial Liabilities						
(i) Borrowings	23	401	32,729.70	30,044.85		
(ia) Lease Liabilities	24	402	3,207.79	3,142.48		
(ii) Trade Payables	25	403	Nil	1.67		
(iii) Other Financial Liabilities	26	404	1,156.56	1,371.00		
(b) Non-current Tax Liabilities (Net)	27	405	3.03	3.03		
(c) Deferred Tax Liabilities (Net)	14 b	383	1,033.30	976.15		
(d) Provisions	28	405	1,218.18	667.27		
(e) Other Non-current Liabilities	29	414	8,139.29	5,987.06		
<b>Total Non-Current Liabilities</b>			<b>47,487.85</b>	<b>42,193.51</b>		
<b>Current Liabilities</b>						
(a) Financial Liabilities						
(i) Borrowings	30	415	14,860.30	13,125.79		
(ia) Lease Liabilities	24	402	397.33	394.83		
(ii) Trade Payables	25	403	10,459.60	7,146.41		
(iii) Other Financial Liabilities	26	404	9,631.96	7,647.70		
(b) Current Tax Liabilities (Net)	27	405	147.00	198.38		
(c) Provisions	28	405	344.82	163.31		
(d) Other Current Liabilities	29	414	2,779.08	2,480.66		
<b>Total Current Liabilities</b>			<b>38,620.09</b>	<b>31,157.08</b>		
Liabilities directly associated with Assets Classified as Held For Sale	19 b	392	113.56	139.78		
<b>Total Liabilities before Regulatory Deferral Account</b>			<b>86,221.50</b>	<b>73,490.37</b>		
Regulatory Deferral Account - Liability	20	395	634.63	98.93		
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>112,884.59</b>	<b>98,838.86</b>		

\* Restated (Refer Note 49)

See accompanying notes to the Consolidated Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.324982E/E300003

per ABHISHEK AGARWAL

Partner

Membership No. 112773

Mumbai, May 6, 2022

For and on behalf of the Board,

PRAVEER SINHA

CEO & Managing Director

DIN 01785164

BANMALI AGRAWALA

Director

DIN 00120029

SANJEEV CHURIWALA

Chief Financial Officer

HANOZ M. MISTRY

Company Secretary

Mumbai, May 6, 2022

## Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

	Notes	Page	For the year ended March 31, 2022	For the year ended March 31, 2021*
			₹ crore	₹ crore
<b>I Revenue from Operations</b>	31	416	42,815.67	32,703.31
<b>II Other Income</b>	32	422	919.96	439.24
<b>III Total Income</b>			<b>43,735.63</b>	<b>33,142.55</b>
<b>IV Expenses</b>				
Cost of Power Purchased			14,640.62	8,334.41
Cost of Fuel			8,290.92	9,074.96
Transmission Charges			1,018.19	504.60
Raw Material Consumed	33	424	3,832.83	2,628.19
Purchase of Finished Goods and Spares			49.11	28.89
(Increase)/Decrease in Stock-in-Trade and Work in Progress	33	424	(199.22)	0.41
Employee Benefits Expense (Net)	34	424	3,611.63	2,316.67
Finance Costs	35	425	3,859.02	4,010.39
Depreciation and Amortisation Expenses	4, 5 & 7b	357,361 &363	3,122.20	2,744.94
Other Expenses	36	426	4,060.42	2,812.48
<b>Total Expenses</b>			<b>42,285.72</b>	<b>32,455.94</b>
<b>V Profit/(Loss) Before Movement in Regulatory Deferral Balances, Exceptional Items, Tax and Share of Net Profit of Associates and Joint Ventures accounted for using the Equity Method</b>			<b>1,449.91</b>	<b>686.61</b>
Add/(Less): Net Movement in Regulatory Deferral Balances	20	395	(380.42)	454.22
Add/(Less): Deferred Tax Recoverable/(Payable)	20	395	140.95	81.80
			<b>(239.47)</b>	<b>536.02</b>
<b>VI Profit/(Loss) Before Exceptional Items, Tax and Share of Net Profit of Associates and Joint Ventures accounted for using the Equity Method</b>			<b>1,210.44</b>	<b>1,222.63</b>
Share of Net Profit of Associates and Joint Ventures accounted for using the Equity Method			1,942.83	873.39
<b>VII Profit/(Loss) Before Exceptional Items and Tax</b>			<b>3,153.27</b>	<b>2,096.02</b>
Add/(Less): Exceptional Items:				
Provision for Impairment of Investment	19b. (v)(c)	393	(150.27)	Nil
Standby Litigation	40(f)	432	Nil	(109.29)
			<b>(150.27)</b>	<b>(109.29)</b>
<b>VIII Profit/(Loss) Before Tax for the Year from Continuing Operations</b>			<b>3,003.00</b>	<b>1,986.73</b>
<b>IX Tax Expense/(Credit)</b>				
Current Tax	37	426	580.30	647.57
Current Tax in respect of earlier years	37.4.(i), (iii)	428	(105.11)	Nil
Deferred Tax	37	426	133.31	(145.69)
Deferred Tax relating to earlier years	37.4.(ii)	428	(588.56)	Nil
Remeasurement of Deferred Tax on account of New Tax Regime (net)	37.4.(iii)	428	359.62	Nil
			<b>379.56</b>	<b>501.88</b>
<b>X Profit/(Loss) for the Year from Continuing Operations</b>			<b>2,623.44</b>	<b>1,484.85</b>
<b>XI Profit/(Loss) before tax from Discontinued Operations</b>	19c	394	Nil	(59.85)
Impairment Loss related to Discontinued Operations on remeasurement at Fair Value	19c	394	(467.83)	(160.00)
<b>XII Tax Expense/(Credit) of Discontinued Operations</b>				
Current Tax			Nil	(101.48)
Deferred Tax			Nil	(72.17)
<b>Tax Expense/(Credit) of Discontinued Operations</b>			<b>Nil</b>	<b>(173.65)</b>
<b>XIII Profit/(Loss) for the Year from Discontinued Operations</b>			<b>(467.83)</b>	<b>(46.20)</b>
<b>XIV Profit/(Loss) for the Year</b>			<b>2,155.61</b>	<b>1,438.65</b>

# Consolidated Statement of Profit and Loss

for the period ended March 31, 2022 (Contd.)

	Notes	Page	For the year ended March 31, 2022 ₹ crore	For the year ended March 31, 2021* ₹ crore
<b>XV Other Comprehensive Income/(Expenses) - Continuing Operations</b>				
A Add/(Less):				
(i) Items that will not be reclassified to Profit or Loss				
(a) Remeasurement of the Defined Benefit Plans			(256.85)	(80.56)
(b) Movement in Regulatory Deferral Balance			265.28	93.92
(c) Equity Instruments classified at FVTOCI			307.12	230.77
(ii) Tax relating to items that will not be reclassified to Profit or Loss				
(a) Current Tax			(36.54)	(1.04)
(b) Deferred Tax			35.13	(4.68)
(iii) Share of Other Comprehensive Income/(Loss) of Associates and Joint Ventures accounted for using the Equity Method (net of tax)			(18.25)	(3.15)
B Add/(Less):				
(i) Items that will be reclassified to Profit or Loss				
(a) Exchange Differences in translating the financial statements of foreign operations			(13.07)	(423.15)
(b) Effective portion of cash flow hedge			130.88	(371.75)
(ii) Tax relating to items that will be reclassified to Profit or Loss				
(a) Deferred Tax			(32.94)	93.57
(iii) Share of Other Comprehensive Income/(Loss) of Associates and Joint Ventures accounted for using the Equity Method (net of tax)			92.65	86.75
			<b>473.41</b>	<b>(379.32)</b>
<b>XVI Other Comprehensive Income/(Expense) - Discontinued Operations</b>				
Add/(Less):				
(i) Items that will not be reclassified to Profit or Loss			Nil	(0.34)
			<b>Nil</b>	<b>(0.34)</b>
<b>XVII Total Other Comprehensive Income for the Year (XV + XVI)</b>			<b>473.41</b>	<b>(379.66)</b>
<b>XVIII Total Comprehensive Income for the Year (XIV + XVII)</b>			<b>2,629.02</b>	<b>1,058.99</b>
Profit for the year attributable to:				
- Owners of the Company			1,741.46	1,127.38
- Non-controlling Interest			414.15	311.27
			<b>2,155.61</b>	<b>1,438.65</b>
Other comprehensive Income for the year attributable to:				
- Owners of the Company			473.38	(380.67)
- Non-controlling Interest			0.03	1.01
			<b>473.41</b>	<b>(379.66)</b>
Total Comprehensive Income for the year attributable to:				
- Owners of the Company			2,214.84	746.71
- Non-controlling Interest			414.18	312.28
			<b>2,629.02</b>	<b>1,058.99</b>
<b>XIX Basic and Diluted Earnings Per Equity Share (of ₹ 1/- each) (₹)</b>	41	435		
(i) From Continuing Operations before net movement in Regulatory Deferral Balances			7.00	2.43
(ii) From Continuing Operations after net movement in Regulatory Deferral Balances			6.82	3.32
(iii) From Discontinued Operations			(1.46)	(0.15)
(iv) Total Operations after net movement in Regulatory Deferral Balances			5.36	3.17

\* Restated (Refer Note 49)

See accompanying notes to the Consolidated Financial Statements

As per our report of even date

For and on behalf of the Board,

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.324982E/E300003

**PRAVEER SINHA**  
CEO & Managing Director  
DIN 01785164

**BANMALI AGRAWALA**  
Director  
DIN 00120029

per ABHISHEK AGARWAL

Partner

Membership No. 112773

Mumbai, May 6, 2022

**SANJEEV CHURIWALA**  
Chief Financial Officer

**HANOZ M. MISTRY**  
Company Secretary

Mumbai, May 6, 2022

## Consolidated Statement of Cash Flows

for the year ended March 31, 2022

	For the year ended March 31, 2022	For the year ended March 31, 2021*
	₹ crore	₹ crore
<b>A. Cash flow from operating activities</b>		
Profit/(Loss) before tax from Continuing Operations	3,003.00	1,986.73
Profit/(Loss) before tax from Discontinued Operations	(467.83)	(219.85)
Adjustments to reconcile Profit Before Tax to Net Cash Flows:		
Depreciation and Amortisation Expense	3,122.20	2,744.94
Reversal of Impairment of Non-Current Investments and related obligation	Nil	(67.76)
Transfer to Contingency Reserve	12.57	11.00
Impairment Loss on Remeasurement related to Discontinued Operations	467.83	160.00
(Gain)/Loss on disposal of Property, Plant and Equipment (Net)	41.09	(5.60)
Finance Cost (Net of Capitalisation)	3,859.02	4,035.30
Interest Income	(292.51)	(175.65)
Dividend Income	(6.79)	(6.78)
Gain on sale of Current Investment measured at fair value through Profit and Loss	(19.31)	25.82
Allowances for Doubtful Debts and Advances (Net)	127.62	24.37
Bad debts	11.94	69.87
Provision for Warranties	10.67	26.50
Provision for standby litigation	Nil	109.29
Provision for Impairment for Investment in Joint Venture	150.27	Nil
Delayed Payment income	(68.31)	(66.27)
Amortisation of Service Line Contributions and Government Grant	(317.70)	(152.19)
Guarantee Commission from Joint Ventures	(9.61)	(8.26)
Share of Net Profit of Associates and Joint Ventures accounted for using the equity method	(1,942.83)	(873.39)
Amortisation of Deferred Revenue	55.41	48.23
Amortisation of Leasehold Land	1.44	1.12
Reclassification of Foreign Currency Translation Reserve from Other Comprehensive Income	(199.64)	Nil
Effect of Exchange Fluctuation (Net)	37.56	(16.75)
	<b>5,040.92</b>	<b>5,883.79</b>
	<b>7,576.09</b>	<b>7,650.67</b>
Adjustments for (increase) / decrease in Operating Assets:		
Inventories	(2,308.21)	(93.26)
Trade Receivables	(887.56)	(1,103.76)
Unbilled Revenue	(694.43)	(885.35)
Finance Lease Receivables	4.46	(17.94)
Loans-Current	(1.93)	(1.43)
Loans-Non Current	1.15	0.46
Other Current Assets	(531.99)	(270.14)
Other Non-current Assets	(284.09)	(156.71)
Other Financial Assets - Current	(115.86)	106.89
Other Financial Assets - Non-current	(15.63)	(88.14)
Regulatory Deferral Account - Assets	(322.85)	(998.00)
(Purchase)/ proceeds from sale of Current Investments (Net)	Nil	158.02
Movement in Operating Asset	<b>(5,156.94)</b>	<b>(3,349.36)</b>

# Consolidated Statement of Cash Flows

for the year ended March 31, 2022

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021*</b>
	₹ crore	₹ crore
<b>Adjustments for increase / (decrease) in Operating Liabilities:</b>		
Trade Payables	3,221.69	1,709.92
Other Current Liabilities	261.32	729.58
Other Non-current Liabilities	64.14	(6.91)
Other Financial Liabilities - Current	341.00	1,081.05
Other Financial Liabilities - Non-current	79.54	356.79
Regulatory Deferral Account - Liability	535.70	61.23
Current Provisions	(85.98)	128.52
Non-current Provisions	550.91	430.66
Movement in Operating Liability	<b>4,968.32</b>	<b>4,490.84</b>
Cash Flow from/(used in) Operations	<b>7,387.47</b>	<b>8,792.15</b>
Income-tax Paid - (net of refund received)	(694.74)	(447.03)
<b>Net Cash Flows from/(used in) Operating Activities</b>	<b>A</b>	<b>6,692.73</b>
<b>B. Cash Flow from Investing Activities</b>		
Capital expenditure on Property, Plant and Equipment (including capital advances)	(7,267.86)	(3,335.79)
Proceeds from sale of Property, Plant and Equipment (including property, plant and equipment classified as held for sale)	34.91	1,549.09
Proceeds from sale of Strategic Engineering Division (Net)	Nil	420.85
(Purchase)/ proceeds from sale of Current Investments (Net)	164.00	83.44
Consideration transferred on business combinations	Nil	(720.75)
Purchase of Non-current Investments	(585.06)	(80.26)
Proceeds from sale of Non-current Investments (Including advance and investments classified as held for sale)	195.80	844.32
Inter-corporate Deposits (Net)	0.22	5.46
Interest Received	151.24	161.12
Delayed Payment Charges received	68.31	66.27
Guarantee Commission Received	9.61	3.15
Dividend Received	1,855.60	1,846.06
Bank Balance not Considered as Cash and Cash Equivalents	(903.34)	(175.36)
<b>Net Cash Flow from/(used in) Investing Activities</b>	<b>B</b>	<b>(6,276.57)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Issue of Shares including shares issued to Minority Shareholders	11.33	2,996.06
Redemption of Unsecured Perpetual Securities	(1,500.00)	Nil
Increase in Capital/Service Line Contributions and contribution from consumers	746.26	155.16
Proceeds from Non-current Borrowings	11,473.88	5,602.19
Repayment of Non-current Borrowings	(5,684.28)	(7,453.61)
Proceeds/(repayment) from Current Borrowings (Net)	(1,632.59)	(4,121.95)
Finance Cost Paid	(3,555.18)	(3,731.42)
Payment of Lease Liability	(383.85)	(351.78)
Dividend Paid	(558.51)	(526.29)
Distribution on Unsecured Perpetual Securities	(100.26)	(171.24)

## Consolidated Statement of Cash Flows

for the year ended March 31, 2022

		For the year ended March 31, 2022	For the year ended March 31, 2021*
		₹ crore	₹ crore
<b>Net Cash Flow from/(used in) Financing Activities</b>	C	<b>(1,183.20)</b>	<b>(7,602.88)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	(A+B+C)	<b>(767.04)</b>	<b>1,409.84</b>
<b>Cash and Cash Equivalents as at 1st April (Opening Balance)</b>		<b>3,569.96</b>	<b>1,834.39</b>
Cash and Cash Equivalents Acquired on Business Combinations		(63.43)	446.29
Effect of Exchange Fluctuation on Cash and Cash Equivalents		89.53	(120.56)
<b>Cash and Cash Equivalents as at 31st March (Closing Balance)</b>		<b>2,829.02</b>	<b>3,569.96</b>

Notes:

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

		As at March 31, 2022	As at March 31, 2021*
		₹ crore	₹ crore
II) <b>Cash and Cash Equivalents include:</b>			
(a) Balances with banks			
(i) In current accounts		1,254.84	1,015.45
(ii) In Deposit Accounts (with original maturity of three months or less)		1,702.09	2,543.84
(b) Cheques on Hand		23.30	45.16
(c) Cash on Hand		97.01	65.17
(d) Bank Overdraft		(248.22)	(99.66)
<b>Total Cash and Cash Equivalents</b>		<b>2,829.02</b>	<b>3,569.96</b>

\* (Restated - Refer Note 49)

See accompanying notes to the Consolidated Financial Statements

As per our report of even date

**For S R B C & CO LLP**

**Chartered Accountants**

ICAI Firm Registration No.324982E/E300003

**per ABHISHEK AGARWAL**

**Partner**

Membership No. 112773

Mumbai, May 6, 2022

For and on behalf of the Board,

**PRAVEER SINHA**

**CEO & Managing Director**

DIN 01785164

**BANMALI AGRAWALA**

**Director**

DIN 00120029

**SANJEEV CHURIWALA**

**Chief Financial Officer**

Mumbai, May 6, 2022

**HANOZ M. MISTRY**

**Company Secretary**

## Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

### A. Equity Share Capital

	₹ crore
	<b>No. of Shares</b>
	<b>Amount</b>
<b>Balance as at April 1, 2020</b>	270,47,73,510
Issued during the year [Refer Note 22(4)]	49,05,66,037
<b>Balance as at March 31, 2021</b>	<b>319,53,39,547</b>
Issued during the year	Nil
<b>Balance as at March 31, 2022</b>	<b>319,53,39,547</b>
	<b>319.56</b>

### B. Unsecured Perpetual Securities

	₹ crore
	<b>No. of Securities</b>
	<b>Amount</b>
<b>Balance as at April 1, 2020</b>	15,000
Issued during the year	Nil
<b>Balance as at March 31, 2021</b>	<b>15,000</b>
Redeemed during the year [Refer Note 21.b]	(15,000)
<b>Balance as at March 31, 2022</b>	<b>Nil</b>
	<b>Nil</b>

**C. Other Equity (Refer Note 22)**

Description	General Reserve	Securities Premium Reserve	Debenture Reserve	Capital Redemption Reserve	Capital Reserve	Special Reserve Fund	Statutory Reserves	Retained Earnings	Item of Other Comprehensive Income	Controlling Interests	Total Non-controlling Interests
	₹ crore								Equity through Other Comprehensive Reserve	Foreign Currency Translation Reserve	Effective portion of cashflow hedge
<b>Balance as at April 1, 2020</b>	4,086.53	5,647.80	638.20	515.76	232.09	124.07	660.08	4,387.49	(7.54)	1,414.63	96.41
Capital Re-organisation [Refer Note 226]]	(3,859.92)	(5,091.20)	Nil	Nil	Nil	Nil	Nil	8,951.12	Nil	Nil	Nil
<b>Restated Balance as at April 1, 2020</b>	226.61	556.60	638.20	515.76	232.09	124.07	660.08	13,338.61	(7.54)	1,414.63	96.41
Profit for the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1,127.38	Nil	Nil	1,127.38
Other Comprehensive Income/ (Expenses) for the year (Net of Tax)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	3.14	230.77	(364.0)	(380.67)
<b>Total Comprehensive Income</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>1,130.52</b>	<b>230.77</b>	<b>(336.40)</b>	<b>(278.18)</b>
Issue of equity shares during the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Securities Premium collected during the year [Refer Note 224]]	Nil	2,550.94	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dividend paid	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(419.24)	Nil	Nil	Nil
Transfer to/(from) Debenture Redemption Reserve	Nil	Nil	(13.14)	Nil	Nil	Nil	Nil	13.14	Nil	Nil	Nil
Transfer to/(from) Special Reserve Fund	Nil	Nil	Nil	Nil	Nil	2.21	Nil	Nil	Nil	Nil	Nil
Distribution on Unsecured Perpetual Securities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(171.23)	Nil	Nil	(171.23)
<b>Balance as at March 31, 2021</b>	<b>226.61</b>	<b>3,107.54</b>	<b>625.06</b>	<b>515.76</b>	<b>232.09</b>	<b>126.28</b>	<b>660.08</b>	<b>13,889.59</b>	<b>223.23</b>	<b>1,078.23</b>	<b>(181.77)</b>
<b>Balance as at April 1, 2021</b>	<b>226.61</b>	<b>3,107.54</b>	<b>625.06</b>	<b>515.76</b>	<b>232.09</b>	<b>126.28</b>	<b>660.08</b>	<b>13,889.59</b>	<b>223.23</b>	<b>1,078.23</b>	<b>(181.77)</b>
Profit for the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1,741.46	Nil	Nil	1,741.46
Other Comprehensive Income/ (Expenses) for the year (Net of Tax)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(11.26)	307.11	97.94	473.38
<b>Total Comprehensive Income</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>1,750.20</b>	<b>307.11</b>	<b>97.59</b>	<b>2,214.84</b>
Issue of equity shares during the year [Refer note 18]	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dividend paid	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(495.28)	Nil	Nil	(495.28)
Transfer to/(from) Debenture Redemption Reserve	Nil	Nil	(100.00)	Nil	Nil	Nil	Nil	100.00	Nil	Nil	Nil
Transfer to/(from) Special Reserve Fund (Refer Note 22)	Nil	Nil	Nil	Nil	Nil	(126.28)	Nil	126.28	Nil	Nil	Nil
Distribution on Unsecured Perpetual Securities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(100.26)	Nil	Nil	(100.26)
<b>Balance as at March 31, 2022</b>	<b>226.61</b>	<b>3,107.54</b>	<b>525.06</b>	<b>515.76</b>	<b>232.09</b>	<b>Nil</b>	<b>660.08</b>	<b>15,250.53</b>	<b>530.34</b>	<b>1,157.82</b>	<b>(83.83)</b>

See accompanying notes to the Consolidated Financial Statements

As per our report of even date

**For S R B C & CO LLP**  
**Chartered Accountants**  
 ICAI Firm Registration No.3249882E/E3000003  
**per ABHISHEK AGARWAL**  
**Partner**  
 Membership No. 112773  
 Mumbai, May 6, 2022

For and on behalf of the Board,

**BANMALI AGRAWALA**  
**Director**  
 DIN 00120029

**PRAVEER SINHA**  
**CEO & Managing Director**  
 DIN 01785164

**SANJEEV CHURIWALA**  
**Chief Financial Officer**

**HANOZ M. MISTRY**  
**Company Secretary**

Mumbai, May 6, 2022

# Consolidated Statement of Changes in Equity

for the year ended March 31, 2022 (Contd.)

# Notes to the Consolidated Financial Statements

## 1. Corporate Information

The Tata Power Company Limited (the 'Company' or 'Parent Company') is a public limited company domiciled and incorporated in India under the Indian Companies Act, 1913. The registered office of the Company is located at Bombay House, 24, Horni Mody Street, Mumbai 400 001 India. The Company is listed on the Bombay Stock Exchange of India Limited (BSE) and the National Stock Exchange of India Limited (NSE).The principal business of the Company is generation, transmission, distribution and trading of electricity.

The Company and its subsidiaries joint ventures and associates (collectively referred to as 'the Group') is one of India's largest integrated power companies with an international presence. The Group together with its joint venture companies has an installed gross generation capacity of 13,515 MW and a presence in all the segments of the power sector viz. Fuel Security and Logistics, Generation (thermal, hydro, solar and wind), Transmission, Distribution and Trading. The Group has developed the country's first 4,000 MW Ultra Mega Power Project at Mundra (Gujarat) based on super-critical technology. It is also one of the largest renewable energy players in India with a clean energy portfolio of 4,651 MW. Its international presence includes strategic investments in Indonesia, Singapore, Zambia, Georgia and Bhutan. With its track record of technology leadership, project execution excellence, world class safety processes, customer care and driving green initiatives the Group is poised for multi-fold growth and is committed to 'lighting up lives' for generations to come.

## 2. Significant Accounting Policies:

### 2.1 Statement of compliance

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

### 2.2 Basis of preparation and presentation

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- derivative financial instruments,
- certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- employee benefit expenses (Refer Note 28 for accounting policy)
- Contingent consideration on sale and purchase of business

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

The consolidated financial statements are presented in Indian Rupees (₹) and all amounts are in Crore unless otherwise stated.

### 2.3 Basis of Consolidation:

The Group consolidates all entities which are controlled by it. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The entities are consolidated from the date control commences until the date control ceases.

#### 2.3.1 Subsidiaries

The consolidated financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/loss from such transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance.

Changes in the Group's holding that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's holding and the non-controlling interests are adjusted to reflect the changes in their relative holding. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

## Notes to the Consolidated Financial Statements

### 2. Significant Accounting Policies: (Contd.)

#### 2.3.2 Joint Ventures and Associates

Joint Ventures are entities over which the Group has joint control. Associates are entities over which the Group has significant influence but not control. Investments in Joint Ventures and Associates are accounted for using the equity method of accounting. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in Joint Ventures and Associates includes goodwill identified on acquisition. (Refer Note 8a)

#### 2.4 Business Combinations

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under the common control are accounted at historical costs. The difference between any consideration given and the aggregate historical carrying amount of assets and liabilities of the acquired entity are recorded in shareholders' equity.

In case of bargain purchase, before recognising gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognizes any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amount that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing, directly in equity as capital reserve.

#### 2.5 Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amount to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

## Notes to the Consolidated Financial Statements

### 2. Significant Accounting Policies: (Contd.)

- 2.6** Details of the Group's subsidiaries at the end of the reporting period considered in the preparation of the consolidated financial statements are as follows:

Name	Country of Incorporation/ Principal Place of Business	% voting power held as at March 31, 2022	% voting power held as at March 31, 2021
<b>Subsidiaries (Direct)</b>			
Af-Taab Investment Co. Ltd. (Merged with Holding Company)*	India	Nil	100
Tata Power Trading Co. Ltd.	India	100	100
Nelco Ltd.	India	50.04	50.04
Maithon Power Ltd.	India	74	74
Tata Power Delhi Distribution Ltd.	India	51	51
Coastal Gujarat Power Ltd. (Merged with Holding Company)*	India	Nil	100
Bhira Investments Pte. Ltd.	Singapore	100	100
Bhivpuri Investments Ltd.	Mauritius	100	100
Khopoli Investments Ltd.	Mauritius	100	100
Trust Energy Resources Pte. Ltd.!	Singapore	Nil	100
TP Renewable Microgrid Ltd.	India	100	100
TCL Ceramics Ltd. (Ceased to be Subsidiary w.e.f March 24, 2022)	India	Nil	57.07
Tata Power International Pte. Ltd.	Singapore	100	100
Tata Power Solar Systems Ltd.	India	100	100
Tata Power Renewable Energy Ltd.	India	100	100
Tata Power Jamshedpur Distribution Ltd.	India	100	100
TP Ajmer Distribution Ltd.	India	100	100
Tata Power Green Energy Ltd.	India	100	100
Supa Windfarm Ltd.	India	100	100
TP Central Odisha Distribution Ltd. (w.e.f. June 1, 2020)	India	51	51
TP Western Odisha Distribution Ltd. (w.e.f. January 1, 2021)	India	51	51
TP Southern Odisha Distribution Ltd. (w.e.f. January 1, 2021)	India	51	51
TP Kirnali Solar Ltd. (w.e.f July 23, 2020)	India	74	74
TP Solapur Solar Ltd. (w.e.f July 29, 2020)	India	74	100
TP Surya Ltd. (w.e.f August 2, 2020)	India	100	100
TP Akkalkot Renewable Ltd. (w.e.f August 11, 2020)	India	74	100
TP Roofurja Renewable Ltd. (w.e.f August 22, 2020)	India	100	100
TP Northern Odisha Distribution Ltd. (w.e.f. April 1, 2021)	India	51	Nil
TP Solapur Surya Ltd. (w.e.f. May 27, 2021)	India	100	Nil
<b>Subsidiaries (Indirect)</b>			
PT Sumber Energi Andalan Tbk. \$	Indonesia	92.50	92.50
PT Andalan Group Power (w.e.f. March 2, 2021) \$	Indonesia	92.50	92.50
PT Sumber Power Nusantara (w.e.f. April 19, 2021) \$	Indonesia	92.50	Nil
PT Indopower Energi Abadi (w.e.f. April 19, 2021) \$	Indonesia	92.50	Nil
PT Andalan Power Teknikatama (w.e.f. April 19, 2021) \$	Indonesia	92.50	Nil
NDPL Infra Ltd.	India	51	51
Tatanet Services Ltd. (TNSL) (Merged with Nelco Ltd w.e.f June 9, 2021)	India	Nil	50.04
Poolavadi Windfarm Ltd.	India	74	74
Nivade Windfarm Ltd.	India	100	100
TP Wind Power Ltd.	India	100	100
TP Solapur Ltd.	India	100	100
TP Kirnali Ltd.	India	100	100

## Notes to the Consolidated Financial Statements

### 2. Significant Accounting Policies: (Contd.)

Name	Country of Incorporation/ Principal Place of Business	% voting power held as at March 31, 2022	% voting power held as at March 31, 2021
Walwhan Renewable Energy Ltd.	India	100	100
Clean Sustainable Solar Energy Pvt. Ltd. @	India	99.99	99.99
Dreisatz Mysolar24 Pvt. Ltd. @	India	100	100
MI Mysolar24 Pvt. Ltd. @	India	100	100
Northwest Energy Pvt. Ltd. @	India	100	100
Solarsys Renewable Energy Pvt. Ltd. @	India	100	100
Walwhan Solar Energy GJ Ltd. @	India	100	100
Walwhan Solar Raj Ltd. @	India	100	100
Walwhan Solar BH Ltd. @	India	100	100
Walwhan Solar MH Ltd. @	India	100	100
Walwhan Wind RJ Ltd. @	India	100	100
Walwhan Solar AP Ltd. @	India	100	100
Walwhan Solar KA Ltd. @	India	100	100
Walwhan Solar MP Ltd. @	India	100	100
Walwhan Solar PB Ltd. @	India	100	100
Walwhan Energy RJ Ltd. @	India	100	100
Walwhan Solar TN Ltd. @	India	100	100
Walwhan Solar RJ Ltd. @	India	100	100
Walwhan Urja Anjar Ltd. @	India	100	100
Walwhan Urja India Ltd. @	India	100	100
Chirasthayee Surya Ltd.	India	100	100
Nelco Network Products Ltd. (Consolidated with Nelco Ltd.)	India	50.04	50.04
Vagarai Windfarm Ltd.	India	62.4	72
Far Eastern Natural Resources LLC #	Russia	100	100
Trust Energy Resources Pte. Ltd !	Singapore	100	Nil

\* Refer Note - 22 (6)

# Based on Unaudited Financial Information, certified by its Management for the year ended March 31, 2022.

@ Consolidated with Walwhan Renewable Energy Ltd.

\$ Classified as held for sale.

! Sold by the Holding Company to its wholly owned subsidiary Tata Power International Pte. Ltd.

### 3. Other Significant Accounting Policies, critical accounting estimates and judgements

#### 3.1 Foreign Currencies

The Group's consolidated financial statements are presented in Indian Rupee, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e.,

## Notes to the Consolidated Financial Statements

### 3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet
- Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in OCI.

#### 3.2 Current versus non-current classification

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

- expected to be realised or intended to be sold or consumed in normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting period, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

#### 3.3 Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the Group's best estimate of the expenditure required to settle the Group's obligation.

#### 3.4 Financial Instruments

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

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in consolidated statement of profit and loss.

## Notes to the Consolidated Financial Statements

### 3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

#### **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expenses over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

#### **3.5 Financial Assets**

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

##### **3.5.1 Financial assets at amortised cost**

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

##### **3.5.2 Financial assets at fair value through other comprehensive income (FVTOCI)**

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

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

##### **3.5.3 Financial assets at fair value through profit or loss (FVTPL)**

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

##### **3.5.4 Investment in joint ventures and associates**

Investment in joint ventures and associates are accounted using equity method less impairment.

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.

#### **Impairment of investments:**

The Group reviews its carrying value of investments carried at cost, amortised cost or equity method annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the Statement of Profit or Loss.

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

## Notes to the Consolidated Financial Statements

### 3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

#### 3.5.5 Derecognition

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

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

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

#### 3.5.6 Impairment of financial assets

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

### 3.6 Financial liabilities and equity instruments

#### 3.6.1 Classification as debt or equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### 3.6.2 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

#### 3.6.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in consolidated statement of profit and loss when the liabilities are derecognised as well as through the effective interest rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

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

#### 3.6.4 Derecognition

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

## Notes to the Consolidated Financial Statements

### 3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

#### 3.6.5 Financial guarantee contracts

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

#### 3.7 Derivative financial instruments and hedge accounting

The Group enters into a variety of derivative financial instruments such as forward contracts, options contacts and interest rate swaps, to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts and cross currency swaps.

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the consolidated statement of profit and loss. Any gains or losses arising from changes in the fair value of derivatives are taken directly to consolidated statement of profit and loss.

The Group adopts hedge accounting for forward, interest rate and commodity contracts wherever possible. At the inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item transaction and nature of the risk being hedged. At inception, each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the consolidated statement of profit and loss.

When hedge accounting is applied:

- for fair value hedges of recognised assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognised in the consolidated statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives.
- for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in other comprehensive income and the ineffective portion is recognised in the consolidated statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the consolidated statement of profit and loss in the same period in which the hedged item affects the consolidated statement of profit and loss. In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the consolidated statement of profit and loss as and when they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the consolidated statement of profit and loss for the period.

#### 3.8 Reclassification of financial assets and liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes

## Notes to the Consolidated Financial Statements

### 3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

#### 3.9 Offsetting of financial instruments

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

#### 3.10 Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grant will be received.

Government grants relating to income are determined and recognised in the consolidated statement of profit and loss over the period necessary to match them with the cost that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are reduced from the cost of the assets.

The benefit of a Government loan at a below market rate of interest is treated as a Government grant, measured as the difference between proceeds received and the fair value of loan based on prevailing market interest rates.

#### 3.11 Dividend distribution to equity shareholders of the Parent Company

The Parent Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. In case of Interim Dividend, the liability is recognised on its declaration by the Board of Directors.

#### 3.12 Service Concession Agreement (SCA)

A Group entity has entered into contract for design, part finance, engineering, manufacture, supply, erection, testing, commissioning and operation and maintenance for 25 years of Grid Interactive Solar Power Project through Public Private Partnership with a public sector power generator (PSU). The PSU has paid part of the project cost to the Group on commissioning of plant/Handover of Project. Remaining cost and the operations and maintenance cost is being recovered over the period of the project in accordance with the agreement with the PSU.

Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. It requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

As per the arrangement, the share of electricity revenue is divided into three parts i.e. towards deferred payment, interest income and operation and maintenance revenue. The Group has initially measured financial asset at fair value and subsequently at amortized cost by recognising share of electricity sale revenue first towards operation and maintenance revenue. Subsequent thereto, amount is recognised as interest income at computed Internal Rate of Return (IRR) on opening balance of the financial asset. Further, surplus of revenue share over and above operation and maintenance revenue and interest income is recognised as recovery of the financial asset.

#### 3.13 Critical accounting estimates and judgements

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

## Notes to the Consolidated Financial Statements

### 3. Other Significant Accounting Policies, critical accounting estimates and judgements (Contd.)

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

The areas involving critical estimates or judgements are:

Estimates and judgements used for impairment assessment of certain cash generating units (CGU) - Note 4 & 8

Estimation and judgements for impairment assessment of goodwill - Note 6a.

Estimations used for fair value of unquoted securities and impairment assessment of investments - Note 8

Estimation of defined benefit obligation - Note 28

Estimation of provision for warranty claims - Note 28

Estimates related to accrual of regulatory deferrals and revenue recognition - Note 20 and Note 31

Estimations used for determination of tax expenses and tax balances - Note 37 and Note 14

Estimates and judgements related to the assessment of liquidity risk - Note 43.4.3

Judgement to estimate the amount of provision required or to determine required disclosure related to litigation and claims against the Group - Note 39 and Note 40

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

### 4. Property, Plant and Equipments

#### Accounting Policy

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price (net of trade discount and rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with Ind AS 23. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Other Indirect expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the consolidated statement of profit and loss as incurred.

#### Depreciation

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

#### Regulated Assets:

Depreciation on Property, plant and equipment in respect of electricity business of the Group covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates specified in tariff regulations notified by respective Electricity Regulatory Commission ('Regulator').

#### Non Regulated Assets:

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful

## Notes to the Consolidated Financial Statements

### 4. Property, Plant and Equipments (Contd.)

lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

Type of assets	Useful lives
Hydraulic Works	40 years
Buildings-Plant	5 to 50 years
Buildings-Others	25 to 60 years
Coal Jetty	25 years
Railway Sidings, Roads, Crossings, etc.	5 to 40 years
Plant and Equipments (excluding Computers and Data Processing units)	3 to 40 years
Plant and Equipments (Computers and Data Processing units)	3 to 6 years
Transmission Lines, Cable Network, etc.	4 to 40 years
Furniture and Fixtures	5 to 40 years
Office Equipments	5 to 15 years
Motor Cars	4 to 15 years
Motor Lorries, Launches, Barges etc.	25 to 40 years
Helicopters	25 years

#### De-recognition

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 consolidated statement of profit and loss.

#### Impairment of tangible and intangible assets

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

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

In assessing value in use, the estimated future post tax cash flows are discounted to their present value using an appropriate discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

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

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

## Notes to the Consolidated Financial Statements

### 4 Property, Plant and Equipment (Contd.)

#### A. Owned Assets

Description	Freehold Land	Hydraulic Works	Buildings - Plant	Buildings - Others@	Coal Jetty	Roads, Railway sidings, crossings etc.	Plant and Equipment	Transmission lines and cable network	Furniture and Fixtures	Office Equipment	Motor Vehicles, Launches, Barges, etc.	Total
Cost												₹ crore
<b>Balance as at April 1, 2021</b>	1,190.69	545.29	2,413.95	814.38	106.10	597.54	48,570.90	11,602.10	133.95	188.38	86.49	35.30
Additions	62.71	18.91	115.71	74.92	Nil	5.46	4,261.30	1,882.43	13.23	905.6	11.61	Nil
Acquisition through business combination (Refer Note 48)	Nil	Nil	3.47	Nil	Nil	Nil	1,468.10	0.28	1.41	0.15	Nil	1,473.41
Disposals	Nil	Nil	(0.24)	Nil	Nil	Nil	(194.03)	(20.52)	(3.52)	(12.03)	(14.38)	Nil (244.72)
Exchange Movement	Nil	Nil	Nil	Nil	Nil	Nil	0.88	Nil	Nil	Nil	Nil	0.88
Reclassified from/to assets classified as held for sale (Refer Note 19a)	Nil	Nil	18.16	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	18.16
<b>Balance as at March 31, 2022</b>	<b>1,253.40</b>	<b>564.20</b>	<b>2,529.42</b>	<b>910.93</b>	<b>106.10</b>	<b>603.00</b>	<b>52,639.05</b>	<b>14,932.11</b>	<b>143.94</b>	<b>268.32</b>	<b>83.87</b>	<b>35.30</b>
<b>Accumulated depreciation and impairment</b>												
<b>Balance as at April 1, 2021</b>	Nil	316.25	679.19	274.37	67.21	74.31	16,300.27	2,948.72	89.93	97.85	48.76	31.75
Depreciation Expense - Continuing Operations	Nil	10.97	75.32	30.21	5.60	18.66	1,997.03	646.10	7.12	23.80	6.67	0.01
Disposals	Nil	Nil	Nil	Nil	Nil	Nil	(165.85)	(5.38)	(2.55)	(10.20)	(9.66)	Nil (193.64)
Exchange Movement	Nil	Nil	Nil	Nil	Nil	Nil	0.07	Nil	Nil	Nil	Nil	0.07
Reclassified from/to assets classified as held for sale (Refer Note 19a)	Nil	Nil	10.14	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	10.14
<b>Balance as at March 31, 2022</b>	<b>Nil</b>	<b>327.22</b>	<b>754.51</b>	<b>314.72</b>	<b>72.81</b>	<b>92.97</b>	<b>18,131.52</b>	<b>3,589.44</b>	<b>94.50</b>	<b>111.45</b>	<b>45.77</b>	<b>31.76</b>
<b>Net carrying amount</b>												
<b>As at March 31, 2022</b>	<b>1,253.40</b>	<b>236.98</b>	<b>1,774.91</b>	<b>596.21</b>	<b>33.29</b>	<b>510.03</b>	<b>34,507.53</b>	<b>11,342.67</b>	<b>49.44</b>	<b>156.87</b>	<b>38.10</b>	<b>3.54</b>

## Notes to the Consolidated Financial Statements

Description	Freehold Land	Hydraulic Works	Buildings - Plant	Buildings - Others @	Coal Jetty	Roads, Railway sidings, crossings etc.	Plant and Equipment	Transmission lines and cable network	Furniture and Fixtures	Office Equipment	Motor Vehicles, Launches, Barges, etc.	Helicopters	Total
<b>Cost</b>													
<b>Balance as at April 1, 2020</b>	1,048.97	536.37	2,266.78	778.87	106.10	103.63	47,410.14	6,778.74	118.37	188.46	93.60	35.30	59,465.33
Additions	142.07	9.35	148.81	8.82	Nil	492.91	1,312.68	826.67	16.95	11.86	1083	Nil	2,981.95
Acquisition through business combination (Refer Note 48)	Nil	Nil	27.71	Nil	Nil	Nil	4,002.49	0.94	3.84	0.13	Nil	Nil	4,035.11
Disposals	(0.35)	(0.43)	(1.64)	(1.02)	Nil	Nil	(151.42)	(5.80)	(2.31)	(15.78)	(18.07)	Nil	(196.82)
Exchange Movement	Nil	Nil	Nil	Nil	Nil	Nil	(0.50)	Nil	Nil	Nil	Nil	Nil	(0.50)
<b>Balance as at March 31, 2021</b>	<b>1,190.69</b>	<b>545.29</b>	<b>2,413.95</b>	<b>814.38</b>	<b>106.10</b>	<b>597.54</b>	<b>48,570.90</b>	<b>11,602.10</b>	<b>133.95</b>	<b>188.38</b>	<b>86.49</b>	<b>33.30</b>	<b>66,285.07</b>
<b>Accumulated depreciation and impairment</b>													
<b>Balance as at April 1, 2020</b>	Nil	306.23	606.61	247.08	61.61	72.65	14,526.82	2,551.90	84.47	87.06	53.53	31.73	18,229.69
Depreciation Expense - Continuing Operations	Nil	10.33	73.25	28.30	5.60	1.66	1,891.19	400.88	7.44	16.74	7.19	0.02	2,442.60
Disposals	Nil	(0.31)	(0.67)	(1.01)	Nil	Nil	(117.74)	(4.31)	(1.98)	(5.95)	(11.96)	Nil	(143.93)
Exchange Movement	Nil	Nil	Nil	Nil	Nil	Nil	0.25	Nil	Nil	Nil	Nil	Nil	0.25
<b>Balance as at March 31, 2021</b>	<b>Nil</b>	<b>316.25</b>	<b>679.19</b>	<b>274.37</b>	<b>67.21</b>	<b>74.31</b>	<b>16,300.27</b>	<b>2,948.72</b>	<b>89.93</b>	<b>97.85</b>	<b>48.76</b>	<b>31.75</b>	<b>20,928.61</b>
<b>Net carrying amount</b>													
<b>As at March 31, 2021</b>	<b>1,190.69</b>	<b>229.04</b>	<b>1,734.76</b>	<b>540.01</b>	<b>38.89</b>	<b>523.23</b>	<b>32,270.63</b>	<b>8,653.38</b>	<b>44.02</b>	<b>90.53</b>	<b>37.73</b>	<b>3.55</b>	<b>45,356.46</b>

② Building includes cost of ordinary shares in co-operative housing societies.

### Notes:

- (i) The Group has recognised total impairment charge of ₹ 408.18 Crore (March 31, 2021 ₹ 408.18 Crore), the details are as under
  - (a) ₹ 308.18 crore against the carrying value of the Mundra power generation plant. [Refer Note 8.b.(ii)].
  - (b) ₹ 100.00 crore in respect of Unit 6 generating station (Power Segment) located at Trombay.
- (ii) Refer Note 23 and 30 for charge created on Property, Plant and Equipments.

## Notes to the Consolidated Financial Statements

### 5 Right of Use Assets - ('ROU')

#### Accounting Policy

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

- Leasehold Land including sub-surface right - 1 to 95 years
- Plant and Equipment - 3-7 years
- Port and Intake channel - 40 years
- Ships - 12.5 years

The Group presents right of use assets that do not meet the definition of investment property in 'Property, Plant and Equipments'.

Description	Leasehold Land (including sub-surface right)	Plant and Equipment	Port and Intake Channel	Ships	₹ crore Total
<b>Cost</b>					
<b>Balance as at April 1, 2021</b>	995.34	36.39	2,422.31	648.43	4,102.47
Additions	35.07	Nil	111.05	Nil	146.12
Exchange Movement	Nil	0.08	Nil	23.72	23.80
Disposals	Nil	(11.43)	Nil	Nil	(11.43)
<b>Balance as at March 31, 2022</b>	<b>1,030.41</b>	<b>25.04</b>	<b>2,533.36</b>	<b>672.15</b>	<b>4,260.96</b>
<b>Accumulated depreciation and impairment</b>					
<b>Balance as at April 1, 2021</b>	153.21	14.38	148.86	103.75	420.20
Depreciation Expense	48.06	6.00	77.74	52.87	184.67
Disposals	Nil	(10.66)	Nil	Nil	(10.66)
Exchange Movement	Nil	0.05	Nil	4.71	4.76
<b>Balance as at March 31, 2022</b>	<b>201.27</b>	<b>9.77</b>	<b>226.60</b>	<b>161.33</b>	<b>598.97</b>
<b>Net carrying amount</b>					
<b>As at March 31, 2022</b>	<b>829.14</b>	<b>15.27</b>	<b>2,306.76</b>	<b>510.82</b>	<b>3,661.99</b>

Description	Leasehold Land (including sub-surface right)	Plant and Equipment	Port and Intake Channel	Ships	₹ crore Total
<b>Cost</b>					
<b>Balance as at April 1, 2020</b>	1,029.55	18.95	2,362.54	669.98	4,081.02
Additions	14.51	17.52	59.77	Nil	91.80
Exchange Movement	Nil	(0.08)	Nil	(21.55)	(21.63)
Disposals	(48.72)	Nil	Nil	Nil	(48.72)
<b>Balance as at March 31, 2021</b>	<b>995.34</b>	<b>36.39</b>	<b>2,422.31</b>	<b>648.43</b>	<b>4,102.47</b>
<b>Accumulated depreciation and impairment</b>					
<b>Balance as at April 1, 2020</b>	120.74	6.35	73.36	53.60	254.05
Depreciation Expense	52.43	8.03	75.50	52.66	188.62
Disposals	(19.96)	Nil	Nil	Nil	(19.96)
Exchange Movement	Nil	Nil	Nil	(2.51)	(2.51)
<b>Balance as at March 31, 2021</b>	<b>153.21</b>	<b>14.38</b>	<b>148.86</b>	<b>103.75</b>	<b>420.20</b>
<b>Net carrying amount</b>					
<b>As at March 31, 2021</b>	<b>842.13</b>	<b>22.01</b>	<b>2,273.45</b>	<b>544.68</b>	<b>3,682.27</b>

# Notes to the Consolidated Financial Statements

## 6 Capital Work-in-Progress ('CWIP')

### Accounting Policy

The Group recognises capital work in progress at cost, net of accumulated impairment loss, if any.

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Capital Work-in-Progress	4,635.10	3,270.26
<b>Total</b>	<b>4,635.10</b>	<b>3,270.26</b>

### CWIP ageing Schedule as at March 31, 2022

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4,105.37	424.19	32.25	69.04	4,630.85
Projects temporarily suspended	0.12	1.91	0.44	1.78	4.25
<b>Total</b>	<b>4,105.49</b>	<b>426.10</b>	<b>32.69</b>	<b>70.82</b>	<b>4,635.10</b>

### CWIP ageing Schedule as at March 31, 2021

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2905.77	225.90	32.90	88.81	3,253.38
Projects temporarily suspended	0.25	0.84	0.49	15.31	16.89
<b>Total</b>	<b>2,906.02</b>	<b>226.74</b>	<b>33.39</b>	<b>104.12</b>	<b>3,270.27</b>

#### Note:

- (i) In case of Odisha Discoms, CWIP ageing has been determined from the date of acquisition of businesses by the Group.
- (ii) There is no material project whose completion is overdue or has exceeded its costs compared to its original plan.

## 7a Goodwill

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Cost</b>		
<b>Balance as at April 1, 2021</b>	1,794.57	1,641.57
Additions during the year (Refer Note 48)	63.74	153.00
<b>Balance as at March 31, 2022</b>	<b>1,858.31</b>	<b>1,794.57</b>
<b>Goodwill has been generated on account of the following acquisition over the years :</b>		
<b>Renewables Segment</b>		
Walhwan Renewable Energy Ltd.	1,622.93	1,622.93
TP Wind Power Ltd.	13.10	13.10
<b>Transmission and Distribution Segment</b>		
Tata Power Delhi Distribution Ltd.	5.54	5.54
TP Central Odisha Distribution Ltd.	25.50	25.50
TP Western Odisha Distribution Ltd.	102.00	102.00
TP Southern Odisha Distribution Ltd.	25.50	25.50
TP Northern Odisha Distribution Ltd.	63.74	Nil
	<b>1,858.31</b>	<b>1,794.57</b>

## Notes to the Consolidated Financial Statements

### **Impairment assessment of Goodwill ( Renewables Segment)**

In accordance with IND AS 36 " Impairment of Assets" the Group performed impairment testing of Goodwill assigned to each Cash Generating Unit (CGU) as at March 31, 2022 applying value in use approach across all the CGUs i.e. using cash flow projections based on financial budgets covering contracted power sale agreements with procurers (15 to 20 years) considering a discount rate (pre-tax) of 9.27% per annum. The Group has used financial projections for 15 to 20 years as the tariff rates are fixed as per Power Purchase Agreement (PPA).

Based on the results of the Goodwill impairment test, the estimated value in use in all CGUs were higher than their respective carrying amount, hence impairment provision recorded during the current year is ₹ Nil (March 31, 2021 - ₹ Nil). Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the Goodwill.

The key assumptions used in the value in use calculations are as follows:

**Operation & Maintenance cost inflation**      Escalation of 4% (March 31, 2021 : 5%)

**Discount Rate**      9.27% (March 31, 2021 8.86%) Pre-Tax Discount rate has been derived based on current cost of borrowing and equity rate of return in line with the current market expectations.

**Plant load factor (PLF)**      Plant load factor is estimated for each CGU based on past trend of PLF and expected PLF in future years

## 7b Other Intangible Assets

### **Accounting Policy**

#### **Intangible Assets acquired separately**

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

#### **Internally generated intangibles**

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

#### **Subsequent Costs**

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

#### **Derecognition of Intangible Assets**

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

#### **Amortisation of Intangible Assets**

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

## Notes to the Consolidated Financial Statements

Estimated useful lives of the Intangible Assets are as follows:

Type of assets	Useful lives
Copyrights, patents, other intellectual property rights, services and operating rights	5 years
Customer Contracts acquired under business combination	12 to 25 years
Computer Software	3 to 6 years
Power Distribution Rights	20 years

Description	Copyrights, patents, other intellectual property rights, services and operating rights#	Customer Contracts acquired under business combination	Computer Software \$	Power Distribution Rights@	₹ crore Total
<b>Cost</b>					
<b>Balance as at April 1, 2021</b>	4.97	1,386.14	486.83	95.49	1,973.43
Reclassified to Other Non-Current Financial Assets	Nil	Nil	Nil	(0.61)	(0.61)
Additions	0.64	Nil	133.74	18.86	153.24
Disposal	Nil	(3.02)	(11.30)	(0.06)	(14.38)
<b>Balance as at March 31, 2022</b>	<b>5.61</b>	<b>1,383.12</b>	<b>609.27</b>	<b>113.68</b>	<b>2,111.68</b>
<b>Accumulated amortisation and impairment</b>					
<b>Balance as at April 1, 2021</b>	4.59	286.16	327.44	9.39	627.58
Amortisation expense - Continuing Operations	0.75	61.04	53.69	5.92	121.40
Disposal	Nil	(3.02)	(0.42)	(0.04)	(3.48)
<b>Balance as at March 31, 2022</b>	<b>5.34</b>	<b>344.18</b>	<b>380.71</b>	<b>15.27</b>	<b>745.50</b>
<b>Net Carrying amount</b>					
<b>As at March 31, 2022</b>	<b>0.27</b>	<b>1,038.94</b>	<b>228.56</b>	<b>98.41</b>	<b>1,366.18</b>

Description	Copyrights, patents, other intellectual property rights, services and operating rights#	Customer Contracts acquired under business combination	Computer Software \$	Power Distribution Rights@	₹ crore Total
<b>Cost</b>					
<b>Balance as at April 1, 2020</b>	4.60	1,386.14	415.20	70.51	1,876.45
Reclassified to Other Non-Current Financial Assets	Nil	Nil	Nil	(0.32)	(0.32)
Additions	0.63	Nil	71.74	25.36	97.73
Disposal	(0.26)	Nil	(0.11)	(0.06)	(0.43)
<b>Balance as at March 31, 2021</b>	<b>4.97</b>	<b>1,386.14</b>	<b>486.83</b>	<b>95.49</b>	<b>1,973.43</b>

## Notes to the Consolidated Financial Statements

### 7b Other Intangible Assets (Contd.)

Description	Copyrights, patents, other intellectual property rights, services and operating rights#	Customer Contracts acquired under business combination	Computer Software \$	Power Distribution Rights @	₹ crore Total
<b>Accumulated amortisation and impairment</b>					
<b>Balance as at April 1, 2020</b>	2.72	226.36	279.93	5.26	514.27
Amortisation expense - Continuing Operations	2.13	59.80	47.62	4.17	113.72
Disposal	(0.26)	Nil	(0.11)	(0.04)	(0.41)
<b>Balance as at March 31, 2020</b>	<b>4.59</b>	<b>286.16</b>	<b>327.44</b>	<b>9.39</b>	<b>627.58</b>
<b>Net carrying amount</b>					
<b>As at March 31, 2021</b>	<b>0.38</b>	<b>1,099.98</b>	<b>159.39</b>	<b>86.10</b>	<b>1,345.85</b>

Notes:

# Internally generated intangible assets.

\$ Other than internally generated Intangible Assets.

@ Power Distribution Rights relate to the value of construction service obligation for construction and upgradation of the power supply infrastructure in Ajmer city as per the agreement with Ajmer Vidyut Vitaran Nigam Ltd.

### Depreciation/Amortisation-Continuing Operations

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Depreciation on Tangible Assets	2,821.50	2,442.60
Add: Depreciation on Right of Use Assets	184.67	188.62
Add: Amortisation on Intangible Assets	121.40	113.72
Less: Depreciation/Amortisation Capitalised	(5.37)	Nil
<b>Total</b>	<b>3,122.20</b>	<b>2,744.94</b>

## Notes to the Consolidated Financial Statements

### 8 a Investments accounted for using the Equity Method

	As at March 31, 2022	As at March 31, 2021	Face Value (in ₹ unless stated otherwise)	As at March 31, 2022	As at March 31, 2021
	Quantity	Quantity		₹ crore	₹ crore
<b>I Investment in Associates</b>					
<b>(a) Investment in Equity Shares fully Paid-up</b>					
<b>Unquoted</b>					
Brihat Trading Pvt. Ltd.	3,350	3,350	10	0.01	0.01
The Associated Building Co. Ltd.	1,825	1,825	900	5.32	3.69
Yashmun Engineers Ltd.	19,200	19,200	100	3.51	4.28
Dagachhu Hydro Power Corporation Ltd.	10,74,320	10,74,320	Nu 1,000	104.35	97.30
Tata Projects Ltd. (Refer Note 5 below)	7,92,78,886	9,67,500	100	974.74	690.73
			<b>A</b>	<b>1,087.93</b>	<b>796.01</b>
<b>II Investment in Joint Ventures</b>					
<b>(a) Investment in Equity Shares fully Paid-up</b>					
<b>Unquoted</b>					
PT Kaltim Prima Coal	1,23,540	1,23,540	USD 100	4,702.74	4,395.44
Indocoal Resources (Cayman) Ltd.	300	300	USD 1	3,313.13	3,192.35
PT Indocoal Kaltim Resources	82,380	82,380	IDR 10,000	0.23	0.25
PT Nusa Tambang Pratama	18,000	18,000	IDR 10,000	696.86	746.05
Candice Investments Pte. Ltd.	3	3	SGD 1	32.86	25.22
PT Marvel Capital Indonesia	1,07,459	1,07,459	IDR 10,000	Nil*	Nil*
PT Dwikarya Prima Abadi	10,769	10,769	IDR 1,00,000	50.70	68.63
PT Kalimantan Prima Power	7,500	7,500	USD 100	220.51	205.16
Indocoal KPC Resources (Cayman) Ltd.	300	300	USD 1	0.83	0.82
Adjaristsqali Netherlands BV [Refer Note 19(v)(c)]	20,573	20,573	Euro 1	Nil <sup>s</sup>	231.18
Khoromkheti Netherlands BV	500	500	Euro 1	Nil	Nil
Resurgent Power Ventures Pte. Ltd.	4,66,205	5,46,319	USD 1	499.47	436.52
Powerlinks Transmission Ltd. (Refer Note 4 below)	23,86,80,000	23,86,80,000	10	497.42	488.80
Industrial Energy Ltd. (Refer Note 4 below)	49,28,40,000	49,28,40,000	10	716.07	700.62
Dugar Hydro Power Ltd.	4,32,50,002	4,32,50,002	10	31.86	31.77
Tubed Coal Mines Ltd.	1,01,97,800	1,01,97,800	10	Nil	Nil
Mandakini Coal Company Ltd. (Refer Note 4 below)	3,93,00,000	3,93,00,000	10	Nil	Nil
			<b>B</b>	<b>10,762.68</b>	<b>10,522.81</b>
<b>Quoted</b>					
PT Baramulti Sukessarana Tbk.	68,02,90,000	68,02,90,000	IDR 100	1,540.83	1,339.63
			<b>B</b>	<b>12,303.51</b>	<b>11,862.44</b>
Less: Impairment in the value of Investments [Refer Note 8b (i) (a) & (b)]					
PT Kaltim Prima Coal				531.03	512.30
PT Baramulti Sukessarana Tbk.				280.41	270.52
Adjaristsqali Netherlands BV [Refer Note 19(v)(c)]				Nil <sup>s</sup>	221.86
			<b>B</b>	<b>811.44</b>	<b>1,004.68</b>
			<b>B</b>	<b>11,492.07</b>	<b>10,857.76</b>

## Notes to the Consolidated Financial Statements

### 8 a Investments accounted for using the Equity Method (Contd.)

	As at March 31, 2022	As at March 31, 2021	Face Value (in ₹ unless stated otherwise)	As at March 31, 2022	As at March 31, 2021
	Quantity	Quantity		₹ crore	₹ crore
<b>(b) Investment in Perpetual Securities in Joint Ventures</b>					
<b>Unquoted</b>					
Adjaristsqali Netherlands BV [Refer Note 19(v)(c)]		N.A.		Nil\$	266.86
			C	Nil	266.86
<b>Total</b>			A+B+C	<b>12,580.00</b>	<b>11,920.63</b>

\* Denotes figure below ₹ 50,000

1. Aggregate Market Value of Quoted Investments	1,352.08	503.41
2. Aggregate Carrying Value of Quoted Investments (Net of Impairment)	1,260.42	1,069.11
3. Aggregate Carrying Value of Unquoted Investments (Net of Impairment)	11,319.58	10,851.52
4. Shares pledged :		

The Group has pledged shares of joint ventures with the lenders for borrowings availed by the respective joint ventures.

Details	Category	March 31, 2022 Nos.	March 31, 2021 Nos.
Itezhi Tezhi Power Corporation \$	Joint Venture	4,52,500	4,52,500
Mandakini Coal Company Ltd.	Joint Venture	2,00,43,000	2,00,43,000
Powerlinks Transmission Ltd.	Joint Venture	23,86,80,000	23,86,80,000
Industrial Energy Ltd.	Joint Venture	25,13,48,400	25,13,48,400

\$ Classified as Assets Held for Sale (Refer note 19a)

5. During the year, the Holding Company has subscribed to the right issue of equity shares for ₹ 573.27 crore offered by Tata Projects Limited

### III Details of Material Associates

Details of each of the Group's Material Associates at the end of the reporting period are as follows:

Sr. No.	Name of Associate	Principal Activity	Country of Incorporation and Principal Place of Business	Proportion of Ownership Interest / Voting Rights held by the Group	
				As at March 31, 2022	As at March 31, 2021
				₹ crore	₹ crore
A	Tata Projects Ltd.	EPC Contracts	India	47.78%	47.78%
B	Dagachhu Hydro Power Corporation Ltd.	Hydro Power Generation Company	Bhutan	26.00%	26.00%

## Notes to the Consolidated Financial Statements

### 8 a Investments accounted for using the Equity Method (Contd.)

#### Summarised Financial Information of Material Associates:

##### A Tata Projects Ltd.

###### Summarised Balance Sheet:

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Non-current Assets	1,533.88	1,310.59
Current Assets	16,636.23	14,682.94
Non-current Liabilities	(1,237.33)	(1,834.82)
Current Liabilities	(14,905.60)	(12,748.64)
<b>Net Assets- Gross</b>	<b>2,027.18</b>	<b>1,410.07</b>
Less: Non-controlling interest	8.92	9.32
Less: Equity Component in Non Convertible Debenture and Other Adjustments	26.97	Nil
<b>Net Assets- Net</b>	<b>1,991.29</b>	<b>1,400.75</b>

###### Summarised Statement of Profit and Loss:

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Revenue	13,679.37	12,187.38
Profit/(Loss) for the year	(619.93)	125.70
Other Comprehensive Income/(Expenses) for the year	14.50	(21.45)
<b>Total Comprehensive Income/(Expenses) for the year</b>	<b>(605.43)</b>	<b>104.25</b>

Reconciliation of the above summarised financial information to the carrying amount of the interest in Tata Projects Ltd. recognised in the consolidated financial statements:

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Net Assets of Tata Projects Ltd.	1,991.29	1,400.75
Proportion of the Group's ownership interest in Tata Projects Ltd.	47.78%	47.78%
<b>951.44</b>	<b>667.43</b>	
Goodwill	23.30	23.30
<b>Carrying amount of the Group's interest in Tata Projects Ltd.</b>	<b>974.74</b>	<b>690.73</b>

##### B Dagachhu Hydro Power Corporation Ltd.

###### Summarised Balance Sheet:

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Non-current Assets	969.36	1,053.90
Current Assets	118.94	18.79
Non-current Liabilities	(605.96)	(647.78)
Current Liabilities	(80.99)	(50.87)
<b>Net Assets</b>	<b>401.35</b>	<b>374.04</b>

## Notes to the Consolidated Financial Statements

### 8 a Investments accounted for using the Equity Method (Contd.)

#### Summarised Statement of Profit and Loss:

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Revenue	183.62	181.25
Profit/(Loss) for the year	34.17	64.74
Other Comprehensive Income/(Expenses) for the year	(0.01)	(0.33)
<b>Total Comprehensive Income/(Expenses) for the year</b>	<b>34.16</b>	<b>64.41</b>
Dividend receivable by the Group during the year	1.78	Nil

Reconciliation of the above summarised financial information to the carrying amount of the interest in Dagachhu Hydro Power Corporation Ltd. recognised in the consolidated financial statements:

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Net Assets of Dagachhu Hydro Power Corporation Ltd.	401.35	374.04
Proportion of the Group's ownership interest in Dagachhu Hydro Power Corporation Ltd.	26.00%	26.00%
<b>Carrying amount of the Group's interest in Dagachhu Hydro Power Corporation Ltd.</b>	<b>104.35</b>	<b>97.30</b>

#### IV Details of individually not Material Associates

Name of Associate	Principal Activity	Country of Incorporation and Principal Place of Business	Proportion of Ownership Interest / Voting Rights held by the Group	
			As at March 31, 2022	As at March 31, 2021
			₹ crore	₹ crore
Yashmun Engineers Ltd.	Billing and other related Services	India	27.27%	27.27%
Brihat Trading Private Ltd.	Trading Business	India	33.21%	33.21%
The Associated Building Co. Ltd.	Services Provided for Building	India	33.14%	33.14%

#### Aggregate Summarised Financial Information of Associates that are not individually material

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
The Group's share of Profit/(Loss) from Continuing Operations	0.88	0.93
The Group's share of Other Comprehensive Income/(Expenses)	0.02	(0.01)
<b>The Group's share of Total Comprehensive Income/(Expenses)</b>	<b>0.90</b>	<b>0.92</b>

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Aggregate carrying amount of the Group's interests in these Associates	8.84	7.98

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Unrecognised share of loss of an Associates	Nil	Nil

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Cumulative share of loss of an Associates	Nil	Nil

## Notes to the Consolidated Financial Statements

### 8 a Investments accounted for using the Equity Method (Contd.)

V Details and Financial Information of Material Joint Ventures at the end of the reporting period is as follows:

Sr. No.	Name of Joint Venture	Principal Activity	Country of Incorporation and Principal Place of Business	Proportion of Ownership Interest and Voting Rights held by the Group	
				As at March 31, 2022	As at March 31, 2021
				₹ crore	₹ crore
A	PT Kaltim Prima Coal	Coal mining and exploration	Indonesia	30.00%	30.00%
B	Indocoal Resources (Cayman) Ltd. #	Coal Trading	Cayman Island	30.00%	30.00%
C	PT Nusa Tambang Pratama	Infrastructure Support for Coal Business	Indonesia	30.00%	30.00%
D	PT Baramulti Suksessarana TBK	Coal mining and trading	Indonesia	26.00%	26.00%
E	Industrial Energy Ltd.	Power generation and operation of power plant	India	74.00%	74.00%

# Based on Unaudited Financial Information, certified by its Management for the year ended March 31, 2022.

#### A PT Kaltim Prima Coal

	Summarised Balance Sheet:	As at	As at
		March 31, 2022	March 31, 2021
		₹ crore	₹ crore
Non-current Assets		1,855.91	2,633.42
Current Assets		7,490.07	4,824.48
Non-current Liabilities		(2,541.56)	(480.70)
Current Liabilities		(4,818.43)	(5,531.56)
<b>Net Assets</b>		<b>1,985.99</b>	<b>1,445.64</b>
The above amounts of assets and liabilities include the following:			
Cash and Cash Equivalents		928.70	484.60
Current Financial Liabilities (excluding trade payables and provisions)		(1,459.06)	(1,813.39)
Non-current Financial Liabilities (excluding trade payables and provisions)		(931.62)	Nil

	Summarised Statement of Profit and Loss:	For the year ended	For the year ended
		March 31, 2022	March 31, 2021
		₹ crore	₹ crore
Revenue		34,205.54	21,662.75
Profit/(Loss) for the year		4,615.00	909.59
Other Comprehensive Income/(Expense) for the year		(58.39)	(10.46)
<b>Total Comprehensive Income/(Expenses) for the year</b>		<b>4,556.61</b>	<b>899.13</b>
Dividend received by the Group during the year		1,222.47	1,757.62
The above profit/(loss) for the year include the following:			
Depreciation and Amortisation		2,425.39	2,524.56
Interest Income		49.19	43.10
Interest Expense		51.07	140.67
Income-tax Expense		3,232.50	852.85

## Notes to the Consolidated Financial Statements

### 8 a Investments accounted for using the Equity Method (Contd.)

Reconciliation of the above summarised financial information to the carrying amount of the interest in PT Kaltim Prima Coal recognised in the consolidated financial statements:

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Net Assets of PT Kaltim Prima Coal	1,985.99	1,445.64
Proportion of the Group's ownership interest in PT Kaltim Prima Coal	30.00%	30.00%
	<b>595.80</b>	<b>433.69</b>
Goodwill	4,106.94	3,961.75
<b>Carrying amount of the Group's interest in PT Kaltim Prima Coal</b>	<b>4,702.74</b>	<b>4,395.44</b>
Impairment of Goodwill	(531.03)	(512.30)
<b>Carrying amount of the Group's interest in PT Kaltim Prima Coal (net of impairment)</b>	<b>4,171.71</b>	<b>3,883.14</b>

### B Indocoal Resources (Cayman) Ltd.

Summarised Balance Sheet:	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Non-current Assets	1494.95	Nil
Current Assets	14.65	2,042.62
Non-current Liabilities	(531.43)	Nil
Current Liabilities	(14.65)	(1,126.10)
<b>Net Assets</b>	<b>963.52</b>	<b>916.52</b>
The above amounts of assets and liabilities include the following:		
Current Financial Liabilities (excluding trade payables and provisions)	(1,151.55)	(1,110.92)

Summarised Statement of Profit and Loss:	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Revenue	Nil	Nil
Profit/(Loss) for the year	13.25	16.33
Other Comprehensive Income/(Expense) for the year	Nil	Nil
<b>Total Comprehensive Income/(Expenses) for the year</b>	<b>13.25</b>	<b>16.33</b>
Dividend received by the Group during the year	Nil	491.14
The above profit/(loss) for the year include the following:		
Interest Income	13.37	22.15

## Notes to the Consolidated Financial Statements

### 8 a Investments accounted for using the Equity Method (Contd.)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Indocoal Resources (Cayman) Ltd. recognised in the consolidated financial statements:

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Net Assets of Indocoal Resources (Cayman) Ltd.	963.52	916.52
Proportion of the Group's ownership interest in Indocoal Resources (Cayman) Ltd.	30.00%	30.00%
	<b>289.06</b>	<b>274.96</b>
Goodwill	3,024.07	2,917.39
<b>Carrying amount of the Group's interest in Indocoal Resources (Cayman) Ltd.</b>	<b>3,313.13</b>	<b>3,192.35</b>

### C PT Nusa Tambang Pratama

<b>Summarised Balance Sheet:</b>	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Non-current Assets	1,839.67	1,917.41
Current Assets	1,358.11	1,464.92
Non-current Liabilities	(134.57)	(116.72)
Current Liabilities	(740.33)	(778.77)
<b>Net Assets</b>	<b>2,322.88</b>	<b>2,486.84</b>
The above amounts of assets and liabilities include the following:		
Cash and Cash Equivalents	56.29	123.76
Current Financial Liabilities (excluding trade payables and provisions)	(372.88)	(638.50)

### Summarised Statement of Profit and Loss:

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Revenue	814.86	934.63
Profit/(Loss) for the year	466.03	652.61
Other Comprehensive Income/(Expenses) for the year	Nil	0.13
<b>Total Comprehensive Income/(Expenses) for the year</b>	<b>466.03</b>	<b>652.74</b>
Dividend received by the Group during the year	Nil	Nil
The above profit/(loss) for the year include the following:		
Depreciation and Amortisation	148.21	147.17
Interest Income	15.29	51.79
Interest Expense	36.00	62.40
Income-tax Expense	147.08	164.99

## Notes to the Consolidated Financial Statements

### 8 a Investments accounted for using the Equity Method (Contd.)

Reconciliation of the above summarised financial information to the carrying amount of the interest in PT Nusa Tambang Pratama recognised in the consolidated financial statements:

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Net Assets of PT Nusa Tambang Pratama	2,322.88	2,486.84
Proportion of the Group's ownership interest in PT Nusa Tambang Pratama	30.00%	30.00%
<b>Carrying amount of the Group's interest in PT Nusa Tambang Pratama</b>	<b>696.86</b>	<b>746.05</b>

#### D PT Baramulti Suksessarana TBK

Summarised Balance Sheet:	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Non-current Assets	1,347.00	1,220.39
Current Assets	1,703.17	786.12
Non-current Liabilities	(92.26)	(106.52)
Current Liabilities	(856.42)	(435.92)
<b>Net Assets</b>	<b>2,101.49</b>	<b>1,464.07</b>
The above amounts of assets and liabilities include the following:		
Cash and Cash Equivalents	784.35	281.06
Current Financial Liabilities (excluding trade payables and provisions)	(378.36)	(38.05)
Non-current Financial Liabilities (excluding trade payables and provisions)	(37.03)	(57.28)

#### Summarised Statement of Profit and Loss:

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Revenue	5,413.34	2,358.18
Profit/(Loss) for the year	1,642.16	222.07
Other Comprehensive Income/(Expense) for the year	(1.09)	(3.24)
<b>Total Comprehensive Income/(Expenses) for the year</b>	<b>1,641.07</b>	<b>218.83</b>
Dividend received by the Group during the year	277.03	19.29
The above profit for the year include the following:		
Depreciation and amortisation	161.89	107.74
Interest Income	4.35	2.58
Interest Expense	5.20	5.90
Income-tax Expense	474.02	70.42

## Notes to the Consolidated Financial Statements

### 8 a Investments accounted for using the Equity Method (Contd.)

Reconciliation of the above summarised financial information to the carrying amount of the interest in PT Baramulti Suksessarana TBK recognised in the consolidated financial statements:

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Net Assets of PT Baramulti Suksessarana TBK	2,101.49	1,464.07
Proportion of the Group's ownership interest in PT Baramulti Suksessarana TBK	26.00%	26.00%
	<b>546.39</b>	<b>380.66</b>
Goodwill	994.44	958.97
<b>Carrying amount of the Group's interest in PT Baramulti Suksessarana TBK</b>	<b>1,540.83</b>	<b>1,339.63</b>
Impairment of Goodwill	(280.41)	(270.52)
<b>Carrying amount of the Group's interest in PT Baramulti Suksessarana TBK (net of impairment)</b>	<b>1,260.42</b>	<b>1,069.11</b>

### E Industrial Energy Ltd.

<b>Summarised Balance Sheet:</b>	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Non-current Assets	1,745.30	1,637.24
Current Assets	245.70	268.09
Non-current Liabilities	(692.41)	(724.66)
Current Liabilities	(330.92)	(233.87)
<b>Net Assets</b>	<b>967.67</b>	<b>946.80</b>
The above amounts of assets and liabilities include the following:		
Cash and Cash Equivalents	4.45	6.50
Current Financial Liabilities (excluding trade payables and provisions)	(290.44)	(201.15)
Non-current Financial Liabilities (excluding trade payables and provisions)	(465.13)	(503.88)

### Summarised Statement of Profit and Loss:

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Revenue	300.30	297.90
Profit/(Loss) for the year	121.10	111.64
Other Comprehensive Income/(Expense) for the year	(0.33)	0.64
<b>Total Comprehensive Income/(Expenses) for the year</b>	<b>120.77</b>	<b>112.28</b>
Dividend received by the Group during the year	73.93	Nil
The above profit/(loss) for the year include the following:		
Depreciation and Amortisation	Nil	Nil
Interest Income	0.65	0.31
Interest Expense	42.04	51.62
Income-tax Expense	32.42	38.16

## Notes to the Consolidated Financial Statements

### 8 a Investments accounted for using the Equity Method (Contd.)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Industrial Energy Ltd. recognised in the consolidated financial statements:

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Net Assets of Industrial Energy Ltd.	967.67	946.80
Proportion of the Group's ownership interest in Industrial Energy Ltd.	74.00%	74.00%
<b>Carrying amount of the Group's interest in Industrial Energy Ltd.</b>	<b>716.07</b>	<b>700.62</b>

### VI Details and Financial Information of Individually not Material Joint Ventures at the end of the reporting period is as follows:

Name of Joint Venture	Principal Activity	Country of Incorporation and Principal Place of Business	Proportion of Ownership Interest and Voting Rights held by the Group	
			As at March 31, 2022	As at March 31, 2021
			₹ crore	₹ crore
PT Indocoal Kaltim Resources #	Infrastructure Support for Coal Business	Indonesia	30.00%	30.00%
Candice Investments Pte. Ltd.#	Investments	Singapore	30.00%	30.00%
PT Marvel Capital Indonesia #	Infrastructure Support for Coal Business	Indonesia	30.00%	30.00%
PT Dwikarya Prima Abadi #	Infrastructure Support for Coal Business	Indonesia	30.00%	30.00%
PT Kalimantan Prima Power	Electricity Support Services	Indonesia	30.00%	30.00%
Indocoal KPC Resources (Cayman) Ltd. #	Coal Trading	Cayman Island	30.00%	30.00%
Adjaristsqali Netherlands BV*	Hydro power generation	Netherlands	50.00%	50.00%
Resurgent Power Ventures Pte Ltd.	Investments and Services	Singapore	26.00%	26.00%
Powerlinks Transmission Ltd.	Power Transmission	India	51.00%	51.00%
Dugar Hydro Power Ltd.	Hydro power generation	India	50.00%	50.00%
Tubed Coal Mines Ltd. #	Coal mining and trading	India	40.00%	40.00%
Mandakini Coal Company Ltd. #	Coal mining and trading	India	33.33%	33.33%

# Based on Unaudited Financial Information, certified by its Management for the year ended March 31, 2022.

\* Classified as Assets Held For sale (Refer Note 19a)

### Aggregate Summarised Financial Information of Joint Ventures that are not individually material

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
The Group's share of profit/(loss) from continuing operations	184.41	181.66
The Group's share of Other Comprehensive Income/(Expenses)	Nil	Nil
<b>The Group's share of Total Comprehensive Income/(Expenses)</b>	<b>184.41</b>	<b>181.66</b>
Aggregate carrying amount of the Group's interests in these Joint Ventures	1,333.88	1,755.21
Impairment of Investments	Nil	(221.86)
<b>Carrying amount of the Group's interest in these Joint Ventures</b>	<b>1,333.88</b>	<b>1,533.35</b>
The unrecognised share of profit of Joint Ventures for the year	*	*

Note:

\* Denotes figures below ₹ 50,000/-.

## Notes to the Consolidated Financial Statements

### 8 b Investments accounted for using the Equity Method

- (i) The Group had in accordance with Ind AS 36 – “Impairment of Assets”, carried out impairment assessment of its Mundra Ultra Mega Power Project (UMPP), along with investments in Indonesian mining companies PT Kaltim Prima Coal (KPC) and PT Baramulti Suksessarana TBK (BSSR). All these investments in Companies and assets of UMPP constitute a single cash generating unit (Mundra CGU) and form part of same segment due to inter-dependency of cash flows.

The Group has performed the impairment reassessment and determined the value in use based on estimated cash flow projections over the life of the assets included in CGU. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated.

For Mundra power plant, future cash flows is estimated based on remaining period of long term power purchase agreement (PPA) and thereafter based on management's estimate on tariff and other assumptions. Further, as discussed in note - 31(i), Group is in advance stage of discussion on supplementary Power Purchase Agreement (SPPA) which is likely to be signed and accordingly the same has been considered in estimating the future cashflows. Cash flow projection of mines are derived based on estimated coal production considering renewed license for operating the mines. The License for operating mines are renewed for 10 years with an option of renewal of further period of 10 years with Government of Indonesia. In the past, the Group has recognised net impairment of ₹ 1,122.38 crore against carrying value of Mundra CGU which consists of impairment of investments of ₹ 811.44 crore, Property, Plant and Equipment ₹ 308.18 crore and impairment of intangible assets ₹ 2.76 crore.

During the year, the Group has performed the impairment reassessment and determined the value in use based on estimated cash flow projections over the life of the assets included in Mundra CGU. A reassessment of the assumptions used in estimating the impact of impairment, combined with the significant impact of unwinding of a year's discount on the cash flows, would result in a reversal of ₹ 1,122.38 crore of provision for impairment. The Group believes that the reversal of impairment has not resulted from any significant improvement in the estimated service potential of the concerned CGU and hence the Group has not effected the reversal of impairment.

Key assumptions used for value in use calculation include coal prices, energy prices post the PPA period, signing of SPPA, discount rates and exchange rates. Short term coal prices and energy prices used in three to five years projections are based on market survey and expert analysis report. Afterwards increase in cost of coal and exchange rates are considered based on long term historical trend. Further, the management strongly believes that mining licenses will be renewed after post expiry for a further period of 10 years by Government of Indonesia. Discount rate represents the current market assessment of the risk specific to CGU taking into consideration the time value of money. Pre-tax discount rate used in the calculation of value in use of investment in power plant is 9.45% p.a. (March 31, 2021: 10.50% p.a.) and investment in coal mines and related infrastructure companies is 13.44% p.a. (March 31, 2021: 14.11% p.a.).

### 8 c Other Investments

	As at March 31, 2022	As at March 31, 2021	Face Value (in ₹ unless stated otherwise)	As at March 31, 2022	As at March 31, 2021
	Quantity	Quantity		₹ crore	₹ crore
<b>(i) Investments designated at Fair Value through Other Comprehensive Income</b>					
<b>(a) Investment in Equity Shares fully Paid-up</b>					
<b>Quoted</b>					
Voltas Ltd.	2,33,420	2,33,420	1	29.07	23.39
Tata Consultancy Services Ltd.	766	766	1	0.29	0.24
Tata Teleservices (Maharashtra) Ltd. (Refer Note 5 below)	12,67,20,193	Nil	10	447.96	Nil
Bharti Airtel Ltd	62,919	62,919	10	4.75	3.25
Tata Motors Ltd.	3,57,159	3,57,159	10	15.49	10.78
Tata Motors Ltd. - Differential Voting Rights	51,022	51,022	10	1.05	0.65
Tata Investment Corporation Ltd.	7,94,416	7,94,416	2	107.76	82.26
				<b>606.37</b>	<b>120.57</b>

## Notes to the Consolidated Financial Statements

### 8c Other Investments (Contd.)

	As at March 31, 2022	As at March 31, 2021	Face Value (in ₹ unless stated otherwise)	As at March 31, 2022	As at March 31, 2021
	Quantity	Quantity		₹ crore	₹ crore
<b>(b) Investment in Equity Shares fully Paid-up Unquoted</b>					
Tata Services Ltd.	1,664	1,664	1,000	Nil	Nil
Tata Industries Ltd. *	68,28,669	68,28,669	100	115.47	115.47
Tata Sons Pvt. Ltd. *	6,673	6,673	1,000	194.70	194.70
Haldia Petrochemicals Ltd.	2,24,99,999	2,24,99,999	10	56.48	56.48
Tata International Ltd. (Refer Note 4 below)	36,000	36,000	1,000	58.44	58.44
Taj Air Ltd.	79,00,760	79,00,760	10	Nil	Nil
Tata Capital Ltd.	23,33,070	23,33,070	10	12.04	12.04
Others				1.89	1.89
<b>Sub-total I (a) + I (b)</b>				<b>439.02</b>	<b>439.02</b>
<b>II Investments carried at Fair Value through Profit or Loss</b>				<b>1,045.39</b>	<b>559.59</b>
<b>(a) Investment in Equity Shares fully Paid-up Quoted</b>					
Geodynamics Ltd	Nil	2,94,00,000	AUD 1.50	Nil	1.26
<b>(b) Investment in Equity Shares fully Paid-up Unquoted</b>					
Power Exchange India Limited	25,00,000	25,00,000	10	2.50	2.50
Sunengy Pte. Ltd.	3,04,838	3,04,838	AUD 2.10	4.82	4.65
Technopolis Knowledge Park Ltd.	18,10,000	18,10,000	10	1.81	1.81
Zoroastrian Co-operative Bank Ltd.	6,000	6,000	25	0.16	0.16
<b>Less - Impairment of Investment</b>					
Power Exchange India Limited				2.50	2.50
Sunengy Pte. Ltd.				4.82	4.65
Technopolis Knowledge Park Ltd.				1.81	1.81
<b>Sub-total II (a) + II (b)</b>				<b>0.16</b>	<b>1.42</b>
<b>III Investments carried at Amortised Cost</b>					
<b>(a) Government Securities (Unquoted) fully Paid-up</b>					
				Nil	3.03
<b>(b) Statutory Investments</b>					
<b>Contingencies Reserve Fund Investments</b>					
Government Securities (Unquoted) fully paid-up				124.26	164.84
<b>Sub-total III (a) + III (b)</b>				<b>124.26</b>	<b>167.87</b>
<b>Total</b>				<b>1,169.81</b>	<b>728.88</b>

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

#### Notes:

- Aggregate Market Value of Quoted Investments 2,270.84 121.83
- Aggregate Carrying Value of Quoted Investments (Refer Note- 5 below) 606.37 121.83
- Aggregate Carrying Value of Unquoted Investments 563.44 607.05
- During the previous year, the Group subscribed to right issue of 12,000 equity shares from Tata International Ltd.
- The Group holds 12.67 crore shares of Tata Teleservices (Maharashtra) Limited ("TTML") designated as fair value through OCI which is carried out at each balance sheet date basis the quoted price. Quoted price of TTML has increased from ₹ 35.35 per share as on 30th September 2021 to ₹ 166.70 per share as on March 31, 2022. The management believe that this quoted price may not represent the fair value of TTML shares since it has accumulated losses and negative net worth. Accordingly on a conservative basis, the management have not recognized any fair value gain in OCI after 30th September, 2021.

# Notes to the Consolidated Financial Statements

## 9. Trade Receivables

(Unsecured unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Non-current</b>		
Considered Good [Refer Note 40 (d),(e),(m),(n) & (p)]	685.78	604.71
Significant Increase in Credit Risk	Nil	Nil
Credit Impaired	1.81	1.18
	<b>687.59</b>	<b>605.89</b>
Less: Allowance for Doubtful Trade Receivables	1.81	1.18
<b>Total</b>	<b>685.78</b>	<b>604.71</b>
<b>Current</b>		
Considered Good - Secured (Refer Note 1 below)	556.38	453.83
Considered Good - (Refer Note 2 below)	4,503.82	4,711.01
Significant Increase in Credit Risk	1,197.08	180.64
Credit Impaired	296.02	292.25
	<b>6,553.30</b>	<b>5,637.73</b>
Less: Allowance for Doubtful Trade Receivables	573.56	437.65
<b>Total</b>	<b>5,979.74</b>	<b>5,200.08</b>

Note:

1. The Group holds security deposits and Letter of Credit of ₹ 556.38 crore (March 31, 2021 - ₹ 453.83 crore).
2. The carrying amount of trade receivable does not include receivables of ₹ 1,150.64 Crore (March 31, 2021: ₹ 188.67 Crore) which are subject to a factoring arrangement. Under this arrangement, the Group has transferred the relevant receivables to the factor in exchange for cash on non recourse basis. The Group, therefore, has derecognised the said receivables under the said arrangement. Amount received from such customers not transferred to factoring agent is disclosed as financial liability (Refer Note 26).

## 9.1 Trade Receivables

The Group has used practical expedient by computing the Expected Credit Loss 'ECL' allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience of Holding Company and respective subsidiaries and adjusted for forward looking information. The ECL allowance is based on the ageing of the days the receivables and has been calculated and applied at the respective entity level of the Group.

In case of Odisha Discoms, the management believes that collection data related to pre-acquisition period is not relevant to assess ECL allowance on receivables in the post-acquisition period. In the absence of availability of adequate and relevant past data related to payment behaviours, the Group has elected to recognise ECL allowance on trade receivables as per the OERC tariff regulations, i.e., @ 1% of revenue from power supply. Post-acquisition of Odisha Discoms, the Group's endeavour has been to reduce AT&C losses, reducing provisional billing and improving collection through better reach to consumers. In the process, the Group has faced several challenges including Covid waves, Cyclones and delays in appointment/ working of metering, billing and collection (MBC) agencies for reasons beyond control of the Group. The Group has successfully dealt with these challenges. It has reduced provisional billing and also collected significant amount towards pre-acquisition receivables on behalf of the erstwhile Odisha Discom utilities. The management is confident it will be able to collect most of the outstanding receivables as it increases its reach to the consumers and also considering that electricity is an essential commodity for all consumers. Accordingly, the management believes the above ECL allowance reflects best estimate and is appropriate as per Ind AS 109 – Financial Instruments.

## Notes to the Consolidated Financial Statements

### 9. Trade Receivables (Contd.)

#### Trade Receivables Ageing schedule as at March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment #					Total
		Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
<b>Non - Current</b>							
<b>(i) Undisputed Trade Receivables</b>							
a) Considered good	44.92	197.6	49.3	98.78	102.88	82.53	576.01
b) Significant increase in credit risk	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Credit Impaired	1.81	Nil	Nil	Nil	Nil	Nil	1.81
<b>(ii) Disputed Trade Receivables</b>							
a) Considered good	18.93	Nil	2.93	33.2	36.28	18.43	109.77
b) Significant increase in credit risk	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Credit Impaired	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>	<b>65.66</b>	<b>197.60</b>	<b>52.23</b>	<b>131.98</b>	<b>139.16</b>	<b>100.96</b>	<b>687.59</b>
<b>Current</b>							
<b>(i) Undisputed Trade Receivables</b>							
a) Considered good	2,182.10	1,493.10	805.46	194.87	114.45	102.88	4,892.86
b) Significant increase in credit risk	5.51	307.78	309.18	415.88	1.74	3.54	1,043.63
c) Credit Impaired	0.31	0.89	1.87	4.50	11.30	63.46	82.33
<b>(ii) Disputed Trade Receivables</b>							
a) Considered good	46.63	12.94	24.41	11.16	0.02	72.18	167.34
b) Significant increase in credit risk	3.21	94.02	30.42	23.97	0.31	1.52	153.45
c) Credit Impaired	Nil	4.35	2.83	6.31	13.55	186.65	213.69
<b>Total</b>	<b>2,237.76</b>	<b>1,913.08</b>	<b>1,174.17</b>	<b>656.69</b>	<b>141.37</b>	<b>430.23</b>	<b>6,553.30</b>

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

#### Trade Receivables Ageing schedule as at March 31, 2021

Particulars	Not due	Outstanding for following periods from due date of payment #					Total
		Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
<b>Non - Current</b>							
<b>(i) Undisputed Trade Receivables</b>							
a) Considered good	225.57	74.72	73.27	74.44	68.80	Nil	516.80
b) Significant increase in credit risk	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Credit Impaired	1.18	Nil	Nil	Nil	Nil	Nil	1.18
<b>(ii) Disputed Trade Receivables</b>							
a) Considered good	Nil	Nil	33.20	36.28	18.43		87.91
b) Significant increase in credit risk	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Credit Impaired	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>	<b>226.75</b>	<b>74.72</b>	<b>106.47</b>	<b>110.72</b>	<b>87.23</b>	<b>Nil</b>	<b>605.89</b>
<b>Current</b>							
<b>(i) Undisputed Trade Receivables</b>							
a) Considered good	2,791.03	1,465.70	397.30	236.22	69.75	98.31	5,058.31
b) Significant increase in credit risk	7.49	103.67	11.86	34.43	3.16	0.96	161.57
c) Credit Impaired	0.29	0.97	2.37	10.51	13.41	58.64	86.19
<b>(ii) Disputed Trade Receivables</b>							
a) Considered good	2.33	2.66	8.25	5.11	17.87	70.31	106.53
b) Significant increase in credit risk	1.42	11.50	2.95	1.39	0.38	1.43	19.07
c) Credit Impaired	Nil	5.47	1.31	13.04	29.40	156.84	206.06
<b>Total</b>	<b>2,802.56</b>	<b>1,589.97</b>	<b>424.04</b>	<b>300.70</b>	<b>133.97</b>	<b>386.49</b>	<b>5,637.73</b>

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

## Notes to the Consolidated Financial Statements

### 9. Trade Receivables (Contd.)

#### Movement in the allowance for doubtful trade receivables

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Balance at the beginning of the year</b>	438.83	438.06
Add: Expected credit loss provided/(reversed)	136.54	0.77
<b>Balance at the end of the year</b>	<b>575.37</b>	<b>438.83</b>

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

### 10. Loans - At Amortised Cost

(Unsecured unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Non-current</b>		
<b>(i) Loans to Related Parties (Refer Note 42)</b>		
Considered Good*	Nil	Nil
Credit Impaired	54.39	54.39
<b>54.39</b>	<b>54.39</b>	<b>54.39</b>
Less: Allowances for Doubtful Loans	54.39	54.39
	<b>Nil</b>	<b>Nil</b>
<b>(ii) Other Loans</b>		
Loans to Employees		
Considered Good	3.45	4.60
<b>Total</b>	<b>3.45</b>	<b>4.60</b>
<b>Current</b>		
<b>(i) Loans to Related Parties (Refer Note 42)</b>		
Considered Good	Nil	Nil
Credit Impaired	35.35	35.23
<b>35.35</b>	<b>35.23</b>	<b>35.23</b>
Less: Allowances for Doubtful Loans	35.35	35.23
	<b>Nil</b>	<b>Nil</b>
<b>(ii) Other Loans</b>		
Loans to Employees		
Considered Good	9.34	7.63
<b>9.34</b>	<b>7.63</b>	<b>7.63</b>
<b>Total</b>	<b>9.34</b>	<b>7.63</b>

\* Classified as Held for Sale. (Refer Note 19a)

## Notes to the Consolidated Financial Statements

### 11. Finance Lease Receivable - At Amortised Cost

(Unsecured unless otherwise stated)

#### Accounting Policy

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating lease. Amount due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Finance Lease Receivable - Non-current	588.69	598.61
Finance Lease Receivable - Current	46.91	41.45
<b>Total</b>	<b>635.60</b>	<b>640.06</b>

#### 11.1 Leasing Arrangements

- (i) The Group has entered into Power Purchase Agreements (PPA) with a customer for its assets located at Jojobera. The assets relate to 30 years of take or pay agreements with the customer to supply electricity at a fixed plus variable charge. The customer, during the term of the PPAs has a right to purchase the assets and at the end of the contract is obligated to purchase same on the basis of the valuation to be determined as per the PPAs. The Group has recognised an amount of ₹ 77.68 crore (March 31, 2021 ₹ 84.66 crore) as income for finance lease during the year ended March 31, 2022.
- (ii) The Group has entered into Power Purchase Agreements (PPA) with various customers for its rooftop solar assets located across various locations. As this arrangement is dependent on the use of a specific asset and conveys a right to use on the customer, it qualifies as a lease. As these are long tenor PPAs spread over a major part of the economic life of the asset, this arrangement has been categorized as a finance lease. The Group has recognised an amount of ₹ 3.09 crore (March 31, 2021 ₹ 6.57 crore) as income for finance lease during the year ended March 31, 2022.
- (iii) Electric Vehicle charging facilities: The Group has entered into arrangement with customer for providing Infrastructure facilities and chargers for public transport utilities. The arrangement is for the period of 10 years for providing and maintaining infrastructure facility at a fixed charge. The Group has recognised an amount of ₹ 2.13 crore as income for finance lease during the year ended March 31, 2022.

#### 11.2 Amount receivable under Finance Lease

Particulars	Minimum Lease Payments as at March 31, 2022	Minimum Lease Payments as at March 31, 2021
	₹ crore	₹ crore
Less than a year	130.74	126.75
One to two years	123.97	120.12
Two to three years	123.00	118.93
Three to four years	121.16	117.79
Four to five years	118.79	115.94
<b>Total (A)</b>	<b>617.66</b>	<b>599.53</b>
More than five years (B)	549.87	641.50
<b>Total (A+B)</b>	<b>1,167.53</b>	<b>1,241.03</b>
Unearned finance income	531.93	600.97
<b>Present Value of Minimum Lease Payments Receivable</b>	<b>635.60</b>	<b>640.06</b>

#### Lessor - Operating Lease

The Group has entered into operating leases for its certain building, plant and machinery and other equipments. These typically have lease terms of between 1 and 10 years. The Group has recognized an amount of ₹ 18.95 crore (March 31, 2021 - ₹ 11.98 crore) as rental income for operating lease during the year ended March 31, 2022.

## Notes to the Consolidated Financial Statements

### 12. Other Financial Assets - At Amortised Cost

(Unsecured unless otherwise stated)

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
<b>Non-Current</b>		
<b>(i) Security Deposits</b>		
Considered Good	84.54	59.50
Credit Impaired	30.29	32.41
	<b>114.83</b>	<b>91.91</b>
Less: Allowances for Doubtful Security Deposits	30.29	32.39
	<b>84.54</b>	<b>59.52</b>
<b>(ii) Receivables under Service Concession Agreement</b>	<b>194.02</b>	<b>196.14</b>
<b>(iii) Unbilled Revenue</b>	<b>114.64</b>	<b>104.47</b>
<b>(iv) Others</b>		
Unsecured, considered good		
Advance towards Equity (Refer Note 1 below)	Nil	191.24
Government Grants Receivables*	6.70	14.82
In Deposit Accounts (with maturity more than twelve months)	1,133.73	859.00
Receivable on sale of Strategic Engineering Division (at FVTPL) (Refer Note 2 below)	Nil	365.99
Other Receivables	150.90	128.07
	<b>1,291.33</b>	<b>1,559.12</b>
<b>Total</b>	<b>1,684.53</b>	<b>1,919.25</b>

Note:

- During the year, pursuant to the vesting order by the Odisha Electricity Regulatory Commission ('OERC') for the completion of sale, the equity shares of North Electricity Supply Utility of Odisha has been issued against the advance of ₹191.24 crore which was paid to OERC in the previous year.
- Previous year includes contingent consideration receivable on sale of Strategic Engineering Division (SED) by the Group on achievement of certain milestone (Refer Note 19c).

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
<b>Current</b>		
<b>(i) Security Deposits</b>		
Considered Good	38.32	28.44
Credit Impaired	5.63	5.48
	<b>43.95</b>	<b>33.92</b>
Less: Allowances for Doubtful Security Deposits	5.63	5.48
	<b>38.32</b>	<b>28.44</b>
<b>(ii) Accruals</b>		
Unsecured, considered good		
Interest Accrued on Inter-corporate/Bank Deposits	71.08	40.31
Interest Accrued on Investments	3.51	3.48
Interest Accrued on Finance Lease Receivable	6.29	6.63
Interest Accrued on Loans to Related Parties	8.27	5.22
Unsecured, considered doubtful		
Interest Accrued on Inter-corporate/Bank Deposits	1.40	1.40
	<b>90.55</b>	<b>57.04</b>
Less: Provision for Doubtful Interest	1.40	1.40
	<b>89.15</b>	<b>55.64</b>

## Notes to the Consolidated Financial Statements

### 12. Other Financial Assets - At Amortised Cost (Contd.)

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>(iii) Receivables under Service Concession Agreement</b>	<b>4.43</b>	<b>4.08</b>
<b>(iv) Others</b>		
Unsecured, considered good		
Dividend Receivable	1.78	Nil
Derivative Contract (Fair Value through Profit and Loss)	5.06	1.48
Receivable on sale of Property, Plant and Equipments	2.69	2.74
Insurance Claims Receivable	1.55	4.16
Government Grants Receivables*	41.70	32.35
Recoverable from consumers	98.68	75.65
Other Advances	216.47	105.88
Balances with Banks: (Refer Note below)		
In Deposit Accounts (with remaining maturity of less than twelve months)	1.62	19.19
Unsecured, considered doubtful		
Other Receivables	3.45	2.35
Less: Allowances for Doubtful Receivables	373.00	243.80
	3.45	2.35
<b>Total</b>	<b>369.55</b>	<b>241.45</b>
	<b>501.45</b>	<b>329.61</b>

Note:

Balances with Banks held as Margin Money Deposits against Guarantees.

- \* One of the subsidiary of the Group is eligible for government grant for certain solar projects. The subsidiary company is in the process of creating charge on project assets in favour of Solar Energy Corporation of India. Once the charge is created, the subsidiary company will file application for release of the grant.

### 13. Tax Assets

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Non-current Tax Assets</b>		
Advance Income-tax (Net)	520.54	359.83
<b>Total</b>	<b>520.54</b>	<b>359.83</b>
<b>Current Tax Assets</b>		
Advance Income-tax (Net)	0.01	Nil
<b>Total</b>	<b>0.01</b>	<b>Nil</b>

### 14. Deferred Tax

#### Accounting Policy

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

## Notes to the Consolidated Financial Statements

### 14. Deferred Tax (Contd.)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

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

Deferred tax related to items recognised outside profit or loss is recognised either in other comprehensive income or in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

In the situations where one or more units of the Group are entitled to a tax holiday under the tax law, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned unit's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. 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.

## Notes to the Consolidated Financial Statements

### 14a Deferred Tax Assets

	2021-22	As at March 31, 2022		As at March 31, 2021	
		₹ crore	₹ crore	₹ crore	₹ crore
Deferred Tax Assets		4,860.01		3,197.10	
Deferred Tax Liabilities		4,525.41		3,013.08	
<b>Total - Net Deferred Tax Assets</b>		<b>334.60</b>		<b>184.02</b>	
		Opening Balance	Recognised in Profit and Loss / Reclassified from Deferred tax liability [Refer Note 14(b)]	Recognised in Other Comprehensive Income	Closing Balance
		₹ crore	₹ crore	₹ crore	₹ crore
<b>Deferred Tax Assets in relation to:</b>					
Allowance for Doubtful Debts, Deposits and Advances		47.85	35.75	Nil	83.60
Provision for Employee Benefits and Others		37.70	59.40	35.65	132.75
Unabsorbed Depreciation		2,051.63	1,053.44	Nil	3,105.07
Measuring of Derivative Financial Instruments at Fair Value		100.84	(5.24)	(32.94)	62.66
Carry Forward Losses		6.60	(4.05)	Nil	2.55
Deferred Revenue		171.81	32.09	Nil	203.90
MAT Credit Entitlement		94.09	454.09	Nil	548.18
Lease Liabilities		638.72	11.02	Nil	649.74
Others		47.87	23.70	Nil	71.57
		<b>3,197.10</b>	<b>1,660.20</b>	<b>2.71</b>	<b>4,860.01</b>
<b>Deferred Tax Liabilities in relation to:</b>					
Property, Plant and Equipment*		2,978.78	1,507.04	Nil	4,485.82
Others		34.30	5.29	Nil	39.59
		<b>3,013.08</b>	<b>1,512.33</b>	<b>Nil</b>	<b>4,525.41</b>
<b>Net Deferred Tax Assets</b>		<b>184.02</b>	<b>147.87</b>	<b>2.71</b>	<b>334.60</b>

\* including Finance lease receivables, Right of Use and Intangible Assets

	2020-2021	Opening Balance		Recognised in Profit and Loss		Recognised in Other Comprehensive Income		Closing Balance	
		₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
<b>Deferred Tax Assets in relation to:</b>									
Allowance for Doubtful Debts, Deposits and Advances		41.69	6.16	Nil		Nil		47.85	
Provision for Employee Benefits and Others		9.97	27.73	Nil		Nil		37.70	
Unabsorbed Depreciation		3,173.69	(1,122.06)	Nil		Nil		2,051.63	
Measuring of Derivative Financial Instruments at Fair Value		0.15	7.12	93.57		Nil		100.84	
Carry Forward Losses		78.94	(72.39)	0.05		Nil		6.60	
Deferred Revenue		184.56	(12.75)	Nil		Nil		171.81	
MAT Credit Entitlement		76.76	17.33	Nil		Nil		94.09	
Lease Liabilities		859.92	(221.20)	Nil		Nil		638.72	
Others		6.92	40.95	Nil		Nil		47.87	
		<b>4,432.60</b>	<b>(1,329.12)</b>	<b>93.62</b>		<b>Nil</b>		<b>3,197.10</b>	
<b>Deferred Tax Liabilities in relation to:</b>									
Property, Plant and Equipment*		4,322.80	(1,344.02)	Nil		Nil		2,978.78	
Others		35.56	(33.69)	32.43		32.43		34.30	
		<b>4,358.36</b>	<b>(1,377.71)</b>	<b>32.43</b>		<b>32.43</b>		<b>3,013.08</b>	
<b>Net Deferred Tax Assets</b>		<b>74.24</b>	<b>48.59</b>	<b>61.19</b>		<b>61.19</b>		<b>184.02</b>	

\* including Right of Use and Intangible Assets

# Notes to the Consolidated Financial Statements

## 14b Deferred Tax Liabilities

	2021-22	Opening Balance	As at March 31, 2022		As at March 31, 2021	
			₹ crore	₹ crore	₹ crore	₹ crore
Deferred Tax Assets			659.50		2,108.70	
Deferred Tax Liabilities			1,692.80		3,084.85	
<b>Total - Net Deferred Tax Liabilities</b>			<b>1,033.30</b>		<b>976.15</b>	
2021-22		Opening Balance	Recognised in Profit and Loss / Reclassified to Deferred tax assets [Refer Note 14(a)]	Recognised in Other Comprehensive Income	Closing Balance	
		₹ crore	₹ crore	₹ crore	₹ crore	
<b>Deferred tax assets in relation to</b>						
Allowance for Doubtful Debts, Deposits and Advances		65.53	(11.89)	Nil	53.64	
Provision for Employee Benefits and Others		100.28	(68.45)	(2.50)	29.33	
Unabsorbed Depreciation		134.25	23.41	Nil	157.66	
Carry Forward Losses		512.12	(503.12)	Nil	9.00	
MAT Credit Entitlement		1,234.65	(892.73)	Nil	341.92	
Government Grant		0.48	(0.31)	Nil	0.17	
Deferred Revenue		32.90	5.35	Nil	38.25	
Lease Liabilities		1.65	(1.65)	Nil	Nil	
Others		26.84	2.69	Nil	29.53	
		<b>2,108.70</b>	<b>(1,446.70)</b>	<b>(2.50)</b>	<b>659.50</b>	
<b>Deferred tax liabilities in relation to</b>						
Property, Plant and Equipments*		2870.33	(1379.29)	Nil	1,491.04	
Borrowings		11.51	(6.88)	Nil	4.63	
Deferred Revenue -Ind AS 115		26.30	2.55	Nil	28.85	
Revaluation on Consolidation		82.71	Nil	Nil	82.71	
Undistributed Profits of Joint Ventures		95.18	(18.99)	Nil	76.19	
Others		(1.18)	8.16	2.40	9.38	
		<b>3,084.85</b>	<b>(1,394.45)</b>	<b>2.40</b>	<b>1,692.80</b>	
<b>Net Deferred Tax Liabilities</b>		<b>976.15</b>	<b>52.25</b>	<b>4.90</b>	<b>1,033.30</b>	

\* including Finance lease receivables, Right of Use and Intangible Assets

2020-2021	Opening Balance	Recognised in Profit and Loss	Closing Balance	
			₹ crore	₹ crore
<b>Deferred tax assets in relation to</b>				
Allowance for Doubtful Debts, Deposits and Advances	59.30	6.23	Nil	65.53
Provision for Employee Benefits and Others	92.61	12.58	(4.91)	100.28
Unabsorbed Depreciation	69.64	64.61	Nil	134.25
Carry Forward Losses	375.89	136.23	Nil	512.12
MAT Credit Entitlement	1173.73	60.92	Nil	1,234.65
Government Grant	0.95	(0.47)	Nil	0.48
Deferred Revenue	29.01	3.89	Nil	32.90
Lease Liabilities	12.40	(10.75)	Nil	1.65
Others	25.02	1.64	0.18	26.84
	<b>1,838.55</b>	<b>274.88</b>	<b>(4.73)</b>	<b>2,108.70</b>

## Notes to the Consolidated Financial Statements

### 14b Deferred Tax Liabilities (Contd.)

2020-2021	Opening Balance	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
	₹ crore	₹ crore	₹ crore	₹ crore
<b>Deferred tax liabilities in relation to</b>				
Property, Plant and Equipments*	2,737.96	132.37	Nil	2,870.33
Borrowings	9.39	2.12	Nil	11.51
Deferred Revenue -Ind AS 115	24.00	2.30	Nil	26.30
Revaluation on Consolidation	107.67	(24.96)	Nil	82.71
Derivative financial instruments designated for hedging	32.43	Nil	(32.43)	Nil
Undistributed Profits of Joint Ventures	99.99	(4.81)	Nil	95.18
Others	1.15	(2.33)	Nil	(1.18)
	<b>3,012.59</b>	<b>104.69</b>	<b>(32.43)</b>	<b>3,084.85</b>
<b>Net Deferred Tax Liabilities</b>	<b>1,174.04</b>	<b>(170.19)</b>	<b>(27.70)</b>	<b>976.15</b>

\* including Finance lease receivables, Right of Use and Intangible Assets

#### Notes:

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

#### As at March 31, 2022

Unrecognised deferred tax assets	Within one year	Greater than one year, less than five years	Greater than five years	No expiry date	Closing balance
	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
Capital Loss on sale of investment and indexation benefit*	Nil	407.92	141.96	Nil	549.88
Business losses	Nil	Nil	1,025.36	Nil	1,025.36
Unabsorbed depreciation	Nil	Nil	Nil	134.00	134.00
<b>Total</b>	<b>Nil</b>	<b>407.92</b>	<b>1,167.32</b>	<b>134.00</b>	<b>1,709.24</b>

#### As at March 31, 2021

Unrecognised deferred tax assets	Within one year	Greater than one year, less than five years	Greater than five years	No expiry date	Closing balance
	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
Business losses	163.81	121.33	670.70	Nil	955.84
Unabsorbed depreciation	Nil	Nil	Nil	1,788.49	1,788.49
MAT credit	Nil	4.67	212.98	Nil	217.65
Capital Loss	Nil	Nil	502.89	8.48	511.37
<b>Total</b>	<b>163.81</b>	<b>126.00</b>	<b>1,386.57</b>	<b>1,796.97</b>	<b>3,473.35</b>

\* The unrecognised deferred tax asset on impairment of investments of ₹ 141.96 crores (March 31, 2021: ₹ 134.61 crores) relating to capital loss shall expire within 8 years from the date of sale of investment.

- ii. The Group has not recognized any deferred tax liabilities for taxes amounting to ₹ 2,673.90 crore (March 31, 2021 - ₹ 2,617.47 crore) that would be payable on the Group's share in undistributed earnings of its subsidiaries and its interest in joint ventures because the Group controls the distribution and is not likely to cause the distribution in the foreseeable future.

## Notes to the Consolidated Financial Statements

### 14b Deferred Tax Liabilities (Contd.)

### 14c Reconciliation of Deferred Tax Expense amount recognised in Profit or Loss and Other Comprehensive Income

	Recognised in Profit and Loss		Recognised in Other Comprehensive Income	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore	₹ crore	₹ crore
<b>Deferred Tax Assets (Net) - (Refer Note 14 a.)</b>				
Net (increase)/decrease in Deferred Tax Assets	(147.87)	(48.59)	(2.71)	(61.19)
<b>Deferred Tax Liabilities (Net) - (Refer Note 14 b.)</b>				
Net increase/(decrease) in Deferred Tax Liabilities	52.24	(170.19)	4.90	(27.70)
<b>Deferred Tax Liabilities (Net) - Discontinued Operations (Refer Note 19 c)</b>				
Net increase/(decrease) in Deferred Tax Liabilities	Nil	72.17	Nil	Nil
<b>Deferred Tax Expense / (Credit) (Net)</b>	<b>(95.63)</b>	<b>(146.61)</b>	<b>2.19</b>	<b>(88.89)</b>

### 15. Other Assets

	As at March 31, 2022		As at March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
<b>Non-current</b>				
<b>(i) Capital Advances</b>				
Unsecured, considered good		257.76		166.14
Doubtful		0.53		0.11
	<b>258.29</b>	<b>166.25</b>		
Less: Allowance for Doubtful Advances		0.53		0.11
	<b>257.76</b>	<b>166.14</b>		
<b>(ii) Balances with Government Authorities</b>				
Unsecured, considered good				
Advances		15.85		12.25
Amount Paid Under Protest		62.82		52.87
VAT/Sales Tax Receivable		15.51		16.90
	<b>94.18</b>	<b>82.02</b>		
<b>(iii) Others</b>				
Unsecured, considered good				
Prepaid Expenses		37.46		30.61
Recoverable from Consumers		1,408.30		1,161.06
Others		52.12		19.41
Doubtful		Nil		1.07
	<b>1,497.88</b>	<b>1,212.15</b>		
Less: Allowance for Doubtful Advances		Nil		1.07
	<b>1,497.88</b>	<b>1,211.08</b>		
<b>Total</b>		<b>1,849.82</b>		<b>1,459.24</b>

## Notes to the Consolidated Financial Statements

### 15. Other Assets (Contd.)

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Current</b>		
<b>(i) Balances with Government Authorities</b>		
Unsecured, considered good		
Advances	491.37	226.21
VAT/Sales Tax Receivable	0.28	8.16
	<b>491.65</b>	<b>234.37</b>
<b>(ii) Other Loans and Advances</b>		
Unsecured, considered good		
Prepaid Expenses	238.88	157.71
Advances to Vendors	602.10	411.60
Deferred Rent Expense	1.11	1.11
Unbilled Revenue (contract assets)	27.81	40.84
Power Banking Receivable	113.18	41.35
Other Advances	4.94	27.06
Doubtful	0.19	0.19
	<b>988.21</b>	<b>679.86</b>
Less: Allowance for Doubtful Advances	0.19	0.19
	<b>988.02</b>	<b>679.67</b>
<b>Total</b>	<b>1,479.67</b>	<b>914.04</b>

### 16. Inventories

#### Accounting Policy

Inventories are stated at the lower of cost and net realisable value. Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Costs of inventories are determined on weighted average basis. Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Unserviceable/damaged stores and spares are identified and written down based on technical evaluation.

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value (NRV).

Principally, this is residential property that the Group develops and intends to sell before, or on completion of, development.

Cost incurred in bringing each property to its present location and condition includes:

- Freehold and leasehold rights for land
- Amounts paid to contractors for development
- Planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, development overheads and other related costs

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs necessary to make the sale. When an inventory property is sold, the carrying amount of the property is recognised as an expense in the period in which the related revenue is recognised. The carrying amount of inventory property recognised in profit or loss is determined with reference to the directly attributable costs incurred on the property sold and an allocation of any other related costs based on the relative size of the property sold.

## Notes to the Consolidated Financial Statements

### 16. Inventories (Contd.)

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Inventories</b>		
(a) Raw Materials and Fuel		
Fuel - Stores	1,383.57	450.78
Fuel-in-Transit	521.43	380.78
Material related to Solar Plant EPC contracts	1,296.99	316.79
(b) Work-In-Progress	11.99	6.42
(c) Finished goods	287.81	94.15
(d) Stores and Spares (Refer Note 1 below)	483.44	447.12
(e) Loose Tools	1.66	1.60
(f) Others		
Property under Development	244.63	187.98
<b>Total</b>	<b>4,231.52</b>	<b>1,885.62</b>

#### Notes:

- The Group has recognised ₹ 19.11 crore (March 31, 2021 - ₹ 5.72 crore) as an expense for the write down of unserviceable stores and spares and fuel inventory.
- Refer Note 23 and Note 30 for Inventories pledged as security for liabilities.

### 17. Current Investments

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>I Investments carried at Amortised Cost</b>		
<b>Statutory Investments</b>		
Government Securities (Unquoted) fully paid up	55.67	Nil
<b>II Investments carried at Fair Value through Profit and Loss</b>		
<b>Unquoted</b>		
Investment in Mutual Funds	354.85	499.54
<b>Total</b>	<b>410.52</b>	<b>499.54</b>
Note:		
1. Aggregate Carrying Value of Unquoted Investments	410.52	499.54

### 18a. Cash and Cash Equivalents

#### Accounting Policy

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

For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise of cash at bank, cash/cheques on hand and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

## Notes to the Consolidated Financial Statements

### 18a. Cash and Cash Equivalents (Contd.)

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
(a) Balances with Banks:		
(i) In Current Accounts	1,254.84	1,015.45
(ii) In Deposit Accounts (with original maturity of less than three months)	1,702.09	2,543.84
(b) Cheques on Hand	23.30	45.16
(c) Cash on Hand	97.01	65.17
<b>Cash and Cash Equivalents as per Balance Sheet</b>	<b>3,077.24</b>	<b>3,669.62</b>
Bank Overdraft and Cash Credit attributable to Continuing Operations (Refer Note 30)	(248.22)	(99.66)
<b>Cash and Cash Equivalents as per Statement of Cash Flows - Continuing Operation</b>	<b>2,829.02</b>	<b>3,569.96</b>
<b>Cash and Cash Equivalents as per Statement of Cash Flows</b>	<b>2,829.02</b>	<b>3,569.96</b>

### Reconciliation of Liabilities from Financing Activities

Particulars	As at		Cash flows		Changes related to Discontinued Operations		Foreign Exchange	Others*	As at March 31, 2022
	April 1, 2021		Proceeds	Repayment	₹ crore	₹ crore			
	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore			
Non-current Borrowings (including Current Maturity of Non-current Borrowings)	34,734.52	11,473.88	(5,684.28)	Nil	111.94	(21.08)	40,614.98		
Current Borrowings (excluding Bank Overdraft and Cash Credit from bank)	8,336.46	28,004.33	(29,636.92)	Nil	25.69	(2.76)	6,726.80		
Lease Liabilities	3,537.31	Nil	(383.85)	Nil	20.11	431.55	3,605.12		
<b>Total</b>	<b>46,608.29</b>	<b>39,478.21</b>	<b>(35,705.05)</b>	<b>Nil</b>	<b>157.74</b>	<b>407.71</b>	<b>50,946.90</b>		

\* includes interest on lease liabilities, remeasurement of lease liabilities and amortisation of processing charges on loans

#### Note:

During the year, the Group has issued shares of ₹ 308.65 crore to Minority Shareholders of subsidiaries which consist of shares issued for consideration other than Cash amounting to ₹ 297.32 Crore.

Particulars	As at		Cash flows		Changes related to Discontinued Operations		Foreign Exchange	Others*	As at March 31, 2021
	April 1, 2020		Proceeds	Repayment	₹ crore	₹ crore			
	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore			
Non-current Borrowings (including Current Maturity of Non-current Borrowings)	36,531.57	5,602.19	(7,453.61)	57.83	(125.27)	121.81	34,734.52		
Current Borrowings (excluding Bank Overdraft and Cash Credit from bank)	11,809.65	26,108.25	(29,557.80)	Nil	(50.92)	27.28	8,336.46		
Lease Liabilities	3,560.22	Nil	(351.78)	Nil	6.04	322.83	3,537.31		
<b>Total</b>	<b>51,901.44</b>	<b>31,710.44</b>	<b>(37,363.19)</b>	<b>57.83</b>	<b>(170.15)</b>	<b>471.92</b>	<b>46,608.29</b>		

\* includes interest on lease liabilities, remeasurement of lease liabilities and amortisation of processing charges on loans

### 18b. Other Balances with Banks- At Amortised Cost

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
(a) In Deposit Accounts (Refer Note below)	3,544.17	2,181.98
(b) In Earmarked Accounts-		
Unpaid Dividend Account	19.29	19.07
<b>Total</b>	<b>3,563.46</b>	<b>2201.05</b>

#### Note:

Balances with banks held as margin money deposits against guarantees.

## Notes to the Consolidated Financial Statements

### 19a. Assets Classified as Held For Sale

#### Accounting Policy

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

Non-current assets or disposal group classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Property, plant and equipment and intangible assets once classified as held for sale/distribution to owners are not depreciated or amortised.

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

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

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

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Land [Refer Note (i) below]	301.58	301.58
Building [Refer Note (ii) below]	0.48	8.50
Other Property, Plant and Equipments [Refer Note (iii) below]	20.04	20.21
Investments carried at FVTOCI [Refer Note (iv) below]	Nil	178.68
Investments in Associates and Joint Ventures [Refer Note (v) below]	2,701.90	2,480.12
Loan to and other receivables from Joint Venture [Refer Note v(b) below]	22.83	22.83
Transmission lines - Capital Work in Progress [Refer Note (vi) below]	Nil	9.31
Other Assets [Refer Note (vii) below]	Nil	26.23
<b>Total</b>	<b>3,046.83</b>	<b>3,047.46</b>

### 19b. Liabilities directly associated with Assets Classified as Held For Sale

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Liabilities related to Other Assets [Refer Note (i)(d) & (vii)]	113.56	139.78
<b>Total</b>	<b>113.56</b>	<b>139.78</b>

Notes:

- (i) The following land has been classified as assets held for sale:

- (a) Land at Tiruldih ₹ 1.43 crore (net of impairment loss of ₹ 34 crore) (March 31, 2021 - ₹ 1.43 crore).
- (b) Land at Vadaval ₹ 3.21 crore (March 31, 2021 - ₹ 3.21 crore).
- (c) Land at Naraj Marthapur ₹ 81.38 crore (net of impairment loss of ₹ 37 crore) (March 31, 2021 - ₹ 81.38 crore).
- (d) Land at Dehrand ₹ 215.56 crore (March 31, 2021 - ₹ 215.56 crore). During the earlier year, the Group has received an advance of ₹113.56 crore against sale.

## Notes to the Consolidated Financial Statements

### 19b. Liabilities directly associated with Assets Classified as Held For Sale (Contd.)

- (ii) (a) Following building has been classified as assets held for sale:  
Building at Panvel ₹ 0.48 crore (March 31, 2021 - ₹ 0.48 crore).
- (b) Building at Peninsula of ₹ 8.02 crore has been reclassified from asset held for sale to Property, Plant and Equipment during the year.
- (iii) (a) The following plant and equipment has been classified as assets held for sale:  
Rithala power generation plant ₹ 20.04 crore (net of impairment loss of ₹ 143.96 crore) (March 31, 2021 - ₹ 20.04 crore).
- (b) Helicopter having book value of ₹ 0.17 crore has been sold during the year (March 31, 2021 - ₹ 0.17 crore)
- (iv) During the year ended March 31, 2022, the Group has reclassified its Investment in Tata Teleservices (Maharashtra) Limited ("TTML") to Non-Current Investment.
- (v) (a) In the earlier years, the Group had signed definitive agreements for sale of PT Arutmin Indonesia and its associated infrastructure and trading companies and the sale consideration of USD 400.92 million is being expected to be received in a phased manner over next few years. Accordingly, the investments (including investment in PT Mitratama Perkasa) have been classified as assets held for sale at ₹ 1,938.38 crore as at March 31, 2022 (March 31, 2021 - ₹ 1,869.46 crore).
- (b) In the earlier years, the Group decided to divest its investment in Itezhi Tezhi Power Corporation ('ITPC') of ₹ 632.99 crore (March 31, 2021 - ₹ 610.66 crore) and loan and other receivables from ITPC of ₹ 22.83 crore (March 31, 2021 - ₹ 22.83 crore). Accordingly, the said investment along with loan and other receivables has been classified as held for sale. No impairment loss has been recognised on reclassification as the Group expects that the fair value less costs to sell is higher than the carrying amount as at March 31, 2022.
- (c) The Group holds investments in Adjaristsqali Netherlands B.V. (ABV) (a Joint Venture of the Group) operating 187 MW hydro power plant in Georgia.  
During the year, the Group has decided to divest its investment in ABV and accordingly the said investment along with perpetual securities has been classified as held for sale.  
During the year, the Group has reassessed the recoverability of its investment in ABV based on decline in the operational performance and accordingly has recognized an cumulative impairment provision of ₹ 372.13 crore (March 31, 2021- ₹ 221.86 crore) as an exceptional item in the consolidated financial statements. The net investment value in ABV including perpetual securities after impairment provision is ₹130.53 crore as on March 31, 2022 (March 31, 2021- ₹ 276.18 crore)  
The Group has performed the recoverability assessment and determined the value in use based on estimated cash flow projections over the life of the assets included in CGU. Projected cash flows include cash flow projections approved by management covering 3 years and the cash flows beyond that has been projected based on the long term forecast.  
The following key assumptions were used for performing the valuation:
  - Tariff post PPA period of 15 years.
  - A pre-tax discount rate of 5.94 % was applied;
- (vi) Maharashtra Electricity Regulatory Commission ('MERC') had ordered termination of Vikhroli Transmission Lines project and accordingly, the Group had reclassified the said project as held for sale. During the year, the Group has received an amount of ₹ 8.44 crore against the said project.
- (vii) The Group had decided to divest its investments in equity and preference shares of its subsidiary, TCL Ceramics Ltd. Accordingly, the said investment was classified as held for sale. Pursuant to the Share Purchase Agreement ('Agreement') dated 4th January, 2020, the Group has transferred its Equity and Preference share to the purchasers as a part of the conditions mentioned in the Agreement subject to final closing. On 24th March 2022, the Group has signed an amendment to original share purchase agreement and transferred all the beneficial ownership to the buyers and accordingly impact has been recognised in the consolidated financial statements.

## Notes to the Consolidated Financial Statements

### 19c. Assets Classified as Held For Sale - Discontinued Operations

In the past, the Group had approved sale of its Strategic Engineering Division (SED) to Tata Advanced Systems Ltd. (TASL) [a wholly owned subsidiary of Tata Sons Pvt. Ltd.] as a going concern on slump sale basis, at an enterprise value of ₹ 2,230 crore (out of which ₹ 1,040 crore payable at the time of closing and ₹ 1,190 crore payable on achieving certain milestones). Accordingly, SED business segment is presented as discontinued operations. On 31st October, 2020, the Group had completed the sale of its SED to TASL and had received upfront consideration of ₹ 597 crore (net of borrowings of ₹ 537.00 crore transferred to TASL) after certain adjustments as specified in the scheme.

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

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
<b>Income</b>		
Revenue from Operations	Nil	193.63
Other Income	Nil	23.52
<b>Total Income</b>	<b>Nil</b>	<b>217.15</b>
<b>Expenditure</b>		
Cost of Components Consumed	Nil	139.28
Employee Benefits Expense	Nil	52.66
Finance Costs	Nil	24.91
Other Expenses	Nil	60.15
<b>Total Expenses</b>	<b>Nil</b>	<b>277.00</b>
<b>Profit/(Loss) before tax from Discontinued Operations</b>	<b>Nil</b>	<b>(59.85)</b>
<b>Impairment Loss on Remeasurement to Fair Value (Refer Note Below)</b>	<b>(467.83)</b>	<b>(160.00)</b>
<b>Tax Expenses/(Credit)</b>		
Current Tax	Nil	(101.48)
Deferred Tax	Nil	(72.17)
<b>Total Tax Expenses/(Credit)</b>	<b>Nil</b>	<b>(173.65)</b>
<b>Profit/(Loss) before tax from Discontinued Operations</b>	<b>(467.83)</b>	<b>(46.20)</b>
Other Comprehensive Income/(Expense)	Nil	(0.34)
Tax on Other Comprehensive Income	Nil	Nil
<b>Total Comprehensive Income/(Expense)</b>	<b>(467.83)</b>	<b>(46.54)</b>

#### Note:

During the year ended March 31, 2022, the Group has reassessed the fair value of consideration receivable from TASL and has recognised an impairment loss of ₹ 467.83 crore (March 31, 2021- ₹ 160 Crore) in the consolidated financial statements. The fair value on consideration has been determined based on the expected value of the consideration using discounted present value technique. The fair value has been categorised under Level 3 inputs, the key assumption being expectation of achievement/non-achievement of milestones as defined in the scheme of arrangement.

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

	From April 1, 2020 to October 31, 2020
	₹ crore
Net Cash Flow from/(used) in Operating Activities	286.62
Net Cash Flow from/(used) in Investing Activities	(32.30)
Net Cash Flow from/(used) in Financing Activities	(85.62)
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>168.70</b>
<b>Cash and Cash Equivalents (Opening Balance)</b>	<b>7.60</b>
<b>Cash and Cash Equivalents (Closing Balance)</b>	<b>176.30</b>
Less: Transferred on sale of Strategic Engineering Division	(176.30)
<b>Total of cash and cash equivalents (Net)</b>	<b>Nil</b>

## Notes to the Consolidated Financial Statements

### 20. Regulatory Deferral Account

#### Accounting Policy

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

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

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

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Regulatory Deferral Account - Liability - Current</b>		
Regulatory Liabilities	634.63	98.93
<b>Regulatory Deferral Account - Assets - Non-current</b>		
Regulatory Assets	6,810.57	6,222.44
<b>Net Regulatory Assets/(Liabilities)</b>	<b>6,175.94</b>	<b>6,123.51</b>

#### Rate Regulated Activities

- As per the Ind AS-114 'Regulatory Deferral Accounts', the business of electricity distribution is a Rate Regulated activity wherein the regulators determine Tariff to be charged from consumers based on prevailing regulations in place. The Group is governed by the tariff regulations and tariff orders issued by Regulatory Commissions in Maharashtra, Delhi and Odisha. These regulations determine tariff in a manner wherein the Group can recover its fixed and variable costs including assured rate of return on approved equity base, from its consumers. The Group determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in these Regulations.
- Reconciliation of Regulatory Assets/Liabilities of distribution business as per Rate Regulated Activities as on March 31, 2022, is as follows:

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
<b>Opening Regulatory Assets (Net of Liabilities)</b> (A)		
Regulatory Deferral Balances (net) during the year		
(i) Power Purchase Cost	17,603.08	10,132.93
(ii) Other expenses as per the terms of Tariff Regulations including Return On Equity	6,432.10	4,020.00
(iii) Billed during the year as per approved Tariff	(24,414.79)	(13,698.71)
(iv) Regulatory Assets/(Liabilities) on Deferred Tax Expense/(Income)	140.15	81.80
Net movement in Regulatory Deferral Balances recognised in statement of Profit and Loss (i + ii + iii + iv)	<b>(239.46)</b>	<b>536.02</b>
(v) Regulatory Income/(Expenses) recognised in OCI	265.28	93.92
<b>Net movement in Regulatory Deferral Balances (i + ii + iii + iv + v)</b> (B)	<b>25.82</b>	<b>629.94</b>
Regulatory Assets/(Liabilities) on carrying cost recognised as revenue	(C)	18.00
Regulatory deferral asset in respect of opening assets deletion	(D)	8.64
Recovery from/(Payable to) Group's Generation Business	(E)	Nil
<b>Closing Regulatory Asset (Net of Liabilities)</b>	<b>(A+B+C+D+E)</b>	<b>(0.03)</b>
	<b>6,175.94</b>	<b>10.40</b>
	<b>6,175.94</b>	<b>6,123.51</b>

## Notes to the Consolidated Financial Statements

### 21a. Share Capital

	As at March 31, 2022		As at March 31, 2021	
	Number	₹ crore	Number	₹ crore
<b>Authorised</b>				
Equity Shares of ₹ 1/- each				
At the beginning of the year	550,00,00,000	550.00	350,00,00,000	350.00
Add: Increase during the year	Nil	Nil	200,00,00,000	200.00
Add: Increase due to merger (Refer Note 22.6)	10015,00,00,000	10,015.00	Nil	Nil
Outstanding for the year		10,565.00		550.00
Cumulative Redeemable Preference Shares of ₹ 100/- each	2,29,00,000	229.00	2,29,00,000	229.00
	<b>10,794.00</b>		<b>779.00</b>	
<b>Issued</b>				
Equity Shares [including 28,32,060 shares (March 31, 2021 - 28,32,060 shares) not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Ltd. cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]	325,22,67,007	325.23	325,22,67,007	325.23
<b>Subscribed and Paid-up</b>				
Equity Shares fully Paid-up [excluding 28,32,060 shares (March 31, 2021 - 28,32,060 shares) not allotted but held in abeyance, 44,02,700 shares cancelled pursuant to a Court Order and 4,80,40,400 shares of the Company held by the erstwhile The Andhra Valley Power Supply Company Ltd. cancelled pursuant to the Scheme of Amalgamation sanctioned by the High Court of Judicature, Bombay]	319,53,39,547	319.54	319,53,39,547	319.54
Less: Calls in arrears [including ₹ 0.01 crore (March 31, 2021 - ₹ 0.01 crore) in respect of the erstwhile The Andhra Valley Power Supply Company Ltd. and the erstwhile The Tata Hydro-Electric Power Supply Company Ltd.]		0.04		0.04
	<b>319.50</b>		<b>319.50</b>	
Add: Equity Shares forfeited - Amount paid	16,52,300	0.06	16,52,300	0.06
<b>Total Subscribed and Paid-up Share Capital</b>	<b>319.56</b>		<b>319.56</b>	

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

	As at March 31, 2022		As at March 31, 2021	
	Number	₹ crore	Number	₹ crore
<b>Equity Shares</b>				
At the beginning of the year	319,69,91,847	319.56	270,64,25,810	270.50
Issued during the year	Nil	Nil	49,05,66,037	49.06
Outstanding at the end of the year	<b>319,69,91,847</b>	<b>319.56</b>	<b>319,69,91,847</b>	<b>319.56</b>

## Notes to the Consolidated Financial Statements

### 21a. Share Capital (Contd.)

#### (ii) Terms/rights attached to equity shares

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

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

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

	As at March 31, 2022		As at March 31, 2021	
	Number	% Holding	Number	% Holding
<b>Equity Shares of ₹ 1/- each fully paid</b>				
Tata Sons Pvt. Ltd.	144,45,13,021	45.21	144,45,13,021	45.21
Life Insurance Corporation of India	21,57,53,479	6.75	16,41,25,329	5.14

\*Shareholding has been reported based on common permanent Account Number

#### (iv) Shareholding of Promoters

SI No	Promoter name	Shares held by promoters at the end of the year				% Change during the year
		No. of shares	% of total shares	March 31, 2022	March 31, 2021	
1	Tata Sons Pvt. Ltd.	144,45,13,021	45.21	144,45,13,021	45.21	Nil

SI No	Promoter name	Shares held by promoters at the end of the year				% Change during the year
		No. of shares	% of total shares	March 31, 2021	March 31, 2020	
1	Tata Sons Pvt. Ltd.	144,45,13,021	45.21	95,39,46,984	35.27	9.94

### 21b. Unsecured Perpetual Securities

	As at March 31, 2022		As at March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
11.40% Unsecured Perpetual Securities	1,500.00		1,500.00	
Less: Repayment during the year		(1,500.00)		Nil
<b>Total</b>	<b>Nil</b>		<b>1,500.00</b>	

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

## Notes to the Consolidated Financial Statements

### 22. Other Equity

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>General Reserve</b>		
Opening Balance	226.61	4,086.53
Add/(Less): Capital re-organisation (Refer Note 6 below)	Nil	(3,859.92)
Restated Opening Balance	226.61	226.61
Closing Balance	<b>226.61</b>	<b>226.61</b>
<b>Securities Premium</b>		
Opening Balance	3,107.54	5,647.80
Add/(Less): Capital re-organisation (Refer Note 6 below)	Nil	(5,091.20)
Restated Opening Balance	3,107.54	556.60
Add: Increase on issue of shares during the year (Refer Note 4 below)	Nil	2,550.94
Closing Balance	<b>3,107.54</b>	<b>3,107.54</b>
<b>Capital Reserves</b>	232.09	232.09
<b>Statutory Reserves</b>	660.08	660.08
<b>Debenture Redemption Reserve</b>		
Opening Balance	625.06	638.20
Add/(Less): Amount transferred from/(to) Retained Earnings (Net)	(100.00)	(13.14)
Closing Balance	<b>525.06</b>	<b>625.06</b>
<b>Capital Redemption Reserve</b>		
Opening Balance	515.76	515.76
Closing Balance	<b>515.76</b>	<b>515.76</b>
<b>Special Reserve fund</b>		
Opening Balance	126.28	124.07
Add/(Less): Amount transferred from Retained Earnings	(126.28)	2.21
Closing Balance	<b>Nil</b>	<b>126.28</b>
<b>Retained Earnings (Refer Note 1 below)</b>		
Opening Balance	13,889.59	4,387.49
Add/(Less): Capital re-organisation (Refer Note 6 below)	Nil	8,951.12
Restated Opening Balance	13,889.59	13,338.61
Add: Profit/(Loss) for the year	1,741.46	1,127.38
Other Comprehensive Income/(Expense) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	Nil	3.14
Transfer from Debenture Redemption Reserve (Net)	100.00	13.14
Less: Distribution on Unsecured Perpetual Securities	100.26	171.23
Other Comprehensive Income/(Expense) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	11.26	Nil
Less: Other Appropriations:		
Payment of Dividend (Refer Note 2 below)	495.28	419.24
Transfer to / (from) Special Reserve Fund	(126.28)	2.21
<b>Closing Balance</b>	<b>1,360.94</b>	<b>550.98</b>
	<b>15,250.53</b>	<b>13,889.59</b>

## Notes to the Consolidated Financial Statements

### 22. Other Equity (Contd.)

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Equity Instrument through Other Comprehensive Income</b>		
Opening Balance	223.23	(7.54)
Add/(Less): Change in Fair Value of Equity Instruments through Other Comprehensive Income	307.11	230.77
Closing Balance	<b>530.34</b>	<b>223.23</b>
<b>Foreign Currency Translation Reserve</b>		
Opening Balance	1,078.23	1,414.63
Add/(Less): Addition during the year	79.59	(336.40)
Closing Balance	<b>1,157.82</b>	<b>1,078.23</b>
<b>Effective Portion of Cash Flow Hedge</b>		
Opening Balance	(181.77)	96.41
Add/(Less): Effective Portion of Cash Flow Hedge for the year	97.94	(278.18)
Closing Balance	<b>(83.83)</b>	<b>(181.77)</b>
<b>Total</b>	<b>22,122.00</b>	<b>20,502.70</b>

#### Notes:

- Includes gain on fair valuation of land which is not available for distribution ₹ 227.03 crore.
- The shareholders of the holding company in their meeting held on July 5, 2021 approved final dividend of ₹ 1.55 per share aggregating ₹ 495.28 crore for the financial year 2020-21. The said dividend was paid to the holders of fully paid equity shares on July 7, 2021.
- In respect of the year ended March 31, 2022, the directors have proposed a dividend of ₹ 1.75 per share to be paid on fully paid shares. This equity dividend is subject to approval at the annual general meeting and has not been included as a liability in the consolidated financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 559.68 crore.
- During the previous year, the shareholders in the Annual General Meeting dated July 30, 2020 had approved the issuance of 49,05,66,037 equity shares of the face value of ₹ 1 each at ₹ 53 per equity share for an amount aggregating to ₹ 2,600 crore to Tata Sons Pvt. Ltd. on preferential basis.
- Represents gain/(loss) on sale of certain investments carried at fair value through other comprehensive income transferred to Retained Earnings.
- The Hon'ble National Company Law Tribunal (NCLT) has approved the composite scheme of arrangement for merger of Coastal Gujarat Power Limited (CGPL) along with the capital re-organization and the scheme of arrangement for merger of Af-Taab Investment Company Limited (Af-taab) with the Holding Company effective April 1, 2020. There is no effect of merger in the consolidated financial statements. However, the following adjustments have been made pursuant to the scheme of capital re-organisation as on April 1, 2020 i.e the appointed date of the scheme:
  - The debit balance in the retained earnings of the Holding Company of ₹ 5,091.20 crore has been adjusted with the securities premium.
  - Post-merger credit balance in General Reserve of the Holding Company of ₹ 3,859.92 crore has been transferred to Retained earnings.

Pursuant to the scheme of merger, the authorised equity share capital of the Holding Company has been increased by the authorised equity share capital of the erstwhile CGPL and Af-taab.

## Notes to the Consolidated Financial Statements

### 22. Other Equity (Contd.)

#### **Nature and purpose of reserves**

##### **General Reserve**

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

##### **Securities Premium**

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

##### **Debenture Redemption Reserve**

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

##### **Capital Redemption Reserve**

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

##### **Capital Reserve**

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

##### **Special Reserve Fund**

Special Reserve Fund represents the amount transferred from the annual profits of Af-taab pursuant to section 45 of the Reserve Bank of India Act, 1934. Pursuant to scheme of arrangement for merger as mentioned in note 6 above, erstwhile Af-taab has ceased to exist and hence the reserves is no longer required and accordingly has been transferred to retained earning.

##### **Statutory Reserve**

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

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

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

##### **Retained Earnings**

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

##### **Equity Instruments through Other Comprehensive Income**

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

##### **Foreign Currency Translation Reserve**

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

##### **Effective Portion of Cash Flow Hedge**

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

## Notes to the Consolidated Financial Statements

### 23. Non-current Borrowings - At Amortised Cost

	As at March 31, 2022		As at March 31, 2021	
	Non-current ₹ crore	Current Maturities* ₹ crore	Non-current ₹ crore	Current Maturities* ₹ crore
<b>(i) Unsecured</b>				
<b>Debentures</b>				
Redeemable Non-Convertible Debentures	9,639.16	2,454.86	11,509.47	1,938.80
<b>Term Loans</b>				
From Banks	3,730.06	421.71	1,769.55	673.67
<b>Deferred Payment Liabilities-Sales Tax Deferral</b>	Nil	Nil	Nil	2.83
	<b>13,369.22</b>	<b>2,876.57</b>	<b>13,279.02</b>	<b>2,615.30</b>
<b>(ii) Secured</b>				
<b>Debentures</b>				
Redeemable Non-Convertible Debentures	1,853.40	559.75	2,411.82	247.26
<b>Term Loans</b>				
From Banks	15,570.52	4,325.65	12,961.04	1,785.82
From Others	1,936.56	123.31	1,392.97	41.29
	<b>19,360.48</b>	<b>5,008.71</b>	<b>16,765.83</b>	<b>2,074.37</b>
<b>Total</b>	<b>32,729.70</b>	<b>7,885.28</b>	<b>30,044.85</b>	<b>4,689.67</b>

\* Amount disclosed under Current Borrowings (Refer Note 30).

#### Security

Redeemable Non-convertible Debentures issued by the Group are secured by charge on movable and immovable assets of the respective entities.

Term Loans availed by various entities of the Group from various Banks and Financial Institutions are secured by way of charge on all present and future moveable and immovable assets, stores and spares, raw materials, work-in-progress, finished goods, book debts, project receivables, intangibles, uncalled capital receivables, rights under project documents of the respective entities, project cash flows, regulatory deferral accounts, accounts including Debt Service Reserve Accounts and bank accounts, bank guarantees and pledge of shares of subsidiaries held by their respective holding companies.

#### Terms of Repayment

Particulars	Amount Outstanding as at March 31, 2022	Financial Year ₹ crore						
		FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-32	FY 32-33 and onwards
<b>(i) Unsecured - At Amortised Cost</b>								
<b>Debentures</b>								
Redeemable Non-Convertible Debentures	12,124.86	2,454.86	5,050.00	1,120.00	500.00	Nil	1,500.00	1,500.00
<b>Term Loans</b>								
From Banks	4,150.93	421.71	3,194.93	535.00	Nil	Nil	Nil	Nil
<b>(ii) Secured - At Amortised Cost</b>								
<b>Debentures</b>								
Redeemable Non-Convertible Debentures	2,418.94	559.75	467.05	319.45	361.75	358.75	352.19	Nil

## Notes to the Consolidated Financial Statements

### 23. Non-current Borrowings - At Amortised Cost (Contd.)

Particulars	Amount Outstanding as at March 31, 2022	Financial Year						
		FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-32	FY 32-33 and onwards
<b>Term Loans</b>								
From Banks	19,930.66	4,325.65	2,763.33	2,237.20	1,885.66	1,343.02	4,477.50	2,898.30
From Others	2,064.27	123.31	159.52	191.37	225.53	252.82	974.70	137.02
	<b>40,689.66</b>	<b>7,885.28</b>	<b>11,634.83</b>	<b>4,403.02</b>	<b>2,972.94</b>	<b>1,954.59</b>	<b>7,304.39</b>	<b>4,535.32</b>
Less: Impact of recognition of borrowing at amortised cost using effective interest method under Ind AS	72.78							
Less: Unamortised portion of fair value of Corporate Guarantee.	1.90							
<b>Total</b>	<b>40,614.98</b>							

Range of interest rates for:

1. Debentures - 5.70% to 10.75%
2. (a) Term loan of foreign Companies - 1.26 % to 2.24 %
  - (b) Term loan of Indian Companies - 3.55 % to 8.97%
3. Term loan from others - 7.25 % to 8.72 %

### 24. Lease Liabilities

#### Accounting Policy

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

#### As a Lessee

##### i) Lease liabilities

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

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

##### ii) Short term leases and leases of low value of assets

The Group applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

#### Leasing arrangement as Lessee

The Group has lease contracts for various items of plant, machinery, land, vehicles and other equipment used in its operations. Leases of Leasehold land including sub-surface rights generally have lease terms between 2 years and 95 years, while plant and machinery, motor vehicles and other equipment generally have lease terms 3 years and 40 years. Generally, the Group is restricted from assigning and subleasing the leased assets.

## Notes to the Consolidated Financial Statements

### 24. Lease Liabilities (Contd.)

Amount recognised in the Statement of Profit and Loss	For the year ended March 31, 2022		For the year ended March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
Depreciation of Right-of-use assets	184.67		188.62	
Interest on lease liabilities	319.78		315.90	
Expenses related to short term leases	36.30		31.48	
Expenses related to leases of low value assets, excluding short term leases of low value assets	0.81		0.33	

Refer Note (5) for additions to Right-of-Use Assets and the carrying amount of Right-of-Use Assets. Further, refer Note 43.4.3 for maturity analysis of lease liabilities.

Amount as per the Statement of Cash Flows	For the year ended March 31, 2022		For the year ended March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
Total cash outflow of leases	383.85		351.78	

	As at March 31, 2022		As at March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
<b>Non-Current</b>				
(i) Lease Liabilities	3,207.79		3,142.48	
<b>Total</b>	<b>3,207.79</b>		<b>3,142.48</b>	
<b>Current</b>				
(i) Lease Liabilities	397.33		394.83	
<b>Total</b>	<b>397.33</b>		<b>394.83</b>	

### 25. Trade Payables

	As at March 31, 2022		As at March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
<b>Non-current</b>				
(i) Outstanding dues of micro enterprises and small enterprises	Nil		Nil	
(ii) Outstanding dues of trade payables other than micro enterprises and small enterprises	Nil		1.67	
<b>Total</b>	<b>Nil</b>		<b>1.67</b>	
<b>Current</b>				
(i) Outstanding dues of micro enterprises and small enterprises	332.14		141.01	
(ii) Outstanding dues of trade payables other than micro enterprises and small enterprises	10,127.46		7,005.40	
<b>Total</b>	<b>10,459.60</b>		<b>7,146.41</b>	

## Notes to the Consolidated Financial Statements

### 25. Trade Payables (Contd.)

#### Trade Payables Ageing schedule as at March 31, 2022

Particulars	Unbilled Dues	Outstanding for following periods from due date of payment #					₹ crore Total
		Not Due	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	
<b>Current</b>							
<b>(i) Undisputed Trade Payables</b>							
a) MSME	1.37	142.00	174.94	10.73	2.86	0.02	<b>331.92</b>
b) Others	1,294.13	5,578.44	2,761.38	335.71	25.26	41.40	<b>10,036.32</b>
<b>(ii) Disputed Trade Payables</b>							
a) MSME	Nil	Nil	Nil	0.10	0.12	Nil	<b>0.22</b>
b) Others	Nil	0.05	14.99	0.36	59.91	15.83	<b>91.14</b>
<b>Total</b>	<b>1,295.50</b>	<b>5,720.49</b>	<b>2,951.31</b>	<b>346.90</b>	<b>88.15</b>	<b>57.25</b>	<b>10,459.60</b>

#### Trade Payables Ageing schedule as at March 31, 2021

Particulars	Unbilled Dues*	Outstanding for following periods from due date of payment #					₹ crore Total
		Not Due	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	
<b>Non - Current</b>							
<b>(i) Undisputed Trade Payables</b>							
a) MSME	Nil	Nil	Nil	Nil	Nil	Nil	<b>Nil</b>
b) Others	Nil	Nil	Nil	1.67	Nil	Nil	<b>1.67</b>
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>1.67</b>	<b>Nil</b>	<b>Nil</b>	<b>1.67</b>
<b>Current</b>							
<b>(ii) Undisputed Trade Payables</b>							
a) MSME	Nil	84.14	51.58	4.84	0.20	0.01	<b>140.77</b>
b) Others	1,020.11	3,912.46	1,773.70	69.47	67.35	70.82	<b>6,913.91</b>
<b>(iii) Disputed Trade Payables</b>							
a) MSME	Nil	Nil	0.11	0.13	Nil	Nil	<b>0.24</b>
b) Others	Nil	Nil	11.02	59.76	7.87	12.84	<b>91.49</b>
<b>Total</b>	<b>1,020.11</b>	<b>3,996.60</b>	<b>1,836.41</b>	<b>134.20</b>	<b>75.42</b>	<b>83.67</b>	<b>7,146.41</b>

\* Includes provision for expenses which is certain and not related to any litigation.

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

### 26. Other Financial Liabilities - At Amortised Cost, (Unless otherwise stated)

	As at March 31, 2022		As at March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
<b>Non-current</b>				
(a) Security Deposits from Customers		850.82		734.44
(b) Payables for Capital Supplies and Services		11.62		348.40
(c) Payable to Customer		294.12		288.16
<b>Total</b>		<b>1,156.56</b>		<b>1,371.00</b>
<b>Current</b>				
(a) Interest accrued but not due on Borrowings from Others		656.13		688.86
(b) Interest accrued but not due on Borrowings from Joint Ventures		160.12		150.45
(c) Investor Education and Protection Fund shall be credited by the following amounts namely (Refer Note 1 below):				
Unpaid Dividend		23.45		23.23
Unpaid Matured Debentures		0.09		0.09

## Notes to the Consolidated Financial Statements

### 26. Other Financial Liabilities - At Amortised Cost, (Unless otherwise stated) (Contd.)

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
(d) Other Payables		
Payables for Capital Supplies and Services	1,854.37	1,050.31
Advance Received for Sale of Investments [Refer Note 19b (v)(a)]	1,843.67	1,645.60
Contingent Consideration Payable (Fair Value through Profit and Loss)	16.93	39.65
Derivative Contracts (Net)- (at Fair Value through Profit and Loss)	40.79	192.51
Security Deposits from Electricity Consumers (including interest accrued but not due)	3,098.27	2,188.68
Security Deposits from Customers	46.09	38.27
Tender Deposits from Vendors	42.74	43.13
Supplier's Credit (Refer Note 2 below)	330.53	652.94
Payable to Consumers	220.48	310.53
Factoring Liability (Refer Note 2 of Note 9)	582.67	Nil
Other Financial Liabilities Pending Reconciliation [Refer Note - 48(6)]	117.62	117.62
Other Financial Liabilities (Refer Note 3 below)	598.01	505.83
	<b>9,631.96</b>	<b>7,647.70</b>

#### Notes

- Includes amounts outstanding aggregating ₹ 0.21 crore (March 31, 2021 - ₹ 1.69 crore) for more than seven years pending disputes and legal cases.
- The Group has entered into a Suppliers' Credit Program ("Facility") with a third party whereby the third party shall pay the said coal suppliers on behalf of the Group and the Group shall pay the third party on the due date along with interest. The Group has utilised USD 43.99 million of this facility as at 31st March, 2022. As the Facility provided by the third party is within the credit period provided by the coal suppliers, the outstanding liability has been disclosed under other financial liabilities.
- Includes Contract liability aggregating ₹ 48.74 crore.

### 27. Tax Liabilities

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
<b>Non Current</b>		
Income-Tax Payable (Net)	3.03	3.03
<b>Total</b>	<b>3.03</b>	<b>3.03</b>
<b>Current</b>		
Income-Tax Payable (Net)	147.00	198.38
<b>Total</b>	<b>147.00</b>	<b>198.38</b>

### 28. Provisions

#### Accounting Policy

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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

## Notes to the Consolidated Financial Statements

### 28. Provisions (Contd.)

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

#### **Defined contribution plans**

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

#### **Defined benefits plans**

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

Past service costs are recognised in consolidated Statement of Profit and Loss on the earlier of:

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

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

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

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

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

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

#### **Current and other non-current employee benefits**

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

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

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

## Notes to the Consolidated Financial Statements

### 28. Provisions (Contd.)

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Non-current</b>		
<b>Provision for Employee Benefits</b>		
Compensated Absences	375.21	286.47
Gratuity (Net) [Refer Note 28 (2.3)]	298.11	173.66
Post-Employment Medical Benefits [Refer Note 28 (2.3)]	74.96	61.08
Other Defined Benefit Plans [Refer Note 28 (2.3)]	377.61	74.31
Other Employee Benefits	42.29	20.83
	<b>1,168.18</b>	<b>616.35</b>
<b>Other Provisions</b>		
Provision for Warranties	50.00	50.92
	<b>50.00</b>	<b>50.92</b>
<b>Total</b>	<b>1,218.18</b>	<b>667.27</b>
	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Current</b>		
<b>Provision for Employee Benefits</b>		
Compensated Absences	32.49	29.20
Gratuity (Net) [Refer Note 28 (2.3)]	34.07	17.10
Post-Employment Medical Benefits [Refer Note 28 (2.3)]	30.73	3.16
Other Defined Benefit Plans [Refer Note 28 (2.3)]	42.15	21.94
Other Employee Benefits	4.35	4.11
	<b>143.79</b>	<b>75.51</b>
<b>Other Provisions</b>		
Provision for Warranties	9.32	10.94
Provision for Losses/Onerous Contracts/Contingencies	191.71	74.86
Provision for Rectification Work	Nil	2.00
	<b>201.03</b>	<b>87.80</b>
<b>Total</b>	<b>344.82</b>	<b>163.31</b>

### Movement of Other Provisions

	Provision for Warranties	Provision for Losses/ Onerous Contracts	Provision for Rectification Work	Total
	₹ crore	₹ crore	₹ crore	₹ crore
<b>Balance as at 1st April, 2020</b>	<b>46.08</b>	<b>3.64</b>	<b>4.50</b>	<b>54.22</b>
Additional provisions recognised	26.49	71.22	Nil	97.71
Reductions arising from payments	(10.71)	Nil	(2.50)	(13.21)
<b>Balance as at March 31, 2021</b>	<b>61.86</b>	<b>74.86</b>	<b>2.00</b>	<b>138.72</b>

## Notes to the Consolidated Financial Statements

### 28. Provisions (Contd.)

	Provision for Warranties	Provision for Losses/ Onerous Contracts	Provision for Rectification Work	Total
	₹ crore	₹ crore	₹ crore	₹ crore
<b>Balance as at April 1, 2021</b>	<b>61.86</b>	<b>74.86</b>	<b>2.00</b>	<b>138.72</b>
Additional provisions recognised	11.10	117.07	Nil	128.17
Reductions arising from payments	(13.64)	(0.22)	(2.00)	(15.87)
<b>Balance as at March 31, 2022</b>	<b>59.32</b>	<b>191.71</b>	<b>Nil</b>	<b>251.02</b>

#### Notes:

1. The provision for warranty claims represents estimated warranty liability for the products sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures.
2. The provision for losses includes provision for estimated losses on onerous contracts and provision for contingency on regulatory assets recognised.
3. The provision for rectification work relates to the estimated cost of work agreed to be carried out for the rectification of goods supplied to the customers.

#### Employee Benefit Plans

##### 1. Defined Contribution plan

The Group makes Provident Fund and Superannuation Fund contributions to defined contribution plans for eligible employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs. The provident fund contributions as specified under the law are paid to the Government approved provident fund trust or statutory provident fund authorities. The Group has no obligation, other than the contribution payable to the respective fund. The Group recognises such contribution payable to the respective fund scheme as an expense, when an employee renders the related service.

The Group has recognised ₹ 72.50 crore (March 31, 2021 - ₹ 69.31 crore) for provident and pension fund contributions and ₹ 8.49 crore (March 31, 2021 - ₹ 9.25 crore) for superannuation contributions in the consolidated Statement of Profit and Loss. The said amount is excluding of amounts recognised by the Strategic Engineering Division (SED) (Discontinued operations). The contributions payable to these plans by the Group are at rates specified in the rules of the plans.

##### 2. Defined benefit plans

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

###### Funded:

###### Provident Fund

The Parent Company makes Provident Fund contributions to defined benefit plans for eligible employees. Under the scheme, the Parent Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund set up as a trust by the Parent Company. The Parent Company is generally liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year it is incurred. Having regard to the assets of the fund and the return on the investments, the Group expects shortfall of ₹ Nil (31st March, 2021 ₹ 6.50 crore) which has been provided as an expenditure during the year.

The actuary has provided a valuation of provident fund liability based on the assumptions listed and determined the net short fall of ₹ Nil as at March 31, 2022 (March 31, 2021 - ₹ 6.50 crore) which has been recognised as an expense during the year.

###### Pension Fund

The Odisha Distribution Companies acquired by the Group during the year have a defined benefit pension plan, the pension plan is primarily governed by the Odisha Civil Services (Pension) Rules, 1992. The level of benefits, eligibility depends on the date of joining, member's length of service and salary at the retirement date. The pension plan is funded plan. The fund is in the form of a trust and is governed by Trustees appointed by the respective subsidiaries and regulations framed in this regard. The Trustees are responsible for the administration of the plan assets and for defining the investment strategy in accordance with the regulations.

## Notes to the Consolidated Financial Statements

### 28. Provisions (Contd.)

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

	As at March 31, 2022	As at March 31, 2021
Interest rate	8.10% p.a.	8.50% p.a.
Discount rate	6.80% p.a.	6.60% p.a.
Contribution during the year (₹ crore)	273.43	170.29
Short fall recognised as an expenditure for the year (₹ crore)	Nil	6.50

**The movements in the net defined benefit obligations are as follows:**

Funded Plan:	Present value of obligation	Fair value of plan assets	Net amount
	₹ crore	₹ crore	₹ crore
<b>Balance as at 1st April, 2020</b>	<b>807.76</b>	<b>750.52</b>	<b>57.24</b>
Liability (includes amount recoverable from consumers for the pre-acquisition period - Refer Note 34)	4,235.09	524.52	3,710.57
Current service cost	47.40	Nil	47.40
Interest Cost/(Income)	189.92	67.03	122.89
<b>Amount recognised in Statement of Profit and Loss</b>	<b>237.32</b>	<b>67.03</b>	<b>170.29</b>
<b>Remeasurement (gains)/losses</b>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	76.02	(76.02)
Actuarial (gains)/losses arising from changes in financial assumptions	38.05	Nil	38.05
Actuarial (gains)/losses arising from experience	110.02	Nil	110.02
<b>Amount recognised in Other Comprehensive Income</b>	<b>148.07</b>	<b>76.02</b>	<b>72.05</b>
Employer contribution	Nil	222.32	(222.32)
Employee contribution	44.14	44.14	Nil
Benefits paid	(350.00)	(343.92)	(6.08)
Acquisitions credit/(cost)	22.80	22.80	Nil
Less: Amount recoverable from consumers for pre-acquisition period (Refer note 34)	(4,292.06)	(526.86)	(3,765.20)
<b>Balance as at March 31, 2021</b>	<b>853.12</b>	<b>836.57</b>	<b>16.55</b>
<b>Balance as at April 1, 2021</b>	<b>853.12</b>	<b>836.57</b>	<b>16.55</b>
Liability (includes amount recoverable from consumers for the pre-acquisition period - Refer Note 34)	4,292.06	526.86	3,765.20
Current service cost	76.97	Nil	76.97
Past service cost	12.49	Nil	12.49
Interest Cost/(Income)	254.72	70.75	183.97
<b>Amount recognised in Statement of Profit and Loss</b>	<b>344.18</b>	<b>70.75</b>	<b>273.43</b>
<b>Remeasurement (gains)/losses</b>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	(18.78)	18.78
Actuarial (gains)/losses arising from changes in demographic assumptions	18.88	Nil	18.88
Actuarial (gains)/losses arising from changes in financial assumptions	(25.53)	Nil	(25.53)
Actuarial (gains)/losses arising from experience *	509.55	Nil	509.55
<b>Amount recognised in Other Comprehensive Income</b>	<b>502.90</b>	<b>(18.78)</b>	<b>521.68</b>
Employer contribution	Nil	157.88	(157.88)
Employee contribution	42.43	42.43	Nil
Benefits paid	(323.77)	(213.63)	(110.14)
Acquisitions credit/(cost)	16.89	16.89	Nil
Less: Amount recoverable from consumers for pre-acquisition period (Refer note 34)	(4,549.23)	(534.33)	(4,014.90)
Others	Nil	(0.65)	0.65
<b>Balance as at March 31, 2022</b>	<b>1,178.58</b>	<b>883.99</b>	<b>294.59</b>

\* Includes ₹ 339.26 crores pertaining to pre-acquisition liabilities not transferred to the Group

## Notes to the Consolidated Financial Statements

### 28. Provisions (Contd.)

#### **Unfunded:**

##### **Post Employment Medical Benefits**

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

##### **Pension (including Director pension)**

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

##### **Ex-Gratia Death Benefit**

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

##### **Retirement Gift**

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

#### **Funded/Unfunded:**

##### **Gratuity**

The Group has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. The gratuity plan of the Odisha Distribution Companies acquired by the Group during the year is governed by the Odisha Civil Services (Pension) Rules, 1992 and the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. The gratuity plan is a combination of funded plan and unfunded plan for various companies in the Group. In case of funded plan, the fund has the form of a trust and is governed by Trustees appointed by the Group. The Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy in accordance with the trust regulations.

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

Valuation as at	As at March 31, 2022	As at March 31, 2021
<b>Valuation as at</b>		
Discount Rate	6.8% to 7.2%	6.6% to 6.97% p.a.
Salary Growth Rate	5% to 8% p.a.	5% to 8% p.a.
Turnover Rate	0.5% to 8% p.a.	0.5% to 8% p.a.
Pension Increase Rate	4% to 5% p.a.	4% to 5% p.a.
Annual Increase in Healthcare Cost	8% p.a.	8% p.a.
Mortality Table	Indian Assured Lives Mortality (2006-08) (modified) Ult & 100% of Indian Assured Lives Mortality (2012-2014)	Indian Assured Lives Mortality (2006-08) (modified) Ult & 100% of Indian Assured Lives Mortality (2012-2014)

## Notes to the Consolidated Financial Statements

### 28. Provisions (Contd.)

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

(a) Gratuity Fund Plan:	Present value of obligation	Fair value of plan assets	Net amount
	₹ crore	₹ crore	₹ crore
<b>Balance as at 1st April, 2020*</b>	<b>352.91</b>	<b>(358.73)</b>	<b>(5.82)</b>
Liability (includes amount recoverable from consumers for the pre-acquisition period - Refer Note 34)	309.06	(94.70)	214.36
Current service cost	37.31	Nil	37.31
Past service cost	Nil	Nil	Nil
Interest Cost/(Income)	33.48	(26.22)	7.26
Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations	(0.89)	Nil	(0.89)
<b>Amount recognised in Statement of Profit and Loss - Continuing Operations</b>	<b>69.90</b>	<b>(26.22)</b>	<b>43.68</b>
<b>Remeasurement (gains)/losses</b>			
Return on plan assets excluding amounts included in interest cost/(income)	0.80	(16.99)	(16.19)
Actuarial (gains)/losses arising from changes in demographic assumptions	8.03	Nil	8.03
Actuarial (gains)/losses arising from changes in financial assumptions	(6.23)	Nil	(6.23)
Actuarial (gains)/losses arising from experience	17.21	Nil	17.21
Less: Amount recognised in Other Comprehensive Income - Discontinued Operations	(0.34)	Nil	(0.34)
<b>Amount recognised in Other Comprehensive Income</b>	<b>19.47</b>	<b>(16.99)</b>	<b>2.48</b>
Employer contribution	Nil	(47.96)	(47.96)
Benefits paid	(90.03)	57.51	(32.52)
Acquisitions credit/(cost)	(22.85)	Nil	(22.85)
Add: Amounts recognised in current year - Discontinued Operations	0.89	Nil	0.89
Less: Amount recoverable from consumers for pre-acquisition period (Refer Note 34)	(194.76)	89.69	(105.07)
<b>Balance as at March 31, 2021 *</b>	<b>444.59</b>	<b>(397.40)</b>	<b>47.19</b>
<b>Balance as at April 1, 2021 *</b>	<b>444.59</b>	<b>(397.40)</b>	<b>47.19</b>
Liability (includes amount recoverable from consumers for the pre-acquisition period - Refer Note 34)	194.76	(89.69)	105.07
Current service cost	42.02	Nil	42.02
Past service cost	Nil	Nil	Nil
Interest Cost/(Income)	43.97	(32.66)	11.32
Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations	Nil	Nil	Nil
<b>Amount recognised in Statement of Profit and Loss - Continuing Operations</b>	<b>85.99</b>	<b>(32.66)</b>	<b>53.33</b>
<b>Remeasurement (gains)/losses</b>			
Return on plan assets excluding amounts included in interest cost/(income)	Nil	(8.68)	(8.68)
Actuarial (gains)/losses arising from changes in demographic assumptions	Nil	Nil	Nil
Actuarial (gains)/losses arising from changes in financial assumptions	(10.47)	Nil	(10.47)
Actuarial (gains)/losses arising from experience	113.44	Nil	113.44
Less: Amount recognised in Other Comprehensive Income - Discontinued Operations	Nil	Nil	Nil
<b>Amount recognised in Other Comprehensive Income</b>	<b>102.97</b>	<b>(8.68)</b>	<b>94.29</b>
Employer contribution	Nil	(64.42)	(64.42)
Benefits paid	(117.22)	77.93	(39.29)
Acquisitions credit/(cost)	(3.65)	Nil	(3.65)
Less: Amount recoverable from consumers for pre-acquisition period (Refer note 34)	(146.28)	88.71	(57.57)
Others	0.26	0.16	0.42
<b>Balance as at March 31, 2022 *</b>	<b>561.42</b>	<b>(426.05)</b>	<b>135.37</b>

\* Net assets is classified as "Other Current Assets"

# Notes to the Consolidated Financial Statements

## 28. Provisions (Contd.)

(b) Unfunded Plan - Gratuity and Other Defined Benefit Plans:	Gratuity	Other Defined Benefit Plans
	Amount ₹ crore	Amount ₹ crore
<b>Balance as at 1st April, 2020</b>	<b>30.15</b>	<b>131.49</b>
Liability (includes amount recoverable from consumers for the pre-acquisition period - Refer Note 34)	Nil	157.38
Current service cost	2.99	9.02
Past service cost	0.06	5.68
Past service cost - Plan amendments	Nil	Nil
Interest Cost/(Income)	1.88	8.09
Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations	Nil	Nil
<b>Amount recognised in Statement of Profit and Loss - Continuing Operations</b>	<b>4.93</b>	<b>22.79</b>
<b>Remeasurement (gains)/losses</b>		
Actuarial (gains)/losses arising from changes in demographic assumptions	0.04	(0.71)
Actuarial (gains)/losses arising from changes in financial assumptions	(0.27)	1.55
Actuarial (gains)/losses arising from experience	8.58	(3.40)
Less: Amount recognised in other comprehensive income - Discontinued operations	0.61	(0.03)
<b>Amount recognised in Other Comprehensive Income</b>	<b>8.96</b>	<b>(2.59)</b>
Benefits paid	(3.44)	(10.50)
Acquisitions credit/(cost)	11.51	(2.44)
Add: Amounts recognised in current year - Discontinued Operations	Nil	0.10
Less: Amount recoverable from consumers for pre-acquisition period (Refer note 34)	Nil	(152.29)
<b>Balance as at March 31, 2021</b>	<b>52.11</b>	<b>143.94</b>
<b>Balance as at April 1, 2021</b>	<b>52.11</b>	<b>143.94</b>
Liability (includes amount recoverable from consumers for the pre-acquisition period - Refer Note 34)	Nil	152.29
Current service cost	5.02	10.34
Past service cost	3.10	33.87
Past service cost - Plan amendments	Nil	Nil
Interest Cost/(Income)	3.37	25.54
Less: Amount recognised in Statement of Profit and Loss - Discontinued Operations	Nil	Nil
<b>Amount recognised in Statement of Profit and Loss - Continuing Operations</b>	<b>11.49</b>	<b>69.75</b>
<b>Remeasurement (gains)/losses</b>		
Actuarial (gains)/losses arising from changes in demographic assumptions	(0.05)	7.79
Actuarial (gains)/losses arising from changes in financial assumptions	(2.02)	(7.19)
Actuarial (gains)/losses arising from experience	0.72	(19.11)
Less: Amount recognised in other comprehensive income - Discontinued operations	-	Nil
<b>Amount recognised in Other Comprehensive Income</b>	<b>(1.35)</b>	<b>(18.51)</b>
Benefits paid	(1.61)	(19.54)
Acquisitions credit/(cost)	11.92	Nil
Add: Amounts recognised in current year - Discontinued Operations	Nil	0.90
Less: Amount recoverable from consumers for pre-acquisition period (Refer note 34)	Nil	(97.97)
<b>Balance as at March 31, 2022</b>	<b>72.56</b>	<b>230.86</b>

### Reconciliation with amount presented in the Balance Sheet

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
Gratuity provision - funded	135.37	47.19
Gratuity provision - unfunded	72.56	52.11
	<b>207.93</b>	<b>99.30</b>
Non current provision for Gratuity (net)	298.11	173.66
Add : Current provision for Gratuity (net)	34.07	17.10
Less: Gratuity Assets classified as other assets	124.25	91.46
Gratuity provision (net)	<b>207.94</b>	<b>99.30</b>

## Notes to the Consolidated Financial Statements

### 28. Provisions (Contd.)

#### Provision for Other defined benefit obligation

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Closing provision as per above note 2.1 and 2.3(b)</b>		
Non current provision for Post-Employment Medical benefits	525.45	160.49
Add: Non current provision for Other defined benefit plans	74.96	61.08
Add: Current provision for Post-Employment Medical benefits	377.61	74.31
Add: Current provision for Other defined benefit plans	30.73	3.16
<b>Closing provision as per above</b>	<b>525.45</b>	<b>160.49</b>

#### 2.4 Sensitivity analysis

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

	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2022	March 31, 2021	March 31, 2022 ₹ crore	March 31, 2021 ₹ crore	March 31, 2022 ₹ crore	March 31, 2021 ₹ crore
Discount rate	0.5% to 1%	0.50%	Decrease by (202.51)	530.54	Increase by 264.63	1,325.53
Salary/Pension growth rate	0.5% to 1%	0.50%	Increase by 132.27	208.56	Decrease by (25.98)	1273.68
Mortality rates	1 year	1 year	Decrease by 5.87	6.26	Increase by 3.12	0.44
Healthcare cost	0.5% to 5%	0.50%	Increase by 5.17	353.53	Decrease by 4.17	0.30

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

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

These plans typically expose the Company to actuarial risks such as: Investment Risk, Interest Risk, Longevity Risk and Salary Risk.

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

**Interest Risk**      A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

**Longevity Risk**      The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary Risk**      The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

#### 2.5 The expected maturity analysis of undiscounted defined benefit obligation (Funded and Unfunded) is as follows:

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Within 1 year	372.33	596.35
Between 1 - 2 years	460.43	523.32
Between 2 - 3 years	423.58	454.90
Between 3 - 4 years	376.57	439.56
Between 4 - 5 years	398.26	407.23
Beyond 5 years	2,093.92	4,314.54
<b>The weighted average duration of:</b>		
Provident Fund	8 Years	7 Years
Gratuity Fund	7.4 Years to 17 Years	7.4 Years

## Notes to the Consolidated Financial Statements

### 28. Provisions (Contd.)

#### 2.6 Risk exposure:

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

##### Asset volatility:

The plan liabilities are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit. These are subject to interest rate risk.

##### Inflation rate risk:

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

##### Demographic risk:

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

#### 2.7 Major categories of plan assets:

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

	Provident Fund		Gratuity		Pension	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	%	%	%	%	%	%
Quoted Equity Instruments	7%	5%	12%	7%	3%	Nil
Debt & Other Instruments	40%	41%	12%	18%	48%	49%
Government Securities	53%	54%	76%	75%	49%	51%

### 29. Other Liabilities

	As at March 31, 2022		As at March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
<b>Non-current</b>				
Consumers' Benefit Account		14.32		16.97
Deferred Revenue - Service Line Contributions from Consumers		5,159.21		4,086.27
Advance from Customers		35.77		0.08
Payable to Beneficiaries		35.61		Nil
Deferred Rent Liability		41.78		42.76
Deferred Revenue Liability		1,362.69		809.69
Deferred Revenue Grant		262.19		6.01
Government Grant towards cost of capital assets (Pending to be utilized)		1,227.72		1,025.28
<b>Total</b>		<b>8,139.29</b>		<b>5,987.06</b>
<b>Current</b>				
Statutory Liabilities		655.56		346.11
Advance from Customers/Public Utilities		182.08		286.95
Advance from Consumers		997.52		921.81
Liabilities towards Consumers		226.17		240.09
Statutory Consumer Reserves [Refer Note 40(f)]		191.57		179.00
Deferred Revenue Liability		36.79		374.27
Other Liabilities		489.39		132.43
<b>Total</b>		<b>2,779.08</b>		<b>2,480.66</b>

## Notes to the Consolidated Financial Statements

### 30. Current Borrowings - At Amortised Cost

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
<b>Unsecured</b>		
<b>(i) From Banks</b>		
(a) Buyer's Line of Credit	373.13	Nil
(b) Bank Overdraft - repayable on demand	169.59	82.39
(c) Short-term Loans	1,880.20	2,487.68
<b>From Others</b>		
(d) From Related Parties	830.31	612.97
(e) Commercial Papers	2,186.12	3,922.76
	<b>5,439.35</b>	<b>7,105.80</b>
<b>(ii) Secured</b>		
<b>From Banks</b>		
(a) Buyer's Line of Credit	Nil	62.62
(b) Short-term Loans	1,457.04	1,250.43
(c) Cash Credit from Bank	18.64	13.78
(d) Bank Overdraft - repayable on demand	59.99	3.49
	<b>1,535.67</b>	<b>1,330.32</b>
<b>(iii) Current Maturities of Long-term Debt (Refer Note 23)</b>	7,885.28	4,689.67
<b>Total</b>	<b>14,860.30</b>	<b>13,125.79</b>

#### Security

Short-term Loans and Buyer's Line of Credit availed by various entities of the Group are secured by a charge on immovable property of certain entities, both present and future and are also secured by way of charge on tangible and intangible assets, current assets, receivables and stores and spares, uncalled capital receivables, rights under project documents, project cash flows, pledge of shares and monies receivable of the respective entities.

#### Current borrowings secured against current assets

The quarterly returns or statements of current assets filed by the groups with banks or financial institutions are in agreement with the books of accounts except as follows:

Quarter ended	Value per books of account	Value per quarterly return / statement	Discrepancy
30th June, 2021	Nil	₹ 625 crore	Unapproved regulatory asset included and disclosed as Approved*
30th September, 2021	Nil	₹ 709 crore	
31st December, 2021	Nil	₹ 677 crore	
31st March 31, 2022	Nil	₹ 867 crore	
31st December, 2021	₹ 1,920 crore	₹ 1,964 crore	Excess debtors reported by ₹ 44 crore #

\*While submitting the quarterly statements for all four quarters during the year, the Group inadvertently included and disclosed unapproved regulatory balances as approved. However, subsequent to year end, the Group has communicated to Bank about the said discrepancy. Further, Bank has confirmed that the intention was not to exclude unapproved balances from the receivable and has initiated the process to change the sanction letter wherein total regulatory asset balance should be considered as receivables for the purpose of sanction limit.

#Subsequent to year end, Group has submitted the revised statement for quarter ended December 2021 and receivable balances as per revised statements are in agreement with the books of accounts.

# Notes to the Consolidated Financial Statements

## 31. Revenue from Operations

### Revenue recognition

#### Accounting Policy

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

Description of performance obligations are as follows:

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

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

#### Contract price determined as per tariff regulations

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

#### Contract Price as per long term agreements

Rate per unit is determined using input method based on the Group's efforts to the satisfaction of a performance obligation to deliver power. Variable consideration forming part of total transaction price will be allocated and recognised when the terms of variable payment relate specifically to the Group's efforts to satisfy the performance obligation i.e. in the year of occurrence of event linked to variable consideration. The transaction price is adjusted for significant financing component, if any and the adjustment is accounted as finance cost.

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

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the contracted rate. The transaction price is adjusted for significant financing component, if any and the adjustment is accounted as finance cost.

- (iii) Transmission of Power

Revenue from transmission of power is recognised net of cash discount over time for transmission of electricity. The Group as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies. Input method is used to recognise revenue based on the Group's efforts or inputs to the satisfaction of a performance obligation to deliver power. As per tariff regulations, the Group determines ARR and any surplus/shortfall in recovery of the same is accounted as revenue.

- (iv) Sale of Power - Distribution

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

- (v) Trading of power

In the arrangement's the Group is acting as an agent, the revenue is recognised on net basis when the units of electricity are delivered to power procurers because this is when the Group transfers control over its services and the customer benefits from the Group's such agency services. The Group determines its revenue on certain contracts net of power purchase cost based on the following factors:

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

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

## Notes to the Consolidated Financial Statements

### 31. Revenue from Operations (Contd.)

- (vi) Sale of Solar Products  
Revenue from turnkey contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using the proportionate completion method, with contracts costs determining the degree of completion. Forseeable losses on such contracts are recognised when probable.
- (vii) Rendering of Services  
Revenue from a contract to provide services is recognised over time based on :  
Input method where the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of performance obligation. Revenue, including estimated fees or profits, are recorded proportionally based on measure of progress.  
Output method where direct measurements of value to the customer based on survey's of performance completed to date.  
Revenue is recognised net of cash discount at a point in time at the contracted rate.
- (viii) Consumers are billed on a monthly basis and are given credit period of 30 to 60 days for payment.  
There is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.
- (ix) In the regulated operations of the Group where tariff recovered from consumers is determined on cost plus return on equity, the Income tax cost is pass through cost and accordingly the Group recognises Deferred tax recoverable / payable against any Deferred tax expense/ income. The same has now been included in 'Revenue from Operations' in case of Generation and Transmission Divisions and 'Net Movement in Regulatory Deferral Balances' in case of Distribution Division.  
There is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
<b>(a) Revenue from Power Supply and Transmission Charges [Refer Note (i),(ii),&amp; (iii) below &amp; Note 40(j)]</b>	<b>41,447.09</b>	<b>29,499.61</b>
Add/(Less): Cash Discount	(279.59)	(418.49)
Add/(Less): Income to be adjusted in future tariff determination (Net)	109.90	71.54
Add/(Less): Income to be adjusted in future tariff determination (Net) in respect of earlier years (Refer Note 20)	Nil	(8.53)
Add/(Less): Deferred Tax Recoverable/Payable	46.12	44.80
Add/(Less): Power Purchase Cost (where Group acts as an agent)	(5,840.59)	(1,884.00)
	<b>35,482.93</b>	<b>27,304.93</b>
<b>(b) Revenue from Power Supply - Assets Under Finance Lease</b>	<b>1,022.35</b>	<b>942.03</b>
<b>(c) Project/Operation Management Services</b>	<b>174.03</b>	<b>140.57</b>
<b>(d) Revenue from Sale of:</b>		
Solar Products	4,598.48	3,274.86
Electronic Products	66.29	41.28
	<b>4,664.77</b>	<b>3,316.14</b>
<b>(e) Income from Finance Lease</b>	<b>82.90</b>	<b>91.23</b>
<b>(f) Finance Income from Service Concession Agreement</b>	<b>34.70</b>	<b>36.61</b>
<b>(g) Other Operating Revenue</b>		
Rental of Land, Buildings, Plant and Equipment, etc.	18.95	11.98
Charter Hire	46.12	86.84
Income in respect of Services Rendered	384.99	361.11
Amortisation of Capital Grants	1.93	2.58

## Notes to the Consolidated Financial Statements

### 31. Revenue from Operations (Contd.)

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Amortisation of Service Line Contributions	315.77	149.60
Income from Storage & Terminalling	16.67	16.31
Sale of Fly Ash	10.77	13.97
Sale of Carbon Credits	Nil	0.59
Sale of Products - Trading	1.02	1.01
Freight Revenue	1.02	Nil
Sale of Renewable Energy Certificates	42.91	35.94
Meter Rent	114.90	43.14
Open access cross subsidy	57.98	Nil
Miscellaneous Revenue and Sundry Credits	340.96	148.73
<b>Total</b>	<b>1,353.99</b>	<b>871.80</b>
	<b>42,815.67</b>	<b>32,703.31</b>

#### Note:

- (i) With respect to Mundra Power Plant, the Group has initiated the discussions with GUVNL to enter into a supplementary power purchase agreement (SPPA). The discussions are at very advanced stage and agreement is reached except few items for which discussions are ongoing and accordingly the SPPA is yet to be signed and approved. To ensure continuous supply of power, GUVNL has requested the Group to continue supplying power based on the SPPA which will be effective January 1, 2022. Accordingly the differential revenue of ₹ 324 crore has been recognized on the basis of the current agreed draft of SPPA for the period January, 2022 to March, 2022. Management believes that the Group has an enforceable right to recover the tariff as per the draft SPPA and does not expect any significant reversal in the amount recognised as revenue.
- (ii) As per power purchase agreement for Mundra Power Plant, the Group's entitlement to capacity revenue is dependent on availability declared. Accordingly, the Group accrues capacity revenue based on actual declared capacity in the past and for the current year. During the year ended March 31, 2022, based on the actual capacity declared, management has recognized an amount of ₹ 230.47 crore (including ₹ 123.27 crore relating to earlier years) as a reduction in revenue.
- (iii) During the year, Tata Power Renewables Energy Limited and its subsidiaries ("Renewable entities") based on various orders by judicial authorities and legal opinions obtained, have assessed its claims under various contracts with customers and vendors. Accordingly, Renewable entities have recognized revenue from operations amounting to ₹259.46 crore (including an amount of ₹170.45 crore relating to earlier years). [Refer Note - 40 (k to q) for the key matters]. Management believes that the Group has an enforceable right to recover the claims and does not expect any significant reversal in the amount recognised as revenue.

### Details of Revenue from Contract with Customers

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Total Revenue from Contract with Customers	41,884.93	32,255.46
Less: Significant Financing Component	(95.88)	(81.11)
Add: Cash Discount/Rebates etc.	279.59	418.49
<b>Total Revenue as per Contracted Price</b>	<b>42,068.64</b>	<b>32,592.84</b>

### Transaction Price - Remaining Performance Obligation

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

The aggregate value of performance obligations that are partially unsatisfied as at March 31, 2022, other than those meeting the exclusion criteria mentioned above is ₹ 75,855.47 crore (March 31, 2021 - ₹ 1,11,308.19 crore). Out of this, the group expects to recognise revenue of around 10.88% (March 31, 2021 - 6.01%) within the next one year and the remaining thereafter.

## Notes to the Consolidated Financial Statements

### 31. Revenue from Operations (Contd.)

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

	Revenue from Contracts with Customers		Other than Revenue from Contracts with Customers		Total (Before Inter Segment Elimination)		Inter Segment		Total	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
<b>Nature of Goods/Services</b>										
<b>Generation</b>										
Sale of Power	9,837.76	12,129.74	Nil	Nil	9,837.76	12,129.74	3,768.98	2,903.90	6,068.78	9,225.84
Sale of Power from Assets Under Lease	1,022.35	942.03	Nil	Nil	1,022.35	942.03	Nil	Nil	1,022.35	942.03
Project/Operation Management Services	111.25	80.42	Nil	Nil	111.25	80.42	0.13	0.12	111.12	80.30
Charter Hire	46.12	86.84	Nil	Nil	46.12	86.84	Nil	Nil	46.12	86.84
Income in respect of Services Rendered	55.76	73.86	Nil	Nil	55.76	73.86	Nil	Nil	55.76	73.86
Sale of Fly Ash	10.77	13.97	Nil	Nil	10.77	13.97	Nil	Nil	10.77	13.97
Income from Finance Lease	Nil	Nil	77.68	84.66	77.68	84.66	Nil	Nil	77.68	84.66
Rental of Land, Buildings, Plant and Equipment, etc.	Nil	Nil	4.17	5.16	4.17	5.16	Nil	Nil	4.17	5.16
Amortisation of Service Line Contributions	Nil	Nil	0.05	0.04	0.05	0.04	Nil	Nil	0.05	0.04
Miscellaneous Revenue and Sundry Credits	Nil	Nil	44.10	16.05	44.10	16.05	0.66	0.81	43.44	15.24
Freight Revenue	1.02	Nil	Nil	Nil	1.02	Nil	Nil	Nil	1.02	Nil
<b>Total (A)</b>	<b>11,085.03</b>	<b>13,326.86</b>	<b>126.00</b>	<b>105.91</b>	<b>11,211.03</b>	<b>13,432.77</b>	<b>3,769.77</b>	<b>2,904.83</b>	<b>7,441.26</b>	<b>10,527.94</b>
<b>Renewables</b>										
Sale of Power	2,776.86	2,394.33	Nil	Nil	2,776.86	2,394.33	236.67	185.71	2,540.19	2,208.62
Project/Operation Management Services	39.29	32.49	Nil	Nil	39.29	32.49	0.57	0.84	38.72	31.65
Sale of Solar Products	4,830.16	3,356.03	Nil	Nil	4,830.16	3,356.03	231.69	81.17	4,598.47	3,274.86
Income in respect of Services Rendered	3.23	3.13	Nil	Nil	3.23	3.13	Nil	Nil	3.23	3.13
Sale of REC certificates	41.52	35.56	Nil	Nil	41.52	35.56	Nil	Nil	41.52	35.56
Finance Income from Service Concession Agreement	34.53	36.49	Nil	Nil	34.53	36.49	Nil	Nil	34.53	36.49
Income from Finance Lease	Nil	Nil	3.09	6.57	3.09	6.57	Nil	Nil	3.09	6.57
Rental of Land, Buildings, Plant and Equipment, etc.	Nil	Nil	1.12	Nil	1.12	Nil	Nil	Nil	1.12	Nil
Amortisation of Capital Grants	Nil	Nil	1.23	1.85	1.23	1.85	Nil	Nil	1.23	1.85
Miscellaneous Revenue and Sundry Credits	Nil	Nil	17.87	20.61	17.87	20.61	Nil	Nil	17.87	20.61
Sale of Carbon Credits	Nil	Nil	0.59	Nil	0.59	Nil	Nil	Nil	Nil	0.59
<b>Total (B)</b>	<b>7,725.59</b>	<b>5,858.03</b>	<b>23.31</b>	<b>29.62</b>	<b>7,748.90</b>	<b>5,887.65</b>	<b>468.93</b>	<b>267.72</b>	<b>7,279.97</b>	<b>5,619.93</b>
<b>Transmission and Distribution of Power</b>										
Sale of Power	26,867.43	15,870.48	Nil	Nil	26,867.43	15,870.48	Nil	Nil	26,867.43	15,870.48
Project/Operation Management Services	22.04	22.45	Nil	Nil	22.04	22.45	Nil	Nil	22.04	22.45
Income in respect of Services Rendered	69.99	95.15	Nil	Nil	69.99	95.15	Nil	Nil	69.99	95.15
Sale of Products - Trading	1.02	1.01	Nil	Nil	1.02	1.01	Nil	Nil	1.02	1.01
Sale of REC certificates	1.41	0.37	Nil	Nil	1.41	0.37	Nil	Nil	1.41	0.37

## Notes to the Consolidated Financial Statements

### 31. Revenue from Operations (Contd.)

	Revenue from Contracts with Customers		Other than Revenue from Contracts with Customers		Total (Before Inter Segment Elimination)		Inter Segment		Total	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
Finance Income from Service Concession Agreement	0.17	0.12	Nil	Nil	0.17	0.12	Nil	Nil	0.17	0.12
Rental of Land, Buildings, Plant and Equipment, etc.	Nil	Nil	8.16	5.02	8.16	5.02	Nil	Nil	8.16	5.02
Amortisation of Capital Grants	Nil	Nil	0.70	0.73	0.70	0.73	Nil	Nil	0.70	0.73
Amortisation of Service Line Contributions	Nil	Nil	315.71	149.56	315.71	149.56	Nil	Nil	315.71	149.56
Miscellaneous Revenue and Sundry Credits	Nil	Nil	446.01	148.94	446.01	148.94	Nil	Nil	446.01	148.94
Net movement in Regulatory Deferral Balances	Nil	Nil	(239.47)	536.02	(239.47)	536.02	Nil	Nil	(239.47)	536.02
<b>Total (C)</b>	<b>26,962.06</b>	<b>15,989.58</b>	<b>531.11</b>	<b>840.27</b>	<b>27,493.17</b>	<b>16,829.85</b>	<b>Nil</b>	<b>Nil</b>	<b>27,493.17</b>	<b>16,829.85</b>
<b>Others</b>										
Sale of Power	6.58	Nil	Nil	Nil	6.58	Nil	Nil	Nil	6.58	Nil
Project/Operation Management Services	0.06	1.06	Nil	Nil	0.06	1.06	Nil	0.67	0.06	0.39
Sale of Electronic Products	66.29	41.28	Nil	Nil	66.29	41.28	Nil	Nil	66.29	41.28
Income in respect of Services Rendered	223.85	196.87	Nil	Nil	223.85	196.87	7.97	8.86	215.88	188.01
Income from Storage & Terminalling	16.67	16.31	Nil	Nil	16.67	16.31	Nil	Nil	16.67	16.31
Income from Finance Lease	Nil	Nil	2.13	Nil	2.13	Nil	Nil	Nil	2.13	Nil
Rental of Land, Buildings, Plant and Equipment, etc.	Nil	Nil	2.22	1.78	2.22	1.78	2.22	1.78	Nil	Nil
Miscellaneous Revenue and Sundry Credits	Nil	Nil	Nil	4.86	Nil	4.86	Nil	Nil	Nil	4.86
<b>Total (D)</b>	<b>313.45</b>	<b>255.52</b>	<b>4.35</b>	<b>6.64</b>	<b>317.80</b>	<b>262.16</b>	<b>10.19</b>	<b>11.31</b>	<b>307.61</b>	<b>250.85</b>
<b>Unallocable</b>										
Project/Operation Management Services	2.14	5.78	Nil	Nil	2.14	5.78	Nil	Nil	2.14	5.78
Rental of Land, Buildings, Plant and Equipment, etc.	Nil	Nil	5.48	1.80	5.48	1.80	Nil	Nil	5.48	1.80
Income in respect of Services Rendered	40.07	0.96	Nil	Nil	40.07	0.96	Nil	Nil	40.07	0.96
Miscellaneous Revenue and Sundry Credits	2.64	Nil	3.90	2.22	6.54	2.22	0.04	Nil	6.50	2.22
<b>Total (E)</b>	<b>44.85</b>	<b>6.74</b>	<b>9.38</b>	<b>4.02</b>	<b>54.23</b>	<b>10.76</b>	<b>0.04</b>	<b>Nil</b>	<b>54.19</b>	<b>10.76</b>
<b>Revenue from Continued Operations (A + B + C + D + E)</b>	<b>46,130.98</b>	<b>35,436.73</b>	<b>694.15</b>	<b>986.46</b>	<b>46,825.13</b>	<b>36,423.19</b>	<b>4,248.93</b>	<b>3,183.86</b>	<b>42,576.20</b>	<b>33,239.33</b>
<b>(F) Revenue from Discontinued Operations</b>	<b>Nil</b>	<b>193.63</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>193.63</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>193.63</b>
<b>Reconciliation of Revenue</b>							<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>		
							<b>₹ crore</b>	<b>₹ crore</b>		
Revenue from Continued Operations as per above							42,576.20	33,239.33		
Net movement in Regulatory Deferral Balances							239.47	(536.02)		
<b>Total Revenue from Operations</b>							<b>42,815.67</b>	<b>32,703.31</b>		

## Notes to the Consolidated Financial Statements

### 31. Revenue from Operations (Contd.)

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Contract Balances</b>		
<b>Contract Assets</b>		
Recoverable from Consumers		
Non-Current	1,408.30	1,161.06
Current	Nil	Nil
Unbilled Revenue other than passage of time	27.81	40.84
<b>Total Contract Assets</b>	<b>1,436.11</b>	<b>1,201.90</b>
<b>Contract Liabilities</b>		
Deferred Revenue Liability		
Non-Current	1,362.69	809.69
Current	85.53	374.27
Advance from Consumers		
Non-Current	35.77	0.08
Current	997.52	921.81
Liabilities towards Consumers		
Non-Current	35.61	Nil
Current	226.17	240.09
<b>Total Contract Liabilities</b>	<b>2,743.29</b>	<b>2,345.94</b>
<b>Receivables</b>		
Trade Receivables (Gross)		
Non-Current	687.59	605.89
Current	6,553.30	5,637.73
Recoverable from Consumers		
Current	98.68	75.65
Unbilled Revenue for passage of time		
Non-Current	114.64	104.47
Current	2,285.57	1,591.14
(Less): Allowances for Doubtful Debts		
Non-Current	(1.81)	(1.18)
Current	(573.56)	(437.65)
<b>Net Receivables</b>	<b>9,164.41</b>	<b>7,576.05</b>
<b>Total</b>	<b>13,343.81</b>	<b>11,123.89</b>

#### Contract assets

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

#### Contract Liabilities

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

## Notes to the Consolidated Financial Statements

### 31. Revenue from Operations (Contd.)

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

#### Movement in Recoverable from consumers and Liabilities towards consumers

Particulars	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Opening Balance</b>		
- Recoverable from consumers	1,161.06	960.84
- Liabilities towards consumers	(240.09)	(195.96)
	<b>920.97</b>	<b>764.88</b>
Income to be adjusted in future tariff determination (Net)	109.90	71.54
Income to be adjusted in future tariff determination (Net) in respect of earlier years	Nil	(8.53)
Refund to Customers (including Group's Distribution Business)	67.40	57.59
Deferred tax recoverable/(payable)	46.12	44.80
Others	2.13	(9.31)
	<b>225.55</b>	<b>156.09</b>
<b>Closing Balance</b>		
- Recoverable from consumers	1,408.30	1,161.06
- Liabilities towards consumers	(261.78)	(240.09)
	<b>1,146.52</b>	<b>920.97</b>

#### Movement in Unbilled Revenue other than passage of time, Advance from consumers and Deferred Revenue Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
<b>Opening Balance</b>		
- Unbilled Revenue other than passage of time	40.84	30.07
- Advance from consumers	921.89	569.60
- Deferred Revenue Liabilities	1,183.96	1,067.34
	<b>2,146.69</b>	<b>1,667.01</b>
Revenue recognised during the year	(821.95)	(492.31)
Advance received during the year	1,212.75	977.38
Interest for the year	95.88	81.11
Transfer to receivables	(124.05)	(86.50)
	<b>362.63</b>	<b>479.68</b>
<b>Closing Balance</b>		
- Unbilled Revenue other than passage of time	27.81	40.84
- Advance from consumers	1,033.29	921.89
- Deferred Revenue Liabilities	1,448.22	1,183.96
	<b>2,509.32</b>	<b>2,146.69</b>

### 32. Other Income

#### Accounting Policy

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

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

## Notes to the Consolidated Financial Statements

### 32. Other Income (Contd.)

Consumers are billed on a monthly basis and are given average credit period of 30 to 60 days for payment. No delayed payment charges ('DPC') is charged for the initial 30 days from the date of receipt of invoice by customer. Thereafter, DPC is charged at the rate prescribed by the Power Purchase Agreement on the outstanding balance once the dues are received. Revenue in respect of delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers or on receipt of favourable order from regulatory authorities.

	For the year ended March 31, 2022 ₹ crore	For the year ended March 31, 2021 ₹ crore
<b>(a) Interest Income</b>		
(i) Financial Assets held at Amortised Cost		
Interest on Banks Deposits	143.18	63.14
Interest on Overdue Trade Receivables [Refer Note - 40 (j)]	108.30	49.97
Interest on Non-current Investment - Contingency Reserve Fund	19.08	13.25
Interest on Non-current Investment - Deferred Tax Liability Fund	0.10	0.84
Interest on Loans to Joint Controlled Entity	0.39	0.64
Interest on Loans and Advances	14.95	18.93
	<b>286.00</b>	<b>146.77</b>
(ii) Interest on Income-Tax Refund	6.50	7.13
	<b>292.50</b>	<b>153.90</b>
<b>(b) Dividend Income</b>		
From Non-current Investments measured at FVTPL	6.79	6.78
	<b>6.79</b>	<b>6.78</b>
<b>(c) Gain/(Loss) on Investments</b>		
Gain on Sale of Current Investment measured at FVTPL	18.96	39.14
Reclassification of Foreign Currency Translation Reserve from Other Comprehensive Income (Refer Note 1 below)	199.64	Nil
	<b>218.60</b>	<b>39.14</b>
<b>(d) Other Non-operating Income</b>		
Commission earned	9.61	8.26
Gain/(Loss) on Disposal of Property, Plant and Equipment (Net)	(41.09)	5.97
Delayed Payment Charges	68.31	66.27
Liability written back [Refer Note 40(a)]	71.97	16.21
Management Fees	113.91	83.27
Miscellaneous Income (Refer Note - 2 below)	179.36	59.44
	<b>402.07</b>	<b>239.42</b>
<b>Total</b>	<b>919.96</b>	<b>439.24</b>

#### Note:

- The Holding Company has sold its investment in Trust Energy Resources Pte. Limited ("TERPL"), a wholly owned subsidiary to Tata Power International Pte Limited, another wholly owned subsidiary for a consideration of ₹2,127 crore (\$286 million). Accordingly, the cumulative amount of the translation differences relating to consolidation of TERPL amounting to ₹199.64 crore, recognised in other comprehensive income and accumulated as a separate component of equity, is reclassified from equity to Profit & Loss Statement as other income.
- The Group through, the one of its subsidiary Tata Power Renewable Energy Limited ('TPREL') has accrued and subsequently received a sum of ₹ 61.27 crore from an overseas module supplier, being total discharge of warranty obligations towards three operating plants of Walhuan Renewable Energy Limited.

## Notes to the Consolidated Financial Statements

### 33. Raw Materials Consumed and Decrease/(Increase) in Work-in-Progress/Finished Goods/Stock-in-Trade

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
<b>Raw Materials Consumed</b>		
Opening Stock	316.79	197.80
Add: Purchases	4,813.03	2,747.18
	<b>5,129.82</b>	<b>2,944.98</b>
Less: Closing Stock	1,296.99	316.79
<b>Total</b>	<b>3,832.83</b>	<b>2,628.19</b>
<b>Decrease/(Increase) in Work-in-Progress/Finished Goods/Stock-in-Trade</b>		
<b>Work-in-Progress</b>		
Inventory at the beginning of the year	6.42	3.99
Add: Additions during the year	Nil	Nil
	<b>6.42</b>	<b>3.99</b>
Less: Inventory at the end of the year	11.99	6.42
	<b>(5.57)</b>	<b>(2.43)</b>
<b>Finished Goods</b>		
Inventory at the beginning of the year	94.15	96.99
Add: Purchase/Used during the year	0.01	Nil
	<b>94.16</b>	<b>96.99</b>
Less: Inventory at the end of the year	287.81	94.15
	<b>(193.65)</b>	<b>2.84</b>
<b>Total</b>	<b>(199.22)</b>	<b>0.41</b>

### 34. Employee Benefits Expense

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
<b>Salaries and Wages</b>		
Contribution to Provident and Pension Fund [Refer Note 28(1) & 28(2.1)]#	2,466.19	1,883.20
Contribution to Superannuation Fund [Refer Note 28(1)]	731.99	239.60
Gratuity [Refer Note 28 (2.3)]*	8.49	9.25
Compensated Absences	128.03	48.61
Pension	68.55	44.42
Staff Welfare Expenses	71.73	34.05
	<b>266.42</b>	<b>165.55</b>
	<b>3,741.40</b>	<b>2,424.68</b>
Less:		
Employee Cost Capitalised	119.66	97.57
Employee Cost Inventorised	10.11	10.44
	<b>129.77</b>	<b>108.01</b>
<b>Total</b>	<b>3,611.63</b>	<b>2,316.67</b>

\* Includes ₹ 63.20 crore, being direct payment made towards acquisition date liabilities of past employees (Refer Note below)

# Includes ₹ 427.99 crore, being direct payment made towards acquisition date liabilities of past employees (Refer Note below)

#### Note:

In relation to acquisition of Odisha Discoms, as per terms of the Vesting Order and the Carve Out Order states that for entire liabilities towards pension, gratuity and compensated absences of employees retired before the acquisition date and acquisition date liabilities of continuing employees on the acquisition date, the Group's responsibility is limited only to remitting fixed amount requested by the respective Trusts and the same shall be allowed to be recovered from consumers on behalf of the respective Trusts for disbursal to the beneficiaries covered under the Trusts. The Group has recognised amount payable to the Trusts for the current year for onward payment of the said liabilities are charged as an expense as they fall due.

## Notes to the Consolidated Financial Statements

### 35. Finance Costs

#### Accounting Policy

#### Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore#	₹ crore#
<b>(a) Interest Expense:</b>		
<b>On Borrowings - At Amortised Cost</b>		
Interest on Debentures	1,346.75	1,249.49
Interest on Loans - Banks & Financial Institutions	1,659.23	2,066.03
Interest paid to Joint Ventures	34.79	29.64
<b>Others</b>		
Interest on Consumer Security Deposits (Carried at Amortised Cost)	167.77	99.98
Other Interest and Commitment Charges	123.37	92.39
Interest on Lease Liability (at amortised cost)	319.78	315.90
	<b>3,651.69</b>	<b>3,853.43</b>
Less: Interest Capitalised	45.48	63.78
Less: Interest Inventorised	15.76	Nil
	<b>3,590.45</b>	<b>3,789.65</b>
<b>(b) Other Borrowing Cost:</b>		
Other Finance Costs	273.79	217.26
Foreign Exchange Loss/(Gain) on Borrowings (Net)	(5.22)	28.34
Less: Finance Charges Capitalised	Nil	24.86
	<b>268.57</b>	<b>220.74</b>
<b>Total</b>	<b>3,859.02</b>	<b>4,010.39</b>

Note:

The weighted average capitalisation rate on the Group's general borrowings is in the range of 5.49 % to 9.00 % per annum (March 31, 2021 - 7.13 % to 8.01% per annum).

## Notes to the Consolidated Financial Statements

### 36. Other Expenses

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Consumption of Stores, Oil, etc.	170.59	167.79
Rental of Land, Buildings, Plant and Equipment, etc.	114.07	56.99
Repairs and Maintenance -		
(i) To Buildings and Civil Works	144.67	109.63
(ii) To Machinery and Hydraulic Works	1221.15	822.13
(iii) To Furniture, Vehicles, etc.	87.30	73.90
	<b>1,453.12</b>	<b>1,005.66</b>
Rates and Taxes	93.68	86.14
Insurance	131.40	115.42
Other Operation Expenses	601.32	433.78
Ash Disposal Expenses	40.49	51.21
Warranty Charges	10.67	26.50
Travelling and Conveyance Expenses	99.87	46.84
Consultants' Fees	71.45	42.05
Auditors' Remuneration	13.57	12.87
Cost of Services Procured	697.41	415.40
Agency Commission	1.06	8.75
Bad Debts	11.94	72.14
Allowance for Doubtful Debts and Advances (Net)	127.62	7.50
Net Loss on Foreign Exchange	167.09	65.97
Legal Charges	104.26	51.41
Corporate Social Responsibility Expenses	35.20	39.11
Transfer to Contingency Reserve	12.57	11.00
Marketing Expenses	3.25	3.07
Miscellaneous Expenses	99.79	92.88
<b>Total</b>	<b>4,060.42</b>	<b>2,812.48</b>

### 37. Income taxes

#### 37a. Current Tax

##### Accounting Policy

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

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

## Notes to the Consolidated Financial Statements

### 37. Income taxes (Contd.)

#### (i) Income taxes recognised in statement of profit and loss - Continuing Operations

	March 31, 2022 ₹ crore	March 31, 2021 ₹ crore
Current Tax	580.30	647.57
Current Tax in respect of earlier years	(105.11)	Nil
Deferred Tax	133.31	(145.69)
Deferred Tax relating to earlier years	(588.56)	Nil
Remeasurement of Deferred Tax on account of New Tax Regime (net)	359.62	Nil
<b>Total income tax expense recognised in the current year</b>	<b>379.56</b>	<b>501.88</b>

#### (ii) Income taxes recognised in statement of profit and loss - Discontinued Operations

	March 31, 2022 ₹ crore	March 31, 2021 ₹ crore
Current tax	Nil	(101.48)
Deferred tax	Nil	(72.17)
<b>Total income tax expense recognised in the current year</b>	<b>Nil</b>	<b>(173.65)</b>

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

	March 31, 2022 ₹ crore	March 31, 2021 ₹ crore
Profit /(Loss) before tax for Continuing Operation	3,003.00	1,986.73
Profit/(Loss) before tax for Discontinuing Operation	(467.83)	(219.85)
<b>Profit/(Loss) before tax considered for tax working</b>	<b>2,535.17</b>	<b>1,766.88</b>
Income tax expense calculated at 25.168% (March 31, 2021 - 34.944%)	638.05	617.42
<b>Add/(Less) tax effect on account of :</b>		
Share of profit of associate and joint venture	(488.97)	(305.19)
Deferred tax not recognised on Impairment provision/(reversal) of non current investment	112.89	Nil
Effect of tax holiday period	(148.56)	(82.98)
Deferred tax asset on unabsorbed depreciation pertaining to earlier years	(968.56)	(218.87)
[Refer Note 4 (ii) below]		
Utilisation of unrecognised unabsorbed depreciation	(318.92)	Nil
Tax on dividend from subsidiaries, associate and joint ventures (eliminated)	894.34	348.80
Exempt Income	(31.75)	(18.27)
Unrecognized tax credit (MAT) for the current year	Nil	180.89
Profit taxable at different tax rates	79.31	(120.67)
Remeasurement of Deferred Tax on account of New Tax Regime (net) [Refer Note 4 (iii) below]	359.62	Nil
Non deductible expenses	27.47	76.45
Reassessment of deferred tax balances on expected sale of asset [Refer Note 4 (ii) below]	380.00	(131.00)
Current Tax in respect of earlier years including impact of tax ordinance [Refer Note 4 (i) & (iii) below]	(105.11)	Nil
Reclassification of FCTR from equity to profit and loss statement [Refer Note 32(1)]	(51.29)	Nil
Others	1.04	(18.35)
<b>Income tax expense recognised in statement of profit and loss</b>	<b>379.56</b>	<b>328.23</b>
Tax expense for Continuing Operations	379.56	501.88
Tax expense for Discontinued Operations	Nil	(173.65)
<b>Income tax expense recognised in statement of profit and loss</b>	<b>379.56</b>	<b>328.23</b>

Notes:

- 1 The tax rate used for the years 2021-22 and 2020-21 reconciliations above is the corporate tax rate of 25.168% and 34.944% respectively, as payable by Parent Company in India on taxable profits under the Indian tax law.

## Notes to the Consolidated Financial Statements

### 37. Income taxes (Contd.)

- 2 The rate used for calculation of Deferred tax has been considered basis the Standalone financials statements of Parent Company and its respective subsidiaries, being statutory enacted rates at Balance Sheet date.
- 3 During the previous year the Holding Company had entered into a Business Transfer Agreement with Tata Power Renewable Energy Ltd. and Tata Power Green Energy Ltd., wholly owned subsidiaries, for transfer of renewable assets (forming part of renewable segment) as a "going concern" on a slump sale basis effective on or after April 1, 2021. Consequently, as per the requirement of Ind AS 12, the Holding Company had reassessed its deferred tax balances including its unrecognized deferred tax assets on capital losses and had recognized gain of ₹131.00 crore in the standalone financial statements.
- 4
  - (i) Subsequent to the merger of the erstwhile Coastal Gujarat Power Limited (CGPL) with the Holding Company with effect from April 1, 2020, the Holding Company has reassessed its provision for current taxes and has written back an amount of ₹87.30 crore pertaining to earlier year.
  - (ii) The Holding Company has reassessed the recoverability of unabridged depreciation and brought forward tax losses and has recognized deferred tax asset amounting to ₹968.56 crore and has written off deferred tax asset on capital losses amounting to ₹380 crore during the year.
  - (iii) Further the Holding Company has transitioned to the new tax regime effective April 1, 2020 and accordingly, during the year, the Holding Company had remeasured its tax balances and reversed the deferred tax asset amounting to ₹359.62 crore and written back current tax provision amounting to ₹17.81 crore.

#### (iii) Income tax recognised in other comprehensive income

	March 31, 2022	March 31, 2021
	₹ crore	₹ crore
<b>Current tax</b>		
Remeasurement of Defined Benefit Plan	36.54	1.04
	<b>36.54</b>	<b>1.04</b>
<b>Deferred tax</b>		
Remeasurements of defined benefit obligation	(35.13)	4.68
Effective portion of cash flow hedge	32.94	(93.57)
	<b>(2.19)</b>	<b>(88.89)</b>
<b>Total income tax recognised in other comprehensive income</b>	<b>34.35</b>	<b>(87.85)</b>
 Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to statement of profit and loss	1.41	5.72
Items that will be reclassified to Statement of Profit and Loss	32.94	(93.57)
	<b>34.35</b>	<b>(87.85)</b>

### 38. Commitments:

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
(a) Estimated amount of Contracts remaining to be executed on capital account and not provided for (including consumer funded assets).		
(i) The Group	3,251.21	2,992.01
(ii) Group's share of Joint Ventures	171.88	169.04
(iii) Group's share of Associates	163.27	25.11
(b) Other Commitments		
(i) Vendor purchase commitments and contracts to provide future post sale services.	1,914.34	425.01
(ii) During the previous year, the Group had entered into a long term freight Contract with Oldendorff for the supply of coal through ships for a period of 12 years. The remaining commitment against the said contract is 49.68 million MT and total estimated freight cost at current price would be ₹ 3,132.53 crore over the remaining period of 10 years.		
(iii) As per the terms of the vesting orders for the acquisition of TPCODL, TPWODL, TPSODL and TPNODL (subsidiaries of the Group), the Group has committed capital expenditure of ₹ 4,267 crore to be incurred by the respective subsidiaries till financial year 2025-26.		

## Notes to the Consolidated Financial Statements

### 39. Contingent liabilities

#### Accounting Policy

In the normal course of business, contingent liabilities arise from litigations and claims. It is a possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but disclosed the same

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
<b>a) Contingent liabilities</b>		
<b>Claims against the Group not probable and hence not acknowledged as debts consists of</b>		
(i) Interest and penalty pertaining to Customs Duty claims disputed by the Group relating to applicability and classification of coal	118.12	110.81
(ii) Demand disputed by the Group relating to Service tax	596.10	484.44
(iii) Way Leave fees (including interest) claims disputed by the Group relating to rates charged.	66.69	59.35
(iv) Rates, Cess, Green Cess, Excise and Custom Duty claims disputed by the Group.	607.95	585.00
(v) Disputes relating to power purchase agreements	251.79	209.47
(vi) Legal cases with employees and others engaged in distribution business of Central Odisha (Refer Note d below)	1,141.91	955.60
(vii) Legal cases related to subsidiaries (In case of unfavourable outcome, amount paid will be recoverable from customers)	92.25	117.73
(viii) Access Charges demand for laying underground cables	24.04	30.14
(ix) Other Claims	158.79	176.41
<b>Claims against the Group's share of Joint Ventures and Group's share of Associates not acknowledged as debts consists of</b>		
Group's share of Joint Ventures		
(i) Demand for royalty payment is set-off against recoverable Value Added Tax (VAT) paid on inputs for coal production.	Nil	21.86
(ii) Other claims	31.36	37.45
Group's share of Associates		
Other Claims	227.85	247.34
	<b>3,316.85</b>	<b>3,035.60</b>

Notes:

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

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
<b>b) Other Contingent Liabilities:</b>		
Taxation matters for which liability, relating to issues of deductibility and taxability, is disputed by the Group and provision is not made (computed on the basis of assessments which have been re-opened and assessments remaining to be completed)		
In case of the Group [including interest demanded ₹ 9.40 crore (March 31, 2021 - ₹ 9.30 crore)].	225.79	188.84
In an earlier year, Maharashtra State Electricity Distribution Company Limited (MSEDCL) had raised a demand for determination of fixed charges for unscheduled interchange of power. The Group had filed a petition against the said demand for which stay has been granted by the ATE till the methodology for the determination is fixed. Considering the same, currently, the amount of charges payable is not ascertainable and hence, no provision has been recognized during the year. Further, in case of unfavourable outcome, the Group believes that it will be allowed to recover the same from consumers through future adjustment in tariff.	215.02	215.02
Group's share of Joint Ventures	113.85	110.62

## Notes to the Consolidated Financial Statements

### 39. Contingent liabilities (Contd.)

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
c) <b>Indirect exposures of the Group:</b>		
(i) The Group has pledged its shares of investments in joint ventures and others with the lenders for borrowings availed		
<b>Joint Ventures</b>		
Powerlinks Transmission Ltd.	23,86,80,000	23,86,80,000
Industrial Energy Ltd.	25,13,48,400	25,13,48,400
Mandakini Coal Company Ltd.	2,00,43,000	2,00,43,000
Itezhi Tezhi Power Corporation	4,52,500	4,52,500

- d) i) The erstwhile Central Electricity Supply Utility of Orissa (CESU) had filed an application to Regional Provident Fund Commissioner, Bhubaneswar (RPFC) for exemption from applicability of the Employees Provident Funds and Miscellaneous Provisions Act, 1952 for which adjudication is pending. Although the adjudication for exemption was pending, RPFC vide its assessment order dated 13th October, 2014 raised a total demand of ₹ 551.62 crore (₹ 279.39 crore dues for non-remittance of Employer and Employee contribution to RPFC and ₹ 272.23 crore as interest) on CESU for the period from November, 1997 to December, 2011. CESU had filed writ petition against the order of RPFC which is pending at High Court.

Based on a legal opinion, the subsidiary company is of the view that it has a strong case against the demand of ₹ 551.62 crore (November 1997 till December 2011) plus any further demand, if raised by RPFC (January 2012 – May 2020) and accordingly, no provision has been recognized in respect of the same. These cases are for pre acquisition period and any obligation arising there on will be pass through to the consumer and not have any adverse impact on financial position or financial performance of the subsidiary company.

- ii) Central Electricity Supply Utility of Orissa (CESU) had entered into agreement with distribution franchisees namely Riverside Utilities Private Limited ('RUPL') and Seaside Utilities Private Limited ('SUPL') on January 30, 2013. As per the terms of agreement, franchisees were responsible for carrying out all commercial activities including certain performance parameters such reduction of AT&C losses, smart metering, minimum capital expenditure, timely collection etc. However, due to poor performance of RUPL/SUPL and non-compliance of the terms of agreement, erstwhile CESU did not extend franchisee period. Writ petition was filed by the franchisees before the Hon'ble Orissa High Court for renewal of existing franchise agreements along with the total claim of ₹ 403.98 crore (₹ 301.75 crore by RUPL and ₹ 102.23 crore by SUPL). CESU had filed a counter claim of ₹ 598.89 crore (₹ 396.87 crore against RUPL and ₹ 202.02 crore against SUPL). The matter is currently pending before Arbitration Tribunal for adjudication.

Based on merits of the matter, the subsidiary Company is of the view that it has a strong case and accordingly, no provision has been recognized in respect of the same. However, at the same time, subsidiary company has taken over the Utility of CESU with a clean balance sheet as per the Vesting Order dated 26.05.2020, these cases are for pre acquisition period and any obligation arising there on will be pass through to the consumer and not have any adverse impact on financial position or financial performance of the subsidiary company.

- e) The Group has acquired 51 % stake in TP Central Odisha Distribution Ltd. ('TPCODL'), TP Western Odisha Distribution Ltd. ('TPWODL') , TP Southern Odisha Distribution Ltd. ('TPSODL') and TP Northern Odisha Distribution Ltd. ('TPNODL') to carry out the function of distribution and retail supply of electricity covering the distribution circles of central, western, southern and northern parts of Odisha. Pursuant to these acquisition and as per the terms of the vesting order, the Group has issued bank guarantee to Odisha Electricity Regulatory Commission ('OERC') of ₹ 150.00 crore, ₹ 150.00 crore, ₹ 100.00 crore , and ₹ 150.00 crore respectively.

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

## Notes to the Consolidated Financial Statements

### 40. Other Disputes and Settlements

- a) With respect to Mundra Power Plant, the Group is required to comply with ash disposal requirements in accordance with the requirements of the Environment Clearance (EC) and the relevant notifications issued by the Ministry of Environment & Forests (MOEF) from time to time. On 12th February, 2020, National Green Tribunal (NGT) had passed an order prescribing the formula for determination of Environment Compensation for non-compliance. The order was subject to proceedings pending before the Hon'ble Supreme Court. The Supreme Court had granted an Interim Stay in the matter. On 31st December, 2021, MOEF issued a notification prescribing revised timelines and manner of utilization of legacy ash. The Group believes that it will be able to utilize the legacy fly ash within the revised applicable timeline. Accordingly, the Group has reversed the provision of ₹ 21.74 crore recognised in earlier years pursuant to the order passed by National Green Tribunal on 12th February, 2020.
- b) The Group had obtained 21.65 acres of land through registered lease deed for 33 years for setting up a solar power plant in Bihar. During the financial year 2018-19, the lease was treated by the Collector, Gaya as illegal for entering into lease without order of any competent authority, and was cancelled along with recovery of penal rent. The Group filed Writ Petition before the Patna High Court against the said Order. The Patna High Court stayed the operations of the Collectors Order and provided certain time to file the counter affidavit. The Respondent ('State of Bihar') has filed the counter affidavit on February 2019 and now the matter is pending for argument. The Group is of the view that it has a good case with likelihood of liability or any loss arising out of the said cancellation being remote. Accordingly, pending settlement of the legal dispute, no adjustment has been made in the financial statements for the year ended March 31, 2022.
- c) The liability stated in the opening Balance Sheet of one of the subsidiary company as per the Transfer Scheme as on 1st July, 2002 in respect of consumers' security deposit was ₹ 10.00 crore. The subsidiary company had engaged an independent agency to validate the sample data in digitized form of consumer security deposit received by the erstwhile Delhi Vidyut Board (DVB) from its consumers. As per the validation report submitted by this agency the amount of security deposit received from consumers aggregated to ₹ 66.71 crore. The subsidiary company has been advised that as per the Transfer Scheme, the liability in excess of ₹ 10.00 crore towards refund of the opening consumer deposits and interest thereon is not to the account of the Group. Since the Government of National Capital Territory of Delhi (GNCTD) was of the view that the aforesaid liability is that of the Group, the matter was referred to Delhi Electricity Regulatory Commission (DERC). During the year 2007-08, DERC vide its letter dated 23rd April, 2007 conveyed its decision to the GNCTD upholding the Group's view. As GNCTD has refused to accept the DERC decision as binding on it, the subsidiary company has filed a writ petition in the Hon'ble Delhi High Court and the matter was made regular on 24th October, 2011. No stay has been granted by the High Court in the matter for refund of consumer security deposits and payment of interest thereon.
- d) The Group supply solar power to Tamil Nadu Generation and Distribution Corporation Limited ('TANGEDCO') against long term Power Purchase Agreements (PPAs). As per the said PPAs, the Group is entitled to receive consideration for all energy units supplied and billed. However, whilst effecting payments to the Group, TANGEDCO has disputed and is not making payment for energy units supplied and billed in excess of 19% Capacity Utilisation Factor (CUF) in accordance with its internal circular. The National Solar Energy Federation of India (NSEFI) has filed the writ petition with Tamil Nadu Electricity Regulatory Commission (TNERC) challenging the said circular issued by TANGEDCO on behalf of generators who have commissioned solar power plants and impacted by the said circular. The Tata Power Company Limited, ultimate holding company of the group, is also a Member of NSEFI and thereby party to petition filed by NSEFI. The TNERC has now issued Order dated 22nd December 2020 on the petition filed by the NSEFI and decided the matter in favour of TANGEDCO. The Group has challenged the ruling of TNERC at the Appellate Tribunal for Electricity (ATE) through NSEFI. Based on legal assessment, the management of the Group is confident of getting a favourable order. With respect to above dispute, the Group has a trade receivable balance of ₹ 109.77 crore for such excess units as on March 31, 2022 (March 31, 2021 - ₹ 90.85 crore). The Group has also recognised a revenue of ₹ 18.92 crore (March 31, 2021 - ₹ 2.93 crore) for such excess units as on 31st March 2022. Considering signed PPA and its independent legal evaluation, the Group believes that these amounts are fully recoverable along with interest and no provision has been recognized in the consolidated financial statements.
- e) The Group entered into long-term Power Purchase Agreements ("PPAs") of 200 MW wind and solar plant with the Southern Power Distribution Company of Andhra Pradesh Limited ("APSPDCL" or "APDISCOM") to supply power that is valid for a period of 25 years. APDISCOM issued letters dated 12th July, 2019 to the Group requesting for revision of tariffs previously agreed as per the PPAs to ₹ 2.44 per unit. Since the Group and other power producers did not agree to the rate revision, APDISCOM referred the matter to the Andhra Pradesh Electricity Regulatory Commission (the "APERC") for revision of tariffs.

## Notes to the Consolidated Financial Statements

### 40. Other Disputes and Settlements (Contd.)

The Group had filed a writ petition on 30th July, 2019 before the Andhra Pradesh High Court ("AP High Court") challenging the Government of Andhra Pradesh and the said letters issued by APDISCOM for renegotiation of tariffs. The AP High Court has issued its order dated 24th September, 2019 whereby it allowed the writ petition and also instructed APDISCOM to honour pending and future bills but to pay them at a rate of ₹ 2.44 per unit (as against the billed rate) and referred the matter back to APERC to conclude the rate. Thereafter, the Group had filed an appeal in AP High Court in front of two members bench challenging the matter being referred to the APERC.

AP High Court, vide its judgement dated 15th March, 2022 has set aside the Order passed by the single Judge fixing the interim rate or interim tariff of ₹ 2.44 per unit for solar power plants and ₹ 2.43 per unit for wind power plants. It has directed for payment of all the pending and future bills by APDISCOM at the rate mentioned in the PPA's within a period of six weeks from the order date. However, till date, APDISCOM has neither appealed against the said Order nor preferred payment of the dues of the generators in compliance of the said Order. The Group has recognised a revenue of ₹ 179.24 crore (March 31, 2021 - ₹ 174.03 crore) for the year ended March 31, 2022 and has a trade receivable balance of ₹ 444.90 crore (March 31, 2021 - ₹ 341.16 crore) as on March 31, 2021 from sale of electricity against such PPAs. Out of this trade receivable balance, ₹ 390.11 crores as on March 31, 2022 (March 31, 2021 ₹ 281 crores), pertains to the amount in excess of ₹ 2.43/ ₹ 2.44 per unit related to tariff renegotiations as stated above. Considering signed PPA, interim order passed by the AP High Court, and its internal legal evaluation, the management believes that it has a strong case and hence no adjustment has been made in the consolidated financial statements.

- f) In the earlier year, the Group had recognised an expense of ₹ 276.35 crore net of amount recoverable from customers including adjustment with consumer reserve in relation to Hon'ble Supreme Court's judgement on standby litigation.

Further in the earlier year, Maharashtra Electricity Regulatory Commission (MERC) vide its order dated 30th March, 2020 had allowed the recovery of part of the standby charges amount from the consumers. In the previous year, MERC vide its order dated 21st December, 2020, has revised its earlier order and disallowed the recovery of the said amount. Consequently, the Group has recognized an expense of ₹ 109.29 crore (including carrying cost) and disclosed as an exceptional item.

- g) One of the subsidiary company had introduced a Voluntary Separation Scheme (VSS) for its employees in December 2003, in response to which initially 1,798 employees were separated. The early retirement of these employees led to a dispute between the subsidiary company and the Delhi Vidyut Board (DVB) Employees Terminal Benefit Fund, 2002 ('the Trust') with respect to pay-out of retirement benefits that these employees were eligible for. The Trust is of the view that its liability to pay retiral benefits arises only on the employee attaining the age of superannuation or on death, whichever is earlier.

The subsidiary company filed a writ petition with the Hon'ble Delhi High Court which pronounced its judgement on 2nd July, 2007 on this issue and provided two options to the Discoms for paying retiral benefits to the Trust. The subsidiary company chose the option whereby the Discoms were required to pay to the Trust an 'Additional Contribution' on account of premature pay-out by the Trust which shall be computed by an Arbitral Tribunal of Actuaries to be appointed within a stipulated period. The matter was further challenged by the Trust before Hon'ble Supreme Court, however, no interim relief has been granted by the Hon'ble Supreme Court. Till date no Arbitral Tribunal of Actuaries has been appointed and therefore, no liability has been recorded based on option chosen by the subsidiary company.

While the above referred writ petition was pending, the subsidiary company had already advanced ₹ 77.74 crore to the Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 Trust (SVRS Trust) for payment of retiral dues to separated employees. In addition to the payment of retiral benefits/residual pension to the SVRS Trust, in pursuant to the order of the Hon'ble Delhi High Court dated 2nd July, 2007 the subsidiary company also paid interest @ 8% per annum, ₹ 8.01 crore in the financial year 2008-09 thereby increasing the total contribution to the SVRS Trust to ₹ 85.76 crore recognised as recoverable from SVRS Trust. As the subsidiary company was entitled to get reimbursement against advanced retiral benefit amount on superannuation age, the subsidiary company had recovered/adjusted ₹ 85.50 crore as at March 31, 2022 (as at March 31, 2021 ₹ 85.47 crore), leaving a balance recoverable ₹ 0.26 crore as at March 31, 2022 (as at March 31, 2021 ₹ 0.29 crore) from the SVRS Trust which includes current portion of ₹ 0.04 crore (as at March 31, 2021 ₹ 0.03 crore).

- h) In the earlier years, Maharashtra Electricity Regulatory Commission had disallowed certain costs amounting to ₹ 503 crore (adjusted upto the current year) (March 31, 2021 - ₹ 419 crore) recoverable from consumers in the tariff true up order. The Group has filed appeal against the said order to Appellate Tribunal for Electricity which is pending for final disposal. The Group believes it has a strong case and accordingly no adjustment is required.

## Notes to the Consolidated Financial Statements

### 40. Other Disputes and Settlements (Contd.)

- i) In an earlier year, Maharashtra Electricity Regulatory Commission has disallowed carrying cost and other costs amounting to ₹ 269 crore (31st March, 2021 - ₹ 269 crore) which was upheld by the Appellate Tribunal for Electricity (ATE). The Group has filed Special Leave Petition (SLP) against the order of ATE with the Supreme Court which is pending for final disposal. The Group believes it has a strong case and accordingly no adjustment is required.
- j) The Hon'ble Appellate Tribunal for Electricity (APTEL), vide its order dated 27th April, 2021 allowed the appeal with respect to certain claims related to change in law for Mundra Power Plant. Accordingly, the Group has recognized an income amounting to ₹ 351.79 crore during the year ended March 31, 2022 comprising of ₹ 279.87 crore classified as Revenue from Operations (including an amount of ₹ 268.94 crore relating to earlier years) and ₹ 71.92 crore classified as Other Income (including an amount of ₹ 58.82 crore relating to earlier years). The Consumer has litigated the said order in the Supreme Court. The Group believes it has a strong case and does not expect any significant reversal of revenue.
- k) The Group owns and operates 149MW solar power plants in the state of Tamil Nadu through its wholly owned subsidiary Walhan Renewable Energy Ltd. (WREL). There has been arbitrary and unjustified backdown since commissioning of the said plants. The Appellate Tribunal (ATE) vide its Judgement dated 2nd August 2021, held that for the period March 2017 to October 2020, Company shall receive Deemed Generation Charges at the rate of 75% of the PPA Tariff along with interest. Accordingly, based on said order and legal opinion obtained, the Group has recognized for ₹ 20.14 crores (including ₹ 18.72 crore pertaining to earlier years) towards generation losses on account of curtailment till date.
- l) On account of force majeure events beyond the control of the Group, there was a time overrun in setting up its 84 MW solar power plants in the state of Karnataka and accordingly the Group had requested for extension of Schedule Date of Commissioning (SCOD) which was duly recommended to Karnataka Electricity Regulatory Commission (KERC) by the Distribution Licensee (BESCOM). However, KERC not accepted the Group request and reduced the tariff as agreed in the PPA due to delay in the commissioning. Group filed petition before Appellate Tribunal for Electricity (ATE) against the said reduction in tariff and ATE vide its Order dated 12th April, 2022, has ruled in favour of the Group and issued directions to restore tariffs as per PPA and to compensate for the arrears along with carrying costs thereon. Accordingly, the Group has recognized additional revenue aggregating to ₹ 44.29 crore during the year ended March 31, 2022 (Including ₹ 36.57 crore pertaining to earlier years).
- m) In relation to the Power Purchase Agreement (PPA) signed with Gujarat Urja Vikas Nigam Ltd. (GUVNL) for 300 MW Dholera solar power plants in Gujarat, the Group had entered into an Implementation and Support Agreement (ISA) with Gujarat Power Corporation Ltd. (GPCL) for evacuation facilities and maintenance of transmission lines. On Scheduled Commercial Operation Date (SCOD) plants were ready for synchronization but power evacuation infrastructure were not made available by GPCL. The Group has sought compensation for the revenue losses suffered by the Group on account of delay in constructing power evacuation infrastructure.  
Based on the legal opinion obtained and remedies available to the Group for delay in constructing power evacuation infrastructure as per the PPA and ISA, the Group has recognized Revenue from Operations for the year ended March 31, 2022 amounting to ₹ 57 crore. The Group does not expect any significant reversal in the amount recognised as revenue.
- n) In January 2017 and March 2017, the Group had commissioned 100 MW Nimbagallu wind farm in state of Andhra Pradesh. The entire capacity of the plant is connected to Uravakonda Grid substation (GSS). Post commissioning of the plant, AP State Load Despatch Centre (APSLDC) and Transmission Corporation of Andhra Pradesh (AP Transco) have resorted to arbitrary backdowns. As per the Power Purchase Agreement, the responsibility of the transmission of power beyond the Interconnection Point is of the Discom viz. Southern Power Distribution Company Limited of Andhra Pradesh (APSPDCL) / AP Transco and that they would be responsible for the availability or non-availability of the transformers at Uravakonda GSS. The Group had filed a petition before the Andhra Pradesh Electricity Regulatory Commission (APERC) for appropriate directions for APSPDCL, APSLDC and APTRANS CO to compensate for the loss of revenue of account of such non-availability of power transmission infrastructure. As on the date of approval of these financial statements, petition is pending for consideration.

As per various orders by judicial authorities in other cases and legal opinion obtained, Group believes that the Group is entitled for the deemed generation charges on account of non-availability of power transmission infrastructure. Accordingly, the Group has recognized Revenue from Operations for the year ended 31st March, 2022 aggregating to ₹ 50.58 crore (Including ₹ 45.02 crores pertaining to prior years).

## Notes to the Consolidated Financial Statements

### 40. Other Disputes and Settlements (Contd.)

- o)** The Group through one of its subsidiary, Tata Power Renewable Energy Limited (TPREL) has received an Order issued by Karnataka Electricity Regulatory Commission (KERC) in April 2022, for mechanism towards recovery of increase in capital cost incurred due to introduction and imposition of Safeguard Duty (SGD) due to MoF notification of 2018. This being a Change in Law event under the provisions of the PPA's entered by the Group for its 250 MW solar power plants in Karnataka, needs to be compensated by the Discoms along with carrying cost on the amounts due. Accordingly, based on the above KERC Order, an additional Revenue from operations of ₹ 32.75 crores (including ₹ 17.77 crore pertaining to earlier years) has been recognized for the year ended March 31, 2022.
- p)** The Group operates 99 MW wind farm at Poolavadi in Tamil Nadu of which 49.5 MW is under REC scheme. The billing under REC scheme should take place based on Average Pooled Power Purchase Cost (APPCC) rates as periodically fixed by Tamil Nadu Electricity Regulatory Commission (TNERC). However, in practice, specific lower rates were communicated by TANGEDCO basis which invoices were raised by all developers from Financial Year 2013. TNERC has recently issued favourable order in for another developer (based on the earlier ATE Order for another developer), wherein it has upheld the contention of the developer and allowed the recovery of differential rate from TANGEDCO in a time bound manner along with applicable interest rate. Accordingly, on basis of above favorable order, during the year, the Group has recognized for differential revenue aggregating to ₹ 26.20 crore pertaining to prior years.
- q)** The Group through one of its subsidiary TPREL entered into a settlement agreement with a wind plant operator for damages arising from contractual shortfall in machine availabilities resulting in generation loss from financial year 2018 to 2020. Accordingly, the compensation received of ₹ 18.28 crore (amount pertaining to earlier years) is recognized as revenue from operations.
- r)** During year ended March 31, 2022, the Group has received Notice of Arbitration (NoA) filed by Kleros Capitals to commence arbitration in Singapore International Arbitration Centre (SIAC) against the Group. The NoA is served pursuant to alleged breach of various sections of Non disclosure agreements (NDA) entered by the Group in earlier years and circumvention of Kleros's economic interests in addition to loss of profits. The Group believes that there has been no use of confidential data and there was no breach to sections of NDA. Based on above assessment and legal opinion obtained, the Group strongly believes that there is strong case and hence no provision is required for the concerned matter of arbitration.
- s)** (i) In respect of the Group's power distribution business in Delhi, Delhi Electricity Regulatory Commission (DERC) vide its order dated 30th September, 2021 has trued up regulatory deferral account balance up to 31st March, 2020 at ₹1,762.81 crore as against ₹4,919.26 crore as per financial books of accounts excluding amount recoverable towards deferred tax liabilities of ₹ 302.60 crore. The difference in regulatory deferral account is largely due to provisional truing up of capitalisation, disallowance of de-capitalised property, plant and equipment, its corresponding impact on return on capital employed (ROCE), income tax and carrying cost. These disallowances have already been challenged in APTEL for amount disallowed up to FY 2019-20. The difference in regulatory deferral account is also due to pending implementation of Rithala tariff order issued by the DERC vide order dated 11th November, 2019 and partial allowance of approved Rithala plant cost which is under challenge with APTEL and delay in execution of other previous review/APTEL appeal orders.

The Group had filed a stay petition seeking stay of tariff order with APTEL due to certain arbitrary disallowances by DERC in its latest tariff order dated 30th September, 2021 and also filed appeal with APTEL against the disallowances. On 21st January, 2022 as an interim measure, a stay order was granted by APTEL on the operation of tariff order dated 30th September, 2021 till further notice and based on legal opinion taken from the counsel, there is likelihood of success in appeal therefore no material adjustments are expected in the carrying value of the Regulatory deferral account balance on account of implementation of tariff order dated 30th September, 2021. Accordingly, no adjustment has been made in the Regulatory deferral account balance in the books based on latest tariff order dated 30th September, 2021, till the conclusion of the above petition.

On the issue of provisional true up of capitalisation, DERC has shared preliminary draft report of physical verification of fixed asset for the period FY 2004-05 to FY 2015-16. The Group after analysing the draft report have submitted the response along with necessary documents in support of capitalisation on 29th December, 2020 and further action on the same is awaited from DERC. The true up of capitalisation for FY 2017-18 has been completed by DERC. For the financial years FY 2016-17, FY 2018-19 and FY 2019-20 the physical verification and true up of capitalisation are in progress.

## Notes to the Consolidated Financial Statements

### 40. Other Disputes and Settlements (Contd.)

(ii) The regulatory deferral account balance as on 31st March, 2020 as per financial books of account was ₹ 4,919.26 crore, excluding amount recoverable towards deferred tax liabilities of ₹ 302.60 crore, which is not being liquidated for a long time. Such accumulation of regulatory deferral account has been due to non-availability of cost reflective tariff year on year. On this issue, the Company had filed a petition with the DERC on 8th March, 2021 seeking for a roadmap to liquidate regulatory deferral account in a time bound manner, which was dismissed by DERC with no relief. Further, the Group has challenged the order of DERC before Supreme Court on 6th September, 2021, which has been admitted and the hearing is in progress.

### 41. Earnings Per Share (EPS)

#### Accounting Policy

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
		₹ crore#	₹ crore#
<b>A. EPS - Continuing Operations (before net movement in Regulatory Deferral Balances)</b>			
Total Profit from Continuing Operations attributable to the owners of the Parent Company		1,741.46	1,127.38
Add/(Less):(Profit)/Loss for the year from Discontinued Operations attributable to the owners of the Parent Company		467.83	46.20
Net Profit from Continuing Operations	A	<b>2,209.29</b>	<b>1,173.58</b>
Net movement in Regulatory Deferral Balances (Net of tax) - Owners Share	B	58.60	(270.46)
Net Profit (before net movement in Regulatory Deferral Balances)	C=(A+B)	2,267.89	903.12
(Less): Distribution on Perpetual Securities	D	(29.52)	(171.23)
<b>Profit/(Loss) from Continuing Operations attributable to equity shareholders (before net movement in Regulatory Deferral Balances)</b>	E=(C+D)	<b>2,238.37</b>	<b>731.89</b>
<b>Weighted average number of equity shares for Basic and Diluted EPS</b>		<b>3,19,81,71,607</b>	<b>3,01,80,73,391</b>
<b>EPS - Continuing Operations (before net movement in Regulatory Deferral Balances)</b>			
<b>- Basic and Diluted (In ₹)</b>		<b>7.00</b>	<b>2.43*</b>

\* Restated (Refer Note 49)

## Notes to the Consolidated Financial Statements

### 41. Earnings Per Share (EPS) (Contd.)

<b>B. EPS - Continuing Operations (after net movement in Regulatory Deferral Balances)</b>			
Net Profit from Continuing Operations		2,209.29	1,173.58
(Less): Distribution on Perpetual Securities		(29.52)	(171.23)
<b>Profit/Loss attributable to equity shareholders (after net movement in Regulatory Deferral Balances)</b>		<b>2,179.77</b>	<b>1,002.35</b>
<b>Weighted average number of equity shares for Basic and Diluted EPS</b>		<b>3,19,81,71,607</b>	<b>3,01,80,73,391</b>
<b>EPS - Continuing operations (after net movement in Regulatory Deferral Balances)</b>			
- <b>Basic and Diluted (In ₹)</b>		<b>6.82</b>	<b>3.32</b>
<b>C. EPS - Discontinued Operations</b>			
<b>Net Profit/(Loss) from Discontinued Operations</b>		<b>(467.83)</b>	<b>(46.20)</b>
<b>Weighted average number of equity shares for Basic and Diluted EPS</b>		<b>3,19,81,71,607</b>	<b>3,01,80,73,391</b>
<b>EPS - Discontinued Operations</b>			
- <b>Basic and Diluted (In ₹)</b>		<b>(1.46)</b>	<b>(0.15)</b>
<b>D. EPS - Total Operations (after net movement in Regulatory Deferral Balances)</b>			
Net Profit/(Loss) from Operations (after net movement in Regulatory Deferral Balances)		1,741.46	1,127.38
Less: Distribution on Perpetual Securities		(29.52)	(171.23)
<b>Net Profit/(Loss) from Total Operations attributable to equity shareholders of parent (after net movement in Regulatory Deferral Balances)</b>		<b>1,711.94</b>	<b>956.15</b>
<b>Weighted average number of equity shares for Basic and Diluted EPS</b>		<b>3,19,81,71,607</b>	<b>3,01,80,73,391</b>
<b>EPS - Total Operations (after net movement in Regulatory Deferral Balances)</b>			
- <b>Basic and Diluted (In ₹)</b>		<b>5.36</b>	<b>3.17</b>

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

### 42. Related Party Disclosures:

The Group's related parties primarily consists of its associates, joint ventures and Tata Sons Pvt Ltd. including its subsidiaries and joint ventures. The Group routinely enters into transactions with these related parties in the ordinary course of business at market rates and terms. Transactions and balances between the Company, its subsidiaries and fellow subsidiaries are eliminated on consolidation.

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

Names of the related parties and description of relationship:

#### (a) Employment Benefit Funds

- 1) Tata Power Superannuation Fund
- 2) Tata Power Gratuity Fund
- 3) Tata Power Consolidated Provident Fund
- 4) Maithon Power Gratuity Fund (Fund)
- 5) Tata Power Solar Systems Ltd, Employees Gratuity Fund Trust
- 6) Tata Power Solar Systems Ltd, Employees Superannuation Fund Trust
- 7) North Delhi Power Ltd. Employees Group Gratuity Assurance Scheme (Gratuity Fund)
- 8) Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 (SVRS RTBF - 2004)
- 9) CESCO Employees Pension Trust
- 10) CESCO Employees Gratuity Trust
- 11) CESCO Employees Provident Fund Trust

## Notes to the Consolidated Financial Statements

### 42. Related Party Disclosures (Contd.)

- 12) WESCO Employees Pension Trust
- 13) WESCO Employees Gratuity Trust
- 14) WESCO Employees Provident Fund Trust
- 15) WESCO Employees Rehabilitation Trust
- 16) SOUTHCO Employees Pension Trust
- 17) SOUTHCO Employees Gratuity Trust
- 18) SOUTHCO Employees Provident Fund Trust
- 19) SOUTHCO Employees Rehabilitation Fund Trust
- 20) NESCO Employees Pension Trust
- 21) NESCO Employees Gratuity Trust
- 22) NESCO Employees Provident Fund Trust
- 23) NESCO Employees Rehabilitation Trust

**(b) Associates and Joint Venture Companies (where transactions have taken place during the year and previous year / balances outstanding):**

**(i) Associates**

- |   |  |
|---|--|
| 1) Tata Projects Limited                            | 2) Yashmun Engineers Limited           |
| 3) Dagacchu Hydro Power Corporation Limited         | 4) The Associated Building Co. Limited |
| 5) Brihat Trading Private Limited                   | 6) TP Luminaire Pvt Limited **         |
| 7) Ind Project Engineering (Shanghai) Co Limited ** | 8) Tata Projects Provident Fund Trust* |

\* Fund of Associate

\*\* 100% Subsidiary of Associates

**(ii) Joint Venture Companies**

- |   |   |
|---|---|
| 1) Tubed Coal Mines Limited   | 2) Mandakini Coal Company Limited         |
| 3) Industrial Energy Limited  | 4) Powerlinks Transmission Limited        |
| 5) Dugar Hydro Power Limited  | 6) Itezhi Tezhi Power Corporation Limited |
| 7) PT Mitratama Perkasa   | 8) PT Kaltim Prima Coal                   |
| 9) IndoCoal Resources (Cayman) Ltd.   | 10) PT Indocoal Kaltim Resources          |
| 11) PT Nusa Tambang Pratama   | 12) PT Marvel Capital Indonesia           |
| 13) PT Dwikarya Prima Abadi   | 14) PT Kalimantan Prima Power             |
| 15) PT Baramulti Sukessarana Tbk  | 16) Adjaristsqali Netherlands BV          |
| 17) Koromkheti Netherlands B.V  | 18) IndoCoal KPC Resources (Cayman) Ltd.  |
| 19) Resurgent Power Ventures Pte Ltd  | 20) Renascent Ventures Private Limited    |
| 21) Prayagraj Power Generation Co Limited   | 22) PT Arutmin Indonesia                  |
| 23) PT Indocoal Kalsel Resources  | 24) Candice Investments Pte. Ltd.         |
| 25) LTH Milcom Pvt. Limited   | 26) Solace Land Holding Limited           |
| 27) PT Mitratama Usaha  | 28) PT Citra Prima Buana                  |
| 29) PT Guruh Agung  | 30) PT Citra Kusuma Perdana               |
| 31) Koromkheti Georgia LLC<br>(Ceased to be Joint Venture w.e.f 7th February, 2022) | 32) Adjaristsqali Georgia LLC             |
| 33) PT Antang Gunung Meratus  |   |

## Notes to the Consolidated Financial Statements

### 42. Related Party Disclosures: (Contd.)

#### (c) (i) Promoters holding more than 20% - Promoter

Tata Sons Pvt. Ltd.

#### (ii) Subsidiaries and Jointly Controlled Entities of Promoters - Promoter Group (where transactions have taken place during the year and previous year / balances outstanding) :

- |   |   |
|---|---|
| 1) C-Edge Technologies Limited                      | 2) Tata Advanced Material Limited (merged with Tata Advanced Systems Limited)         |
| 3) Ewart Investments Limited                        | 4) TRIL Infopark Limited.   |
| 5) Tata International DLT Pvt Limited               | 6) Tata SIA Airlines Limited.   |
| 7) Tata AIG General Insurance Company Limited       | 8) Tata Autocomp Systems Limited  |
| 9) Infiniti Retail Limited.                         | 10) Tata Elxsi Limited.   |
| 11) Tata Consultancy Services Limited.              | 12) Tata International Singapore Pte. Limited   |
| 13) Tata Consulting Engineers Limited.              | 14) Niskalp Infrastructure Services Limited.  |
| 15) Tata Housing Development Company Limited        | 16) Tata Advanced System Limited.   |
| 17) Tata Industries Limited.                        | 18) Tata Communications Collaboration Services Pvt. Limited.                          |
| 19) Tata International Limited                      | 20) Ecofirst Services Limited   |
| 21) Tata Investment Corporation Limited.            | 22) Tata AIA Life Insurance Company Limited.  |
| 23) Tata Realty and Infrastructure Limited.         | 24) Tata Limited.   |
| 25) Tata Teleservices (Maharashtra) Limited         | 26) Tata Communications Limited.  |
| 27) Tata Teleservices Limited                       | 28) Tata Housing Development Co. Limited.. Employees Provident Fund                   |
| 29) Tata Capital Financial Services Limited         | 30) Tata Consultancy Services Employees Provident Fund                                |
| 31) Tata Communications Payment Solutions Limited   | 32) Tata Play Broadband Private Limited (formerly Tata Sky Broadband Private Limited) |
| 33) Tata Play Limited (formerly Tata Sky Limited)   | 34) Qubit Investments Pte. Limited  |
| 35) Air India SATS Airport Services Private Limited | 36) Tata Medical and Diagnostics Limited  |

#### (d) Key Management Personnel

- |   |  |
|---|--|
| 1) Mr. N. Chandrasekaran, Non-Executive Director                                  | 2) Ms. Anjali Bansal, Independent Director                                   |
| 3) Ms. Vibha Padalkar, Independent Director                                       | 4) Mr. Sanjay V. Bhandarkar, Independent Director                            |
| 5) Mr. K. M. Chandrasekhar, Independent Director                                  | 6) Mr. Hemant Bhargava, Nominee Director                                     |
| 7) Mr. Saurabh Agrawal, Non-Executive Director                                    | 8) Mr. Banmali Agrawala, Non-Executive Director                              |
| 9) Mr. Ashok Sinha, Independent Director  | 10) Mr. Praveer Sinha, CEO and Managing Director                             |
| 11) Mr. Ramesh N. Subramanyam, Chief Financial Officer (upto 31st December, 2021) | 12) Mr. Sanjeev Churiwala, Chief Financial Officer (w.e.f 1st January, 2022) |
| 13) Mr. Hanoz Minoo Mistry - Company Secretary                                    |  |

#### (e) Relative of Key Managerial Personnel (where transactions have taken place during the year and previous year / balances outstanding) :

- 1) Neville Minoo Mistry (Brother of Hanoz Minoo Mistry- Company Secretary)

## Notes to the Consolidated Financial Statements

### 42. Related Party Disclosures: (Contd.)

#### (f) Details of Transactions:

Sr. No.	Particulars	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds	Promoter Group	Promoter
		₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
1	Purchase of goods/power (Net of Discount Received on Prompt Payment)	219.69	2,462.87	Nil	Nil	122.28	Nil
		187.32	2,776.60	Nil	Nil	302.70	Nil
2	Sale of goods/power (Net of Discount on Prompt Payment)	0.42	63.35	Nil	Nil	32.27	Nil
		2.78	Nil	Nil	Nil	25.50	Nil
3	Purchase of Property, Plant & Equipments	158.80	Nil	Nil	Nil	26.13	Nil
		0.70	Nil	Nil	Nil	22.47	Nil
4	Sale of Property, Plant & Equipments	Nil	0.06	Nil	Nil	Nil	Nil
		Nil	0.01	Nil	Nil	0.68	Nil
5	Rendering of services	6.34	282.39	Nil	Nil	53.28	2.21
		7.59	228.67	Nil	Nil	35.44	2.44
6	Receiving of services	16.20	17.60	Nil	Nil	126.12	0.70
		23.50	0.06	0.18	Nil	85.78	12.55
7	Brand equity contribution	Nil	Nil	Nil	Nil	Nil	44.21
		Nil	Nil	Nil	Nil	Nil	20.42
8	Contribution to Employee Benefit Plans ( Net)	Nil	Nil	Nil	474.18 <sup>#</sup>	Nil	Nil
		Nil	Nil	Nil	318.61 <sup>#</sup>	Nil	Nil
9	Remuneration paid- short term employee benefits	Nil	Nil	19.68*	Nil	Nil	Nil
		Nil	Nil	12.93*	Nil	Nil	Nil
10	Short term employee benefits paid	Nil	Nil	0.23	Nil	Nil	Nil
				0.13	Nil	Nil	Nil
11	Interest income	0.00 <sup>s</sup>	0.39	Nil	Nil	Nil	Nil
		Nil	0.64	Nil	Nil	0.00 <sup>s</sup>	Nil
12	Interest paid (including distribution on unsecured perpetual securities)	0.01	18.56	Nil	Nil	7.81	Nil
		0.08	26.18	Nil	Nil	26.44	Nil
13	Dividend income	1.78	1,847.02	Nil	Nil	2.29	6.67
		Nil	1,839.30	Nil	Nil	1.43	6.67
14	Dividend paid	Nil	Nil	Nil	Nil	2.11	223.90
		Nil	Nil	Nil	Nil	2.11	147.86
15	Loans given	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	2.60	Nil	Nil	Nil	Nil
16	Impairment of Investments- Reversal	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	8.00	Nil	Nil	Nil	Nil
17	Impairment of Investments	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	118.74	Nil	Nil	Nil	Nil
18	Loans repaid (including loan converted into equity)	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	2.60	Nil	Nil	Nil	Nil
19	Equity contribution (includes advance towards equity contribution and perpetual securities)	573.27	Nil	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil	Nil	Nil
20	Deposits taken	Nil	Nil	Nil	Nil	1.27	Nil
		Nil	Nil	Nil	Nil	0.01	Nil
21	Deposits refunded	Nil	Nil	Nil	Nil	0.12	Nil
		Nil	Nil	Nil	Nil	Nil	Nil
22	Advance given	80.38	Nil	Nil	Nil	0.02	Nil
		110.85	Nil	Nil	Nil	Nil	Nil
23	Advance adjusted	13.54	Nil	Nil	Nil	0.02	Nil
		2.51	Nil	Nil	Nil	Nil	Nil
24	Purchase of Investments	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	63.34	Nil	Nil	16.91	Nil

## Notes to the Consolidated Financial Statements

### 42. Related Party Disclosures: (Contd.)

Sr. No.	Particulars	Associates	Joint Ventures	Key Management Personnel & their relatives	Employee Benefit Funds	Promoter Group	Promoter
		₹ crore	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
25	Buy back of share by JV	Nil	59.69	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil	Nil	Nil
26	Loan taken	Nil	198.62	Nil	Nil	Nil	Nil
		Nil	120.00	Nil	Nil	Nil	Nil
27	Loan taken repaid	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	120.00	Nil	Nil	Nil	Nil
28	Allotment of Equity shares (including securities premium paid)	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil	Nil	2,600.00
29	Provision for doubtful receivables	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	0.64	Nil	Nil	Nil	Nil
30	Bad debts	Nil	Nil	Nil	Nil	Nil	Nil
		1.16	Nil	Nil	Nil	Nil	Nil
31	Consideration received on sale of SED	Nil	Nil	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil	597.00**	Nil
32	Impairment of receivable of SED	Nil	Nil	Nil	Nil	467.83	Nil
		Nil	Nil	Nil	Nil	Nil	Nil
33	Redemption of Unsecured Perpetual Securities	0.70	Nil	Nil	Nil	197.50	Nil
		Nil	Nil	Nil	Nil	Nil	Nil
<b>Balances outstanding</b>							
1	Unsecured Perpetual Securities	Nil	Nil	Nil	Nil	Nil	Nil
		0.70	Nil	Nil	Nil	197.50	Nil
2	Redeemable Non-Convertible Debentures	Nil	Nil	Nil	Nil	36.50	Nil
		Nil	Nil	Nil	Nil	36.50	Nil
3	Other receivables	8.58	211.01®	Nil	122.93	16.41	2.78
		109.28	74.83®	Nil	89.81	386.63	14.32
4	Loans given (including interest thereon)	Nil	72.98®	Nil	Nil	Nil	Nil
		Nil	72.98 ®	Nil	Nil	Nil	Nil
5	Loans provided for as doubtful advances (including interest thereon)	Nil	54.39	Nil	Nil	Nil	Nil
		Nil	54.39	Nil	Nil	Nil	Nil
6	Deposits taken outstanding	Nil	Nil	Nil	Nil	1.38	2.00
		Nil	10.96	Nil	Nil	0.22	2.00
7	Advance given outstanding	183.93	4.59	Nil	Nil	0.41	Nil
		19.64	Nil	Nil	Nil	Nil	Nil
8	Dividend receivable	1.78	Nil	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil	Nil	Nil
9	Other payables	82.86	2,662.16	10.97	54.47	134.68	45.19
		10.82	2,472.76	7.34	56.91	26.46	19.44
10	Loans taken (including interest thereon)	Nil	990.44	Nil	Nil	Nil	Nil
		Nil	763.28	Nil	Nil	Nil	Nil

Notes:

- All outstanding balances are unsecured.
  - The Group's principal related parties consist of Tata Sons Pvt. Ltd., its subsidiaries and joint ventures, affiliates and key managerial personnel. The Group's material related party transactions and outstanding balances are with related parties with whom the Group routinely enters into transactions in the ordinary course of business.
- @ Includes amount reclassified as held for sale.
- # Including amount collected from customers for past liability.
- \$ Denotes figure below ₹ 50,000.
- \* Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is included above on payment basis.
- \*\* Net off borrowings of ₹ 537 crore transferred to TASL

## Notes to the Consolidated Financial Statements

### 43. Financial Instruments

#### 43.1 Fair values

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

	Carrying value		Fair Value	
	As at March 31, 2022		As at March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
<b>Financial Assets</b>				
Cash and Cash Equivalents	3,077.24	3,669.62	3,077.24	3,669.62
Other Balances with Banks	3,563.46	2,201.05	3,563.46	2,201.05
Trade Receivables	6,665.52	5,804.79	6,665.52	5,804.79
Unbilled Revenues	2,285.57	1,591.14	2,285.57	1,591.14
Loans	12.79	12.23	12.79	12.23
Finance Lease Receivables	635.60	640.06	635.60	640.06
FVTPL Financial Investments #	355.01	500.96	355.01	500.96
FVTOCI Financial Investments #	1,045.39	559.59	1,045.39	559.59
Amortised Cost Financial Investments #	183.44	171.35	184.86	176.76
Derivative Instruments not in hedging relationship	5.06	1.48	5.06	1.48
Receivable on sale of Strategic Engineering Division (Refer Note 19c)	Nil	365.99	Nil	365.99
Other Financial Assets	2,177.41	1,877.91	2,177.41	1,877.91
Asset Classified as Held For Sale (Refer Note 19)				
- FVTOCI Financial Investments # (Refer Note below)	Nil	178.68	Nil	178.68
- Loans (including accrued interest)	22.83	22.83	22.83	22.83
<b>Total</b>	<b>20,029.32</b>	<b>17,597.68</b>	<b>20,030.74</b>	<b>17,603.09</b>
<b>Financial Liabilities</b>				
Trade Payables	10,459.60	7,148.08	10,459.60	7,148.08
Fixed rate Borrowings (including Current Maturities)*	17,781.77	19,804.57	17,800.65	20,106.39
Floating rate Borrowings (including Current Maturities)*	30,387.30	23,631.81	30,387.30	23,631.81
Lease Liability	3,605.12	3,537.31	4,079.63	3,558.60
Derivative Instruments not in hedging relationship	40.79	192.51	40.79	192.51
Other Financial Liabilities *	10,168.66	8,560.45	10,168.66	8,560.45
<b>Total</b>	<b>72,443.24</b>	<b>62,874.73</b>	<b>72,936.63</b>	<b>63,197.84</b>

\* Interest accrued on Non-Convertible debenture has been considered under Fixed / Floating rate borrowings

# other than investments accounted for Equity Method

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

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

- Fair value of the quoted bonds, mutual funds, government securities are based on the price quotations near the reporting date. Fair value of the unquoted equity shares have been estimated using a Discounted Cash Flow (DCF) model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for those unquoted equity investments.

## Notes to the Consolidated Financial Statements

- The fair value of the FVTOCI financial assets are derived from quoted market price in active markets and unobservable inputs.
- The Group enters into derivative financial instruments with various counterparties, principally banks and financial institutions with investment grade credit ratings. Interest rate swaps, foreign exchange forward and option contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying currency. All derivative contracts are fully collateralized, thereby, eliminating both counterparty and the Group's own non-performance risk. As at March 31, 2022, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk.
- The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flow using rates currently available for debt on similar terms, credit risk and remaining maturities.
- The cost of certain unquoted investments approximate their fair value because there is a wide range of possible fair value measurements and the cost represents the best estimate of fair value within that range.

**Reconciliation of Level 3 fair value measurement of unquoted equity shares. (Refer Note below)**

	Unlisted shares irrevocably designated as at FVTOCI		Unlisted shares carried at FVTPL	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore	₹ crore	₹ crore
Opening balance	439.02	397.71	0.16	0.16
Gain/(Loss)				
- in other comprehensive income	Nil	21.51	Nil	Nil
- in profit or loss	Nil	Nil	Nil	Nil
- changes on purchase of equity shares	Nil	19.80	Nil	Nil
<b>Closing balance</b>	<b>439.02</b>	<b>439.02</b>	<b>0.16</b>	<b>0.16</b>

**Note:**

- a) Certain unquoted investments are not held for trading, instead they are held for medium or long term strategic purpose. Upon the application of Ind AS 109, the Group has chosen to designate these investments in equity instruments as at FVTOCI as the directors believe this provides a more meaningful presentation for medium and long-term strategic investments, then reflecting changes in fair value immediately in profit or loss.
- b) Unlisted shares irrevocably designated as at FVTOCI includes certain investments whose cost approximates to their fair value because there is a wide range of possible fair value measurements and their cost represents the best estimate of fair value within that range. Such investments have been excluded for quantitative sensitivity analysis as disclosed below.
- c) All gains and losses included in other comprehensive income relate to unlisted shares held at the end of the reporting period and are reported under "Equity Instruments through Other Comprehensive Income".

The significant unobservable input used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31st March, 2022 and 31st March, 2021 are as shown below:

Description of significant unobservable inputs to valuation:

	Valuation techniques	Significant unobservable inputs	Sensitivity of the input to fair value
Investments in unquoted equity shares	Price of recent transaction (PORT)	Transaction price	5% (March 31, 2021: 5%) increase (decrease) in the transaction price would result in increase (decrease) in fair value by ₹ 6.35 crore (March 31, 2021: ₹ 6.35 crore)

The discount for lack of marketability represents the amount that the Group has determined that market participants would take into account when pricing the investments.

## Notes to the Consolidated Financial Statements

### 43. Financial Instruments (Contd.)

#### 43.2 Fair value hierarchy

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

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

**Valuation techniques with observable inputs (Level 2):** Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This includes derivative financial instruments and unquoted borrowings (fixed and floating rate).

**Valuation techniques with significant unobservable inputs (Level 3):** Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares and contingent consideration receivable.

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

Date of valuation	Fair value hierarchy as at March 31, 2022				Total ₹ crore
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	₹ crore	
	₹ crore	₹ crore	₹ crore	₹ crore	
<b>Asset measured at fair value</b>					
FVTPL Financial Investments	March 31, 2022	354.85	Nil	0.16	355.01
FVTOCI Financial Investments:					
- Quoted equity shares	March 31, 2022	606.37	Nil	Nil	606.37
- Unquoted equity shares	March 31, 2022	Nil	Nil	439.02	439.02
Derivative instruments not in hedging relationship	March 31, 2022	Nil	5.06	Nil	5.06
<b>Asset for which fair values are disclosed</b>					
Investment in Government Securities	March 31, 2022	184.86	Nil	Nil	184.86
		<b>1,146.08</b>	<b>5.06</b>	<b>439.18</b>	<b>1,590.32</b>
<b>Liabilities measured at fair value</b>					
Derivative Financial Liabilities	March 31, 2022	Nil	40.79	Nil	40.79
<b>Liabilities for which fair values are disclosed</b>					
Fixed rate Borrowings	March 31, 2022	11,859.79	5,940.86	Nil	17,800.65
Floating rate Borrowings	March 31, 2022	1,942.91	28,444.39	Nil	30,387.30
<b>Total</b>		<b>13,802.70</b>	<b>34,426.04</b>	<b>Nil</b>	<b>48,228.74</b>

## Notes to the Consolidated Financial Statements

### 43. Financial Instruments (Contd.)

	Date of valuation	Fair value hierarchy as at March 31, 2021				Total ₹ crore
		Quoted prices in active markets (Level 1) ₹ crore	Significant observable inputs (Level 2) ₹ crore	Significant unobservable inputs (Level 3) ₹ crore		
<b>Asset measured at fair value</b>						
FVTPL Financial Investments	March 31, 2021	500.80	Nil	0.16	500.96	
FVTOCI Financial Investments:						
- Quoted equity shares	March 31, 2021	120.57	Nil	Nil	120.57	
- Unquoted equity shares	March 31, 2021	Nil	Nil	439.02	439.02	
Derivative instruments not in hedging relationship	March 31, 2021	Nil	1.48	Nil	1.48	
Assets Classified as Held For Sale		178.68	Nil	Nil	178.68	
Receivable on sale of Strategic Engineering Division		Nil	Nil	365.99	365.99	
<b>Asset for which fair values are disclosed</b>						
Investment in Government Securities	March 31, 2021	176.76	Nil	Nil	176.76	
		<b>976.81</b>	<b>1.48</b>	<b>805.17</b>	<b>1,783.46</b>	
<b>Liabilities measured at fair value</b>						
Derivative Financial Liabilities	March 31, 2021	Nil	192.51	Nil	192.51	
<b>Liabilities for which fair values are disclosed</b>						
Fixed rate Borrowings	March 31, 2021	13,239.48	6,866.91	Nil	20,106.39	
Floating rate Borrowings	March 31, 2021	2,302.09	21,329.72	Nil	23,631.81	
<b>Total</b>		<b>15,541.57</b>	<b>28,389.14</b>	<b>Nil</b>	<b>43,930.71</b>	

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

#### 43.3 Capital Management & Gearing Ratio

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximize the shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. From time to time, the Group reviews its policy related to dividend payment to shareholders, return capital to shareholders or fresh issue of shares. The Group monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio between 60% and 80% at consolidated level. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations as detailed in the notes below.

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

##### Gearing ratio

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

The gearing ratio at the end of the reporting period was as follows:	As at	
	March 31, 2022 ₹ crore	March 31, 2021 ₹ crore
Debt (i)	48,406.25	44,009.95
Less: Cash and Bank balances	6,621.41	5,851.60
<b>Net debt</b>	<b>41,784.84</b>	<b>38,158.35</b>
Capital (ii)	22,441.56	22,322.26
<b>Capital and net debt</b>	<b>64,226.40</b>	<b>60,480.61</b>
Net debt to Total Capital plus net debt ratio (%)	65.06	63.09

## Notes to the Consolidated Financial Statements

### 43. Financial Instruments (Contd.)

- (i) Debt is defined as Non-current borrowings (including current maturities) and Current borrowings (excluding derivative, financial guarantee contracts and contingent considerations) and interest accrued on Non-current and Current borrowings.
- (ii) Capital is defined as Equity share capital, Unsecured perpetual securities and other equity including reserves and surplus.

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

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and 31st March, 2021.

#### 43.4 Financial risk management objectives and policies

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

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a risk committee that reviews the financial risks and the appropriate financial risk governance framework for the Group. The Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The risk management policy is approved by the board of directors, which is summarized below.

##### 43.4.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: currency risk, interest rate risk and equity price risk. The impact of equity price risk is not material. Financial instruments affected by market risk include loans and borrowings, derivative financial instruments and FVTOCI investments.

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

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at March 31, 2022. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

##### a. Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign exchange risk through its operations in international projects and purchase of coal from Indonesia and elsewhere and overseas borrowings. The results of the Group's operations can be affected as the rupee appreciates/depreciates against these currencies. The Group enters into derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

## Notes to the Consolidated Financial Statements

### 43. Financial Instruments (Contd.)

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

<b>Foreign Currency Liabilities</b>	<b>As at March 31, 2022</b>		<b>As at March 31, 2021</b>	
	<b>Foreign Currency (In Millions)</b>	<b>₹ crore</b>	<b>Foreign Currency (In Millions)</b>	<b>₹ crore</b>
In USD	672.71	5,098.18	200.90	1,468.86
In EURO	0.24	2.03	0.09	0.75
In GBP	0.06	0.64	Nil	Nil
In JPY	2.73	0.17	5.90	0.39
In SGD	0.04	0.22	Nil	Nil

<b>Foreign Currency Assets</b>	<b>As at March 31, 2022</b>		<b>As at March 31, 2021</b>	
	<b>Foreign Currency (In Millions)</b>	<b>₹ crore</b>	<b>Foreign Currency (In Millions)</b>	<b>₹ crore</b>
In USD	5.83	44.15	3.09	22.62
In ZAR	0.02	0.01	0.41	0.20
In VND	3.37	*	56.76	0.02
In TAKA	Nil	Nil	0.20	0.02

\* Denotes figures below 50,000/-

#### (i) Foreign currency sensitivity analysis

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

		<b>Effect on Equity (not adjusted for tax)</b>	<b>Effect on profit before tax</b>
		<b>₹ crore</b>	<b>₹ crore</b>
<b>As of March 31, 2022</b>	Rupee depreciate by ₹ 1 against USD	(-) ₹ 66.69	(-) ₹ 40.44
	Rupee appreciate by ₹ 1 against USD	(+) ₹ 66.69	(+) ₹ 40.44
<b>As of March 31, 2021</b>	Rupee depreciate by ₹ 1 against USD	(-) ₹ 19.78	(-) ₹ 9.80
	Rupee appreciate by ₹ 1 against USD	(+) ₹ 19.78	(+) ₹ 9.80

#### Notes:

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

#### (ii) Derivative financial instruments

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

## Notes to the Consolidated Financial Statements

### 43. Financial Instruments (Contd.)

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

Outstanding Contracts	Buy/ Sell	As at March 31, 2022		
		Foreign Currency (in millions)	Nominal Value in ₹ crore	Fair Value in ₹ crore
<b>Other Derivatives</b>				
Forward contracts				
In USD	Buy	782.68	5,931.65	(35.83)
Option contracts				
In USD	Buy	27.02	204.77	(0.03)
Outstanding Contracts	Buy/ Sell	As at March 31, 2021		
		Foreign Currency (in millions)	Nominal Value in ₹ crore	Fair Value in ₹ crore
<b>Other Derivatives</b>				
Forward contracts				
In USD	Buy (Net)	1,057.32	7,730.30	(181.45)

Note: Fair Value in brackets denotes liability.

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

	Rupee depreciate by ₹ 1 against USD	Effect on Equity (not adjusted for tax)		Effect on profit before tax		
		₹ crore	₹ crore	₹ crore	₹ crore	
<b>As of March 31, 2022</b>	Rupee depreciate by ₹ 1 against USD	(+) ₹ 80.97	(+)	₹ 33.34	(+)	₹ 33.34
	Rupee appreciate by ₹ 1 against USD	(-) ₹ 80.97	(-)	₹ 33.34	(-)	₹ 33.34
<b>As of March 31, 2021</b>	Rupee depreciate by ₹ 1 against USD	(+) ₹ 105.73	(+)	₹ 16.34	(+)	₹ 16.34
	Rupee appreciate by ₹ 1 against USD	(-) ₹ 105.73	(-)	₹ 16.34	(-)	₹ 16.34

#### b. Interest rate risk management

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

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group's policy is to keep upto 50% of its borrowings at fixed rates of interest. To manage this, the Group enters into fixed rate loan, Bonds and interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

##### (i) Interest rate sensitivity:

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

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

	As at March 31, 2022		As at March 31, 2021	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
	₹ crore	₹ crore	₹ crore	₹ crore
Interest expense on loan	(+) ₹ 151.94	(-) ₹ 151.94	(+) ₹ 117.15	(-) ₹ 117.15
Effect on Equity (not adjusted for tax) /Profit before tax	(-) ₹ 151.94	(+) ₹ 151.94	(-) ₹ 117.15	(+) ₹ 117.15

## Notes to the Consolidated Financial Statements

### 43. Financial Instruments (Contd.)

#### (ii) Interest rate swap contracts:

An interest rate swap is an agreement between two counterparties in which one stream of future interest payments is exchanged for another based on a specified principal amount. Interest rate swaps usually involve the exchange of a fixed interest rate for a floating rate, or vice versa, to reduce or increase exposure to fluctuations in interest rates or to obtain a marginally lower interest rate than would have been possible without the swap. Interest rate swaps are the exchange of one set of cash flows for another.

The following table gives details in respect of outstanding receive floating pay fixed contracts:

	Nominal amounts	Less than 1 year	1 to 5 years	5 years +
		USD in Millions	USD in Millions	USD in Millions
31st March 2022	Nil	100	4.18	Nil
31st March 2021	100	Nil	Nil	Nil
	Fair value assets (liabilities)	9.25	Nil	Nil

#### 43.4.2 Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans, foreign exchange transactions and other financial instruments.

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Trade Receivables	6,665.52	5,804.79
Loans	12.79	12.23
Finance Lease Receivables	635.60	640.06
Other Financial Assets (including derivatives contracts)	2,185.98	2,248.86
Held for Sale Financial Assets	22.83	201.51
Unbilled Revenue	2,285.57	1,591.14
<b>Total</b>	<b>11,808.29</b>	<b>10,498.59</b>

Refer Note 9 for credit risk and other information in respect of trade receivables. Other receivables as stated above are due from the parties under normal course of the business and as such the Group believes exposure to credit risk to be minimal. The Group has not acquired any credit impaired asset.

#### 43.4.3 Liquidity risk management

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Having regards to the nature of the business wherein the Group is able to generate fixed cash flows over a period of time and to optimize the cost of funding, the Group, from time to time, funds its long-term investment from short-term sources. The short-term borrowings can be rollforward or, if required, can be refinanced from long term borrowings. Hence, the Group considers the liquidity risk as low.

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

	Up to 1 year	1 to 5 years	5+ years	Total	Carrying Amount
	₹ crore				
<b>March 31, 2022</b>					
<b>Non-Derivatives</b>					
Borrowings #	19,252.72	27,197.13	22,107.34	68,557.19	48,406.25
Trade Payables	10,459.60	Nil	Nil	10,459.60	10,459.60
Lease Liabilities	421.40	2,136.71	7,046.12	9,604.23	3,605.12
Other Financial Liabilities	8,774.92	98.92	1,057.64	9,931.48	9,931.48
<b>Total Non-Derivative Liabilities</b>	<b>38,908.64</b>	<b>29,432.76</b>	<b>30,211.10</b>	<b>98,552.50</b>	<b>72,402.45</b>
<b>Derivatives</b>					
Other Financial Liabilities	40.79	Nil	Nil	40.79	40.79
<b>Total Derivative Liabilities</b>	<b>40.79</b>	<b>Nil</b>	<b>Nil</b>	<b>40.79</b>	<b>40.79</b>

## Notes to the Consolidated Financial Statements

### 43. Financial Instruments (Contd.)

	<b>Up to 1 year</b>	<b>1 to 5 years</b>	<b>5+ years</b>	<b>Total</b>	<b>Carrying Amount</b>
	₹ crore	₹ crore	₹ crore	₹ crore	₹ crore
<b>March 31, 2021</b>					
<b>Non-Derivatives</b>					
Borrowings #	15,655.90	26,668.34	19,143.30	61,467.54	44,009.95
Trade Payables	7,146.41	1.67	Nil	7,148.08	7,148.08
Lease Liabilities	413.01	1,528.20	7,655.21	9,596.41	3,537.31
Other Financial Liabilities	6,615.88	431.14	939.86	7,986.88	7,986.88
<b>Total Non-Derivative Liabilities</b>	<b>29,831.20</b>	<b>28,629.35</b>	<b>27,738.37</b>	<b>86,198.91</b>	<b>62,682.22</b>
<b>Derivatives</b>					
Other Financial Liabilities	192.51	Nil	Nil	192.51	192.51
<b>Total Derivative Liabilities</b>	<b>192.51</b>	<b>Nil</b>	<b>Nil</b>	<b>192.51</b>	<b>192.51</b>

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

### 44. Financial Ratios

Sl No	Ratios	Numerator	Denominator	Note	As at March 31, 2022	As at March 31, 2021	% of Variance	Reason for Variance in excess of 25%
					₹ crore	₹ crore		
a)	Current Ratio (In times)	Current Assets	Current Liabilities	a	0.66	0.65	0.2%	
b)	Debt equity ratio (in times)	Total Debt	Total Equity	b	2.00	1.88	6.1%	
c)	Debt service coverage ratio (in times) (not annualised)	Profit before exceptional items & tax + interest expenses + depreciation & amortisation - current tax expense	Interest expense + scheduled principal repayment of long-term debt and lease liabilities during the period	c	1.03	0.94	9.9%	
d)	Inventory turnover (in number of days)	Average Inventories except Property under Development	Cost of goods sold	d	72.46	39.45	83.7%	The increase is mainly due to 1) higher quantity of inventory purchased towards the end of the year to meet the higher demand in the coming year and 2) additional inventory purchased towards the year end to meet the solar project implementation timelines
e)	Debtors turnover (in number of days)	Average trade receivable x number of days	Gross Sales		75.36	76.43	-1.4%	
f)	Trade payables turnover ratio	Average trade payable x number of days	Net credit purchases	g	100.02	94.06	6.3%	
g)	Net capital turnover ratio	Revenue from operation including net movement in Regulatory deferral balances	Working capital	h	(9.25)	(6.57)	41.0%	Improvement mainly due to increase in revenue from Odisha Discoms in financial year 2022 as compare to 2021.
h)	Net profit ratio (%) including exceptional item	Net Profit after Tax (including exceptional item)	Revenue including net movement in Regulatory deferral balances		5%	4%	17.0%	
i)	Net profit ratio (%) excluding exceptional item	Net Profit after Tax (excluding exceptional item)	Revenue including net movement in Regulatory deferral balances		7%	5%	26.8%	In FY22 net profit from continuing operation is higher by 77% mainly due to higher share of profit from Joint venture companies mainly on account of higher coal prices during the year.

## Notes to the Consolidated Financial Statements

### 43. Financial Ratios (Contd.)

SI No	Ratios	Numerator	Denominator	Note	As at March 31, 2022		% of Variance	Reason for Variance in excess of 25%
					₹ crore	₹ crore		
j)	Return on Equity (%) (ROE)	Net Profits after taxes - Interest on Perpetual securities	Average Shareholder's Equity	e	8%	5%	54.3%	In FY22 net profit from continuing operation is higher by 77% mainly due to higher share of profit from Joint venture companies mainly on account of higher coal prices during the year.
k)	Return on Capital Employed (%) (ROCE)	Profit before tax and exceptional item + interest expense excluding interest on consumer security deposit	Average Capital employed (Shareholder's equity + Total Debt + Deferred tax liability)	f	9%	8%	11.9%	
l)	Return on investment	Interest income + Dividend income + Gain on fair value of current investment at FVTPL	Average (Investment + Fixed deposit+ Loans Given)	i	3%	3%	-2.8%	

**Note:**

- a) Current Assets as per balance sheet, assets held for sale and current portion of regulatory assets  
Current Liabilities as per balance sheet, liabilities classified as held for sale and current portion of regulatory liabilities
- b) Total Debt: Long term borrowings (including current maturities of long term borrowings), lease liabilities (current and non current), short term borrowings and interest accrued on debts  
Total Equity : Issued share capital, other equity, unsecured perpetual securities and non-controlling interest
- c) For the purpose of computation, scheduled principal repayment of long term borrowings does not include prepayments (including prepayment by exercise of call/put option).
- d) Cost of Goods Sold: Cost of Fuel, Raw Material Consumed, Purchase of Finished Goods and Spares, (increase)/ decrease in Stock-in-Trade and Work in Progress
- e) Net Profit: Profit for the year attributable to Owners of the Company (including continuing and discontinuing operation) less interest on perpetual security  
Shareholders Equity: Issued share capital and other equity (excluding unsecured perpetual securities and Non-Controlling Interest)
- f) Shareholder's Equity: Issued share capital, other equity (excluding unsecured perpetual securities and non-controlling interest)
- g) Net credit purchases comprise of (a) cost of power purchased; (b) cost of fuel; (c) Transmission charges; (d) Raw material consumed; (e) Purchases of finish goods and spares; (g) Other expenses excluding (i) Bad debts (including provision); (ii) Net loss on foreign exchange; (iii) CSR expenses; (iv) (Profit)/ loss on sale of NC investments in joint ventures accounted using equity method; (v) Transfer to contingency reserve  
Trade Payable: as per balance sheet less employee related trade payables
- h) Working Capital:
  - i) Current Assets: as per balance sheet, assets held for sale and regulatory assets (Current)
  - ii) Current Liabilities as per balance sheet (excluding current maturities of long term debt and lease liability and interest accrued on long-term debts), liabilities classified as held for sale and regulatory liability (Current)
- i) Interest Income:  
Interest on bank deposits + Interest on non-current investment + Interest on loans given (subsidiaries, JV & Associates)  
Dividend Income from:  
subsidiaries + JV & Associates + others equity investments designated as FVTOCI

## Notes to the Consolidated Financial Statements

### 45. Segment Reporting

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

**Generation:** Comprises of generation of power from hydroelectric sources and thermal sources (coal, gas and oil) from plants owned and operated under lease arrangement and related ancillary services. It also comprises of coal - mining, trading, shipping and related infra business.

**Renewables:** Comprises of generation of power from renewable energy sources i.e. wind and solar. It also comprises EPC and maintenance services with respect to solar.

**Transmission and Distribution:** Comprises of transmission and distribution network, sale of power to retail customers through distribution network and related ancillary services. It also comprises of power trading business.

**Others:** Comprises of project management contracts/infrastructure management services, rooftop solar projects, electric vehicle charging stations, property development, lease rent of oil tanks and satellite communication.

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

#### (a) Segment Information:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
<b>Segment Revenue</b>		
Generation	11,211.03	13,432.77
Renewables	7,748.90	5,887.65
Transmission and Distribution	27,493.17	16,829.85
Others	317.80	262.16
	<b>46,770.90</b>	<b>36,412.43</b>
(Less): Inter Segment Revenue - Generation	(3,769.77)	(2,904.83)
(Less): Inter Segment Revenue - Renewables	(468.93)	(267.72)
(Less): Inter Segment Revenue - Others	(10.19)	(11.31)
	<b>42,522.01</b>	<b>33,228.57</b>
Discontinued Operations- Others #	Nil	193.63
<b>Revenue / Income from Operations (including Net Movement in Regulatory Deferral Balances)</b>	<b>42,522.01</b>	<b>33,422.20</b>
Segment Results		
Generation	2,632.75	2,709.81
Renewables	1,923.57	1,494.25
Transmission and Distribution	2,138.49	1,677.02
Others	(286.03)	83.16
	<b>6,408.78</b>	<b>5,964.24</b>
Total Segment Results		
(Less): Finance Costs	(3,859.02)	(4,010.39)
Add/(Less): Exceptional Item - Generation	Nil	(109.29)
Add/(Less): Exceptional Item - Transmission and Distribution	(150.27)	Nil
Add/(Less): Unallocable Income/(Expense) (Net)	603.51	142.17
	<b>3,003.00</b>	<b>1,986.73</b>
<b>Profit/(Loss) Before Tax from Continuing Operations</b>	<b>Nil</b>	<b>(59.85)</b>
<b>Profit/(Loss) Before Tax from Discontinued Operations</b>	<b>(467.83)</b>	<b>(160.00)</b>
<b>Profit/(Loss) Before Tax from Discontinued Operations</b>	<b>(467.83)</b>	<b>(219.85)</b>

## Notes to the Consolidated Financial Statements

### 45. Segment Reporting: (Contd.)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
<b>Segment Assets</b>		
Generation	38,201.93	37,717.32
Renewables	27,589.28	22,702.98
Transmission and Distribution	32,411.34	25,542.61
Others	1,972.50	1,469.98
Unallocable*	12,709.54	11,405.97
<b>Total Assets</b>	<b>1,12,884.59</b>	<b>98,838.86</b>
<b>Segment Liabilities</b>		
Generation	5,728.80	4,690.36
Renewables	5,011.57	3,752.74
Transmission and Distribution	19,542.33	13,829.44
Others	147.98	118.89
Unallocable*	56,425.45	51,197.87
<b>Total Liabilities</b>	<b>86,856.13</b>	<b>73,589.30</b>
<b>Capital Expenditure (to the extent allocable to the segment)</b>		
Generation	540.00	429.70
Renewables	4,313.15	1,235.85
Transmission and Distribution	2,121.07	1,314.53
Others	288.23	124.61
Discontinued Operations#	Nil	32.97
	<b>7,262.45</b>	<b>3,137.66</b>
<b>Depreciation/Amortisation (to the extent allocable to the segment)</b>		
Generation	1,047.09	1,055.41
Renewables	934.57	827.25
Transmission and Distribution	1,067.68	792.35
Others	34.55	25.47
	<b>3,083.89</b>	<b>2,700.48</b>

### RECONCILIATION OF REVENUE

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
<b>Revenue from Operations</b>		
Revenue from Operations	42,815.67	32,703.31
Add/(Less): Net Movement in Regulatory Deferral Balances	(380.42)	454.22
Add/(Less): Deferred Tax Recoverable/(Payable)	140.95	81.80
Add/(Less): Unallocable Revenue	(54.19)	(10.76)
<b>Total Segment Revenue</b>	<b>42,522.01</b>	<b>33,228.57</b>
Discontinued Operations- Others #	Nil	193.63
<b>Total Segment Revenue as reported above</b>	<b>42,522.01</b>	<b>33,422.20</b>

# Pertains to Strategic Engineering Division being classified as Discontinued Operation and disposed of during the previous year ended March 31, 2021.

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

#### Notes:

- Comparative figures for statement of profit and loss items are for the year ended March 31, 2021 and Balance Sheet items are as at March 31, 2021.
- Revenue from power distribution companies on sale of electricity with which Group has entered into a Power Purchase Agreement accounts for more than 10% of Total Revenue.
- Transfer pricing between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

## Notes to the Consolidated Financial Statements

### 45. Segment Reporting: (Contd.)

#### (b) Geographic Information:

The Group operates in two principal geographical areas - Domestic and Overseas

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

#### Geographical Segment

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
<b>Revenue from External Customers</b>		
Domestic	42,403.11	33,262.14
Overseas	118.90	160.06
	<b>42,522.01</b>	<b>33,422.20</b>
<b>Segment Assets:</b>		
Non Current Assets		
Domestic	68,785.00	60,178.34
Overseas	9,185.83	10,466.86
	<b>77,970.83</b>	<b>70,645.20</b>
<b>Current Assets</b>		
Domestic	15,117.20	10,390.79
Overseas	276.45	174.46
	<b>15,393.65</b>	<b>10,565.25</b>
<b>Regulatory Deferral Account - Assets</b>		
Domestic	6,810.57	6,222.44
	<b>6,810.57</b>	<b>6,222.44</b>
Unallocable Assets	<b>12,709.54</b>	<b>11,405.97</b>
<b>Total Assets</b>	<b>1,12,884.59</b>	<b>98,838.86</b>
<b>Capital Expenditure (to the extent allocable to the segment)</b>		
Domestic	7,262.45	3,124.10
Overseas	Nil	13.56
	<b>7,262.45</b>	<b>3,137.66</b>

### 46. Significant Events after the Reporting Period

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

## Notes to the Consolidated Financial Statements

### 47. Statement of Net Assets and Profit and Loss attributable to Owners and Non Controlling Interests

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Total Income i.e. Revenue Plus Other Income		Share of Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ crore)	As % of consolidated total income	Amount (₹ crore)	As % of consolidated profit	Amount (₹ crore)	As % of consolidated Other comprehensive income	Amount (₹ crore)	As % of consolidated Total comprehensive income	Amount (₹ crore)
The Tata Power Company Ltd. #	26.67	10,879.80	26.70	14,229.39	34.32	2,782.93	44.80	314.33	35.16	3,097.26
<b>Indian Subsidiaries</b>										
Nelco Ltd. (Consolidated) 1	0.22	89.05	0.50	264.81	0.20	16.08	(0.04)	(0.30)	0.18	15.78
Tata Power Trading Co. Ltd.	0.78	320.26	0.73	388.02	0.68	54.82	(0.04)	(0.30)	0.62	54.52
Maithon Power Ltd.	6.08	2,480.89	5.26	2,804.66	3.46	280.53	Nil	(0.03)	3.18	280.50
Tata Power Delhi Distribution Ltd.	10.00	4,082.90	15.27	8,139.99	5.41	438.66	0.05	0.38	4.99	439.04
Tata Power Jamshedpur Distribution Ltd.	Nil	(1.51)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
TP Renewable Microgrid Ltd.	0.16	64.96	0.01	3.56	(0.21)	(17.10)	Nil	(0.01)	(0.19)	(17.11)
Tata Power Renewable Energy Ltd.	12.83	5,239.78	2.88	1,536.35	2.33	188.99	(0.07)	(0.49)	2.14	188.50
TP Kirnali Ltd.	Nil	(0.99)	Nil	0.01	Nil	(0.26)	Nil	Nil	Nil	(0.26)
TP Solapur Ltd.	Nil	(0.17)	Nil	Nil	Nil	(0.00)	Nil	Nil	Nil	(0.00)
Tata Power Solar Systems Ltd.	2.15	875.85	16.09	8,580.56	1.98	160.52	13.10	91.91	2.87	252.43
NDPL Infra Ltd.	0.06	25.76	Nil	1.40	0.01	0.82	Nil	Nil	0.01	0.82
Tata Power Green Energy Ltd.	0.02	10.18	0.11	56.80	0.13	10.85	Nil	Nil	0.12	10.85
TP Wind Power Ltd.	0.18	73.12	0.06	31.92	0.08	6.76	Nil	Nil	0.08	6.76
Supa Windfarm Ltd.	0.03	10.84	Nil	Nil	Nil	(0.01)	Nil	Nil	Nil	(0.01)
Poolavadi Windfarm Ltd.	0.25	102.35	0.08	43.92	0.10	8.38	Nil	Nil	0.10	8.38
Nivade Windfarm Ltd.	Nil	(0.02)	Nil	Nil	Nil	(0.00)	Nil	Nil	Nil	(0.00)
Vagarai Windfarm Ltd.	(0.11)	(43.59)	0.03	16.68	(0.14)	(11.71)	Nil	Nil	(0.13)	(11.71)
TP Ajmer Distribution Ltd.	0.02	7.63	0.82	439.72	Nil	(0.34)	0.01	0.10	Nil	(0.24)
Chirasthaayee Surya Ltd.	0.04	16.03	0.09	49.00	0.10	7.93	Nil	Nil	0.09	7.93
Walwan Renewable Energy Ltd. (Consolidated) 2	7.43	3,035.06	2.50	1,332.75	5.44	441.27	0.03	0.18	5.01	441.45
TP Kirnali Solar Ltd.	0.04	15.69	Nil	0.84	Nil	0.25	Nil	Nil	Nil	0.25
TP Solapur Solar Ltd.	0.03	13.25	Nil	0.26	Nil	(0.32)	Nil	Nil	Nil	(0.32)
TP Akkalkot Renewable Ltd	0.03	12.81	Nil	Nil	Nil	(0.14)	Nil	Nil	Nil	(0.14)
TP Surya Ltd	(0.03)	(11.67)	Nil	Nil	(0.09)	(7.40)	Nil	Nil	(0.08)	(7.40)
TP Roofurja Renewables Ltd.	Nil	(0.92)	Nil	Nil	Nil	(0.01)	Nil	Nil	Nil	(0.01)
TP Solapur Surya Limited	Nil	0.05	Nil	Nil	Nil	(0.00)	Nil	Nil	Nil	(0.00)
TP Central Odisha Distribution Ltd.	1.32	540.14	7.73	4,121.68	0.36	29.45	Nil	Nil	0.33	29.45
TP Western Odisha Distribution Ltd.	1.04	422.65	8.11	4,326.44	0.79	63.74	Nil	Nil	0.72	63.74
TP Southern Odisha Distribution Ltd.	0.83	339.39	3.26	1,738.79	0.85	69.03	Nil	Nil	0.78	69.03
TP Northern Odisha Distribution Ltd.	0.90	368.87	5.19	2,768.06	0.91	73.92	Nil	Nil	0.84	73.92
<b>Foreign Subsidiaries</b>										
Bhira Investments Ltd	6.42	2,622.20	2.74	1,460.35	15.61	1,265.39	14.58	102.32	15.53	1,367.71
Bhivpuri Investments Ltd.	3.33	1,358.45	Nil	Nil	(0.37)	(29.62)	6.91	48.48	0.21	18.86
Khopoli Investments Ltd.	2.11	862.28	0.05	28.93	0.13	10.16	4.31	30.23	0.46	40.39
Trust Energy Resources Pte. Ltd.	1.92	783.07	1.01	538.74	0.10	7.94	5.61	39.36	0.54	47.30
PT Sumber Energi Andalan Tbk. (Consolidated) 3	0.03	12.40	Nil	Nil	Nil	Nil	0.06	0.44	Nil	0.44
Tata Power International Pte. Ltd.	0.06	24.64	0.74	394.68	1.23	99.42	(0.14)	(1.00)	1.12	98.42
Far Eastern Natural Resources LLC	0.04	17.12	0.04	22.78	(0.04)	(3.49)	0.43	3.01	(0.01)	(0.48)

## Notes to the Consolidated Financial Statements

### 47. Statement of Net Assets and Profit and Loss attributable to Owners and Non Controlling Interests (Contd.)

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Total Income i.e. Revenue Plus Other Income		Share of Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ crore)	As % of consolidated total income	Amount (₹ crore)	As % of consolidated profit	Amount (₹ crore)	As % of consolidated Other comprehensive income	Amount (₹ crore)	As % of consolidated Total comprehensive income	Amount (₹ crore)
<b>Indian Associates</b>										
The Associated Building Company Ltd.	0.01	4.98	Nil	Nil	0.02	1.65	Nil	Nil	0.02	1.65
Yashmun Engineers Ltd.	(0.01)	(2.82)	Nil	Nil	(0.01)	(0.77)	Nil	Nil	(0.01)	(0.77)
Tata Projects Ltd.	(1.52)	(619.93)	Nil	Nil	(3.65)	(296.20)	1.00	6.99	(3.28)	(289.21)
Brihat Trading Pvt. Ltd.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Foreign Associates</b>										
Dagachu Hydro Power Corporation Ltd.	0.08	34.17	Nil	Nil	0.11	8.88	Nil	(0.00)	0.10	8.88
<b>Indian Jointly Control Entities</b>										
Powerlinks Transmission Ltd.	1.22	497.42	Nil	Nil	0.58	46.61	0.03	0.19	0.53	46.80
Industrial Energy Ltd.	1.75	716.07	Nil	Nil	1.11	89.61	(0.03)	(0.24)	1.01	89.37
Dugar Hydro Power Ltd.	0.08	31.86	Nil	Nil	Nil	0.16	Nil	Nil	Nil	0.16
Mandakini Coal Company Ltd.	(0.14)	(57.19)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Solace Land Holding Ltd.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Foreign Jointly Control Entities</b>										
PT Mitratama Perkasa (Consolidated) <sup>3</sup>	2.07	844.02	Nil	Nil	Nil	Nil	4.24	29.78	0.34	29.78
PT Arutmin Indonesia	1.89	773.35	Nil	Nil	Nil	Nil	3.89	27.28	0.31	27.28
PT Kaltim Prima Coal	1.46	595.80	Nil	Nil	17.08	1,384.50	0.17	1.16	15.73	1,385.66
Indocoal Resources (Cayman) Ltd.	0.71	289.06	Nil	Nil	0.05	3.98	1.44	10.12	0.16	14.10
PT Indocoal Kalsel Resources	Nil	0.00	Nil	Nil	Nil	0.05	Nil	Nil	Nil	0.05
PT Indocoal Kaltim Resources	Nil	0.00	Nil	Nil	Nil	(0.01)	Nil	Nil	Nil	(0.01)
Candice Investments Pte. Ltd.	0.08	32.86	Nil	Nil	0.08	6.60	0.15	1.04	0.09	7.64
PT Nusa Tambang Pratama	1.71	697.97	Nil	Nil	1.72	139.81	3.71	26.03	1.88	165.84
PT Marvel Capital Indonesia	Nil	0.18	Nil	Nil	Nil	0.00	Nil	0.01	Nil	0.01
PT Dwikarya Prima Abadi	0.12	51.00	Nil	Nil	2.66	215.31	0.16	1.13	2.46	216.44
PT Kalimantan Prima Power (Consolidated) <sup>4</sup>	0.55	223.94	Nil	Nil	0.11	9.19	1.09	7.66	0.19	16.85
PT Baramulti Sukessarana Tbk (Consolidated) <sup>5</sup>	1.34	546.39	Nil	Nil	5.27	426.96	2.31	16.19	5.03	443.15
Adjaristsqali Netherlands BV (Consolidated) <sup>6</sup>	1.52	618.89	Nil	Nil	Nil	Nil	(0.93)	(6.52)	(0.07)	(6.52)
Koromkheti Netherlands BV	(0.08)	(31.63)	Nil	Nil	Nil	Nil	0.08	0.59	0.01	0.59
Itezhi Tezhi Power Corporation	1.06	432.26	Nil	Nil	Nil	Nil	1.54	10.83	0.12	10.83
Resurgent Power Ventures Pte. Ltd. (Consolidated) <sup>7</sup>	1.22	498.30	Nil	Nil	1.50	121.80	(8.45)	(59.30)	0.71	62.50
Indocoal KPC Resources (Cayman) Ltd.	Nil	0.83	Nil	Nil	Nil	(0.02)	Nil	0.03	Nil	0.01
	<b>100.00</b>	<b>40,826.37</b>	<b>100.00</b>	<b>53,321.09</b>	<b>100.00</b>	<b>8,105.54</b>	<b>100.00</b>	<b>701.58</b>	<b>100.00</b>	<b>8,807.12</b>

## Notes to the Consolidated Financial Statements

### 47. Statement of Net Assets and Profit and Loss attributable to Owners and Non Controlling Interests (Contd.)

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Total Income i.e. Revenue Plus Other Income		Share of Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ crore)	As % of consolidated total income	Amount (₹ crore)	As % of consolidated profit	Amount (₹ crore)	As % of consolidated Other comprehensive income	Amount (₹ crore)	As % of consolidated Total comprehensive income	Amount (₹ crore)
a) Adjustments arising out of consolidation	Nil	(14,797.91)	Nil	(9,824.93)	Nil	(5,949.93)	Nil	(228.17)	Nil	(6,178.10)
b) Non-Controlling Interest										
<b>Indian Subsidiaries</b>										
Nelco Ltd. (Consolidated) 1	Nil	(44.49)	Nil	Nil	Nil	(8.03)	Nil	0.15	Nil	(7.88)
Maithon Power Ltd.	Nil	(645.03)	Nil	Nil	Nil	(72.94)	Nil	0.01	Nil	(72.93)
Tata Power Delhi Distribution Ltd.	Nil	(2,000.62)	Nil	Nil	Nil	(214.94)	Nil	(0.19)	Nil	(215.13)
NDPL Infra Ltd.	Nil	(12.62)	Nil	Nil	Nil	(0.40)	Nil	Nil	Nil	(0.40)
Poolavadi Windfarm Ltd.	Nil	(26.61)	Nil	Nil	Nil	(2.18)	Nil	Nil	Nil	(2.18)
TP Kirnali Solar Ltd.	Nil	(4.08)	Nil	Nil	Nil	(0.07)	Nil	Nil	Nil	(0.07)
TP Solapur Solar Ltd.	Nil	(3.45)	Nil	Nil	Nil	0.08	Nil	Nil	Nil	0.08
TP Akkalkot Renewable Ltd	Nil	(3.33)	Nil	Nil	Nil	0.04	Nil	Nil	Nil	0.04
TP Central Odisha Distribution Ltd.	Nil	(264.67)	Nil	Nil	Nil	(14.43)	Nil	Nil	Nil	(14.43)
TP Western Odisha Distribution Ltd.	Nil	(207.10)	Nil	Nil	Nil	(31.23)	Nil	Nil	Nil	(31.23)
TP Southern Odisha Distribution Ltd.	Nil	(166.30)	Nil	Nil	Nil	(33.82)	Nil	Nil	Nil	(33.82)
TP Northern Odisha Distribution Ltd.	Nil	(180.75)	Nil	Nil	Nil	(36.22)	Nil	Nil	Nil	(36.22)
<b>Foreign Subsidiaries</b>										
PT Sumber Energi Andalan Tbk. (Consolidated) <sup>3</sup>	Nil	(0.93)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Foreign Jointly Control Entities</b>										
PT Mitratama Perkasa (Consolidated) <sup>3</sup>	Nil	(26.92)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>		<b>(3,586.90)</b>				<b>(414.15)</b>		<b>(0.03)</b>		<b>(414.18)</b>
<b>Consolidated Net Assets / Profit after tax</b>		<b>22,441.56</b>		<b>43,496.16</b>		<b>1,741.46</b>		<b>473.38</b>		<b>2,214.84</b>

₹ crore
<b>Reconciliation of Total Income (i.e. Revenue plus other income)</b>
Total Income as per Statement of Profit & Loss
43,735.63
Net Movement in Regulatory Deferral Balances (Net)
(239.47)
43,496.16
<b>Total Income as per the above statement</b>
<b>43,496.16</b>

**Note:**

1. Accounts of Nelco Network Products Limited have been consolidated with Nelco Ltd.
  2. Accounts of all subsidiaries of Walwan Renewable Energy Ltd. (Refer Note 2.6) have been consolidated with Walwan Renewable Energy Ltd.
  3. Accounts of PT Mitratama Perkasa have been consolidated with PT Sumber Energi Andalan Tbk.
  4. Accounts of PT Citra Prima Buana, PT Guruh Agung and PT Citra Kusuma Perdana have been consolidated with PT Kalimantan Prima Power.
  5. Accounts of PT Antang Gunung Meratus have been consolidated with PT Baramulti Sukessarana Tbk.
  6. Accounts of Adjaristsqali Georgia LLC have been consolidated with Adjaristsqali Netherlands BV.
  7. Accounts of Renascent Power Ventures Pvt. Ltd and Prayagraj Power Generation Company Limited have been consolidated with Resurgent Power Ventures Pte. Ltd.
- # Includes Discontinued Operations

## Notes to the Consolidated Financial Statements

### 47. Statement of Net Assets and Profit and Loss attributable to Owners and Non Controlling Interests (Contd.)

#### 47.1 Summarised Financial Information of Material Non Controlling Interests

Financial Information of Subsidiaries that have material non-controlling interest is provided below:

Proportion of equity interest held by non-controlling interests:

Name	Country of Incorporation	March 31, 2022		March 31, 2021	
		₹ crore	₹ crore	₹ crore	₹ crore
Maithon Power Limited	India	26%		26%	
Tata Power Delhi Distribution Limited	India	49%		49%	
TP Central Odisha Distribution Limited	India	49%		49%	
TP Western Odisha Distribution Limited	India	49%		49%	
TP Southern Odisha Distribution Limited	India	49%		49%	
TP Northern Odisha Distribution Limited	India	49%		49%	

#### A Maithon Power Ltd.

##### (i) Summarised Balance Sheet:

	As at March 31, 2022		As at March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
Non-current Assets	3,722.62		3,789.32	
Current Assets	975.47		689.33	
Non-current Liabilities	(1,402.37)		(1,609.51)	
Current Liabilities	(814.83)		(668.75)	
<b>Attributable to:</b>				
Equity holders of parent	1,835.86		1,628.73	
Non-controlling interest	645.03		571.66	

##### (ii) Summarised Statement of Profit and Loss:

	For the year ended March 31, 2022		For the year ended March 31, 2021	
	₹ crore	₹ crore	₹ crore	₹ crore
Revenue	2,782.38		2,503.38	
Other Income	22.28		17.15	
Cost of Power Purchased	(2.18)		(1.18)	
Cost of Fuel	(1,772.84)		(1,500.33)	
Employee Benefits Expenses	(44.96)		(40.27)	
Finance Cost	(137.29)		(136.09)	
Depreciation and Amortisation Expenses	(272.14)		(246.07)	
Other Expenses	(282.62)		(280.11)	
<b>Profit before tax</b>	<b>292.63</b>		<b>316.48</b>	
Tax Expenses	(12.10)		(5.46)	
<b>Profit for the year</b>	<b>280.53</b>		<b>311.02</b>	
Other Comprehensive Income/(Expense) for the year	(0.03)		0.94	
<b>Total Comprehensive Income for the year</b>	<b>280.50</b>		<b>311.96</b>	
<b>Attributable to:</b>				
Equity holders of parent	207.57		230.85	
Non-controlling interest	72.93		81.11	
<b>Dividend including Dividend Distribution Tax Attributable to:</b>				
Equity holders of parent	Nil		133.20	
Non-controlling interest	Nil		46.80	

## Notes to the Consolidated Financial Statements

### 47.1 Summarised Financial Information of Material Non Controlling Interests (Contd.)

#### (iii) Summarised Cash Flow information:

	For the year ended March 31, 2022 ₹ crore	For the year ended March 31, 2021 ₹ crore
Operating Activities	525.94	1,024.74
Investing Activities	(319.65)	(427.17)
Financing Activities	(261.62)	(614.88)
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>(55.33)</b>	<b>(17.31)</b>

#### B Tata Power Delhi Distribution Ltd.

##### (i) Summarised Balance Sheet:

	As at March 31, 2022 ₹ crore	As at March 31, 2021 ₹ crore
Non-current Assets	4,427.13	4,463.51
Current Assets	966.85	962.13
Assets classified as held for sale	20.04	20.04
Regulatory Deferral Account - Assets	5,842.23	5,511.71
Non-current Liabilities	(4,539.45)	(4,624.61)
Current Liabilities	(2,633.90)	(2,562.67)
	<b>4,082.90</b>	<b>3,770.11</b>
<b>Attributable to:</b>		
Equity holders of parent	2,082.28	1,922.78
Non-controlling interest	2,000.62	1,847.33

##### (ii) Summarised Statement of Profit and Loss:

	For the year ended March 31, 2022 ₹ crore	For the year ended March 31, 2021 ₹ crore
Revenue including Regulatory income/(expense)	7,978.41	7,296.89
Other Income	161.58	116.02
Cost of Power Purchased	(5,956.92)	(5,306.26)
Employee Benefits Expenses	(515.72)	(557.12)
Finance Cost	(324.05)	(343.91)
Depreciation and Amortisation Expenses	(371.14)	(353.82)
Other Expenses	(337.12)	(294.27)
<b>Profit before tax</b>	<b>635.04</b>	<b>557.53</b>
Tax Expenses	(196.38)	(129.36)
<b>Profit for the year</b>	<b>438.66</b>	<b>428.17</b>
Other Comprehensive Income/(Expense) for the year	0.38	1.28
<b>Total Comprehensive Income for the year</b>	<b>439.04</b>	<b>429.45</b>
<b>Attributable to:</b>		
Equity holders of parent	223.91	219.02
Non-controlling interest	215.13	210.43
<b>Dividend including Dividend Distribution Tax Attributable to:</b>		
Equity holders of parent	64.38	67.56
Non-controlling interest	61.86	64.92

## Notes to the Consolidated Financial Statements

### 47.1 Summarised Financial Information of Material Non Controlling Interests (Contd.)

#### (iii) Summarised Cash Flow information:

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Operating Activities	1,061.63	813.07
Investing Activities	(331.14)	(266.89)
Financing Activities	(751.40)	(538.59)
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>(20.91)</b>	<b>7.59</b>

#### C TP Central Odisha Distribution Ltd

##### (i) Summarised Balance Sheet:

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Non-current Assets	3,829.36	3,249.88
Current Assets	2,261.93	1,475.52
Regulatory Deferral Account - Assets	126.24	89.03
Non-current Liabilities	(2,810.54)	(2,254.49)
Current Liabilities	(2,866.85)	(2,253.20)
<b>Attributable to:</b>		
Equity holders of parent	275.47	156.44
Non-controlling interest	264.67	150.30

##### (ii) Summarised Statement of Profit and Loss:

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Revenue including Regulatory income/(expense)	4,070.42	2,998.54
Other Income	51.26	46.03
Cost of Power Purchased & Transmission Charges	(2,715.66)	(2,033.87)
Employee Benefits Expenses	(745.42)	(586.89)
Finance Cost	(85.39)	(33.17)
Depreciation and Amortisation Expenses	(117.80)	(75.64)
Other Expenses	(417.80)	(305.99)
<b>Profit before tax</b>	<b>39.61</b>	<b>9.01</b>
Tax Expenses	(10.16)	(2.28)
<b>Profit for the year</b>	<b>29.45</b>	<b>6.73</b>
Other Comprehensive Income/(Expense) for the year	Nil	Nil
<b>Total Comprehensive Income for the year</b>	<b>29.45</b>	<b>6.73</b>
<b>Attributable to:</b>		
Equity holders of parent	15.02	3.43
Non-controlling interest	14.43	3.30

##### (iii) Summarised Cash Flow information:

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Operating Activities	164.82	146.29
Investing Activities	(852.72)	(158.23)
Financing Activities	679.31	67.05
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>(8.59)</b>	<b>55.11</b>

## Notes to the Consolidated Financial Statements

### 47.1 Summarised Financial Information of Material Non Controlling Interests (Contd.)

#### D TP Western Odisha Distribution Ltd

##### (i) Summarised Balance Sheet:

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Non-current Assets	2,070.87	1,735.84
Current Assets	2,900.59	1,518.55
Non-current Liabilities	(1,660.24)	(1,278.57)
Current Liabilities	(2,253.93)	(1,577.91)
Regulatory Deferral Account - Liability	(634.64)	(98.93)
	<b>422.65</b>	<b>298.98</b>
<b>Attributable to:</b>		
Equity holders of parent	215.55	152.48
Non-controlling interest	207.10	146.50

##### (ii) Summarised Statement of Profit and Loss:

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Revenue including Regulatory income/(expense)	4,242.77	839.46
Other Income	83.67	29.06
Cost of Power Purchased & Transmission Charges	(3,338.17)	(689.80)
Employee Benefits Expenses	(450.71)	(101.70)
Finance Cost	(42.93)	(10.94)
Depreciation and Amortisation Expenses	(81.12)	(16.40)
Other Expenses	(328.32)	(51.04)
<b>Profit before tax</b>	<b>85.19</b>	<b>(1.36)</b>
Tax Expenses	(21.45)	0.34
<b>Profit for the year</b>	<b>63.74</b>	<b>(1.02)</b>
Other Comprehensive Income/(Expense) for the year	Nil	Nil
<b>Total Comprehensive Income for the year</b>	<b>63.74</b>	<b>(1.02)</b>
<b>Attributable to:</b>		
Equity holders of parent	32.51	(0.52)
Non-controlling interest	31.23	(0.50)

##### (iii) Summarised Cash Flow information:

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Operating Activities	553.80	248.06
Investing Activities	(899.17)	(67.90)
Financing Activities	458.49	(201.31)
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>113.12</b>	<b>(21.15)</b>

## Notes to the Consolidated Financial Statements

### 47.1 Summarised Financial Information of Material Non Controlling Interests (Contd.)

#### E TP Southern Odisha Distribution Ltd

##### (i) Summarised Balance Sheet:

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Non-current Assets	994.79	828.79
Current Assets	1,185.17	778.44
Regulatory Deferral Account - Assets	93.58	48.10
Non-current Liabilities	(742.86)	(507.73)
Current Liabilities	(1,191.29)	(925.18)
<b>Attributable to:</b>		
Equity holders of parent	173.09	113.43
Non-controlling interest	166.30	108.99

##### (ii) Summarised Statement of Profit and Loss:

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Revenue including Regulatory income/(expense)	1,689.49	338.41
Other Income	49.30	24.17
Cost of Power Purchased & Transmission Charges	(916.57)	(198.75)
Employee Benefits Expenses	(395.60)	(107.26)
Finance Cost	(27.03)	(4.73)
Depreciation and Amortisation Expenses	(40.63)	(6.90)
Other Expenses	(269.33)	(31.69)
<b>Profit before tax</b>	<b>89.63</b>	<b>13.25</b>
Tax Expenses	(20.60)	9.17
<b>Profit for the year</b>	<b>69.03</b>	<b>22.42</b>
Other Comprehensive Income/(Expense) for the year	Nil	Nil
<b>Total Comprehensive Income for the year</b>	<b>69.03</b>	<b>22.42</b>
<b>Attributable to:</b>		
Equity holders of parent	35.21	11.43
Non-controlling interest	33.82	10.99

##### (iii) Summarised Cash Flow information:

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Operating Activities	(28.16)	146.90
Investing Activities	(174.61)	(112.91)
Financing Activities	285.57	(72.31)
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>82.80</b>	<b>(38.32)</b>

## Notes to the Consolidated Financial Statements

### 47.1 Summarised Financial Information of Material Non Controlling Interests (Contd.)

#### F TP Northern Odisha Distribution Ltd

##### (i) Summarised Balance Sheet:

	As at March 31, 2022	As at March 31, 2021
	₹ crore	₹ crore
Non-current Assets	2,260.30	Nil
Current Assets	1,413.32	Nil
Regulatory Deferral Account - Assets	22.58	Nil
Non-current Liabilities	(1,595.37)	Nil
Current Liabilities	(1,731.96)	Nil
	<b>368.87</b>	<b>Nil</b>
<b>Attributable to:</b>		
Equity holders of parent	188.12	Nil
Non-controlling interest	180.75	Nil

##### (ii) Summarised Statement of Profit and Loss:

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Revenue including Regulatory income/(expense)	2,722.46	Nil
Other Income	45.60	Nil
Cost of Power Purchased & Transmission Charges	(1,836.76)	Nil
Employee Benefits Expenses	(436.79)	Nil
Finance Cost	(45.23)	Nil
Depreciation and Amortisation Expenses	(89.34)	Nil
Other Expenses	(261.16)	Nil
<b>Profit before tax</b>	<b>98.78</b>	<b>Nil</b>
Tax Expenses	(24.86)	Nil
<b>Profit for the year</b>	<b>73.92</b>	<b>Nil</b>
Other Comprehensive Income/(Expense) for the year	Nil	Nil
<b>Total Comprehensive Income for the year</b>	<b>73.92</b>	<b>Nil</b>
<b>Attributable to:</b>		
Equity holders of parent	37.70	Nil
Non-controlling interest	36.22	Nil

##### (iii) Summarised Cash Flow information:

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹ crore	₹ crore
Operating Activities	263.34	Nil
Investing Activities	(578.30)	Nil
Financing Activities	163.04	Nil
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>(151.92)</b>	<b>Nil</b>

**47.2** Tata Power Renewable Energy Limited ("TPREL"), a wholly owned subsidiary and the Holding company have entered into binding agreements with Green Forest New Energies Bidco Ltd. (UK) ("GreenForest") to invest ₹ 4,000 crore (US\$ 525 million) by way of equity and compulsorily convertible instruments for a 10.53% stake in TPREL, translating to a base equity valuation of ₹ 34,000 crore. The final shareholding will range from 9.76% to 11.43% at the time of final conversion into equity shares. Green Forest is a consortium led by BlackRock Real Assets along with co-investor Mubadala Investment Company.

## Notes to the Consolidated Financial Statements

### 48. Business Combinations

#### 48.1 Summary

During the year, pursuant to order issued by the Odisha Electricity Regulation Commission ('vesting order'), the Group has acquired distribution business of Northern Odisha through TP Northern Odisha Distribution Ltd. ('TPNODL') by way of acquisition of shares. Accordingly, the TPNODL is a licensee to carry out the function of distribution and retail supply of electricity covering the distribution circles of Northern Odisha for a period of 25 years.

Below are the details of subsidiary acquired:

Name of the acquired Subsidiary	Principal Activity	Date of Acquisition	Proportion of voting equity interest acquired
TPNODL	Distribution business of Northern Odisha	April 1, 2021	51%

The above subsidiary was acquired pursuant to order issued by Odisha Electricity Regulation Commission ('OERC') which is in line with Group's expansion plan for distribution business.

#### 48.2 Consideration transferred and Net Assets acquired

The Group has accounted the acquisition of TPNODL in accordance with Ind AS 103 'Business Combination'. The details of the acquisition is as follows:

Particulars	₹ crore
Consideration transferred	191.25
Add: Non-Controlling Interest	122.50
Less: fair value of identifiable net assets acquired (Refer note 48.3 below)	(250.00)
<b>Goodwill</b>	<b>63.75</b>

Goodwill comprises the value of expected higher profitability on account of the acquisition. Non-controlling interest has been initially measured at proportionate share of TPNODL's net assets. Acquisition related costs amounting to ₹ 0.16 crore have been excluded from the consideration transferred and have been recognised as an expenses in consolidated profit and loss in the current year, under the head "Other expenses".

#### 48.3 Details of assets acquired and liabilities recognised at the date of acquisition

The following table summarises the fair value of assets and liabilities as a part of business combination as per purchase price allocation in accordance with Ind AS 103 at the date of acquisition :

Particulars	₹ crore	Total
<b>Non-Current assets</b>		
Property, Plant and Equipment	1,473.41	
Capital Work-in-Progress	23.21	
Other Financial assets	316.54	
Non-Current Tax Assets	27.65	
Other Non-Current Assets	16.37	
<b>Current assets</b>		
Inventories	17.07	
Cash and Cash Equivalents	306.63	
Bank balances other than above	458.85	
Other Financial Assets	7.26	
Other Current Assets	31.96	
<b>Non-Current liabilities</b>		
Other Non-Current Liabilities	(1,256.10)	
<b>Current Liabilities</b>		
Borrowings	(370.05)	
Trade Payables	(50.47)	
Other Financial Liabilities	(729.24)	
Other Current Liabilities	(23.09)	
<b>Fair value of Net Assets acquired</b>	<b>250.00</b>	

## Notes to the Consolidated Financial Statements

### 48. Business Combinations (Contd.)

**48.4** Revenue and profit or loss of the acquiree since the acquisition date included in the consolidated statement of profit and loss of the Group:

Particulars	TPNODL
Revenue from Operations (Including Net Movement in Regulatory Deferral Balances)	2,722.46
Profit before tax	98.78

**48.5** During the previous year, pursuant to orders issued by OERC, the Group had acquired distribution business of Central, Western and Southern Odisha through its three subsidiaries by way of acquisition of shares. Accordingly, the subsidiary companies are the licensees to carry out the functions of distribution and retail supply of electricity covering the distribution circles of Central, Western and Southern Odisha for a period of 25 years. The Group had accounted the acquisition in accordance with Ind AS 103 'Business Combination'. The details of the acquisition is as follows:

Particulars	₹ crore
Consideration transferred	561.00
Add: Non-controlling interest	392.00
Less: Fair value of identifiable net assets acquired	(800.00)
<b>Goodwill</b>	<b>153.00</b>

Whilst preparing financial statements for the year-ended March 31, 2021, the Group had accounted for business combination using provisional fair values. During the year, the subsidiary companies have received the Carve Out Order clarifying identification of assets and liabilities and carrying values of those assets and liabilities. The subsidiary companies have also completed fair valuation of assets and liabilities acquired. This has resulted in below changes in the assets and liabilities acquired by the subsidiary companies. There is no change in goodwill recognised on the acquisition date and also there is no impact on total equity and profit of the Group due to such adjustments.

**The following table summarises change in fair value of the assets and liabilities recognized as a part of business combination upon finalisation of purchase price allocation in accordance with Ind AS 103:**

Particulars	Provisional fair values reported in previous year	Fair values based on purchase price allocation	Change in acquisition values
	₹ crore	₹ crore	₹ crore
<b>Non-Current assets</b>			
Property, Plant and Equipment	3,745.23	4,035.11	(289.88)
Capital Work-in-Progress	1,121.01	632.37	488.64
Other Financial assets	328.23	310.08	18.15
Other Non-Current Assets (including Non Current Tax Assets)	172.66	55.53	117.13
<b>Current assets</b>			
Inventories	60.24	229.68	(169.44)
Cash and Cash Equivalents	446.30	445.20	1.10
Bank balances other than above	2,058.85	2,363.66	(304.81)
Other Financial Assets (including Trade Receivables and Loans)	61.59	823.35	(761.76)
Other Current Assets	77.95	9.62	68.33
<b>Non-Current liabilities</b>			
Other Non-Current Liabilities	(4,034.48)	(4,945.54)	911.06
Other Financial Liabilities	(27.59)	(11.41)	(16.18)
<b>Current Liabilities</b>			
Borrowings	(667.01)	(667.01)	Nil
Trade Payables	(373.88)	(661.82)	287.94
Other Financial Liabilities	(2,086.63)	(1,700.82)	(385.81)
Other Current Liabilities	(82.47)	(118.00)	35.53
<b>Fair value of Net Assets acquired</b>	<b>800.00</b>	<b>800.00</b>	<b>Nil</b>

## Notes to the Consolidated Financial Statements

### 48. Business Combinations (Contd.)

**48.6** Certain documents, information, records and reconciliations for the balances as at the acquisition dates are incomplete and have not been made available to the Group and the same is acknowledged in the Carve out order issued by OERC. The subsidiary Companies are in discussions with the erstwhile management and OERC for the resolution of such matters. Adjustments, if any, will be recognized post completion of such resolution. As per vesting order, any change in the value of assets and liabilities transferred on account of the reconciliation / resolution of said matters and/ or any other matter identified in future will be allowed to be recovered by the Group in the manner specified in the vesting order. Hence, the Group believes that the reconciliation/ resolution of the above matters will not have any impact on the financial position and financial performance of the Group as reflected in the financial statements.

### 49. Re-Statement

During the previous year, the Group has acquired 51% stake in TP Central Odisha Distribution Limited ('TPCODL'), TP Western Odisha Distribution Limited ('TPWODL') and TP Southern Odisha Distribution Limited ('TPSODL'). Provisional figures of previous year presented with respect to the above subsidiaries have been restated. There is no impact on total equity and profit of the Group due to such adjustments.

### 50. Relationship with Struck off Companies

Sl No	Name of struck off Company	Nature of transactions with struck off Company	Transaction during the year ended 31.03.2022	Balance outstanding as on March 31, 2022	Balance outstanding as on March 31, 2021	Relationship with the Struck off company
				₹ crore	₹ crore	
1	Aaren-I-Tech Pvt. Ltd	Sale of Power	0.04	*	*	Consumer
2	Arundhati Infratech Pvt. Ltd	Sale of Power	0.08	*	*	Consumer
3	Aryan Infra Projects Pvt. Ltd.	Sale of Power	0.21	*	*	Consumer
4	Bizzy Bee Construction Company Pvt. Ltd.	Sale of Power	*	*	*	Consumer
5	Blaze Electronics Pvt. Ltd.	Sale of Power	0.07	*	*	Consumer
6	Capital Infotech Pvt. Ltd.	Sale of Power	0.01	*	*	Consumer
7	Destiny Infra Properties Pvt. Ltd.	Sale of Power	0.08	*	*	Consumer
8	Dynamic Aqua & Agri Pvt. Ltd.	Sale of Power	0.13	*	*	Consumer
9	Frontier Aqua Minerals Pvt. Ltd.	Sale of Power	*	0.15	0.15	Consumer
10	Green Waves Pvt. Ltd.	Sale of Power	0.12	*	*	Consumer
11	Growing Glow Regency Pvt. Ltd.	Sale of Power	0.1	0.1	0.1	Consumer
12	Hotel Repose Pvt. Ltd.	Sale of Power	2.39	0.2	0.2	Consumer
13	Independent Mobile Infrastructure Ltd.	Sale of Power	0.05	*	*	Consumer
14	Jahangir Agro Complex Ltd.	Sale of Power	0.12	0.01	0.01	Consumer
15	K.D Infracon Pvt. Ltd.	Sale of Power	*	*	*	Consumer
16	Lords Realcon Pvt. Ltd.	Sale of Power	0.15	*	*	Consumer
17	Maa Tarini Abasika Traders Pvt. Ltd.	Sale of Power	0.06	0.01	0.01	Consumer
18	Mamu Bhanaja Construction Pvt. Ltd.	Sale of Power	0.15	0.02	0.02	Consumer
19	Metro Builders Pvt. Ltd.	Sale of Power	0.1	*	*	Consumer
20	Natural Agritech Pvt. Ltd.	Sale of Power	0.11	0.01	0.01	Consumer
21	Odisha Developers Pvt. Ltd.	Sale of Power	*	*	*	Consumer
22	Omshree Infratech Pvt. Ltd.	Sale of Power	0.01	*	*	Consumer

## Notes to the Consolidated Financial Statements

### 50. Relationship with Struck off Companies (Contd.)

Sl No	Name of struck off Company	Nature of transactions with struck off Company	Transaction during the year ended 31.03.2022	Balance outstanding as on March 31, 2022	Balance outstanding as on March 31, 2021	Relationship with the Struck off company
				₹ crore	₹ crore	
23	Paradeep Carbons Ltd.	Sale of Power	0.01	*	*	Consumer
24	Pradhan Realcon Pvt. Ltd.	Sale of Power	0.5	0.04	0.04	Consumer
25	Rajesh Construction Pvt. Ltd.	Sale of Power	0.01	*	*	Consumer
26	Ranjit Builders Ltd.	Sale of Power	0.04	*	*	Consumer
27	Retac India Solutions Pvt. Ltd.	Sale of Power	0.27	0.04	0.04	Consumer
28	Shree Ganesh Buildcon Pvt. Ltd.	Sale of Power	*	*	*	Consumer
29	Sugean Webbings Pvt. Ltd.	Sale of Power	0.04	*	*	Consumer
30	A One Cut Gems Pvt. Ltd.	Sale of Power	0.01	*	*	Consumer
31	Adorn Jew Pvt Ltd.	Sale of Power	*	*	*	Consumer
32	Aloke Speciality Machines & Components Pvt. Ltd.	Sale of Power	0.01	*	*	Consumer
33	Chintamani Textiles Pvt. Ltd.	Sale of Power	*	*	*	Consumer
34	Highlands Garments Pvt. Ltd.	Sale of Power	*	*	*	Consumer
35	Optimus Properties Pvt. Ltd.	Sale of Power	*	*	*	Consumer
36	Panacia Properties Pvt. Ltd.	Sale of Power	0.12	*	*	Consumer
37	Plant Genome Sciences Pvt. Ltd.	Sale of Power	0.03	*	*	Consumer
38	Narayani Nivesh Nagam Pvt. Ltd.	Sale of Power	0.02	*	*	Consumer
39	Parth Developers Pvt. Ltd.	Sale of Power	0.01	*	*	Consumer
40	Good Year India Ltd.	Service Work & Sale of Power	Nil	0.03	0.07	Consumer
41	Fanuc India Pvt. Ltd.	Service Work	Nil	0.01	0.01	Consumer
42	Sharun Engineering Company Pvt. Ltd.	Balance written off	0.31	Nil	0.31	Consumer
43	J K Cement Ltd.	Sale of Power	Nil	0.02	0.02	Consumer
44	Sn Space Developers Pvt. Ltd.	Elephant corridor boundary wall & gi channel fencing	0.54	(0.54)	(0.54)	Contractor
45	Sony Constructions Pvt. Ltd.	Repair work	Nil	(0.01)	(0.01)	Supplier
46	Nayana Infra Business Solutions Pvt. Ltd.	Service Work	Nil	(0.07)	(0.07)	Contractor
47	Samahitha Power Systems Pvt. Ltd.	Service Work	Nil	(0.02)	(0.02)	Contractor
48	Anand Vehicles India Pvt. Ltd.	Refund of Security Deposit	0.06	Nil	Nil	Contractor
49	Ripe Global Pvt. Ltd.	Maintenance Services	Nil	0.01	0.01	Supplier

\* Denotes figure below ₹ 50,000.

## Notes to the Consolidated Financial Statements

### 51. Recent Pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022 as below:

#### **Ind AS 103 - Business Combination**

The amendments specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework), issued by the ICAI at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

#### **Ind AS 16 - Property, Plant and Equipment (PPE)**

The amendments clarifies that excess of net sale proceeds of items produced over the cost of testing while preparing the asset for its intended use (if any), shall not be recognise in the profit or loss but deducted from the directly attributable cost considered as part of cost of an item PPE. The Group has evaluated the amendment and there is no impact in recognition of its property, plant and equipment on its consolidated financial statements.

#### **Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets**

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

#### **Ind AS 109 - Financial Instruments**

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability or to consider as modification of existing financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

### 52. The Code on Social Security, 2020

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

### 53. Other Statutory information

- (i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iii) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) (other than subsidiaries) 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 to or on behalf of the Ultimate Beneficiaries.
- (iv) The Group have not advanced or loaned or invested funds to any person(s) or entity(ies), including foreign entities (Intermediaries) (other than subsidiaries) 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

## Notes to the Consolidated Financial Statements

### 53. Other Statutory information (Contd.)

- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Group is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended)
- (vi) The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.)

### 54. Approval of Consolidated Financial Statements

The Consolidated financial statements were approved for issue by the Board of Directors on May 6, 2022.

As per our report of even date

**For S R B C & CO LLP**

**Chartered Accountants**

ICAI Firm Registration No.324982E/E300003

**per ABHISHEK AGARWAL**

**Partner**

Membership No. 112773

Mumbai, May 6, 2022

For and on behalf of the Board,

**PRAVEER SINHA**

**CEO & Managing Director**

DIN 01785164

**BANMALI AGRAWALA**

**Director**

DIN 00120029

**SANJEEV CHURIWALA**

**Chief Financial Officer**

**HANOZ M. MISTRY**

**Company Secretary**

Mumbai, May 6, 2022



## FORM AOC-I

### Statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/Joint Ventures

#### Part "A": Subsidiaries

Sl.	Name of subsidiary	Date of acquiring subsidiary for the subsidiary concerned	Reporting currency	Exchange Rate as at March 31, 2022	Share capital & surplus (Incl. Non-controlling interest)	Reserves & surplus (Incl. Non-controlling interest)	Total Assets	Total Liabilities (Excl. Capital & Reserves)	Investments	Turn-over <sup>1</sup>	Other Income	Total Revenue	Profit/(loss) before taxation (Ind. Deferred tax)	Provision for taxation (Ind. Deferred tax)	Profit/(loss) after taxation	Proposed Dividend on Equity Shares (%)	% of shareholding	
1	Nelco Ltd. (Consolidated) <sup>1</sup>	31-Dec-05	31-Mar-22	Indian Rupee	1.00	22.82	66.23	263.26	174.21	89.05	0.16	260.07	4.74	264.81	23.15	7.07	16.08	
2	Tata Power Trading Co. Ltd.	31-Dec-03	31-Mar-22	Indian Rupee	1.00	16.00	304.26	671.51	351.25	320.26	Nil	374.09	13.93	388.02	72.25	17.43	54.82	
3	Maithon Power Ltd. <sup>1</sup>	02-Sep-05	31-Mar-22	Indian Rupee	1.00	1,508.92	971.97	4,698.09	2,417.20	2,480.89	65.55	2,782.38	22.28	2,804.66	292.63	12.10	280.53	
4	Bharat Investments Ltd. <sup>1</sup>	22-Jun-07	31-Mar-22	US Dollar	75.79	4.10	2,618.10	7,502.17	4,870.97	2,622.20	4,301.55	0.86	1459.49	1,460.51	1406.51	141.12	1,255.39	
5	Bhivipuri Investments Ltd. <sup>1</sup>	22-Jun-07	31-Mar-22	US Dollar	75.79	4.08	1,354.37	3,276.43	1,917.98	1,358.45	3,276.40	Nil	Nil	(29.62)	Nil	(29.62)	Nil	
6	Khopoli Investments Ltd. <sup>1</sup>	17-May-07	31-Mar-22	US Dollar	75.79	255.20	607.08	1,814.14	951.86	862.28	Nil	Nil	28.93	28.93	10.37	0.21	10.16	
7	Tata Energy Resources Pte. Ltd. <sup>11</sup>	11-Mar-08	31-Mar-22	US Dollar	75.79	604.47	178.60	2,485.80	1,702.73	783.07	31.68	537.55	1.19	538.74	16.93	8.99	7.94	
8	Tata Power Delhi Distribution Ltd	22-Jan-08	31-Mar-22	Indian Rupee	1.00	1,052.00	3,030.90	11,256.24	7,173.34	4,082.90	0.05	798.41	161.58	8,139.99	635.04	196.38	438.66	
9	Tata Power Jamshedpur Distribution Ltd.	06-Nov-12	31-Mar-22	Indian Rupee	1.00	8.05	(9.56)	1.06	2.57	(1.51)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
10	TP Renewable Microgrid Ltd.	28-Mar-07	31-Mar-22	Indian Rupee	1.00	96.25	(31.29)	84.27	19.31	64.96	Nil	3.46	0.10	3.56	(17.10)	Nil	(17.10)	
11	Tata Power Renewable Energy Ltd.	28-Mar-07	31-Mar-22	Indian Rupee	1.00	4,940.11	299.67	15,290.20	10,050.42	5,239.78	3,889.26	1,403.34	133.01	1,536.35	262.50	73.51	188.99	
12	Tata Power Solar Systems Ltd.	28-Jun-12	31-Mar-22	Indian Rupee	1.00	229.78	646.07	6,507.90	5,632.05	875.85	1.00	8,506.49	74.07	8,580.56	215.35	54.83	160.52	
13	Tata Power International Pte. Ltd. <sup>11</sup>	05-Apr-13	31-Mar-22	US Dollar	75.79	559.57	(534.93)	3,366.82	3,342.18	24.64	2,929.76	82.99	311.69	3,946.68	133.89	34.47	99.42	
14	NPL Infra Ltd.	23-Aug-11	31-Mar-22	Indian Rupee	1.00	0.05	25.71	25.83	0.07	25.76	0.24	Nil	1.40	1.40	1.13	0.31	0.82	
15	Tata Power Green Energy Ltd.	05-Jan-11	31-Mar-22	Indian Rupee	1.00	0.05	10.13	1,407.81	1,397.63	10.18	Nil	55.84	0.96	56.80	17.28	6.43	10.85	
16	PT Sumber Energi Aridjan Tok (consolidated upto 31st March, 2017 thereafter held for sale) <sup>13,65</sup>	26-Aug-09	31-Mar-17	US Dollar	75.79	26.37	(13.97)	14.83	2.43	12.40	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
17	Supa Windfarm Ltd.	10-Dec-15	31-Mar-22	Indian Rupee	1.00	11.00	(0.16)	10.84	Nil	10.84	Nil	Nil	Nil	Nil	(0.01)	Nil	Nil	
18	Nivade Windfarm Ltd.	17-Dec-15	31-Mar-22	Indian Rupee	1.00	0.05	(0.07)	0.02	0.04	(0.02)	Nil	Nil	Nil	Nil	(0.00)	Nil	Nil	
19	Piplavadi Windfarm Ltd.	09-Jan-16	31-Mar-22	Indian Rupee	1.00	94.09	8.26	342.03	239.68	102.35	Nil	43.91	0.01	43.92	11.21	2.83	8.38	
20	TP Wind Power Limited	19-May-16	31-Mar-22	Indian Rupee	1.00	60.30	12.82	125.95	52.83	73.12	0.04	31.70	0.22	31.92	7.24	0.48	6.76	
21	Wälwahn Renewable Energy Ltd. (Consolidated) <sup>2</sup>	14-Sep-16	31-Mar-22	Indian Rupee	1.00	611.36	2,423.70	7,598.82	4,563.76	3,035.06	82.14	1,276.99	55.76	1,332.75	577.07	135.80	441.27	
22	Vagrali Windfarm Ltd.	27-Feb-17	31-Mar-22	Indian Rupee	1.00	0.53	(44.12)	87.83	131.42	(43.59)	Nil	16.65	0.03	16.68	(11.71)	Nil	(11.71)	
23	TP Ajmer Distribution Limited	01-Jul-17	31-Mar-22	Indian Rupee	1.00	10.00	(2.37)	230.97	223.34	7.63	Nil	41.44	8.28	439.72	(0.34)	Nil	(0.34)	
24	Chirasthaayee Saurya Limited	14-Jun-16	31-Mar-22	Indian Rupee	1.00	1.00	15.03	341.49	325.46	16.03	Nil	48.97	0.03	49.00	10.63	2.70	7.93	
25	TP Central Odisha Distribution Limited	01-Jun-20	31-Mar-22	Indian Rupee	1.00	503.95	36.19	6,217.53	5,677.39	540.14	Nil	4,070.42	51.26	4,121.68	39.61	10.16	29.45	
26	TP Western Odisha Distribution Limited	01-Jan-21	31-Mar-22	Indian Rupee	1.00	359.93	62.72	4,971.46	4,548.81	422.65	193.28	4,242.77	83.67	4,526.44	83.19	21.45	63.74	
27	TP Southern Odisha Distribution Limited	01-Jan-21	31-Mar-22	Indian Rupee	1.00	247.94	91.45	2,273.54	1,942.15	339.39	Nil	1,689.49	49.30	1,738.79	88.63	20.60	69.03	
28	TP Northern Odisha Distribution Limited	01-Apr-21	31-Mar-22	Indian Rupee	1.00	294.94	73.93	3,696.20	3,327.33	368.87	Nil	2,722.46	45.60	2,768.06	98.78	24.86	73.92	
29	TP Kimali Limited	19-Feb-20	31-Mar-22	Indian Rupee	1.00	0.05	(1.04)	1,226.64	1,227.63	(0.99)	Nil	0.01	0.01	0.26	Nil	(0.26)	Nil	
30	TP Solapur Limited	26-Feb-20	31-Mar-22	Indian Rupee	1.00	0.05	(0.22)	0.08	0.25	(0.17)	Nil	Nil	Nil	Nil	(0.00)	Nil	Nil	
31	TP Solapur Saurya Limited	27-May-21	31-Mar-22	Indian Rupee	1.00	0.05	0.05	0.05	0.05	0.05	Nil	Nil	Nil	Nil	(0.00)	Nil	Nil	
32	TP Kimali Solar Ltd.	23-Jul-20	31-Mar-22	Indian Rupee	1.00	15.63	0.06	54.00	38.31	15.69	Nil	0.84	0.09	0.34	0.09	0.25	Nil	
33	TP Solapur Solar Ltd.	29-Jul-20	31-Mar-22	Indian Rupee	1.00	13.75	(0.50)	47.32	34.07	13.25	Nil	0.26	Nil	Nil	(0.32)	Nil	Nil	
34	TP Saurya Ltd.	02-Aug-20	31-Mar-22	Indian Rupee	1.00	0.05	(11.72)	298.71	310.38	(11.67)	Nil	Nil	Nil	Nil	(7.40)	Nil	Nil	
35	TP Akkalkot Renewable Ltd.	11-Aug-20	31-Mar-22	Indian Rupee	1.00	12.96	(0.15)	47.53	34.72	12.81	Nil	Nil	Nil	Nil	(0.14)	Nil	Nil	
36	TP Roofufja Renewable Ltd.	22-Aug-20	31-Mar-22	Indian Rupee	1.00	0.05	(0.97)	0.04	0.96	(0.92)	Nil	Nil	Nil	Nil	(0.01)	Nil	Nil	
37	Far Eastern Natural Resources Limited <sup>10</sup>	17-Aug-17	31-Mar-22	Russian Ruble	0.92	69.00	(51.88)	17.19	0.07	17.12	Nil	Nil	22.78	22.78	0.13	(3.49)	Nil	Nil

**Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures**  
**Part "B": Associates and Joint Ventures**

SN	Name of the Associate/Joint Venture Company	Date of Reporting period acquiring for the joint Venture concerned	Reporting currency	Exchange Rate as at March 31, 2022	Shares of Joint Venture company held by the company on the year end (No.)	Amount of investment in Joint Venture companies	Extent of Holding %	Description of how there is significant influence	Reason why Joint Venture company is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit/ (loss) after tax	Considered in Consolidation	Overview	Introduction to Tata Power	Trends, Opportunities and Risks	Value Creation	Statutory Reports	Financial Statements
<b>Joint Ventures</b>																		
1	PT Mitratama Perkasa (consolidated upto 30th September, 2016 thereafter held for sale) <sup>11 &amp; 5</sup> (Consolidated) <sup>3,11 &amp; 5</sup>	16-Aug-12	30-Sept-16	US Dollar	75.79	7,500	668.90	28.38%	Note 8	844.02	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
2	PT Arutmin Indonesia (consolidated upto 31st March, 2014 thereafter held for sale) <sup>11 &amp; 5</sup>	26-Jun-07	31-Mar-14	US Dollar	75.79	3,000	1,268.93	30%	Note 8	773.35	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
3	PT Kalim Prima Coal <sup>11</sup>	26-Jun-07	31-Mar-22	US Dollar	75.79	1,23,540	4,702.74	30%	Note 8	595.80	4615.00	1384.50	Nil	Nil	Nil	Nil	Nil	
4	Indocoal Resources (Cayman) Ltd. <sup>10 &amp; 11</sup>	26-Jun-07	31-Mar-22	US Dollar	75.79	300	3,313.13	30%	Note 8	289.06	13.25	3.98	Nil	Nil	Nil	Nil	Nil	
5	PT Indocoal Kalsel Resources (consolidated upto 31st March, 2014 thereafter held for sale) <sup>11 &amp; 5</sup>	26-Jun-07	31-Mar-14	IDR Rupaiya	0.005	60,000	0.55	30%	Note 8	0.00	0.15	0.05	Nil	Nil	Nil	Nil	Nil	
6	PT Indocoal Kalim Resources <sup>10 &amp; 11</sup>	26-Jun-07	31-Mar-22	IDR Rupaiya	0.005	82,380	0.23	30%	Note 8	0.00	(0.05)	(0.01)	Nil	Nil	Nil	Nil	Nil	
7	Powerlinks Transmission Ltd.	7-Jul-03	31-Mar-22	Indian Rupee	1.00	23,86,80,000	497.42	51%	Note 8	497.42	91.39	46.61	Nil	Nil	Nil	Nil	Nil	
8	Industrial Energy Ltd.	23-Feb-07	31-Mar-22	Indian Rupee	1.00	49,28,40,000	716.07	74%	Note 8	716.07	121.10	89.61	Nil	Nil	Nil	Nil	Nil	
9	Dugar Hydro Power Ltd.	21-Apr-11	31-Mar-22	Indian Rupee	1.00	4,32,50,002	31.86	50%	Note 8	31.86	0.31	0.16	Nil	Nil	Nil	Nil	Nil	
10	Tubed Coal Mines Ltd. <sup>10</sup>	20-Nov-07	31-Mar-22	Indian Rupee	1.00	1,01,97,800	Nil	40%	Note 8	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
11	Mandakini Coal Company Ltd. <sup>10</sup>	18-Jul-08	31-Mar-22	Indian Rupee	1.00	3,93,00,000	*	33.33%	Note 8	(57.19)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
12	Solace Land Holding Ltd. <sup>10</sup>	12-Sep-12	31-Mar-22	Indian Rupee	1.00	7,66,667	*	33.33%	Note 8	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
13	Candice Investments Pte. Ltd. <sup>11</sup>	28-Oct-10	31-Mar-22	US Dollar	75.79	3	32.86	30%	Note 8	32.86	21.99	6.60	Nil	Nil	Nil	Nil	Nil	
14	PT Nusa Tambang Pratama <sup>11</sup>	28-Oct-10	31-Mar-22	US Dollar	75.79	18,000	696.86	30%	Note 8	697.97	466.03	139.81	Nil	Nil	Nil	Nil	Nil	
15	PT Marvel Capital Indonesia <sup>10 &amp; 11</sup>	28-Oct-10	31-Mar-22	US Dollar	75.79	1,07,459	*	30%	Note 8	0.18	0.00	0.00	Nil	Nil	Nil	Nil	Nil	
16	PT Dwikarya Prima Abadi <sup>10 &amp; 11</sup>	28-Oct-10	31-Mar-22	US Dollar	75.79	10,769	50.70	30%	Note 8	51.00	717.69	215.31	Nil	Nil	Nil	Nil	Nil	
17	PT Kalimantan Prima Power (Consolidated) <sup>48,11</sup>	1-Jan-11	31-Mar-22	US Dollar	75.79	7,500	220.51	30%	Note 8	223.94	30.62	9.19	Nil	Nil	Nil	Nil	Nil	
18	PT Baranulti Sukessara Tbk (Consolidated) <sup>5,11</sup>	9-Nov-12	31-Mar-22	US Dollar	75.79	68,02,90,000	1,540.83	26%	Note 8	546.39	1642.16	426.96	Nil	Nil	Nil	Nil	Nil	
19	Adjaritsgail Netherlands BV (Consolidated) (Consolidated upto 31st March, 2020 thereafter held for sale) <sup>6,11 &amp; 5</sup>	9-May-13	31-Mar-21	Euro	84.20	20,573	130.53	50%	Note 8	618.89	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
20	Indocdk KPC Resources (Cayman) Ltd <sup>10 &amp; 11</sup>	2-Jl-14	31-Mar-22	US Dollar	75.79	300	0.83	30%	Note 8	0.83	(0.05)	(0.02)	Nil	Nil	Nil	Nil	Nil	
21	Koromkheti Netherlands BV <sup>10 &amp; 11</sup>	9-May-14	31-Mar-21	Euro	84.20	500	*	40%	Note 8	(31.63)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
22	Itzhi Tezhi Power Corporation Ltd. (Consolidated upto March 31, 2020 thereafter held for sale) <sup>11 &amp; 5</sup>	29-Apr-15	31-Mar-20	US Dollar	75.79	4,52,500	632.99	50%	Note 8	432.26	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
23	Resurgent Power Ventures Pte. Ltd. <sup>7 &amp; 11</sup>	19-May-16	31-Mar-22	US Dollar	75.79	4,66,205	499.47	26%	Note 8	498.30	468.48	121.80	Nil	Nil	*	*	*	
24	LTH Milcom Private Ltd. <sup>5</sup>	17-Aug-15	31-Mar-17	Indian Rupee	1.00	66,660	*	33.33%	Note 8	Not material to the group	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**FORM AOC-I**  
**Statement containing salient features of the financial statement of Subsidiaries/ Associate Companies (Contd.)**  
**Part "B": Associates and Joint Ventures**

SN	Name of the Associate	Date of acquiring Associate	Reporting period for the Associate concerned	Reporting currency	Exchange Rate as at March 31, 2022	Shares of Associate company held by the company on the year end (No.)	Amount of Investment in Associate	Extent of Holding %	Description of how there is significant influence	Reason why Associate is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit/(loss) after tax	Considered in Consolidation	Not considered in Consolidation	
<b>Associates</b>															
1	Tata Projects Ltd.	27-Nov-00	31-Mar-22	Indian Rupee	1.00	7,92,78,886	974.74	47.78%	Note 9		951.44	(619.93)	(296.20)	Nil	
2	Yashmun Engineers Ltd. <sup>10</sup>	27-Nov-00	31-Mar-22	Indian Rupee	1.00	19,200	3.51	27.22%	Note 9		1.51	(2.82)	(0.77)	Nil	
3	Dagachhu Hydro Power corporation Ltd.	19-Jan-09	31-Mar-22	Bhutan Nu	1.00	10,74,320	104.35	26.00%	Note 9		104.35	34.17	8.88	Nil	
4	The Associated Building Co. Ltd. <sup>10</sup>	27-Nov-00	31-Mar-22	Indian Rupee	1.00	1,825	5.32	33.14%	Note 9		5.35	4.98	1.65	Nil	
5	Bribhat Trading Pvt. Ltd. <sup>10</sup>	22-Feb-05	31-Mar-22	Indian Rupee	1.00	3,350	0.01	33.21%	Note 9	Not material to the group	(0.01)	Nil	Nil	Nil	

Notes:

- 1 Accounts of Nelco Network Products Limited have been consolidated with Nelco Ltd.
- 2 Accounts of all subsidiaries of Walwhan Renewable Energy Ltd. have been consolidated with Walwhan Renewable Energy Ltd.
- 3 Accounts of PT Mitratama Usaha have been consolidated with PT Mitratama Perkasa.
- 4 Accounts of PT Citra Prima Buana, PT Guruh Agung and PT Citra Kusuma Perdana have been consolidated with PT Kalimantan Prima Power.
- 5 Accounts of PT Antang Gunung Meratus have been consolidated with PT Baramulti Sukessarana Tbk.
- 6 Accounts of Adjaristsqali Georgia LLC have been consolidated with Adjaristsqali Netherlands BV.
- 7 Accounts of Fenascant Power Ventures Pvt. Ltd and Prayagraj Power Generation Company Limited have been consolidated with Resurgent Power Ventures Pte. Ltd.
- 8 There is significant influence due to shareholding and joint control over the economic activities.
- 9 There is significant influence due to shareholding.
- 10 Based on Management Accounts for FY 2021-22.
- 11 Figures of foreign subsidiaries and joint ventures are as per their accounts prepared under the respective GAAP converted to Ind AS.
- 12 Turnover includes rate regulatory income/(expense).
- 13 \$ denotes held for Sale.
- Figures below ₹ 50,000 are denoted by \*\*.

For and on behalf of the Board,

**BANMALI AGRAWALA**  
Director  
DIN: 00120029

**PRAVEER SINHA**  
CEO & Managing Director  
DIN: 01783164

**HANOZ M. MISTRY**  
Company Secretary

**SANJEEV CHURIWALA**  
Chief Financial Officer

## Notice

**NOTICE IS HEREBY GIVEN THAT THE ONE HUNDRED AND THIRD ANNUAL GENERAL MEETING OF THE TATA POWER COMPANY LIMITED** will be held on Thursday, July 7, 2022 at 3 p.m. (IST) through Video Conferencing/Other Audio Visual Means, to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and the Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, together with the Report of the Auditors thereon.
3. To declare a dividend on Equity Shares for the financial year ended March 31, 2022.
4. To appoint a Director in place of Mr. Saurabh Agrawal (DIN:02144558), who retires by rotation and, being eligible, offers himself for re-appointment.
5. **Re-appointment of Statutory Auditors**

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

"RESOLVED that pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, S R B C & CO. LLP (SRBC), Chartered Accountants (ICAI Firm Registration No.324982E/E300003), be and are hereby re-appointed as Statutory Auditors of the Company to hold office for a period of 5 years from the conclusion of this the 103rd Annual General Meeting (AGM) of the Company till the conclusion of the 108th AGM of the Company to be held in the year 2027 to examine and audit the accounts of the Company at Mumbai and the divisions, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

### Special Business:

6. **Appointment of Mr. Kesava Menon Chandrasekhar (DIN:06466854) as a Director and his re-appointment as an Independent Director for a second term**

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

"RESOLVED that Mr. Kesava Menon Chandrasekhar (DIN: 06466854), who was appointed as an Additional Director of the Company effective May 4, 2022 by the Board of

Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the Act) [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Article 132 of the Articles of Association of the Company, and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER that pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time, the re-appointment of Mr. Kesava Menon Chandrasekhar, that meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect, and who is eligible for re-appointment as an Independent Director of the Company, for the second consecutive term, i.e., from May 4, 2022 to February 19, 2023 and who would not be liable to retire by rotation, be and is hereby approved."

7. **Material Related Party Transaction(s) with PT Kaltim Prima Coal**

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

"RESOLVED that pursuant to Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the applicable provisions of the Companies Act, 2013 (the Act), if any, read with relevant Rules, if any, as amended from time to time and the Company's Policy on Related Party Transactions and based on the recommendation of the Audit Committee of Directors, consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to continue with the existing contract(s)/arrangement(s)/transaction(s) and/or enter into and/or carry out new contract(s)/arrangement(s)/transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as detailed

in the Explanatory Statement, with PT Kaltim Prima Coal (KPC), a related party of The Tata Power Company Limited (the Company) on such terms and conditions as may be agreed between the Company and KPC, for an aggregate value not exceeding ₹ 12,000 crore during FY23, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

RESOLVED FURTHER that the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be necessary and expedient, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental authorities in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER that all actions taken by the Board, in connection with any matter referred to or contemplated in the foregoing resolution, be and are hereby approved, ratified and confirmed in all respects."

#### **8. Material Related Party Transaction(s) with Tata Projects Limited**

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

"RESOLVED that pursuant to Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the applicable provisions of the Companies Act, 2013 (the Act), if any, read with relevant Rules, if any, as amended from time to time, and the Company's Policy on Related Party Transactions and based on the recommendation of the Audit Committee of Directors, consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to continue with the existing contract(s)/ arrangement(s)/transaction(s) and/or enter into and/or carry out new contract(s)/arrangement(s)/transaction(s) (whether

by way of an individual transaction or transactions taken together or series of transactions or otherwise), as detailed in the Explanatory Statement, with Tata Projects Limited (TPL), a related party of The Tata Power Company Limited (the Company) on such terms and conditions as may be agreed between the Company and TPL, for an aggregate value not exceeding ₹ 2,930 crore during FY23, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

RESOLVED FURTHER that the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be necessary and expedient, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental authorities in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER that all actions taken by the Board, in connection with any matter referred to or contemplated in the foregoing resolution, be and are hereby approved, ratified and confirmed in all respects."

#### **9. Material Related Party Transaction(s) with Tata Steel Limited**

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

"RESOLVED that pursuant to Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the applicable provisions of the Companies Act, 2013 (the Act), if any, read with relevant Rules, if any, as amended from time to time, and the Company's Policy on Related Party Transactions and based on the recommendation of the Audit Committee of Directors, consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to continue with the existing contract(s)/ arrangement(s)/transaction(s) and/or enter into and/or carry out new contract(s)/arrangement(s)/transaction(s) (whether

## Notice

arrangement(s)/transaction(s) and/or enter into and/or carry out new contract(s)/arrangement(s)/transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as detailed in the Explanatory Statement, with Tata Steel Limited (TSL), a related party of The Tata Power Company Limited (the Company) on such terms and conditions as may be agreed between the Company and TSL, for an aggregate value not exceeding ₹ 2,630 crore during FY23, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

RESOLVED FURTHER that the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be necessary and expedient, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental authorities in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER that all actions taken by the Board, in connection with any matter referred to or contemplated in the foregoing resolution, be and are hereby approved, ratified and confirmed in all respects."

**10. Material Related Party Transaction(s) between Tata Power Solar Systems Limited and Tata Power Renewable Energy Limited**

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

"RESOLVED that pursuant to Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and the Company's Policy on Related Party Transactions and based on the recommendation of the Audit Committee of Directors, consent of the Members be and is hereby accorded to the related party contract(s)/arrangement(s)/transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as detailed in the Explanatory Statement, to

be entered into and/or carried out and/or continued with between two related parties of The Tata Power Company Limited (the Company) i.e. Tata Power Solar Systems Limited (TPSSL) and Tata Power Renewable Energy Limited (TPREL), both subsidiaries of the Company, for an aggregate value not exceeding ₹ 6,035 crore during FY23, on such terms and conditions as may be agreed between TPSSL and TPREL, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of TPSSL and TPREL.

RESOLVED FURTHER that the Board, which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution, be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**11. Material Related Party Transaction(s) between Tata Power Solar Systems Limited and TP Saurya Limited**

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

"RESOLVED that pursuant to Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and the Company's Policy on Related Party Transactions and based on the recommendation of the Audit Committee of Directors, consent of the Members be and is hereby accorded to the related party contract(s)/arrangement(s)/transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as detailed in the Explanatory Statement, to be entered into and/or carried out and/or continued with between two related parties of The Tata Power Company Limited (the Company) i.e. Tata Power Solar Systems Limited (TPSSL) and TP Saurya Limited (TPSL), both subsidiaries of the Company, for an aggregate value not exceeding ₹ 3,800 crore during FY23, on such terms and conditions as may be agreed between TPSSL and TPSL, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of TPSSL and TPSL.

RESOLVED FURTHER that the Board, which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to

- exercise its powers conferred by this resolution, be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”
- 12. Material Related Party Transaction(s) between Tata Power Solar Systems Limited and Tata Power Green Energy Limited**
- To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:
- “RESOLVED that pursuant to Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and the Company’s Policy on Related Party Transactions and based on the recommendation of the Audit Committee of Directors, consent of the Members be and is hereby accorded to the related party contract(s)/arrangement(s)/transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as detailed in the Explanatory Statement, to be entered into and/or carried out and/or continued with between two related parties of The Tata Power Company Limited (the Company) i.e. Tata Power Solar Systems Limited (TPSSL) and Walwan Renewable Energy Limited (WREL), both subsidiaries of the Company, for an aggregate value not exceeding ₹ 1,285 crore during FY23, on such terms and conditions as may be agreed between TPSSL and WREL, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm’s length and in the ordinary course of business of TPSSL and WREL.
- RESOLVED FURTHER that the Board, which term shall be deemed to include any Committee constituted/empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution, be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”
- 13. Material Related Party Transaction(s) between Tata Power Solar Systems Limited and Walwan Renewable Energy Limited**
- To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:
- “RESOLVED that pursuant to Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and the Company’s Policy on Related Party Transactions and based on the recommendation of the Audit Committee of Directors, consent of the Members be and is hereby accorded to the related party contract(s)/arrangement(s)/transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as detailed in the Explanatory Statement, to be entered into and/or carried out and/or continued with between two related parties of The Tata Power Company Limited (the Company) i.e. Tata Power Solar Systems Limited (TPSSL) and Walwan Renewable Energy Limited (WREL), both subsidiaries of the Company, for an aggregate value not exceeding ₹ 1,285 crore during FY23, on such terms and conditions as may be agreed between TPSSL and WREL, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm’s length and in the ordinary course of business of TPSSL and WREL.
- RESOLVED FURTHER that the Board, which term shall be deemed to include any Committee constituted/empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution, be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”
- 14. Material Related Party Transaction(s) between Tata Power Solar Systems Limited and Chirasthaayee Saurya Limited**
- To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:
- “RESOLVED that pursuant to Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and the Company’s Policy on Related Party Transactions and based on the recommendation of the Audit Committee

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of Directors, consent of the Members be and is hereby accorded to the related party contract(s)/arrangement(s)/transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as detailed in the Explanatory Statement, to be entered into and/or carried out and/or continued with between two related parties of The Tata Power Company Limited (the Company) i.e. Tata Power Solar Systems Limited (TPSSL) and Chirasthaayee Surya Limited (CSL), both subsidiaries of the Company, for an aggregate value not exceeding ₹ 1,040 crore during FY23, on such terms and conditions as may agreed between TPSSL and CSL, subject to such contract(s)/ arrangement(s)/ transaction(s) being carried out at arm's length and in the ordinary course of business of TPSSL and CSL.

RESOLVED FURTHER that the Board, which term shall be deemed to include any Committee constituted /empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution, be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

### 15. Material Related Party Transaction(s) between Tata Power Solar Systems Limited and TP Kirnali Limited

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

"RESOLVED that pursuant to Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and the Company's Policy on Related Party Transactions and based on the recommendation of the Audit Committee of Directors, consent of the Members be and is hereby accorded to the related party contract(s)/arrangement(s)/transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as detailed in the Explanatory Statement, to be entered into and/or carried out and/or continued with between two related parties of The Tata Power Company Limited (the Company) i.e. Tata Power Solar Systems Limited (TPSSL) and TP Kirnali Limited (TPKL), both subsidiaries of the Company, for an aggregate value not exceeding ₹ 1,015 crore during FY23, on such terms and conditions as may be agreed between TPSSL and TPKL, subject to such contract(s)/ arrangement(s)/transaction(s) being carried out at arm's

length and in the ordinary course of business of TPSSL and TPKL.

RESOLVED FURTHER that the Board, which term shall be deemed to include any Committee constituted /empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution, be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

### 16. Material Related Party Transaction(s) between Tata Power Trading Company Limited and Maithon Power Limited

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

"RESOLVED that pursuant to Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and the Company's Policy on Related Party Transactions and based on the recommendation of the Audit Committee of Directors, consent of the Members be and is hereby accorded to the related party contract(s)/arrangement(s)/transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as detailed in the Explanatory Statement, to be entered into and/or carried out and/or continued with between two related parties of The Tata Power Company Limited (the Company) i.e. Tata Power Trading Company Limited (TPTCL) and Maithon Power Limited (MPL), both subsidiaries of the Company, for an aggregate value not exceeding ₹ 1,800 crore during FY23, on such terms and conditions as may be agreed between TPTCL and MPL, subject to such contract(s)/ arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of TPTCL and MPL.

RESOLVED FURTHER that the Board, which term shall be deemed to include any Committee constituted /empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution, be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the

Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**17. Material Related Party Transaction(s) between Tata Power Trading Company Limited and Tata Power Delhi Distribution Limited**

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

"RESOLVED that pursuant to Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and the Company's Policy on Related Party Transactions and based on the recommendation of the Audit Committee of Directors, consent of the Members be and is hereby accorded to the related party contract(s)/ arrangement(s)/transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as detailed in the Explanatory Statement, to be entered into and/or carried out and/or continued with between two related parties of The Tata Power Company Limited (the Company) i.e. Tata Power Trading Company Limited (TPTCL) and Tata Power Delhi Distribution Limited (TPDDL), both subsidiaries of the Company, for an aggregate value not exceeding ₹ 1,500 crore during FY23, on such terms and conditions as may be agreed between TPTCL and TPDDL, subject to such contract(s)/arrangement(s)/ transaction(s) being carried out at arm's length and in the ordinary course of business of TPTCL and TPDDL.

RESOLVED FURTHER that the Board, which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution, be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**18. Change in place of keeping Registers and Records**

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

"RESOLVED that in supersession of all Resolutions passed earlier in this regard and pursuant to Section 94 and other applicable provisions, if any, of the Companies Act, 2013 ('Act') (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the

Companies (Management and Administration) Rules, 2014, consent of the Members of the Company be and is hereby accorded to keep the Registers as prescribed under Section 88 of the Act, and copies of all Annual Returns under Section 92 of the Act, together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required, at the Registered Office of the Company and/or at the office of TSR Consultants Private Limited (formerly known as TSR Darashaw Consultants Private Limited), Registrars and Transfer Agents ('RTA') of the Company at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai 400083, Maharashtra, India and/or at such other place where the RTA may shift its office within Mumbai from time to time.

RESOLVED FURTHER that the Board of Directors and/or any person authorised by the Board, be and is hereby authorized to take all such actions and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this Resolution and matters related thereto."

**19. Appointment of Branch Auditors**

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

"RESOLVED that pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 (the Act) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Board of Directors (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to appoint as Branch Auditor(s) of any Branch Office of the Company, whether existing or which may be opened/ acquired hereafter, outside India, in consultation with the Company's Auditors, any persons, qualified to act as Branch Auditors within the provisions of Section 143(8) of the Act and to fix their remuneration."

**20. Ratification of Cost Auditor's Remuneration**

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

"RESOLVED that pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 6,50,000 (Rupees Six lakh fifty thousand only) plus applicable taxes, travel and actual out-of-pocket

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expenses incurred in connection with the audit, payable to M/s. Sanjay Gupta and Associates (Firm Registration No.000212), who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the financial year 2022-23."

### **NOTES:**

1. In view of the ongoing COVID-19 pandemic and pursuant to General Circulars No. 14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No. 20/2020 dated May 5, 2020, No. 02/2021 dated January 13, 2021, No. 21/2021 dated December 14, 2021 and No. 2/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs (collectively referred to as '**MCA Circulars**'), the Company is convening the 103rd AGM through Video Conferencing ('**VC**') or Other Audio-Visual Means ('**OAVM**'), without the physical presence of the Members. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at Bombay House, 24, Homi Mody Street, Mumbai - 400 001, which shall be deemed venue of the AGM.
2. As per the provisions of Clause 3.A.II. of the General Circular No. 20/2020 dated May 5, 2020, the matters of Special Business as appearing at Item Nos.6 to 20 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
3. The relative Explanatory Statement pursuant to Section 102 of the Act, in regard to the business as set out in Item Nos.5 to 20 above and the relevant details of the Directors seeking re-appointment/appointment as set out in Item Nos.4 and 6 above as required under Regulation 36(3) of the Listing Regulations and as required under Secretarial Standard - 2 on General Meetings issued by The Institute of Company Secretaries of India, are annexed hereto.
4. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
5. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/ OAVM facility. Corporate Members intending to appoint their authorized representatives to attend the AGM through VC or OAVM and to vote thereat through remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by email at [cs@parikhassociates.com](mailto:cs@parikhassociates.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com).
6. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on National Securities Depository Limited's (NSDL) e-Voting website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The facility of participation at the AGM through VC/OAVM will be made available to atleast 1,000 Members on a first come first served basis as per the MCA Circulars. However, the large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee of Directors, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc. may be allowed to attend the meeting without any restrictions on first come first served basis.
9. In terms of the MCA Circulars and the SEBI Circulars, the Company is sending this AGM Notice along with the Annual Report for FY22 in electronic form only to those Members whose email addresses are registered with the Company/ Depositories. The Company shall send the physical copy of the Annual Report for FY22 only to those Member who specifically request for the same at [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com) or [csg-annualreports@tcplindia.co.in](mailto:csg-annualreports@tcplindia.co.in). The Notice convening the AGM and the Annual Report for FY22 have been uploaded on the website of the Company at [www.tatapower.com](http://www.tatapower.com) and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively. The AGM Notice is also available on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
10. **The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, June 17, 2022 to Thursday, July 7, 2022, (both days inclusive) for the purpose of payment of dividend and AGM for FY22.** If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made, subject to deduction of tax at source (TDS), on or after July 11, 2022, as under:

- i) To all Beneficial Owners in respect of shares held in electronic form as per the data as may be made available by NSDL and Central Depository Services (India) Limited (CDSL) (both collectively referred to as 'Depositories') as of the close of business hours on Thursday, June 16, 2022;
  - ii) To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on Thursday, June 16, 2022.
11. 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 TDS from dividend paid to the Members at rates prescribed in the Income-tax Act, 1961 (the IT Act). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, Permanent Account Number (PAN), Category as per the IT Act with their Depository Participants (DPs) or in case shares are held in physical form, with the Company, by sending documents through email by June 5, 2022.
12. **Updation of mandate for receiving dividend directly in bank account through Electronic Clearing System or any other means in a timely manner:**
- Shares held in physical form:** Members holding shares in physical form are requested to send the following details/documents to the Company's Registrars and Transfer Agent (RTA), viz. TSR Consultants Private Limited (TCPL), (formerly TSR Darashaw Consultants Private Limited) at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai -400 083, latest by Monday, June 27, 2022:
- a) Form ISR-1 along with supporting documents. The said form is available on the website of the Company at <https://www.tatapower.com/investor-relations/investorservices-forms.aspx> and on the website of the RTA at <https://tcplindia.co.in/home-KYC.html>.
  - b) Cancelled cheque in original, bearing the name of the Member or first holder, in case shares are held jointly. In case name of the holder is not available on the cheque, kindly submit the following documents:
    - i) Cancelled cheque in original;
    - ii) Bank attested legible copy of the first page of the Bank Passbook / Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and full address of the bank branch.
13. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 in Form ISR-1. The Form ISR-1 is also available on the website of the Company at <https://www.tatapower.com/investor-relations/investorservices-forms.aspx>. Attention of the Members holding shares of the Company in physical form is invited to go through and submit the said Form ISR-1.
14. 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 demat 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

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- filled and signed Form ISR-4, the format of which is available on the Company's website under the weblink at <https://www.tatapower.com/investor-relations/investorservices-forms.aspx> and on the website of the Company's RTA at <https://www.tcplindia.co.in/>. It may be noted that any service request can be processed only after the folio is KYC compliant. 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.
15. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank Mandate details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held in electronic form, and to the RTA in case the shares are held in physical form.
  16. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
  17. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members, who have not yet registered their nomination, are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website [www.tatapower.com](http://www.tatapower.com) (under 'Investor Relations' section). Members are requested to submit the said form to their DP in case the shares are held in electronic form, and to the RTA in case the shares are held in physical form.
  18. Members holding shares in physical form, in identical order of names, in more than one folio, are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
  19. Members are requested to note that dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and

Protection Fund (IEPF). Further, the shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/ Claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in e-Form/web form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules. For details, please refer to Report on Corporate Governance, which is a part of this Annual Report.

20. Members desiring inspection of statutory registers during the AGM may send their request in writing in advance to the Company at [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com).
21. Members who wish to inspect the relevant documents referred to in the Notice can send an email to [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com) upto the date of the AGM.
22. This AGM Notice is being sent by email only to those eligible Members who have already registered their email address with the Depositories/the DP/the Company's RTA/ the Company or who will register their email address with TCPL, on or before 5 p.m. (IST) on Monday, June 27, 2022.
23. **Process for registration of email addresses to receive the Notice of AGM and the Integrated Annual Report for FY22 electronically and cast votes electronically:**

**(i) Registration of email addresses with TCPL:**

To facilitate Members to receive this Notice electronically and cast their votes electronically, the Company has made special arrangement with TCPL for registration of email addresses in terms of the MCA Circulars. Eligible Members who have not submitted their email address to TCPL, are required to provide their email address to the RTA, on or before 5 p.m. (IST) on Monday, June 27, 2022 pursuant to which, any Member may receive on the email address provided by the Member, Notice of the AGM along with the Integrated Annual Report for FY22.

The process for registration of email address is as under:

- I. **For Members who hold shares in Electronic form:**
  - a) [https://tcpl.linkintime.co.in/EmailReg/email\\_register.html](https://tcpl.linkintime.co.in/EmailReg/email_register.html)
  - b) Select the name of the Company from dropdown.

- c) Enter details in respective fields such as DP ID and Client ID, Name of the Member, PAN details, mobile number and email ID.
- d) System will send OTP on mobile number and email ID.
- e) Enter OTP received on mobile number and email ID and submit.

**II. For Members who hold shares in Physical form:**

- a) [https://tcpl.linkintime.co.in/EmailReg/email\\_register.html](https://tcpl.linkintime.co.in/EmailReg/email_register.html)
- b) Select the name of the Company from dropdown.
- c) Enter details in respective fields such as Folio no. and Certificate no., Name of the Member, PAN details, mobile number and email ID.
- d) System will send OTP on mobile number and email ID.
- e) Enter OTP received on mobile number and email ID and submit.

After successful submission of the email address, NSDL will email a copy of the Integrated Annual Report for FY22 along with the remote e-Voting user ID and password on the email address registered by the Member. In case of any queries, Members may write to [csg-unit@tcpplindia.co.in](mailto:csg-unit@tcpplindia.co.in) or [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**(ii) Registration of email address permanently with Company/DP:**

Members are requested to register their email address with their concerned DPs, in respect of electronic holding and with the RTA, in respect of physical holding, by writing to them at [csg-unit@tcpplindia.co.in](mailto:csg-unit@tcpplindia.co.in).

**(iii)** Alternatively, those Members who have not registered their email addresses are required to send an email request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) along with the following documents for procuring user ID and password for e-Voting for the resolutions set out in this Notice:

- In case shares are held in physical mode, please provide Folio No., Name of Member, scanned copy of the share certificate (front and back), self-attested scanned copy each of PAN card and Aadhaar card.
- In case shares are held in electronic mode, please provide DP ID-Client ID (8 digit DP ID + 8 digit Client ID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, self-attested scanned copy each of PAN card and Aadhaar card.

- If you are an individual Member holding securities in electronic mode, you are requested to refer to the login method explained at para VI below **under step 1 (A) i.e. Login method for remote e-Voting and joining virtual meeting for Individual shareholders/Members holding securities in electronic mode.**

24. For permanent registration of their email address, Members are requested to register their email address, in respect of electronic holdings, with their concerned DPs and in respect of physical holdings, with the RTA.

25. Those Members who have already registered their email addresses are requested to keep their email addresses validated with their DP/TCPL to enable serving of notices/documents/Annual Reports and other communications electronically to their email address in future.

26. Process and manner for Members opting for e-Voting is as under:

I. In compliance with the provisions of Section 108, and other applicable provisions of the Act, read with Rule 20 of the Rules and Regulation 44 of the Listing Regulations, the Company is offering only e-Voting facility to all the Members of the Company and the business will be transacted only through the electronic voting system. The Company has engaged the services of NSDL for facilitating e-Voting to enable the Members to cast their votes electronically as well as for e-Voting during the AGM. Resolution(s) passed by Members through e-Voting is/are deemed to have been passed as if it/they have been passed at the AGM.

II. Members are provided with the facility for voting through electronic voting system during the VC/OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, are eligible to exercise their right to vote at the AGM.

III. Members who have already cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the Member has already cast the vote through remote e-Voting.

**IV. Members of the Company, holding shares either in physical form or electronic form, as on the cut-off date of Thursday, June 30, 2022, may cast their vote by remote e-Voting. The remote e-Voting period commences on Monday, July 4, 2022 at 9 a.m. (IST) and ends on Wednesday, July 6, 2022 at 5 p.m. (IST). The remote e-Voting module shall be disabled**

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**by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.**

- V. The instructions for Members attending the AGM through VC/OAVM are as under:
  - A. The Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same by following the steps mentioned below for 'Log-in to NSDL e-Voting system'. The link for VC/OAVM will be available in 'Member login' where the EVEN of the Company will be displayed. After successful login, the Members will be able to see the link of 'VC/OAVM link' placed under the tab 'Join Annual General Meeting' against the name of the Company. On clicking this link, the Members will be able to attend and participate in the proceedings of the AGM through a live webcast of the meeting and submit votes on announcement by the Chairman.
  - B. **Members may join the AGM through laptops, smartphones, tablets and iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from mobile devices or tablets or through laptops 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 glitches.**
  - C. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach the Company's email address at [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com) before 3 p.m. (IST) on Thursday, June 30, 2022. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.

- D. Members who would like to express their views/ask questions as a Speaker at the AGM may pre-register themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number to [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com) between Thursday, June 30, 2022 (9 a.m. IST) and Monday, July 04, 2022 (5 p.m. IST). Only those Members who have pre-registered themselves as Speakers will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

- VI. The instructions for Members for remote e-Voting are, as under:

### **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of 'Two Steps' which are mentioned below:

#### **Step 1: Access to NSDL e-Voting system**

- A) **Log-in method for e-Voting and joining virtual meeting for Individual Shareholders/Members holding securities in demat mode**

In terms of the Circular issued by the Securities and Exchange Board of India dated 9th December 2020, on 'e-Voting facility provided by Listed Companies', e-Voting process has been enabled to all the individual Demat account holders, by way of single login credential, through their Demat accounts/websites of Depositories/ DPs in order to increase the efficiency of the voting process. Individual Demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

Members are advised to update their mobile number and email ID with their DPs in order to access e-Voting facility.

Log-in method for Individual Members holding securities in Demat mode is given below:

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL	<ul style="list-style-type: none"> <li>i) Existing <b>IDeAS</b> user can visit the e-Services website of NSDL viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page, click on the '<b>Beneficial Owner</b>' icon under '<b>Login</b>' which is available under '<b>IDeAS</b>' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on '<b>Access to e-Voting</b>' under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</li> <li>ii) If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select '<b>Register Online for IDeAS Portal</b>' or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>iii) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</li> <li>iv) Shareholders/Members can also download NSDL Mobile App '<b>NSDL Speede</b>' facility by scanning the QR code mentioned below for seamless voting experience.</li> </ul> <div style="background-color: #f0f0f0; padding: 10px; text-align: center;"> <b>NSDL Mobile App is available on</b> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <span> App Store</span> <span> Google Play</span> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </div>
Individual Members holding securities in demat mode with CDSL	<ul style="list-style-type: none"> <li>i) Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>ii) After successful login of Easi/Easiest the user will be also able to see the EVoting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>iii) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>iv) Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ul>
Individual Members (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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**Helpdesk for Individual Shareholders/Members holding securities in Demat mode in case of any technical issues related to Log-in through Depository i.e. NSDL and CDSL.**

Login Method	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk. <a href="mailto:evoting@cdslindia.com">evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Log-in method for remote e-Voting and joining virtual meeting for Members other than Individual Members holding securities in demat mode and Members holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- i) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- ii) Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section.
- iii) A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
- iv) Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- v) Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

vi) Your password details for Members other than Individual Members are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those Members whose email ids are not registered.**

vii) If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:

- a) Click on '**Forgot User Details/Password?**'(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) '**Physical User Reset Password?**' (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request

- at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address, etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  - viii) After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.
  - ix) Now, you will have to click on 'Login' button.
  - x) After you click on the 'Login' button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select 'EVEN' of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on 'VC/OAVM' link placed under 'Join Meeting'.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
5. Upon confirmation, the message 'Vote cast successfully' will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**VII. The instructions for Members for e-Voting during the proceedings of the AGM are as under:**

- A. The procedure for remote e-Voting during the AGM is same as the instructions mentioned above for remote e-Voting since the Meeting is being held through VC/ OAVM.
- B. Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are

otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

- C. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- D. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Manager - NSDL or Mr. Amit Vishal, Senior Manager - NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call on : 1800 1020 990 and 1800 22 44 30.

**General Guidelines for Members**

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager-NSDL or Mr. Amit Vishal, Senior Manager-NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
3. You can also update your mobile number and email ID in the user profile details of the folio which may be used for sending future communication(s).
- VIII. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of June 30, 2022.
- IX. Any person holding shares in physical form and non-individual Members, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. June 30, 2022 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or the Company/TCPL.

However, if the person is already registered with NSDL for remote e-Voting, then the existing user ID and password of the said person can be used for casting vote. If the person forgot his/her password, the same can be reset by using 'Forgot user Details/Password' or 'Physical user Reset Password' option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or by calling on toll free no. 1800 1020 990 and 1800 224 430. In case of Individual Members holding securities in Demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and

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holding shares as of the cut-off date i.e. Thursday, June 30, 2022 may follow steps mentioned in the notes to Notice under 'Access to NSDL e-Voting system'.

- X. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting, as well as voting at the meeting.
- XI. The Board of Directors has appointed Mr. P. N. Parikh (FCS 327, CP 1228) or failing him, Mr. Mitesh Dhabliwala (FCS 8331, CP 9511) or failing him Ms. Sarvari Shah (FCS 9697, CP 11717) of M/s. Parikh and Associates, Company Secretaries as Scrutinizer to scrutinize the voting at the AGM and remote e-Voting process, in a fair and transparent manner.
- XII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-Voting system for all those Members who are present during the AGM but have not cast their votes by availing the remote e-Voting facility. The remote e-Voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
- XIII. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast during the Meeting and, thereafter, unblock the votes cast through remote e-Voting, in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast

in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- XIV. The Results declared, alongwith the Scrutinizer's Report, shall be placed on the Company's website [www.tatapower.com](http://www.tatapower.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com), immediately after the declaration of the result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's Equity Shares are listed viz. BSE and NSE and be made available on their respective websites viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

By Order of the Board of Directors,  
**For The Tata Power Company Limited**

**H. M. Mistry**  
**Company Secretary**  
FCS No.: 3606

Mumbai, May 18, 2022

**Registered Office:**

Bombay House,  
24, Homi Mody Street,  
Mumbai 400 001.  
CIN: L28920MH1919PLC000567  
Tel: 91 22 6665 8282  
Email: [tatapower@tatapower.com](mailto:tatapower@tatapower.com)  
Website: [www.tatapower.com](http://www.tatapower.com)

## EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos.5 to 20 of the accompanying Notice dated May 6, 2022:

**Item No.5:** This Explanatory Statement is provided though strictly not required as per Section 102 of the Act.

S R B C & CO. LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No.:324982E/E300003) (SRBC) were appointed as the Statutory Auditors of the Company by the Members at the 98th Annual General Meeting (AGM) held on August 23, 2017 to hold office from the conclusion of the 98th AGM till the conclusion of the 103rd AGM of the Company to be held in the calendar year 2022.

Accordingly, the present term of SRBC expires on conclusion of the ensuing 103rd AGM. SRBC are eligible for re-appointment for a second term of five years in terms of the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014. The Company has received eligibility letter from SRBC confirming that their appointment will be in accordance with the provisions of Section 139 read with Section 141 of the Act.

Considering their performance for the last 5 years, the Audit Committee of Directors has recommended the re-appointment of SRBC to the Board of Directors of the Company, which the Board has accepted and approved, subject to the approval of the Members.

The recommendation is based on various factors like People, Audit Methodology, Quality Control, Reputation of the Firm and Knowledge. SRBC is a firm of Chartered Accountants registered with The Institute of Chartered Accountants of India. SRBC was established in the year 2002 and is a limited liability partnership firm incorporated in India. It has its registered office in Kolkata and 11 branch offices in various cities in India. SRBC has valid Peer Review certificate and is part of S. R. Batliboi & Affiliates network of audit firms. It is primarily engaged in providing audit and assurance services to its clients. SRBC have been involved in the statutory audits and also internal audits of various companies in the power sector in the entire value chain and, hence, have the necessary experience to conduct the statutory audit of the Company.

The Board of Directors has approved remuneration of ₹ 5.89 crore plus applicable taxes and out of pocket expenses for a period of two years commencing 2022-23, subject to their re-appointment by the Members. The remuneration to be paid to the Statutory Auditors for the remaining period during their second term would be decided in line with the existing remuneration and shall be commensurate with the services to be rendered by them during the said tenure. The Board of Directors, in consultation with the

Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors, Key Managerial Personnel (KMP) and their relatives are, in any way, concerned or interested in the resolution at Item No.5 of the accompanying Notice.

The Board recommends the Resolution at Item No.5 of the accompanying Notice for approval by the Members of the Company.

**Item No.6:** Mr. Kesava Menon Chandrasekhar (DIN:06466854) was appointed as Independent Director of the Company by the Members of the Company at their 98th Annual General Meeting held on August 23, 2017, for a period of five years commencing with effect from May 4, 2017 upto May 3, 2022.

Based on an evaluation of the balance of skills, knowledge and experience on the Board and further, on the report of performance evaluation, the external business environment, business knowledge, skills, experience and the substantial contribution made by him during his tenure and considering that the continued association of Mr. Chandrasekhar as Independent Director of the Company would be beneficial to the Company, and based on the recommendation of the Nomination and Remuneration Committee, the Board, vide Resolution passed on April 21, 2022, appointed Mr. Chandrasekhar as an Additional Director of the Company and subject to approval of the Members by way of Special Resolution at the ensuing 103rd AGM of the Company, re-appointed him as a Non-Executive Independent Director, not liable to retire by rotation, for a second consecutive term commencing from May 4, 2022 upto February 19, 2023, when he attains the retirement age of 75 years, as per the terms of the Governance Guidelines for Tata Companies on Board Effectiveness. Mr. Chandrasekhar shall also cease to be a Director of the Company with effect from close of business hours on February 19, 2023.

He has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Mr. Chandrasekhar has given his declaration to the Board, *inter alia*, that (i) he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (Listing Regulations), (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) is eligible to

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be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director.

A brief profile of Mr. Chandrasekhar is given below:

Mr. Chandrasekhar entered the Indian Administrative Service in 1970. He was ranked third in the list in the batch. Prior to that, he secured B.A. (Honours) in Economics and M.A. in History from St. Stephen's, College, University of Delhi. After entering Government service, he did his M.A. in Management Studies from the University of Leeds in United Kingdom.

He spent the first 25 years of his career in Kerala, holding such positions as Managing Director of the State Civil Supplies Corporation, District Collector, Idukki, Director of Fisheries, Principal Secretary (Industries) and Principal Secretary (Finance). During this period, he was also Chairman of the Spices Board under the Ministry of Commerce, Government of India.

In 1996, he left Kerala on Central Government deputation. During his 15 years tenure with the Government of India, from 1996 to 2011, he was Joint Secretary in the key Trade Policy Division of the Ministry of Commerce, Deputy Chief of Mission in the Embassy of India, Brussels and the Ambassador and Permanent Representative of India in the World Trade Organization in Geneva. He rose to the position of Union Cabinet Secretary. As Cabinet Secretary, he was Head of all the Civil Services in India and reported directly to the Prime Minister. He retained that position for four years. He retired from Government service in 2011 at the age of 63, having served Government for 41 years.

Post retirement, he was, for 5 years, Vice-Chairman, Kerala State Planning Board with rank of Cabinet Minister of the State.

Mr. Chandrasekhar has considerable management experience having been associated as Chairman, Managing Director or member of the Board of Directors of more than 40 companies in the public, joint and private sector. He has written several articles and presented papers. He has also been consultant to the Commonwealth Secretariat and to the UN Food and Agriculture Organization.

In the opinion of the Board, Mr. Chandrasekhar is a person of integrity, fulfils the conditions specified in the Act and the Rules made thereunder read with the provisions of the Listing Regulations, each as amended, and is independent of the management of the Company.

A copy of the draft letter of appointment as Independent Director setting out the terms and conditions is available for inspection without any fee payable by the Members. Members who wish to inspect the same can send a request to [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com).

Mr. Chandrasekhar would be entitled to sitting fees for attending meetings of the Board of Directors and Committees thereof where

he is a Member. In addition, he would be entitled to commission as determined each year by the Board of Directors within the limits approved by the Members of the Company for the Non-Executive Directors of the Company.

In compliance with the provisions of Sections 149, 152 and other applicable provisions of the Act, read with Schedule IV to the Act and the Rules made thereunder, and in terms of the applicable provisions of the Listing Regulations, each as amended, the re-appointment of Mr. Chandrasekhar as Independent Director of the Company for a second term commencing with effect from May 4, 2022 upto February 19, 2023, is now being placed before the Members for their approval by way of special resolution.

Other than Mr. Chandrasekhar, who is concerned or interested in the Resolution relating to his re-appointment, none of the Directors or KMP of the Company and their respective relatives are concerned or interested in the resolution set out at Item No.6 of the accompanying Notice.

Mr. Chandrasekhar is not related to any Director or KMP of the Company.

The Board recommends the Resolution at Item No.6 of the accompanying Notice for approval by the Members of the Company.

### **Context for Item Nos.7 to 17:**

The provisions of the recently amended Regulation 23 of the Listing Regulations, stipulate that a transaction with a related party shall be considered material, if the transaction(s) entered into/to be entered into individually or taken together with the previous transactions during a financial year, exceeds ₹ 1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, and will require prior approval of Members by means of an ordinary resolution. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at an arm's length basis. The amended Regulation 2(1)(zc) of the Listing Regulations has also enhanced the definition of Related Party(ies) and Related Party Transactions (RPTs) which now includes a transaction involving a transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand, regardless of whether a price is charged or not.

It is in the above context that Resolution Nos. 7 to 17 are placed for the approval of the Members of the Company.

### **Item No.7:**

#### **Background, details and benefits of the transaction**

PT Kaltim Prima Coal (KPC) is a joint venture between The Tata Power Company Limited (TPCL), PT Sitrade Coal, PT Bhumi Resources Tbk and Mountain Netherlands Investments B.V. KPC

was established in the Republic of Indonesia based on Deed of Establishment No.28, dated March 9, 1982, drawn up before Warda Sungkar Alurmei, S.H., Notary in Jakarta, approved by Ministry of Justice in Decree No. Y.A.5/208/25 dated March 16, 1982PT. TPCL holds 30% stake in KPC. The scope of its activities comprises the exploration, development, mining and marketing of coal.

Coastal Gujarat Power Limited (a wholly owned subsidiary of TPCL, which has now merged with TPCL) entered into Coal Sales Agreement with KPC dated October 31, 2008 for a long term coal supply. The Initial Coal Sales Agreement had been amended and modified several times, the latest by Twelfth Amendment dated 26th April, 2022 (Twelfth Amendment). The term 'Coal Sales Agreement' hereinafter, will mean to include all twelve amendments for sourcing coal from KPC on FOB (Free on Board) basis price linked to HBA (Government of Indonesia notified monthly benchmark pricing).

The transactions between the two companies not only help smoothen business operations for both the companies, but also ensure consistent flow of desired quality and quantity of goods and services without interruptions and generation of revenue and business for both the companies to cater to their business requirements.

The management of TPCL has provided the Audit Committee with the details of various proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has recommended entering into RPTs with KPC for an aggregate value not exceeding ₹ 12,000 crore to be entered during FY23. The Audit Committee has noted that the said transactions will be executed as per the terms of the Coal Sales Agreement, which is in the ordinary course of business. The Audit Committee has also reviewed the pricing mechanism under the Coal Sales Agreement and confirmed that pricing is at arm's length.

Details of the proposed transactions of the Company with KPC, being a related party of TPCL, are as follows:

Sl. No.	Description	Details
1.	A summary of information provided by the management to the Audit Committee:	
a.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	PT Kaltim Prima Coal (KPC) Indonesia, a Joint Venture company of TPCL holding 30% interest in KPC.
b.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. Sanjeev Churiwala, Chief Financial Officer and KMP of TPCL is also on the Board of Commissioners of KPC.
c.	Nature, material terms, monetary value and particulars of contracts or arrangement	The Company has long term coal sourcing arrangement with KPC. The Company has been sourcing coal from KPC since 2010 as per the Coal Sales Agreement, which is valid till FY33. The coal is being procured at market price (price linked to Government of Indonesia notified monthly benchmark pricing i.e. HBA), as per the terms of the Coal Sales Agreement.
d.	Tenure of the transaction	The tenure of the Coal Sales Agreement between TPCL and KPC is valid till FY33. However, approval of the Members is being sought for Material RPTs for FY23.
e.	Value of the proposed Transaction	₹ in crore
	<b>Nature of transactions</b>	<b>Existing/ proposed</b>
	Purchase of Indonesian origin Mid GCV coal	Estimated Value during FY23
		12,000
f.	Percentage of annual consolidated turnover considering FY22 as the immediately preceding financial year	28.18% (for RPTs to be entered during FY23)
2.	Justification for the transaction	Please refer to 'Background, details and benefits of the transaction' which forms part of the explanatory statement to the Resolution No.7
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	

## Notice

Sl. No.	Description	Details
	(i) details of the source of funds in connection with the proposed transaction	
	(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure	Not Applicable
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	The proposed RPTs have been evaluated by a reputed external independent consulting firm in terms of pricing and arm's length criteria and the report confirms that the proposed RPTs are on arm's length basis. The report is available for inspection by the Members of the Company. They may follow the process for inspection of document as mentioned in the 'Notes' section forming part of this Notice.
5.	Percentage of counterparty's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis	34.85% of standalone turnover of KPC for FY22.
6.	Any other information that may be relevant	All important information forms part of the statement setting out material facts of the proposed RPTs.

### Arm's length pricing:

The RPT(s)/contract(s)/arrangement(s) mentioned in this proposal have been evaluated by a reputed external independent consulting firm and the firm has confirmed that the proposed terms of the RPT(s)/contract(s)/arrangement(s) meet the arm's length testing criteria. The RPT(s)/contract(s)/arrangement(s) also qualify as contract under ordinary course of business.

Brief details on the mode of determination of arm's length pricing are provided below:

Nature of Transaction	Arm's length pricing
Imported coal sourcing not exceeding ₹ 12,000 crore	In terms of the Coal Sales Agreement, the Company has been sourcing the coal from KPC at a price which is linked to market price i.e. HBA Index.

The said transaction, being a Material RPT, requires prior approval of the Members of the Company in accordance with Regulation 23 of the Listing Regulations.

Members may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) are a party to the aforesaid transactions or not), shall not vote to approve the Resolution under Item No.7.

Mr.Sanjeev Churiwala, Chief Financial Officer and KMP of TPCL is also on the Board of Commissioners of KPC.

None of the Directors and other KMP of the Company and their respective relatives (to the extent of their shareholding in the Company, if any) in any way, are concerned or interested either directly or indirectly, financially or otherwise in the Resolution set out at Item No.7 of the accompanying Notice.

The Board recommends the Resolution at Item No.7 of the accompanying Notice for approval by the Members of the Company.

**Item No.8:**
**Background, details and benefits of the transaction**

Tata Projects Limited (TPL) is an associate company of The Tata Power Company Limited (TPCL), and consequently, a related party of TPCL. TPL is one of the fastest growing and most admired infrastructure companies in India. It has expertise in executing large and complex urban and industrial infrastructure projects.

TPCL, based on competitive bidding, has placed orders on TPL for execution of Flue Gas Desulphurisation (FGD) projects at its 4150 MW (5 x 830 MW) Mundra Thermal Power Generation Plant and 447 MW Jojobera Plant. Scope of work of FGD includes design, engineering, manufacture, shop fabrication, assembly, shop testing, type testing at manufacturer's works, inspection, supply including packing and forwarding, loading and unloading, transportation, adequate preservation at site, storage and handling at site, site fabrication, erection/installation, construction, site testing, commissioning and performance testing of wet limestone based System for treating 100% of the flue gas flow rate. TPL, being an expert contracting company, has been engaged as Engineering Procurement and Construction (EPC) Contractor for execution of the aforesaid FGD Project through open bidding process. The Project will be executed

between FY23 to FY25 as per the terms of the Order(s) placed on TPL. However, approval of the Members is being sought for Material RPTs for FY23.

The said orders were placed as per the approval of the Audit Committee of Directors.

During FY23, the Company also intends to enter into other EPC Projects with TPL.

Both TPL and TPCL, being part of the Tata Group, these transactions not only help smoothen business operations for both the companies, but also ensure consistent flow of desired quality and quantity of facilities and services without interruption and generation of revenue and business for both the companies to cater to their business requirements.

The management of TPCL has provided the Audit Committee with the details of various proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has recommended entering into RPTs with TPL for an aggregate value not exceeding ₹ 2,930 crore during FY23. The existing orders were placed on TPL on an arm's length basis. The Audit Committee has noted that the said transactions with TPL will be on an arm's length basis and in the ordinary course of business of the Company.

Details of the proposed transactions of the Company with TPL, being a related party of TPCL, are as follows:

Sl. No.	Description	Details
1.	A summary of information provided by the management to the Audit Committee:	
a.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	TPL is an associate company of TPCL and consequently, a related party of TPCL. TPCL holds 47.78% in TPL.
b.	Name of the director or key managerial personnel who is related, if any, and nature of relationship	Mr. Banmali Agrawala, who is Non-Executive Chairman of TPL, is also a Non-Executive Director of TPCL.
c.	Nature, material terms, monetary value and particulars of contracts or arrangement	TPCL, based on competitive bidding, has placed orders on TPL for execution of FGD Projects at its 4,150 MW (5 x 830 MW) Mundra Thermal Power Generation Plant and 447 MW Jojobera Plant. The underlying on-going agreements are effective from FY19 and valid till FY25. TPCL also intends to award other EPC contracts, pertaining to construction of transmission line and other infrastructural facilities to TPL during FY23.
d.	Tenure of the Transaction	The Project will be executed between FY23 to FY25 as per the terms of the Order(s) placed on TPL. However, approval of the Members is being sought for Material RPTs for FY23.
e.	Value of the proposed Transaction	₹ in crore
	<b>Nature of transactions</b>	<b>Existing/ proposed</b>
	Availing of EPC Services	Existing
	Availing of EPC and O&M Services	Proposed
	Availing of O&M Services	Existing
	<b>Total</b>	<b>Estimated Value</b>
		2,220
		680
		30
		<b>2,930</b>
f.	Percentage of annual consolidated turnover considering FY22 as the immediately preceding financial year	6.88% (for RPTs to be entered during FY23)

## Notice

Sl. No.	Description	Details
2.	Justification for the transaction	Please refer to 'Background, details and benefits of the transaction' which forms part of the explanatory statement to the Resolution No. 8
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:  (i) details of the source of funds in connection with the proposed transaction  (ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure  (iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security  (iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	The proposed RPTs have been evaluated by a reputed external independent consulting firm in terms of pricing and arm's length criteria and the report confirms that the proposed RPTs are on arm's length basis. The report is available for inspection by the Members of the Company. They may follow the process for inspection of document as mentioned in the 'Notes' section forming part of this Notice.
5.	Percentage of counterparty's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis	21.37% of TPL's annual consolidated turnover for FY22
6.	Any other information that may be relevant	All important information forms part of the statement setting out material facts of the proposed RPTs.

### Arm's length pricing:

The RPT(s)/contract(s)/arrangement(s) mentioned in this proposal have been evaluated by a reputed external independent consulting firm and the firm has confirmed that the proposed terms of the RPT(s)/contract(s)/agreement(s) meet the arm's length testing criteria. The RPT(s)/contract(s)/arrangement(s) also qualify as contract under ordinary course of business.

Brief details on the mode of determination of arm's length pricing are provided below:

Nature of Transaction	Arm's length pricing
Transaction(s) not exceeding ₹ 2,930 crore	Orders were placed on TPL based on competitive bidding as per Policy on Related Party Transactions of the Company.  In case of the proposed transactions, order will be placed based on competitive bids for procurement / availing the relevant material and/or service. When such competitive bids are not available, alternative method (for instance, cost-plus markup or comparable price, etc.) as advised by the independent consulting firm, shall be considered as arm's length pricing criteria.

The said transaction, being a Material RPT, requires prior approval of the Members of the Company in accordance with Regulation 23 of the Listing Regulations.

Members may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) are a party to the aforesaid transactions or not), shall not vote to approve the Resolution under Item No.8.

Mr. Banmali Agrawala, who is Non-Executive Chairman of TPL, is also a Non-Executive Director of TPCL.

None of the other Directors and KMP of the Company and their respective relatives (to the extent of their shareholding in the Company, if any) in any way, are concerned or interested either directly or indirectly, financially or otherwise in the Resolution set out at Item No.8 of the accompanying Notice.

The Board recommends the Resolution at Item No. 8 of the accompanying Notice for approval by the Members of the Company.

#### **Item No.9:**

##### **Background, details and benefits of the transaction**

Tata Steel Limited (TSL) is a listed associate company of Tata Sons Private Limited [Promoter of The Tata Power Company Limited (TPCL)]. Consequently, TSL is a related party of TPCL. TSL offers a broad range of steel products including a portfolio of high value added downstream products such as hot rolled, cold rolled, coated steel, rebars, wire rods, tubes and wires.

TPCL primarily sells power to TSL for its manufacturing facilities and distribution. TPCL also sells stores, spares for use in their manufacturing processes. TPCL provides tolling services to TSL whereby coal is provided by TSL for conversion into power. TPCL purchases coal by-products, gas and utilities, stores, spares,

consumables, etc. TPCL also avails services from TSL such as business auxiliary services like training, consultancy, leasing out premises amongst others. As part of business operations, both the companies also enter into other transactions such as reimbursement of expenses and transfer of assets, from time to time.

TPCL enters into various transactions with TSL including rendering and availing of services, purchasing and selling of required goods and other transactions such as transfer of assets or reimbursement of expenses for business operations, from time to time. Both TSL and TPCL, being part of the Tata Group, these transactions not only help smoothen business operations for both the companies, but also ensure consistent flow of desired quality and quantity of facilities and services without interruptions and generation of revenue and business for both the companies to cater to their business requirements.

The management of TPCL has provided the Audit Committee with the details of various proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has recommended entering into RPTs with TSL for an aggregate value not exceeding ₹ 2,630 crore to be entered into during FY23. TPCL has already entered into certain agreement(s)/contract(s) as mentioned hereinbelow. The Committee has noted that the said transactions with TSL will be on an arm's length basis and in the ordinary course of business of the Company.

Details of the proposed transactions of the Company with TSL, being a related party of TPCL, are as follows

Sl. No.	Description	Details
1.	A summary of information provided by the management to the Audit Committee	
a.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	TSL is a listed associate company of Tata Sons Private Limited (Promoter of TPCL) and, consequently, a related party of TPCL.
b.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. N. Chandrasekaran is Non-Executive Chairman and Mr. Saurabh Agrawal is Non-Executive Director, on both the Boards.
c.	Nature, material terms, monetary value and particulars of contracts or arrangement	TPCL has on-going arrangements with TSL for sale of power from its multiple power generating units located at Jojobera and Haldia. Jojobera has 4 units, 2 units are regulated wherein the tariff for sale of power is approved by state regulatory authority and while 2 units are non-regulated wherein the tariff for sale of power is mutually decided between the parties.  The underlying arrangements comprise allied transactions such as purchase of fuel (coal/ gas), goods, spares and services. The duration of the said contracts ranges from FY97 to FY37.  Further, TPCL is also proposing to enter into additional contracts for sale of power along with above allied transactions from its additional power plants.
d.	Tenure of the Transaction	The tenure of the contracts ranges from FY97 to FY37. However, approval of the Members is being sought for Material RPT for FY23.

## Notice

Sl. No.	Description	Details		
		Nature of transactions	Existing/proposed	₹ in crore Estimated Value during FY23
e.	Value of the proposed Transaction	Sale of Power Purchase of Goods (including coal by-products, gas & utilities, stores, spares, etc.) Rendering of services Availing of services Reimbursement of Expenses Other transactions	Existing Existing Existing/ Proposed Existing/ Proposed Proposed Existing/ Proposed	1,368 1,029 160 16 13 44 <b>2,630</b>
f.	Percentage of annual consolidated turnover considering FY22 as the immediately preceding financial year	6.18% (for RPTs to be entered during FY23)		
2.	Justification for the transaction	Please refer to 'Background, details and benefits of the transaction' which forms part of the explanatory statement to the Resolution No. 9		
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	(i) details of the source of funds in connection with the proposed transaction (ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure (iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security (iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT		
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	The proposed RPTs have been evaluated by a reputed external independent consulting firm in terms of pricing and arm's length criteria and the report confirms that the proposed RPTs are on arm's length basis. The report is available for inspection by the Members of the Company. They may follow the process for inspection of document as mentioned in the 'Notes' section forming part of this Notice.		
5.	Percentage of counterparty's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis	1.08% of TSL's annual consolidated turnover for FY22		
6.	Any other information that may be relevant	All important information forms part of the statement setting out material facts of the proposed RPTs.		

**Arm's length pricing:**

The RPT(s)/contract(s)/arrangement(s) mentioned in this proposal have been evaluated by a reputed external independent consulting firm and the firm has confirmed that the proposed terms of the RPT(s)/contract(s)/agreement(s) meet the arm's length testing criteria. The RPT(s)/contract(s)/arrangement(s) also qualify as contract under ordinary course of business.

Brief details on the mode of determination of arm's length pricing are provided below:

Nature of Transaction	Arm's length pricing
Operational transactions not exceeding ₹ 2,630 crore	<p>Tariff for sale of power from regulated units are decided by state regulatory authority while the tariff for sale of power from non-regulated units are mutually decided between the parties in line with the tariff approved for regulated units.</p> <p>For the allied transactions, wherever market prices are available, the same has been considered and analysed to meet the arm's length price. Further, the transactions are aggregated and evaluated factoring the profitability earned from respective units.</p> <p>Further, for proposed arrangements, the RPTs of sale of power and allied transaction will be entered based on the market price of the relevant material and service. Where market price is not available, alternative method (such as cost plus mark-up, comparable price, etc.), as advised by the independent consulting firm, shall be consider as arm's length price.</p>

The said transaction, being a Material RPT, requires prior approval of the Members of the Company in accordance with Regulation 23 of the Listing Regulations.

Members may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) are a party to the aforesaid transactions or not), shall not vote to approve the Resolution under Item No. 9.

Mr. N. Chandrasekaran, Chairman of TSL is also the Chairman of TPCL. Further, Mr. Saurabh Agrawal, Non-Executive Director of TSL, is also a Non-Executive Director of TPCL, as on date of this Notice. Mr. Chandrasekaran, Mr. Agrawal and their relatives' interest or concerns are limited only to the extent of their holding directorship position(s) in TSL and TPCL.

None of the other Directors and KMP of the Company and their respective relatives (to the extent of their shareholding in the Company, if any) in any way, are concerned or interested either directly or indirectly, financially or otherwise in the Resolution set out at Item No.9 of the accompanying Notice.

The Board recommends the Resolution at Item No.9 of the accompanying Notice for approval by the Members of the Company.

**Item No.10:**
**Background, details and benefits of the transaction**

Tata Power Solar Systems Limited (TPSSL) is a fellow subsidiary of Tata Power Renewable Energy Limited (TPREL) and consequently, a related party of TPREL. TPSSL is an Indian company engaged in providing Engineering, Procurement and Construction (EPC) services for development of solar power plants, operation and maintenance of solar power plants as well as manufacturing of solar cells and modules.

TPREL avails EPC services from TPSSL for development of its Solar Power plants. TPSSL also avails and provides loan for fulfilling working capital requirements. As part of the business operations, both the companies also enter into other transactions such as reimbursement of expenses from time to time. Both, TPSSL and TPREL, being part of the Tata Power group, these transactions not only help smoothen business operations for both the companies, but also ensure consistent flow of desired quality and quantity of facilities and services without interruption and generation of revenue and business for both the companies to cater to their business requirements.

The management of The Tata Power Company Limited (TPCL), the parent company of both TPSSL and TPREL, has provided the Audit Committee with the details of various proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has recommended entering into RPTs between TPSSL and TPREL for an aggregate value not exceeding ₹ 6,035 crore to be entered into during FY23. The Audit Committee has noted that the said transactions will be executed between TPSSL and TPREL on an arm's length basis and in the ordinary course of business of TPSSL and TPREL.

## Notice

Details of the proposed transactions between TPREL and TPSSL are as follows:

Sl. No.	Description	Details																					
1.	A summary of information provided by the management to the Audit Committee	TPREL and TPSSL are fellow subsidiaries of TPCL.																					
a.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Dr. Praveer Sinha is Non-Executive Chairman of both TPSSL and TPREL. Further, Mr. Ashish Khanna is Non-Executive Director of both TPSSL and TPREL and Ms. Aditi Raja, who is Non-Executive Director of TPSSL, is also an Independent Director of TPREL																					
b.	Name of the director or key managerial personnel who is related, if any and nature of relationship	TPSSL has an on-going EPC and/or Operation and Maintenance (O&M) contracts wherein it undertakes construction of solar based power plants and provides need-based O&M services to TPREL. The duration of the on-going contracts ranges from FY17 to FY37.																					
c.	Nature, material terms, monetary value and particulars of contracts or arrangement	Both, TPSSL and TPREL further intend to enter into EPC/ O&M contract, placing/acceptance of inter-corporate deposit and interest thereon during FY23																					
d.	Tenure of the Transaction	The tenure of the contract(s) ranges from FY17 to FY37. However, approval of the Members is being sought for Material RPT for FY23.																					
e.	Value of the proposed Transaction	<table border="1"> <thead> <tr> <th>Nature of transactions</th> <th>Existing/ proposed</th> <th>₹ in crore Estimated Value during FY23</th> </tr> </thead> <tbody> <tr> <td>Sale of Material</td> <td>Existing/ Proposed</td> <td>4,500</td> </tr> <tr> <td>Rendering of services</td> <td>Existing/ Proposed</td> <td>300</td> </tr> <tr> <td>Loan Taken</td> <td>Proposed</td> <td>700</td> </tr> <tr> <td>Loan Given</td> <td>Proposed</td> <td>500</td> </tr> <tr> <td>Receipt/ payment of interest</td> <td>Proposed</td> <td>35</td> </tr> <tr> <td><b>Total</b></td> <td></td> <td><b>6,035</b></td> </tr> </tbody> </table>	Nature of transactions	Existing/ proposed	₹ in crore Estimated Value during FY23	Sale of Material	Existing/ Proposed	4,500	Rendering of services	Existing/ Proposed	300	Loan Taken	Proposed	700	Loan Given	Proposed	500	Receipt/ payment of interest	Proposed	35	<b>Total</b>		<b>6,035</b>
Nature of transactions	Existing/ proposed	₹ in crore Estimated Value during FY23																					
Sale of Material	Existing/ Proposed	4,500																					
Rendering of services	Existing/ Proposed	300																					
Loan Taken	Proposed	700																					
Loan Given	Proposed	500																					
Receipt/ payment of interest	Proposed	35																					
<b>Total</b>		<b>6,035</b>																					
f.	Percentage of annual consolidated turnover considering FY22 as the immediately preceding financial year	14.17% (for RPTs to be entered during FY23)																					
2.	Justification for the transaction	Please refer to 'Background, details and benefits of the transaction' which forms part of the explanatory statement to the Resolution No. 10																					
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	<p>(i) details of the source of funds in connection with the proposed transaction</p> <p>(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments</p> <ul style="list-style-type: none"> <li>- nature of indebtedness;</li> <li>- cost of funds; and</li> <li>- tenure</li> </ul> <p>(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security</p> <p>(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT</p> <p>Internal accruals</p> <p>NIL</p> <p>I. Tenure - Short Term (less than one year)  II. Interest rate - benchmarked with other banks.  III. Security - Unsecured.  IV. Currency - INR</p> <p>Working Capital requirements</p>																					

Sl. No.	Description	Details
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	The proposed RPTs have been evaluated by a reputed external independent consulting firm in terms of pricing and arm's length criteria and the report confirms that the proposed RPTs are on arm's length basis. The report is available for inspection by the Members of the Company. They may follow the process for inspection of document as mentioned in the 'Notes' section forming part of this Notice.
5.	Percentage of counterparty's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis	70.95% - Standalone turnover of TPSSL for FY22 217.95% - Consolidated turnover of TPREL for FY22
6.	Any other information that may be relevant	All important information forms part of the statement setting out material facts of the proposed RPTs.

#### Arm's length pricing:

The RPT(s)/contract(s)/arrangement(s) mentioned in this proposal have been evaluated by a reputed external independent consulting firm and the firm has confirmed that the proposed terms of the RPT(s)/contract(s)/agreement(s) meet the arm's length testing criteria. The RPT(s)/contract(s)/arrangement(s) also qualify as contract under ordinary course of business.

Brief details on the mode of determination of arm's length pricing are provided below:

Nature of Transaction	Arm's length pricing
Operational transactions not exceeding ₹ 6,035 crore	The RPTs will be entered based on the market price of the relevant material and service. Where market price is not available, alternative method (such as cost plus mark-up, comparable price, etc.), as advised by the independent consulting firm, shall be considered as arm's length price.

The said transaction, being a Material RPT, requires prior approval of the Members of the Company in accordance with Regulation 23 of the Listing Regulations

Members may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) are a party to the aforesaid transactions or not), shall not vote to approve the Resolution under Item No.10.

Dr. Praveer Sinha is Non-Executive Chairman of both, TPSSL and TPREL. Further, Mr. Ashish Khanna is Non-Executive Director of both, TPSSL and TPREL and Ms. Aditi Raja, who is Non-Executive Director of TPSSL, is also an Independent Director of TPREL. Dr. Sinha, Mr. Khanna and Ms. Raja and their relatives' interest or concerns are limited only to the extent of their directorship in TPSSL and TPREL.

None of the other Directors and KMP of the Company and their respective relatives (to the extent of their shareholding in the Company, if any) in any way, are concerned or interested either

directly or indirectly, financially or otherwise in the Resolution set out at Item No.10 of the accompanying Notice.

The Board recommends the Resolution at Item No.10 of the accompanying Notice for approval by the Members of the Company

#### Item No.11:

##### Background, details and benefits of the transaction

Tata Power Solar Systems Limited (TPSSL) is a fellow subsidiary of TP Surya Limited (TPSL) and consequently, a related party of TPSL. TPSSL is an Indian company engaged in providing Engineering, Procurement and Construction (EPC) services for development of solar power plants, Operation and Maintenance of solar power plants as well as manufacturing of solar cells and modules.

TPSL avails EPC services from TPSSL for development of its Solar Power plants. As a part of business operations, both the companies also enter into other transactions such as reimbursement of expenses from time to time. Both TPSSL and TPSL, being part of the Tata Power Group, these transactions not only help smoothen business operations for both the companies, but also ensure consistent flow of desired quality and quantity of facilities and services without interruptions and generation of revenue and business for both the companies to cater to their business requirements.

The management of The Tata Power Company Limited (TPCL), the parent company of both TPSSL and TPSL, has provided the Audit Committee with the details of the proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has recommended entering into RPTs between TPSSL and TPSL for an aggregate value not exceeding ₹ 3,800 crore to be entered during FY23. The Audit Committee has noted that the said transactions will be executed between TPSSL and TPSL on an arm's length basis and in the ordinary course of business.

## Notice

Details of the proposed transactions between TPSL and TPSSL are as follows:

Sl. No.	Description	Details												
1.	A summary of information provided by the management to the Audit Committee													
a.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	TPSSL and TPSL are fellow subsidiaries of TPCL.												
b.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. Ashish Khanna is a Non-Executive Director of both, TPSSL and TPSL. Further, Mr. Mahesh Paranjpe, Chief Executive Officer and KMP of TPSSL is also a Non-Executive Director of TPSL.												
c.	Nature, material terms, monetary value and particulars of contracts or arrangement	During the year under consideration, TPSL anticipates availing of EPC and O&M services from TPSSL. The services include construction of solar based power plants and provides need-based O&M services												
d.	Tenure of the Transaction	FY23												
e.	Value of the proposed Transaction	₹ in crore												
		<table border="1"> <thead> <tr> <th>Nature of transactions</th> <th>Existing/ proposed</th> <th>Estimated Value FY23</th> </tr> </thead> <tbody> <tr> <td>Sale of Material</td> <td>Proposed</td> <td>3,500</td> </tr> <tr> <td>Rendering of services</td> <td>Proposed</td> <td>300</td> </tr> <tr> <td><b>Total</b></td> <td></td> <td><b>3,800</b></td> </tr> </tbody> </table>	Nature of transactions	Existing/ proposed	Estimated Value FY23	Sale of Material	Proposed	3,500	Rendering of services	Proposed	300	<b>Total</b>		<b>3,800</b>
Nature of transactions	Existing/ proposed	Estimated Value FY23												
Sale of Material	Proposed	3,500												
Rendering of services	Proposed	300												
<b>Total</b>		<b>3,800</b>												
f.	Percentage of annual consolidated turnover considering FY22 as the immediately preceding financial year	8.93% (for RPTs to be entered during FY23)												
2.	Justification for the transaction	Please refer to 'Background, details and benefits of the transaction' which forms part of the explanatory statement to the Resolution No. 11												
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:													
	(i) details of the source of funds in connection with the proposed transaction													
	(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure	Not Applicable												
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security													
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT													
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	The proposed RPTs have been evaluated by a reputed external independent consulting firm in terms of pricing and arm's length criteria and the report confirms that the proposed RPTs are on arm's length basis. The report is available for inspection by the Members of the Company. They may follow the process for inspection of document as mentioned in the 'Notes' section forming part of this Notice.												

Sl. No.	Description	Details
5.	Percentage of counterparty's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis	44.67% - Standalone turnover of TPSSL for FY22 NA – Standalone turnover of TPSL for FY22 as the company has not commenced operations.
6.	Any other information that may be relevant	All important information forms part of the statement setting out material facts of the proposed RPTs.

### Arm's length pricing:

The RPT(s)/contract(s)/arrangement(s) mentioned in this proposal have been evaluated by a reputed external independent consulting firm and the firm has confirmed that the proposed terms of the RPT(s)/contract(s)/agreement(s) meet the arm's length testing criteria. The RPT(s)/contract(s)/arrangement(s) also qualify as contract under ordinary course of business.

Brief details on the mode of determination of arm's length pricing are provided below:

Nature of Transaction	Arm's length pricing
Operational transactions not exceeding ₹ 3,800 crore	The RPTs will be entered based on the market price of the relevant material and service. Where market price is not available, alternative method (such as cost-plus mark-up, comparable price, etc.), as advised by the independent consulting firm, shall be considered as arm's length price.

The said transaction, being a Material RPT, requires prior approval of the Members of the Company in accordance with Regulation 23 of the Listing Regulations.

Members may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) are a party to the aforesaid transactions or not), shall not vote to approve the Resolution under Item No.11.

Mr. Ashish Khanna is a Non-Executive Director of both, TPSSL and TPSL. Further, Mr. Mahesh Paranjpe, Chief Executive Officer and KMP of TPSSL is also a Non-Executive Director of TPSL. Mr. Khanna, Mr. Paranjpe and their relatives' interest or concerns are limited only to the extent of their directorship / KMP position(s) in TPSSL and TPSL.

None of the Directors and KMP of the Company and their respective relatives (to the extent of their shareholding in the Company, if any) in any way, are concerned or interested either directly or indirectly, financially or otherwise in the Resolution set out at Item No.11 of the accompanying Notice.

The Board recommends the Resolution at Item No.11 of the accompanying Notice for approval by the Members of the Company.

### Item No.12:

#### Background, details and benefits of the transaction

Tata Power Solar Systems Limited (TPSSL) is a fellow subsidiary of Tata Power Green Energy Limited (TPGEL) and consequently, a related party of TPGEL. TPSSL is an Indian company engaged in providing Engineering, Procurement and Construction (EPC) services for development of solar power plants, Operation and Maintenance of solar power plants as well as manufacturing of solar cells and modules.

TPGEL avails EPC services from TPSSL for development of its Solar Power Plants. As part of business operations, both the companies also enter into other transactions such as reimbursement of expenses from time to time. Both TPSSL and TPGEL being part of the Tata Power Group, these transactions not only help smoothen business operations for both the companies, but also ensure consistent flow of desired quality and quantity of facilities and services without interruptions and generation of revenue and business for both the companies to cater to their business requirements.

The management of The Tata Power Company Limited (TPCL), the parent company of both TPSSL and TPGEL, has provided the Audit Committee with the details of the proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has recommended entering into RPTs between TPSSL and TPGEL for an aggregate value not exceeding ₹ 1,520 crore to be entered during FY23. The Audit Committee has noted that the said transactions will be executed between TPSSL and TPGEL on an arm's length basis and in the ordinary course of business.

## Notice

Details of the proposed transactions between TPGL and TPSSL are as follows:

Sl. No.	Description	Details	
1.	A summary of information provided by the management to the Audit Committee		
a.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	TPSSL and TPGL are fellow subsidiaries of TPCL.	
b.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. Ashish Khanna, Non-Executive Director of TPSSL, is also the Non-Executive Chairman of TPGL.	
c.	Nature, material terms, monetary value and particulars of contracts or arrangement	During the year under consideration, TPGL anticipates availing of EPC and O&M services from TPSSL. The services include construction of solar based power plants and need-based O&M services	
d.	Tenure of the Transaction	FY23	
e.	Value of the proposed Transaction	₹ in crore	
		<b>Nature of transactions</b>	
		<b>Existing/ proposed</b>	
		<b>Estimated Value during FY23</b>	
	Sale of Material	Proposed	1,500
	Rendering of services	Proposed	20
	<b>Total</b>		<b>1,520</b>
f.	Percentage of annual consolidated turnover considering FY22 as the immediately preceding financial year	3.57% (for RPTs to be entered during FY23)	
2.	Justification for the transaction	Please refer to 'Background, details and benefits of the transaction' which forms part of the explanatory statement to the Resolution No. 12	
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:		
	(i) details of the source of funds in connection with the proposed transaction		
	(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure	Not Applicable	
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security		
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT		
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	The proposed RPTs have been evaluated by a reputed external independent consulting firm in terms of pricing and arm's length criteria and the report confirms that the proposed RPTs are on arm's length basis. The report is available for inspection by the Members of the Company. They may follow the process for inspection of document as mentioned in the 'Notes' section forming part of this Notice.	

Sl. No.	Description	Details
5.	Percentage of counterparty's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis	17.87% - Standalone turnover of TPSSL for FY22 NA - Standalone turnover of TPGEL for FY22 as the company has not commenced full-fledged operations.
6.	Any other information that may be relevant	All important information forms part of the statement setting out material facts of the proposed RPTs.

#### Arm's length pricing:

The RPT(s)/contract(s)/arrangement(s) mentioned in this proposal have been evaluated by a reputed external independent consulting firm and the firm has confirmed that the proposed terms of the RPT(s)/contract(s)/agreement(s) meet the arm's length testing criteria. The RPT(s)/contract(s)/arrangement(s) also qualify as contract under ordinary course of business.

Brief details on the mode of determination of arm's length pricing are provided below:

Nature of Transaction	Arm's length pricing
Operational transactions not exceeding ₹ 1,520 crore	The RPTs will be entered based on the market price of the relevant material and service. Where market price is not available, alternative method (such as cost-plus mark-up, comparable price, etc.), as advised by the independent consulting firm, shall be considered as arm's length price.

The said transaction, being a Material RPT, requires prior approval of the Members of the Company in accordance with Regulation 23 of the Listing Regulations.

Members may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) are a party to the aforesaid transactions or not), shall not vote to approve the Resolution under Item No.12.

Mr. Ashish Khanna, Non-Executive Director of TPSSL is also the Non-Executive Chairman of TPGEL. Mr. Khanna and his relatives' interest or concerns are limited only to the extent of his directorship in TPSSL and TPGEL.

None of the Directors and KMP of the Company and their respective relatives (to the extent of their shareholding in the Company, if any) in any way, are concerned or interested either directly or indirectly, financially or otherwise in the Resolution set out at Item No.12 of the accompanying Notice.

The Board recommends the Resolution at Item No.12 of the accompanying Notice for approval by the Members of the Company.

#### Item No.13:

##### Background, details and benefits of the transaction

Tata Power Solar Systems Limited (TPSSL) is a fellow subsidiary of Walwhan Renewable Energy Limited (WREL) and consequently, a related party of WREL. TPSSL is an Indian company engaged in providing Engineering, Procurement and Construction (EPC) services for development of solar power plants, Operation and Maintenance of solar power plants as well as manufacturing of solar cells and modules.

WREL avails EPC services from TPSSL for development of its Solar Power Plants. TPSSL also avails and provides loan for fulfilling working capital requirements. As part of business operations, both the companies also enter into other transactions such as reimbursement of expenses from time to time. Both TPSSL and WREL, being part of the Tata Power Group, these transactions not only help smoothen business operations for both the companies, but also ensure consistent flow of desired quality and quantity of facilities and services without interruptions and generation of revenue and business for both the companies to cater to their business requirements.

The management of The Tata Power Company Limited (TPCL), the parent company of TPSSL and ultimate holding company of WREL, has provided the Audit Committee with the details of the proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has recommended entering into RPTs between TPSSL and WREL for an aggregate value not exceeding ₹ 1,285 crore to be entered during FY23. The Audit Committee has noted that the said transactions will be executed between TPSSL and WREL on an arm's length basis and in the ordinary course of business.

## Notice

Details of the proposed transactions between WREL and TPSSL are as follows:

Sl. No.	Description	Details																		
1.	A summary of information provided by the management to the Audit Committee	TPSSL and WREL are fellow subsidiaries of TPCL.																		
a.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Mr. Ashish Khanna, Non-Executive Director of TPSSL, is also the Non-Executive Chairman of WREL. Mr. Seethapathy Chander, is an Independent Director of both, TPSSL and WREL.																		
b.	Name of the director or key managerial personnel who is related, if any and nature of relationship	During the year under consideration, WREL anticipates availing of EPC services, placing/ acceptance of inter-corporate deposit and interest thereto with TPSSL.																		
c.	Nature, material terms, monetary value and particulars of contracts or arrangement	FY23																		
d.	Tenure of the Transaction																			
e.	Value of the proposed Transaction	₹ in crore <table border="1"> <thead> <tr> <th>Nature of transactions</th><th>Existing/ proposed</th><th>Estimated Value during FY23</th></tr> </thead> <tbody> <tr> <td>Sale of Material</td><td>Proposed</td><td>50</td></tr> <tr> <td>Loan taken</td><td>Proposed</td><td>700</td></tr> <tr> <td>Loan given</td><td>Proposed</td><td>500</td></tr> <tr> <td>Receipt/ payment of interest</td><td>Proposed</td><td>35</td></tr> <tr> <td><b>Total</b></td><td></td><td><b>1,285</b></td></tr> </tbody> </table>	Nature of transactions	Existing/ proposed	Estimated Value during FY23	Sale of Material	Proposed	50	Loan taken	Proposed	700	Loan given	Proposed	500	Receipt/ payment of interest	Proposed	35	<b>Total</b>		<b>1,285</b>
Nature of transactions	Existing/ proposed	Estimated Value during FY23																		
Sale of Material	Proposed	50																		
Loan taken	Proposed	700																		
Loan given	Proposed	500																		
Receipt/ payment of interest	Proposed	35																		
<b>Total</b>		<b>1,285</b>																		
f.	Percentage of annual consolidated turnover considering FY22 as the immediately preceding financial year	3.02% (for RPTs to be entered during FY23)																		
2.	Justification for the transaction	Please refer to 'Background, details and benefits of the transaction' which forms part of the explanatory statement to the Resolution No. 13																		
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	<p>(i) details of the source of funds in connection with the proposed transaction</p> <p>Internal accruals</p> <p>(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments</p> <ul style="list-style-type: none"> <li>- nature of indebtedness;</li> <li>- cost of funds; and</li> <li>- tenure</li> </ul> <p>Not Applicable</p> <p>(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security</p> <p>I. Tenure - Short Term (less than one year).  II. Interest rate - benchmarked with other banks.  III. Security - Unsecured.  IV. Currency - INR</p> <p>(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT</p> <p>Working Capital requirements</p>																		
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	The proposed RPTs have been evaluated by a reputed external independent consulting firm in terms of pricing and arm's length criteria and the report confirms that the proposed RPTs are on arm's length basis. The report is available for inspection by the Members of the Company. They may follow the process for inspection of document as mentioned in the 'Notes' section forming part of this Notice.																		

Sl. No.	Description	Details
5.	Percentage of counterparty's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis	15.11% - Standalone turnover of TPSSL for FY22 100.63% - Consolidated turnover of WREL for FY22
6.	Any other information that may be relevant	All important information forms part of the statement setting out material facts of the proposed RPTs.

### Arm's length pricing:

The RPT(s)/contract(s)/arrangement(s) mentioned in this proposal have been evaluated by a reputed external independent consulting firm and the firm has confirmed that the proposed terms of the RPT(s)/contract(s)/agreement(s) meet the arm's length testing criteria. The RPT(s)/contract(s)/arrangement(s) also qualify as contract under ordinary course of business.

Brief details on the mode of determination of arm's length pricing are provided below:

Nature of Transaction	Arm's length pricing
Operational transactions not exceeding ₹ 1,285 crore	The RPTs will be entered based on the market price of the relevant material and service. Where market price is not available, alternative method (such as cost-plus mark-up, comparable price, etc.), as advised by the independent consulting firm, shall be considered as arm's length price.

The said transaction, being a Material RPT, requires prior approval of the Members of the Company in accordance with Regulation 23 of the Listing Regulations.

Members may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) are a party to the aforesaid transactions or not), shall not vote to approve the Resolution under Item No.13.

Mr. Ashish Khanna, Non-Executive Director of TPSSL is also the Non-Executive Chairman of WREL. Further, Mr. Seethapathy Chander, is an Independent Director of both, TPSSL and WREL. Mr. Khanna and Mr. Chander and their relatives' interest or concerns are limited only to the extent of their directorship in TPSSL and WREL.

None of the Directors and KMP of the Company and their respective relatives (to the extent of their shareholding in the Company, if any) in any way, are concerned or interested either

directly or indirectly, financially or otherwise in the Resolution set out at Item No.13 of the accompanying Notice.

The Board recommends the Resolution at Item No.13 of the accompanying Notice for approval by the Members of the Company.

### Item No.14:

#### Background, details and benefits of the transaction

Tata Power Solar Systems Limited (TPSSL), which is a subsidiary of The Tata Power Company Limited (TPCL), is the Parent Company of Chirasthaayee Surya Limited (CSL) and consequently, a related party of CSL. TPSSL is an Indian company engaged in providing Engineering, Procurement and Construction (EPC) services for development of solar power plants, Operation and Maintenance of solar power plants as well as manufacturing of solar cells and modules.

CSL primarily avails O&M services from TPSSL for maintenance of its Solar Power Plants. TPSSL also avails and provides loan for fulfilling working capital requirements. As part of business operations, both the companies also enter into other transactions such as reimbursement of expenses from time to time. Both TPSSL and CSL, being part of the Tata Power Group, these transactions not only help smoothen business operations for both the companies, but also ensure consistent flow of desired quality and quantity of facilities and services without interruptions and generation of revenue and business for both the companies to cater to their business requirements.

The Management of TPCL has provided the Audit Committee with the details of the proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has recommended entering into RPTs between TPSSL and CSL for an aggregate value not exceeding ₹ 1,040 crore to be entered during FY23. The Audit Committee has noted that the said transactions will be executed between TPSSL and CSL on an arm's length basis and in the ordinary course of business.

## Notice

Details of the proposed transactions between TPSSL and CSL are as follows:

Sl. No.	Description	Details
1.	A summary of information provided by the management to the Audit Committee	
a.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	TPSSL and CSL are fellow subsidiaries of TPCL.
b.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. Mahesh Paranjpe, CEO and KMP of TPSSL, is also the Non-Executive Chairman of CSL.
c.	Nature, material terms, monetary value and particulars of contracts or arrangement	TPSSL has an on-going O&M contract wherein it provides need-based O&M services to CSL. The duration of the on-going contracts ranges from FY17 to FY42. CSL anticipates placing/accepting of inter-corporate deposit and interest thereon, entered with TPSSL in the year under consideration.
d.	Tenure of the Transaction	The tenure of the contract(s) ranges from FY17 to FY42. However, approval of the Members is being sought for Material RPT for FY23.
e.	Value of the proposed Transaction	₹ in crore
		<b>Nature of transactions</b>
		<b>Existing/ proposed</b>
		<b>Estimated Value during FY23</b>
	Rendering of Services	Existing
	Loan Taken	Proposed
	Loan Given	Proposed
	Receipt/ payment of interest	Proposed
	<b>Total</b>	<b>1,040</b>
f.	Percentage of annual consolidated turnover considering FY22 as the immediately preceding financial year	2.44% (for RPTs to be entered during FY23)
2.	Justification for the transaction	Please refer to 'Background, details and benefits of the transaction' which forms part of the explanatory statement to the Resolution No. 14
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
	(i) details of the source of funds in connection with the proposed transaction	Internal accruals
	(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure	Not Applicable
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	I. Tenure – Short Term (less than one year) II. Interest rate - benchmarked with other banks III. Security – Unsecured IV. Currency – INR
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Working Capital requirements

Sl. No.	Description	Details
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	The proposed RPTs have been evaluated by a reputed external independent consulting firm in terms of pricing and arm's length criteria and the report confirms that the proposed RPTs are on arm's length basis. The report is available for inspection by the Members of the Company. They may follow the process for inspection of document as mentioned in the 'Notes' section forming part of this Notice.
5.	Percentage of counterparty's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis	12.23% - Standalone turnover of TPSSL for FY22 NA- Standalone turnover of CSL for FY22 as the company has not commenced full fledged operations
6.	Any other information that may be relevant	All important information forms part of the statement setting out material facts of the proposed RPTs.

#### Arm's length pricing:

The RPT(s)/contract(s)/arrangement(s) mentioned in this proposal have been evaluated by a reputed external independent consulting firm and the firm has confirmed that the proposed terms of the RPT(s)/contract(s)/agreement(s) meet the arm's length testing criteria. The RPT(s)/contract(s)/arrangement(s) also qualify as contract under ordinary course of business.

Brief details on the mode of determination of arm's length pricing are provided below:

Nature of Transaction	Arm's length pricing
Operational transactions not exceeding ₹ 1,040 crore	The RPTs will be entered based on the market price of the relevant material and service. Where market price is not available, alternative method (such as cost-plus mark-up, comparable price, etc.), as advised by the independent consulting firm, shall be considered as arm's length price.

The said transaction, being a Material RPT, requires prior approval of the Members of the Company in accordance with Regulation 23 of the Listing Regulations.

Members may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) are a party to the aforesaid transactions or not), shall not vote to approve the Resolution under Item No.14.

Mr. Mahesh Paranjpe, CEO and KMP of TPSSL, is also the Non-Executive Chairman of CSL. Mr. Paranjpe and his relatives' interest or concerns are limited only to the extent of holding directorship / KMP position(s) in TPSSL and CSL.

None of the Directors and KMP of the Company and their respective relatives (to the extent of their shareholding in the Company, if any) in any way, are concerned or interested either

directly or indirectly, financially or otherwise in the Resolution set out at Item No.14 of the accompanying Notice.

The Board recommends the Resolution at Item No.14 of the accompanying Notice for approval by the Members of the Company.

#### Item No.15:

#### Background, details and benefits of the transaction

Tata Power Solar Systems Limited (TPSSL) is a fellow subsidiary of TP Kirnali Limited (TPKL) and consequently, a related party of TPKL. TPSSL is an Indian company engaged in providing Engineering, Procurement and Construction (EPC) services for development of solar power plants, Operation and Maintenance of solar power plants as well as manufacturing of solar cells and modules.

TPKL avails EPC services from TPSSL for development of its Solar Power plants. As part of business operations, both the companies also enter into other transactions such as reimbursement of expenses from time to time. Both TPSSL and TPKL, being part of the Tata Power Group, these transactions not only help smoothen business operations for both the companies, but also ensure consistent flow of desired quality and quantity of facilities and services without interruptions and generation of revenue and business for both the companies to cater to their business requirements.

The management of The Tata Power Company Limited (TPCL), the parent company of TPSSL and ultimate holding company of TPKL has provided the Audit Committee with the details of the proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has recommended entering into RPTs between TPSSL and TPKL for an aggregate value not exceeding ₹ 1,015 crore to be entered during FY23. The Audit Committee has noted that the said transactions will be executed between TPSSL and TPKL on an arm's length basis and in the ordinary course of business.

## Notice

Details of the proposed transactions between TPKL and TPSSL are as follows:

Sl. No.	Description	Details												
1.	A summary of information provided by the management to the Audit Committee													
a.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	TPSSL and TPKL are fellow subsidiaries of TPCL.												
b.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. Aditya Gupta, CFO and KMP of TPSSL, is also a Non-Executive Director of TPKL												
c.	Nature, material terms, monetary value and particulars of contracts or arrangement	TPSSL has an on-going EPC and O&M contract wherein it undertakes construction of solar based power plants and provides need-based O&M services to TPKL. The duration of the on-going contract ranges from FY21 to FY47.  TPKL anticipates availing of EPC and O&M services from TPSSL in the year under consideration.												
d.	Tenure of the Transaction	The tenure of the contract(s) ranges from FY21 to FY47. However, approval of the Members is being sought for Material RPT for FY23.												
e.	Value of the proposed Transaction	₹ in crore												
		<table border="1"> <thead> <tr> <th>Nature of transactions</th> <th>Existing/proposed</th> <th>Estimated Value during FY23</th> </tr> </thead> <tbody> <tr> <td>Sale of Material</td> <td>Proposed/ Existing</td> <td>1,000</td> </tr> <tr> <td>Rendering of services</td> <td>Proposed/ Existing</td> <td>15</td> </tr> <tr> <td><b>Total</b></td> <td></td> <td><b>1,015</b></td> </tr> </tbody> </table>	Nature of transactions	Existing/proposed	Estimated Value during FY23	Sale of Material	Proposed/ Existing	1,000	Rendering of services	Proposed/ Existing	15	<b>Total</b>		<b>1,015</b>
Nature of transactions	Existing/proposed	Estimated Value during FY23												
Sale of Material	Proposed/ Existing	1,000												
Rendering of services	Proposed/ Existing	15												
<b>Total</b>		<b>1,015</b>												
f.	Percentage of annual consolidated turnover considering FY22 as the immediately preceding financial year	2.38% (for RPTs to be entered during FY23)												
2.	Justification for the transaction	Please refer to 'Background, details and benefits of the transaction' which forms part of the explanatory statement to the Resolution No. 15												
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:													
	(i) details of the source of funds in connection with the proposed transaction													
	(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure	Not Applicable												
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security													
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT													

Sl. No.	Description	Details
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	The proposed RPTs have been evaluated by a reputed external independent consulting firm in terms of pricing and arm's length criteria and the report confirms that the proposed RPTs are on arm's length basis. The report is available for inspection by the Members of the Company. They may follow the process for inspection of document as mentioned in the 'Notes' section forming part of this Notice.
5.	Percentage of counterparty's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis	11.93% - Standalone turnover of TPSSL for FY22 NA- Standalone turnover of TPKL for FY22 as the company has not commenced operations.
6.	Any other information that may be relevant	All important information forms part of the statement setting out material facts of the proposed RPTs.

#### Arm's length pricing:

The RPT(s)/contract(s)/arrangement(s) mentioned in this proposal have been evaluated by a reputed external independent consulting firm and the firm has confirmed that the proposed terms of the RPT(s)/contract(s)/agreement(s) meet the arm's length testing criteria. The RPT(s)/contract(s)/arrangement(s) also qualify as contract under ordinary course of business.

Brief details on the mode of determination of arm's length pricing are provided below:

Nature of Transaction	Arm's length pricing
Operational transactions not exceeding ₹ 1,015 crore	The RPTs will be entered based on the market price of the relevant material and service. Where market price is not available, alternative method (such as cost-plus mark-up, comparable price, etc.), as advised by the independent consulting firm, shall be considered as arm's length price.

The said transaction, being a Material RPT, requires prior approval of the Members of the Company in accordance with Regulation 23 of the Listing Regulations.

Members may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) are a party to the aforesaid transactions or not), shall not vote to approve the Resolution under Item No.15.

Mr. Aditya Gupta, CFO and KMP of TPSSL is also a Non-Executive Director of TPKL. Mr. Gupta and his relatives' interest or concerns are limited only to the extent of his directorship/KMP position in TPSSL and TPKL.

None of the Directors and KMP of the Company and their respective relatives (to the extent of their shareholding in the Company, if any) in any way, are concerned or interested either directly or indirectly, financially or otherwise in the Resolution set out at Item No.15 of the accompanying Notice.

The Board recommends the Resolution at Item No.15 of the accompanying Notice for approval by the Members of the Company.

#### Item No.16:

##### Background, details and benefits of the transaction

Tata Power Trading Company Limited (TPTCL) is a wholly owned unlisted subsidiary of The Tata Power Company Limited (TPCL). Maithon Power Limited (MPL) is an unlisted subsidiary in which 74% is held by TPCL and 26% by Damodar Valley Corporation (DVC). Consequently, both are related parties.

TPTCL is primarily engaged in the business of trading of electricity across the country. TPTCL sources power from different public and private sector generating unit and supplies to various consumers being public and private power sector utilities.

MPL has entered into Tri Party Power Purchase Agreement (PPA) with TPTCL for supply of 300 MW to West Bengal State Electricity Distribution Company Limited and 300 MW to Tata Power Delhi Distribution Limited. MPL also has PPA with Kerala State Electricity Board and DVC for supply of 300 MW each, respectively. The tariff for supply of power is uniformly decided by Central Electricity Regulatory Commission (CERC).

The management of TPCL has provided the Audit Committee with the details of various proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has recommended entering into RPTs between TPTCL and MPL for an aggregate value not exceeding ₹ 1,800 crore to be entered into during FY23. The Audit Committee has noted that the transactions will be executed between TPTCL and MPL on an arm's length basis and in the ordinary course of business of TPTCL and MPL.

## Notice

Details of the proposed transactions between TPTCL and MPL are as follows:

Sl. No.	Description	Details	
1.	A summary of information provided by the management to the Audit Committee		
a.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	TPTCL is a wholly owned subsidiary of TPCL. MPL is a joint venture between TPCL and DVC.	
b.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. Amarjit Chopra is a Non-Executive Director of both TPTCL and MPL.	
c.	Nature, material terms, monetary value and particulars of contracts or arrangement	TPTCL has an on-going power purchase arrangement with MPL whereby TPTCL purchases power for onward selling. The said arrangement is effective from FY12 till FY42.	
d.	Tenure of the Transaction	The tenure of the contract ranges from FY12 till FY42. However, approval of the Members is being sought for Material RPT for FY23.	
e.	Value of the proposed Transaction		
	Nature of transactions	Existing/ proposed ₹ in crore	Estimated Value during FY23
f.	Purchase of Power	Existing	1,800
	Percentage of annual consolidated turnover considering FY22 as the immediately preceding financial year	4.23% (for RPTs to be entered during FY23)	
2.	Justification for the transaction	Please refer to 'Background, details and benefits of the transaction' which forms part of the explanatory statement to the Resolution No. 16	
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:		
	(i) details of the source of funds in connection with the proposed transaction		
	(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure	Not Applicable	
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security		
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT		
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	The proposed RPTs have been evaluated by a reputed external independent consulting firm in terms of pricing and arm's length criteria and the report confirms that the proposed RPTs are on arm's length basis. The report is available for inspection by the Members of the Company. They may follow the process for inspection of document as mentioned in the 'Notes' section forming part of this Notice.	

Sl. No.	Description	Details
5.	Percentage of counterparty's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis	22.37% - Standalone turnover of TPTCL for FY22 64.69% - Standalone turnover of MPL for FY22
6.	Any other information that may be relevant	All important information forms part of the statement setting out material facts of the proposed RPTs.

#### Arm's length pricing:

The RPT(s)/contract(s)/arrangement(s) mentioned in this proposal have been evaluated by a reputed external independent consulting firm and the firm has confirmed that the proposed terms of the RPT(s)/contract(s)/agreement(s) meet the arm's length testing criteria. The RPT(s)/contract(s)/arrangement(s) also qualify as contract under ordinary course of business.

Brief details on the mode of determination of arm's length pricing are provided below:

Nature of Transaction	Arm's length pricing
Purchase of Power not exceeding ₹ 1,800 crore	The RPT of purchase of power is based on tariff order pronounced by CERC.

The said transaction, being a Material RPT, requires prior approval of the Members of the Company in accordance with Regulation 23 of the Listing Regulations.

Members may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) are a party to the aforesaid transactions or not), shall not vote to approve resolutions under Item No.16.

Mr. Amarjit Chopra is a Non-Executive Director of both TPTCL and MPL. Mr. Chopra and his relatives' interest or concerns are limited only to the extent of his directorship in TPTCL and MPL.

None of the Directors and KMP of the Company and their respective relatives (to the extent of their shareholding in the Company, if any) in any way, are concerned or interested either directly or indirectly, financially or otherwise in the Resolution set out at Item No.16 of the accompanying Notice.

The Board recommends the Resolution at Item No.16 of the accompanying Notice for approval by the Members of the Company.

#### Item No.17:

##### Background, details and benefits of the transaction

Tata Power Trading Company Limited (TPTCL) is a wholly owned unlisted subsidiary of The Tata Power Company Limited (TPCL). Tata Power Delhi Distribution Limited (TPDDL) is a joint venture between TPCL (51%) and the Government of NCT of Delhi (49%). Consequently, both are related parties.

TPTCL is primarily engaged in the business of trading of electricity across the country. It sources power from different public and private sector generating units and supplies to various consumers being public and private power sector utilities.

TPDDL is a public limited company set up in terms of Delhi Electricity Reforms (Transfer Scheme) Rules, 2001 and is primarily engaged in the business of distribution of electricity in North and North West Delhi.

The transaction not only help smoothen business operation but also ensures desired quality of services without interruption and generation of business to cater to their business requirements.

The management of TPCL has provided the Audit Committee with the details of various proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has recommended entering into RPTs between TPTCL and TPDDL for an aggregate value not exceeding ₹ 1,500 crore to be entered during FY23. The Audit Committee has noted that the said transactions will be executed between TPTCL and TPDDL on an arm's length basis and in the ordinary course of business of TPTCL and TPDDL.

## Notice

Details of the proposed transactions between TPDDL and TPTCL are as follows:

Sl. No.	Description	Details						
1.	A summary of information provided by the management to the Audit Committee	TPTCL is a wholly owned subsidiary of TPCL. TPDDL is a joint venture between TPCL (51%) and Government of NCT of Delhi (49%).						
a.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);							
b.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. Sanjay Banga and Mr. Ajay Kapoor are Non-Executive Directors of both TPTCL and TPDDL. Mr. Amarjit Chopra, Non-Executive Director of TPTCL is also an Independent Director of TPDDL. Mr. Ganesh Srinivasan, Non-Executive Director of TPTCL is also the Chief Executive Officer and KMP of TPDDL.						
c.	Nature, material terms, monetary value and particulars of contracts or arrangement	TPTCL has an on-going power sale arrangement with TPDDL whereby TPTCL sells power to TPDDL. The said arrangement is effective from FY12 to FY37.						
d.	Tenure of the Transaction	The tenure of the contract ranges from FY12 to FY37. However, approval of the Members is being sought for Material RPT for FY23.						
e.	Value of the proposed Transaction	₹ in crore <table border="1"> <thead> <tr> <th>Nature of transactions</th> <th>Existing/proposed</th> <th>Estimated Value during FY23</th> </tr> </thead> <tbody> <tr> <td>Sale of Power</td> <td>Existing</td> <td>1,500</td> </tr> </tbody> </table>	Nature of transactions	Existing/proposed	Estimated Value during FY23	Sale of Power	Existing	1,500
Nature of transactions	Existing/proposed	Estimated Value during FY23						
Sale of Power	Existing	1,500						
f.	Percentage of annual consolidated turnover considering FY22 as the immediately preceding financial year	3.52% (for RPTs to be entered during FY23)						
2.	Justification for the transaction	Please refer to 'Background, details and benefits of the transaction' which forms part of the explanatory statement to the Resolution No. 17						
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	<p>(i) details of the source of funds in connection with the proposed transaction</p> <p>(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments            - nature of indebtedness;            - cost of funds; and            - tenure</p> <p>(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security</p> <p>(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT</p>						
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	The proposed RPTs have been evaluated by a reputed external independent consulting firm in terms of pricing and arm's length criteria and the report confirms that the proposed RPTs are on arm's length basis. The report is available for inspection by the Members of the Company. They may follow the process for inspection of document as mentioned in the 'Notes' section forming part of this Notice.						

Sl. No.	Description	Details
5.	Percentage of counterparty's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis	19.61% - Standalone turnover of TPDDL for FY22 18.65% - Standalone turnover of TPTCL for FY22
6.	Any other information that may be relevant	All important information forms part of the statement setting out material facts of the proposed RPTs.

#### Arm's length pricing:

The RPT(s)/contract(s)/arrangement(s) mentioned in this proposal have been evaluated by a reputed external independent consulting firm and the firm has confirmed that the proposed terms of the RPT(s)/contract(s)/agreement(s) meet the arm's length testing criteria. The RPT(s)/contract(s)/arrangement(s) also qualify as contract under ordinary course of business.

Brief details on the mode of determination of arm's length pricing are provided below:

Nature of Transaction	Arm's length pricing
Sale of Power not exceeding ₹ 1,500 crore	The RPT of sale of power is based on tariff order pronounced by CERC

The said transaction, being a Material RPT, requires prior approval of the Members of the Company in accordance with Regulation 23 of the Listing Regulations.

Members may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) are a party to the aforesaid transactions or not), shall not vote to approve the Resolution under Item No.17.

Mr. Sanjay Banga and Mr. Ajay Kapoor, Non-Executive Directors of TPTCL, are also Non-Executive Directors of TPDDL. Mr. Amarjit Chopra, Non-Executive Director of TPTCL is also an Independent Director of TPDDL. Further, Mr. Ganesh Srinivasan, Non-Executive Director of TPTCL is also the Chief Executive Officer and KMP of TPDDL. Mr. Banga, Mr. Kapoor, Mr. Chopra, Mr. Srinivasan and their relatives' interest or concerns are limited only to the extent of their directorship / KMP position(s) in TPTCL and TPDDL.

None of the Directors and KMP of the Company and their respective relatives (to the extent of their shareholding in the Company, if any) in any way, are concerned or interested either directly or indirectly, financially or otherwise in the Resolution set out at Item No.17 of the accompanying Notice.

The Board recommends the Resolution at Item No.17 of the accompanying Notice for approval by the Members of the Company.

**Item No.18:** In supersession of Resolution No.13 passed at the 88th Annual General Meeting of the Company held on August

8, 2007 and pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Act and the rules framed thereunder, Registers as prescribed under Section 88 of the Act and copies of Annual Returns as required under Section 92 of the Act together with the copies of certain other registers, certificates, documents, etc. are required to be kept and maintained at the Registered Office of the Company. However, these documents can be kept at any other place in India in which more than one-tenth of the total Members entered in the Register of Members reside, if approved by a Special Resolution passed at a general meeting of the Company.

Pursuant to the shifting of the registered office of TSR Consultants Private Limited (TCPL) (formerly TSR Darashaw Consultants Private Limited), the Registrar and Transfer Agent of the Company, from 6-10 Haji Moosa Patrawala Industrial Estate, 20, Dr. E Moses Road, Mahalaxmi, Mumbai 400 011 to C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083, approval of the Members is sought by way of a Special Resolution for keeping and maintaining the Registers as prescribed under Section 88 of the Act and copies of Annual Returns under Section 92 of the Act together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required, at the Registered Office of the Company and / or at the other places mentioned in the Resolution.

The mentioned documents are open for inspection, by Members or such persons as entitled to such inspection between 11.00 a.m. to 1.00 p.m. on any working day of TCPL or by writing to the Company at [investorcomplaints@tatapower.com](mailto:investorcomplaints@tatapower.com) except when the Registers and Books are closed under the provisions of the Act or the Articles of Association of the Company.

None of the Directors and KMP of the Company and their respective relatives are concerned or interested in the resolution set out at Item No.18 of the accompanying Notice.

The Board commends the Special Resolution as set out at Item No.18 of the accompanying Notice for approval by the Members of the Company.

**Item No.19:** As Members are aware, the Company is undertaking several projects/contracts in India as well as outside India mainly for the erection, operation and maintenance of power generation, transmission and distribution facilities. To enable the Directors to appoint Branch Auditors for the purpose of auditing the accounts

## Notice

of the Company's Branch Offices outside India (whether existing or as may be established), the necessary authorisation of the Members is being obtained in accordance with the provisions of Section 143 of the Act, in terms of the Resolution at Item No.19 of the accompanying Notice.

None of the Directors and KMP of the Company and their respective relatives are concerned or interested in the Resolution at Item No.19 of the accompanying Notice.

The Board recommends the Resolution at Item No.19 of the accompanying Notice for approval by the Members of the Company.

**Item No.20:** Pursuant to Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a cost accountant in practice. On the recommendation of the Audit Committee of Directors, the Board of Directors has approved the re-appointment of M/s. Sanjay Gupta and Associates (SGA) (Firm Registration No. 000212) as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for FY23, at a remuneration of ₹ 6,50,000 (Rupees Six Lakh Fifty Thousand only) plus applicable taxes, travel and actual out-of-pocket expenses.

SGA has furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for previous years under the provisions of the Act.

Pursuant to Section 148(3) of the Act, approval by the Members is required for the above remuneration of the Cost Auditor.

None of the Directors and KMP of the Company and their respective relatives are concerned or interested in the Resolution at Item No.20 of the accompanying Notice.

The Board recommends the Resolution at Item No.20 of the accompanying Notice for ratification by the Members of the Company.

By Order of the Board of Directors,  
**For The Tata Power Company Limited**

**H. M. Mistry**  
**Company Secretary**  
FCS No.: 3606

Mumbai, May 18, 2022

**Registered Office:**

Bombay House,  
24, Homi Mody Street,  
Mumbai 400 001.  
CIN: L28920MH1919PLC000567  
Tel: 91 22 6665 8282 Fax: 91 22 6665 8801  
Email: [tatapower@tatapower.com](mailto:tatapower@tatapower.com)  
Website: [www.tatapower.com](http://www.tatapower.com)

**Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting  
(In pursuance of Regulation 36(3) of the Listing Regulations and Secretarial Standard - 2 on General Meetings)**

Name of Director	Mr. K. M. Chandrasekhar	Mr. Saurabh Agrawal
DIN	06466854	02144558
Designation / Category of Directorship	Independent, Non-Executive	Non-Independent, Non-Executive
Date of Birth (Age)	February 20, 1948 (74 years)	August 13, 1969 (52 years)
Date of Appointment	May 4, 2017	November 16, 2017
Expertise in specific functional areas	<p>Mr. Chandrasekhar entered the Indian Administrative Service in 1970. He was ranked third in the list in the batch. Prior to that, he secured B.A. (Honours) in Economics and M.A. in History from St. Stephen's, College, University of Delhi. After entering Government service, he did his M.A. in Management Studies from the University of Leeds in United Kingdom.</p> <p>He spent the first 25 years of his career in Kerala, holding such positions as Managing Director of the State Civil Supplies Corporation, District Collector, Idukki, Director of Fisheries, Principal Secretary (Industries) and Principal Secretary (Finance). During this period, he was also Chairman of the Spices Board under the Ministry of Commerce, Government of India.</p> <p>In 1996, he left Kerala on Central Government deputation. During his 15 years tenure with the Government of India, from 1996 to 2011, he was Joint Secretary in the key Trade Policy Division of the Ministry of Commerce, Deputy Chief of Mission in the Embassy of India, Brussels and the Ambassador and Permanent Representative of India in the World Trade Organization in Geneva. He rose to the position of Union Cabinet Secretary. As Cabinet Secretary, he was Head of all the Civil Services in India and reported directly to the Prime Minister. He retained that position for four years. He retired from Government service in 2011 at the age of 63, having served Government for 41 years.</p> <p>Post retirement, he was, for 5 years, Vice-Chairman, Kerala State Planning Board with rank of Cabinet Minister of the State.</p> <p>Mr. Chandrasekhar has considerable management experience having been associated as Chairman, Managing Director or member of the Board of Directors of more than 40 companies in the public, joint and private sector. He has written several articles and presented papers. He has also been consultant to the Commonwealth Secretariat and to the UN Food and Agriculture Organization.</p>	<p>Mr. Agrawal joined Tata Sons Private Limited (TSPL) in July 2017 as the Group Chief Financial Officer. An investment banker, he brings with him over two decades of rich experience in capital markets.</p> <p>Starting his career in 1995, Mr. Agrawal has a sterling record in both strategy and execution, covering a wide range of industries. He joined TSPL from the Aditya Birla Group, where he was head of strategy. Prior to that, he has been head of the corporate finance unit of Standard Chartered Bank in India and South Asia, and the head of the investment banking division in DSP Merrill Lynch.</p>
Qualifications	<p>Indian Administrative Service in 1970. B.A. (Honours) in Economics and M.A. in History from St. Stephen's College, University of Delhi. M.A. in Management Studies from the University of Leeds in United Kingdom.</p>	<p>Graduate of the Indian Institute of Technology, Roorkee. Post graduate management degree from the Indian Institute of Management, Calcutta</p>

## Notice

Name of Director	Mr. K. M. Chandrasekhar	Mr. Saurabh Agrawal
Directorships held in other companies (excluding foreign companies)	<ul style="list-style-type: none"> <li>• Tata Advanced Systems Limited</li> <li>• KIMS Health Care Management Limited</li> <li>• KIMS AI Shifa Healthcare Private Limited</li> <li>• Tata Power Delhi Distribution Limited</li> <li>• TP Central Odisha Distribution Limited</li> <li>• TP Western Odisha Distribution Limited</li> <li>• TP Southern Odisha Distribution Limited</li> <li>• TP Northern Odisha Distribution Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Tata Sons Private Limited</li> <li>• Tata Steel Limited</li> <li>• Tata Capital Limited</li> <li>• Voltas Limited</li> <li>• Tata AIA Life Insurance Company Limited</li> <li>• Tata AIG General Insurance Company Limited</li> <li>• Tata Play Limited</li> <li>• Air India Express Limited</li> <li>• Gradis Trading Private Limited</li> <li>• Talace Private Limited</li> <li>• Supermarket Grocery Supplies Private Limited</li> </ul>
Committee position held in other companies	<p><b>Audit Committee</b> Member</p> <ul style="list-style-type: none"> <li>• Tata Advanced Systems Limited</li> <li>• Tata Power Delhi Distribution Limited</li> <li>• TP Central Odisha Distribution Limited</li> </ul> <p><b>Corporate Social Responsibility Committee</b> Chairman</p> <ul style="list-style-type: none"> <li>• TP Northern Odisha Distribution Limited</li> </ul> <p>Member</p> <ul style="list-style-type: none"> <li>• Tata Advanced Systems Limited</li> <li>• TP Southern Odisha Distribution Limited</li> </ul> <p><b>Nomination and Remuneration Committee</b> Chairman</p> <ul style="list-style-type: none"> <li>• Tata Power Delhi Distribution Limited</li> </ul> <p><b>Long Term Loans and Borrowing Committee</b> Chairman</p> <ul style="list-style-type: none"> <li>• Tata Power Delhi Distribution Limited</li> </ul>	<p><b>Audit Committee</b> Member</p> <ul style="list-style-type: none"> <li>• Tata Steel Limited</li> </ul> <p><b>Risk Management Committee</b> Member</p> <ul style="list-style-type: none"> <li>• Tata Steel Limited</li> <li>• Tata Capital Limited</li> </ul> <p><b>Group Risk Management Committee</b> Member</p> <ul style="list-style-type: none"> <li>• Tata Sons Private Limited</li> </ul> <p><b>Corporate Social Responsibility Committee</b> Chairman</p> <ul style="list-style-type: none"> <li>• Tata Capital Limited</li> <li>• Tata AIA Life Insurance Company Limited</li> <li>• Air India Express Limited</li> </ul> <p>Member</p> <ul style="list-style-type: none"> <li>• Tata AIG General Insurance Company Limited</li> </ul> <p><b>Asset Liability Management Committee</b> Chairman</p> <ul style="list-style-type: none"> <li>• Tata Sons Private Limited</li> </ul> <p><b>Finance and Asset Liability Supervisory Committee</b> Chairman</p> <ul style="list-style-type: none"> <li>• Tata Capital Limited</li> </ul> <p><b>Nomination and Remuneration Committee</b> Member</p> <ul style="list-style-type: none"> <li>• Tata Capital Limited</li> <li>• Tata AIA Life Insurance Company Limited</li> <li>• Tata AIG General Insurance Company Limited</li> <li>• Tata Play Limited</li> </ul> <p><b>Investment Committee</b> Chairman</p> <ul style="list-style-type: none"> <li>• Tata AIG General Insurance Company Limited</li> </ul> <p>Member</p> <ul style="list-style-type: none"> <li>• Tata AIA Life Insurance Company Limited</li> </ul> <p><b>Executive Committee of the Board</b> Member</p> <ul style="list-style-type: none"> <li>• Tata Steel Limited</li> </ul>
Remuneration	N.A.	N.A.
No. of meetings of the Board attended during the year	8	8

Name of Director	Mr. K. M. Chandrasekhar	Mr. Saurabh Agrawal
No. of shares held:		
(a) Own	Nil	Nil
(b) For other persons on a beneficial basis	Nil	Nil

For other details such as relationship with other directors and KMP in respect of Mr. K. M. Chandrasekhar and Mr. Saurabh Agrawal, please refer to the Report on Corporate Governance, which forms part of this Annual Report.

# Deloitte Haskins & Sells LLP

Chartered Accountants  
One International Centre,  
Tower 3, 27th-32nd Floor,  
Senapati Bapat Marg,  
Elphinstone Road (West),  
Mumbai - 400 013,  
Maharashtra, India

Phone: +91 22 6185 4000  
Fax: +91 22 6185 4101

**Independent Limited Assurance Report on Sustainability Disclosures in the Integrated Annual Report of The Tata Power Company Limited for the Financial Year Ended March 31, 2022**

**To the Board of Directors of The Tata Power Company Limited**

Deloitte Haskins & Sells LLP was engaged by the Management of The Tata Power Company Limited (the "Company") to provide independent limited assurance on disclosures made with reference to the GRI Sustainability Reporting Standards as amended upto 2021 and issued by the Global Reporting Initiative (the "GRI Standards") (herein the "GRI Standards Disclosures") in its Integrated Annual Report (the "Report") for the year ended March 31, 2022 as detailed in paragraph 3 -Subject Matter.

**1. Responsibility of the Management:**

The Company's Management is responsible for content and presentation of the Report, engagement with stakeholders, the identification and presentation of information including the responsibility for establishing and maintaining relevant and appropriate performance management systems and internal control framework to facilitate collection, calculation, aggregation and validation of the data with respect to the management's basis of preparation with reference to GRI Standards, included in the Report and preparation of the Report that is free from material misstatement, whether due to fraud or error.

**2. Reporting Boundary**

As represented by Management, the reporting boundary of sustainability disclosures in the Report covers the Company and its Subsidiaries. Further, Management has also represented that certain sustainability disclosures are limited to include specific Subsidiaries based on their operations.

Our scope is limited to the Company, and its Subsidiaries (confirmed by management to be its Subsidiaries) as mentioned in the below Subject Matter paragraph.

**3. Subject Matter**

We are required to provide limited assurance on the below GRI Standards Disclosures, specific to the period from April 1, 2021 to March 31, 2022 in accordance with management's basis of preparation and with reference to GRI Standards. The terms of management's basis of preparation and GRI Standards comprise the criteria by which the GRI Standards Disclosures are evaluated for purposes of our limited assurance engagement.

The subject matter and scope of limited assurance covers the review and verification of information for select GRI Standards Disclosures on sample basis at select locations of the Company/ its subsidiaries as specified below:



Regd. Office: One International Center, Tower 3, 27<sup>th</sup> – 32<sup>nd</sup> Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai – 400 013, Maharashtra, India. (LLP Identification No. AAB-8737)

## Deloitte Haskins & Sells LLP

<b>GRI Standards Disclosures</b>	<b>Indicator number as per GRI Standards</b>	<b>Companies (with location names) covered in the Report on sample basis as applicable</b>
GRI 2	2- 1 to 3, 2-5,2-7	The Tata Power Company Limited
GRI 3	3-1 to 3-3	The Tata Power Company Limited
Procurement Practices	204-1	The Tata Power Company Limited and Maithon Power Limited
Materials	301-1	Thermal Power plant at Mundra, Gujarat (Erstwhile, Coastal Gujarat Power Limited now merged with The Tata Power Company Limited)
Energy	302-1, 302-3,	Thermal Power plant at Dhanbad, Jharkhand (Maithon Power Limited)
Water and Effluent	303-3, 303-4, 303-5	49 MW Solar Power Project Kayathar, Tamil Naidu (Walwhan Renewable Energy Limited)
Emissions	305-1 to 305-4, 305-7	126 MW Pratapgarh Wind Farm (Walwhan Wind RJ Limited)
Waste	306-3, 306-4, 306-5	Transmission & Distribution Mumbai Division (The Tata Power Company Limited)
Biodiversity	304-1, 304-2, 304-3	Thermal Power plant at Mundra, Gujarat (Erstwhile, Coastal Gujarat Power Limited now merged with The Tata Power Company Limited)
		Thermal Power plant at Dhanbad, Jharkhand (Maithon Power Limited)
		49 MW Solar Power Project Kayathar, Tamil Naidu (Walwhan Renewable Energy Limited)
Employment	401-1	Tata Power Delhi Distribution Limited (TPDDL),
Labour Management Relations	402-1	The Tata Power Company Limited (TPCL) and
Occupational Health and Safety	403-9	Tata Power Western Odisha Distribution Limited(TPWODL)
Training and Education	404-1	
Employee Remuneration Ratio	405-2	The Tata Power Company Limited (TPCL)



## **Deloitte Haskins & Sells LLP**

### **4. Our Independence, Ethical Requirements and Quality Control**

Our team comprising multidisciplinary professional, have complied with independence policies of Deloitte Haskins and Sells LLP, which address the requirements of the International Federation of Accountants (the "IFAC") Code of Ethics for Professional Accountants in the role as independent auditors. We have complied with the relevant applicable requirements of the International Standard on Quality Control ("ISQC") 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

We also confirm that we have maintained our independence in the Report and there were no events or prohibited services related to the Assurance Engagement which could impair our independence.

### **5. Our Responsibility**

Our responsibility is to express a limited assurance conclusion on GRI Standards Disclosures in the Report as described in the subject matter, based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance in accordance with International Standard on Assurance Engagement ISAE 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000") issued by the IFAC. This standard requires us to comply with ethical requirements and to plan and perform our limited assurance engagement to obtain sufficient appropriate evidence about whether the GRI Standards Disclosures are free from material misstatement.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal controls, and the procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgment and included inquiries, observation of process followed, inspection of documents, analytical procedures, evaluating appropriateness of quantification methods, agreeing or reconciling with underlying data, etc.

In performing the procedures listed above, we:

- Interviewed key personnel including senior executives at respective plant locations of the Company / Subsidiaries in the Subject Matter paragraph and at the corporate office of the Company to understand the systems and processes in place for capturing sustainability performance data during the reporting period; and
- Desktop audit at the respective operational locations as specified in the Subject Matter in order to:
  - Test data, review of records and relevant documentation submitted by the Company of its locations and of its Subsidiaries as mentioned in Subject Matter paragraph as applicable, to arrive at the data presented in their Report; and
  - Analyse and review key data management systems, processes, procedures relating to collation, aggregation, validation and reporting of the select GRI Standards Disclosures for the locations as mentioned subject matter paragraph on a sample basis.

We have relied on the information, documents, records and explanations provided by the Company for the purpose of our review.

The procedures performed in a limited assurance engagement vary in nature from, and are less in



# Deloitte Haskins & Sells LLP

extent than for, a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion about whether the GRI Standards Disclosures have been presented, in all material respects, in accordance with management's basis of preparation and GRI Standards.

Further, a limited assurance engagement does not constitute an audit or review of any of the underlying information in accordance with International Standards on Auditing or International Standards on Review Engagements and accordingly, we do not express an audit opinion or review conclusion.

## 6. Our Conclusion

The procedures we have performed and the documents and records that were made available to us and the information and explanations provided to us by the Company in connection to the review of the select GRI Standards Disclosures as set out in the Subject Matter paragraph and disclosed in the Integrated Annual Report for the year ended March 31, 2022 provide an appropriate basis for our conclusion.

Based on the procedures performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the GRI Standards Disclosures set out in the Subject Matter paragraph for the year ended March 31, 2022, are not prepared, in all material respects, in accordance with the management's basis of preparation and with reference to the GRI Standards.

## Other Matters

Our assurance scope excludes subsidiaries/ locations of the Company other than those mentioned in the Subject Matter paragraph. Our report does not extend to any disclosures or assertions relating to future performance plans and/or strategies disclosed in the reports. The maintenance and integrity of the Company's website is the responsibility of its management. Our procedures did not involve consideration of these matters and, accordingly we accept no responsibility for any changes to either the information on the website, the reports or our independent assurance report that may have occurred since the initial date of presentation.



# Deloitte Haskins & Sells LLP

## Restriction on use and distribution

Our work has been undertaken to enable us to express a limited assurance conclusion on the GRI Standards Disclosures as stated in subject matter paragraph, to the Management of the Company in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume liability to any party other than the Company, for our work, for this Integrated Annual Report, or for the conclusion we have reached.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants  
(Firm's Registration No. 117366W / W-100018)



**Pratiq Shah**

Partner

Membership No. 111850

UDIN: 22111850KLLR9880

Place: New Delhi

Date: June 7, 2022

## Glossary of Abbreviations

<IR>	Integrated Reporting	BFP	Boiler Feed Pump
AA	Affirmative Action	BIPV	Building Integrated Photovoltaics
ABCI	Association of Business Communicators of India	BIS	Bureau of Indian Standards (formerly Indian Standards Institution)
ABP	Annual Business Plan	BITS Pilani	Birla Institute of Technology and Sciences, Pilani
ABV	Adjaristsqali Netherlands BV	BKC	Bandra Kurla Complex
AC	Air Conditioner	BLDC	Brushless Direct Current
ACC	Apex Compliance Committee	BoT	Robot
AGC	Automatic Generation Control	BRSR	Business Responsibility and Sustainability Report
AGL	Adjaristsqali Georgia LLC	BSE	BSE Limited
AGM	Annual General Meeting	BSI	British Standards Institution
AI	Artificial Intelligence	CAGR	Compounded Annual Growth Rate
ALIG	A Literacy Initiative Group	CCRA	Central Control Room for Renewable Assets
ALMM	Approved List of Models and Manufacturers	CCS	Carbon Capture & Storage
AMP	Aspire-Motivate-Perform	CEIIC	Clean Energy International Incubation Centre
ANM	Auxiliary Nurse Midwifery	CEO	Chief Executive Officer
APC	Auxiliary Power Consumption	CER	Certified Emission Reduction
APM	Asset Performance Management	CERC	Central Electricity Regulatory Commission
APMC	Agricultural Produce Market Committee	CERT	Computer Emergency Response Team
AR	Augmented Reality	CFO	Chief Financial Officer
ASO	Asset Supply Optimization	CG	Corporate Governance
AT&C	Aggregate Technical and Commercial	CGPL	Coastal Gujarat Power Limited (merged with Holding Company)
B2C	Business-to-Customer	CHP	Coal Handling Plant
BA	Business Associates	CII	Confederation of Indian Industries
BCC	Behavioural Change Communication	CIL	Coal India Limited
BCDMP	Business Continuity and Disaster Management Plan	CMC	Compliance Monitoring Cell
BCD	Basic Customs Duty	CMS	Compliance Management System
BCP	Business Continuity Plan	CO <sub>2</sub>	Carbon Dioxide
BEE	Bureau of Energy Efficiency	COG	Coke Oven Gas
BESS	Battery Electric Storage Solutions	CPCB	Central Pollution Control Board
BFG	Blast Furnace Gas	CPO	Charging Point Operators

## Glossary of Abbreviations

CPP	Critical Peak Pricing
CPR	Critical Peak Rebate
CPSU	Central Public Sector Undertaking
CRC	Customer Relation Centre
CRMC	Cluster Risk Management Committees
CS	Carbon Steel
CSA	Control Self-Assessment
CSAT	Customer Satisfaction
CSIR	Council of Scientific and Industrial Research
CSR	Corporate Social Responsibility
CWP	Cooling Water Pump
D&IT	Digitalization & Information Technology
DFIG	Doubly fed Induction Generator
DHPC	Dagachhu Hydro Power Corporation Limited
DISCOM	Distribution Company
DM	Demineralisation
DR	Demand Response
Drones	Deployment of Unmanned Aerial Vehicles
DSM	Demand Side Management
DT	Distribution Transformer
DTC	Delhi Transport Corporation
EaaS	Energy-as-a-Service
EAP	Employee Assistance Programme
ED	Executive Director
EBITDA	Earning before Interest, Tax, Depreciation & Amortisation
EES	Employee Engagement Surveys
ELC	Electrostatic Liquid Cleaner
ELCB	Earth-leakage Circuit Breaker
EPC	Engineering, Procurement and Construction
EPM	Enterprise Process Model
ERM	Enterprise Risk Management
ESCO	Energy Services Company

ESG	Environment, Social and Governance
ET	Energy Transition
EU	European Union
EV	Electric Vehicle
EY	Ernst & Young Associates LLP
FC	Financial Controller
FEED	Front-End Engineering and Design
FENR	Far Eastern Natural Resources LLC
FGD	Flue Gas Desulphurisation
GDAM	Green Day Ahead Market
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GIMS	Group Innovation Management System
GIS	Geographic Information System
GJ	Gigajoule
GRI	Global Reporting Initiative
GST	Goods and Services Tax
GUVNL	Gujarat Urja Vikas Nigam Limited
GW	Gigawatt
HESP	Higher Education Sponsorship Program
HIRA	Hazard Identification and Risk Assessment
HOD	Head of Department
HR	Human Resource
HVDC	High Voltage Direct Current
IARM	Internal Audit and Risk Management
IAS	Indian Accounting Standards
ICDS	Integrated Child Development Services
ID	Independent Director
IEL	Industrial Energy Limited
IEX	Indian Energy Exchange Limited
IFC	Internal Financial Controls

IIM	Indian Institute of Management	MoP	Ministry of Power
IIRC	International Integrated Reporting Council	MPL	Maithon Power Limited
IIT	Indian Institute of Technology	MRF	Material Recycle Facility
IITB	Indian Institute of Technology - Bombay	MRV	Measurement, Reporting and Verification
ILO	International Labour Organization	MS	Mild Steel
IMS	Integrated Management System	MSEDCL	Maharashtra State Electricity Distribution Company Limited
INR	Indian Rupee	MSME	Micro, Small and Medium Enterprises
IoT	Internet of Things	MT	Metric Tonne
IPBES	Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services	MU	Million Unit
ISTS	Interstate Transmission System	MVA	Mega Volt Ampere
IUCN	International Union for Conservation of Nature	MW	Megawatt
JMR	Joint Meter Reading	MWh	Megawatt hour
JSA	Job Safety Assessment	MYT	Multi-year Tariff
JV	Joint Venture	NCLT	National Company Law Tribunal
KMP	Key Managerial Personnel	NDC	Nationally Determined Contributions
KPI	Key Performance Indicator	NEDs	Non-Executive Directors
KPO	Knowledge Process Outsourcing	Nelco	Nelco Limited
kWh	Kilowatt hour	NEP	National Electricity Plan
KYEC	Know Your Energy Consumption	NGO	Non-Governmental Organisation
LED	Light Emitting Diode	NGRBC	National Guidelines for Responsible Business Conduct
LVDH	Low Vacuum Dehydration and Degasification	NHAI	National Highway Authority of India
maRC	Mobile-GIS Assisted System for Restoration and Care	NOx	Nitrogen Oxide
MCA	Ministry of Corporate Affairs	NRC	Nomination and Remuneration Committee
MD	Managing Director	NTPC	NTPC Limited
MD&A	Management Discussion and Analysis	NVG	National Voluntary Guidelines
MERC	Maharashtra Electricity Regulatory Commission	O&M	Operation and Maintenance
MFI	Micro Financing Institutes	ODF	Open Defecation Free
ML	Machine Language	OEMs	Original Equipment Manufacturers
MNRE	Ministry of New and Renewable Energy	OJT	On-the-Job Training
MoEFCC	Ministry of Environment, Forest and Climate Change	OPD	Out-Patient Department

## Glossary of Abbreviations

PACE	Progressive Approach to Competency Enhancement System
PDS	Public Distribution System
PHC	Primary Health Care
PID	Proportional Integral Derivative controller
PLI	Production Linked Incentive
PM	Particulate Matter
POSH	Prevention of Sexual Harassment
PGCIL	Power Grid Corporation of India Limited
PPA	Power Purchase Agreement
PPE	Personal Protective Equipment
PPGCL	Prayagraj Power Generation Company Limited
PPP	Public Private Partnership
PSCC	Power System Control Center
PTL	Powerlinks Transmission Limited
PV	Solar Photovoltaic
R&D	Research and Development
RAT	Rapid Antigen Test
RCM	Reliability Centred Maintenance
RE	Renewable Energy
RF	Radio Frequency
RMC	Risk Management Committee
RMCI	Risk Mitigation Completion Index
RMU	Ring Main Unit
RO	Reverse Osmosis
ROCE	Return on Capital Employed
RoE	Return on Equity
ROTA	Rotation (job planning)
RPL	Recognition for Prior Learning
RPO	Renewable Purchase Obligation
RSCM	Responsible Supply Chain Management
RT-PCR	Reverse Transcription Polymerase Chain Reaction

SAP-EHSM	SAP Environment Health and Safety Management
SASB	Sustainability Accounting Standards Board
SBO	Strategic Business Objectives
SBTi	Science Based Targets Initiatives
SC	Scheduled Caste
SCADA	Supervisory Controlled and Data Acquisition
SDA	Sectoral Decarbonisation Approach
SDGs	United Nations Sustainable Development Goals
SEBI	Securities and Exchange Board of India
SECI	Solar Energy Corporation of India
SEC	Specific Energy Consumption
SED	Strategic Engineering Division
SEMA	Stakeholder Engagement and Materiality Assessment
SHG	Self-Help Groups
SHR	Station Heat Rate
SIDBI	Small Industries Development Bank of India
SLDP	Senior Leaders' Development Program
SMEs	Small and Medium Enterprises
SOC	Security Operations Centre
SOP	Standard Operating Practices
SOx	Sulphur oxides
SPCB	State Pollution Control Boards
SROI	Social Return on Investment
ST	Scheduled Tribe
STU	State Transmission Utility
T&D	Transmission & Distribution
TASL	Tata Advanced Systems Limited
TAT	Turn-Around-Time
TBCB	Tariff Based Competitive Bidding
TCFD	Task Force on Climate related Financial Disclosure
TCOC	Tata Code of Conduct

TCS	Tata Consultancy Services Limited	TPTCL	Tata Power Trading Company Limited
TCSiON	Tata Consultancy Services (TCS)- Mobile & Web Education platform	TPWODL	TP Western Odisha Distribution Limited
TERPL	Trust Energy Resources Pte Limited	TTML	Tata Teleservices (Maharashtra) Limited
TMTCT	Tata Management Training Centre	UF	Ultra Filtration
TPADL	TP Ajmer Distribution Limited	UFT	United Functional Testing tool
TPCDT	Tata Power Community Development Trust	UN	United Nations
TPCL	The Tata Power Company Limited	UNFCCC	United Nations Framework Convention on Climate Change
TPCODL	TP Central Odisha Distribution Limited	UNGCP	United Nations Global Compact Principles
TPDDL	Tata Power Delhi Distribution Limited	USS	Unitized sub-station
TPGEL	Tata Power Green Energy Limited	UT	Union Territory
TPIPL	Tata Power International Pte Limited	VR	Virtual Reality
TPNODL	TP Northern Odisha Distribution Limited	WBCSD	World Business Council for Sustainable Development
TPREL	Tata Power Renewable Energy Limited	WILP	Work Integrated Learning Programme
TPRMGL	TP Renewable Microgrid Limited	WREL	Walwhan Renewable Energy Limited
TPSDI	Tata Power Skill Development Institute	Y-o-Y	Year on Year
TPSODL	TP Southern Odisha Distribution Limited	ZLD	Zero Liquid Discharge
TPSSL	Tata Power Solar Systems Limited		

## Notes



*Empower a billion lives*  
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to make a green tomorrow**  
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