

December 02, 2024

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

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

**Sub: Unaudited Special Purpose Interim Condensed Consolidated Financial Statements as at and for the six months period ended September 30, 2024 and September 30, 2023**

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Dear Sir / Madam,

We would like to inform you that the Fund Raising Committee of the Board at its Meeting held today, inter-alia, approved the Unaudited Special Purpose Interim Condensed Consolidated Financial Statements as at and for the six months period ended September 30, 2024 and September 30, 2023 along with the special purpose review report thereon, the same are enclosed herewith.

We request you to take the above on record and treat the same as compliance under the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The Meeting of the Fund-Raising Committee of the Board commenced at 10:00 am and concluded at 10:30 am.

Thanking you.

Yours faithfully,  
**For Torrent Power Limited**

**Rahul Chaitanyabhai Shah**  
**Company Secretary & Compliance Officer**  
Encl.: As above

**TORRENT POWER LIMITED**

**CONDENSED  
CONSOLIDATED  
FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED**

**SEPTEMBER 30, 2024**

# Price Waterhouse Chartered Accountants LLP

## REVIEW REPORT

The Board of Directors  
Torrent Power Limited  
'Samanvay', 600, Tapovan,  
Ambawadi,  
Ahmedabad - 380015

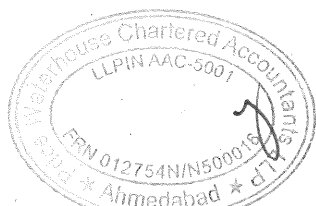
1. This report is issued in accordance with the terms of our agreement dated November 16, 2024.
2. We have reviewed the accompanying Special Purpose Interim Condensed Consolidated Financial Statements of Torrent Power Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries hereinafter referred to as the "Group"), comprising its Condensed Consolidated Balance Sheet as at September 30, 2024, and the Condensed Consolidated Statement of Profit and Loss, the Condensed Consolidated Statement of Cash Flows and the Condensed Consolidated Statement of Changes in Equity for the six months period ended on that date and a summary of material accounting policies and other explanatory information to these Special Purpose Interim Condensed Consolidated Financial Statements (hereinafter referred to as the "Special Purpose Interim Condensed Consolidated Financial Statements") have been prepared by the Management of the Company in accordance with the Indian Accounting Standard (Ind AS) 34, "Interim Financial Reporting" prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013, to be included in the Preliminary Placement Document ('PPD') and Placement Document ('PD') (hereinafter collectively referred to as the 'Offer Documents'), to be filed by the Company with the Securities and Exchange Board of India ('SEBI'), BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'), as applicable in connection with proposed Qualified institutions Placement of the equity shares of the Company (the "Offering") in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended, and other relevant provisions of the Companies Act, 2013 (the 'Companies Act, 2013'). We have signed the Special Purpose Interim Condensed Consolidated Financial Statements for identification purpose only.

### Management's Responsibility for the Special Purpose Interim Condensed Consolidated Financial Statements

3. The Company's Management is responsible for the preparation of the Special Purpose Interim Condensed Consolidated Financial Statements in accordance with the Indian Accounting Standard (Ind AS) 34, "Interim Financial Reporting" prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013, including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Special Purpose Interim Condensed Consolidated Financial Statements that is free from material misstatement, whether due to fraud or error and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Statement includes the unaudited interim financial information of the entities listed in Annexure A

### Auditor's Responsibility

5. Our responsibility is to express a conclusion on the Special Purpose Interim Condensed Consolidated Financial Statements based on our review. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 'Review of Interim Financial Information performed by the independent auditor of the Entity', issued by the Institute of Chartered Accountants of India (the "ICAI"), as amended from time to time.



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Ahmedabad - 380 051, Gujarat, India  
T: +91 (79) 69247156

Registered office and Head office: 11-A, Vishnu Digamber Marg, Sucheta Bhawan, New Delhi - 110002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

# Price Waterhouse Chartered Accountants LLP

6. A review consists of making inquiries, primarily of the Holding Company personnel responsible for financial and accounting matters, and applying analytical and other review procedures to the financial data. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing, the objective of which is the expression of an opinion on the truth and fairness of the financial statements taken as a whole, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

## Conclusion

7. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Special Purpose Interim Condensed Consolidated Financial Statements has not been prepared, in all material respects, in accordance with the Indian Accounting Standard (Ind AS) 34, "Interim Financial Reporting" prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013, or that it contains any material misstatement.

## Emphasis of matter – Basis of preparation

8. We draw attention to Note 2.1 to the Special Purpose Interim Condensed Consolidated Financial Statements, which describes the basis of preparation. The Special Purpose Interim Condensed Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standard (Ind AS) 34, "Interim Financial Reporting" prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013 and are presented, and disclose the information required thereunder to the extent considered relevant by the Management and the intended users of the Special Purpose Interim Condensed Consolidated Financial Statements for the purposes for which those have been prepared. As a result, the Special Purpose Interim Condensed Consolidated Financial Statements may not be suitable for any other purpose. Our conclusion is not modified in respect of this matter.

## Restriction on use

9. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have or may have had as auditor of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we have or may have had in our capacity as auditor of the Company.
10. The report has been issued at the request of the Board of Directors of the Company to whom it is addressed, for inclusion in offer documents to be filed with the Securities and Exchange Board of India ('SEBI'), BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'), solely in connection with the preparation of with the proposed Qualified institutions Placement of the equity shares of the Company and should not be used by any other person other than the Company or published, distributed, referred to for any other purpose in any manner, whatsoever. Price Waterhouse Chartered Accountants LLP does not accept or assume any liability or any duty of care for any other purpose or to any person other than the Company.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

Priyanshu Gundana  
Partner  
Membership Number: 109553  
UDIN: 24109553BKGRBP7402

Place: Mumbai  
Date: December 2, 2024

# Price Waterhouse Chartered Accountants LLP

## Annexure A

### List of entities:

| Sr. No                     | Name of Company  |
|----------------------------|--|
| <b>Subsidiaries Direct</b> |  |
| 1                          | Torrent Power Grid Limited   |
| 2                          | Torrent Pipavav Generation Limited   |
| 3                          | Torrent Solargen Limited   |
| 4                          | Jodhpur Wind Farms Private Limited   |
| 5                          | Latur Renewable Private Limited  |
| 6                          | Torrent Electricals Limited (formerly known as Torrent Electricals Private Limited/TCL Cables Private Limited) |
| 7                          | Torrent Solar Power Private Limited  |
| 8                          | Torrent Saurya Urja 2 Private Limited  |
| 9                          | Torrent Saurya Urja 3 Private Limited  |
| 10                         | Torrent Saurya Urja 4 Private Limited  |
| 11                         | Torrent Saurya Urja 5 Private Limited  |
| 12                         | Visual Percept Solar Projects Private Limited  |
| 13                         | Torrent Saurya Urja 6 Private Limited (formerly known as LREHL Renewables India SPV 1 Private Limited)         |
| 14                         | Surya Vidyut Limited   |
| 15                         | Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited                                |
| 16                         | Sunshakti Solar Power Projects Private Limited   |
| 17                         | Torrent Urja 7 Private Limited (formerly known as Wind Two Renergy Private Limited)                            |
| 18                         | Torrent Urja 8 Private Limited   |
| 19                         | Torrent Urja 9 Private Limited   |
| 20                         | Torrent Urja 10 Private Limited  |
| 21                         | Torrent Urja 11 Private Limited  |
| 22                         | Torrent Urja 12 Private Limited  |
| 23                         | Torrent Urja 13 Private Limited  |
| 24                         | Torrent Urja 14 Private Limited  |
| 25                         | Torrent Urja 15 Private Limited  |
| 26                         | Torrent Urja 16 Private Limited  |
| 27                         | Torrent Urja 17 Private Limited  |
| 28                         | Torrent Green Energy Private Limited   |
| 29                         | Torrent Green Hydrogen Private Limited   |
| 30                         | Torrent PSH 3 Private Limited  |
| 31                         | Torrent PSH 4 Private Limited  |
| 32                         | Torrent PSH 1 Private Limited  |
| 33                         | Torrent PSH 2 Private Limited  |
| 34                         | Solapur Transmission Limited   |
| 35                         | MSKVY Ninth Solar SPV Limited (w.e.f. April 18, 2024)  |
| 36                         | Torrent Urja 18 Private Limited (w.e.f. July 27, 2024)   |
| 37                         | Torrent Urja 19 Private Limited (w.e.f. August 6, 2024)  |
| 38                         | Torrent Urja 20 Private Limited (w.e.f. August 6, 2024)  |
| 39                         | Torrent Urja 21 Private Limited (w.e.f. August 5, 2024)  |
| 40                         | Torrent Urja 22 Private Limited (w.e.f. August 5, 2024)  |
| 41                         | Torrent Urja 23 Private Limited (w.e.f. August 2, 2024)  |
| 42                         | Torrent Urja 24 Private Limited (w.e.f. August 2, 2024)  |
| 43                         | Torrent Urja 25 Private Limited (w.e.f. August 2, 2024)  |
| 44                         | Torrent Urja 26 Private Limited (w.e.f. August 2, 2024)  |
| 45                         | Torrent Urja 27 Private Limited (w.e.f. August 6, 2024)  |
| <b>Subsidiary Indirect</b> |  |
| 46                         | Airpower Windfarms Private Limited (Subsidiary of Torrent Green Energy Private Limited)                        |



**TORRENT POWER LIMITED**  
**Condensed Consolidated Balance Sheet**  
as at September 30, 2024

|   | Notes | As at<br>September 30, 2024   | As at<br>March 31, 2024 |
|---|-------|---|-------------------------|
| <b>Assets</b>   |       |   |                         |
| <b>Non-current assets</b>   |       |   |                         |
| Property, plant and equipment   | 4     | 21,571.06   | 20,653.68               |
| Right-of-use assets   | 5     | 282.19  | 259.07                  |
| Capital work-in-progress  | 6     | 2,143.61  | 2,472.36                |
| Investment property   | 7     | -   | -                       |
| Goodwill  | 8     | 171.07  | 171.07                  |
| Other intangible assets   | 9     | 700.17  | 718.46                  |
| <b>Financial assets</b>   |       |   |                         |
| Investments   | 10    | 22.15   | 17.02                   |
| Other financial assets  | 11    | 85.73   | 94.68                   |
| Deferred tax assets (net)   |       | 61.58   | 66.38                   |
| Non-current tax assets (net)  | 12    | 19.52   | 12.64                   |
| Other non-current assets  | 13    | 581.32  | 420.76                  |
|   |       | <b>Sub total - Non-current assets</b>                                   | <b>25,638.40</b>        |
| <b>Current assets</b>   |       |   |                         |
| Inventories   | 14    | 701.90  | 800.45                  |
| <b>Financial assets</b>   |       |   |                         |
| Investments   | 15    | 927.57  | 937.37                  |
| Trade receivables   | 16    | 2,890.87  | 2,190.86                |
| Cash and cash equivalents   | 17    | 344.43  | 350.83                  |
| Bank balances other than cash and cash equivalents above                | 18    | 101.35  | 67.91                   |
| Other financial assets  | 19    | 4,413.84  | 3,989.23                |
| Other current assets  | 20    | 187.95  | 169.71                  |
|   |       | <b>Sub total - Current assets</b>                                       | <b>9,567.91</b>         |
| Assets classified as held for sale                                      | 43    | 367.22  | -                       |
|   |       | <b>Total - Assets</b>   | <b>35,573.53</b>        |
| <b>Equity and liabilities</b>   |       |   |                         |
| <b>Equity</b>   |       |   |                         |
| Equity share capital  | 21    | 480.62  | 480.62                  |
| Other equity  | 22    | 12,835.23   | 11,581.09               |
|   |       | <b>Sub total - Equity attributable to equity holders of the Company</b> | <b>13,315.85</b>        |
| Non-controlling interests   |       | 569.79  | 535.79                  |
|   |       | <b>Sub total - Equity</b>   | <b>13,885.64</b>        |
| <b>Liabilities</b>  |       |   |                         |
| <b>Non-current liabilities</b>  |       |   |                         |
| <b>Financial liabilities</b>  |       |   |                         |
| Borrowings  | 23    | 10,445.45   | 9,916.40                |
| Lease liabilities   |       | 49.97   | 39.50                   |
| Trade payables  | 24    | -   | -                       |
| Total outstanding dues of micro and small enterprises                   |       | 481.05  | 345.71                  |
| Total outstanding dues other than micro and small enterprises           |       | 5.73  | 0.95                    |
| Other financial liabilities   | 25    | 1,632.10  | 1,233.65                |
| Deferred tax liabilities (net)  |       | 1,462.15  | 1,445.68                |
| Other non-current liabilities   | 26    | 14,076.45   | 12,981.89               |
|   |       | <b>Sub total - Non-current liabilities</b>                              | <b>14,076.45</b>        |
| <b>Current liabilities</b>  |       |   |                         |
| <b>Financial liabilities</b>  |       |   |                         |
| Borrowings  | 27    | 1,063.36  | 1,668.63                |
| Lease liabilities   |       | 8.66  | 7.27                    |
| Trade payables  | 28    | 46.48   | 64.12                   |
| Total outstanding dues of micro and small enterprises                   |       | 2,149.92  | 1,747.80                |
| Total outstanding dues other than micro and small enterprises           |       | 2,938.89  | 3,264.67                |
| Other financial liabilities   | 29    | 708.92  | 735.06                  |
| Other current liabilities   | 30    | 194.03  | 201.74                  |
| Provisions  | 31    | 358.21  | 123.80                  |
| Current tax liabilities (net)   | 32    | 7,468.47  | 7,813.09                |
| Liabilities directly associated with assets classified as held for sale | 43    | 142.97  | -                       |
|   |       | <b>Sub total - Current liabilities</b>                                  | <b>7,611.44</b>         |
|   |       | <b>Total - Equity and liabilities</b>                                   | <b>33,392.48</b>        |

See accompanying notes forming part of the un-audited special purpose interim condensed consolidated financial statements

In terms of our report attached

For and on behalf of Fund Raising Committee of Torrent Power Limited

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number : 012754/N/N500016

Samir Mehta  
Chairperson  
DIN:00061903

Priyanshu Gaudana  
Partner  
Membership No.: 109553

Saurabh Mashruwala  
Chief Financial Officer

Rahul Shah  
Company Secretary

Mumbai, December 2, 2024

Ahmedabad, December 2, 2024

**TORRENT POWER LIMITED**

**Condensed Consolidated Statement of Profit and Loss**

for the six months ended September 30, 2024

(₹ in Crore)

| Notes   | Six months ended<br>September 30, 2024 | Six months ended<br>September 30, 2023 |
|---|--|--|
| <b>Income</b>   |  |  |
|   |  |  |
| Revenue from operations   | 33 16,209.54                           | 14,288.54                              |
| Other income  | 34 200.99                              | 193.89                                 |
| <b>Total income</b>   | <b>16,410.53</b>                       | <b>14,482.43</b>                       |
| <b>Expenses</b>   |  |  |
|   |  |  |
| Electrical energy purchased   | 7,574.94                               | 7,266.96                               |
| Fuel cost   | 3,787.79                               | 3,159.11                               |
| Cost of materials consumed  | 35 213.46                              | 214.41                                 |
| Purchase of stock-in-trade  | 329.15                                 | 195.24                                 |
| Changes in inventories of finished goods and work-in-progress         | 36 0.11                                | 13.59                                  |
| Employee benefits expense   | 37 363.19                              | 307.89                                 |
| Finance costs   | 38 532.43                              | 474.44                                 |
| Depreciation and amortisation expense                                 | 39 730.47                              | 673.70                                 |
| Other expenses  | 40 875.66                              | 725.15                                 |
| <b>Total expenses</b>   | <b>14,407.20</b>                       | <b>13,030.49</b>                       |
| <b>Profit before tax</b>  | <b>2,003.33</b>                        | <b>1,451.94</b>                        |
| <b>Tax expense</b>  |  |  |
| Current tax   | 265.58                                 | 250.96                                 |
| Deferred tax  | 245.69                                 | 126.15                                 |
| <b>Total tax expense</b>  | <b>511.27</b>                          | <b>377.11</b>                          |
| <b>Profit for the period</b>  | <b>1,492.06</b>                        | <b>1,074.83</b>                        |
| <b>Other comprehensive income</b>                                     |  |  |
| <b>Items that will not be reclassified to profit or loss</b>          |  |  |
| Remeasurement of the defined benefit plans                            | (11.49)                                | (14.61)                                |
| Tax relating to remeasurement of the defined benefit plans            | (3.80)                                 | (4.74)                                 |
| <b>Other comprehensive income for the period, net of tax</b>          | <b>(7.69)</b>                          | <b>(9.87)</b>                          |
| <b>Total comprehensive income for the period</b>                      | <b>1,484.37</b>                        | <b>1,064.96</b>                        |
| <b>Profit for the period attributable to:</b>                         |  |  |
| Owners of the Company   | 1,453.27                               | 1,043.16                               |
| Non-controlling interests   | 38.79                                  | 31.67                                  |
|   | <b>1,492.06</b>                        | <b>1,074.83</b>                        |
| <b>Other comprehensive income for the period attributable to:</b>     |  |  |
| Owners of the Company   | (6.88)                                 | (8.93)                                 |
| Non-controlling interests   | (0.81)                                 | (0.94)                                 |
|   | <b>(7.69)</b>                          | <b>(9.87)</b>                          |
| <b>Total comprehensive income for the period attributable to:</b>     |  |  |
| Owners of the Company   | 1,446.39                               | 1,034.23                               |
| Non-controlling interests   | 37.98                                  | 30.73                                  |
|   | <b>1,484.37</b>                        | <b>1,064.96</b>                        |
| Basic and diluted earnings per share of face value of ₹10 each (in ₹) | 46 30.24                               | 21.70                                  |

See accompanying notes forming part of the un-audited special purpose interim condensed consolidated financial statements

In terms of our report attached

For and on behalf of Fund Raising Committee of  
Torrent Power Limited

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number : 012754N/N500016

Samir Mehta  
Chairperson  
DIN:00061903

Saurabh Mashruwala  
Chief Financial Officer

Rahul Shah

Rahul Shah  
Company Secretary

Priyanshu Gundana  
Partner  
Membership No.: 109553

Mumbai, December 2, 2024

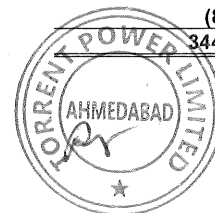
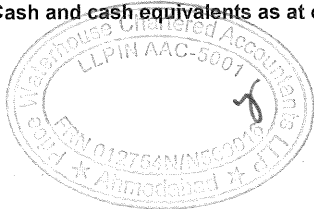
Ahmedabad, December 2, 2024

**TORRENT POWER LIMITED**

**Condensed Consolidated Statement of Cash Flows**

for the six months ended September 30, 2024

|  | Notes | Six months ended<br>September 30, 2024 | (₹ in Crore)<br>Six months ended<br>September 30, 2023 |
|--|-------|--|--|
| <b>Cash flow from operating activities</b>   |       |  |  |
| Profit before tax  |       | 2,003.33                               | 1,451.94   |
| <b>Adjustments for :</b>   |       |  |  |
| Depreciation and amortisation expense  | 39    | 730.47                                 | 673.70   |
| Amortisation of deferred revenue   | 33    | (55.02)                                | (51.92)  |
| Provision of earlier years written back  | 33    | (1.06)                                 | (0.01)   |
| Loss on sale of non-current investments  | 40    | 0.13                                   | -  |
| Loss on sale / discarding of property, plant and equipment and capital work-in-progress                        | 40    | 4.49                                   | 11.15  |
| Gain on disposal of property, plant and equipment / investment property  | 34    | (7.23)                                 | (19.31)  |
| Bad debts written off (net of recovery)  | 40    | (13.78)                                | (9.01)   |
| Allowance for doubtful advances (net)  | 40    | -                                      | (6.06)   |
| Allowance for doubtful debts (net)   | 40    | 29.94                                  | 38.84  |
| Finance costs  | 38    | 532.43                                 | 474.44   |
| Interest income from financial assets measured at amortised cost   | 34    | (25.68)                                | (26.62)  |
| Gain on sale of current investments in mutual funds  | 34    | (25.32)                                | (26.78)  |
| Gain on sale of non-current investments  | 34    | (0.04)                                 | (0.05)   |
| Net (gain) / loss arising on current investments in mutual funds measured at fair value through profit or loss | 34    | 1.37                                   | (3.83)   |
| Net gain arising on financial assets / liabilities measured at amortised cost                                  | 34    | (25.33)                                | (17.40)  |
| Net unrealised loss / (gain) on foreign currency transactions  | 34    | 17.14                                  | (4.89)   |
| <b>Operating profit before working capital changes</b>   |       | <u>3,165.84</u>                        | <u>2,484.19</u>  |
| <b>Movement in working capital:</b>  |       |  |  |
| Adjustments for decrease / (increase) in operating assets:   |       |  |  |
| Inventories  |       | (173.18)                               | (156.46)   |
| Trade receivables  |       | (872.78)                               | (468.61)   |
| Other financial assets   |       | (420.48)                               | (431.54)   |
| Other assets   |       | (28.69)                                | (80.05)  |
| Adjustments for increase / (decrease) in operating liabilities:  |       |  |  |
| Trade payables   |       | 573.99                                 | 892.39   |
| Other financial liabilities  |       | 23.16                                  | (33.37)  |
| Provisions   |       | (12.84)                                | 8.13   |
| Other liabilities  |       | (21.98)                                | 17.65  |
| <b>Cash generated from operations</b>  |       | <u>2,233.04</u>                        | <u>2,232.33</u>  |
| Taxes paid (net)   |       | <u>102.15</u>                          | <u>(207.85)</u>  |
| <b>Net cash flow generated from operating activities</b>   |       | <u>2,335.19</u>                        | <u>2,024.48</u>  |
| <b>Cash flow from investing activities</b>   |       |  |  |
| Payments for property, plant and equipment, intangible assets & right-of-use assets                            |       | (1,861.25)                             | (1,247.28)   |
| Proceeds from sale of property, plant and equipment, intangible assets & investment property                   |       | 81.20                                  | 27.43  |
| Acquisition of subsidiaries net of cash and cash equivalents   |       | -                                      | (19.02)  |
| Purchase of non-current investments  |       | (5.14)                                 | (4.03)   |
| Proceeds from sale of non-current investments  |       | 2.86                                   | 1.98   |
| Investments in bank deposits (original maturity more than three months)  |       | (62.97)                                | (338.22)   |
| Redemption in bank deposits (original maturity more than three months)   |       | 34.11                                  | 406.35   |
| Interest received  |       | 25.79                                  | 27.20  |
| (Purchase of) / proceeds from current investments (net)  |       | 30.80                                  | (254.17)   |
| <b>Net cash used in investing activities</b>   |       | <u>(1,754.60)</u>                      | <u>(1,399.76)</u>                                      |
| <b>Cash flow from financing activities</b>   |       |  |  |
| Transactions with non-controlling interests  |       | -                                      | 0.74   |
| Proceeds from long-term borrowings   |       | 964.26                                 | 962.18   |
| Proceeds from short-term borrowings  |       | 527.00                                 | 475.00   |
| Repayment of long-term borrowings  |       | (361.62)                               | (694.09)   |
| Prepayment of long-term borrowings   |       | (311.15)                               | (353.92)   |
| Repayment of short-term borrowings   |       | (817.02)                               | (250.00)   |
| Repayment of Accelerated Power Development and Reform Programme (APDRP) loan                                   |       | (1.53)                                 | (1.75)   |
| Receipt of contribution from consumers   |       | 75.46                                  | 77.29  |
| Dividend paid  |       | (196.23)                               | (194.36)   |
| Principal elements of lease payments   |       | (5.52)                                 | (17.35)  |
| Finance costs paid   |       | (452.02)                               | (446.41)   |
| <b>Net cash used in financing activities</b>   |       | <u>(578.37)</u>                        | <u>(442.67)</u>  |
| <b>Net (decrease) / increase in cash and cash equivalents</b>  |       | 2.22                                   | 182.05   |
| <b>Cash and cash equivalents as at beginning of the period</b>   |       | 350.83                                 | 188.23   |
| <b>Cash and cash equivalents considered as assets classified as held for sale</b>                              |       | (8.62)                                 | -  |
| <b>Cash and cash equivalents as at end of the period</b>   |       | <u>344.43</u>                          | <u>370.28</u>  |





**TORRENT POWER LIMITED**  
**Condensed Consolidated Statement of Cash Flows**  
**for the six months ended September 30, 2024**

Footnotes:

|   | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>September 30, 2023 |
|---|-----------------------------|---|
| 1 Cash and cash equivalents as at end of the period:                                |                             |   |
| Balances with banks   |                             |   |
| Balance in current accounts   | 343.85                      | 269.63                                      |
| Balance in fixed deposit accounts<br>(original maturity for less than three months) | -                           | 100.05                                      |
| Cheques on hand   | 0.23                        | 0.25  |
| Cash on hand  | 0.35                        | 0.35  |
|   | <u>344.43</u>               | <u>370.28</u>                               |
| 2 Non-cash investing and financing activities                                       |                             |   |
| Acquisition of Right-of-use assets  | 15.08                       | 8.07  |
|   | <u>15.08</u>                | <u>8.07</u>                                 |

3 Cash flow from operating activities includes ₹ 20.29 Crore (six months ended September 30, 2023 : ₹ 19.46 Crore) being expense towards corporate social responsibility initiatives.

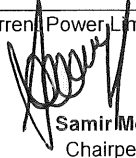
4 The condensed consolidated statement of cash flow has been prepared under the 'Indirect Method' set out in Indian Accounting Standards (Ind AS) - 7 "Statement of Cash Flows".

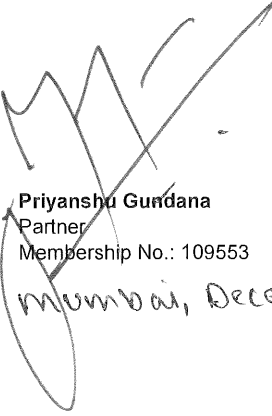
**See accompanying notes forming part of the un-audited special purpose interim condensed consolidated financial statements**

In terms of our report attached


For and on behalf of Fund Raising Committee of Torrent Power Limited


**For Price Waterhouse Chartered Accountants LLP**  
 Firm Registration Number : 012754N/N500016

  
**Samir Mehta**  
 Chairperson  
 DIN:00061903

  
**Priyanshu Gundana**  
 Partner  
 Membership No.: 109553

Mumbai, December 2, 2024

  
**Saurabh Mashruwala**  
 Chief Financial Officer

  
**Rahul Shah**  
 Company Secretary

Ahmedabad, December 2, 2024

TORRENT POWER LIMITED  
Condensed Consolidated Statement of Changes in Equity for the six months ended September 30, 2024

A. Equity share capital [Refer note 21]

|  | (₹ in Crore)                |                         |
|--|-----------------------------|-------------------------|
|  | As at<br>September 30, 2024 | As at<br>March 31, 2024 |
| Balance at the beginning of the period / year            | 480.62                      | 480.62                  |
| Changes in equity share capital during the period / year | -                           | -                       |
| Balance at the end of the period / year                  | <u>480.62</u>               | <u>480.62</u>           |

B. Other equity [Refer note 22]

|   | (₹ in Crore)          |                                    |                        |                    |                    |                      |  |                                  |                  |
|---|-----------------------|------------------------------------|------------------------|--------------------|--------------------|----------------------|--|----------------------------------|------------------|
|   | Securities<br>premium | Debenture<br>redemption<br>reserve | Reserves and surplus   |                    | General<br>reserve | Retained<br>earnings | Other equity<br>attributable to<br>equity holders<br>of the<br>Company | Non-<br>controlling<br>interests | Total            |
|   |                       |                                    | Contingency<br>reserve | Special<br>reserve |                    |                      |  |                                  |                  |
| Balance as at April 01, 2024                          | 0.03                  | 44.51                              | 19.22                  | 78.07              | 3,687.68           | 7,751.58             | 11,581.09  | 535.79                           | 12,116.88        |
| Profit for the period                                 | -                     | -                                  | -                      | -                  | -                  | 1,453.27             | 1,453.27   | 38.79                            | 1,492.06         |
| Other comprehensive income for the period, net of tax | -                     | -                                  | -                      | -                  | -                  | (6.88)               | (6.88)   | (0.81)                           | (7.69)           |
| Total comprehensive income for the period             | -                     | -                                  | -                      | -                  | -                  | 1,446.39             | 1,446.39   | 37.98                            | 1,484.37         |
| Transfer to debenture redemption reserve              | -                     | (4.51)                             | -                      | -                  | 4.51               | -                    | -  | -                                | -                |
| Transaction with owners in their capacity as owners:  |                       |                                    |                        |                    |                    |                      |  |                                  |                  |
| Dividend (including interim dividend) paid            | -                     | -                                  | -                      | -                  | -                  | (192.25)             | (192.25)   | (3.98)                           | (196.23)         |
| Balance as at September 30, 2024                      | <u>0.03</u>           | <u>40.00</u>                       | <u>19.22</u>           | <u>78.07</u>       | <u>3,692.19</u>    | <u>9,005.72</u>      | <u>12,835.23</u>   | <u>569.79</u>                    | <u>13,405.02</u> |
| Balance as at April 01, 2023                          | 0.03                  | 61.21                              | 17.29                  | 78.07              | 3,670.61           | 6,702.17             | 10,529.38  | 476.65                           | 11,006.03        |
| Profit for the period                                 | -                     | -                                  | -                      | -                  | -                  | 1,043.16             | 1,043.16   | 31.67                            | 1,074.83         |
| Other comprehensive income for the period, net of tax | -                     | -                                  | -                      | -                  | -                  | (8.93)               | (8.93)   | (0.94)                           | (9.87)           |
| Total comprehensive income for the period             | -                     | -                                  | -                      | -                  | -                  | 1,034.23             | 1,034.23   | 30.73                            | 1,064.96         |
| Transaction with owners in their capacity as owners:  |                       |                                    |                        |                    |                    |                      |  |                                  |                  |
| Dividend (including interim dividend) paid            | -                     | -                                  | -                      | -                  | -                  | (192.25)             | (192.25)   | (2.11)                           | (194.36)         |
| Balance as at September 30, 2023                      | <u>0.03</u>           | <u>61.21</u>                       | <u>17.29</u>           | <u>78.07</u>       | <u>3,670.61</u>    | <u>7,544.15</u>      | <u>11,371.36</u>   | <u>505.27</u>                    | <u>11,876.63</u> |

Footnote:

Retained earning includes ₹ (44.89) Crore (September 30, 2023 : ₹ (33.02) Crore) related to re-measurement of defined benefit plans.

See accompanying notes forming part of the un-audited special purpose interim condensed consolidated financial statements

In terms of our report attached

For and on behalf of Fund Raising Committee of Torrent Power Limited

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number : 012754N/N500016

Samir Mehta  
Chairperson  
DIN:00061903

Priyanshu Gundana  
Partner  
Membership No.: 109553

Mumbai, December 2, 2024

Saurabh Mashruwala  
Chief Financial Officer

Rahul Shah  
Company Secretary

Ahmedabad, December 2, 2024

## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2024

#### 'Note 1(a): General information

These Un-audited Special Purpose Interim Condensed Consolidated Financial Statements comprise of financial statements of Torrent Power Limited ("the Company") and its subsidiaries (hereinafter referred to as "the Group") as of and for the six months ended September 30, 2024.

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. Its equity shares are listed on BSE Ltd. and National Stock Exchange Ltd. in India. The registered office of the Company is located at "Samanvay", 600, Tapovan, Ambawadi, Ahmedabad – 380 015.

The Group is engaged in the business of generation, renewables, transmission and distribution of Electricity and of manufacture and sale of Cable. Information on the Group's structure is provided in note 41.

#### Note 1(b): New standards or interpretations adopted by the Group

The Ministry of Corporate Affairs vide notification dated August 12, 2024 and September 09, 2024 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective April 01, 2024:

- i) Ind AS 117 – Insurance Contracts
- ii) Ind AS 116 – Leases

The above amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

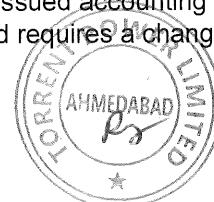
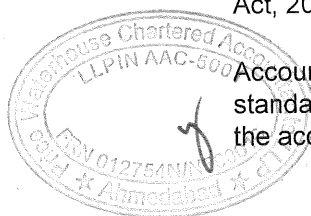
#### Note 2(a): Material accounting policies

##### 2.1 Basis of preparation:

These Un-audited Special Purpose Interim Condensed Consolidated Financial Statements comprising the Condensed Consolidated Balance Sheet as at September 30, 2024 and the Condensed Consolidated Statement of Profit and Loss, Condensed Consolidated Statement of Cash Flows and Condensed Consolidated Statement of Changes in Equity for the six months period ended on that date and a summary of material accounting policies and other explanatory information to these Un-audited Special Purpose Interim Condensed Consolidated Financial Statements (together hereinafter referred as the 'Un-audited Special Purpose Interim Condensed Consolidated Financial Statements' or 'Financial Statements') have been prepared by the Management in accordance with the principles of Indian Accounting Standard ('Ind AS') 34, "Interim Financial Reporting" prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013 and rules thereunder and are presented, and disclose the information required thereunder to the extent considered relevant by the Management and the intended users of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the purposes for which those have been prepared.

These Un-audited Special Purpose Interim Condensed Consolidated Financial Statements have been prepared by the Group for preparation of consolidated financial information of the Group to be included in the Preliminary Placement Document ("PDD") and Placement Document ("PD"), to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") in Ahmedabad, as applicable, in connection with proposed Qualified institutions Placement of the equity shares by the Company in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended, and other relevant provisions of the Companies Act, 2013 (the 'Companies Act, 2013').

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2024

#### Historical cost convention

These Un-audited Special Purpose Interim Condensed Consolidated Financial Statements have been prepared on historical cost basis except for following which have been measured at fair value;

- Defined benefit plan assets
- Certain financial assets and liabilities (including derivative instruments) is measured at fair value

All assets and liabilities have been classified as current or non-current as set out in the Schedule III (Division II) to the Companies Act, 2013.

#### 2.2 Principles of consolidation:

##### Subsidiaries

The financial statements are of Company and its subsidiaries. Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Consolidation of an entity begins when the Company obtains control over the entity and ceases when the Company loses control of the entity. Specifically, income and expenses of an entity acquired or disposed of during the period are included in the condensed consolidated statement of profit and loss from the date the Company gains control or until the date when the Company ceases to control the entity, respectively.

The Group combines the financial statements of the Parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Ind AS 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

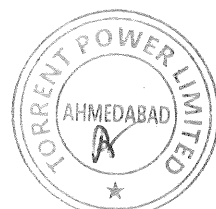
Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent company, i.e., period ended on September 30.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the condensed consolidated balance sheet, condensed consolidated statement of profit and loss and condensed consolidated statement of changes in equity respectively.

##### Associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties, that have joint control of the arrangement, have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2024

The results and assets and liabilities of associates or joint ventures are incorporated in the consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations". Under the equity method, an investment in an associate or a joint venture is initially recognised in the condensed consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognized to the extent that the Group has incurred legal or constructive obligation or made payment on behalf of the associate or joint venture.

#### 2.3 Business combinations and Goodwill:

##### Business combination - acquisition

Acquisitions of businesses are accounted for using the acquisition method. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred, liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the

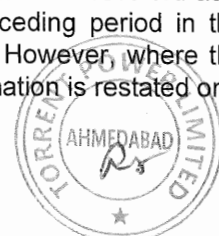
- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

##### Business combination – common control transaction

Business combinations involving entities that are controlled by the Group are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2024

- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.
- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

Business combination-related costs are generally recognised in condensed consolidated statement of profit and loss as incurred.

#### Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of a business include the carrying amount of goodwill relating to such business.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

#### Acquisition of an asset or a group of assets

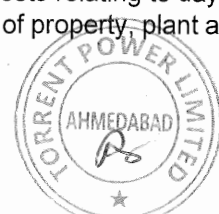
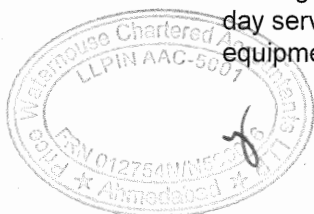
In case of acquisition of an asset or a group of assets that does not constitute a business, the Group identifies and recognises individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets under Ind AS 38, Intangible Assets) and liabilities assumed. The Purchase Consideration shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction or event does not give rise to goodwill or gain on bargain purchase.

#### 2.4 Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Condensed consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses except that on adoption of Ind AS, property, plant and equipment had been measured at deemed cost, using the net carrying value as per previous GAAP as at April 01, 2015.

Capital work in progress in the course of construction for production, supply or administrative purposes is carried at cost, less any recognised impairment loss. Cost includes purchase price, taxes and duties, labour cost and other directly attributable costs incurred upto the date the asset is ready for its intended use. Such property, plant and equipment are classified to the appropriate categories when completed and ready for intended use. Directly attributable costs are capitalized until the asset is ready to use in accordance with the Group's accounting policy of capitalization.

Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. Subsequent costs relating to day to day servicing of the item are not recognised in the carrying amount of an item of property, plant and equipment; rather, these costs are recognised in profit or loss as incurred.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2024

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

#### Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are ready for their intended use. Depreciation for the period is provided on additions / deductions of the assets during the period from / up to the month in which the asset is added / deducted. Depreciation on property, plant and equipment which are governed as per the provisions of Part B of Schedule II of the Companies Act, 2013 is provided on straight line basis using the depreciation rates, the methodology and residual value as notified by the respective regulatory bodies in accordance with the Electricity Act, 2003. For other property, plant and equipment in non-regulated business, depreciation is provided on a straight line basis over the estimated useful lives.

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period in respect of property, plant and equipment of non-regulated business. The effect of any such change in estimate in this regard is accounted for on a prospective basis.

The range of depreciation rates of property, plant and equipment are as follows:

| Class of assets                   | Rate of depreciation  |                       |                 |
|-----------------------------------|-----------------------|-----------------------|-----------------|
|                                   | Regulated business \$ | Franchisee business @ | Other business  |
| Buildings                         | 1.26% to 6.73%        | 3.34%                 | 1.58% to 31.67% |
| Railway siding                    | 1.80% to 5.28%        | -                     | -               |
| Leasehold improvement             | -                     | 6.86% to 23.08%       | -               |
| Plant and machinery               | 0.92% to 19.00%       | 5.28%                 | 3.60% to 12.66% |
| Electrical fittings and apparatus | 0.64% to 19.00%       | 6.33%                 | 6.33% to 9.50%  |
| Furniture and fixtures            | 0.91% to 15.00%       | 6.33%                 | 6.33% to 9.91%  |
| Vehicles                          | 9.50% to 18.00%       | 9.50%                 | 9.50% to 11.88% |
| Office equipment                  | 0.91% to 31.67%       | 5.28% to 15.00%       | 6.33% to 19.00% |

@ governed by the applicable regulations of Uttar Pradesh Electricity Regulatory Commission (UPERC) / Maharashtra Electricity Regulatory Commission (MERC) for this purpose.

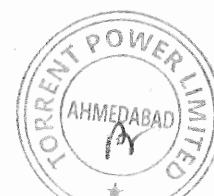
\$ For assets acquired on or after April 01, 2009 in case of Regulated generation and distribution business, remaining depreciable value as on March 31 of the year closing after a period of 12 years from date on which assets are ready for their intended use, shall be spread over the balance useful life of the assets as defined in GERC / CERC Multi Year Tariff (MYT) regulations.

#### 2.5 Intangible assets:

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over its estimated useful life. The range of estimated useful lives of the intangible assets are as follows:

- Computer software – 3 years
- Customer Contracts – 15 to 22 years
- Distribution License – 25 years

The estimated useful lives and amortisation method are reviewed at the end of each reporting period and the effect of any changes in such estimate is accounted for on a prospective basis.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2024

Expenditure incurred on acquisition of intangible assets which are not ready to use at the reporting date is disclosed under "Intangible assets under development".

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

#### 2.6 Impairment of assets:

Property, plant and equipment and intangible assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's fair value less costs of disposal and value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. An impairment loss is recognised immediately in profit or loss.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### 2.7 Borrowing costs:

Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, such as new projects and / or specific assets created in the existing business, are capitalized up to the date of completion and ready for their intended use.

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

Other borrowing costs are charged to the condensed consolidated statement of profit and loss in the period of their accrual.

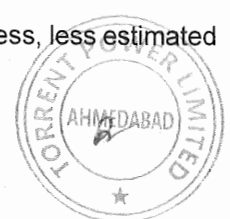
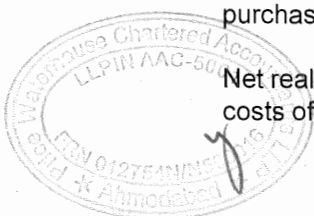
#### 2.8 Cash and cash equivalents:

For the purpose of presentation in the condensed consolidated statement of cash flows, cash and cash equivalents includes cash on hand, cheques / drafts on hand, current account balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the condensed consolidated balance sheet.

#### 2.9 Inventories:

Raw materials, fuel, stores and spares, packing materials, loose tools, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of inventories includes purchase price and all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the weighted average basis except for inventory of Regasified Liquefied Natural Gas (RLNG) which is valued using specific identification method considering its procurement for beneficiary usage or others. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.





## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2024

#### 2.10 Revenue recognition:

Revenue towards satisfaction of a performance obligation is measured and recognized at transaction price recognized, when the control of the goods or services has been transferred to consumers, net of discounts and other similar allowances.

- (i) Revenue from power supply and transmission charges is accounted for in accordance with the rates, terms and conditions laid down under the relevant Tariff Regulations / Tariff Orders notified by the Electricity Regulators / agreements entered with the customers / power exchange rates, as applicable. Revenue recognised includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff and adjustments in respect of unbilled amounts towards revenue gaps / unapproved Fuel and Power Purchase Price Adjustment (FPPPA) which are recognised considering applicable tariff regulations/ tariff orders, past trends of approval, management's probability estimate and, when no significant uncertainty exists in such determination. Revenue from power supply exclude taxes and duties.

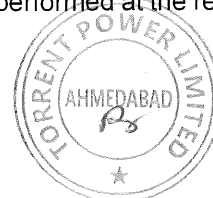
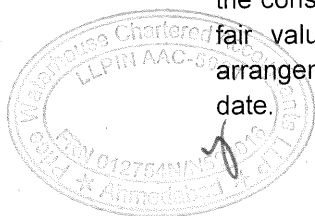
These adjustments / accruals are carried forward as 'Unbilled revenue' under "Other current financial assets" in Note 19, which would be adjusted through future billing based on tariff determination by the regulator in accordance with the electricity regulations.

- (ii) Sales of cables and trading of RLNG are recognised, net of returns and rebates, on transfer of control of ownership to the buyer. Sales exclude Goods and Services Tax.
- (iii) Gross proceeds from sale of Certified Emission Reduction Certificates (CERs) are recognized when all the control of CERs have been passed to buyer, usually on delivery of the CERs.
- (iv) Income from Generation Based Incentive is accounted on accrual basis considering eligibility of project for availing incentive.
- (v) Contributions by consumers towards items of property, plant and equipment, which require an obligation to provide electricity connectivity to the consumers, are recognised as a credit to deferred revenue. Similarly contribution by third party towards construction of overhead transmission lines are recognized as a credit to deferred revenue. Such revenue is recognised over the useful life of the property, plant and equipment.
- (vi) Service concession arrangements (SCA) :  
With respect to SCA, revenue and costs are allocated between those relating to construction services and those relating to operation and maintenance services and are accounted for separately.

Consideration received or receivable is allocated by reference to the relative fair value of services delivered when the amounts are separately identifiable. The infrastructure used in a concession are classified as an intangible asset or a financial asset, depending on the nature of the payment entitlements established in the SCA. When the amount of consideration under the arrangement for the provision of public services is substantially fixed by a contract, the Group recognizes the consideration for construction services at its fair value and is disclosed as a "Service concession arrangements" under financial assets.

- (a) Infrastructure is under project phase, the treatment of income is as follows:

Revenues relating to construction contracts which are entered into with government authorities for the construction of the infrastructure necessary for the provision of services are measured at the fair value of the consideration received or receivable. Revenue from service concession arrangements is recognised based on the fair value of construction work performed at the reporting date.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2024

(b) Infrastructure is in operation, the treatment of income is as follows:

Finance income over financial asset after consideration of fixed transmission charges is recognized using effective interest method. Variable transmission charges revenue is recognized in the period when the service is provided.

#### 2.11 Foreign currency translation:

##### Functional and presentation currency

The consolidated financial statements are prepared in Indian rupee (₹) which is functional as well as presentation currency of the Group.

##### Transactions and balances

In preparing the financial statements of each individual Group entity transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign exchange differences arising on foreign currency borrowings are presented in the condensed consolidated statement of profit and loss, within finance costs. All other foreign exchange differences arising on settlement of monetary items or on reporting the Group's monetary items at rates different from those at which they were initially recorded during the financial year are recognized as income or expense in the financial year in which they arise.

#### 2.12 Employee benefits:

##### Defined contribution plans

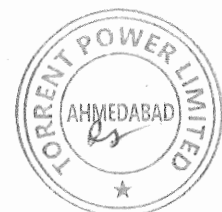
Contributions retirement benefit plans in the form of provident fund, employee state insurance scheme, pension scheme and superannuation schemes as per regulations are charged as an expense on an accrual basis when employees have rendered the service. The Group has no further payment obligations once the contributions have been paid.

##### Defined benefits plans

The liability or asset recognised in the condensed consolidated balance sheet in respect of the retirement benefit plan i.e. gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by an actuary using projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets. This cost is included in the employee benefit expense in the condensed consolidated statement of profit and loss.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2024

Remeasurements, comprising actuarial gains and losses and the effect of the changes to the asset ceiling (if applicable), is reflected immediately in the condensed consolidated balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and consequently recognised in retained earnings and is not reclassified to profit or loss.

The retirement benefit recognised in the condensed consolidated balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

#### Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The said obligations are presented as current liabilities in the condensed consolidated balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### 2.13 Taxation:

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

##### Current tax

The tax currently payable is based on estimated taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the condensed consolidated statement of profit and loss because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in the tax returns with respect to situations for which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

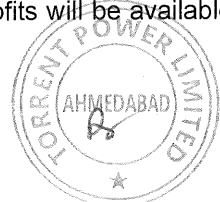
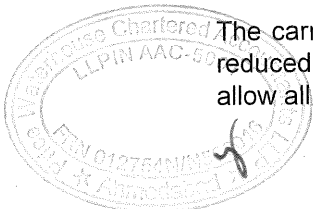
Advance taxes and provisions for current income taxes are offset with each other when there is a legally enforceable right to offset and balances arise with the same tax authority.

##### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2024

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

#### 2.14 Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) attributable to owners of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by adjusting the figures used in the determination of basic EPS to take into account:

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

#### 2.15 Provisions, contingent liabilities and contingent assets:

##### Provisions

A provision is recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

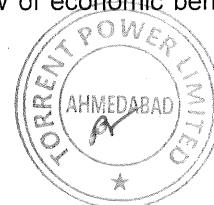
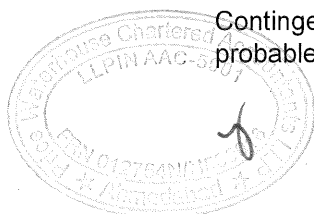
##### Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

##### Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2024

#### 2.16 Financial instruments:

##### Financial assets

##### i) Classification of financial assets (including debt instruments)

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

##### ii) Initial measurement

Financial assets (excluding trade receivables) are initially measured at fair value. Transaction costs that are directly attributable to the acquisition (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in profit or loss. Trade receivables which do not contain a significant financing component are measured at transaction price.

##### iii) Subsequent measurement

There are three measurement categories into which the debt instruments can be classified:

##### • Amortised cost

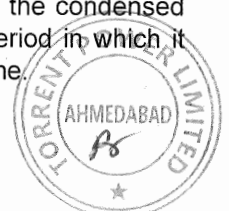
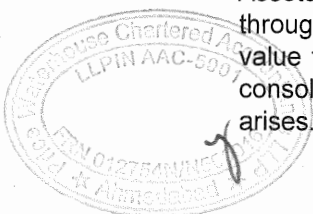
Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the condensed consolidated statement of profit and loss.

##### • Fair value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses. The Group currently does not have any debt instruments which are measured at FVOCI.

##### • Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the condensed consolidated statement of profit and loss within other gains / (losses) in the period in which it arises. Net gains / (losses) from these financial assets is included in other income.



iv) **Impairment of financial assets**

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 only, the Group follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses to measure the expected credit losses, trade receivables have been grouped based on days past due. The policy of the Group is to provide for credit loss takes into consideration of factors such as type of Consumers i.e. Government Consumers / Non Government consumers, Status of Consumers i.e. Live consumers / Disconnected consumers and Security deposits provided by the Consumer, Status of Consumers i.e. Live consumers / Disconnected consumers and Security deposits provided by the Consumer.

v) **Derecognition of financial assets**

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset

When the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of financial asset, the financial asset is derecognised if the Group has not retained control over the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

vi) **Income recognition**

Dividend is accounted when the right to receive payment is established.

Interest income on financial assets at amortised cost is calculated using the effective interest method is recognised in the condensed consolidated statement of profit and loss as part of other income.

Interest on overdue receivables of energy bills and claims including insurance claims, coal cost variation and other claims etc. are accounted when there is a certainty of recovery.

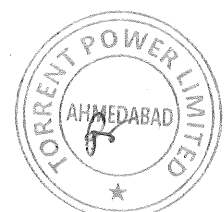
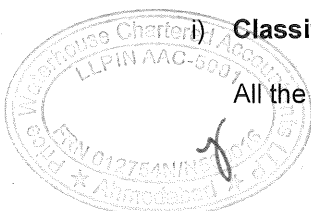
vi) **Derivative**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

**Financial liabilities**

**Classification**

All the Group's financial liabilities are measured at amortized cost.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2024

#### ii) Initial measurement

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the issue of financial liabilities are deducted from the fair value of the financial liabilities, as appropriate, on initial recognition.

#### iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate Method.

The Effective Interest Rate Method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability.

#### iv) Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or waived off or have expired. An exchange between the Group and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

#### 2.17 Contributed equity:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Transaction costs of an equity transaction shall be accounted for in other equity.

#### 2.18 Redemption liability

Liability for put option issued to non-controlling shareholders in subsidiaries, to be settled in cash by the Company, which do not grant present access to ownership interest to the Group is recognised at present value of the redemption amount and is reclassified from equity. At the end of each reporting period, the non-controlling interests subject to put option is derecognised and the difference arising between the amount received from the customer towards share capital, and the present value of redemption liability on initial recognition, would be recognised as a contract liability for electricity to be supplied in future. The liability shall be subsequently measured at amortised cost as per the principles of Ind AS 109.

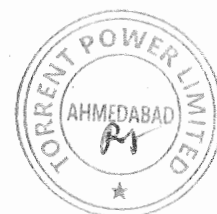
#### 2.19 Leases:

##### The Group as a lessee:

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components.

##### Lease liabilities:

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the lease payments.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2024

The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the lessee's incremental borrowing rate. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

#### **Right-of-use assets:**

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date.

Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated over the asset's lease term on a straight-line basis.

#### **Short term leases and leases of low value assets:**

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment including IT equipment.

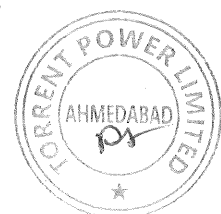
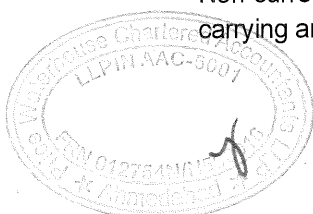
## 2.20 Repurchase Arrangements

A repurchase agreement is a contract in which an Company sells an asset and also promises or has the option (either in the same contract or in another contract) to repurchase the asset. The repurchased asset may be the asset that was originally sold to the customer, an asset that is substantially the same as that asset, or another asset of which the asset that was originally sold is a component.

## 2.21 Assets held for sale:

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.

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.





## TORRENT POWER LIMITED

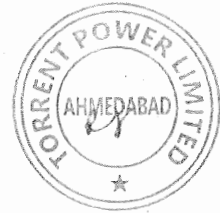
### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2024

The Company treats sale of the asset or disposal group to be highly probable when:

- the appropriate level of management is committed to a plan to sell the asset (or disposal group),
- an active programme to locate a buyer and complete the plan has been initiated (if applicable),
- the asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- the sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

#### 2.22 Amount presented and rounding off:

All amounts in the financial statements and notes have been presented in ₹ Crore (except for share data) rounded to two decimals as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated. Figures below ₹ 50,000 are denoted by '\*).



**TORRENT POWER LIMITED**

**Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2024**

**Note 2(b): Other accounting policies**

**2.23 Government grants:**

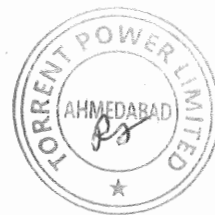
Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants relating to income are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants relating to purchase of property, plant and equipment whose primary condition is that the Group should purchase, construct or otherwise acquire property, plant and equipment are recognised as deferred revenue in the condensed consolidated balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

**2.24 Investment properties:**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from its current use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2024

#### Note 3: Critical accounting judgements and key sources of estimation uncertainty

In the course of applying the policies outlined in all notes under note 2 above, the management of the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Such estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

#### 3.1 Revenue recognition:

The Group has recognised revenue (including the adjustment in respect of unapproved FPPPA claims and other true up adjustment claims) as per the applicable tariff regulations / tariff orders, management's probability estimate and the past trends of approval. The Group has not recognized those true up adjustment claims which are disputed and for which the group is in appeal with regulatory authorities. These are recognised on receipt of final orders of respective regulatory authorities. [Refer note 33]

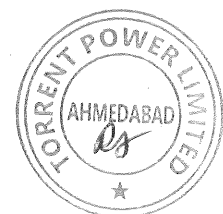
#### 3.2 Property, plant and equipment:

##### (i) Service concession arrangements

The Group has assessed applicability of Appendix D of Ind AS 115 "Service Concession Arrangements" with respect to its Property, plant and equipment. In assessing the applicability, the Group has exercised judgment in relation to the provisions of the Electricity Act, 2003, conditions provided under transmission and distribution license and / or agreements. Further, the Group has ability to pledge the assets pursuant to which it has control and ability to direct the use of assets. Based on such assessment, it has concluded that Appendix D of Ind AS 115 is not applicable except in case of 1 Subsidiary Company namely Solapur Transmission Limited which is into the business of transmission of electricity on Build, Own, Operate and Transfer (BOOT) basis.

##### (ii) Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the property, plant and equipment. Further, the cash flow projections are based on estimates and assumptions relating to expected demand, future price of fuel, expected tariff rates for electricity, discount rate, exchange rate and electricity market scenario, based on past trends and the current and likely future state of the industry etc. which are considered reasonable by the Management. Any reasonable possible change in the underlying assumptions would not lead to a material change to the amount of impairment. [Refer note 44(1)]



**(iii) Fair value measurement of assets acquired**

Significant management judgement is involved in determining whether assets acquired in a particular transaction constitute a 'business' in accordance with the principles laid down in Ind AS 103 – Business Combinations. Identification of the assets acquired and liabilities assumed; and measurement of their fair values using appropriate valuation methods to be adopted involves, key assumptions like the discount rate and expected demand. [Refer note 42]

**3.3 Taxes:**

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets for unused tax credits that can be recognised, based upon the likely timing and the level of future taxable profits.

**3.4 Contingencies:**

**Contingent liabilities**

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management judgement is involved in classification under 'remote', 'possible' or 'probable' which is carried out based on expert advice, past judgements, experiences etc. [Refer note 45(a)].

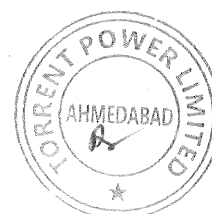
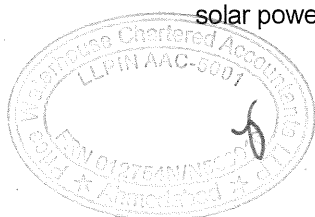
**3.5 Employee benefit plans:**

**Defined benefit plans and other long-term employee benefits**

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

**3.6 Ind AS 116 - Leases**

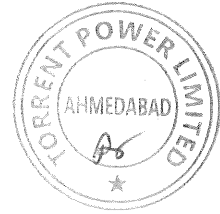
In determining whether the revenue contract (power purchase agreement) with customers especially when entire contractual capacity of the one project (solar) is committed to one customer, management has exercised judgement in concluding whether contract contains lease. Management takes into consideration of the responsible parties for design of the project and who has right to direct the use of solar power plant.



**TORRENT POWER LIMITED**

**Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2024**

As per the revenue contract, power producer will design procure, install & commission the solar power plant & all other equipment required to generate solar electricity. Power Purchaser neither operates the plant nor involved in the design of the solar power plant, therefore the Power Purchaser does not have right to direct the use of solar power plant and accordingly arrangement does not contain lease as per Ind AS 116.



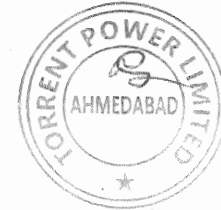
**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 4 : Property, plant and equipment**

As at September 30, 2024

| Particulars                       | Gross carrying amount |                                 |                                  |                                   |  |                          | Accumulated depreciation and impairment loss |                    |                                  |  |                          | Net carrying amount      |
|-----------------------------------|-----------------------|---------------------------------|----------------------------------|-----------------------------------|--|--------------------------|--|--------------------|----------------------------------|--|--------------------------|--------------------------|
|                                   | As at April 01, 2024  | Additions during the six months | Deductions during the six months | Adjustments during the six months | Assets classified as held for sale [Refer note 43] | As at September 30, 2024 | As at April 01, 2024                         | For the six months | Deductions during the six months | Assets classified as held for sale [Refer note 43] | As at September 30, 2024 | As at September 30, 2024 |
| Freehold land                     | 1,008.06              | 92.46                           | -                                | 6.06                              | -  | 1,106.58                 | -  | -                  | -                                | -  | -                        | 1,106.58                 |
| Buildings                         | 2,349.52              | 80.26                           | -                                | 1.45                              | (19.31)  | 2,411.92                 | 504.91                                       | 42.45              | -                                | (4.09)   | 543.27                   | 1,868.65                 |
| Leasehold improvement             | 4.59                  | 0.08                            | -                                | -                                 | -  | 4.67                     | 2.08   | 0.38               | -                                | -  | 2.46                     | 2.21                     |
| Railway siding                    | 1.86                  | -                               | -                                | -                                 | -  | 1.86                     | 0.45   | 0.03               | -                                | -  | 0.48                     | 1.38                     |
| Plant and machinery               | 29,644.95             | 1,473.88                        | 34.48                            | 26.54                             | (98.80)  | 31,012.09                | 12,136.24                                    | 645.75             | 23.80                            | (50.56)  | 12,707.63                | 18,304.46                |
| Electrical fittings and apparatus | 86.90                 | 2.07                            | 0.37                             | -                                 | (1.09)   | 87.51                    | 28.50  | 2.32               | 0.30                             | (0.67)   | 29.85                    | 57.66                    |
| Furniture and fixtures            | 91.02                 | 0.88                            | 0.25                             | -                                 | (0.73)   | 90.92                    | 29.00  | 2.79               | 0.13                             | (0.44)   | 31.22                    | 59.70                    |
| Vehicles                          | 41.95                 | 6.05                            | 0.67                             | -                                 | (1.01)   | 46.32                    | 16.67  | 1.98               | 0.56                             | (0.26)   | 17.83                    | 28.49                    |
| Office equipment                  | 242.76                | 10.00                           | 1.77                             | 0.08                              | (2.74)   | 248.33                   | 100.08                                       | 9.58               | 1.31                             | (1.95)   | 106.40                   | 141.93                   |
| <b>Total</b>                      | <b>33,471.61</b>      | <b>1,665.68</b>                 | <b>37.54</b>                     | <b>34.13</b>                      | <b>(123.68)</b>                                    | <b>35,010.20</b>         | <b>12,817.93</b>                             | <b>705.28</b>      | <b>26.10</b>                     | <b>(57.97)</b>                                     | <b>13,439.14</b>         | <b>21,571.06</b>         |



**TORRENT POWER LIMITED**

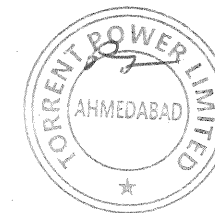
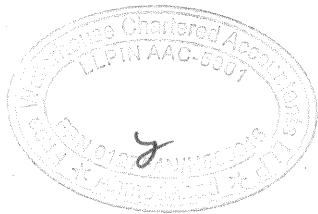
Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 4 : Property, plant and equipment (Contd.)**

As at March 31, 2024

(₹ in Crore)

| Particulars                       | Gross carrying amount |                           |                            |                             |                      | Accumulated depreciation and impairment loss |                 |                            |                             |                      | Net carrying amount  |
|-----------------------------------|-----------------------|---------------------------|----------------------------|-----------------------------|----------------------|--|-----------------|----------------------------|-----------------------------|----------------------|----------------------|
|                                   | As at April 01, 2023  | Additions during the year | Deductions during the year | Adjustments during the year | As at March 31, 2024 | As at April 01, 2023                         | For the year    | Deductions during the year | Adjustments during the year | As at March 31, 2024 | As at March 31, 2024 |
| Freehold land                     | 724.20                | 263.74                    | -                          | 20.12                       | 1,008.06             | -  | -               | -                          | -                           | -                    | 1,008.06             |
| Buildings                         | 2,073.27              | 278.64                    | 4.67                       | 2.28                        | 2,349.52             | 428.33                                       | 77.65           | 0.96                       | (0.11)                      | 504.91               | 1,844.61             |
| Leasehold improvement             | 4.57                  | 0.02                      | -                          | -                           | 4.59                 | 1.35   | 0.73            | -                          | -                           | 2.08                 | 2.51                 |
| Railway siding                    | 1.86                  | -                         | -                          | -                           | 1.86                 | 0.40   | 0.05            | -                          | -                           | 0.45                 | 1.41                 |
| Plant and machinery               | 26,452.81             | 3,155.59                  | 71.75                      | 108.30                      | 29,644.95            | 10,958.22                                    | 1,212.63        | 34.72                      | 0.11                        | 12,136.24            | 17,508.71            |
| Electrical fittings and apparatus | 68.41                 | 18.68                     | 0.31                       | 0.12                        | 86.90                | 24.54  | 4.11            | 0.15                       | -                           | 28.50                | 58.40                |
| Furniture and fixtures            | 78.94                 | 13.75                     | 2.23                       | 0.56                        | 91.02                | 25.07  | 5.31            | 1.38                       | -                           | 29.00                | 62.02                |
| Vehicles                          | 35.30                 | 8.12                      | 1.47                       | -                           | 41.95                | 13.72  | 3.62            | 0.67                       | -                           | 16.67                | 25.28                |
| Office equipment                  | 214.78                | 35.89                     | 7.91                       | -                           | 242.76               | 86.57  | 18.76           | 5.25                       | -                           | 100.08               | 142.68               |
| <b>Total</b>                      | <b>29,654.14</b>      | <b>3,774.43</b>           | <b>88.34</b>               | <b>131.38</b>               | <b>33,471.61</b>     | <b>11,538.20</b>                             | <b>1,322.86</b> | <b>43.13</b>               | <b>-</b>                    | <b>12,817.93</b>     | <b>20,653.68</b>     |



**TORRENT POWER LIMITED**

**Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024**

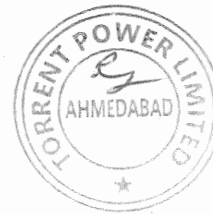
**Note 4 : Property, plant and equipment (Contd.)**

**Footnotes:**

- 1 The above property, plant and equipment have been mortgaged and hypothecated to secure borrowings of the Group [Refer note 23].
- 2 Capital commitment:  
Refer note 45 (c) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 3 Adjustments during the period include capitalisation of borrowing costs of ₹ 34.13 Crore (Previous year - ₹ 131.38 Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 "Borrowing Costs".
- 4 The weighted average rate for capitalisation of borrowing cost relating to general borrowing is in the range of 8.25% to 8.80% p.a. (Previous year 8.25% p.a. to 9.00% p.a.).
- 5 Additions to plant and machinery includes capitalisation of directly attributable costs incurred by the Group under various headings.
- 6 Refer note 44(1) for impairment loss in respect of DGEN power plant.
- 7 The closing balance of accumulated depreciation and impairment consist impairment loss of ₹ 2,314.07 Crore (March 31, 2024 - ₹ 2,314.07 Crore).
- 8 The Group have not revalued its property, plant and equipment during the current period or previous year.
- 9 Pro-rata cost of assets owned jointly with Torrent Pharmaceuticals Limited, a fellow subsidiary are as under:

(₹ in Crore)

| Particulars   | Proportion of holding | As at September 30, 2024 | As at March 31, 2024 |
|---------------|-----------------------|--------------------------|----------------------|
| Freehold land | 50%                   | 23.58                    | 23.58                |
| Freehold land | 70%                   | 83.16                    | 83.16                |
| Building      | 70%                   | 3.04                     | 3.04                 |





**TORRENT POWER LIMITED**

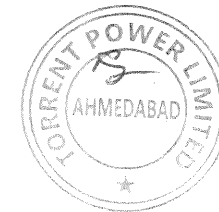
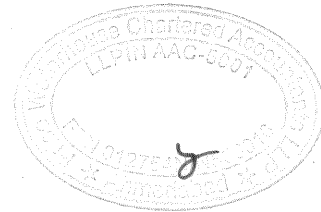
Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 5 : Right-of-use assets**

As at September 30, 2024

(₹ in Crore)

| Particulars         | Gross carrying amount |                                 |                                  |                          | Accumulated depreciation |                    |                                  |                          | Net carrying amount      |
|---------------------|-----------------------|---------------------------------|----------------------------------|--------------------------|--------------------------|--------------------|----------------------------------|--------------------------|--------------------------|
|                     | As at April 01, 2024  | Additions during the six months | Deductions during the six months | As at September 30, 2024 | As at April 01, 2024     | For the six months | Deductions during the six months | As at September 30, 2024 | As at September 30, 2024 |
| Land                | 273.25                | 31.84                           | -                                | 305.09                   | 39.93                    | 6.24               | -                                | 46.17                    | 258.92                   |
| Buildings           | 42.14                 | 0.20                            | -                                | 42.34                    | 18.39                    | 2.50               | -                                | 20.89                    | 21.45                    |
| Plant and machinery | 2.33                  | -                               | -                                | 2.33                     | 0.33                     | 0.18               | -                                | 0.51                     | 1.82                     |
| <b>Total</b>        | <b>317.72</b>         | <b>32.04</b>                    | <b>-</b>                         | <b>349.76</b>            | <b>58.65</b>             | <b>8.92</b>        | <b>-</b>                         | <b>67.57</b>             | <b>282.19</b>            |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

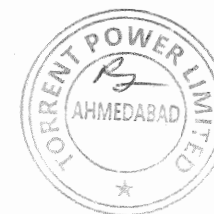
**Note 5 : Right-of-use assets (Contd.)**

As at March 31, 2024

| Particulars         | Gross carrying amount |  |                           |                            |                             |                      | Accumulated depreciation |              |                            |                             |                      | Net carrying amount  |                      |
|---------------------|-----------------------|--|---------------------------|----------------------------|-----------------------------|----------------------|--------------------------|--------------|----------------------------|-----------------------------|----------------------|----------------------|----------------------|
|                     | As at April 01, 2023  | Additions on acquisition of subsidiaries [Refer note 42] | Additions during the year | Deductions during the year | Adjustments during the year | As at March 31, 2024 | As at April 01, 2023     | For the year | Deductions during the year | Adjustments during the year | As at March 31, 2024 | As at March 31, 2024 | As at March 31, 2024 |
| Land                | 223.09                | 0.03   | 37.97                     | 7.06                       | 19.22                       | 273.25               | 29.96                    | 12.78        | 3.13                       | 0.32                        | 39.93                | 233.32               |                      |
| Buildings           | 36.67                 | -  | 5.47                      | -                          | -                           | 42.14                | 13.52                    | 4.87         | -                          | -                           | 18.39                | 23.75                |                      |
| Plant and machinery | 0.38                  | -  | 1.95                      | -                          | -                           | 2.33                 | 0.20                     | 0.13         | -                          | -                           | 0.33                 | 2.00                 |                      |
| Office equipment    | 0.14                  | -  | -                         | 0.14                       | -                           | -                    | 0.14                     | -            | 0.14                       | -                           | -                    | -                    |                      |
| <b>Total</b>        | <b>260.28</b>         | <b>0.03</b>  | <b>45.39</b>              | <b>7.20</b>                | <b>19.22</b>                | <b>317.72</b>        | <b>43.82</b>             | <b>17.78</b> | <b>3.27</b>                | <b>0.32</b>                 | <b>58.65</b>         | <b>259.07</b>        |                      |

Footnotes:

- 1 The above right-of-use assets have been mortgaged and hypothecated to secure borrowings of the Group [Refer note 23].
- 2 Adjustment during the previous year is due to transfer of capital work-in-progress to right-of-use assets of ₹ 18.90 Crore.
- 3 The Group have not revalued its right-of-use assets during the current period or previous year.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 6 : Capital work-in-progress**

As at September 30, 2024

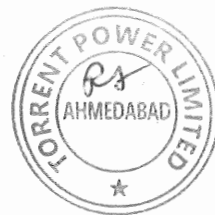
| Particulars              | (₹ in Crore)         |                                 |                                   |                                  |  |                          |
|--------------------------|----------------------|---------------------------------|-----------------------------------|----------------------------------|--|--------------------------|
|                          | As at April 01, 2024 | Additions during the six months | Capitalised during the six months | Adjustment during the six months | Assets classified as held for sale [Refer note 43] | As at September 30, 2024 |
| Capital work-in-progress | 2,472.36             | 1,410.25                        | 1,589.74                          | (145.69)                         | (3.57)   | 2,143.61                 |
| <b>Total</b>             | <b>2,472.36</b>      | <b>1,410.25</b>                 | <b>1,589.74</b>                   | <b>(145.69)</b>                  | <b>(3.57)</b>                                      | <b>2,143.61</b>          |

As at March 31, 2024

| Particulars              | (₹ in Crore)         |  |                           |                             |                            |                      |
|--------------------------|----------------------|--|---------------------------|-----------------------------|----------------------------|----------------------|
|                          | As at April 01, 2023 | Additions on acquisition of subsidiaries [Refer note 42] | Additions during the year | Capitalised during the year | Adjustment during the year | As at March 31, 2024 |
| Capital work-in-progress | 2,624.69             | 24.98  | 3,421.20                  | 3,579.61                    | (18.90)                    | 2,472.36             |
| <b>Total</b>             | <b>2,624.69</b>      | <b>24.98</b>   | <b>3,421.20</b>           | <b>3,579.61</b>             | <b>(18.90)</b>             | <b>2,472.36</b>      |

**Footnotes:**

- The above Capital work-in-progress have been mortgaged and hypothecated to secure borrowings of the Group [Refer note 23].
- Capital work-in-progress include borrowing costs of ₹ 39.44 Crore (March 31, 2024 - ₹ 32.85 Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 "Borrowing Costs".
- Adjustment during the period includes sale of Solarcells of ₹ 145.69 Crore.
- Adjustment during the previous year is due to transfer of capital work-in-progress to right-of-use assets of ₹ 18.90 Crore.
- Capital work-in-progress mainly comprises Plant and machinery, Buildings and Freehold land.
- Additions to Capital work-in-progress includes capitalisation of directly attributable costs incurred by the Group under various headings.
- Torrent Urja 8 Private Limited has imported Solarcells amounting to ₹ Nil (previous year ₹ 146.32 Crore (including Custom duty and Cess)), out of which Solarcells amounting to ₹ 69.80 Crore (previous year ₹ 79.52 Crore) (including Custom duty and Cess) have been sold to EPC contractor in connection with its development of Solar power project under repurchase arrangement. However as at September 30, 2024, repurchase arrangement pertaining to Solarcells sold to EPC contractor is no longer exists, hence there is no repurchase obligation as at September 30, 2024. Corresponding obligation to repurchase Solarcells from EPC contractor of ₹ 79.52 Crore as at March 31, 2024 is included in "Payables for purchase of property, plant and equipment" under "Other current financial liabilities".



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

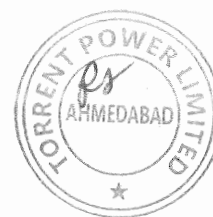
**Note - 7 : Investment property**

**As at September 30, 2024** (₹ in Crore)

| Particulars   | Gross carrying amount |                                 |                                  |                                   | Accumulated depreciation |                      |                    |                                  | Net carrying amount      |                          |
|---------------|-----------------------|---------------------------------|----------------------------------|-----------------------------------|--------------------------|----------------------|--------------------|----------------------------------|--------------------------|--------------------------|
|               | As at April 01, 2024  | Additions during the six months | Deductions during the six months | Adjustments during the six months | As at September 30, 2024 | As at April 01, 2024 | For the six months | Deductions during the six months | As at September 30, 2024 | As at September 30, 2024 |
| Freehold land | -                     | -                               | -                                | -                                 | -                        | -                    | -                  | -                                | -                        | -                        |
| <b>Total</b>  | -                     | -                               | -                                | -                                 | -                        | -                    | -                  | -                                | -                        | -                        |

**As at March 31, 2024** (₹ in Crore)

| Particulars   | Gross carrying amount |                           |                            |             | Accumulated depreciation |                      |              |                            | Net carrying amount  |                      |
|---------------|-----------------------|---------------------------|----------------------------|-------------|--------------------------|----------------------|--------------|----------------------------|----------------------|----------------------|
|               | As at April 01, 2023  | Additions during the year | Deductions during the year | Adjustments | As at March 31, 2024     | As at April 01, 2023 | For the year | Deductions during the year | As at March 31, 2024 | As at March 31, 2024 |
| Freehold land | 9.39                  | -                         | 9.39                       | -           | -                        | -                    | -            | -                          | -                    | -                    |
| <b>Total</b>  | <b>9.39</b>           | -                         | <b>9.39</b>                | -           | -                        | -                    | -            | -                          | -                    | -                    |



TORRENT POWER LIMITED

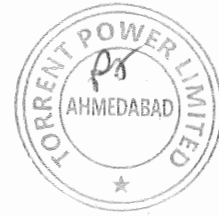
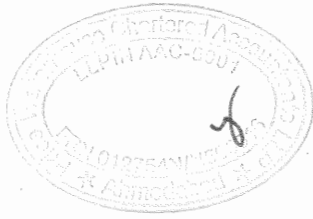
Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

Note 8 : Goodwill

|   | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|---|-----------------------------|---|
| Balance at the beginning of the period / year | 171.07                      | 171.07                                  |
| Balance at the end of the period / year       | <u>171.07</u>               | <u>171.07</u>                           |

Footnote:

1 Refer note 44 (3) for impairment assessment of goodwill.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 9 : Other intangible assets**

**As at September 30, 2024**

(₹ in Crore)

| Particulars          | Gross carrying amount |                                 |                                  |                          | Accumulated amortisation |                    |                                  |                          | Net carrying amount      |
|----------------------|-----------------------|---------------------------------|----------------------------------|--------------------------|--------------------------|--------------------|----------------------------------|--------------------------|--------------------------|
|                      | As at April 01, 2024  | Additions during the six months | Deductions during the six months | As at September 30, 2024 | As at April 01, 2024     | For the six months | Deductions during the six months | As at September 30, 2024 | As at September 30, 2024 |
| Computer software    | 67.60                 | 1.03                            | -                                | 68.63                    | 59.96                    | 2.57               | -                                | 62.53                    | 6.10                     |
| Customer contract    | 143.94                | -                               | -                                | 143.94                   | 16.40                    | 4.07               | -                                | 20.47                    | 123.47                   |
| Distribution licence | 634.00                | -                               | -                                | 634.00                   | 50.72                    | 12.68              | -                                | 63.40                    | 570.60                   |
| <b>Total</b>         | <b>845.54</b>         | <b>1.03</b>                     | <b>-</b>                         | <b>846.57</b>            | <b>127.08</b>            | <b>19.32</b>       | <b>-</b>                         | <b>146.40</b>            | <b>700.17</b>            |

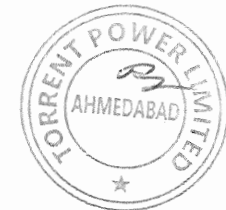
**As at March 31, 2024**

(₹ in Crore)

| Particulars          | Gross carrying amount |                           |                            |                      | Accumulated amortisation |              |                            |                      | Net carrying amount  |
|----------------------|-----------------------|---------------------------|----------------------------|----------------------|--------------------------|--------------|----------------------------|----------------------|----------------------|
|                      | As at April 01, 2023  | Additions during the year | Deductions during the year | As at March 31, 2024 | As at April 01, 2023     | For the year | Deductions during the year | As at March 31, 2024 | As at March 31, 2024 |
| Computer software    | 68.20                 | 2.02                      | 2.62                       | 67.60                | 56.20                    | 6.38         | 2.62                       | 59.96                | 7.64                 |
| Customer contract    | 143.94                | -                         | -                          | 143.94               | 8.25                     | 8.15         | -                          | 16.40                | 127.54               |
| Distribution licence | 634.00                | -                         | -                          | 634.00               | 25.36                    | 25.36        | -                          | 50.72                | 583.28               |
| <b>Total</b>         | <b>846.14</b>         | <b>2.02</b>               | <b>2.62</b>                | <b>845.54</b>        | <b>89.81</b>             | <b>39.89</b> | <b>2.62</b>                | <b>127.08</b>        | <b>718.46</b>        |

Footnotes:

- 1 The above computer software has been mortgaged and hypothecated to secure borrowings of the Group [Refer note 23].
- 2 The Group have not revalued its intangible assets during the current period or previous year.
- 3 Remaining amortisation period of "Distribution licence" is 22.50 years as at September 30, 2024 (March 31, 2024 - 23 years).



**TORRENT POWER LIMITED**

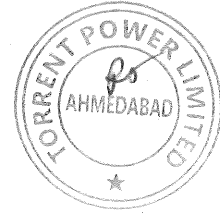
Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 10 : Non-current investments**

|   | As at<br>September 30, 2024<br>No. of shares | As at<br>March 31, 2024 | Face<br>value<br>(In ₹) | As at<br>September 30, 2024<br>(₹ in Crore) | As at<br>March 31, 2024<br>(₹ in Crore) |
|---|--|-------------------------|-------------------------|---|---|
| <b>Investment in equity instruments (unquoted)<br/>(at fair value through profit or loss)</b>   |  |                         |                         |   |   |
| AEC Cements & Constructions Limited<br>(As at September 30, 2024 & March 31, 2024 Gross investment - ₹ 0.61 Cr,<br>Impairment in value of investment - ₹ 0.61 Cr) | 9,61,500                                     | 9,61,500                | 10                      | -   | -                                       |
| Tidong Hydro Power Limited<br>(As at September 30, 2024 & March 31, 2024 Gross investment - ₹ 0.02 Cr,<br>Impairment in value of investment - ₹ 0.02 Cr)          | 24,500                                       | 24,500                  | 10                      | -   | -                                       |
| UNM Foundation @  | 50,000                                       | 50,000                  | 10                      | 0.05<br>0.05                                | 0.05<br>0.05                            |
| <b>Contingency reserve investments - statutory (quoted) (at amortised cost) \$</b>  |  |                         |                         | 22.10<br>22.10                              | 16.97<br>16.97                          |
| Aggregate amount of quoted investments  |  |                         |                         | 22.10                                       | 16.97                                   |
| Aggregate amount of unquoted investments  |  |                         |                         | 0.05  | 0.05                                    |
|   |  |                         |                         | <u>22.15</u>                                | <u>17.02</u>                            |
| Aggregate amount of provision for impairment in value of investments  |  |                         |                         | 0.63  | 0.63                                    |
| Aggregate amount of market value of quoted investments  |  |                         |                         | 22.45                                       | 17.01                                   |

@ The Company has, jointly with Torrent Pharmaceuticals Limited, promoted section 8 company, i.e. UNM Foundation, under the Companies Act, 2013 for the purpose of carrying out charitable activities.

\$ Investment in Government of India bonds have been made in terms of Gujarat Electricity Regulatory Commission (GERC) Multi-Year Tariff (MYT) Regulations, which can be utilised only for the purposes mentioned therein. [Refer note 22 - Contingency reserve]



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 11 : Other non-current financial assets**

|  | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|--|-----------------------------|---|
| Security deposits                                | 63.86                       | 64.04                                   |
| Bank fixed deposits #                            | 7.26                        | 7.18                                    |
| Receivable under service concession arrangements | 6.46                        | -                                       |
| Other advances / receivables                     | 8.15                        | 23.46                                   |
|  | <u>85.73</u>                | <u>94.68</u>                            |

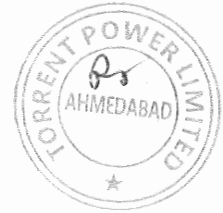
# include ₹ 0.11 Crore (March 31, 2024 - ₹ Nil) on which a lien has been created in favour of lenders.

**Note 12 : Non-current tax assets**

|                          | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|--------------------------|-----------------------------|---|
| Advance income tax (net) | 19.52                       | 12.64                                   |
|                          | <u>19.52</u>                | <u>12.64</u>                            |

**Note 13 : Other non-current assets**

|                                      | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|--------------------------------------|-----------------------------|---|
| Capital advances                     | 415.24                      | 253.37                                  |
| Advances for goods and services      | 78.53                       | 86.16                                   |
| Balances with government authorities | 76.43                       | 68.62                                   |
| Prepaid expenses                     | 11.12                       | 12.61                                   |
|                                      | <u>581.32</u>               | <u>420.76</u>                           |





**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 14 : Inventories**

(valued at lower of cost and net realizable value)

|   | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|---|-----------------------------|---|
| Stores and spares                             | 326.18                      | 307.30                                  |
| Fuel  | 372.03                      | 214.84                                  |
| Raw materials                                 | -                           | 37.00                                   |
| Work-in-progress                              | -                           | 17.48                                   |
| Finished goods                                | -                           | 37.99                                   |
| Packing materials                             | -                           | 2.77                                    |
| Loose tools                                   | 3.69                        | 4.06                                    |
| Right to receive inventory [Refer footnote 3] | -                           | 179.01                                  |
|   | <u>701.90</u>               | <u>800.45</u>                           |

**Footnotes:**

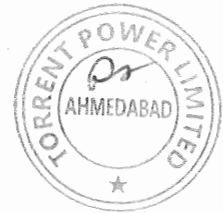
- 1 The cost of stores and spares inventories recognised as an expense includes ₹ 1.04 Crore (Previous year - ₹ 4.03 Crore) in respect of write-downs of inventory to net realisable value determined based on evaluation of slow and non-moving inventories.
- 2 The above carrying amount of inventories has been mortgaged and hypothecated to secure borrowings of the Group. [Refer note 23]
- 3 The Group has sold a certain quantity of Liquefied Natural Gas ('LNG') to a third-party during FY 2023-24 and has also agreed to repurchase the same quantity of LNG at a pre-determined price. Accordingly, the Group has recognized a right to re-purchase inventory of LNG of ₹ 179.01 Crore as at March 31, 2024 and corresponding obligation of ₹ 179.01 Crore as at March 31, 2024 is included in "Sundry payables" under "Other current financial liabilities".
- 4 The above carrying amount includes goods in transit as under:

|                | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|----------------|-----------------------------|---|
| Fuel           | -                           | 5.61                                    |
| Raw materials  | -                           | 3.59                                    |
| Finished goods | -                           | 17.22                                   |
|                | <u>-</u>                    | <u>26.42</u>                            |

**Note 15 : Current investments**

|  | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|--|-----------------------------|---|
| Investment in mutual funds (unquoted) (at fair value through profit or loss) | 927.57                      | 934.42                                  |
| Contingency reserve investments - statutory (quoted) (at amortised cost) \$  | -                           | 2.95                                    |
|  | <u>927.57</u>               | <u>937.37</u>                           |
| Aggregate amount of quoted investments                                       | -                           | 2.95                                    |
| Aggregate amount of unquoted investments                                     | 927.57                      | 934.42                                  |
|  | <u>927.57</u>               | <u>937.37</u>                           |
| Aggregate amount of impairment in value of investments                       | -                           | -                                       |
| Aggregate amount of market value of quoted investments                       | -                           | 2.87                                    |

\$ Investment in Government of India bonds have been made in terms of Gujarat Electricity Regulatory Commission (GERC) Multi-Year Tariff (MYT) Regulations, which can be utilised only for the purposes mentioned therein. [Refer note 22 - Contingency reserve]



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 16 : Trade Receivables**

|  | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|--|-----------------------------|---|
| Trade receivables                          |                             |   |
| Secured - Considered good #                | 1,390.15                    | 1,134.88                                |
| Unsecured - Considered good                | 1,500.72                    | 1,055.98                                |
| - Credit impaired                          | 224.33                      | 194.39                                  |
|  | <u>3,115.20</u>             | <u>2,385.25</u>                         |
| Less: Allowance for bad and doubtful debts | 224.33                      | 194.39                                  |
|  | <u>2,890.87</u>             | <u>2,190.86</u>                         |

# Group holds security deposits in respect of electricity receivables.

Footnotes:

- 1 Refer note 23 for charge on current assets including trade receivables.
- 2 Refer note 49 for credit risk related disclosures.

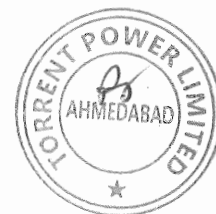
**Note 17 : Cash and cash equivalents**

|   | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|---|-----------------------------|---|
| Balances with banks   |                             |   |
| Balance in current accounts   | 343.85                      | 268.41                                  |
| Balance in fixed deposit accounts (original maturity of less than three months) | -                           | 80.32                                   |
|   | <u>343.85</u>               | <u>348.73</u>                           |
| Cheques on hand   | 0.23                        | 1.40                                    |
| Cash on hand  | 0.35                        | 0.70                                    |
|   | <u>344.43</u>               | <u>350.83</u>                           |

**Note 18 : Bank balances other than cash and cash equivalents**

|   | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|---|-----------------------------|---|
| Unpaid dividend accounts  | 17.04                       | 13.15                                   |
| Unpaid fractional coupon accounts   | *                           | *                                       |
| Balance in fixed deposit accounts #<br>(maturity of more than three months but less than twelve months) | 81.33                       | 54.76                                   |
| Unspent corporate social responsibility account   | 2.98                        | -                                       |
|   | <u>101.35</u>               | <u>67.91</u>                            |

# include ₹ 80.43 Crore (March 31, 2024 - ₹ 51.5 Crore) on which a lien has been created in favour of lenders.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

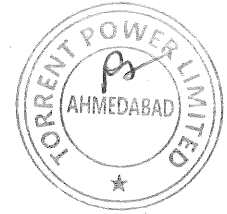
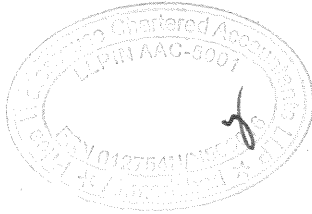
**Note 19 : Other current financial assets**

|  | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|--|-----------------------------|---|
| Security deposits                                  | 68.45                       | 66.01                                   |
| Interest accrued on non-current investments        | 0.23                        | 0.23                                    |
| Interest accrued on deposits                       | 2.00                        | 2.12                                    |
| Unbilled revenue (including revenue gap / surplus) | 4,066.19                    | 3,672.43                                |
| Forward contract receivables                       | -                           | 1.63                                    |
|  | <u>4,136.87</u>             | <u>3,742.42</u>                         |
| Other advances / receivables                       |                             |   |
| Considered good ^                                  | 276.97                      | 246.81                                  |
|  | <u>276.97</u>               | <u>246.81</u>                           |
|  | <u>4,413.84</u>             | <u>3,989.23</u>                         |

^ including ₹ 78.69 (March 31, 2024 : ₹ 79.52 Crore) receivable from EPC contractor [Refer footnote 3 and 7 of note 6].

**Note 20 : Other current assets**

|                                      | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|--------------------------------------|-----------------------------|---|
| Advances for goods and services      | 111.89                      | 99.52                                   |
| Balances with government authorities | 0.82                        | 1.76                                    |
| Prepaid expenses                     | 75.24                       | 68.43                                   |
|                                      | <u>187.95</u>               | <u>169.71</u>                           |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 21 : Equity share capital**

|  | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|--|-----------------------------|---|
| <b>Authorised</b>  |                             |   |
| 4,37,00,00,000 (4,37,00,00,000 as at March 31, 2024) equity shares of ₹10 each | 4,370.00                    | 4,370.00                                |
|  | <u>4,370.00</u>             | <u>4,370.00</u>                         |
| <b>Issued, subscribed and paid up</b>  |                             |   |
| 48,06,16,784 (48,06,16,784 as at March 31, 2024) equity shares of ₹10 each     | 480.62                      | 480.62                                  |
|  | <u>480.62</u>               | <u>480.62</u>                           |

1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period / year :

|   | No. of shares<br>As at<br>September 30, 2024 | No. of shares<br>As at<br>March 31, 2024 |
|---|--|--|
| At the beginning of the period / year       | 48,06,16,784                                 | 48,06,16,784                             |
| Issued during the period / year             | -  | -  |
| Outstanding at the end of the period / year | <u>48,06,16,784</u>                          | <u>48,06,16,784</u>                      |

2 25,74,22,311 equity shares (25,74,22,311 equity shares as at March 31, 2024) of ₹10 each fully paid up are held by the Parent Company - Torrent Investments Private Limited.

3 Terms / Rights attached to equity shares :

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

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

4 Details of shareholders holding more than 5% shares in the Company :

| Name of the Shareholder                  | As at September 30, 2024 |           | As at March 31, 2024 |           |
|--|--------------------------|-----------|----------------------|-----------|
|  | No. of shares            | % holding | No. of shares        | % holding |
| Torrent Investments Private Limited      | 25,74,22,311             | 53.56%    | 25,74,22,311         | 53.56%    |
| Gujarat State Financial Services Limited | 1,18,71,621              | @         | 4,68,71,621          | 9.75%     |
| Axis Mutual Funds                        | 2,55,37,900              | 5.31%     | 3,45,06,287          | 7.18%     |
| SBI Mutual Funds                         | 2,79,31,804              | 5.81%     | 2,98,56,078          | 6.21%     |
| Gujarat Urja Vikas Nigam Limited         | 3,50,00,000              | 7.28%     | -                    | 0.00%     |
| @ less than 5%                           |                          |           |                      |           |

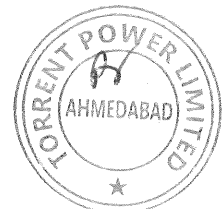
5 Details of shareholding of Promoters in the Company :

| Promoter name                       | As at September 30, 2024 |                   |                             | As at March 31, 2024 |                   |                           |
|-------------------------------------|--------------------------|-------------------|-----------------------------|----------------------|-------------------|---------------------------|
|                                     | No. of shares            | % of total shares | % changes during the period | No. of shares        | % of total shares | % changes during the year |
| Torrent Investments Private Limited | 25,74,22,311             | 53.56%            | -                           | 25,74,22,311         | 53.56%            | -                         |
| Sudhir Mehta                        | 6,882                    | 0.00%             | -                           | 6,882                | 0.00%             | -                         |
| Samir Mehta                         | 6,125                    | 0.00%             | -                           | 6,125                | 0.00%             | -                         |
| Jinal Mehta                         | 8,000                    | 0.00%             | -                           | 8,000                | 0.00%             | -                         |

6 Distributions made:

Interim dividend for FY 2023-24 of ₹ 12.00 per equity share aggregating to ₹ 576.74 Crore was paid in the month of March 2024.

Final dividend for FY 2023-24 of ₹ 4.00 per equity share aggregating to ₹ 192.25 Crore was paid in the month of August 2024.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 22 : Other equity**

|                              | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|------------------------------|-----------------------------|---|
| Reserves and surplus         |                             |   |
| Securities premium           | 0.03                        | 0.03                                    |
| Debenture redemption reserve | 40.00                       | 44.51                                   |
| Contingency reserve          | 19.22                       | 19.22                                   |
| Special reserve              | 78.07                       | 78.07                                   |
| General reserve              | 3,692.19                    | 3,687.68                                |
| Retained earnings            | 9,005.72                    | 7,751.58                                |
|                              | <u>12,835.23</u>            | <u>11,581.09</u>                        |

Refer "Condensed Consolidated Statement of Changes in Equity" for movement in each reserve.

## Footnotes:

## 1 Securities premium:

Securities premium reflects issuance of the shares by the Company at a premium, whether for cash or otherwise i.e. a sum equal to the aggregate amount of the premium received on shares is transferred to a "securities premium account" as per the provisions of the Companies Act, 2013. The reserve can be utilised in accordance with the provisions of the Act.

## 2 Debenture redemption reserve:

The Group was required to create a Debenture Redemption Reserve (DRR) out of the profits which are available for payment of dividend for the purpose of redemption of debentures. Pursuant to Companies (Share Capital and Debentures) Amendment Rules, 2019 dated August 16, 2019, the Company is not required to create DRR. Accordingly, the Company has not created DRR during the period and DRR created by the Group till previous years will be transferred to general reserve on redemption of debentures.

## 3 Contingency reserve:

As per the provisions of GERC MYT Regulations read with Tariff orders passed by GERC, the Company being a Distribution Licensee makes an appropriation to the contingency reserve to meet with certain exigencies. Investments in Bonds issued by Government of India have been made against such reserve.

## 4 Special reserve:

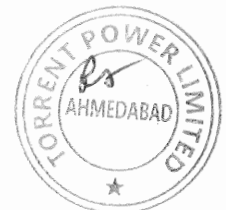
As per MYT Regulations (2007), the Company has created a reserve in FY 2011-12 and FY 2012-13, which represents one third amount of controllable gain shall be retained in a special reserve by the Generating Company or Licensee for the purpose of absorbing the impact of any future losses on account of controllable factors.

## 5 General reserve:

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. The general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

## 6 Retained earnings:

The retained earnings reflect the profit of the Group earned till date net of appropriations. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve, after considering the requirements of the Companies Act, 2013.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 23 : Non-Current Borrowings**

|   | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|---|-----------------------------|---|
| <b>Non-current borrowings</b>   |                             |   |
| <b>Secured loans - at amortised cost</b>  |                             |   |
| Non convertible debentures &  |                             |   |
| 6.50%, 6.90%, 7.25% Series 7A, 7B & 7C  | 164.69                      | 164.53                                  |
| 6.20%, 6.70%, 7.10%, 7.45% Series 8A, 8B, 8C & 8D   | 300.00                      | 300.00                                  |
| 7.45%, 8.05% Series 9A & 9B   | 599.46                      | 599.43                                  |
| 8.30%, 8.35%, 8.55%, 8.65% Series 10A, 10B, 10C & 10D                                     | 200.00                      | 200.00                                  |
| 8.50% Series 11A, 11B, 11C, 11D, 11E & 11F  | 601.28                      | 601.36                                  |
| 8.40% Series 12A, 12B, 12C & 12D  | 750.45                      | 750.51                                  |
| 8.32% Series 13A, 13B, 13C & 13D  | 699.87                      | 699.82                                  |
| 8.20% Series 1 (In respect of Torrent Solargen Limited)                                   | 469.23                      | 481.00                                  |
|   | <u>3,784.98</u>             | <u>3,796.65</u>                         |
| Term loans @  |                             |   |
| From banks  | 6,460.52                    | 5,918.46                                |
|   | <u>6,460.52</u>             | <u>5,918.46</u>                         |
|   | <u>10,245.50</u>            | <u>9,715.11</u>                         |
| <b>Unsecured loans - at amortised cost</b>  |                             |   |
| Non convertible debentures #  |                             |   |
| 7.00% Series 1 (In respect of Jodhpur Wind Farms Private Limited)                         | 99.98                       | 99.88                                   |
| 7.00% Series 1 (In respect of Latur Renewable Private Limited)                            | 99.97                       | 99.88                                   |
|   | <u>199.95</u>               | <u>199.76</u>                           |
| Term loans  |                             |   |
| From Government of India under Accelerated Power Development and Reform Programme (APDRP) | -                           | 1.53                                    |
|   | -                           | 1.53                                    |
|   | <u>199.95</u>               | <u>201.29</u>                           |
|   | <u>10,445.45</u>            | <u>9,916.40</u>                         |

@ After considering unamortised expense of ₹ 16.36 Crore as at September 30, 2024 and ₹ 15.21 Crore as at March 31, 2024.

& After considering unamortised expense (net of premium) of ₹ 0.01 Crore as at September 30, 2024 and ₹ 0.15 Crore as at March 31, 2024.

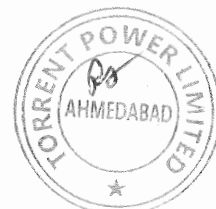
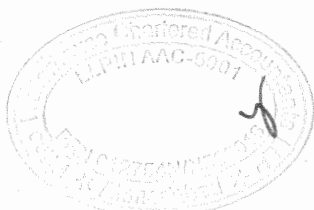
# After considering unamortised expense of ₹ 0.05 Crore as at September 30, 2024 and ₹ 0.24 Crore as at March 31, 2024.

|   | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|---|-----------------------------|---|
| <b>Current maturities</b>   |                             |   |
| <b>Secured loans - at amortised cost</b>  |                             |   |
| Non convertible debentures ^  |                             |   |
| 6.50%, 6.90%, 7.25% Series 7A, 7B & 7C  | 84.60                       | 84.51                                   |
| 6.20%, 6.70%, 7.10%, 7.45% Series 8A, 8B, 8C & 8D   | 150.00                      | 150.00                                  |
| 8.20% Series 1 (In respect of Torrent Solargen Limited)                                   | 23.00                       | 22.45                                   |
|   | <u>257.60</u>               | <u>256.96</u>                           |
| Term loans \$   |                             |   |
| From banks  | 598.87                      | 824.96                                  |
|   | <u>598.87</u>               | <u>824.96</u>                           |
| <b>Unsecured loans - at amortised cost</b>  |                             |   |
| Non convertible debentures *  |                             |   |
| 10.25% Series 4A, 4B & 4C   | -                           | 89.99                                   |
| 7.00% Series 1 (In respect of Jodhpur Wind Farms Private Limited)                         | 99.79                       | 99.69                                   |
| 7.00% Series 1 (In respect of Latur Renewable Private Limited)                            | 99.78                       | 99.69                                   |
|   | <u>199.57</u>               | <u>289.37</u>                           |
| Term loans  |                             |   |
| From Government of India under Accelerated Power Development and Reform Programme (APDRP) | 3.82                        | 3.82                                    |
|   | <u>3.82</u>                 | <u>3.82</u>                             |
|   | <u>1,059.86</u>             | <u>1,375.11</u>                         |
|   | <u>(1,059.86)</u>           | <u>(1,375.11)</u>                       |
| Amount disclosed under the head 'Current borrowings' [Refer note 27]                      | <u>-</u>                    | <u>-</u>                                |

\$ After considering unamortised expense of ₹ 4.29 Crore as at September 30, 2024 and ₹ 3.8 Crore as at March 31, 2024.

^ After considering unamortised expense of ₹ 0.5 Crore as at September 30, 2024 and ₹ 0.58 Crore as at March 31, 2024.

\* After considering unamortised expense of ₹ 0.43 Crore as at September 30, 2024 and ₹ 0.63 Crore as at March 31, 2024.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 23 : Non-Current Borrowings (Contd.)**

Footnotes:

**As at September 30, 2024**

1 Nature of security

(i) The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for term loans of ₹ 5,592.55 Crore and non convertible debentures of ₹ 3,550.00 Crore along with lenders of cash credits and non-fund based credit facilities, except some assets which, in terms of respective financing documents (including Loan agreements, Debenture Trust deeds, working capital facility agreements), are carved out of security provided to lenders.

(ii) Torrent Solargen Limited:

Non-convertible debentures of ₹ 493.09 Crore outstanding as at September 30, 2024, is secured by first pari passu charge on all projects' immovable and movable properties, intangible assets, current assets, receivable and bank accounts.

Project means ~126 MW of wind power project being implemented in Maharashtra by Torrent Solargen Limited, subsidiary of the Company.

(iii) Surya Vidyut Limited:

Term loans ₹ 330.91 Crore are secured by a first pari-passu charge (i) by way of mortgage / hypothecation in respect of the property, plant and equipment including its land (excluding revenue / government land), building, plant & machinery, etc. of subsidiary company, Surya Vidyut Limited (SVL), (ii) by way of hypothecation of movable assets and current assets, rights under the project documents of SVL.

(iv) Torrent Saurya Urja 2 Private Limited (TSU2):

300 MW TPLD Solar Project:

Credit Facility (including Capex LC, Service LC and Term Loan) (issued ₹ 1,336.00 Crore and outstanding term loans of ₹ 846.23 Crore) are secured by (i) Capital goods purchased / RM for capex imported under LC and (ii) a first pari-passu charge by way of hypothecation of movable assets and current assets of the Project, both present and future.

Project means (i) 150 MW(AC) of solar plant at Surel Village (Surendranagar District); and (ii) 150 MW(AC) solar plant at Babra Village (Amreli District) in Gujarat setting up by TSU2, subsidiary of the Company.

300 MW SECI XII Wind Project:

Credit Facility (including Capex LC, Service LC and Term Loan) (issued ₹ 2050.00 Crore and outstanding term loans of ₹ NIL) are secured by (i) Capital goods purchased / RM for capex imported under LC and (ii) a first pari-passu charge by way of hypothecation of movable assets and current assets of the Project, both present and future.

Project means Green field wind power project of 300 MW along with auxiliary components at Bagalkot district, Karnataka, wherein the company would be setting up total capacity of 300 MW as approved under the bidding norms with Solar Energy Corporation of India Limited (SECI) as the off-taker for a 25 years PPA.

(v) Airpower Windfarms Private Limited (Airpower):

Credit Facility (including Capex LC, Service LC and Term Loan) (issued ₹ 1,120.00 Crore and outstanding term loans of ₹ 161.85 Crore) are secured by (i) Capital goods purchased / RM for capex imported under LC and (ii) a first pari-passu charge by way of hypothecation of movable assets and current assets of the Project, both present and future.

Project means "Green field Hybrid project of 175 MW comprising of Wind power project of 125 MW & 50 MW of Solar power project along with auxiliary components at Jam-Khambaliya district, Gujarat.

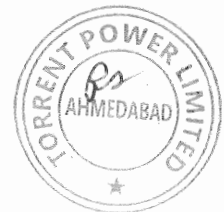
(vi) Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited (DNHDDPDCL):

Term loans ₹ 148.50 Crore are secured by way of (i) exclusive first charge on all present and future movable assets of the DNHDDPDCL including the current assets (other than receivables of the DNHDDPDCL), stores, spares and other current assets); (ii) exclusive first charge on all accounts opened / to be opened and maintained by the DNHDDPDCL; (iii) exclusive first charge on all present and future immovable assets of the DNHDDPDCL; and (iv) second charge on the receivables of the DNHDDPDCL.

2 The rate of interest for term loans from banks are ranges from 8.25% p.a. to 8.85% p.a. as at September 30, 2024.

3 Undrawn term loans from banks, based on approved facilities, were ₹ 1,064.00 Crore as at September 30, 2024.

4 During the period, the Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.



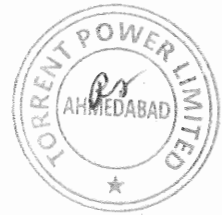
**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 23 : Non-Current Borrowings (Contd.)**

**As at March 31, 2024**

- 1 Nature of security
- (i) The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for term loans of ₹ 5,786.07 Crore and non convertible debentures of ₹ 3,550.00 Crore along with lenders of cash credits and non-fund based credit facilities, except some assets which, in terms of respective financing documents (including Loan agreements, Debenture Trust deeds, working capital facility agreements), are carved out of security provided to lenders.
- (ii) Torrent Solargen Limited:  
Non-convertible debentures of ₹ 504.35 Crore outstanding as at March 31, 2024, is secured by first pari passu charge on all projects' immovable and movable properties, intangible assets, current assets, receivable and bank accounts.  
  
Project means ~126 MW of wind power project being implemented in Maharashtra by Torrent Solargen Limited, subsidiary of the Company.
- (iii) Surya Vidyut Limited:  
Term loans ₹ 343.40 Crore are secured by a first pari-passu charge (i) by way of mortgage / hypothecation in respect of the property, plant and equipment including its land (excluding revenue / government land), building, plant & machinery, etc. of subsidiary company, Surya Vidyut Limited (SVL), (ii) by way of hypothecation of movable assets and current assets, rights under the project documents of SVL.
- (iv) Torrent Saurya Urja 2 Private Limited (TSU2):  
Credit Facility (including Capex LC, Service LC and Term Loan) (issued ₹ 1,336.00 Crore and outstanding term loans of ₹ 632.95 Crore) are secured by (i) Capital goods purchased / RM for capex imported under LC and (ii) a first pari-passu charge by way of hypothecation of movable assets and current assets of the Project, both present and future.  
  
Project means (i) 150 MW(AC) of solar plant at Surel Village (Surendranagar District); and (ii) 150 MW(AC) solar plant at Babra Village (Amreli District) in Gujarat setting up by TSU2, subsidiary of the Company.
- (v) Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited (DNHDDPDCL):  
Term loans ₹ Nil (sanctioned amount ₹ 350.00 Crore) are secured by way of (i) exclusive first charge on all present and future movable assets of the DNHDDPDCL including the current assets (other than receivables of the DNHDDPDCL), stores, spares and other current assets); (ii) exclusive first charge on all accounts opened / to be opened and maintained by the DNHDDPDCL; (iii) exclusive first charge on all present and future immovable assets of the DNHDDPDCL; and (iv) second charge on the receivables of the DNHDDPDCL.
- 2 The rate of interest for term loans from banks are ranges from 8.25% p.a. to 8.95% p.a. as at March 31, 2024.  
3 Undrawn term loans from banks, based on approved facilities, were ₹ 1,643.00 Crore as at March 31, 2024.  
4 During the previous year, the Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.





**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 24 : Non-current trade payables**

|   | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|---|-----------------------------|---|
| Trade payables for goods and services                         |                             |   |
| Total outstanding dues of micro and small enterprises         | -                           | -                                       |
| Total outstanding dues other than micro and small enterprises | 481.05                      | 345.71                                  |
|   | <u>481.05</u>               | <u>345.71</u>                           |

**Note 25 : Other non-current financial liabilities**

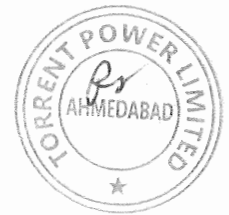
|   | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|---|-----------------------------|---|
| Redemption liability [Refer footnote 1] | 5.73                        | 0.95                                    |
|   | <u>5.73</u>                 | <u>0.95</u>                             |

Footnote:

1 There are other stakeholders in certain subsidiaries owning in the range of 26% to 33% stake. A redemption liability of ₹ 5.73 Crore (March 31, 2024 - ₹ 0.95 Crore) has been accounted for non-controlling interest portion.

**Note 26 : Other non-current liabilities**

|                                      | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|--------------------------------------|-----------------------------|---|
| Deferred revenue                     |                             |   |
| Contribution received from consumers | 1,387.65                    | 1,371.37                                |
| Capital grant from government        | 11.29                       | 11.76                                   |
| Sundry payables                      | 63.21                       | 62.55                                   |
|                                      | <u>1,462.15</u>             | <u>1,445.68</u>                         |



**TORRENT POWER LIMITED**

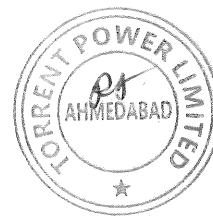
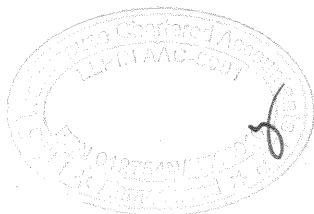
Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 27 : Current borrowings**

|  | (₹ in Crore)                |                         |
|--|-----------------------------|-------------------------|
|  | As at<br>September 30, 2024 | As at<br>March 31, 2024 |
| Secured loans  |                             |                         |
| Working capital loan from banks                      | -                           | 290.00                  |
| Overdraft from banks                                 | -                           | 0.02                    |
|  | <u>-</u>                    | <u>290.02</u>           |
| Unsecured loans                                      |                             |                         |
| Other loans [Refer footnote 6]                       | <u>3.50</u>                 | <u>3.50</u>             |
|  | <b>3.50</b>                 | <b>3.50</b>             |
| Current maturities of long-term debt [Refer note 23] | <u><b>1,059.86</b></u>      | <u>1,375.11</u>         |
|  | <u><b>1,063.36</b></u>      | <u>1,668.63</u>         |

## Footnotes:

- 1 The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for working capital facilities and by way of second pari passu charge in favour of lenders for hedge facility.
- 2 Working capital facility of ₹ 50.00 Crore is secured by a first pari-passu charge (i) by way of mortgage / hypothecation in respect of the property, plant and equipment including its land (excluding revenue / government land), building, plant & machinery, etc. of subsidiary company, Surya Vidyut Limited (SVL), (ii) by way of hypothecation of movable assets and current assets, rights under the project documents of SVL.
- 3 Non-fund based facility of ₹ 400.00 Crore secured by way of (i) exclusive first charge on all present and future movable assets of the Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited (DNHDDPDCL) (including the current assets (other than receivables of the DNHDDPDCL), stores, spares and other current assets); (ii) exclusive first charge on all Accounts opened / to be opened and maintained by the DNHDDPDCL; and (iii) second charge on the receivables of the DNHDDPDCL.
- 4 Undrawn cash credit from banks, based on approved facilities, were ₹ 1,500.00 Crore (March 31, 2024 - ₹ 1,310.00 Crore).
- 5 During the current period and previous year, the Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- 6 Loan is interest free and repayable on demand.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

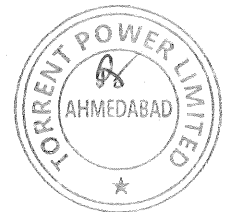
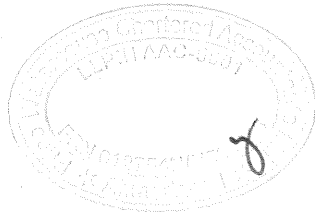
**Note 27 : Current borrowings (Contd.)**

**Net debt reconciliation :**

|  | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|--|-----------------------------|---|
| Cash and cash equivalents  | 344.43                      | 350.83                                  |
| Current investments  | 927.57                      | 937.37                                  |
| Current borrowings (excluding current maturities of long-term debt and interest accrued but not due) #     | (3.50)                      | (293.63)                                |
| Non-current borrowings (including current maturities of long-term debt and interest accrued but not due) # | (11,786.35)                 | (11,451.58)                             |
| Lease Liabilities  | (58.63)                     | (46.77)                                 |
|  | <u>(10,576.48)</u>          | <u>(10,503.78)</u>                      |

# Transactions cost reduced from the borrowing is excluded.

|   | Other assets              |                     | Liabilities from financing activities |                        |                   | Total              |
|---|---------------------------|---------------------|---------------------------------------|------------------------|-------------------|--------------------|
|   | Cash and cash equivalents | Current investments | Current borrowings                    | Non-current borrowings | Lease liabilities |                    |
| <b>Net balance as at April 01, 2024</b>     | <b>350.83</b>             | <b>937.37</b>       | <b>(293.63)</b>                       | <b>(11,451.58)</b>     | <b>(46.77)</b>    | <b>(10,503.78)</b> |
| Cash flows (net)                            | 2.22                      | (33.66)             | 290.02                                | (289.96)               | 5.52              | (25.86)            |
| New lease                                   | -                         | -                   | -                                     | -                      | (15.08)           | (15.08)            |
| Transfer from non-current investments       | -                         | -                   | -                                     | -                      | -                 | -                  |
| Deletion relating to lease liability        | -                         | -                   | -                                     | -                      | -                 | -                  |
| Interest expense                            | -                         | -                   | (1.69)                                | (478.19)               | (2.30)            | (482.18)           |
| Interest paid                               | -                         | -                   | 1.80                                  | 358.25                 | -                 | 360.05             |
| Gain on sale of current investments         | -                         | 25.23               | -                                     | -                      | -                 | 25.23              |
| Fair value adjustment                       | -                         | (1.37)              | -                                     | -                      | -                 | (1.37)             |
| Considered as assets held for sale          | (8.62)                    | -                   | -                                     | 75.13                  | -                 | 66.51              |
| <b>Net balance as at September 30, 2024</b> | <b>344.43</b>             | <b>927.57</b>       | <b>(3.50)</b>                         | <b>(11,786.35)</b>     | <b>(58.63)</b>    | <b>(10,576.48)</b> |
| <b>Net balance as at April 01, 2023</b>     | <b>188.23</b>             | <b>787.75</b>       | <b>(3.50)</b>                         | <b>(10,642.80)</b>     | <b>(45.34)</b>    | <b>(9,715.66)</b>  |
| Cash flows (net)                            | 162.60                    | 88.73               | (290.02)                              | (791.09)               | 44.02             | (785.76)           |
| New lease                                   | -                         | -                   | -                                     | -                      | (45.39)           | (45.39)            |
| Transfer from non-current investments       | -                         | 1.02                | -                                     | -                      | -                 | 1.02               |
| Deletion relating to lease liability        | -                         | -                   | -                                     | -                      | 3.93              | 3.93               |
| Interest expense                            | -                         | -                   | (2.87)                                | (860.84)               | (3.99)            | (867.70)           |
| Interest paid                               | -                         | -                   | 2.76                                  | 843.15                 | -                 | 845.91             |
| Gain on sale of current investments         | -                         | 57.94               | -                                     | -                      | -                 | 57.94              |
| Fair value adjustment                       | -                         | 1.93                | -                                     | -                      | -                 | 1.93               |
| <b>Net balance as at March 31, 2024</b>     | <b>350.83</b>             | <b>937.37</b>       | <b>(293.63)</b>                       | <b>(11,451.58)</b>     | <b>(46.77)</b>    | <b>(10,503.78)</b> |



**TORRENT POWER LIMITED**

**Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024**

**Note 28 : Current trade payables**

|   | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|---|-----------------------------|---|
| Trade payables for goods and services                         |                             |   |
| Total outstanding dues of micro and small enterprises #       | 46.48                       | 64.12                                   |
| Total outstanding dues other than micro and small enterprises | 2,149.92                    | 1,747.80                                |
|   | <u>2,196.40</u>             | <u>1,811.92</u>                         |

# Amount due to micro and small enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) have been determined based on the information available with the Group.

**Note 29 : Other current financial liabilities**

|   | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|---|-----------------------------|---|
| Interest accrued but not due on loans and security deposits     | 259.40                      | 139.57                                  |
| Investor education and protection fund #                        |                             |   |
| Unpaid / Unclaimed dividend                                     | 17.04                       | 13.15                                   |
| Unclaimed fractional coupons                                    | *                           | *                                       |
| Security deposits from consumers @                              | 2,064.66                    | 1,949.07                                |
| Other deposits  | 7.64                        | 7.72                                    |
| Payables for purchase of property, plant and equipment \$       | 357.26                      | 643.46                                  |
| Sundry payables (including for employees related payables) \$\$ | 232.89                      | 511.70                                  |
|   | <u>2,938.89</u>             | <u>3,264.67</u>                         |

# There is no amount due and outstanding to be credited to investor education and protection fund as at September 30, 2024 and as at March 31, 2024.

@ Security deposits from consumers in the Group's business, which is in the nature of utility, are generally not repayable within a period of twelve months based on historical experience.

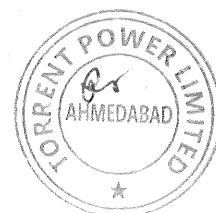
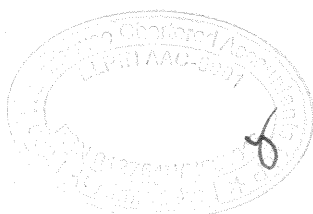
\$ including ₹ Nil (March 31, 2024 : ₹ 79.52 Crore) for right to repurchase solarcells from EPC contractor [Refer footnote 7 of note 6].

\$\$ including ₹ Nil (March 31, 2024 : ₹ 179.01 Crore) for right to receive inventory [Refer footnote 3 of note 14].

**Note 30 : Other current liabilities**

|   | As at<br>September 30, 2024 | (₹ in Crore)<br>As at<br>March 31, 2024 |
|---|-----------------------------|---|
| Credit balances of consumers                        | 75.78                       | 120.66                                  |
| Service line deposits from consumers                | 237.04                      | 237.00                                  |
| Deferred revenue                                    |                             |   |
| Contribution received from consumers                | 111.58                      | 106.92                                  |
| Capital grant from government                       | 0.93                        | 0.96                                    |
| Statutory dues                                      | 279.72                      | 254.74                                  |
| Liability towards corporate social responsibility ^ | 2.98                        | 12.87                                   |
| Sundry payables                                     | 0.89                        | 1.91                                    |
|   | <u>708.92</u>               | <u>735.06</u>                           |

^ It represents unspent amount of corporate social responsibility. The Group has transferred of ₹ 9.29 Crore, ₹ 2.05 Crore and ₹ 1.53 Crore to a special bank account on April 16, 2024, April 23, 2024 and April 29, 2024 respectively for balance as at March 31, 2024.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 31 : Current provisions**

(₹ in Crore)

|                                       | As at<br>September 30, 2024 | As at<br>March 31, 2024 |
|---------------------------------------|-----------------------------|-------------------------|
| Provision for employee benefits       |                             |                         |
| Provision for gratuity                | 17.03                       | 30.45                   |
| Provision for compensated absences \$ | 132.17                      | 129.49                  |
| Provision for pension                 | 1.39                        | 2.55                    |
|                                       | <u>150.59</u>               | <u>162.49</u>           |
| Other provisions                      |                             |                         |
| Provision for indirect taxes          | -                           | 0.25                    |
| Provision for onerous contracts       | 24.98                       | 24.98                   |
| Provision for contingencies           | 18.46                       | 14.02                   |
|                                       | <u>43.44</u>                | <u>39.25</u>            |
|                                       | <u>194.03</u>               | <u>201.74</u>           |

\$ Provision for compensated absences is disclosed under current provision as the Group does not have an unconditional right to defer settlement for at least twelve months however these are generally not repayable within a period of twelve months based on historical experience.

(₹ in Crore)

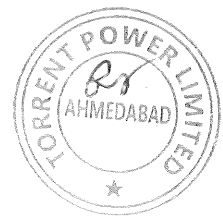
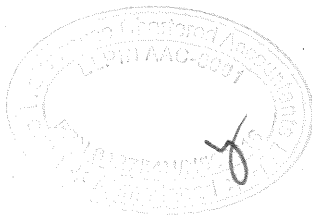
**Movement in Provision**

|   | Provision for indirect<br>taxes | Provision for onerous<br>contracts | Provision for<br>contingencies |
|---|---------------------------------|------------------------------------|--------------------------------|
| <b>Balance as at April 01, 2024</b>       | <b>0.25</b>                     | <b>24.98</b>                       | <b>14.02</b>                   |
| Additional provision recognised           | -                               | -                                  | 4.44                           |
| Amount classified as assets held for sale | (0.25)                          | -                                  | -                              |
| <b>Balance as at September 30, 2024</b>   | <b>-</b>                        | <b>24.98</b>                       | <b>18.46</b>                   |
| <b>Balance as at April 01, 2023</b>       | <b>0.25</b>                     | <b>134.38</b>                      | <b>0.26</b>                    |
| Additional provision recognised           | -                               | -                                  | 14.02                          |
| Utilisation of provision                  | -                               | (109.40)                           | (0.26)                         |
| <b>Balance as at March 31, 2024</b>       | <b>0.25</b>                     | <b>24.98</b>                       | <b>14.02</b>                   |

**Note 32 : Current tax liabilities**

(₹ in Crore)

|  | As at<br>September 30, 2024 | As at<br>March 31, 2024 |
|--|-----------------------------|-------------------------|
| Provision for taxation (net of tax paid) | 358.21                      | 123.80                  |
|  | <u>358.21</u>               | <u>123.80</u>           |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 33 : Revenue from operations**

|   | Six months ended<br>September 30, 2024 | (₹ in Crore)<br>Six months ended<br>September 30, 2023 |
|---|--|--|
| Revenue from contracts with customers [Refer footnotes below] |  |  |
| Revenue from power supply                                     | 15,497.70                              | 13,702.14  |
| Revenue from sale of cable products                           |  |  |
| Manufactured goods  | 254.26                                 | 253.91   |
| Revenue from service concession arrangement                   | 0.18                                   | -  |
| Revenue from trading of RLNG                                  | 359.18                                 | 220.99   |
|   | 16,111.32                              | 14,177.04  |
| Less: Discount for prompt payment of bills                    | 23.65                                  | 18.74  |
|   | 16,087.67                              | 14,158.30  |
| Other operating income  |  |  |
| Amortisation of deferred revenue                              |  |  |
| Contribution received from consumers #                        | 54.52                                  | 51.27  |
| Capital grant from government                                 | 0.50                                   | 0.65   |
| Income from Generation Based Incentive                        | 18.12                                  | 22.00  |
| Hire of meters  | -                                      | 0.97   |
| Insurance claim receipt                                       | 1.61                                   | 1.67   |
| Provisions of earlier years written back                      | 1.06                                   | 0.01   |
| Miscellaneous income  | 46.06                                  | 53.67  |
|   | 121.87                                 | 130.24   |
|   | 16,209.54                              | 14,288.54  |

# Amortisation of deferred revenue are recognised within the scope of Ind AS 115.

Footnotes:

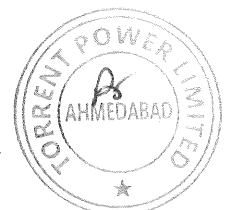
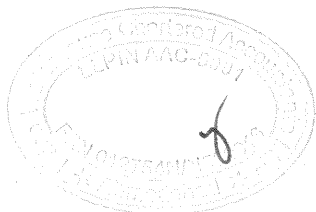
1 Disaggregation of revenue from contracts with customers:

|                               | Six months ended<br>September 30, 2024 | (₹ in Crore)<br>Six months ended<br>September 30, 2023 |
|-------------------------------|--|--|
| Generation                    | 2,324.58                               | 923.37   |
| Transmission and Distribution | 13,438.62                              | 12,884.13  |
| Renewables                    | 324.47                                 | 350.80   |
|                               | 16,087.67                              | 14,158.30  |

2 Timing of revenue recognition (from contract with customers) : Revenue from power supply and service concession arrangements are recognised over a period of time and others at a point in time.

**Note 34 : Other income**

|  | Six months ended<br>September 30, 2024 | (₹ in Crore)<br>Six months ended<br>September 30, 2023 |
|--|--|--|
| Interest income from financial assets measured at amortised cost   |  |  |
| Deposits   | 3.81                                   | 3.91   |
| Consumers  | 21.09                                  | 22.06  |
| Contingency reserve investments  | 0.74                                   | 0.62   |
| Others   | 0.04                                   | 0.03   |
|  | 25.68                                  | 26.62  |
| Interest income on income-tax refund   | 66.90                                  | -  |
| Gain on disposal of property, plant and equipment / investment property  | 7.23                                   | 19.31  |
| Gain on sale of current investments in mutual funds  | 25.32                                  | 26.78  |
| Gain on sale of non-current investments  | 0.04                                   | 0.05   |
| Net gain arising on financial assets / liabilities measured at amortised cost                                  | 25.33                                  | 17.40  |
| Net gain / (loss) arising on current investments in mutual funds measured at fair value through profit or loss | (1.37)                                 | 3.83   |
| Net gain on foreign currency transactions and translations   | 0.23                                   | 4.91   |
| Gain on change in fair value of derivatives (net)  | 0.77                                   | -  |
| Discount on prompt payment of power purchase   | 37.43                                  | 53.35  |
| Miscellaneous income   | 13.43                                  | 41.64  |
|  | 200.99                                 | 193.89   |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 35 : Cost of materials consumed**

|                                  | (₹ in Crore)                           |  |
|----------------------------------|--|--|
|                                  | Six months ended<br>September 30, 2024 | Six months ended<br>September 30, 2023 |
| Cost of materials consumed       | 292.37                                 | 281.44                                 |
| Less: Allocated to capital works | 78.91                                  | 67.03                                  |
|                                  | <u>213.46</u>                          | <u>214.41</u>                          |

**Note 36 : Changes in inventories of finished goods and work-in-progress**

|                                  | (₹ in Crore)                           |  |
|----------------------------------|--|--|
|                                  | Six months ended<br>September 30, 2024 | Six months ended<br>September 30, 2023 |
| Inventory of finished goods      |  |  |
| Opening stock                    | 37.99                                  | 56.43                                  |
| Less: Closing stock              | 40.58                                  | 43.55                                  |
|                                  | <u>(2.59)</u>                          | <u>12.88</u>                           |
| Inventory of work-in-progress    |  |  |
| Opening stock                    | 17.48                                  | 23.20                                  |
| Less: Closing stock              | 18.63                                  | 18.80                                  |
|                                  | <u>(1.15)</u>                          | <u>4.40</u>                            |
| Less: Allocated to capital works | (3.85)                                 | 3.69                                   |
|                                  | <u>0.11</u>                            | <u>13.59</u>                           |

**Note 37 : Employee benefits expense**

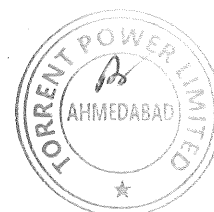
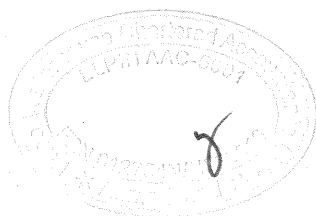
|   | (₹ in Crore)                           |  |
|---|--|--|
|   | Six months ended<br>September 30, 2024 | Six months ended<br>September 30, 2023 |
| Salaries, wages and bonus   | 405.29                                 | 364.30                                 |
| Contribution to provident and other funds                                     | 28.57                                  | 26.31                                  |
| Employees welfare expenses  | 16.94                                  | 15.18                                  |
| Compensated absences  | 14.80                                  | 14.12                                  |
| Gratuity  | 11.60                                  | 9.38                                   |
|   | <u>477.20</u>                          | <u>429.29</u>                          |
| Less: Allocated to capital works, repairs and other relevant revenue accounts | 114.01                                 | 121.40                                 |
|   | <u>363.19</u>                          | <u>307.89</u>                          |

**Note 38 : Finance costs**

|   | (₹ in Crore)                           |  |
|---|--|--|
|   | Six months ended<br>September 30, 2024 | Six months ended<br>September 30, 2023 |
| Interest expense for financial liabilities measured at amortised cost |  |  |
| Term loans #  | 304.77                                 | 277.73                                 |
| Non convertible debentures ^  | 178.09                                 | 131.25                                 |
| Working capital loans   | 1.69                                   | 1.31                                   |
| Security deposits from consumers                                      | 65.83                                  | 57.94                                  |
| Lease liabilities   | 2.30                                   | 2.08                                   |
| Others (including for supplier's credit)                              | 3.80                                   | 26.19                                  |
|   | <u>556.48</u>                          | <u>496.50</u>                          |
| Other interest expense  | 0.08                                   | 0.71                                   |
| Other borrowing costs   | 16.56                                  | 13.21                                  |
| Finance cost on redemption liability                                  | 0.03                                   | -                                      |
|   | <u>573.15</u>                          | <u>510.42</u>                          |
| Less: Allocated to capital works                                      | 40.72                                  | 35.98                                  |
|   | <u>532.43</u>                          | <u>474.44</u>                          |

# includes amortisation of borrowing cost of ₹ 4.34 Crore (six months ended september 30, 2023 : ₹ 2.31 Crore)

^ includes amortisation of borrowing cost of ₹ 0.33 Crore (six months ended september 30, 2023 : ₹ 0.9 Crore)



**TORRENT POWER LIMITED**

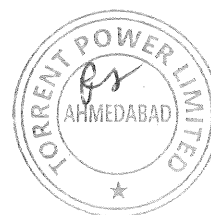
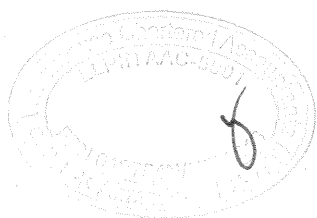
Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 39 : Depreciation and amortisation expense**

|   | Six months ended<br>September 30, 2024 | (₹ in Crore)<br>Six months ended<br>September 30, 2023 |
|---|--|--|
| Depreciation expense on property, plant and equipment | 705.28                                 | 647.12   |
| Depreciation expense on right-of-use assets           | 8.92                                   | 7.21   |
| Amortisation expense on intangible assets             | 19.32                                  | 20.43  |
|   | <u>733.52</u>                          | <u>674.76</u>  |
| Less: Allocated to capital works                      | 3.05                                   | 1.06   |
|   | <u>730.47</u>                          | <u>673.70</u>  |

**Note 40 : Other expenses**

|   | Six months ended<br>September 30, 2024 | (₹ in Crore)<br>Six months ended<br>September 30, 2023 |
|---|--|--|
| Consumption of stores and spares  | 219.83                                 | 148.18   |
| Rent and hire charges   | 20.27                                  | 8.67   |
| Repairs to  |  |  |
| Buildings   | 6.25                                   | 7.73   |
| Plant and machinery   | 285.39                                 | 254.12   |
| Others  | 17.08                                  | 17.35  |
|   | <u>308.72</u>                          | <u>279.20</u>  |
| Insurance   | 24.00                                  | 24.25  |
| Rates and taxes   | 12.91                                  | 8.64   |
| Vehicle running expenses  | 26.70                                  | 24.28  |
| Electricity expenses  | 23.40                                  | 20.83  |
| Security expenses   | 36.79                                  | 31.71  |
| Water charges   | 24.43                                  | 16.60  |
| Construction cost - service concession arrangements                                     | 0.16                                   | -  |
| Power transmission and scheduling charges   | 10.59                                  | 10.78  |
| Corporate social responsibility expenses  | 10.40                                  | 19.46  |
| Loss on sale of non-current investments   | 0.13                                   | -  |
| Loss on sale / discarding of property, plant and equipment and capital work-in-progress | 4.49                                   | 11.15  |
| Commission to non-executive directors [Refer note 48(b)]                                | 1.71                                   | 1.92   |
| Directors sitting fees  | 0.42                                   | 0.55   |
| Auditors remuneration   | 1.92                                   | 1.74   |
| Legal, professional and consultancy fees  | 60.45                                  | 68.93  |
| Donations   | 35.88                                  | 9.42   |
| Net loss on foreign currency transactions   | 17.37                                  | 0.02   |
| Bad debts written off (net of recovery)   | (13.78)                                | (9.01)   |
| Allowance for doubtful advances   | -                                      | (6.06)   |
| Allowance for doubtful debts (net)  | 29.94                                  | 38.84  |
| Miscellaneous expenses  | 86.89                                  | 72.71  |
|   | <u>943.62</u>                          | <u>782.81</u>  |
| Less: Allocated to capital works, repairs and other relevant revenue accounts           | 67.96                                  | 57.66  |
|   | <u>875.66</u>                          | <u>725.15</u>  |





**TORRENT POWER LIMITED**

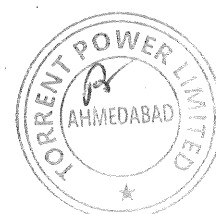
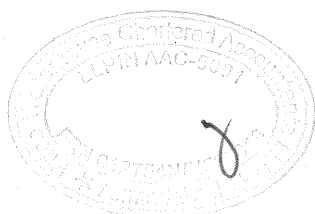
Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 41: Composition of the group**

**(a) Subsidiaries**

(1) Details of the Company's subsidiaries are as follows:

| Name of subsidiary   | Principal activity      | Place of incorporation and operation | Proportion of ownership interest and voting power held by the Company |                      |
|--|-------------------------|--------------------------------------|---|----------------------|
|  |                         |                                      | As at September 30, 2024  | As at March 31, 2024 |
| Torrent Solargen Limited   | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Pipavav Generation Limited   | Power Generation        | India                                | 95%   | 95%                  |
| Torrent Power Grid Limited   | Transmission of Power   | India                                | 74%   | 74%                  |
| Latur Renewable Private Limited  | Power Generation        | India                                | 100%  | 100%                 |
| Jodhpur Wind Farms Private Limited   | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Electricals Limited (Formerly known as Torrent Electricals Private Limited / TCL Cables Private Limited) | Manufacturing of Cables | India                                | 100%  | 100%                 |
| Torrent Solar Power Private Limited  | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Saurya Urja 2 Private Limited  | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Saurya Urja 3 Private Limited  | Power Generation        | India                                | 74%   | 74%                  |
| Torrent Saurya Urja 4 Private Limited  | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Saurya Urja 5 Private Limited  | Power Generation        | India                                | 74%   | 74%                  |
| Visual Percept Solar Projects Private Limited  | Power Generation        | India                                | 100%  | 100%                 |
| Surya Vidyut Limited   | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Saurya Urja 6 Private Limited (Formerly known as LREHL Renewables India SPV 1 Private Limited)           | Power Generation        | India                                | 100%  | 100%                 |
| Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited                                  | Power Distribution      | India                                | 51%   | 51%                  |
| Torrent Urja 7 Private Limited (formerly known as Wind Two Renergy Private Limited)                              | Power Generation        | India                                | 100%  | 100%                 |
| Sun Shakti Solar Power Projects Private Limited  | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Urja 8 Private Limited (w.e.f. April 28, 2023)   | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Urja 9 Private Limited (w.e.f. April 26, 2023)   | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Urja 10 Private Limited (w.e.f. April 21, 2023)  | Power Generation        | India                                | 67%   | 67%                  |
| Torrent Urja 11 Private Limited (w.e.f. April 20, 2023)  | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Urja 12 Private Limited (w.e.f. April 18, 2023)  | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Urja 13 Private Limited (w.e.f. April 26, 2023)  | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Urja 14 Private Limited (w.e.f. May 11, 2023)  | Power Generation        | India                                | 74%   | 100%                 |
| Torrent Urja 15 Private Limited (w.e.f. May 11, 2023)  | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Urja 16 Private Limited (w.e.f. May 11, 2023)  | Power Generation        | India                                | 74%   | 100%                 |
| Torrent Urja 17 Private Limited (w.e.f. May 11, 2023)  | Power Generation        | India                                | 100%  | 100%                 |

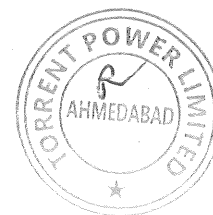


**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

Note 41: Composition of the group (Contd.)

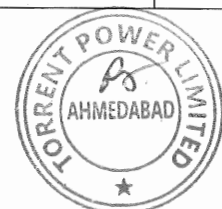
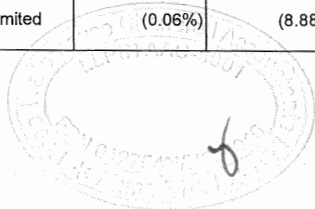
| Name of subsidiary  | Principal activity    | Place of incorporation and operation | Proportion of ownership interest |                      |
|---|-----------------------|--------------------------------------|----------------------------------|----------------------|
|   |                       |                                      | As at September 30, 2024         | As at March 31, 2024 |
| Torrent Green Energy Private Limited (w.e.f. August 02, 2023)     | Power Generation      | India                                | 100%                             | 100%                 |
| Torrent Green Hydrogen Private Limited (w.e.f. December 29, 2023) | Power Generation      | India                                | 100%                             | 100%                 |
| Torrent PSH 1 Private Limited (w.e.f. January 03, 2024)           | Power Generation      | India                                | 100%                             | 100%                 |
| Torrent PSH 2 Private Limited (w.e.f. January 03, 2024)           | Power Generation      | India                                | 100%                             | 100%                 |
| Torrent PSH 3 Private Limited (w.e.f. December 29, 2023)          | Power Generation      | India                                | 100%                             | 100%                 |
| Torrent PSH 4 Private Limited (w.e.f. December 30, 2023)          | Power Generation      | India                                | 100%                             | 100%                 |
| Solapur Transmission Limited (w.e.f. March 20, 2024)              | Transmission of Power | India                                | 100%                             | 100%                 |
| MSKVY Ninth Solar SPV Limited (w.e.f. April 18, 2024)             | Power Generation      | India                                | 100%                             | -                    |
| Torrent Urja 18 Private Limited (w.e.f. July 27, 2024)            | Power Generation      | India                                | 100%                             | -                    |
| Torrent Urja 19 Private Limited (w.e.f. August 06, 2024)          | Power Generation      | India                                | 100%                             | -                    |
| Torrent Urja 20 Private Limited (w.e.f. August 06, 2024)          | Power Generation      | India                                | 100%                             | -                    |
| Torrent Urja 21 Private Limited (w.e.f. August 05, 2024)          | Power Generation      | India                                | 100%                             | -                    |
| Torrent Urja 22 Private Limited (w.e.f. August 05, 2024)          | Power Generation      | India                                | 100%                             | -                    |
| Torrent Urja 23 Private Limited (w.e.f. August 02, 2024)          | Power Generation      | India                                | 100%                             | -                    |
| Torrent Urja 24 Private Limited (w.e.f. August 02, 2024)          | Power Generation      | India                                | 100%                             | -                    |
| Torrent Urja 25 Private Limited (w.e.f. August 02, 2024)          | Power Generation      | India                                | 100%                             | -                    |
| Torrent Urja 26 Private Limited (w.e.f. August 02, 2024)          | Power Generation      | India                                | 100%                             | -                    |
| Torrent Urja 27 Private Limited (w.e.f. August 06, 2024)          | Power Generation      | India                                | 100%                             | -                    |
| <b>Step down Subsidiary</b>                                       | Power Generation      | India                                | 100%                             | 100%                 |
| Airpower Windfarms Private Limited (w.e.f. September 01, 2023)    | Power Generation      | India                                | 100%                             | 100%                 |



**TORRENT POWER LIMITED**
**Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024**
**Note 41: Composition of the group (Contd.)**

(2) Disclosure of additional information pertaining to the Parent Company its Subsidiaries and its step down subsidiaries as per Schedule III of Companies Act, 2013 as at and for the six months ended September 30, 2024:

| Name of the entity in the Group  | Consolidated share in net assets i.e. total assets minus total liabilities |                     | Consolidated share in profit or loss |                     | Consolidated share in other comprehensive income |                     | Consolidated share in total comprehensive income |                     |
|--|--|---------------------|--------------------------------------|---------------------|--|---------------------|--|---------------------|
|  | As % of consolidated net assets  | Amount (₹ in Crore) | As % of consolidated profit          | Amount (₹ in Crore) | As % of consolidated other comprehensive income  | Amount (₹ in Crore) | As % of consolidated total comprehensive income  | Amount (₹ in Crore) |
| Torrent Power Limited - Parent Company   | 95.82%   | 13,305.59           | 98.20%                               | 1,465.27            | 77.37%   | (5.95)              | 98.31%   | 1,459.32            |
| Torrent Solargen Limited   | 1.36%  | 189.04              | (0.48%)                              | (7.18)              | -  | -                   | (0.48%)  | (7.18)              |
| Torrent Pipavav Generation Limited   | 0.20%  | 28.11               | (0.02%)                              | (0.32)              | -  | -                   | (0.02%)  | (0.32)              |
| Torrent Power Grid Limited   | 0.74%  | 102.52              | 0.44%                                | 6.59                | 1.43%  | (0.11)              | 0.44%  | 6.48                |
| Latur Renewable Private Limited  | 1.19%  | 165.71              | 1.10%                                | 16.39               | -  | -                   | 1.10%  | 16.39               |
| Jodhpur Wind Farms Private Limited   | 1.11%  | 153.74              | 0.78%                                | 11.66               | -  | -                   | 0.79%  | 11.66               |
| Torrent Electricals Limited (Formerly known as Torrent Electricals Private Limited / TCL Cables Private Limited) | 0.04%  | 5.28                | (0.67%)                              | (10.02)             | 0.13%  | (0.01)              | (0.68%)  | (10.03)             |
| Torrent Solar Power Private Limited  | (0.26%)  | (35.55)             | (0.33%)                              | (4.98)              | -  | -                   | (0.34%)  | (4.98)              |
| Torrent Saurya Urja 2 Private Limited  | (0.33%)  | (45.62)             | (2.01%)                              | (30.00)             | -  | -                   | (2.02%)  | (30.00)             |
| Torrent Saurya Urja 3 Private Limited  | (0.01%)  | (1.36)              | (0.06%)                              | (0.83)              | -  | -                   | (0.06%)  | (0.83)              |
| Torrent Saurya Urja 4 Private Limited  | 0.05%  | 7.15                | (0.03%)                              | (0.43)              | -  | -                   | (0.03%)  | (0.43)              |
| Torrent Saurya Urja 5 Private Limited  | 0.09%  | 12.10               | 0.07%                                | 1.01                | -  | -                   | 0.07%  | 1.01                |
| Visual Percept Solar Projects Private Limited  | 1.22%  | 168.86              | 0.29%                                | 4.28                | 0.13%  | (0.01)              | 0.29%  | 4.27                |
| Surya Vidyut Limited   | 2.64%  | 366.67              | 1.56%                                | 23.37               | -  | -                   | 1.57%  | 23.37               |
| Torrent Saurya Urja 6 Private Limited (formerly known as LREHL Renewables India SPV 1 Private Limited)           | 0.74%  | 102.29              | 0.32%                                | 4.73                | -  | -                   | 0.32%  | 4.73                |
| Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited                                  | 2.44%  | 338.38              | 2.87%                                | 42.77               | 10.27%   | (0.79)              | 2.83%  | 41.98               |
| Sun Shakti Solar Power Projects Private Limited  | 1.14%  | 157.92              | 0.74%                                | 10.99               | -  | -                   | 0.74%  | 10.99               |
| Torrent Urja 7 Private Limited (formerly known as Wind Two Renergy Private Limited)                              | 0.48%  | 67.00               | (0.47%)                              | (7.03)              | -  | -                   | (0.47%)  | (7.03)              |
| Torrent Urja 13 Private Limited (w.e.f. April 26, 2023)  | 0.00%  | (0.03)              | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Torrent Green Energy Private Limited (w.e.f. August 02, 2023)  | (0.01%)  | (1.86)              | (0.07%)                              | (1.07)              | -  | -                   | (0.07%)  | (1.07)              |
| Airpower Windfarms Private Limited (w.e.f. September 01, 2023)   | 0.15%  | 20.98               | (0.01%)                              | (0.12)              | -  | -                   | (0.01%)  | (0.12)              |
| Torrent Green Hydrogen Private Limited (w.e.f. December 29, 2023)  | 0.00%  | (0.12)              | (0.01%)                              | (0.12)              | -  | -                   | (0.01%)  | (0.12)              |
| Torrent Urja 8 Private Limited (w.e.f. April 28, 2023)   | (0.06%)  | (8.88)              | (0.45%)                              | (6.74)              | -  | -                   | (0.45%)  | (6.74)              |

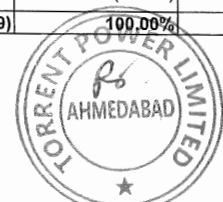
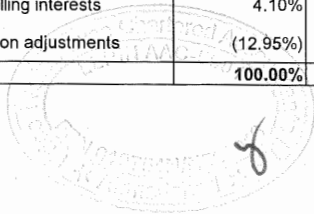


**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

Note 41: Composition of the group (Contd.)

| Name of the entity in the Group                          | Consolidated share in net assets i.e. total assets minus total liabilities |                     | Consolidated share in profit or loss |                     | Consolidated share in other comprehensive income |                     | Consolidated share in total comprehensive income |                     |
|--|--|---------------------|--------------------------------------|---------------------|--|---------------------|--|---------------------|
|  | As % of consolidated net assets  | Amount (₹ in Crore) | As % of consolidated profit          | Amount (₹ in Crore) | As % of consolidated other comprehensive income  | Amount (₹ in Crore) | As % of consolidated total comprehensive income  | Amount (₹ in Crore) |
| Torrent Urja 9 Private Limited (w.e.f. April 26, 2023)   | 0.00%  | (0.06)              | 0.00%                                | (0.02)              | -  | -                   | 0.00%  | (0.02)              |
| Torrent Urja 10 Private Limited (w.e.f. April 21, 2023)  | 0.02%  | 3.08                | 0.01%                                | 0.08                | -  | -                   | 0.01%  | 0.08                |
| Torrent Urja 11 Private Limited (w.e.f. April 20, 2023)  | 0.00%  | (0.03)              | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Torrent Urja 12 Private Limited (w.e.f. April 18, 2023)  | 0.00%  | (0.03)              | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Torrent Urja 14 Private Limited (w.e.f. May 11, 2023)    | 0.03%  | 4.17                | 0.00%                                | 0.01                | -  | -                   | 0.00%  | 0.01                |
| Torrent Urja 15 Private Limited (w.e.f. May 11, 2023)    | 0.00%  | (0.03)              | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Torrent Urja 16 Private Limited (w.e.f. May 11, 2023)    | 0.06%  | 8.63                | 0.00%                                | 0.04                | -  | -                   | 0.00%  | 0.04                |
| Torrent Urja 17 Private Limited (w.e.f. May 11, 2023)    | 0.00%  | (0.03)              | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Torrent PSH 1 Private Limited (w.e.f. January 03, 2024)  | 0.00%  | (0.01)              | 0.00%                                | (0.02)              | -  | -                   | 0.00%  | (0.02)              |
| Torrent PSH 2 Private Limited (w.e.f. January 03, 2024)  | 0.00%  | (0.01)              | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Torrent PSH 3 Private Limited (w.e.f. December 29, 2023) | 0.00%  | (0.02)              | 0.00%                                | (0.02)              | -  | -                   | 0.00%  | (0.02)              |
| Torrent PSH 4 Private Limited (w.e.f. December 30, 2023) | 0.00%  | (0.02)              | 0.00%                                | (0.02)              | -  | -                   | 0.00%  | (0.02)              |
| Solapur Transmission Limited (w.e.f. March 20, 2024)     | 0.00%  | (0.38)              | (0.02%)                              | (0.37)              | -  | -                   | (0.02%)  | (0.37)              |
| MSKVY Ninth Solar SPV Limited (w.e.f. April 18, 2024)    | 0.00%  | (0.19)              | (0.01%)                              | (0.20)              | -  | -                   | (0.01%)  | (0.20)              |
| Torrent Urja 18 Private Limited (w.e.f. July 27, 2024)   | -  | -                   | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Torrent Urja 19 Private Limited (w.e.f. August 06, 2024) | -  | -                   | -                                    | -                   | -  | -                   | -  | -                   |
| Torrent Urja 20 Private Limited (w.e.f. August 06, 2024) | -  | -                   | -                                    | -                   | -  | -                   | -  | -                   |
| Torrent Urja 21 Private Limited (w.e.f. August 05, 2024) | -  | -                   | -                                    | -                   | -  | -                   | -  | -                   |
| Torrent Urja 22 Private Limited (w.e.f. August 05, 2024) | -  | -                   | -                                    | -                   | -  | -                   | -  | -                   |
| Torrent Urja 23 Private Limited (w.e.f. August 02, 2024) | -  | -                   | -                                    | -                   | -  | -                   | -  | -                   |
| Torrent Urja 24 Private Limited (w.e.f. August 02, 2024) | -  | -                   | -                                    | -                   | -  | -                   | -  | -                   |
| Torrent Urja 25 Private Limited (w.e.f. August 02, 2024) | -  | -                   | -                                    | -                   | -  | -                   | -  | -                   |
| Torrent Urja 26 Private Limited (w.e.f. August 02, 2024) | -  | -                   | -                                    | -                   | -  | -                   | -  | -                   |
| Torrent Urja 27 Private Limited (w.e.f. August 06, 2024) | -  | -                   | -                                    | -                   | -  | -                   | -  | -                   |
| Non-controlling interests                                | 4.10%  | 569.79              | 2.60%                                | 38.79               | 10.67%   | (0.82)              | 2.56%  | 37.97               |
| Consolidation adjustments                                | (12.95%)   | (1,797.14)          | (4.34%)                              | (64.36)             | -  | -                   | (4.36%)  | (64.36)             |
| <b>Total</b>   | <b>100.00%</b>   | <b>13,885.64</b>    | <b>100.00%</b>                       | <b>1,492.06</b>     | <b>100.00%</b>                                   | <b>(7.69)</b>       | <b>100.00%</b>                                   | <b>1,484.37</b>     |



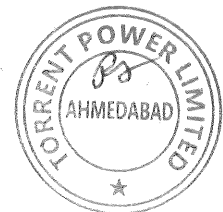
**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 41: Composition of the group (Contd.)**

(2) Disclosure of additional information pertaining to the Parent Company its Subsidiaries and its step down subsidiaries as per Schedule III of Companies Act, 2013 as at and for the year ended March 31, 2024:

| Name of the entity in the Group  | Consolidated share in net assets i.e. total assets minus total liabilities |                     | Consolidated share in profit or loss |                     | Consolidated share in other comprehensive income |                     | Consolidated share in total comprehensive income |                     |
|--|--|---------------------|--------------------------------------|---------------------|--|---------------------|--|---------------------|
|  | As % of consolidated net assets  | Amount (₹ in Crore) | As % of consolidated profit          | Amount (₹ in Crore) | As % of consolidated other comprehensive income  | Amount (₹ in Crore) | As % of consolidated total comprehensive income  | Amount (₹ in Crore) |
| Torrent Power Limited - Parent Company   | 95.56%   | 12,038.51           | 94.83%                               | 1,798.03            | 72.64%   | (10.21)             | 95.00%   | 1,787.82            |
| Torrent Solargen Limited   | (0.02%)  | (2.91)              | (0.85%)                              | (16.07)             | -  | -                   | (0.85%)  | (16.07)             |
| Torrent Pipavav Generation Limited   | 0.23%  | 28.43               | (0.04%)                              | (0.71)              | -  | -                   | (0.04%)  | (0.71)              |
| Torrent Power Grid Limited   | 0.85%  | 107.35              | 0.66%                                | 12.57               | 0.14%  | (0.02)              | 0.67%  | 12.55               |
| Latur Renewable Private Limited  | 1.19%  | 149.32              | 0.89%                                | 16.92               | -  | -                   | 0.90%  | 16.92               |
| Jodhpur Wind Farms Private Limited   | 1.13%  | 142.08              | 0.73%                                | 13.86               | -  | -                   | 0.74%  | 13.86               |
| Torrent Electricals Limited (Formerly known as Torrent Electricals Private Limited / TCL Cables Private Limited) | 0.12%  | 15.30               | (1.48%)                              | (27.99)             | 4.91%  | (0.69)              | (1.52%)  | (28.68)             |
| Torrent Solar Power Private Limited  | (0.24%)  | (30.56)             | (0.81%)                              | (15.40)             | -  | -                   | (0.82%)  | (15.40)             |
| Torrent Saurya Urja 2 Private Limited  | (0.12%)  | (15.62)             | (0.54%)                              | (10.24)             | -  | -                   | (0.54%)  | (10.24)             |
| Torrent Saurya Urja 3 Private Limited  | 0.00%  | (0.53)              | (0.06%)                              | (1.11)              | -  | -                   | (0.06%)  | (1.11)              |
| Torrent Saurya Urja 4 Private Limited  | (0.02%)  | (2.14)              | (0.11%)                              | (2.06)              | -  | -                   | (0.11%)  | (2.06)              |
| Torrent Saurya Urja 5 Private Limited  | 0.08%  | 9.79                | (0.10%)                              | (1.86)              | -  | -                   | (0.10%)  | (1.86)              |
| Visual Percept Solar Projects Private Limited  | 1.35%  | 169.64              | 1.15%                                | 21.86               | 0.14%  | (0.02)              | 1.16%  | 21.84               |
| Surya Vidyut Limited   | 2.73%  | 343.30              | 1.38%                                | 26.44               | 0.07%  | (0.01)              | 1.40%  | 26.43               |
| Torrent Saurya Urja 6 Private Limited (formerly known as LREHL Renewables India SPV 1 Private Limited)           | 0.77%  | 97.56               | 0.98%                                | 18.67               | -  | -                   | 0.99%  | 18.67               |
| Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited                                  | 2.35%  | 296.41              | 3.71%                                | 70.36               | 11.17%   | (1.57)              | 3.66%  | 68.79               |
| Sun Shakti Solar Power Projects Private Limited  | 1.17%  | 146.93              | 0.99%                                | 18.72               | -  | -                   | 0.99%  | 18.72               |
| Torrent Urja 7 Private Limited (formerly known as Wind Two Renergy Private Limited)                              | 0.33%  | 41.79               | (0.21%)                              | (4.03)              | -  | -                   | (0.21%)  | (4.03)              |
| Torrent Urja 13 Private Limited (w.e.f. April 26, 2023)  | 0.00%  | (0.02)              | 0.00%                                | (0.03)              | -  | -                   | 0.00%  | (0.03)              |
| Torrent Green Energy Private Limited (w.e.f. August 02, 2023)  | (0.01%)  | (0.79)              | (0.04%)                              | (0.84)              | -  | -                   | (0.04%)  | (0.84)              |
| Airpower Windfarms Private Limited (w.e.f. September 01, 2023)   | 0.17%  | 21.10               | (0.03%)                              | (0.64)              | -  | -                   | (0.03%)  | (0.64)              |
| Torrent Green Hydrogen Private Limited (w.e.f. December 29, 2023)  | -  | -                   | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Torrent Urja 8 Private Limited (w.e.f. April 28, 2023)   | (0.02%)  | (2.14)              | (0.03%)                              | (0.64)              | -  | -                   | (0.03%)  | (0.64)              |

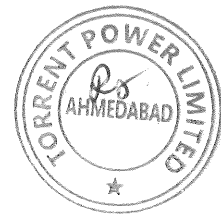
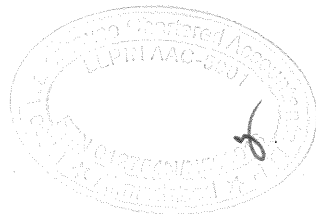


**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 41: Composition of the group (Contd.)**

| Name of the entity in the Group                          | Consolidated share in net assets i.e. total assets minus total liabilities |                     | Consolidated share in profit or loss |                     | Consolidated share in other comprehensive income |                     | Consolidated share in total comprehensive income |                     |
|--|--|---------------------|--------------------------------------|---------------------|--|---------------------|--|---------------------|
|  | As % of consolidated net assets  | Amount (₹ in Crore) | As % of consolidated profit          | Amount (₹ in Crore) | As % of consolidated other comprehensive income  | Amount (₹ in Crore) | As % of consolidated total comprehensive income  | Amount (₹ in Crore) |
| Torrent Urja 9 Private Limited (w.e.f. April 26, 2023)   | 0.00%  | (0.04)              | 0.00%                                | (0.05)              | -  | -                   | 0.00%  | (0.05)              |
| Torrent Urja 10 Private Limited (w.e.f. April 21, 2023)  | 0.02%  | 2.68                | (0.01%)                              | (0.21)              | -  | -                   | (0.01%)  | (0.21)              |
| Torrent Urja 11 Private Limited (w.e.f. April 20, 2023)  | 0.00%  | (0.02)              | 0.00%                                | (0.03)              | -  | -                   | 0.00%  | (0.03)              |
| Torrent Urja 12 Private Limited (w.e.f. April 18, 2023)  | 0.00%  | (0.02)              | 0.00%                                | (0.03)              | -  | -                   | 0.00%  | (0.03)              |
| Torrent Urja 14 Private Limited (w.e.f. May 11, 2023)    | 0.00%  | (0.02)              | 0.00%                                | (0.03)              | -  | -                   | 0.00%  | (0.03)              |
| Torrent Urja 15 Private Limited (w.e.f. May 11, 2023)    | 0.00%  | (0.02)              | 0.00%                                | (0.03)              | -  | -                   | 0.00%  | (0.03)              |
| Torrent Urja 16 Private Limited (w.e.f. May 11, 2023)    | 0.00%  | (0.02)              | 0.00%                                | (0.03)              | -  | -                   | 0.00%  | (0.03)              |
| Torrent Urja 17 Private Limited (w.e.f. May 11, 2023)    | 0.00%  | (0.02)              | 0.00%                                | (0.03)              | -  | -                   | 0.00%  | (0.03)              |
| Torrent PSH 1 Private Limited (w.e.f. January 03, 2024)  | 0.00%  | 0.01                | -                                    | -                   | -  | -                   | -  | -                   |
| Torrent PSH 2 Private Limited (w.e.f. January 03, 2024)  | 0.00%  | 0.01                | -                                    | -                   | -  | -                   | -  | -                   |
| Torrent PSH 3 Private Limited (w.e.f. December 29, 2023) | -  | -                   | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Torrent PSH 4 Private Limited (w.e.f. December 30, 2023) | -  | -                   | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Solapur Transmission Limited (w.e.f. March 20, 2024)     | -  | -                   | 0.00%                                | (0.01)              | -  | -                   | -  | (0.01)              |
| Non-controlling interests                                | 4.25%  | 535.79              | 3.31%                                | 62.77               | 0.11   | (1.53)              | 3.25%  | 61.24               |
| Consolidation adjustments                                | (11.87%)   | (1,493.63)          | (4.32%)                              | (82.10)             | -  | -                   | (4.40%)  | (82.10)             |
| <b>Total</b>   | <b>100.00%</b>   | <b>12,597.50</b>    | <b>100.00%</b>                       | <b>1,896.00</b>     | <b>100.00%</b>                                   | <b>(14.05)</b>      | <b>100.00%</b>                                   | <b>1,881.95</b>     |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 41: Composition of the group (Contd.)**
**(b) Summarised Financial Information of Material Non Controlling Interests**

Financial Information of Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited that have material non-controlling interest is provided below:

Proportion of equity interest held by non-controlling interests:

| Name of subsidiary  | Place of incorporation and operation | Proportion of ownership interest by non controlling interest |                      |
|---|--------------------------------------|--|----------------------|
|   |                                      | As at September 30, 2024                                     | As at March 31, 2024 |
| Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited | India                                | 49%  | 49%                  |

**(i) Summarised Balance Sheet:**

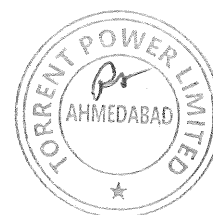
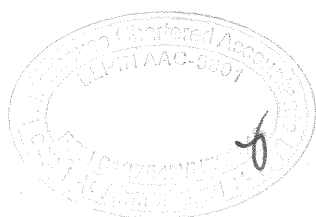
|                                     | (₹ in Crore)             |                      |
|-------------------------------------|--------------------------|----------------------|
|                                     | As at September 30, 2024 | As at March 31, 2024 |
| Non-current Assets                  | 683.24                   | 606.66               |
| Current Assets                      | 1,379.39                 | 1034.64              |
| Non-current Liabilities             | (177.43)                 | (28.83)              |
| Current Liabilities                 | (1,221.71)               | (1,031.27)           |
|                                     | <b>663.49</b>            | <b>581.20</b>        |
| <b>Accumulated share of Profit:</b> |                          |                      |
| Owners of the company               | 338.38                   | 296.41               |
| Non-controlling interest            | 325.11                   | 284.79               |

**(ii) Summarised Statement of Profit and Loss:**

|  | (₹ in Crore)                        |                                     |
|--|-------------------------------------|-------------------------------------|
|  | Six months ended September 30, 2024 | Six months ended September 30, 2023 |
| <b>Income</b>                                  |                                     |                                     |
| Revenue from operations                        | 3,122.39                            | 3,167.51                            |
| Other income                                   | 28.81                               | 34.55                               |
| <b>Total Income</b>                            | <b>3,151.20</b>                     | <b>3,202.06</b>                     |
| <b>Expenses</b>                                |                                     |                                     |
| Electrical energy purchased                    | (2,947.37)                          | (3,034.27)                          |
| Employee benefits expense                      | (22.49)                             | (19.86)                             |
| Finance costs                                  | (25.43)                             | (12.04)                             |
| Depreciation and amortisation expense          | (11.42)                             | (8.70)                              |
| Other expenses                                 | (31.09)                             | (32.68)                             |
| <b>Total expenses</b>                          | <b>(3,037.80)</b>                   | <b>(3,107.55)</b>                   |
| <b>Profit before tax</b>                       | <b>113.40</b>                       | <b>94.51</b>                        |
| Tax expense                                    | (29.53)                             | (24.88)                             |
| <b>Profit for the Period</b>                   | <b>83.87</b>                        | <b>69.63</b>                        |
| Other Comprehensive Income for the year        | (1.58)                              | (1.92)                              |
| <b>Total Comprehensive Income for the year</b> | <b>82.29</b>                        | <b>67.71</b>                        |
| <b>Attributable to:</b>                        |                                     |                                     |
| Owners of the company                          | 41.97                               | 34.53                               |
| Non-controlling interest                       | 40.32                               | 33.18                               |

**(iii) Summarised Cash Flow information:**

|   | (₹ in Crore)                        |                                     |
|---|-------------------------------------|-------------------------------------|
|   | Six months ended September 30, 2024 | Six months ended September 30, 2023 |
| Operating Activities  | (137.10)                            | 193.74                              |
| Investing Activities  | (116.01)                            | (67.82)                             |
| Financing Activities  | 267.81                              | (5.45)                              |
| <b>Net (Decrease) / Increase in Cash and Cash Equivalents</b> | <b>14.70</b>                        | <b>120.47</b>                       |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 42: Business Acquisition / Asset acquisitions**

**A Acquisitions during the six months ended September 30, 2024**

**Details of asset acquisitions**

**(i) MSKVY Ninth Solar SPV Limited**

On April 18, 2024, the Company has signed a Share Purchase Agreement (SPA) with MSEB Agro Solar Power Limited (the Seller) through competitive bidding process for the acquisition of 100% share capital of MSKVY Ninth Solar SPV Limited (MSKVY), which will develop Solar energy based power plant of 306 MW in Maharashtra. Pursuant to the SPA, MSKVY has become wholly owned subsidiary of the Company w.e.f. April 18, 2024.

Based on guidance on definition of business under Ind AS, Management has classified above acquisitions as asset acquisitions. The management has assessed that above acquisitions does not meet the definition of 'business' in accordance with the principles laid down under Ind AS 103 - Business Combinations and hence have been considered to be 'asset acquisition', considering the factors like the purchase consideration pertains to the fair value of the Solar / Wind assets, the only key activity for this acquisition is the maintenance of the Solar / Wind assets and there are no other substantive processes required for the generation of output.

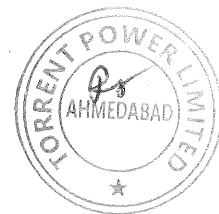
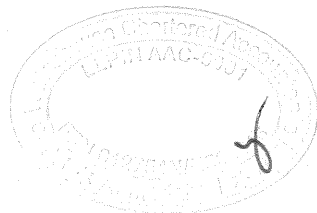
**Consideration Transferred**

| Particulars  | (₹ in Crore)                             |
|--|--|
|  | <b>MSKVY Ninth Solar<br/>SPV Limited</b> |
| Consideration paid in cash for purchase of Equity shares | 0.50                                     |
|  | <u><u>0.50</u></u>                       |

**Net amount of Assets and Liabilities**

| Particulars                      | (₹ in Crore)                             |
|----------------------------------|--|
|                                  | <b>MSKVY Ninth Solar<br/>SPV Limited</b> |
| <b>Assets</b>                    |  |
| Other current assets             | 0.01                                     |
| <b>Total Assets Acquired</b>     | <u>0.01</u>                              |
| <b>Liabilities</b>               |  |
| Other current liabilities        | *  |
| <b>Total Liabilities Assumed</b> | <u>*</u>                                 |
| <b>Net Assets Acquired</b>       | <u><u>0.01</u></u>                       |

The Group has charged Rs. 0.49 Crores related to incorporation expenses paid to MSEB Agro Solar Power Limited to Miscellaneous expenses during the period.





**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 42: Business Acquisition / Asset acquisitions(Contd.)****B Acquisitions during the previous year (FY 2023-24)****Details of asset acquisitions****(i) Airpower Windfarms Private Limited**

On September 01, 2023, the Company through its subsidiary, Torrent Green Energy Private Limited (TGEPL) has signed a Share Purchase Agreement (SPA) with Powerica Limited and Vestas Wind Technology India Private Limited (the Sellers) for the acquisition of 100% share capital of Airpower Windfarms Private Limited (AWPL), which holds leasehold revenue land situated in the state of Gujarat for the purpose of development of wind power project. AWPL has become wholly owned subsidiary of the TGEPL w.e.f. September 01, 2023.

**(ii) Solapur Transmission Limited**

On March 20, 2024, the Company has signed a Share Purchase Agreement (SPA) with PFC Consulting Limited (the Seller) through competitive bidding process for the acquisition of 100% share capital of Solapur Transmission Limited (STL), which will set up the transmission project on build, own, operate and transfer (BOOT) basis and will provide Transmission Service of power from the RE projects in Solapur SEZ in Maharashtra. Pursuant to the SPA, STL has become wholly owned subsidiary of the Company w.e.f. March 20, 2024.

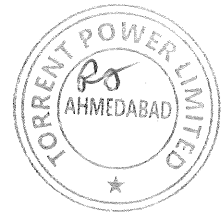
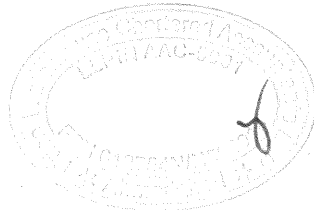
Based on guidance on definition of business under Ind AS, Management has classified above acquisitions as asset acquisitions. The management has assessed that above acquisitions does not meet the definition of 'business' in accordance with the principles laid down under Ind AS 103 - Business Combinations and hence have been considered to be 'asset acquisition', considering the factor that the purchase consideration pertain to the fair value of leasehold land for development of renewable power assets.

**Consideration Transferred**

| Particulars  | (₹ in Crore)                       |                              |
|--|------------------------------------|------------------------------|
|  | Airpower Windfarms Private Limited | Solapur Transmission Limited |
| Consideration paid in cash for purchase of Equity shares | 21.52                              | 0.01                         |
|  | <b>21.52</b>                       | <b>0.01</b>                  |

**Net amount of Assets and Liabilities**

| Particulars  | (₹ in Crore)                       |                              |
|--|------------------------------------|------------------------------|
|  | Airpower Windfarms Private Limited | Solapur Transmission Limited |
| <b>Assets</b>  |                                    |                              |
| Property, plant and equipment (including Capital Work in Progress) | 18.69                              | 6.29                         |
| Right-of-use assets  | 0.03                               | -                            |
| Other current assets   | 2.86                               | 0.01                         |
| <b>Total Assets Acquired</b>                                       | <b>21.58</b>                       | <b>6.30</b>                  |
| <b>Liabilities</b>   |                                    |                              |
| Current Borrowings   | -                                  | 5.61                         |
| Trade payables   | 0.05                               | -                            |
| Other financial liabilities  | -                                  | 0.12                         |
| Other current liabilities  | 0.01                               | 0.56                         |
| <b>Total Liabilities Assumed</b>                                   | <b>0.06</b>                        | <b>6.29</b>                  |
| <b>Net Assets Acquired</b>   | <b>21.52</b>                       | <b>0.01</b>                  |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

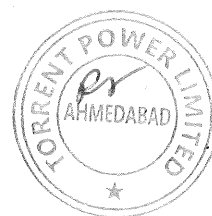
**Note 43: Assets Held For Sale**

The Board of Directors of the Company at its meeting dated July 30, 2024 has approved sale of 8,40,00,000 Equity Shares i.e. 100% of its shareholding / investment in Torrent Electricals Limited (TEL) (formerly known as Torrent Electricals Private Limited / TCL Cables Private Limited) to Torrent Investments Private Limited (TIPL), the Holding Company, at a consideration of ₹ 85.00 Crore. On October 17, 2024, Share Purchase Agreement (SPA) has been executed amongst the Company, TIPL and TEL. Pursuant to the SPA, and considering the requirements of Ind AS 105 – 'Non-current Assets Held for Sale and Discontinued Operations', assets and liabilities pertaining to TEL's business have been classified and presented as 'Assets classified as Held for Sale' and 'Liabilities directly associated with assets classified as held for sale' respectively as at September 30, 2024.

| Particulars  | (₹ in Crore)<br>As at September<br>30, 2024 |
|--|---|
| <b>Assets classified as held for sale</b>                                      |   |
| <b>Non-current assets</b>  |   |
| Property, plant and equipment  | 65.71                                       |
| Capital work-in-progress   | 3.57  |
| Financial assets   | 1.51  |
| Deferred tax assets (net)  | 20.14                                       |
| Non-current tax assets (net)   | 1.04  |
| Other non-current assets   | 4.56  |
|  | <u>96.53</u>                                |
| <b>Current assets</b>  |   |
| Inventories  | 92.72                                       |
| Financial assets   |   |
| Trade receivables  | 156.61                                      |
| Cash and cash equivalents  | 8.62  |
| Bank balances other than cash and cash equivalents above                       | 2.21  |
| Other financial assets   | 2.44  |
| Other current assets   | 8.09  |
|  | <u>270.69</u>                               |
|  | <u>367.22</u>                               |
| <b>Liabilities directly associated with assets classified as held for sale</b> |   |
| <b>Current liabilities</b>   |   |
| Financial liabilities  |   |
| Borrowings   | 75.13                                       |
| Trade payables   | 45.98                                       |
| Other financial liabilities  | 4.38  |
| Other current liabilities  | 11.12                                       |
| Provisions   | 6.36  |
|  | <u>142.97</u>                               |
| <b>Net Assets classified as held for sale*</b>                                 | <b>224.25</b>                               |

\* Excluding ₹ 218.97 Crore on account of net inter-company payables.

Working capital facility of ₹ 50.00 Crore is secured by a first exclusive charge by way of hypothecation in respect of entire movable assets and current assets of subsidiary company, Torrent Electricals Limited (formerly known as Torrent Electricals Private Limited / TCL Cables Private Limited) (TEL), both present and future of TEL.



**TORRENT POWER LIMITED**

**Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024**

**Note 44: Impairment assessment**

**(1) DGEN Power Plant**

Net carrying value of Property, plant & equipment ("PPE") and Right-of-use assets ("ROU") as at September 30, 2024 includes ₹ 1,206.66 Crore (March 31, 2024 ₹ 1,237.82 Crore) pertaining to 1,200 MW DGEN Mega Power Project located at Dahej, Gujarat including its Transmission Line ("DGEN"). DGEN started commercial operations with effect from November 2014 and thereafter had operated only intermittently / partially including the current six months due to various factors such as unavailability of domestic gas, high prices of imported gas and non-availability of power selling arrangement.

In view of the above and given the current economic environment, the Company had carried out an impairment assessment of DGEN as at March 31, 2024 by considering the recoverable amount based on value-in-use of DGEN in accordance with Indian Accounting Standard 36 'Impairment of Assets' and concluded that no further impairment loss is required as at March 31, 2024. The Company has reviewed the key assumptions underlying the above assessment as on September 30, 2024 and concluded that no further impairment provision is considered necessary as at September 30, 2024.

During the earlier years, the Company had provided for impairment loss of ₹ 2,300.00 Crore (March 31, 2024: ₹ 2,300.00 Crore).

Assessment of 'value-in-use' involves several key assumptions including expected demand, future price of fuel, expected tariff rates for electricity, discount rate, exchange rate and electricity market scenario, based on past trends and the current and likely future state of the industry. Management reviews such assumptions periodically to factor updated information based on events or changes in circumstances in order to make fresh assessment of impairment, if any.

**(2) Investment in Torrent Pipavav Generation Limited**

Torrent Pipavav Generation Limited ("TPGL"), a subsidiary of the Company and a joint venture between the Company and Gujarat Power Corporation Limited ("GPCL"), had made payments in nature of compensation for acquisition of private land as per the court orders in Amreli, Gujarat for the purpose of developing a coal-based power plant of 1,000+ MW. Due to non-availability of fuel linkage, Government of Gujarat ("GoG") vide its letter dated December 06, 2017, communicated that the said project may not be developed and accordingly, the joint venture is intended to be dissolved. Further, as per the said letter, the cost of land would be reimbursed after the disposal of land.

As per the Letter dated January 23, 2024 from Revenue Department, Government of Gujarat, the said land is now to be handed over to the Collector, Amreli and had determined the amount to be paid to GPCL towards the cost incurred for acquisition of aforesaid land. The Collector, Amreli has taken a possession of the said land and on March 31, 2024 has released partial amount to GPCL for payment to be made towards the cost incurred for acquisition of aforesaid land to GPCL. TPGL is pursuing with GPCL for reimbursement of its share from the amount received from the Collector, Amreli. Considering the above facts, assets and liabilities are reflected at their net realisable values or cost whichever is lower and the financial statements of TPGL for six months ended September 30, 2024 have been prepared on a non-going concern basis.

The management has made an impairment assessment of the amount recoverable from GPCL and concluded that there is no impairment required in the carrying amount.

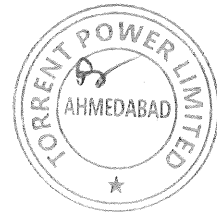
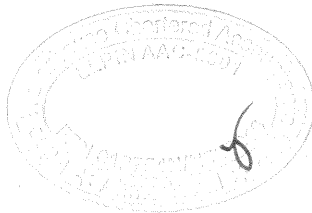
**(3) Impairment testing of Goodwill**

Net carrying value of Goodwill of ₹ 171.07 crore as at September 30, 2024 and March 31, 2024 pertaining to acquisition of 'Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited (DNHDDPDCL)', considered as Cash generating unit ('CGU') for the purpose of impairment assessment of goodwill in accordance with Ind AS 36. The Group tests goodwill for impairment at each reporting date or based on any identified impairment indicator. The Group provides for impairment if the carrying amount of goodwill exceeds its recoverable amount. The recoverable amount is determined based on "value in use" calculations which is calculated as the net present value of forecasted cash flows of CGU to which the goodwill is related.

The key assumptions for impairment assessment of Goodwill are as follows:

- a) Projected cash flows for five years based on financial budgets / forecasts. The perpetuity value is taken based on the long term growth rate of 3%.
- b) Discount rate applied to projected cash flow is 10.10%.

The Management believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU. Accordingly Goodwill is not required to be impaired as at September 30, 2024.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 45: Contingent liabilities, contingent assets and capital commitments**

**(a) Contingent liabilities**

|  | (₹ in Crore)                |                         |
|--|-----------------------------|-------------------------|
|  | As at<br>September 30, 2024 | As at<br>March 31, 2024 |
| Disputed income tax matters  | 20.37                       | 20.65                   |
| Disputed sales tax matters   | 5.25                        | 5.25                    |
| Disputed service tax matters   | 0.49                        | 0.49                    |
| Disputed custom duty matters   | 18.50                       | 18.50                   |
| Disputed excise duty matters   | 0.43                        | 2.88                    |
| Disputed stamp duty matters  | 36.37                       | 36.37                   |
| Disputed value added tax matters                                     | 3.36                        | 3.36                    |
| Disputed central sales tax matters                                   | 4.09                        | 4.09                    |
| Disputed Goods and Service Tax matters                               | 16.20                       | 4.65                    |
| Claims against the Group not acknowledged as debt [Refer footnote 3] | 182.12                      | 165.27                  |

The Group has evaluated the impact of Supreme Court ("SC") judgement dated February 28, 2019 in the case of Regional Provident Fund Commissioner (II) West Bengal v/s Vivekananda Vidyamandir and Others, in relation to exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to Provident Fund ("PF") under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. There are interpretation issues relating to the said SC judgement. Based on such evaluation, management has concluded that effect of the aforesaid judgement on the Group is not material and accordingly, no provision has been made as at September 30, 2024.

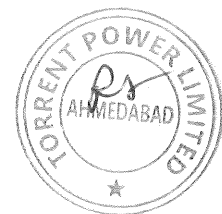
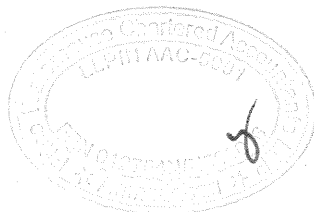
**Footnotes :**

- Management believes that its position on the aforesaid direct and indirect tax demands and other claims against the Group will likely be upheld in the appellate process and accordingly no provision has been made in then un-audited interim special purpose condensed consolidated financial statements for such demands.
- In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute / matters. No reimbursement is expected.
- Break up of claims against the Group not acknowledged as debt:

|  | (₹ in Crore)                |                         |
|--|-----------------------------|-------------------------|
|  | As at<br>September 30, 2024 | As at<br>March 31, 2024 |
| Claim of regulatory surcharge including interest in franchise distribution business                            | 98.84                       | 94.52                   |
| Demand including interest for Tariff Indexation for excess energy withdrawn in franchise distribution business | 28.43                       | 26.04                   |
| Compensation payable for short lifting for material  | 8.46                        | 8.46                    |
| Others   | 46.39                       | 36.25                   |
|  | <u>182.12</u>               | <u>165.27</u>           |

**(b) Contingent assets**

|   | (₹ in Crore)                |                         |
|---|-----------------------------|-------------------------|
|   | As at<br>September 30, 2024 | As at<br>March 31, 2024 |
| Claim for coal grade slippage                       | 25.49                       | 9.65                    |
| Claim of compensation for short lifting of material | 8.46                        | 8.46                    |
|   | <u>33.95</u>                | <u>18.11</u>            |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 45: Contingent liabilities, contingent assets and capital commitments (Contd.)**

**(c) Capital and other commitments**

(₹ in Crore)

As at

March 31, 2024

As at  
September 30, 2024

**i) Capital commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

Property, plant and equipment

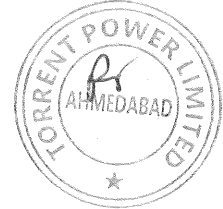
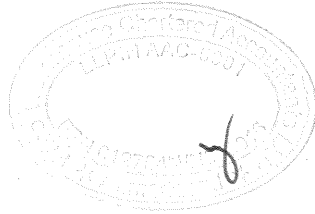
5,786.71

3,431.10

(d) For Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited (the 'DNHDDPDCL') a subsidiary of the Company during the previous year, Ratnagiri Gas & Power Pvt Ltd (RGPPL) has raised the invoices pertaining to power purchase including late payment surcharge outstanding till March 31, 2024 aggregating to Rs 243.52 crores, subsequent to the order of Hon'ble Supreme Court in the case of Maharashtra State Electricity Distribution Corporation Limited ('MSEDCL') vs RGPPL. The erstwhile DNH Power Distribution Corporation Limited ('DNH PDCL') had terminated power Purchase Agreement ('PPA') on August 25, 2016 and had not paid invoices raised by RGPPL.

As per Transfer scheme, (i) RGPPL PPA with DNH PDCL was not transferred to the Company and hence it is not liable to make the payment of the invoices. (ii) RGPPL PPA with Electricity Department of Union Territory of Dadra and Nagar Haveli and Daman and Diu ('ED-DD') was transferred to the Company, however the invoices for outstanding amount were prior to transfer of electricity distribution business of ED-DD to the Company, and hence it is not liable to make the payment of the invoices.

DNHDDPDCL has requested erstwhile DNH PDCL and ED-DD to discuss the aforesaid matter with RGPPL. DNHDDPDCL has also sought legal opinion and is confident that it bears no liability, thus no provision has been made in the consolidated financial statements for the year ended March 31, 2024. During six months ended September 30, 2024, DNHDDPDCL has received revised invoices for the period only pertaining after takeover (April 01, 2022) and the same have been recognised and paid. Accordingly there is no Contingent liability as at September 30, 2024.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 46: Earnings per share**

|                                | Six months ended September<br>30, 2024 | Six months ended September<br>30, 2023 |
|--------------------------------|--|--|
| Basic earnings per share (₹)   | 30.24                                  | 21.70                                  |
| Diluted earnings per share (₹) | 30.24                                  | 21.70                                  |

**Basic and diluted earnings per share**

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:

|  | Six months ended September<br>30, 2024 | Six months ended September<br>30, 2023 |
|--|--|--|
| Profit for the year attributable to the owners of the Company (₹ in Crore) | 1,453.27                               | 1,043.16                               |
| Weighted average number of equity shares (No.)                             | 48,06,16,784                           | 48,06,16,784                           |
| Nominal value of shares (₹)  | 10                                     | 10                                     |

The Company does not have any dilutive potential ordinary shares and therefore diluted earnings per share is the same as basic earnings per share.

**Note 47: Operating segment**

During the current period, for reporting financial information to the entity's chief operating decision maker (CODM), the Group has presented its segment information in the un-audited interim special purpose condensed consolidated financial statements as per Ind AS 108 – 'Operating Segments'. The CODM evaluates the Group's performance and applies the resources to whole of the Group's business viz. "Generation, Renewables, Transmission and Distribution of Power". In accordance with Ind AS - 108 "Operating Segments", the Group's reportable segments are as follows :-

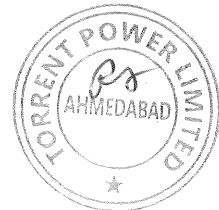
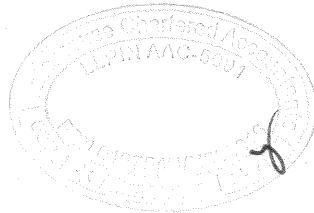
**Generation:** Comprises of generation of power from thermal sources (gas and coal) and trading of Regassified Liquefied Natural Gas.

**Transmission and Distribution:** Comprises of transmission and distribution business (licensed and franchisee) and related ancillary services. It also comprises Power Cable business.

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

Revenue and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

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



**TORRENT POWER LIMITED**

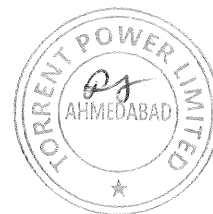
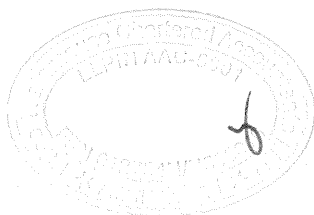
Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 47: Operating segment (Contd.)**

|  | (₹ in Crore)                                   |  |
|--|--|--|
|  | Six months ended September<br>30, 2024         | Six months ended September<br>30, 2023         |
| <b>1 Segment revenue</b>   |  |  |
| (a) Generation   | 5,511.20                                       | 4,193.01                                       |
| (b) Transmission and Distribution  | 13,530.96                                      | 12,973.06                                      |
| (c) Renewables   | 598.56   | 657.91   |
| <b>Total segment revenue</b>   | <u>19,640.72</u>                               | <u>17,823.98</u>                               |
| Less: Inter segment revenue  | (3,431.18)                                     | (3,535.44)                                     |
| <b>Total revenue from operations</b>   | <u>16,209.54</u>                               | <u>14,288.54</u>                               |
|  | <b>Six months ended September<br/>30, 2024</b> | <b>Six months ended September<br/>30, 2023</b> |
| <b>2 Segment results (Profit before tax, depreciation and finance costs)</b> |  |  |
| (a) Generation   | 1,029.10                                       | 594.98   |
| (b) Transmission and Distribution  | 1,755.80                                       | 1,463.88                                       |
| (c) Renewables   | 510.28   | 587.19   |
| <b>Total segment results</b>   | <u>3,295.18</u>                                | <u>2,646.05</u>                                |
| Add: Unallocated   | (28.95)  | (45.97)  |
| Less: Finance costs  | (532.43)                                       | (474.44)                                       |
| Less: Depreciation and amortisation expense                                  | (730.47)                                       | (673.70)                                       |
| <b>Profit before tax</b>   | <u>2,003.33</u>                                | <u>1,451.94</u>                                |
|  | <b>As at<br/>September 30, 2024</b>            | <b>As at<br/>March 31, 2024</b>                |
| <b>3 Segment assets</b>  |  |  |
| (a) Generation   | 5,251.38                                       | 4,806.00                                       |
| (b) Transmission and Distribution*   | 21,555.93                                      | 20,169.02                                      |
| (c) Renewables   | 8,908.62                                       | 8,073.37                                       |
| (d) Unallocated / Inter segment  | (142.40)                                       | 344.09   |
| <b>Total assets</b>  | <u>35,573.53</u>                               | <u>33,392.48</u>                               |
|  | <b>As at<br/>September 30, 2024</b>            | <b>As at<br/>March 31, 2024</b>                |
| <b>4 Segment liabilities</b>   |  |  |
| (a) Generation   | 3,265.92                                       | 3,275.74                                       |
| (b) Transmission and Distribution*   | 15,297.16                                      | 14,473.64                                      |
| (c) Renewables   | 6,125.24                                       | 5,527.81                                       |
| (d) Unallocated / Inter Segment  | (3,000.43)                                     | (2,482.21)                                     |
| <b>Total liabilities</b>   | <u>21,687.89</u>                               | <u>20,794.98</u>                               |
|  | <b>Six months ended September<br/>30, 2024</b> | <b>Six months ended September<br/>30, 2023</b> |
| <b>5 Depreciation and Amortisation</b>                                       |  |  |
| (a) Generation   | 141.04   | 140.85   |
| (b) Transmission and Distribution  | 383.55   | 335.33   |
| (c) Renewables   | 203.09   | 194.45   |
| (d) Unallocated  | 2.79   | 3.07   |
| <b>Total Depreciation and Amortisation</b>                                   | <u>730.47</u>                                  | <u>673.70</u>                                  |
|  | <b>Six months ended September<br/>30, 2024</b> | <b>Six months ended September<br/>30, 2023</b> |
| <b>6 Addition to Capital Expenditure</b>                                     |  |  |
| (a) Generation   | 21.91  | 4.92   |
| (b) Transmission and Distribution  | 554.47   | 811.05   |
| (c) Renewables   | 796.10   | 341.67   |
| (d) Unallocated  | 0.25   | 5.69   |
| <b>Total Addition to Capital Expenditure</b>                                 | <u>1,372.73</u>                                | <u>1,163.33</u>                                |

\* Includes "Assets held for sale" and "Liabilities associated with asset held for sale" respectively.

The Group's operations are wholly confined within India and as such there is no reportable geographical information.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

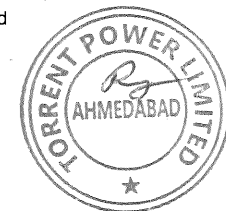
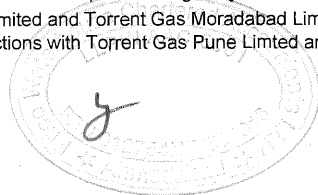
**Note 48: Related party disclosures**

**(a) Names of related parties and description of relationship:**

|   |  |  |
|---|--|--|
| 1 | <b>Entities having joint control over Parent Company</b>   | Mehta Family Trust 1, Mehta Family Trust 2, Mehta Family Trust 3, Mehta Family Trust 4   |
| 2 | <b>Parent Company</b>  | Torrent Investments Private Limited  |
| 3 | <b>Employee benefits plans*</b>  | TPL (Ahmedabad) Gratuity Trust, TPL (Ahmedabad) Superannuation Fund, TPL (Surat) Gratuity Trust, TPL (Surat) Superannuation Fund, TPL (SUGEN) Gratuity Trust, TPL (SUGEN) Superannuation Fund, TPL (DGEN) Gratuity Trust, TPL (DGEN) Superannuation Fund, TPG Gratuity Trust, TPG Superannuation Fund, DNHDD PDCL Employees' Group Gratuity Trust, DNHDD PDCL Employees Super annuation Trust, ED-DD & DNHDD PDCL Employees Group Gratuity Trust, ED-DD & DNHDD PDCL Leave Enchashment Trust, ED-DD & DNHDD PDCL Super Annuation Pension Trust.            |
| 4 | <b>Key management personnel</b>  | Samir Mehta, Chairperson<br>Jinal Mehta, Managing Director<br>Jigish Mehta (w.e.f. June 01, 2024), Director (Generation) in the category of Whole-time Director<br>Varun Mehta (Up to May 30, 2024), Wholetime Director  |
|   |  | Sudhir Mehta (Up to March 31, 2024), Chairman Emeritus<br>Varun Mehta, Non Executive Director (w.e.f. June 01.2024)<br>Pankaj Patel (Upto March 31, 2024), Independent Director<br>Sunil Mathur (w.e.f. May 23, 2024), Independent Director<br>Keki Mistry (Upto March 31, 2024), Independent Director<br>Usha Sangwan, Independent Director<br>Radhika Haribhakti, Independent Director<br>Mamta Verma, Independent Director (Upto July 31, 2024)<br>Ketan Dalal, Independent Director<br>Apurva Diwanji (w.e.f. February 08, 2024), Independent Director |
| 5 | <b>Other entities where the company has 50% voting right / enterprises controlled by the Parent Company / Associate of Parent Company/Entities where the directors have significant influence*</b> | UNM Foundation, Torrent Pharmaceuticals Limited, Torrent Power Services Private Limited, Torrent Gas Pune Limited <sup>^</sup> , Torrent Gas Limited (Formerly known as Torrent Gas Private Limited), Torrent Gas Chennai Private Limited, Torrent Gas Moradabad Limited <sup>^</sup> , Torrent Gas Jaipur Private Limited, Torrent Fincorp Private Limited, Torrent Sports Ventures Private Limited, Torrent Hospitals Private Limited, Torrent Diagnostics Private Limited, School of Ultimate Leadership Foundation                                     |

\* where transactions have taken place during the year and / or previous year or where balances are outstanding at the year end

<sup>^</sup> Torrent Gas Pune Limited and Torrent Gas Moradabad Limited has been merged with Torrent Gas Limited (Formerly known as Torrent Gas Private Limited) w.e.f. April 01, 2023 (appointed date). Hence transactions with Torrent Gas Pune Limited and Torrent Gas Moradabad Limited for year ended March 31, 2024 has been disclosed under Torrent Gas Limited.





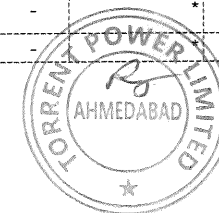
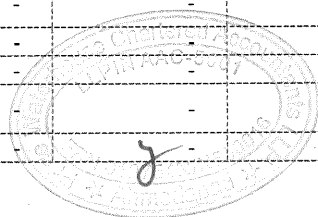
**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 48: Related party disclosures (Contd.)**
**(b) Related party transactions**

(₹ in Crore)

|   | Employee Benefits plans |                    | Key management personnel |                    | Parent Company /Other entities where the company has 50% voting right / enterprises controlled by the Parent Company / Associate of Parent Company/Entities where the directors have significant influence |                    | Total              |                    |
|---|-------------------------|--------------------|--------------------------|--------------------|--|--------------------|--------------------|--------------------|
|   | Six months ended        | Six months ended   | Six months ended         | Six months ended   | Six months ended   | Six months ended   | Six months ended   | Six months ended   |
|   | September 30, 2024      | September 30, 2023 | September 30, 2024       | September 30, 2023 | September 30, 2024   | September 30, 2023 | September 30, 2024 | September 30, 2023 |
| <b>Nature of transactions</b>                                       |                         |                    |                          |                    |  |                    |                    |                    |
| <b>Dividend paid</b>  | -                       | -                  | -                        | -                  | 102.97   | 102.97             | 102.97             | 102.97             |
| Torrent Investments Private Limited                                 | -                       | -                  | -                        | -                  | 102.97   | 102.97             | 102.97             | 102.97             |
| <b>Services provided (rent income including tax)</b>                | -                       | -                  | -                        | -                  | 0.72   | 0.66               | 0.72               | 0.66               |
| UNM Foundation  | -                       | -                  | -                        | -                  | *  | *                  | *                  | *                  |
| Torrent Investments Private Limited                                 | -                       | -                  | -                        | -                  | *  | *                  | *                  | *                  |
| Torrent Power Services Private Limited                              | -                       | -                  | -                        | -                  | *  | *                  | *                  | *                  |
| Torrent Gas Limited (Formerly known as Torrent Gas Private Limited) | -                       | -                  | -                        | -                  | 0.68   | 0.44               | 0.68               | 0.44               |
| Torrent Fincorp Private Limited                                     | -                       | -                  | -                        | -                  | *  | *                  | *                  | *                  |
| Torrent Sports Ventures Private Limited                             | -                       | -                  | -                        | -                  | *  | *                  | *                  | *                  |
| Torrent Gas Chennai Private Limited                                 | -                       | -                  | -                        | -                  | 0.02   | 0.11               | 0.02               | 0.11               |
| Torrent Gas Jaipur Private Limited                                  | -                       | -                  | -                        | -                  | 0.02   | 0.11               | 0.02               | 0.11               |
| Torrent Hospitals Private Limited                                   | -                       | -                  | -                        | -                  | *  | *                  | *                  | *                  |
| School of Ultimate Leadership Foundation                            | -                       | -                  | -                        | -                  | -  | *                  | -                  | *                  |
| Torrent Diagnositcs Private Limited                                 | -                       | -                  | -                        | -                  | -  | *                  | -                  | *                  |
| <b>Sale of cables</b>   | -                       | -                  | -                        | 0.17               | 0.79   | -                  | 0.79               | 0.17               |
| Samir Mehta   | -                       | -                  | -                        | 0.17               | -  | -                  | -                  | 0.17               |
| Torrent Pharmaceuticals Limited                                     | -                       | -                  | -                        | -                  | 0.56   | -                  | 0.56               | -                  |
| Torrent Diagnostics Pvt. Ltd.                                       | -                       | -                  | -                        | -                  | 0.23   | -                  | 0.23               | -                  |
| <b>Purchase of material</b>   | -                       | -                  | -                        | -                  | 203.82   | 96.60              | 203.82             | 96.60              |
| Torrent Gas Limited (Formerly known as Torrent Gas Private Limited) | -                       | -                  | -                        | -                  | 203.82   | 96.60              | 203.82             | 96.60              |
| <b>Assignment of gas contract</b>                                   | -                       | -                  | -                        | -                  | -  | 19.47              | -                  | 19.47              |
| Torrent Gas Limited (Formerly known as Torrent Gas Private Limited) | -                       | -                  | -                        | -                  | -  | 19.47              | -                  | 19.47              |
| <b>Expenses incurred on behalf of</b>                               | -                       | -                  | -                        | -                  | 1.11   | 1.23               | 1.11               | 1.23               |
| UNM Foundation  | -                       | -                  | -                        | -                  | 1.11   | 1.23               | 1.11               | 1.23               |
| Torrent Gas Limited (Formerly known as Torrent Gas Private Limited) | -                       | -                  | -                        | -                  | *  | -                  | *                  | -                  |
| Torrent Gas Jaipur Private Limited                                  | -                       | -                  | -                        | -                  | *  | -                  | *                  | -                  |



**TORRENT POWER LIMITED**

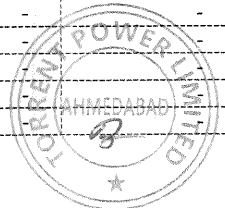
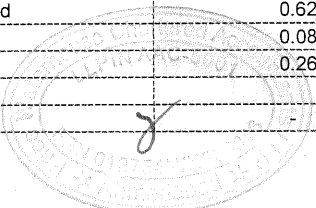
Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

Note 48: Related party disclosures (Contd.)

**(b) Related party transactions**

(₹ in Crore)

|   | Employee Benefits plans |                    | Key management personnel |                    | Parent Company /Other entities where the company has 50% voting right / enterprises controlled by the Parent Company / Associate of Parent Company/Entities where the directors have significant influence |                    | Total              |                    |
|---|-------------------------|--------------------|--------------------------|--------------------|--|--------------------|--------------------|--------------------|
|   | Six months ended        | Six months ended   | Six months ended         | Six months ended   | Six months ended   | Six months ended   | Six months ended   | Six months ended   |
|   | September 30, 2024      | September 30, 2023 | September 30, 2024       | September 30, 2023 | September 30, 2024   | September 30, 2023 | September 30, 2024 | September 30, 2023 |
| Transfer of gratuity/leave liability to / (from)                    | -                       | -                  | -                        | -                  | 0.24   | -                  | 0.24               | -                  |
| UNM Foundation  | -                       | -                  | -                        | -                  | 0.08   | -                  | 0.08               | -                  |
| Torrent Gas Limited (Formerly known as Torrent Gas Private Limited) | -                       | -                  | -                        | -                  | 0.16   | -                  | 0.16               | -                  |
| <b>Managerial remuneration@</b>                                     | -                       | -                  | <b>13.65</b>             | <b>10.26</b>       | -  | -                  | <b>13.65</b>       | <b>10.26</b>       |
| Varun Mehta   | -                       | -                  | 1.77                     | 2.73               | -  | -                  | 1.77               | 2.73               |
| Jigish Mehta  | -                       | -                  | 3.23                     | -                  | -  | -                  | 3.23               | -                  |
| Jinal Mehta   | -                       | -                  | 8.65                     | 7.53               | -  | -                  | 8.65               | 7.53               |
| <b>Sitting fees to non-executive directors@@</b>                    | -                       | -                  | <b>0.31</b>              | <b>0.42</b>        | -  | -                  | <b>0.31</b>        | <b>0.42</b>        |
| Sunil Dass Mathur   | -                       | -                  | 0.01                     | -                  | -  | -                  | 0.01               | -                  |
| Keki Mistry   | -                       | -                  | -                        | 0.06               | -  | -                  | -                  | 0.06               |
| Pankaj Patel  | -                       | -                  | -                        | 0.06               | -  | -                  | -                  | 0.06               |
| Usha Sangwan  | -                       | -                  | 0.07                     | 0.08               | -  | -                  | 0.07               | 0.08               |
| Radhika Haribhakti  | -                       | -                  | 0.08                     | 0.11               | -  | -                  | 0.08               | 0.11               |
| Mamta Verma#  | -                       | -                  | 0.01                     | 0.01               | -  | -                  | 0.01               | 0.01               |
| Apurva Shishir Diwanji  | -                       | -                  | 0.06                     | -                  | -  | -                  | 0.06               | -                  |
| Ketan Dalal   | -                       | -                  | 0.08                     | 0.10               | -  | -                  | 0.08               | 0.10               |
| <b>Donation</b>   | -                       | -                  | -                        | -                  | <b>2.62</b>  | <b>3.31</b>        | <b>2.62</b>        | <b>3.31</b>        |
| UNM Foundation  | -                       | -                  | -                        | -                  | 2.62   | 3.31               | 2.62               | 3.31               |
| <b>Contribution towards CSR</b>                                     | -                       | -                  | -                        | -                  | <b>20.26</b>   | <b>19.44</b>       | <b>20.26</b>       | <b>19.44</b>       |
| UNM Foundation  | -                       | -                  | -                        | -                  | 20.26  | 19.44              | 20.26              | 19.44              |
| <b>Contribution to employee benefit plans (net)</b>                 | <b>41.63</b>            | <b>15.05</b>       | -                        | -                  | -  | -                  | <b>41.63</b>       | <b>15.05</b>       |
| TPL (Ahmedabad) Gratuity Trust                                      | 22.70                   | 0.01               | -                        | -                  | -  | -                  | 22.70              | 0.01               |
| TPL (Ahmedabad) Superannuation Fund                                 | 8.42                    | 7.72               | -                        | -                  | -  | -                  | 8.42               | 7.72               |
| TPL (Surat) Gratuity Trust  | 0.76                    | -                  | -                        | -                  | -  | -                  | 0.76               | -                  |
| TPL (Surat) Superannuation Fund                                     | 0.01                    | -                  | -                        | -                  | -  | -                  | 0.01               | -                  |
| TPL (SUGEN) Gratuity Trust  | 1.68                    | 1.21               | -                        | -                  | -  | -                  | 1.68               | 1.21               |
| TPL (SUGEN) Superannuation Fund                                     | 0.62                    | 0.57               | -                        | -                  | -  | -                  | 0.62               | 0.57               |
| TPL (DGEN) Gratuity Trust   | 0.08                    | 0.05               | -                        | -                  | -  | -                  | 0.08               | 0.05               |
| TPL (DGEN) Superannuation Fund                                      | 0.26                    | 0.25               | -                        | -                  | -  | -                  | 0.26               | 0.25               |
| TPG Gratuity Trust  | -                       | -                  | -                        | -                  | -  | -                  | *                  | -                  |
| TPG Superannuation Fund   | -                       | 0.02               | -                        | -                  | -  | -                  | -                  | 0.02               |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

Note 48: Related party disclosures (Contd.)

**(b) Related party transactions**

(₹ in Crore)

|  | Employee Benefits plans |                    | Key management personnel |                    | Parent Company /Other entities where the company has 50% voting right / enterprises controlled by the Parent Company / Associate of Parent Company/Entities where the directors have significant influence |                    | Total              |                    |
|--|-------------------------|--------------------|--------------------------|--------------------|--|--------------------|--------------------|--------------------|
|  | Six months ended        | Six months ended   | Six months ended         | Six months ended   | Six months ended   | Six months ended   | Six months ended   | Six months ended   |
|  | September 30, 2024      | September 30, 2023 | September 30, 2024       | September 30, 2023 | September 30, 2024   | September 30, 2023 | September 30, 2024 | September 30, 2023 |
| DNHDD PDCL Employees' Group Gratuity Trust     | 0.79                    | 0.82               | -                        | -                  | -  | -                  | 0.79               | 0.82               |
| DNHDD PDCL Employees' Superannuation Trust     | 0.51                    | 0.41               | -                        | -                  | -  | -                  | 0.51               | 0.41               |
| ED-DD and DNHPDCL Superannuation Pension Trust | 2.55                    | 0.40               | -                        | -                  | -  | -                  | 2.55               | 0.40               |
| ED-DD and DNHPDCL Gratuity Trust               | 2.62                    | 1.63               | -                        | -                  | -  | -                  | 2.62               | 1.63               |
| ED-DD and DNHPDCL Leave Encashment Trust       | 0.63                    | 1.96               | -                        | -                  | -  | -                  | 0.63               | 1.96               |

@@ excluding Goods and Services Tax.

@ excluding provision for gratuity and leave encashment, insurance premium for group personal accident and group mediclaim.

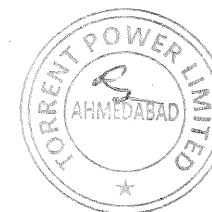
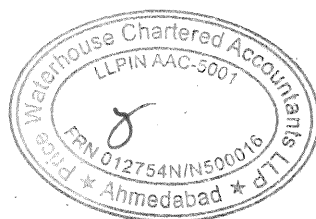
# Sitting fees and Commission of Mamta Verma (nominee of the Government of Gujarat) is paid / payable to the Government of Gujarat.

The Group is a public utility, being engaged in distribution of electricity. Transactions entered with the above mentioned related party does not include sale of electricity since the tariff charged to the customers are determined by an independent rate-setting authority.

**(c) Key management personnel compensation**

(₹ in Crore)

|                              | Six months ended September 30, 2024 | Six months ended September 30, 2023 |
|------------------------------|-------------------------------------|-------------------------------------|
| Short-term employee benefits | 13.65                               | 10.26                               |
|                              | <b>13.65</b>                        | <b>10.26</b>                        |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 48: Related party disclosures (Contd.)**
**(d) Related party balances**

(₹ in Crore)

|   | Employee Benefits plans |                | Key management personnel |                | Parent Company /Other entities where the company has 50% voting right / enterprises controlled by the Parent Company / Associate of Parent Company/Entities where the directors have significant influence |                | Total              |                |
|---|-------------------------|----------------|--------------------------|----------------|--|----------------|--------------------|----------------|
|   | As at                   | As at          | As at                    | As at          | As at  | As at          | As at              | As at          |
|   | September 30, 2024      | March 31, 2024 | September 30, 2024       | March 31, 2024 | September 30, 2024   | March 31, 2024 | September 30, 2024 | March 31, 2024 |
| <b>Balances at the end of the year</b>                              |                         |                |                          |                |  |                |                    |                |
| <b>Current liabilities</b>  | -                       | -              | -                        | 19.61          | 19.51  | 22.24          | 19.51              | 41.85          |
| UNM Foundation  | -                       | -              | -                        | -              | 0.08   | -              | 0.08               | -              |
| Torrent Gas Limited (formerly known as Torrent Gas Private Limited) | -                       | -              | -                        | -              | 19.43  | 22.24          | 19.43              | 22.24          |
| Samir Mehta   | -                       | -              | -                        | 13.00          | -  | -              | -                  | 13.00          |
| Jinal Mehta   | -                       | -              | -                        | 4.00           | -  | -              | -                  | 4.00           |
| Keki Mistry   | -                       | -              | -                        | 0.45           | -  | -              | -                  | 0.45           |
| Pankaj Patel  | -                       | -              | -                        | 0.37           | -  | -              | -                  | 0.37           |
| Ketan Dalal   | -                       | -              | -                        | 0.56           | -  | -              | -                  | 0.56           |
| Usha Sangwan  | -                       | -              | -                        | 0.52           | -  | -              | -                  | 0.52           |
| Radhika Haribhakti  | -                       | -              | -                        | 0.57           | -  | -              | -                  | 0.57           |
| Mamta Verma <sup>#</sup>  | -                       | -              | -                        | 0.14           | -  | -              | -                  | 0.14           |
| <b>Investment in equity</b>   | -                       | -              | -                        | -              | 0.05   | 0.05           | 0.05               | 0.05           |
| UNM Foundation  | -                       | -              | -                        | -              | 0.05   | 0.05           | 0.05               | 0.05           |
| <b>Trade and other receivables</b>                                  | -                       | -              | -                        | -              | 1.30   | 2.87           | 1.30               | 2.87           |
| Torrent Pharmaceuticals Limited                                     | -                       | -              | -                        | -              | 0.56   | -              | 0.56               | -              |
| UNM Foundation  | -                       | -              | -                        | -              | 0.44   | 2.12           | 0.44               | 2.12           |
| Torrent Gas Limited (formerly known as Torrent Gas Private Limited) | -                       | -              | -                        | -              | 0.30   | 0.73           | 0.30               | 0.73           |
| Torrent Gas Jaipur Private Limited                                  | -                       | -              | -                        | -              | -  | 0.01           | -                  | 0.01           |
| Torrent Gas Chennai Private Limited                                 | -                       | -              | -                        | -              | -  | 0.01           | -                  | 0.01           |

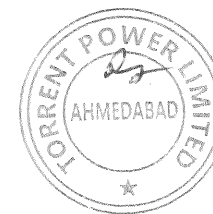
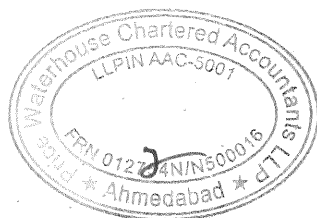
# Sitting fees and Commission of Mamta Verma (nominee of the Government of Gujarat) is paid / payable to the Government of Gujarat.

The Group is a public utility, being engaged in distribution of electricity. Transactions entered with the above mentioned related party does not include sale of electricity since the tariff charged to the customers are determined by an independent rate-setting authority.

**(e) Terms and conditions of related party transactions and outstanding balances**

The transactions with related parties are made in the normal course of business on terms equivalent to those that prevail in arm's length transactions.

Outstanding Balances as at period ended are unsecured.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 49: Financial instruments and risk management**

**(a) Capital management**

The Group manages its capital structure in a manner to ensure that it will be able to continue as a going concern while optimising the return to stakeholders through the appropriate debt and equity balance.

The Group's capital structure is represented by equity (comprising issued capital, retained earnings and other reserves as detailed in notes 21, 22) and debt (borrowings as detailed in note 23).

The Group's management reviews the capital structure of the Group on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Group's plan is to ensure that the gearing ratio (debt equity ratio) is well within the limit of 2:1. No changes were made in the objectives, policies or process for managing its capital during the period ended September 30, 2024 and year ended March 31, 2024. The Group reviews its dividend policy from time to time.

**Gearing ratio**

The gearing ratio at end of the reporting year is as follows.

|                      | As at<br>September 30, 2024 | As at<br>March 31, 2024 |
|----------------------|-----------------------------|-------------------------|
| Debt                 | 11,526.95                   | 11,312.12               |
| Total equity         | 14,584.92                   | 12,875.24               |
| Debt to equity ratio | 0.79                        | 0.88                    |

**Footnotes:**

- Debt is defined as all long term debt outstanding [including unamortised expense (net of premium)] + contingent liability pertaining to corporate / financial guarantee given + short term debt outstanding in lieu of long term debt.
- Total equity is defined as equity share capital + all reserve (excluding revaluation reserve) + deferred tax liabilities – deferred tax assets – intangible assets – Intangible assets under development

**Loan Covenants**

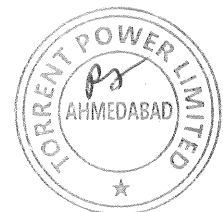
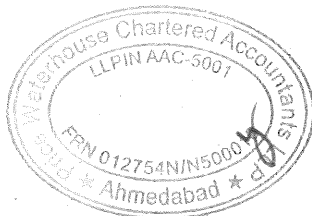
The Company has complied with financial covenants specified as per the terms of borrowing facilities.

**(b) Categories of financial instruments**

|  | As at<br>September 30, 2024 |            | As at<br>March 31, 2024 |            |
|--|-----------------------------|------------|-------------------------|------------|
|  | Carrying Value              | Fair Value | Carrying Value          | Fair Value |
| <b>Financial assets</b>  |                             |            |                         |            |
| Measured at amortised cost   |                             |            |                         |            |
| Cash and cash equivalent   | 344.43                      | 344.43     | 350.83                  | 350.83     |
| Bank balance other than cash and cash equivalents                                    | 101.35                      | 101.35     | 67.91                   | 67.91      |
| Investment in bonds and debentures   | 22.10                       | 22.10      | 19.92                   | 19.92      |
| Trade receivables  | 2,890.87                    | 2,890.87   | 2,190.86                | 2,190.86   |
| Other financial assets   | 4,499.57                    | 4,499.57   | 4,083.60                | 4,083.60   |
| Assets classified as held for sale (Refer note 43)                                   | 171.39                      | 171.39     | -                       | -          |
|  | 8,029.71                    | 8,029.71   | 6,713.12                | 6,713.12   |
| Measured at fair value through profit and loss (FVTPL)                               |                             |            |                         |            |
| Investment in mutual funds   | 927.57                      | 927.57     | 934.42                  | 934.42     |
| Investment in equity instruments   | 0.05                        | 0.05       | 0.05                    | 0.05       |
| Other Current Financial Assets - Derivative  | -                           | -          | 0.31                    | 0.31       |
|  | 927.62                      | 927.62     | 934.78                  | 934.78     |
| <b>Financial liabilities</b>   |                             |            |                         |            |
| Measured at amortised cost   |                             |            |                         |            |
| Borrowings   | 11,508.81                   | 11,548.14  | 11,585.03               | 11,607.75  |
| Trade payables   | 2,677.45                    | 2,677.45   | 2,157.63                | 2,157.63   |
| Other financial liabilities  | 2,944.62                    | 2,944.62   | 3,265.62                | 3,265.62   |
| Liabilities directly associated with assets classified held for sale (Refer note 43) | 125.49                      | 125.49     | -                       | -          |
|  | 17,256.37                   | 17,295.70  | 17,008.28               | 17,031.00  |

**Footnotes:**

- The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other financial assets and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.
- Non current loan carries the interest rates that are variable in nature and hence carrying value is considered as same as fair value.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 49: Financial instruments and risk management (Contd.)**

**(c) Fair value measurement**

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

- Level 1 : Inputs are Quoted (unadjusted) market prices in active markets for identical assets or liabilities. This includes investments in mutual funds that have quoted price.
- Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. This includes unquoted floating and fixed rate borrowing.
- Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. This includes unquoted equity shares, security deposits, floating rate borrowings.

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

**(1) Financial assets at fair value through profit and loss (FVTPL)**

|                                 | Fair value               |                      | Fair value hierarchy | Valuation technique(s) and key input(s) |
|---------------------------------|--------------------------|----------------------|----------------------|---|
|                                 | As at September 30, 2024 | As at March 31, 2024 |                      |   |
| Investment in mutual fund units | 927.57                   | 934.42               | Level 1              | Quoted bid prices in an active market   |

**(2) Financial liabilities at amortised cost**

|   | Fair value               |                      | Fair value hierarchy | Valuation technique(s) and key input(s)  |
|---|--------------------------|----------------------|----------------------|--|
|   | As at September 30, 2024 | As at March 31, 2024 |                      |  |
| Other Current Financial Assets - Derivative contracts | -                        | 0.31                 | Level 2              | Inputs other than quoted prices that are observable based on mark to mark changes provided by ICICI Bank.  |
| Fixed rate borrowings (Non-convertible debentures)    | 3,989.33                 | 4,062.72             | Level 2              | Inputs other than quoted prices that are observable based on yields provided by The Fixed Income Money Market and Derivatives Association of India' (FIMMDA) |

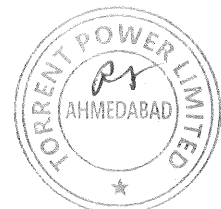
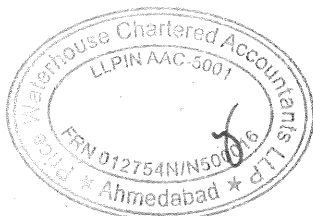
**(d) Financial risk management objectives**

The Group's principal financial liabilities, comprise borrowings, employee payables, security deposit from customer, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and projects capital expenditure. The Group's principal financial assets include loans, advances, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Group's activities expose it to a variety of financial risks viz foreign currency risk, commodity price risk, interest rate risk, credit risk, etc. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Group's senior management oversees the management of these risks. It advises on financial risks and the appropriate financial risk governance framework for the Group.

**Foreign currency risk**

The Group is exposed to foreign currency risks arising from various currency exposures, primarily with respect to the USD and EURO. Foreign currency risks arise from future commercial transactions and recognized assets and liabilities, when they are denominated in a currency other than Indian Rupee.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 49: Financial instruments and risk management (Contd.)**

The Group's exposure with regards to foreign exchange risk which are not hedged are given below.

**Unhedged foreign currency exposures:**

| Nature of transactions       | Currency | (₹ in Crore)                |                         |
|------------------------------|----------|-----------------------------|-------------------------|
|                              |          | As at<br>September 30, 2024 | As at<br>March 31, 2024 |
| <b>Financial liabilities</b> |          |                             |                         |
| Trade payable                | USD      | 1.53                        | 4.04                    |
| Trade payable                | EURO     | 403.53                      | 289.74                  |
| Capital payable              | EURO     | 0.06                        | 0.06                    |

**Foreign currency sensitivity analysis**

The following tables demonstrate the sensitivity to a reasonably possible change in EURO exchange rates, with all other variables held constant.

|  | (₹ in Crore)                |                         |
|--|-----------------------------|-------------------------|
|  | As at<br>September 30, 2024 | As at<br>March 31, 2024 |
| Impact on Profit before Tax - Rupee depreciate by ₹ 1 against EURO | (4.31)                      | (3.22)                  |
| Impact on Profit before Tax - Rupee appreciate by ₹ 1 against EURO | 4.31                        | 3.22                    |

The Group's exposure with regard to foreign currency risk which are hedged at the end of the reporting period is as follows:

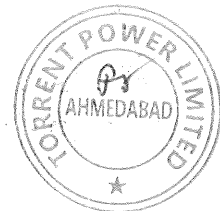
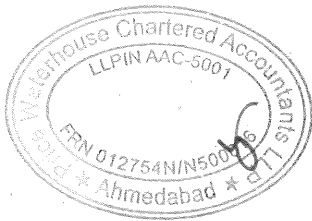
**Hedged foreign currency exposures:**

| Nature of transactions            | Currency | (₹ in Crore)                |                         |
|-----------------------------------|----------|-----------------------------|-------------------------|
|                                   |          | As at<br>September 30, 2024 | As at<br>March 31, 2024 |
| <b>Financial liabilities</b>      |          |                             |                         |
| Capital payable                   | USD      | -                           | 76.60                   |
| Derivative contract               |          |                             |                         |
| Foreign exchange forward contract | USD      | 91.91                       | 76.60                   |

**Commodity price risk**

The commodity exposure is mainly on account of fuel, a substantial part of which is a pass through cost and hence the commodity price exposure is not likely to have a material financial impact on the Group.

The Group has exposure to USD / INR exchange rate arising principally on account of import of LNG and import of coal. The extant tariff regulations do not permit the cost of hedging such exposure as a cost to be passed through to the off-takers / beneficiaries. As a result, the Group does not follow a policy of hedging such exposures and actual rupee costs of import of fuel are substantially passed on to the off-takers / consumers, because of which such commodity price exposure is not likely to have a material financial impact on the Group.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 49: Financial instruments and risk management (Contd.)**

**Derivatives**

The Company uses derivative financial instruments such as forwards to hedge its risks associated with foreign exchange fluctuation and price risk movements. Risks associated with fluctuation in the price of the raw materials (natural gas, copper and aluminium) are minimized by undertaking appropriate derivative instruments. The fair values of all such derivative financial instruments are recognized as assets or liabilities at the balance sheet date.

(a) The Asset position of various outstanding derivative financial instruments is given below: (₹ in Crore)

| Particulars                  | Nature of risk being hedged | As at September 30, 2024 |                | As at March 31, 2024 |                |
|------------------------------|-----------------------------|--------------------------|----------------|----------------------|----------------|
|                              |                             | Asset                    | Net fair value | Asset                | Net fair value |
| <b>Current</b>               |                             |                          |                |                      |                |
| <b>Non-designated hedges</b> |                             |                          |                |                      |                |
| Forward commodity contracts  | Price Risk Component        | 2.05                     | 2.05           | 1.24                 | 1.24           |
| Foreign currency contracts   | Exchange rate movement risk | (0.03)                   | (0.03)         | 0.07                 | 0.07           |
| <b>Total</b>                 |                             | <b>2.03</b>              | <b>2.03</b>    | <b>1.31</b>          | <b>1.31</b>    |

(b) Outstanding position and fair value of various foreign exchange derivative financial instruments:

| Particulars           | Currency Pair | As at September 30, 2024     |  |                                       | As at March 31, 2024         |  |                                       |
|-----------------------|---------------|------------------------------|--|---------------------------------------|------------------------------|--|---------------------------------------|
|                       |               | Weighted Average Strike rate | Notional value in foreign currency (in millions) | Fair value gain / (loss) (₹ in Crore) | Weighted Average Strike rate | Notional value in foreign currency (in millions) | Fair value gain / (loss) (₹ in Crore) |
| <b>Non-designated</b> |               |                              |  |                                       |                              |  |                                       |
| Buy                   | USD_INR       | 84.09                        | 3.00   | (0.03)                                | 83.38                        | 0.01   |                                       |
| <b>Total</b>          |               |                              |  | <b>(0.03)</b>                         |                              | <b>0.07</b>                                      |                                       |

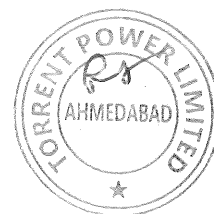
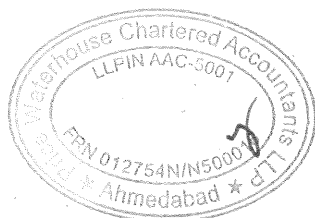
(c) Outstanding position and fair value of various commodity derivative financial instruments

(i) Outstanding position and fair value of various commodity derivative financial instruments as at September 30, 2024

| Particulars                  |     | Currency | Weighted Average Strike rate | Quantity | Unit  | Notional Value (USD) (in millions) | Fair value gain / (loss) (₹ in Crore) |
|------------------------------|-----|----------|------------------------------|----------|-------|------------------------------------|---------------------------------------|
| <b>Non Designated hedges</b> |     |          |                              |          |       |                                    |                                       |
| Aluminium                    | Buy | USD      | 2410.00                      | 1,245.00 | Tonne | 3.00                               | 2.05                                  |
| <b>Total</b>                 |     |          |                              |          |       |                                    | <b>2.05</b>                           |

(ii) Outstanding position and fair value of various commodity derivative financial instruments as at March 31, 2024

| Particulars                  |     | Currency | Weighted Average Strike rate | Quantity | Unit   | Notional Value (USD) (in millions) | Fair value gain / (loss) (₹ in Crore) |
|------------------------------|-----|----------|------------------------------|----------|--------|------------------------------------|---------------------------------------|
| <b>Non Designated hedges</b> |     |          |                              |          |        |                                    |                                       |
| ICE Brent Crude Oil          | Buy | USD      | 77.80                        | 1,000.00 | Barrel | 0.01                               | 0.05                                  |
| Aluminium                    | Buy | USD      | 2241.00                      | 1,250.00 | Tonne  | 2.80                               | 0.82                                  |
| Copper                       | Buy | USD      | 8425.00                      | 110.00   | Tonne  | 0.93                               | 0.37                                  |
| <b>Total</b>                 |     |          |                              |          |        |                                    | <b>1.24</b>                           |





**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 49: Financial instruments and risk management (Contd.)****Interest rate risk**

Most of the Group's borrowings are on a floating rate of interest. The Group has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR). The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible debentures and short term credit lines besides internal accruals.

The following table provides a break-up of the Group's fixed and floating rate borrowings:

|                                       | As at<br>September 30, 2024 | As at<br>March 31, 2024 |
|---------------------------------------|-----------------------------|-------------------------|
| Fixed rate borrowings <sup>^</sup>    | 3,981.18                    | 4,362.21                |
| Floating rate borrowings <sup>^</sup> | 7,549.27                    | 7,243.43                |
|                                       | <u>11,530.45</u>            | <u>11,605.64</u>        |

<sup>^</sup> Transactions cost reduced from the borrowing is excluded.

**Interest rate risk sensitivity:**

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rates had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit.

|   | Six months ended<br>September 30, 2024 | Six months ended<br>September 30, 2023 |
|---|--|--|
| Impact on profit before tax - increase in 50 basis points | (18.87)                                | (18.11)                                |
| Impact on profit before tax - decrease in 50 basis points | 18.87                                  | 18.11                                  |

**Credit risk**

Trade receivables:

**(1) Exposures to credit risk**

The Group is exposed to the counterparty credit risk arising from the possibility that counterparties might fail to comply with contractual obligations. This exposure may arise with regard to unsettled amounts.

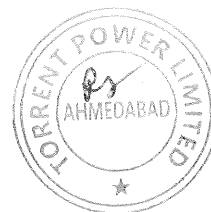
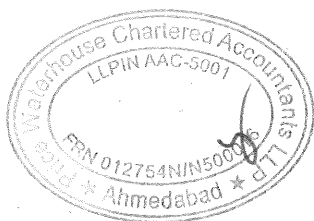
**(2) Credit risk management**

Credit risk is managed and limited in accordance with the type of transaction and the creditworthiness of the counterparty. The Group has established criteria for admission, approval systems, authorisation levels, exposure measurement methodologies, etc. The concentration of credit risk is limited due to the fact that the customer base is large. None of the customers accounted for more than 10% of the receivables and revenue for six months ended September 30, 2024 and year ended March 31, 2024. The Group is dependent on the domestic market for its business and revenues.

The Group's credit policies and practices with respect to distribution areas are designed to limit credit exposure by collecting security deposits prior to providing utility services or after utility service has commenced according to applicable regulatory requirements. In respect to generation business, Group generally has letter of credits / bank guarantees to limit its credit exposure.

**(3) Other credit enhancements**

The Group collects the security deposits in the form of Cash or Bank guarantee, considering the relevant electricity regulations under the relevant geographical area to cover its credit risks associated with its trade receivables.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 49: Financial instruments and risk management (Contd.)**

**(4) Age of receivables and expected credit loss**

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables. The expected credit loss allowance is based on ageing of the days the receivables are due. Trade receivable balances mainly comprise of outstanding from consumers wherein the credit period provided to such consumers is less than 30 days. Based on the historical trend the same is collected well within the credit period.

The Group segments the receivables for the purpose of determining historical loss rate based on shared risk characteristics i.e. Government Consumers / Non Government consumers, Status of Consumers i.e. Live consumers / Disconnected consumers and Security deposits provided by the Consumer. Considering the nature of the business, the historical loss rate is not significant.

The ageing of receivables and allowance for doubtful debt at the end of the reporting period is as follows.

**As at September 30, 2024**

|   | (₹ in Crore)            |                             |
|---|-------------------------|-----------------------------|
|   | Gross trade receivables | Allowance for doubtful debt |
| Less than or equal to 6 months                      | 2,814.98                | 41.55                       |
| More than 6 months but less than or equal to 1 year | 55.07                   | 19.71                       |
| More than one year                                  | 245.15                  | 163.07                      |
|   | <u>3,115.20</u>         | <u>224.33</u>               |

**As at March 31, 2024**

|   | (₹ in Crore)            |                             |
|---|-------------------------|-----------------------------|
|   | Gross trade receivables | Allowance for doubtful debt |
| Less than or equal to 6 months                      | 2,097.28                | 30.43                       |
| More than 6 months but less than or equal to 1 year | 52.67                   | 19.38                       |
| More than one year                                  | 235.30                  | 144.58                      |
|   | <u>2,385.25</u>         | <u>194.39</u>               |

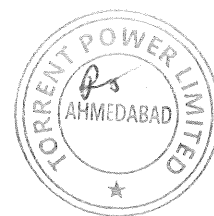
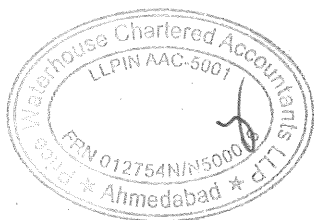
**(5) Movement in the expected credit loss allowance**

|  | (₹ in Crore)                |                         |
|--|-----------------------------|-------------------------|
|  | As at<br>September 30, 2024 | As at<br>March 31, 2024 |
| Opening balance  | 194.39                      | 204.50                  |
| Movement in expected credit loss allowance on trade receivable calculated, net [Refer note 40] | 29.94                       | (10.11)                 |
| <b>Closing balance [Refer note 16]</b>   | <u>224.33</u>               | <u>194.39</u>           |

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

**Other financial assets/ instruments:**

The Group is having balances in cash and cash equivalents, term deposits with banks, deposits, Loans to related parties, investments in government securities and investment in mutual funds. The Group is having balances in cash and cash equivalents, term deposits with scheduled banks with high credit rating and hence perceive low credit risk of default. With respect to investments, the Group limits its exposure to credit risk by investing in liquid securities with counterparties depending on their Composite Performance Rankings (CPR) published by CRISIL. The Group's investment policy lays down guidelines with respect to exposure per counterparty, rating, processes in terms of control and continuous monitoring. The Group therefore considers credit risks on such investments to be negligible. The credit loss from Loans receivable from related parties and financial guarantees is considered immaterial. The recoverable amount of unbilled revenue (including revenue gap/ surplus) perceives low credit risk of default considering applicable tariff regulations / tariff orders, management's probability estimate and the past trends of approval.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2024

**Note 50: Events occurring after the balance sheet date**

Subsequent to six months ended September 30, 2024, the Ministry of Power has notified Electricity Distribution (Accounts and Additional Disclosure) Rules, 2024 ('the Rules') in pursuance of Section 176(1) and 176(2)(z) of the Electricity Act, 2003 read with second proviso to Section 129 (1) of the Companies Act, 2013, which are applicable to Distribution Licensees. The Group is in the process of evaluating the implication of the Rules with respect to the recognition of revenue, provisioning of trade receivables and certain additional disclosures to be included in the financial statements. The Group has obtained a legal opinion that the Rules are required to be applied prospectively from the date of notification in the Official Gazette i.e. October 24, 2024 and accordingly there is no impact of the same on the financial statements for six months ended September 30, 2024.

**Note 51: Approval of un-audited special purpose interim condensed consolidated financial statements**

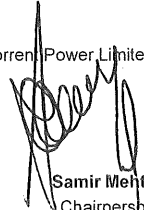
The un-audited special purpose interim condensed consolidated financial statements were approved for issue by Fund Raising Committee of the Company on  
*December 2, 2024*

In terms of our report attached

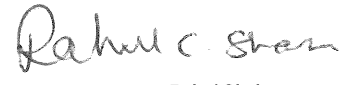
Signature to Note 1 to 51

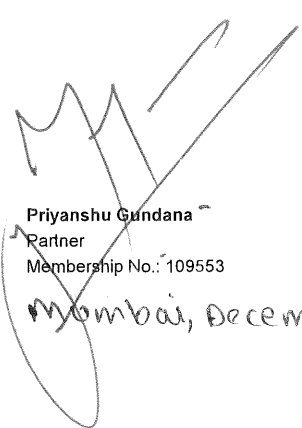
For and on behalf of Fund Raising Committee of Torrent Power Limited

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number : 012754N/N500016

  
Samir Mehta  
Chairperson  
DIN: 00061903

  
Saurabh Mashruwala  
Chief Financial Officer

  
Rahul Shah  
Company Secretary

  
Priyanshu Gundana  
Partner  
Membership No.: 109553

*Mumbai, December 2, 2024*

*Ahmedabad, December 2, 2024*

**TORRENT POWER LIMITED**

**CONDENSED  
CONSOLIDATED  
FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED**

**SEPTEMBER 30, 2023**

# Price Waterhouse Chartered Accountants LLP

## REVIEW REPORT

The Board of Directors  
Torrent Power Limited  
'Samanvay', 600, Tapovan,  
Ambawadi,  
Ahmedabad - 380015

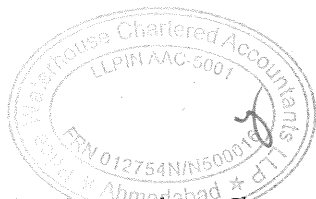
1. This report is issued in accordance with the terms of our agreement dated November 16, 2024.
2. We have reviewed the accompanying Special Purpose Interim Condensed Consolidated Financial Statements of Torrent Power Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries hereinafter referred to as the "Group"), comprising its Condensed Consolidated Balance Sheet as at September 30, 2023, and the Condensed Consolidated Statement of Profit and Loss, the Condensed Consolidated Statement of Cash Flows and the Condensed Consolidated Statement of Changes in Equity for the six months period ended on that date and a summary of material accounting policies and other explanatory information to these Special Purpose Interim Condensed Consolidated Financial Statements (hereinafter referred to as the "Special Purpose Interim Condensed Consolidated Financial Statements") have been prepared by the Management of the Company in accordance with the Indian Accounting Standard (Ind AS) 34, "Interim Financial Reporting" prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013, to be included in the Preliminary Placement Document ('PPD') and Placement Document ('PD') (hereinafter collectively referred to as the 'Offer Documents'), to be filed by the Company with the Securities and Exchange Board of India ('SEBI'), BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'), as applicable in connection with proposed Qualified institutions Placement of the equity shares of the Company (the "Offering") in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended, and other relevant provisions of the Companies Act, 2013 (the 'Companies Act, 2013'). We have signed the Special Purpose Interim Condensed Consolidated Financial Statements for identification purpose only.

### Management's Responsibility for the Special Purpose Interim Condensed Consolidated Financial Statements

3. The Company's Management is responsible for the preparation of the Special Purpose Interim Condensed Consolidated Financial Statements in accordance with the Indian Accounting Standard (Ind AS) 34, "Interim Financial Reporting" prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013, including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Special Purpose Interim Condensed Consolidated Financial Statements that is free from material misstatement, whether due to fraud or error and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Statement includes the unaudited interim financial information of the entities listed in Annexure A.

### Auditor's Responsibility

5. Our responsibility is to express a conclusion on the Special Purpose Interim Condensed Consolidated Financial Statements based on our review. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 'Review of Interim Financial Information performed by the independent auditor of the Entity', issued by the Institute of Chartered Accountants of India (the "ICAI"), as amended from time to time.



Price Waterhouse Chartered Accountants LLP, 17th Floor, Shapath V, Opp. Karnavati Club, S G Highway  
Ahmedabad - 380 051, Gujarat, India  
T: +91 (79) 69247156

Registered office and Head office: 11-A, Vishnu Digamber Marg, Sucheta Bhawan, New Delhi - 110002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

# Price Waterhouse Chartered Accountants LLP

6. A review consists of making inquiries, primarily of the Holding Company personnel responsible for financial and accounting matters, and applying analytical and other review procedures to the financial data. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing, the objective of which is the expression of an opinion on the truth and fairness of the financial statements taken as a whole, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

## Conclusion

7. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Special Purpose Interim Condensed Consolidated Financial Statements has not been prepared, in all material respects, in accordance with the Indian Accounting Standard (Ind AS) 34, "Interim Financial Reporting" prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013, or that it contains any material misstatement.

## Emphasis of matter – Basis of preparation

8. We draw attention to Note 2.1 to the Special Purpose Interim Condensed Consolidated Financial Statements, which describes the basis of preparation. The Special Purpose Interim Condensed Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standard (Ind AS) 34, "Interim Financial Reporting" prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013 and are presented, and disclose the information required thereunder to the extent considered relevant by the Management and the intended users of the Special Purpose Interim Condensed Consolidated Financial Statements for the purposes for which those have been prepared. As a result, the Special Purpose Interim Condensed Consolidated Financial Statements may not be suitable for any other purpose. Our conclusion is not modified in respect of this matter.

## Restriction on use

9. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have or may have had as auditor of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we have or may have had in our capacity as auditor of the Company.
10. The report has been issued at the request of the Board of Directors of the Company to whom it is addressed, for inclusion in offer documents to be filed with the Securities and Exchange Board of India ('SEBI'), BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'), solely in connection with the preparation of with the proposed Qualified institutions Placement of the equity shares of the Company and should not be used by any other person other than the Company or published, distributed, referred to for any other purpose in any manner, whatsoever. Price Waterhouse Chartered Accountants LLP does not accept or assume any liability or any duty of care for any other purpose or to any person other than the Company.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

Priyanshu Gundana  
Partner

Membership Number: 109553

UDIN: 24109553BK6R803770

Place: Mumbai

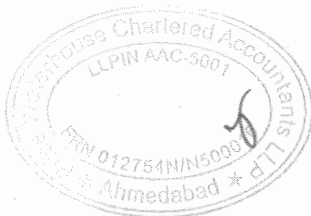
Date: December 2, 2024

# Price Waterhouse Chartered Accountants LLP

## Annexure A

### List of entities:

| Sl. No                     | Name of Company   |
|----------------------------|---|
| <b>Subsidiaries Direct</b> |   |
| 1                          | Torrent Power Grid Limited  |
| 2                          | Torrent Pipavav Generation Limited  |
| 3                          | Torrent Solargen Limited  |
| 4                          | Jodhpur Wind Farms Private Limited  |
| 5                          | Latur Renewable Private Limited   |
| 6                          | Torrent Electricals Limited (formerly known as Torrent Electricals Private Limited/TCL Cables Private Limited)    |
| 7                          | Torrent Solar Power Private Limited   |
| 8                          | Torrent Saurya Urja 2 Private Limited   |
| 9                          | Torrent Saurya Urja 3 Private Limited   |
| 10                         | Torrent Saurya Urja 4 Private Limited   |
| 11                         | Torrent Saurya Urja 5 Private Limited   |
| 12                         | Visual Percept Solar Projects Private Limited   |
| 13                         | Torrent Saurya Urja 6 Private Limited (formerly known as LREHL Renewables India SPV 1 Private Limited)            |
| 14                         | Surya Vidyut Limited  |
| 15                         | Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited                                   |
| 16                         | Sunshakti Solar Power Projects Private Limited  |
| 17                         | Torrent Urja 7 Private Limited (formerly known as Wind Two Renergy Private Limited)                               |
| 18                         | Torrent Urja 8 Private Limited (w.e.f. April 28, 2023)  |
| 19                         | Torrent Urja 9 Private Limited (w.e.f. April 26, 2023)  |
| 20                         | Torrent Urja 10 Private Limited (w.e.f. April 21, 2023)   |
| 21                         | Torrent Urja 11 Private Limited (w.e.f. April 20, 2023)   |
| 22                         | Torrent Urja 12 Private Limited (w.e.f. April 18, 2023)   |
| 23                         | Torrent Urja 13 Private Limited (w.e.f. April 26, 2023)   |
| 24                         | Torrent Urja 14 Private Limited (w.e.f. May 11, 2023)   |
| 25                         | Torrent Urja 15 Private Limited (w.e.f. May 11, 2023)   |
| 26                         | Torrent Urja 16 Private Limited (w.e.f. May 11, 2023)   |
| 27                         | Torrent Urja 17 Private Limited (w.e.f. May 11, 2023)   |
| 28                         | Torrent Green Energy Private Limited (w.e.f. August 2, 2023)  |
| <b>Subsidiary Indirect</b> |   |
| 29                         | Airpower Windfarms Private Limited (Acquired by Torrent Green Energy Private Limited on w.e.f. September 1, 2023) |



**TORRENT POWER LIMITED**  
**Condensed Consolidated Balance Sheet**  
as at September 30, 2023

|   | Notes | As at<br>September 30, 2023   | (₹ in Crore)<br>As at<br>March 31, 2023 |
|---|-------|---|---|
| <b>Assets</b>   |       |   |   |
| <b>Non-current assets</b>                                     |       |   |   |
| Property, plant and equipment                                 | 4     | 19,176.19   | 18,115.94                               |
| Right-of-use assets   | 5     | 244.98  | 216.46                                  |
| Capital work-in-progress                                      | 6     | 1,977.47  | 2,624.69                                |
| Investment property   | 7     | 6.22  | 9.39                                    |
| Goodwill  | 8     | 171.07  | 171.07                                  |
| Other intangible assets                                       | 9     | 737.20  | 756.33                                  |
| <b>Financial assets</b>                                       |       |   |   |
| Investments   | 10    | 17.02   | 15.94                                   |
| Other financial assets  | 11    | 123.64  | 135.38                                  |
| Deferred tax assets (net)                                     | 12    | 41.97   | 38.65                                   |
| Non-current tax assets (net)                                  | 12    | 32.53   | 12.50                                   |
| Other non-current assets                                      | 13    | 462.87  | 361.04                                  |
|   |       | <b>Sub total - Non-current assets</b>                                   | <b>22,991.16</b>                        |
| <b>Current assets</b>   |       |   |   |
| Inventories   | 14    | 976.74  | 820.28                                  |
| <b>Financial assets</b>                                       |       |   |   |
| Investments   | 15    | 1,073.55  | 787.75                                  |
| Trade receivables   | 16    | 2,685.11  | 2,246.33                                |
| Cash and cash equivalents                                     | 17    | 370.28  | 188.23                                  |
| Bank balances other than cash and cash equivalents above      | 18    | 88.63   | 155.29                                  |
| Other financial assets  | 19    | 3,560.39  | 3,111.40                                |
| Other current assets  | 20    | 248.17  | 143.51                                  |
|   |       | <b>Sub total - Current assets</b>                                       | <b>9,002.87</b>                         |
|   |       | <b>Total - Assets</b>   | <b>31,994.03</b>                        |
| <b>Equity and liabilities</b>                                 |       |   |   |
| <b>Equity</b>   |       |   |   |
| Equity share capital  | 21    | 480.62  | 480.62                                  |
| Other equity  | 22    | 11,371.36   | 10,529.38                               |
|   |       | <b>Sub total - Equity attributable to equity holders of the Company</b> | <b>11,851.98</b>                        |
| Non-controlling interests                                     |       | 505.27  | 476.65                                  |
|   |       | <b>Sub total - Equity</b>   | <b>12,357.25</b>                        |
| <b>Liabilities</b>  |       |   |   |
| <b>Non-current liabilities</b>                                |       |   |   |
| <b>Financial liabilities</b>                                  |       |   |   |
| Borrowings  | 23    | 9,486.94  | 8,902.32                                |
| Lease liabilities   |       | 40.32   | 39.32                                   |
| Trade payables  | 24    | -   | -                                       |
| Total outstanding dues of micro and small enterprises         |       | -   | -                                       |
| Total outstanding dues other than micro and small enterprises |       | 286.86  | 210.61                                  |
| Other financial liabilities                                   | 25    | 0.74  | -                                       |
| Deferred tax liabilities (net)                                |       | 1,093.51  | 968.79                                  |
| Other non-current liabilities                                 | 26    | 1,396.85  | 1,372.46                                |
|   |       | <b>Sub total - Non-current liabilities</b>                              | <b>12,305.22</b>                        |
| <b>Current liabilities</b>                                    |       |   |   |
| <b>Financial liabilities</b>                                  |       |   |   |
| Borrowings  | 27    | 1,151.16  | 1,593.75                                |
| Lease liabilities   |       | 6.46  | 6.02                                    |
| Trade payables  | 28    | -   | -                                       |
| Total outstanding dues of micro and small enterprises         |       | 47.34   | 68.99                                   |
| Total outstanding dues other than micro and small enterprises |       | 2,269.24  | 1,453.68                                |
| Other financial liabilities                                   | 29    | 2,632.98  | 2,687.72                                |
| Other current liabilities                                     | 30    | 695.86  | 677.24                                  |
| Provisions  | 31    | 286.80  | 264.06                                  |
| Current tax liabilities (net)                                 | 32    | 241.72  | 178.57                                  |
|   |       | <b>Sub total - Current liabilities</b>                                  | <b>6,930.03</b>                         |
|   |       | <b>Total - Equity and liabilities</b>                                   | <b>29,910.18</b>                        |

See accompanying notes forming part of the un-audited special purpose interim condensed consolidated financial statements

In terms of our report attached

For and on behalf of Fund Raising Committee of Torrent Power Limited

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number : 012754N/N500016

Samir Mehta  
Chairperson  
DIN:00061903

Priyanshu Gundana  
Partner  
Membership No.: 109553

Saurabh Mashruwala  
Chief Financial Officer

Rahul Shah  
Company Secretary

Mumbai, December 2, 2024

Ahmedabad, December 2, 2024



TORRENT POWER LIMITED

Condensed Consolidated Statement of Profit and Loss

for the six months ended September 30, 2023

|   | Notes | Six months ended<br>September 30, 2023 | (₹ in Crore)<br>Six months ended<br>September 30, 2022 |
|---|-------|--|--|
| <b>Income</b>   |       |  |  |
| Revenue from operations   | 33    | 14,288.54                              | 13,213.46  |
| Other income  | 34    | 193.89                                 | 202.37   |
| <b>Total income</b>   |       | <b>14,482.43</b>                       | <b>13,415.83</b>                                       |
| <b>Expenses</b>   |       |  |  |
| Electrical energy purchased   |       | 7,266.96                               | 7,683.58   |
| Fuel cost   |       | 3,159.11                               | 1,498.08   |
| Cost of materials consumed  | 35    | 214.41                                 | 200.53   |
| Purchase of stock-in-trade  |       | 195.24                                 | 752.73   |
| Changes in inventories of finished goods and work-in-progress         | 36    | 13.59                                  | (11.41)  |
| Employee benefits expense   | 37    | 307.89                                 | 288.12   |
| Finance costs   | 38    | 474.44                                 | 401.00   |
| Depreciation and amortisation expense                                 | 39    | 673.70                                 | 630.26   |
| Other expenses  | 40    | 725.15                                 | 577.25   |
| <b>Total expenses</b>   |       | <b>13,030.49</b>                       | <b>12,020.14</b>                                       |
| <b>Profit before tax</b>  |       | <b>1,451.94</b>                        | <b>1,395.69</b>  |
| <b>Tax expense</b>  |       |  |  |
| Current tax   |       | 250.96                                 | 292.97   |
| Deferred tax  |       | 126.15                                 | 116.52   |
|   |       | 377.11                                 | 409.49   |
| <b>Profit for the period</b>  |       | <b>1,074.83</b>                        | <b>986.20</b>  |
| <b>Other comprehensive income</b>                                     |       |  |  |
| <b>Items that will not be reclassified to profit or loss</b>          |       |  |  |
| Remeasurement of the defined benefit plans                            |       | (14.61)                                | 2.52   |
| Tax relating to remeasurement of the defined benefit plans            |       | (4.74)                                 | 0.70   |
| <b>Other comprehensive income for the period, net of tax</b>          |       | <b>(9.87)</b>                          | <b>1.82</b>  |
| <b>Total comprehensive income for the period</b>                      |       | <b>1,064.96</b>                        | <b>988.02</b>  |
| <b>Profit for the period attributable to:</b>                         |       |  |  |
| Owners of the Company   |       | 1,043.16                               | 983.76   |
| Non-controlling interests   |       | 31.67                                  | 2.44   |
|   |       | 1,074.83                               | 986.20   |
| <b>Other comprehensive income for the period attributable to:</b>     |       |  |  |
| Owners of the Company   |       | (8.93)                                 | 1.82   |
| Non-controlling interests   |       | (0.94)                                 | -  |
|   |       | (9.87)                                 | 1.82   |
| <b>Total comprehensive income for the period attributable to:</b>     |       |  |  |
| Owners of the Company   |       | 1,034.23                               | 985.58   |
| Non-controlling interests   |       | 30.73                                  | 2.44   |
|   |       | 1,064.96                               | 988.02   |
| Basic and diluted earnings per share of face value of ₹10 each (in ₹) | 45    | 21.70                                  | 20.47  |

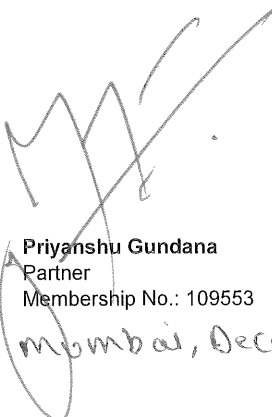
See accompanying notes forming part of the un-audited special purpose interim condensed consolidated financial statements

In terms of our report attached

For and on behalf of Fund Raising Committee of Torrent Power Limited


For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number : 012754N/N500016

  
Samir Mehta  
Chairperson  
DIN:00061903

  
Priyanshu Gundana  
Partner  
Membership No.: 109553

Mumbai, December 2, 2023

  
Saurabh Mashruwala  
Chief Financial Officer

  
Rahul Shah  
Company Secretary

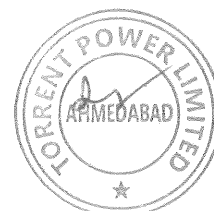
Ahmedabad, December 2, 2023

TORRENT POWER LIMITED

Condensed Consolidated Statement of Cash Flows

for the six months ended September 30, 2023

|  | Notes | Six months ended<br>September 30, 2023 | (₹ in Crore)<br>Six months ended<br>September 30, 2022 |
|--|-------|--|--|
| <b>Cash flow from operating activities</b>   |       |  |  |
| Profit before tax  |       | 1,451.94                               | 1,395.69   |
| <b>Adjustments for :</b>   |       |  |  |
| Depreciation and amortisation expense  | 39    | 673.70                                 | 630.26   |
| Amortisation of deferred revenue   | 33    | (51.92)                                | (48.51)  |
| Provision of earlier years written back  | 33    | (0.01)                                 | (0.11)   |
| Loss on sale / discarding of property, plant and equipment and capital work-in-progress                        | 40    | 11.15                                  | 5.83   |
| Gain on disposal of property, plant and equipment / investment property  | 34    | (19.31)                                | (22.56)  |
| Bad debts written off (net of recovery)  | 40    | (9.01)                                 | (18.44)  |
| Provision for onerous contracts  | 40    | -                                      | 9.68   |
| Allowance for doubtful advances (net)  | 40    | (6.06)                                 | -  |
| Allowance for doubtful debts (net)   | 40    | 38.84                                  | 16.37  |
| Finance costs  | 38    | 474.44                                 | 401.00   |
| Interest income from financial assets measured at amortised cost   | 34    | (26.62)                                | (29.97)  |
| Gain on sale of current investments in mutual funds  | 34    | (26.78)                                | (18.85)  |
| Gain on sale of non-current investments  | 34    | (0.05)                                 | -  |
| Net (gain) / loss arising on current investments in mutual funds measured at fair value through profit or loss | 34    | (3.83)                                 | (1.02)   |
| Net gain arising on financial assets / liabilities measured at amortised cost                                  | 34    | (17.40)                                | (8.75)   |
| Net unrealised loss / (gain) on foreign currency transactions  | 34    | (4.89)                                 | (10.48)  |
|  |       | <u>2,484.19</u>                        | <u>2,300.14</u>  |
| <b>Operating profit before working capital changes</b>   |       |  |  |
| <b>Movement in working capital:</b>  |       |  |  |
| Adjustments for decrease / (increase) in operating assets:   |       |  |  |
| Inventories  |       | (156.46)                               | (306.92)   |
| Trade receivables  |       | (468.61)                               | (802.49)   |
| Other financial assets   |       | (431.54)                               | (915.57)   |
| Other assets   |       | (80.05)                                | (0.11)   |
| Adjustments for increase / (decrease) in operating liabilities:  |       |  |  |
| Trade payables   |       | 892.39                                 | 364.01   |
| Other financial liabilities  |       | (33.37)                                | 296.88   |
| Provisions   |       | 8.13                                   | (2.45)   |
| Other liabilities  |       | 17.65                                  | 40.44  |
|  |       | <u>2,232.33</u>                        | <u>973.93</u>  |
| <b>Cash generated from operations</b>  |       |  |  |
| Taxes paid (net)   |       | <u>(207.85)</u>                        | <u>(212.31)</u>  |
| <b>Net cash flow generated from operating activities</b>   |       |  |  |
|  |       | <u>2,024.48</u>                        | <u>761.62</u>  |
| <b>Cash flow from investing activities</b>   |       |  |  |
| Payments for property, plant and equipment, intangible assets & investment property                            |       | (1,247.28)                             | (1,480.52)   |
| Proceeds from sale of property, plant and equipment & intangible assets  |       | 27.43                                  | 30.48  |
| Acquisition of subsidiaries net of cash and cash equivalents [Refer note 42]                                   |       | (19.02)                                | 28.05  |
| Purchase of non-current investments  |       | (4.03)                                 | (1.94)   |
| Proceeds from sale of non-current investments  |       | 1.98                                   | -  |
| Loans to related parties   |       | -                                      | (277.02)   |
| Repayment of loans from related parties  |       | -                                      | 11.25  |
| Investments in bank deposits (original maturity more than three months)  |       | (338.22)                               | (48.47)  |
| Redemption in bank deposits (original maturity more than three months)   |       | 406.35                                 | 30.39  |
| (Investments) / redemption in inter corporate deposits   |       | -                                      | 166.84   |
| Interest received  |       | 27.20                                  | 36.57  |
| (Purchase of) / proceeds from current investments (net)  |       | (254.17)                               | (242.09)   |
|  |       | <u>(1,399.76)</u>                      | <u>(1,746.46)</u>                                      |
| <b>Net cash used in investing activities</b>   |       |  |  |
| <b>Cash flow from financing activities</b>   |       |  |  |
| Proceeds from issuance of shares to non-controlling interest   |       | 0.74                                   | -  |
| Proceeds from long-term borrowings   |       | 962.18                                 | 2,914.10   |
| Proceeds from short-term borrowings  |       | 475.00                                 | 400.00   |
| Repayment of long-term borrowings  |       | (694.09)                               | (569.28)   |
| Prepayment of long-term borrowings   |       | (353.92)                               | (341.86)   |
| Repayment of short-term borrowings   |       | (250.00)                               | (1,102.74)   |
| Repayment of Accelerated Power Development and Reform Programme (APDRP) loan                                   |       | (1.75)                                 | (1.53)   |
| Receipt of contribution from consumers   |       | 77.29                                  | 93.13  |
| Dividend paid  |       | (194.36)                               | (2.11)   |
| Principal elements of lease payments   |       | (17.35)                                | (4.79)   |
| Finance costs paid   |       | (446.41)                               | (378.18)   |
|  |       | <u>(442.67)</u>                        | <u>1,006.74</u>  |
| <b>Net cash generated from / (used) in financing activities</b>  |       |  |  |
| <b>Net increase in cash and cash equivalents</b>   |       |  |  |
|  |       | 182.05                                 | 21.90  |
| <b>Cash and cash equivalents as at beginning of the period</b>   |       |  |  |
|  |       | 188.23                                 | 289.41   |
| <b>Cash and cash equivalents as at end of the period</b>   |       |  |  |
|  |       | <u>370.28</u>                          | <u>311.31</u>  |



**TORRENT POWER LIMITED**  
**Condensed Consolidated Statement of Cash Flows**  
**for the six months ended September 30, 2023**

Footnotes:

|  | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>September 30, 2022 |
|--|-----------------------------|---|
| 1 Cash and cash equivalents as at end of the period:   |                             |   |
| Balances with banks  |                             |   |
| Balance in current accounts  | 269.63                      | 258.45                                      |
| Balance in fixed deposit accounts<br>(original maturity for less than three months)  | 100.05                      | 51.81                                       |
| Cheques on hand  | 0.25                        | 0.65  |
| Cash on hand   | 0.35                        | 0.40  |
|  | <b>370.28</b>               | <b>311.31</b>                               |
| 2 Non-cash investing activities:   |                             |   |
| Acquisition of Right-of-use assets   | 8.07                        | 2.10  |
| 3 Cash flow from operating activities includes ₹ 19.46 Crore (six months ended September 30, 2022 : ₹ 4.11 Crore) being expense towards corporate social responsibility initiatives. |                             |   |
| 4 The condensed consolidated statement of cash flow has been prepared under the 'Indirect Method' set out in Indian Accounting Standards (Ind AS) - 7 "Statement of Cash Flows".     |                             |   |


See accompanying notes forming part of the un-audited special purpose interim condensed consolidated financial statements


In terms of our report attached

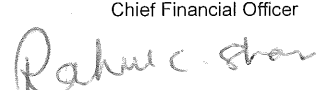
For and on behalf of Fund Raising Committee of Torrent Power Limited

For Price Waterhouse Chartered Accountants LLP  
 Firm Registration Number : 012754N/N500016

  
 Samir Mehta  
 Chairperson  
 DIN:00061903

  
 Priyanshu Gundana  
 Partner  
 Membership No.: 109553

  
 Saurabh Mashruwala  
 Chief Financial Officer

  
 Rahul Shah  
 Company Secretary

Mumbai, December 2, 2023

Ahmedabad, December 2, 2023

TORRENT POWER LIMITED  
Condensed Consolidated Statement of Changes in Equity for the six months ended September 30, 2023

A. Equity share capital [Refer note 21]

|  | (₹ in Crore)                |                         |
|--|-----------------------------|-------------------------|
|  | As at<br>September 30, 2023 | As at<br>March 31, 2023 |
| Balance at the beginning of the period / year            | 480.62                      | 480.62                  |
| Changes in equity share capital during the period / year | -                           | -                       |
| Balance at the end of the period / year                  | <u>480.62</u>               | <u>480.62</u>           |

B. Other equity [Refer note 22]

|  | (₹ in Crore)          |                                    |                        |                    |                    |                      |  |                                  | Total            |
|--|-----------------------|------------------------------------|------------------------|--------------------|--------------------|----------------------|--|----------------------------------|------------------|
|  | Securities<br>premium | Debenture<br>redemption<br>reserve | Reserves and surplus   |                    | General<br>reserve | Retained<br>earnings | Other equity<br>attributable to<br>equity holders<br>of the<br>Company | Non-<br>controlling<br>interests |                  |
|  |                       |                                    | Contingency<br>reserve | Special<br>reserve |                    |                      |  |                                  |                  |
| Balance as at April 01, 2023                           | 0.03                  | 61.21                              | 17.29                  | 78.07              | 3,670.61           | 6,702.17             | 10,529.38  | 476.65                           | 11,006.03        |
| Profit for the period                                  | -                     | -                                  | -                      | -                  | -                  | 1,043.16             | 1,043.16   | 31.67                            | 1,074.83         |
| Other comprehensive income for the period, net of tax  | -                     | -                                  | -                      | -                  | -                  | (8.93)               | (8.93)   | (0.94)                           | (9.87)           |
| Total comprehensive income for the period              | -                     | -                                  | -                      | -                  | -                  | 1,034.23             | 1,034.23   | 30.73                            | 1,064.96         |
| Transaction with owners in their capacity as owners:   |                       |                                    |                        |                    |                    |                      |  |                                  |                  |
| Dividend (including interim dividend) paid             | -                     | -                                  | -                      | -                  | -                  | (192.25)             | (192.25)   | (2.11)                           | (194.36)         |
| Balance as at September 30, 2023                       | <u>0.03</u>           | <u>61.21</u>                       | <u>17.29</u>           | <u>78.07</u>       | <u>3,670.61</u>    | <u>7,544.15</u>      | <u>11,371.36</u>   | <u>505.27</u>                    | <u>11,876.63</u> |
| Balance as at April 01, 2022                           | 0.03                  | 139.60                             | 15.37                  | 78.07              | 3,583.89           | 5,645.60             | 9,462.56   | 35.93                            | 9,498.49         |
| Profit for the period                                  | -                     | -                                  | -                      | -                  | -                  | 983.76               | 983.76   | 2.44                             | 986.20           |
| Other comprehensive income for the period, net of tax  | -                     | -                                  | -                      | -                  | -                  | 1.82                 | 1.82   | -                                | 1.82             |
| Total comprehensive income for the period              | -                     | -                                  | -                      | -                  | -                  | 985.58               | 985.58   | 2.44                             | 988.02           |
| Transaction with owners in their capacity as owners:   |                       |                                    |                        |                    |                    |                      |  |                                  |                  |
| Dividend (including interim dividend) paid             | -                     | -                                  | -                      | -                  | -                  | -                    | -  | (2.11)                           | (2.11)           |
| Non-controlling interests on acquisition of subsidiary | -                     | -                                  | -                      | -                  | -                  | -                    | -  | 377.88                           | 377.88           |
| Balance as at September 30, 2022                       | <u>0.03</u>           | <u>139.60</u>                      | <u>15.37</u>           | <u>78.07</u>       | <u>3,583.89</u>    | <u>6,631.18</u>      | <u>10,448.14</u>   | <u>414.14</u>                    | <u>10,862.28</u> |

Footnote:

Retained earning includes ₹ (33.02) Crore (September 30, 2022 ₹ (27.37) Crore) related to re-measurement of defined benefit plans.

See accompanying notes forming part of the un-audited special purpose interim condensed consolidated financial statements

In terms of our report attached

For and on behalf of Fund Raising Committee of Torrent Power Limited

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number : 012754N/N500016

Priyanshu Gundapa  
Partner  
Membership No.: 109553

Mumbai, December 2, 2024

Samir Mehta  
Chairperson  
DIN:00061903

Saurabh Mashruwala  
Chief Financial Officer

Rahul Shah  
Company Secretary

Ahmedabad, December 2, 2024

## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2023

#### Note 1(a): General information

These Un-audited Special Purpose Interim Condensed Consolidated Financial Statements comprise of financial statements of Torrent Power Limited ("the Company") and its subsidiaries (hereinafter referred to as "the Group") as of and for the six months ended September 30, 2023.

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. Its equity shares are listed on BSE Ltd. and National Stock Exchange Ltd. in India. The registered office of the Company is located at "Samanvay", 600, Tapovan, Ambawadi, Ahmedabad – 380 015.

The Group is engaged in the business of generation, renewables, transmission and distribution of Electricity and of manufacture and sale of Cable. Information on the Group's structure is provided in note 41.

#### Note 1(b): New standards or interpretations adopted by the Group

The Ministry of Corporate Affairs vide notification dated March 31, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective April 01, 2023:

- i) Ind AS 1 – Disclosure of accounting policies
- ii) Ind AS 8 – Definition of Accounting estimates
- iii) Ind AS 12 – Deferred tax related to assets and liabilities arising from a single transaction

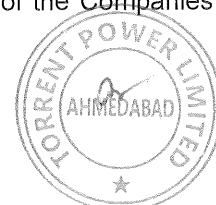
The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

#### Note 2(a): Material accounting policies

##### 2.1 Basis of preparation:

These Un-audited Special Purpose Interim Condensed Consolidated Financial Statements comprising the Condensed Consolidated Balance Sheet as at September 30, 2023 and the Condensed Consolidated Statement of Profit and Loss, Condensed Consolidated Statement of Cash Flows and Condensed Consolidated Statement of Changes in Equity for the six months period ended on that date and a summary of material accounting policies and other explanatory information to these Un-audited Special Purpose Interim Condensed Consolidated Financial Statements (together hereinafter referred as the 'Un-audited Special Purpose Interim Condensed Consolidated Financial Statements' or 'Financial Statements') have been prepared by the Management in accordance with the principles of Indian Accounting Standard ('Ind AS') 34, "Interim Financial Reporting" prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013 and rules thereunder and are presented, and disclose the information required thereunder to the extent considered relevant by the Management and the intended users of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the purposes for which those have been prepared.

These Un-audited Special Purpose Interim Condensed Consolidated Financial Statements have been prepared by the Group for preparation of consolidated financial information of the Group to be included in the Preliminary Placement Document ("PDD") and Placement Document ("PD"), to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") in Ahmedabad, as applicable, in connection with proposed Qualified institutions Placement of the equity shares by the Company in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended, and other relevant provisions of the Companies Act, 2013 (the 'Companies Act, 2013').



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2023

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### Historical cost convention

These Un-audited Special Purpose Interim Condensed Consolidated Financial Statements have been prepared on historical cost basis except for following which have been measured at fair value;

- Defined benefit plan assets
- Certain financial assets and liabilities (including derivative instruments) is measured at fair value

All assets and liabilities have been classified as current or non-current as set out in the Schedule III (Division II) to the Companies Act, 2013.

#### 2.2 Principles of consolidation:

##### Subsidiaries

The financial statements are of Company and its subsidiaries. Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Consolidation of an entity begins when the Company obtains control over the entity and ceases when the Company loses control of the entity. Specifically, income and expenses of an entity acquired or disposed of during the period are included in the condensed consolidated statement of profit and loss from the date the Company gains control or until the date when the Company ceases to control the entity, respectively.

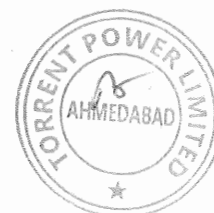
The Group combines the financial statements of the Parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Ind AS 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent company, i.e., period ended on September 30.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the condensed consolidated balance sheet, condensed consolidated statement of profit and loss and condensed consolidated statement of changes in equity respectively.

##### Associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2023

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.

The results and assets and liabilities of associates or joint ventures are incorporated in the consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations". Under the equity method, an investment in an associate or a joint venture is initially recognised in the condensed consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognized to the extent that the Group has incurred legal or constructive obligation or made payment on behalf of the associate or joint venture.

#### 2.3 Business combinations and Goodwill:

##### Business combination - acquisition

Acquisitions of businesses are accounted for using the acquisition method. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred, liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

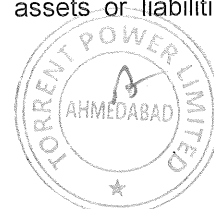
over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

##### Business combination – common control transaction

Business combinations involving entities that are controlled by the Group are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.

- No adjustments are made to reflect fair values or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2023

- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.
- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

Business combination-related costs are generally recognised in condensed consolidated statement of profit and loss as incurred.

#### Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of a business include the carrying amount of goodwill relating to such business.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

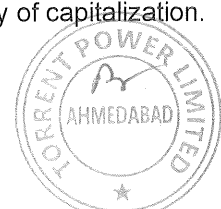
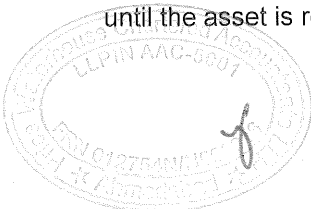
#### Acquisition of an asset or a group of assets

In case of acquisition of an asset or a group of assets that does not constitute a business, the Group identifies and recognises individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets under Ind AS 38, Intangible Assets) and liabilities assumed. The Purchase Consideration shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction or event does not give rise to goodwill or gain on bargain purchase.

#### 2.4 Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the condensed consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses except that on adoption of Ind AS, property, plant and equipment had been measured at deemed cost, using the net carrying value as per previous GAAP as at April 01, 2015.

Capital work in progress in the course of construction for production, supply or administrative purposes is carried at cost, less any recognised impairment loss. Cost includes purchase price, taxes and duties, labour cost and other directly attributable costs incurred upto the date the asset is ready for its intended use. Such property, plant and equipment are classified to the appropriate categories when completed and ready for intended use. Directly attributable costs are capitalized until the asset is ready to use in accordance with the Group's accounting policy of capitalization.





## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2023

Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. Subsequent costs relating to day to day servicing of the item are not recognised in the carrying amount of an item of property, plant and equipment; rather, these costs are recognised in profit or loss as incurred.

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

#### Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are ready for their intended use. Depreciation for the period is provided on additions / deductions of the assets during the period from / up to the month in which the asset is added / deducted. Depreciation on property, plant and equipment which are governed as per the provisions of Part B of Schedule II of the Companies Act, 2013 is provided on straight line basis using the depreciation rates, the methodology and residual value as notified by the respective regulatory bodies in accordance with the Electricity Act, 2003. For other property, plant and equipment in non-regulated business, depreciation is provided on a straight line basis over the estimated useful lives.

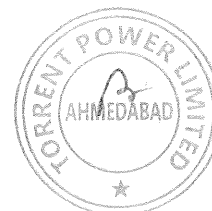
The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period in respect of property, plant and equipment of non-regulated business. The effect of any such change in estimate in this regard is accounted for on a prospective basis.

The range of depreciation rates of property, plant and equipment are as follows:

| Class of assets                   | Rate of depreciation  |                       |                 |
|-----------------------------------|-----------------------|-----------------------|-----------------|
|                                   | Regulated business \$ | Franchisee business @ | Other business  |
| Buildings                         | 1.26% to 6.73%        | 3.34%                 | 1.58% to 31.67% |
| Railway siding                    | 1.80% to 5.28%        | -                     | -               |
| Leasehold improvement             | -                     | 6.86% to 23.08%       | -               |
| Plant and machinery               | 0.92% to 19.00%       | 5.28%                 | 3.60% to 12.66% |
| Electrical fittings and apparatus | 0.64% to 19.00%       | 6.33%                 | 6.33% to 9.50%  |
| Furniture and fixtures            | 0.91% to 15.00%       | 6.33%                 | 6.33% to 9.91%  |
| Vehicles                          | 9.50% to 18.00%       | 9.50%                 | 9.50% to 11.88% |
| Office equipment                  | 0.91% to 31.67%       | 5.28% to 15.00%       | 6.33% to 19.00% |

@ governed by the applicable regulations of Uttar Pradesh Electricity Regulatory Commission (UPERC) / Maharashtra Electricity Regulatory Commission (MERC) for this purpose.

\$ For assets acquired on or after April 01, 2009 in case of Regulated generation and distribution business, remaining depreciable value as on March 31 of the year closing after a period of 12 years from date on which assets are ready for their intended use, shall be spread over the balance useful life of the assets as defined in GERC / CERC Multi Year Tariff (MYT) regulations.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2023

#### 2.5 Intangible assets:

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over its estimated useful life. The range of estimated useful lives of the intangible assets are as follows:

- Computer software – 3 years
- Customer Contracts – 15 to 22 years
- Distribution License – 25 years

The estimated useful lives and amortisation method are reviewed at the end of each reporting period and the effect of any changes in such estimate is accounted for on a prospective basis.

Expenditure incurred on acquisition of intangible assets which are not ready to use at the reporting date is disclosed under "Intangible assets under development".

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

#### 2.6 Impairment of assets:

Property, plant and equipment and intangible assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's fair value less costs of disposal and value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. An impairment loss is recognised immediately in profit or loss.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### 2.7 Borrowing costs:

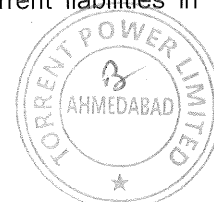
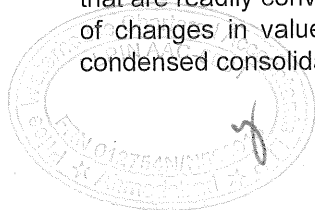
Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, such as new projects and / or specific assets created in the existing business, are capitalized up to the date of completion and ready for their intended use.

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

Other borrowing costs are charged to the condensed consolidated statement of profit and loss in the period of their accrual.

#### 2.8 Cash and cash equivalents:

For the purpose of presentation in the condensed consolidated statement of cash flows, cash and cash equivalents includes cash on hand, cheques / drafts on hand, current account balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the condensed consolidated balance sheet.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2023

#### 2.9 Inventories:

Raw materials, fuel, stores and spares, packing materials, loose tools, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of inventories includes purchase price and all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the weighted average basis except for inventory of Regasified Liquefied Natural Gas (RLNG) which is valued using specific identification method considering its procurement for beneficiary usage or others. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

#### 2.10 Revenue recognition:

Revenue towards satisfaction of a performance obligation is measured and recognized at transaction price recognized, when the control of the goods or services has been transferred to consumers, net of discounts and other similar allowances.

- (i) Revenue from power supply and transmission charges is accounted for in accordance with the rates, terms and conditions laid down under the relevant Tariff Regulations / Tariff Orders notified by the Electricity Regulators / agreements entered with the customers / power exchange rates, as applicable. Revenue recognised includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff and adjustments in respect of unbilled amounts towards revenue gaps / unapproved Fuel and Power Purchase Price Adjustment (FPPPA) which are recognised considering applicable tariff regulations/ tariff orders, past trends of approval, management's probability estimate and, when no significant uncertainty exists in such determination. Revenue from power supply exclude taxes and duties.

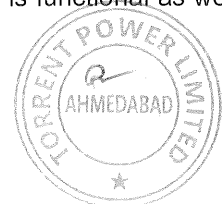
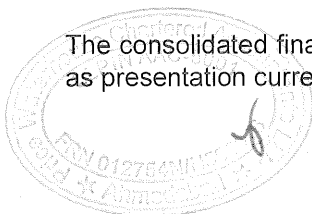
These adjustments / accruals are carried forward as 'Unbilled revenue' under "Other current financial assets" in Note 19, which would be adjusted through future billing based on tariff determination by the regulator in accordance with the electricity regulations.

- (ii) Sales of cables and trading of RLNG are recognised, net of returns and rebates, on transfer of control of ownership to the buyer. Sales exclude Goods and Services Tax.
- (iii) Gross proceeds from sale of Certified Emission Reduction Certificates (CERs) are recognized when all the control of CERs have been passed to buyer, usually on delivery of the CERs.
- (iv) Income from Generation Based Incentive is accounted on accrual basis considering eligibility of project for availing incentive.
- (v) Contributions by consumers towards items of property, plant and equipment, which require an obligation to provide electricity connectivity to the consumers, are recognised as a credit to deferred revenue. Similarly contribution by third party towards construction of overhead transmission lines are recognized as a credit to deferred revenue. Such revenue is recognised over the useful life of the property, plant and equipment.

#### 2.11 Foreign currency translation:

##### Functional and presentation currency

The consolidated financial statements are prepared in Indian rupee (₹) which is functional as well as presentation currency of the Group.



**Transactions and balances**

In preparing the financial statements of each individual Group entity transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign exchange differences arising on foreign currency borrowings are presented in the condensed consolidated statement of profit and loss, within finance costs. All other foreign exchange differences arising on settlement of monetary items or on reporting the Group's monetary items at rates different from those at which they were initially recorded during the financial year are recognized as income or expense in the financial year in which they arise.

**2.12 Employee benefits:**

**Defined contribution plans**

Contributions retirement benefit plans in the form of provident fund, employee state insurance scheme, pension scheme and superannuation schemes as per regulations are charged as an expense on an accrual basis when employees have rendered the service. The Group has no further payment obligations once the contributions have been paid.

**Defined benefits plans**

The liability or asset recognised in the condensed consolidated balance sheet in respect of the retirement benefit plan i.e. gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by an actuary using projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

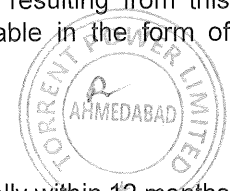
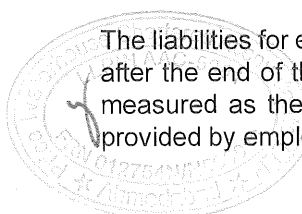
The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets. This cost is included in the employee benefit expense in the condensed consolidated statement of profit and loss.

Remeasurements, comprising actuarial gains and losses and the effect of the changes to the asset ceiling (if applicable), is reflected immediately in the condensed consolidated balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and consequently recognised in retained earnings and is not reclassified to profit or loss.

The retirement benefit recognised in the condensed consolidated balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

**Other long-term employee benefit obligations**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2023

The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The said obligations are presented as current liabilities in the condensed consolidated balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### 2.13 Taxation:

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

##### Current tax

The tax currently payable is based on estimated taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the condensed consolidated statement of profit and loss because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in the tax returns with respect to situations for which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Advance taxes and provisions for current income taxes are offset with each other when there is a legally enforceable right to offset and balances arise with the same tax authority.

##### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

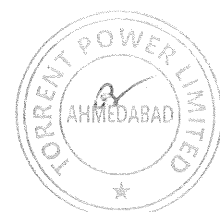
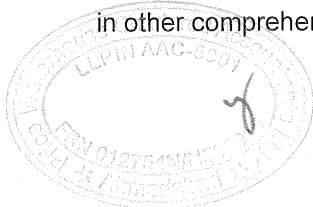
The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2023

#### 2.14 Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) attributable to owners of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by adjusting the figures used in the determination of basic EPS to take into account:

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

#### 2.15 Provisions, contingent liabilities and contingent assets:

##### Provisions

A provision is recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

##### Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

##### Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

#### 2.16 Financial instruments:

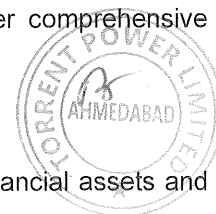
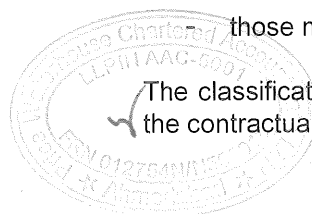
##### Financial assets

##### i) Classification of financial assets (including debt instruments)

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2023

#### ii) Initial measurement

Financial assets (excluding trade receivables) are initially measured at fair value. Transaction costs that are directly attributable to the acquisition (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in profit or loss. Trade receivables which do not contain a significant financing component are measured at transaction price.

#### iii) Subsequent measurement

There are three measurement categories into which the debt instruments can be classified:

##### • Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the condensed consolidated statement of profit and loss.

##### • Fair value through other comprehensive income (FVOCI)

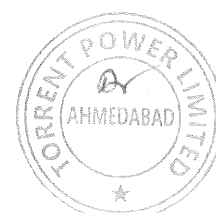
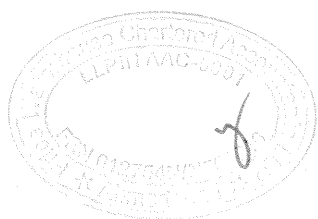
Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses. The Group currently does not have any debt instruments which are measured at FVOCI.

##### • Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the condensed consolidated statement of profit and loss within other gains / (losses) in the period in which it arises. Net gains / (losses) from these financial assets is included in other income.

#### iv) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2023

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 only, the Group follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses to measure the expected credit losses, trade receivables have been grouped based on days past due. The policy of the Group is to provide for credit loss takes into consideration of factors such as type of Consumers i.e. Government Consumers / Non Government consumers, Status of Consumers i.e. Live consumers / Disconnected consumers and Security deposits provided by the Consumer, Status of Consumers i.e. Live consumers / Disconnected consumers and Security deposits provided by the Consumer.

#### v) Derecognition of financial assets

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset

When the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of financial asset, the financial asset is derecognised if the Group has not retained control over the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### vi) Income recognition

Dividend is accounted when the right to receive payment is established.

Interest income on financial assets at amortised cost is calculated using the effective interest method is recognised in the condensed consolidated statement of profit and loss as part of other income.

Interest on overdue receivables of energy bills and claims including insurance claims, coal cost variation and other claims etc. are accounted when there is a certainty of recovery.

#### vi) Derivative

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

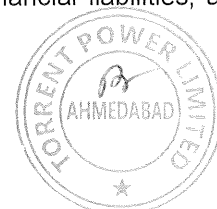
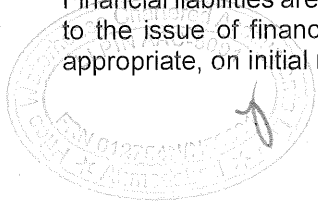
### Financial liabilities

#### i) Classification

All the Group's financial liabilities are measured at amortized cost.

#### ii) Initial measurement

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the issue of financial liabilities are deducted from the fair value of the financial liabilities, as appropriate, on initial recognition.





## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2023

#### iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate Method.

The Effective Interest Rate Method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability.

#### iv) Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or waived off or have expired. An exchange between the Group and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

#### 2.17 Contributed equity:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Transaction costs of an equity transaction shall be accounted for in other equity.

#### 2.18 Redemption liability

Liability for put option issued to non-controlling shareholders in subsidiaries, to be settled in cash by the Company, which do not grant present access to ownership interest to the Group is recognised at present value of the redemption amount and is reclassified from equity. At the end of each reporting period, the non-controlling interests subject to put option is derecognised and the difference arising between the amount received from the customer towards share capital, and the present value of redemption liability on initial recognition, would be recognised as a contract liability for electricity to be supplied in future. The liability shall be subsequently measured at amortised cost as per the principles of Ind AS 109.

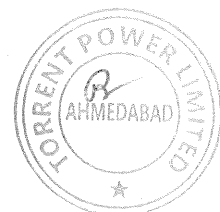
#### 2.19 Leases:

##### The Group as a lessee:

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components.

##### Lease liabilities:

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the lease payments.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2023

The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the lessee's incremental borrowing rate. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

#### **Right-of-use assets:**

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date.

Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, and lease payments made at or before the commencement date less any lease incentives received.

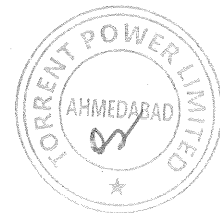
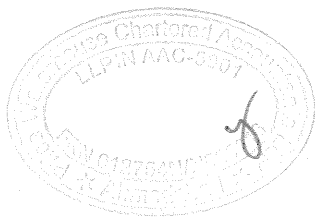
Right-of-use assets are depreciated over the asset's lease term on a straight-line basis.

#### **Short term leases and leases of low value assets:**

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment including IT equipment.

#### **2.20 Amount presented and rounding off:**

All amounts in the financial statements and notes have been presented in ₹ Crore (except for share data) rounded to two decimals as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated. Figures below ₹ 50,000 are denoted by "\*\*".



## TORRENT POWER LIMITED

Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2023

### Note 2(b): Other accounting policies

#### 2.21 Government grants:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants relating to income are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants relating to purchase of property, plant and equipment whose primary condition is that the Group should purchase, construct or otherwise acquire property, plant and equipment are recognised as deferred revenue in the condensed consolidated balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

#### 2.22 Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from its current use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2023

#### Note 3: Critical accounting judgements and key sources of estimation uncertainty

In the course of applying the policies outlined in all notes under note 2 above, the management of the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Such estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

#### 3.1 Revenue recognition:

The Group has recognised revenue (including the adjustment in respect of unapproved FPPPA claims and other true up adjustment claims) as per the applicable tariff regulations / tariff orders, management's probability estimate and the past trends of approval. The Group has not recognized those truing up adjustment claims which are disputed and for which the group is in appeal with regulatory authorities. These are recognised on receipt of final orders of respective regulatory authorities. [Refer note 33]

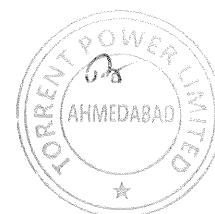
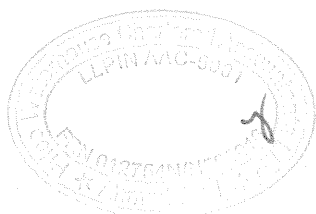
#### 3.2 Property, plant and equipment:

##### (i) Service concession arrangements

The Group has assessed applicability of Appendix D of Ind AS 115 "Service Concession Arrangements" with respect to its Property, plant and equipment. In assessing the applicability, the Group has exercised judgment in relation to the provisions of the Electricity Act, 2003, conditions provided under transmission and distribution license and / or agreements. Further, the Group has ability to pledge the assets pursuant to which it has control and ability to direct the use of assets. Based on such assessment, it has concluded that Appendix D of Ind AS 115 is not applicable except in case of 1 Subsidiary Company namely Solapur Transmission Limited which is into the business of transmission of electricity on Build, Own, Operate and Transfer (BOOT) basis.

##### (ii) Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the property, plant and equipment. Further, the cash flow projections are based on estimates and assumptions relating to expected demand, future price of fuel, expected tariff rates for electricity, discount rate, exchange rate and electricity market scenario, based on past trends and the current and likely future state of the industry etc. which are considered reasonable by the Management. Any reasonable possible change in the underlying assumptions would not lead to a material change to the amount of impairment. [Refer note 44(1)]



## TORRENT POWER LIMITED

### Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2023

#### (iii) Fair value measurement of assets acquired

Significant management judgement is involved in determining whether assets acquired in a particular transaction constitute a 'business' in accordance with the principles laid down in Ind AS 103 – Business Combinations. Identification of the assets acquired and liabilities assumed; and measurement of their fair values using appropriate valuation methods to be adopted involves, key assumptions like the discount rate and expected demand. [Refer note 42]

#### 3.3 Taxes:

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets for unused tax credits that can be recognised, based upon the likely timing and the level of future taxable profits.

#### 3.4 Contingencies:

##### Contingent liabilities

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management judgement is involved in classification under 'remote', 'possible' or 'probable' which is carried out based on expert advice, past judgements, experiences etc. [Refer note 45(a)]

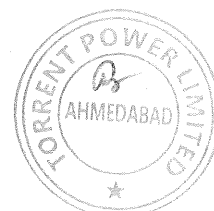
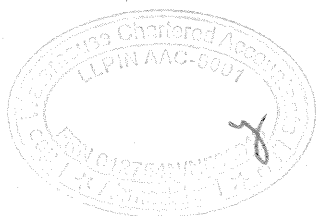
#### 3.5 Employee benefit plans:

##### Defined benefit plans and other long-term employee benefits

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

#### 3.6 Ind AS 116 - Leases

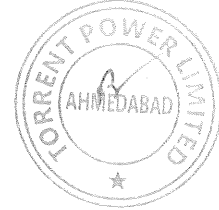
In determining whether the revenue contract (power purchase agreement) with customers especially when entire contractual capacity of the one project (solar) is committed to one customer, management has exercised judgement in concluding whether contract contains lease. Management takes into consideration of the responsible parties for design of the project and who has right to direct the use of solar power plant.



**TORRENT POWER LIMITED**

**Notes forming part of the Un-audited Special Purpose Interim Condensed Consolidated Financial Statements for the six months ended September 30, 2023**

As per the revenue contract, power producer will design procure, install & commission the solar power plant & all other equipment required to generate solar electricity. Power Purchaser neither operates the plant nor involved in the design of the solar power plant, therefore the Power Purchaser does not have right to direct the use of solar power plant and accordingly arrangement does not contain lease as per Ind AS 116.



TORRENT POWER LIMITED

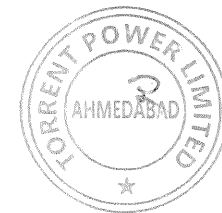
Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

Note 4 : Property, plant and equipment

As at September 30, 2023

(₹ in Crore)

| Particulars                       | Gross carrying amount |                                 |                                  |                                   |                          | Accumulated depreciation and impairment loss |                    |                                  |                                   |                          | Net carrying amount      |
|-----------------------------------|-----------------------|---------------------------------|----------------------------------|-----------------------------------|--------------------------|--|--------------------|----------------------------------|-----------------------------------|--------------------------|--------------------------|
|                                   | As at April 01, 2023  | Additions during the six months | Deductions during the six months | Adjustments during the six months | As at September 30, 2023 | As at April 01, 2023                         | For the six months | Deductions during the six months | Adjustments during the six months | As at September 30, 2023 | As at September 30, 2023 |
| Freehold land                     | 724.20                | 121.77                          | -                                | 10.36                             | 856.33                   | -  | -                  | -                                | -                                 | -                        | 856.33                   |
| Buildings                         | 2,073.27              | 63.17                           | 2.24                             | (4.44)                            | 2,129.76                 | 428.33                                       | 37.46              | 0.48                             | 2.71                              | 468.02                   | 1,661.74                 |
| Leasehold improvement             | 4.57                  | -                               | -                                | -                                 | 4.57                     | 1.35   | 0.37               | -                                | -                                 | 1.72                     | 2.85                     |
| Railway siding                    | 1.86                  | -                               | -                                | -                                 | 1.86                     | 0.40   | 0.02               | -                                | -                                 | 0.42                     | 1.44                     |
| Plant and machinery               | 26,452.81             | 1,451.28                        | 29.49                            | 53.03                             | 27,927.63                | 10,958.22                                    | 593.88             | 17.56                            | (2.71)                            | 11,531.83                | 16,395.80                |
| Electrical fittings and apparatus | 68.41                 | 3.86                            | 0.07                             | -                                 | 72.20                    | 24.54  | 1.91               | 0.04                             | -                                 | 26.41                    | 45.79                    |
| Furniture and fixtures            | 78.94                 | 6.33                            | 0.24                             | -                                 | 85.03                    | 25.07  | 2.52               | 0.16                             | -                                 | 27.43                    | 57.60                    |
| Vehicles                          | 35.30                 | 4.48                            | 0.92                             | -                                 | 38.86                    | 13.72  | 1.76               | 0.31                             | -                                 | 15.17                    | 23.69                    |
| Office equipment                  | 214.78                | 13.63                           | 4.51                             | -                                 | 223.90                   | 86.57  | 9.20               | 2.82                             | -                                 | 92.95                    | 130.95                   |
| <b>Total</b>                      | <b>29,654.14</b>      | <b>1,664.52</b>                 | <b>37.47</b>                     | <b>58.95</b>                      | <b>31,340.14</b>         | <b>11,538.20</b>                             | <b>647.12</b>      | <b>21.37</b>                     | <b>-</b>                          | <b>12,163.95</b>         | <b>19,176.19</b>         |



TORRENT POWER LIMITED

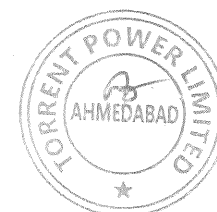
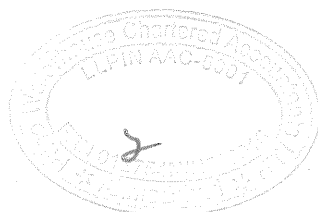
Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

Note 4 : Property, plant and equipment (Contd.)

As at March 31, 2023

(₹ in Crore)

| Particulars                       | Gross carrying amount |  |                           |                            |                             |                      | Accumulated depreciation and impairment loss |                 |                            |                             |                      | Net carrying amount  |  |
|-----------------------------------|-----------------------|--|---------------------------|----------------------------|-----------------------------|----------------------|--|-----------------|----------------------------|-----------------------------|----------------------|----------------------|--|
|                                   | As at April 01, 2022  | Additions on acquisition of subsidiaries [Refer note 42] | Additions during the year | Deductions during the year | Adjustments during the year | As at March 31, 2023 | As at April 01, 2022                         | For the year    | Deductions during the year | Adjustments during the year | As at March 31, 2023 | As at March 31, 2023 |  |
| Freehold land                     | 514.18                | 84.66  | 131.02                    | -                          | (5.66)                      | 724.20               | -  | -               | -                          | -                           | -                    | 724.20               |  |
| Buildings                         | 1,807.77              | 5.16   | 246.43                    | 1.12                       | 15.03                       | 2,073.27             | 357.85                                       | 67.87           | 0.21                       | 2.82                        | 428.33               | 1,644.94             |  |
| Leasehold improvement             | 4.05                  | -  | 0.52                      | -                          | -                           | 4.57                 | 0.67   | 0.68            | -                          | -                           | 1.35                 | 3.22                 |  |
| Railway siding                    | 1.86                  | -  | -                         | -                          | -                           | 1.86                 | 0.35   | 0.05            | -                          | -                           | 0.40                 | 1.46                 |  |
| Plant and machinery               | 24,434.44             | 858.49   | 1,211.12                  | 56.24                      | 5.00                        | 26,452.81            | 9,859.13                                     | 1,131.93        | 30.02                      | (2.82)                      | 10,958.22            | 15,494.59            |  |
| Electrical fittings and apparatus | 55.52                 | -  | 12.99                     | 0.15                       | 0.05                        | 68.41                | 21.32  | 3.31            | 0.09                       | -                           | 24.54                | 43.87                |  |
| Furniture and fixtures            | 64.46                 | -  | 14.64                     | 0.16                       | -                           | 78.94                | 20.89  | 4.29            | 0.11                       | -                           | 25.07                | 53.87                |  |
| Vehicles                          | 30.86                 | 0.49   | 6.06                      | 2.11                       | -                           | 35.30                | 11.51  | 3.44            | 1.23                       | -                           | 13.72                | 21.58                |  |
| Office equipment                  | 190.69                | 0.04   | 28.24                     | 4.48                       | 0.29                        | 214.78               | 72.72  | 17.03           | 3.18                       | -                           | 86.57                | 128.21               |  |
| <b>Total</b>                      | <b>27,103.83</b>      | <b>948.84</b>  | <b>1,651.02</b>           | <b>64.26</b>               | <b>14.71</b>                | <b>29,654.14</b>     | <b>10,344.44</b>                             | <b>1,228.60</b> | <b>34.84</b>               | <b>-</b>                    | <b>11,538.20</b>     | <b>18,115.94</b>     |  |





**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

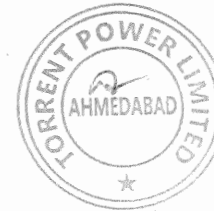
**Note 4 : Property, plant and equipment (Contd.)**

Footnotes:

- 1 The above property, plant and equipment have been mortgaged and hypothecated to secure borrowings of the Group [Refer note 23].
- 2 Capital commitment:  
Refer note 44 (c) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 3 Adjustments during the period include capitalisation of borrowing costs of ₹ 58.95 Crore (Previous year - ₹ 27.61 Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 "Borrowing Costs" and in Previous year - ₹ 0.61 Crore pertaining to reversal of security deposit.
- 4 Adjustments during the previous year include change in nature of freehold land to Investment property of ₹ 12.90 Crore.
- 5 The weighted average rate for capitalisation of borrowing cost relating to general borrowing is 8.45% p.a. (Previous year 7.62% p.a. to 7.67% p.a.).
- 6 Additions to plant and machinery includes capitalisation of directly attributable costs incurred by the Group under various headings.
- 7 Refer note 43 (1) for impairment loss in respect of DGEN power plant
- 8 The closing balance of accumulated depreciation and impairment consist impairment loss of ₹ 2,314.07 Crore (March 31, 2023 - ₹ 2,314.07 Crore).
- 9 The Group have not revalued its property, plant and equipment during the current period or previous year.
- 10 Pro-rata cost of assets owned jointly with Torrent Pharmaceuticals Limited, a fellow subsidiary are as under:

(₹ in Crore)

| Particulars   | Proportion of holding | As at September 30, 2023 | As at March 31, 2023 |
|---------------|-----------------------|--------------------------|----------------------|
| Freehold land | 50%                   | 23.58                    | 23.58                |
| Freehold land | 70%                   | 83.16                    | 83.16                |
| Building      | 70%                   | 3.04                     | 3.04                 |



TORRENT POWER LIMITED

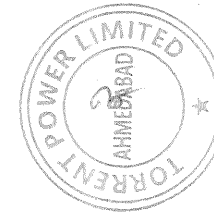
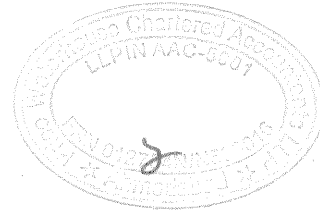
Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

Note 5 : Right-of-use assets

As at September 30, 2023

(₹ in Crore)

| Particulars         | Gross carrying amount |  |                                 |                                  |                                   |                          | Accumulated depreciation |                    |                                  |                                   |                          | Net carrying amount      |  |
|---------------------|-----------------------|--|---------------------------------|----------------------------------|-----------------------------------|--------------------------|--------------------------|--------------------|----------------------------------|-----------------------------------|--------------------------|--------------------------|--|
|                     | As at April 01, 2023  | Additions on acquisition of subsidiaries [Refer note 42] | Additions during the six months | Deductions during the six months | Adjustments during the six months | As at September 30, 2023 | As at April 01, 2023     | For the six months | Deductions during the six months | Adjustments during the six months | As at September 30, 2023 | As at September 30, 2023 |  |
| Land                | 223.09                | 19.00  | 14.05                           | 7.03                             | -                                 | 249.11                   | 29.96                    | 4.76               | 3.12                             | -                                 | 31.60                    | 217.51                   |  |
| Buildings           | 36.67                 | -  | 4.64                            | -                                | -                                 | 41.31                    | 13.52                    | 2.39               | -                                | -                                 | 15.91                    | 25.40                    |  |
| Plant and machinery | 0.38                  | -  | 1.95                            | -                                | -                                 | 2.33                     | 0.20                     | 0.06               | -                                | -                                 | 0.26                     | 2.07                     |  |
| Office equipment    | 0.14                  | -  | -                               | -                                | -                                 | 0.14                     | 0.14                     | -                  | -                                | -                                 | 0.14                     | -                        |  |
| <b>Total</b>        | <b>260.28</b>         | <b>19.00</b>   | <b>20.64</b>                    | <b>7.03</b>                      | <b>-</b>                          | <b>292.89</b>            | <b>43.82</b>             | <b>7.21</b>        | <b>3.12</b>                      | <b>-</b>                          | <b>47.91</b>             | <b>244.98</b>            |  |



TORRENT POWER LIMITED

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

Note 5 : Right-of-use assets (Contd.)

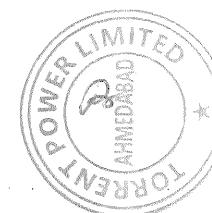
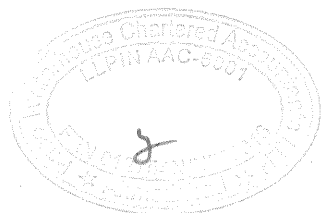
As at March 31, 2023

(₹ in Crore)

| Particulars         | Gross carrying amount |  |                           |                            |                             |                      | Accumulated depreciation |              |                            |                             |                      | Net carrying amount  |
|---------------------|-----------------------|--|---------------------------|----------------------------|-----------------------------|----------------------|--------------------------|--------------|----------------------------|-----------------------------|----------------------|----------------------|
|                     | As at April 01, 2022  | Additions on acquisition of subsidiaries [Refer note 42] | Additions during the year | Deductions during the year | Adjustments during the year | As at March 31, 2023 | As at April 01, 2022     | For the year | Deductions during the year | Adjustments during the year | As at March 31, 2023 | As at March 31, 2023 |
| Land                | 210.13                | 0.48   | 17.52                     | 0.39                       | (4.65)                      | 223.09               | 21.46                    | 9.04         | -                          | (0.54)                      | 29.96                | 193.13               |
| Buildings           | 36.04                 | -  | 3.67                      | 3.04                       | -                           | 36.67                | 10.36                    | 4.34         | 1.18                       | -                           | 13.52                | 23.15                |
| Plant and machinery | 0.38                  | -  | -                         | -                          | -                           | 0.38                 | 0.15                     | 0.05         | -                          | -                           | 0.20                 | 0.18                 |
| Office equipment    | 0.14                  | -  | -                         | -                          | -                           | 0.14                 | 0.12                     | 0.02         | -                          | -                           | 0.14                 | -                    |
| <b>Total</b>        | <b>246.69</b>         | <b>0.48</b>  | <b>21.19</b>              | <b>3.43</b>                | <b>(4.65)</b>               | <b>260.28</b>        | <b>32.09</b>             | <b>13.45</b> | <b>1.18</b>                | <b>(0.54)</b>               | <b>43.82</b>         | <b>216.46</b>        |

Footnotes:

- 1 The above right-of-use assets have been mortgaged and hypothecated to secure borrowings of the Group [Refer note 23].
- 2 Adjustments during the previous year include change in nature of land from Right-of-use assets to Investment property of ₹ 4.11 Crore (net).
- 3 The Group have not revalued its right-of-use assets during the current period or previous year.



TORRENT POWER LIMITED

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

Note 6 : Capital work-in-progress

As at September 30, 2023

(₹ in Crore)

| Particulars              | As at April 01, 2023 | Additions during the six months | Capitalised during the six months | Adjustment during the six months | As at September 30, 2023 |
|--------------------------|----------------------|---------------------------------|-----------------------------------|----------------------------------|--------------------------|
| Capital work-in-progress | 2,624.69             | 905.83                          | 1,553.05                          | -                                | 1,977.47                 |
| <b>Total</b>             | <b>2,624.69</b>      | <b>905.83</b>                   | <b>1,553.05</b>                   | <b>-</b>                         | <b>1,977.47</b>          |

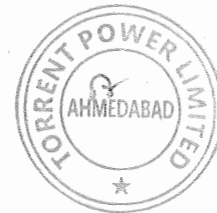
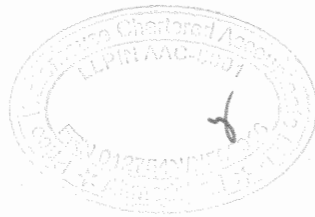
As at March 31, 2023

(₹ in Crore)

| Particulars              | As at April 01, 2022 | Additions on acquisition of subsidiaries [Refer note 42] | Additions during the year | Capitalised during the year | Adjustment during the year | As at March 31, 2023 |
|--------------------------|----------------------|--|---------------------------|-----------------------------|----------------------------|----------------------|
| Capital work-in-progress | 1,297.27             | 0.07   | 2,840.23                  | 1,501.31                    | (11.57)                    | 2,624.69             |
| <b>Total</b>             | <b>1,297.27</b>      | <b>0.07</b>  | <b>2,840.23</b>           | <b>1,501.31</b>             | <b>(11.57)</b>             | <b>2,624.69</b>      |

Footnotes:

- 1 The above Capital work-in-progress have been mortgaged and hypothecated to secure borrowings of the Group [Refer note 23].
- 2 Capital work-in-progress include borrowing costs of ₹ 60.03 Crore (March 31, 2023 - ₹ 83.00 Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 "Borrowing Costs".
- 3 Adjustment during the period includes ₹ Nil (Previous year - ₹ 11.57 Crore (including ₹ 1.49 Crore related to borrowing cost)) write off.
- 4 Capital work-in-progress mainly comprises Plant and machinery, Buildings and Freehold land.
- 5 Additions to Capital work-in-progress includes capitalisation of directly attributable costs incurred by the Group under various headings.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note - 7 : Investment property**

|                          |                       |                                 |                                  |                                   |                          |                      |                    |                                  |                          | (₹ in Crore)             |
|--------------------------|-----------------------|---------------------------------|----------------------------------|-----------------------------------|--------------------------|----------------------|--------------------|----------------------------------|--------------------------|--------------------------|
| As at September 30, 2023 |                       |                                 |                                  |                                   |                          |                      |                    |                                  |                          |                          |
| Particulars              | Gross carrying amount |                                 |                                  |                                   | Accumulated depreciation |                      |                    |                                  | Net carrying amount      |                          |
|                          | As at April 01, 2023  | Additions during the six months | Deductions during the six months | Adjustments during the six months | As at September 30, 2023 | As at April 01, 2023 | For the six months | Deductions during the six months | As at September 30, 2023 | As at September 30, 2023 |
| Freehold land            | 9.39                  | -                               | 3.17                             | -                                 | 6.22                     | -                    | -                  | -                                | -                        | 6.22                     |
| <b>Total</b>             | <b>9.39</b>           | <b>-</b>                        | <b>3.17</b>                      | <b>-</b>                          | <b>6.22</b>              | <b>-</b>             | <b>-</b>           | <b>-</b>                         | <b>-</b>                 | <b>6.22</b>              |

|                      |                       |                           |                            |              |                          |                      |              |                            |                      | (₹ in Crore)         |
|----------------------|-----------------------|---------------------------|----------------------------|--------------|--------------------------|----------------------|--------------|----------------------------|----------------------|----------------------|
| As at March 31, 2023 |                       |                           |                            |              |                          |                      |              |                            |                      |                      |
| Particulars          | Gross carrying amount |                           |                            |              | Accumulated depreciation |                      |              |                            | Net carrying amount  |                      |
|                      | As at April 01, 2022  | Additions during the year | Deductions during the year | Adjustments  | As at March 31, 2023     | As at April 01, 2022 | For the year | Deductions during the year | As at March 31, 2023 | As at March 31, 2023 |
| Freehold land        | -                     | 2.17                      | 9.79                       | 17.01        | 9.39                     | -                    | -            | -                          | -                    | 9.39                 |
| <b>Total</b>         | <b>-</b>              | <b>2.17</b>               | <b>9.79</b>                | <b>17.01</b> | <b>9.39</b>              | <b>-</b>             | <b>-</b>     | <b>-</b>                   | <b>-</b>             | <b>9.39</b>          |

**Footnotes:**

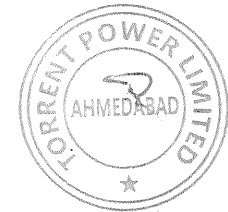
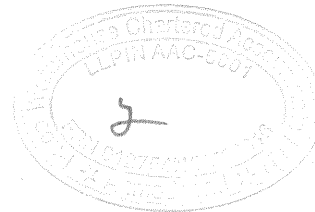
- The above investment property have been mortgaged and hypothecated to secure borrowings of the Group [Refer note 23].
- Adjustments during the previous year is due to change in nature of leasehold from Right-of-use assets / freehold land from Property plant and equipment of ₹ 17.01 Crore to Investment property.
- Details of the Group's investment property and information about the fair value hierarchy are as follows:

| Particulars                                    | As at September 30, 2023   | As at March 31, 2023       |
|--|----------------------------|----------------------------|
| Fair value of investment property (₹ in Crore) | 23.36                      | 40.26                      |
| Fair value hierarchy                           | Level 2<br>[Refer note 48] | Level 2<br>[Refer note 48] |

The fair value of the Group's investment property has been arrived based on a valuation report by external independent valuer, who is a registered valuer as defined under rule 2 of Companies (Registered valuers and valuation) Rules 2017. Valuation is based on government rates, market research, market trend and comparable values as considered appropriate.

- The Group has no restrictions on the realisability or the remittance of income and proceeds of disposal of its investment properties. There are no contractual obligations to purchase, construct or develop such investment properties or for repairs, maintenance and enhancements thereof.
- The Group has not revalued its investment property during the current period or previous year.
- The title deeds of investment property are held in the name of the Group as at September 30, 2023 and March 31, 2023.
- Amount recognised in statement of profit and loss for investment property:

| (₹ in Crore)   |                                     |                                     |
|--|-------------------------------------|-------------------------------------|
| Particulars  | Six months ended September 30, 2023 | Six months ended September 30, 2022 |
| Rental income derived from investment property   | -                                   | -                                   |
| Direct operating expenses arising from investment property that generated rental income        | -                                   | -                                   |
| Direct operating expenses arising from investment property that did not generate rental income | -                                   | -                                   |

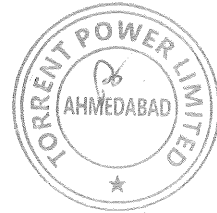
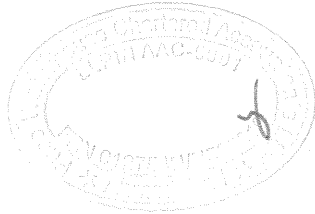


**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 8 : Goodwill**

|  | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|--|-----------------------------|---|
| Balance at the beginning of the period / year                    | 171.07                      | -                                       |
| Addition on account of acquisition of subsidiary [Refer note 42] | -                           | 171.07                                  |
| <b>Balance at the end of the period / year</b>                   | <b>171.07</b>               | <b>171.07</b>                           |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 9 : Other intangible assets**

(₹ in Crore)

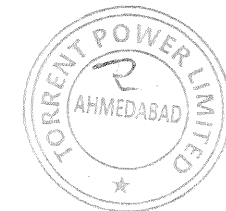
| Particulars          | Gross carrying amount |                                 |                                  |                          | Accumulated amortisation |                    |                                  |                          | Net carrying amount      |
|----------------------|-----------------------|---------------------------------|----------------------------------|--------------------------|--------------------------|--------------------|----------------------------------|--------------------------|--------------------------|
|                      | As at April 01, 2023  | Additions during the six months | Deductions during the six months | As at September 30, 2023 | As at April 01, 2023     | For the six months | Deductions during the six months | As at September 30, 2023 | As at September 30, 2023 |
| Computer software    | 68.20                 | 1.30                            | 0.02                             | 69.48                    | 56.20                    | 3.67               | 0.02                             | 59.85                    | 9.63                     |
| Customer contract    | 143.94                | -                               | -                                | 143.94                   | 8.25                     | 4.08               | -                                | 12.33                    | 131.61                   |
| Distribution licence | 634.00                | -                               | -                                | 634.00                   | 25.36                    | 12.68              | -                                | 38.04                    | 595.96                   |
| <b>Total</b>         | <b>846.14</b>         | <b>1.30</b>                     | <b>0.02</b>                      | <b>847.42</b>            | <b>89.81</b>             | <b>20.43</b>       | <b>0.02</b>                      | <b>110.22</b>            | <b>737.20</b>            |

(₹ in Crore)

| Particulars          | Gross carrying amount |  |                           |                            | Accumulated amortisation |                      |              |                            | Net carrying amount  |                      |
|----------------------|-----------------------|--|---------------------------|----------------------------|--------------------------|----------------------|--------------|----------------------------|----------------------|----------------------|
|                      | As at April 01, 2022  | Additions on acquisition of subsidiaries [Refer note 42] | Additions during the year | Deductions during the year | As at March 31, 2023     | As at April 01, 2022 | For the year | Deductions during the year | As at March 31, 2023 | As at March 31, 2023 |
| Computer software    | 66.22                 | -  | 2.32                      | 0.34                       | 68.20                    | 47.20                | 9.31         | 0.31                       | 56.20                | 12.00                |
| Customer contract    | 104.85                | 39.09  | -                         | -                          | 143.94                   | 0.58                 | 7.67         | -                          | 8.25                 | 135.69               |
| Distribution licence | -                     | 634.00   | -                         | -                          | 634.00                   | -                    | 25.36        | -                          | 25.36                | 608.64               |
| <b>Total</b>         | <b>171.07</b>         | <b>673.09</b>  | <b>2.32</b>               | <b>0.34</b>                | <b>846.14</b>            | <b>47.78</b>         | <b>42.34</b> | <b>0.31</b>                | <b>89.81</b>         | <b>756.33</b>        |

Footnotes:

- 1 The above computer software has been mortgaged and hypothecated to secure borrowings of the Group [Refer note 23].
- 2 The Group have not revalued its intangible assets during the current period or previous year.
- 3 Remaining amortisation period of "Distribution licence" is 23.50 years as at September 30, 2023 (March 31, 2023 - 24 years).



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

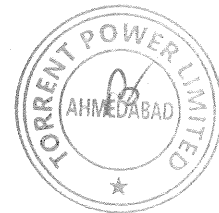
**Note 10 : Non-current investments**

(₹ in Crore)

|  | No. of shares               |                         |                             |                         |
|--|-----------------------------|-------------------------|-----------------------------|-------------------------|
|  | As at<br>September 30, 2023 | As at<br>March 31, 2023 | As at<br>September 30, 2023 | As at<br>March 31, 2023 |
| <b>Investment in equity instruments (unquoted) (at fair value through profit or loss)</b>  |                             |                         |                             |                         |
| AEC Cements & Constructions Limited<br>Equity shares of ₹ 10 each fully paid up<br>(As at September 30, 2023 & March 31, 2023 Gross investment - ₹ 0.61 Cr, Impairment in value of investment - ₹ 0.61 Cr) | 9,61,500                    | 9,61,500                | -                           | -                       |
| Tidong Hydro Power Limited<br>Equity shares of ₹ 10 each fully paid up<br>(As at September 3, 2023 & March 31, 2023 Gross investment - ₹ 0.02 Cr, Impairment in value of investment - ₹ 0.02 Cr)           | 24,500                      | 24,500                  | -                           | -                       |
| UNM Foundation @<br>Equity shares of ₹ 10 each fully paid up   | 50,000                      | 50,000                  | 0.05<br>0.05                | 0.05<br>0.05            |
| <b>Contingency reserve investments - statutory (quoted) (at amortised cost) \$</b>   |                             |                         | 16.97<br>16.97              | 15.89<br>15.89          |
|  |                             |                         | 17.02                       | 15.94                   |
| Aggregate amount of quoted investments   |                             |                         | 16.97                       | 15.89                   |
| Aggregate amount of unquoted investments   |                             |                         | 0.05                        | 0.05                    |
|  |                             |                         | 17.02                       | 15.94                   |
| Aggregate amount of provision for impairment in value of investments   |                             |                         | 0.63                        | 0.63                    |
| Aggregate amount of market value of quoted investments   |                             |                         | 16.82                       | 15.70                   |

@ The Company has, jointly with Torrent Pharmaceuticals Limited, promoted section 8 company, i.e. UNM Foundation, under the Companies Act, 2013 for the purpose of carrying out charitable activities.

\$ Investment in Government of India bonds have been made in terms of Gujarat Electricity Regulatory Commission (GERC) Multi-Year Tariff (MYT) Regulations, which can be utilised only for the purposes mentioned therein. [Refer note 22 - Contingency reserve]





**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 11 : Other non-current financial assets**

|   | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|---|-----------------------------|---|
| Security deposits                               | 60.88                       | 58.59                                   |
| Bank fixed deposits #                           | 24.57                       | 24.40                                   |
| Other advances / receivables [Refer footnote 1] | 38.19                       | 52.39                                   |
|   | <u>123.64</u>               | <u>135.38</u>                           |

# include ₹ 23.38 Crore on which a lien has been created in favour of lenders.

Footnote:

- 1 Ministry of Power vide Gazette Notification dated June 03, 2022, notified The Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 (the "LPS Rules"). The LPS Rules provide a mechanism for settlement of outstanding dues as on June 03, 2022 into interest free Equated Monthly Instalments (EMI) which ranges from 12 to 48. In view of above, substantial modification and considering the principles of Ind AS 109 - Financial Instruments, the Group has derecognised the original trade receivables of ₹ 177.47 Crore as on June 03, 2022.

On derecognition of original trade receivable, the new receivable from customer under Late payment surcharge Scheme (based on modified terms) at its fair value is disclosed under the head Other non-current financial asset ₹ 52.28 Crore as at March 31, 2023 and other current financial asset ₹ 52.06 Crore as at March 31, 2023 [Refer note 19].

**Note 12 : Non-current tax assets**

|                          | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|--------------------------|-----------------------------|---|
| Advance income tax (net) | 32.53                       | 12.50                                   |
|                          | <u>32.53</u>                | <u>12.50</u>                            |

**Note 13 : Other non-current assets**

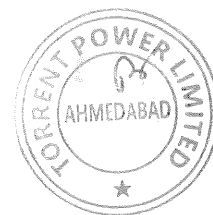
|  | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|--|-----------------------------|---|
| Capital advances   | 280.10                      | 153.66                                  |
| Advances for goods and services                                  | 99.41                       | 118.32                                  |
| Balances with government authorities                             | 68.88                       | 68.69                                   |
| Prepaid expenses   | 14.48                       | 17.37                                   |
| Advance against equity investment [Refer footnote 1 and note 42] | -                           | 3.00                                    |
|  | <u>462.87</u>               | <u>361.04</u>                           |

Footnote:

- 1 On February 08, 2023, the Company has entered into a Binding term sheet with Powerica Limited and Vestas Wind Technology India Private Limited (the Sellers) for the acquisition of 100% share capital of Airpower Windfarms Private Limited (AWPL), which holds leasehold land situated in the state of Gujarat for the purpose of development of wind power project.

Accordingly, advance amount of ₹ 3.00 Crore given to the sellers as per binding term sheet is shown as "Advance against equity investment" as at March 31, 2023 in condensed consolidated financial statement.

On September 01, 2023, the Company through its subsidiary, Torrent Green Energy Private Limited (TGEPL) has signed a Share Purchase Agreement (SPA) with the Sellers for the acquisition of 100% share capital of AWPL. The advance amount of ₹ 3.00 Crore has been recovered by Company from TGEPL.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 14 : Inventories**

(valued at lower of cost and net realizable value)

|                   | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|-------------------|-----------------------------|---|
| Stores and spares | 369.48                      | 351.49                                  |
| Fuel              | 499.99                      | 340.38                                  |
| Raw materials     | 37.83                       | 42.53                                   |
| Work-in-progress  | 18.80                       | 23.20                                   |
| Finished goods    | 43.55                       | 56.43                                   |
| Packing materials | 3.09                        | 2.49                                    |
| Loose tools       | 4.00                        | 3.76                                    |
|                   | <u>976.74</u>               | <u>820.28</u>                           |

Footnotes:

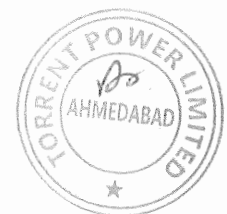
- 1 The cost of stores and spares inventories recognised as an expense includes ₹ 1.32 Crore (Previous year - ₹ 4.44 Crore) in respect of write-downs of inventory to net realisable value determined based on evaluation of slow and non-moving inventories.
- 2 The above carrying amount of inventories has been mortgaged and hypothecated to secure borrowings of the Group. [Refer note 23]
- 3 The above carrying amount includes goods in transit as under:

|                | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|----------------|-----------------------------|---|
| Fuel           | 2.51                        | 9.35                                    |
| Raw materials  | 0.14                        | 3.93                                    |
| Finished goods | 11.88                       | 9.46                                    |
|                | <u>14.53</u>                | <u>22.74</u>                            |

**Note 15 : Current investments**

|  | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|--|-----------------------------|---|
| Investment in mutual funds (unquoted) (at fair value through profit or loss) | 1,070.60                    | 785.82                                  |
| Contingency reserve investments - statutory (quoted) (at amortised cost) \$  | 2.95                        | 1.93                                    |
|  | <u>1,073.55</u>             | <u>787.75</u>                           |
| Aggregate amount of quoted investments                                       | 2.95                        | 1.93                                    |
| Aggregate amount of unquoted investments                                     | 1,070.60                    | 785.82                                  |
|  | <u>1,073.55</u>             | <u>787.75</u>                           |
| Aggregate amount of impairment in value of investments                       | -                           | -                                       |
| Aggregate amount of market value of quoted investments                       | 2.87                        | 1.98                                    |

\$ Investment in Government of India bonds have been made in terms of Gujarat Electricity Regulatory Commission (GERC) Multi-Year Tariff (MYT) Regulations, which can be utilised only for the purposes mentioned therein. [Refer note 22 - Contingency reserve]



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 16 : Trade Receivables**

|  | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|--|-----------------------------|---|
| Trade receivables                          |                             |   |
| Secured - Considered good #                | 1,301.97                    | 929.30                                  |
| Unsecured - Considered good                | 1,383.14                    | 1,317.03                                |
| - Credit impaired                          | 243.34                      | 204.50                                  |
|  | <u>2,928.45</u>             | <u>2,450.83</u>                         |
| Less: Allowance for bad and doubtful debts | 243.34                      | 204.50                                  |
|  | <u>2,685.11</u>             | <u>2,246.33</u>                         |

# Group holds security deposits in respect of electricity receivables.

Footnotes:

- 1 Refer note 23 for charge on current assets including trade receivables.
- 2 Refer note 48 for credit risk related disclosures.

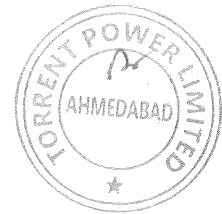
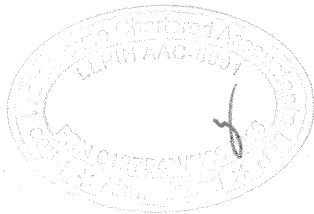
**Note 17 : Cash and cash equivalents**

|   | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|---|-----------------------------|---|
| Balances with banks   |                             |   |
| Balance in current accounts   | 269.63                      | 187.33                                  |
| Balance in fixed deposit accounts (original maturity of less than three months) | 100.05                      | -                                       |
|   | <u>369.68</u>               | <u>187.33</u>                           |
| Cheques on hand   | 0.25                        | 0.60                                    |
| Cash on hand  | 0.35                        | 0.30                                    |
|   | <u>370.28</u>               | <u>188.23</u>                           |

**Note 18 : Bank balances other than cash and cash equivalents**

|   | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|---|-----------------------------|---|
| Unpaid dividend accounts  | 12.85                       | 11.21                                   |
| Unpaid fractional coupon accounts   | *                           | *                                       |
| Balance in fixed deposit accounts #<br>(maturity of more than three months but less than twelve months) | 75.78                       | 144.08                                  |
|   | <u>88.63</u>                | <u>155.29</u>                           |

# include ₹ 44.95 Crore (March 31, 2023 - ₹ 31.49 Crore) on which a lien has been created in favour of lenders.



**TORRENT POWER LIMITED**

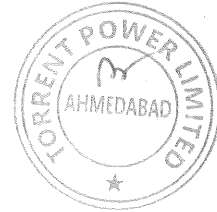
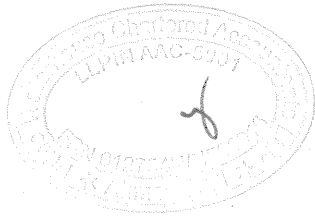
Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 19 : Other current financial assets**

|  | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|--|-----------------------------|---|
| Security deposits  | 43.85                       | 41.36                                   |
| Interest accrued on non-current investments                | 0.23                        | 0.24                                    |
| Interest accrued on deposits                               | 2.37                        | 2.93                                    |
| Unbilled revenue (including revenue gap / surplus)         | 3,362.77                    | 2,904.66                                |
|  | <u>3,409.22</u>             | <u>2,949.19</u>                         |
| Other advances / receivables [Refer footnote 1 of note 11] |                             |   |
| Considered good  | 151.17                      | 162.21                                  |
| Considered credit impaired                                 | -                           | 6.06                                    |
|  | <u>151.17</u>               | <u>168.27</u>                           |
| Less : Allowance for doubtful advances                     | -                           | 6.06                                    |
|  | <u>151.17</u>               | <u>162.21</u>                           |
|  | <u><u>3,560.39</u></u>      | <u><u>3,111.40</u></u>                  |

**Note 20 : Other current assets**

|                                      | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|--------------------------------------|-----------------------------|---|
| Advances for goods and services      | 186.46                      | 83.79                                   |
| Balances with government authorities | 3.88                        | 6.03                                    |
| Prepaid expenses                     | 57.83                       | 53.69                                   |
|                                      | <u>248.17</u>               | <u>143.51</u>                           |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 21 : Equity share capital**

(₹ in Crore)

As at September 30, 2023 As at March 31, 2023

**Authorised**

|  |                 |                 |
|--|-----------------|-----------------|
| 4,37,00,00,000 (4,37,00,00,000 as at March 31, 2023) equity shares of ₹10 each | 4,370.00        | 4,370.00        |
|  | <u>4,370.00</u> | <u>4,370.00</u> |

**Issued, subscribed and paid up**

|  |               |               |
|--|---------------|---------------|
| 48,06,16,784 (48,06,16,784 as at March 31, 2023) equity shares of ₹10 each | 480.62        | 480.62        |
|  | <u>480.62</u> | <u>480.62</u> |

**1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period / year :**

|   | No. of shares<br>As at<br>September 30, 2023 | No. of shares<br>As at<br>March 31, 2023 |
|---|--|--|
| At the beginning of the period / year       | 48,06,16,784                                 | 48,06,16,784                             |
| Issued during the period / year             | -  | -  |
| Outstanding at the end of the period / year | <u>48,06,16,784</u>                          | <u>48,06,16,784</u>                      |

**2 25,74,22,311 equity shares (25,74,22,311 equity shares as at March 31, 2023) of ₹10 each fully paid up are held by the Parent Company - Torrent Investments Private Limited.**

**3 Terms / Rights attached to equity shares :**

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

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

**4 Details of shareholders holding more than 5% shares in the Company :**

| Name of the Shareholder                  | As at September 30, 2023 |           | As at March 31, 2023 |           |
|--|--------------------------|-----------|----------------------|-----------|
|  | No. of shares            | % holding | No. of shares        | % holding |
| Torrent Investments Private Limited      | 25,74,22,311             | 53.56%    | 25,74,22,311         | 53.56%    |
| Gujarat State Financial Services Limited | 4,68,71,621              | 9.75%     | 4,68,71,621          | 9.75%     |
| Axis Mutual Funds                        | 3,86,68,217              | 8.05%     | 4,16,57,977          | 8.67%     |
| SBI Mutual Funds                         | 2,62,88,054              | 5.47%     | 2,52,86,083          | 5.26%     |

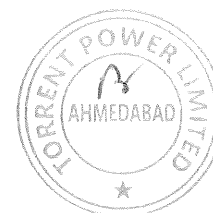
**5 Details of shareholding of Promoters in the Company :**

| Promoter name                       | As at September 30, 2023 |                   |                             | As at March 31, 2023 |                   |                           |
|-------------------------------------|--------------------------|-------------------|-----------------------------|----------------------|-------------------|---------------------------|
|                                     | No. of shares            | % of total shares | % changes during the period | No. of shares        | % of total shares | % changes during the year |
| Torrent Investments Private Limited | 25,74,22,311             | 53.56%            | -                           | 25,74,22,311         | 53.56%            | -                         |
| Sudhir Mehta                        | 6,882                    | 0.00%             | -                           | 6,882                | 0.00%             | -                         |
| Samir Mehta                         | 6,125                    | 0.00%             | -                           | 6,125                | 0.00%             | -                         |
| Jinal Mehta                         | 8,000                    | 0.00%             | -                           | 8,000                | 0.00%             | -                         |

**6 Distributions made:**

Interim dividend for FY 2022-23 of ₹ 22.00 per equity share aggregating to ₹ 1,057.36 Crore was paid in the month of March 2023.

Final dividend for FY 2022-23 of ₹ 4.00 per equity share aggregating to ₹ 192.25 Crore was paid in the month of August 2023.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 22 : Other equity**

|                              | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|------------------------------|-----------------------------|---|
| Reserves and surplus         |                             |   |
| Securities premium           | 0.03                        | 0.03                                    |
| Debenture redemption reserve | 61.21                       | 61.21                                   |
| Contingency reserve          | 17.29                       | 17.29                                   |
| Special reserve              | 78.07                       | 78.07                                   |
| General reserve              | 3,670.61                    | 3,670.61                                |
| Retained earnings            | 7,544.15                    | 6,702.17                                |
|                              | <u>11,371.36</u>            | <u>10,529.38</u>                        |

Refer "Condensed Consolidated Statement of Changes in Equity" for movement in each reserve.

## Footnotes:

## 1 Securities premium :

Securities premium reflects issuance of the shares by the Company at a premium, whether for cash or otherwise i.e. a sum equal to the aggregate amount of the premium received on shares is transferred to a "securities premium account" as per the provisions of the Companies Act, 2013. The reserve can be utilised in accordance with the provisions of the Act.

## 2 Debenture redemption reserve:

The Group was required to create a Debenture Redemption Reserve (DRR) out of the profits which are available for payment of dividend for the purpose of redemption of debentures. Pursuant to Companies (Share Capital and Debentures) Amendment Rules, 2019 dated August 16, 2019, the Company is not required to create DRR. Accordingly, the Company has not created DRR during the period and DRR created till previous years will be transferred to general reserve on redemption of debentures.

## 3 Contingency reserve:

As per the provisions of GERC MYT Regulations read with Tariff orders passed by GERC, the Company being a Distribution Licensee makes an appropriation to the contingency reserve to meet with certain exigencies. Investments in Bonds issued by Government of India have been made against such reserve.

## 4 Special reserve:

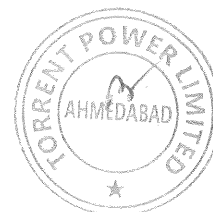
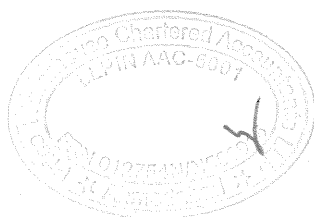
As per MYT Regulations (2007), the Company has created a reserve in FY 2011-12 and FY 2012-13, which represents one third amount of controllable gain shall be retained in a special reserve by the Generating Company or Licensee for the purpose of absorbing the impact of any future losses on account of controllable factors.

## 5 General reserve:

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. The general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

## 6 Retained earnings:

The retained earnings reflect the profit of the Group earned till date net of appropriations. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve, after considering the requirements of the Companies Act, 2013.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 23 : Non-Current Borrowings**

|   | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|---|-----------------------------|---|
| <b>Non-current borrowings</b>   |                             |   |
| <b>Secured loans - at amortised cost</b>  |                             |   |
| Non convertible debentures &  |                             |   |
| 6.50%,6.90%,7.25% Series 7A, 7B & 7C  | 248.79                      | 248.54                                  |
| 6.20%,6.70%,7.10%,7.45% Series 8A,8B,8C & 8D  | 450.00                      | 450.00                                  |
| 7.45%, 8.05% Series 9A & 9B   | 599.39                      | 599.36                                  |
| 8.30%,8.35%,8.55%,8.65% Series 10A,10B,10C & 10D  | 200.00                      | 200.00                                  |
| 8.50% Series 11A,11B,11C,11D,11E & 11F  | 601.35                      | -                                       |
| 8.20% Series 1 (In respect of Torrent Solargen Limited)                                   | 492.05                      | 503.26                                  |
|   | <u>2,591.58</u>             | <u>2,001.16</u>                         |
| Term loans @  |                             |   |
| From banks  | 5,816.90                    | 5,793.74                                |
|   | <u>5,816.90</u>             | <u>5,793.74</u>                         |
| Supplier's credit   | 675.12                      | 612.94                                  |
|   | <u>9,083.60</u>             | <u>8,407.84</u>                         |
| <b>Unsecured loans - at amortised cost</b>  |                             |   |
| Non convertible debentures #  |                             |   |
| 10.25% Series 4A, 4B & 4C   | -                           | 89.99                                   |
| 7.00% Series 1 (In respect of Jodhpur Wind Farms Private Limited)                         | 199.76                      | 199.57                                  |
| 7.00% Series 1 (In respect of Latur Renewable Private Limited)                            | 199.76                      | 199.57                                  |
|   | <u>399.52</u>               | <u>489.13</u>                           |
| Term loans  |                             |   |
| From Government of India under Accelerated Power Development and Reform Programme (APDRP) | 3.82                        | 5.35                                    |
|   | <u>3.82</u>                 | <u>5.35</u>                             |
|   | <u>403.34</u>               | <u>494.48</u>                           |
|   | <u>9,486.94</u>             | <u>8,902.32</u>                         |

@ After considering unamortised expense of ₹ 16.61 Crore as at September 30, 2023 and ₹ 18.72 Crore as at March 31, 2023.

& After considering unamortised expense of ₹ 1.49 Crore as at September 30, 2023 and ₹ 3.19 Crore as at March 31, 2023.

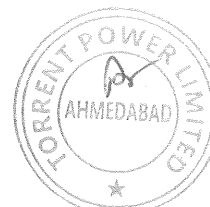
# After considering unamortised expense of ₹ 0.48 Crore as at September 30, 2023 and ₹ 0.87 Crore as at March 31, 2023.

|   | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|---|-----------------------------|---|
| <b>Current maturities</b>   |                             |   |
| <b>Secured loans - at amortised cost</b>  |                             |   |
| Non convertible debentures ^  |                             |   |
| 8.95% Series 3A, 3B & 3C  | -                           | 80.00                                   |
| 7.30% Series 6  | -                           | 300.00                                  |
| 6.20%,6.70%,7.10%,7.45% Series 8A,8B,8C & 8D  | 150.00                      | 150.00                                  |
| 8.20% Series 1 (In respect of Torrent Solargen Limited)                                   | 21.88                       | 21.32                                   |
|   | <u>171.88</u>               | <u>551.32</u>                           |
| Term loans \$   |                             |   |
| From banks  | 458.02                      | 746.17                                  |
|   | <u>458.02</u>               | <u>746.17</u>                           |
| <b>Unsecured loans - at amortised cost</b>  |                             |   |
| Non convertible debentures *  |                             |   |
| 10.25% Series 4A, 4B & 4C   | 89.97                       | 89.94                                   |
| 7.00% Series 1 (In respect of Jodhpur Wind Farms Private Limited)                         | 99.60                       | 99.50                                   |
| 7.00% Series 1 (In respect of Latur Renewable Private Limited)                            | 99.59                       | 99.50                                   |
|   | <u>289.16</u>               | <u>288.94</u>                           |
| Term loans  |                             |   |
| From Government of India under Accelerated Power Development and Reform Programme (APDRP) | 3.60                        | 3.82                                    |
|   | <u>3.60</u>                 | <u>3.82</u>                             |
|   | <u>922.66</u>               | <u>1,590.25</u>                         |
| Amount disclosed under the head 'Current borrowings' [Refer note 27]                      | <u>(922.66)</u>             | <u>(1,590.25)</u>                       |
|   | <u>-</u>                    | <u>-</u>                                |

\$ After considering unamortised expense of ₹ 4.3 Crore as at September 30, 2023 and ₹ 4.49 Crore as at March 31, 2023.

^ After considering unamortised expense of ₹ 0.12 Crore as at September 30, 2023 and ₹ 0.13 Crore as at March 31, 2023.

\* After considering unamortised expense of ₹ 0.85 Crore as at September 30, 2023 and ₹ 1.06 Crore as at March 31, 2023.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 23 : Non-Current Borrowings (Contd.)**

Footnotes:

**As at September 30, 2023**

**1 Nature of security**

(i) The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for term loans of ₹ 5,939.95 Crore and non convertible debentures of ₹ 2,250.00 Crore along with lenders of cash credits and non-fund based credit facilities, except some assets which, in terms of respective financing documents (including Loan agreements, Debenture Trust deeds, working capital facility agreements), are carved out of security provided to lenders.

(ii) **Torrent Solargen Limited:**

Capex LC facility (LC issued of ₹ 693.27 Crore and LC discounted of ₹ 675.12 Crore as at September 30, 2023) is secured by way of hypothecation of all the project assets, project receivables and project accounts.

Project means ~115 MW of wind power project being implemented in Gujarat by Torrent Solargen Limited, subsidiary of the Company.

Non-convertible debentures of ₹ 515.07 Crore outstanding as at September 30, 2023, is secured by first pari passu charge on all projects' immovable and movable properties, intangible assets, current assets, receivable and bank accounts.

Project means ~126 MW of wind power project being implemented in Maharashtra by Torrent Solargen Limited, subsidiary of the Company.

(iii) **Surya Vidyut Limited:**

Term loans ₹ 355.88 Crore are secured by a first pari-passu charge (i) by way of mortgage / hypothecation in respect of the property, plant and equipment including its land (excluding revenue / government land), building, plant & machinery, etc. of subsidiary company, Surya Vidyut Limited (SVL), (ii) by way of hypothecation of movable assets and current assets, rights under the project documents of SVL.

2 The rate of interest for term loans from banks are ranges from 8.45% p.a. to 8.95% p.a. as at September 30, 2023.

3 Undrawn term loans from banks, based on approved facilities, were ₹ 1,700.00 Crore as at September 30, 2023.

4 During the period, the Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

**As at March 31, 2023**

**1 Nature of security**

(i) The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for term loans of ₹ 6,194.75 Crore and non convertible debentures of ₹ 2,030.00 Crore along with lenders of cash credits and non-fund based credit facilities, except some assets which, in terms of respective financing documents (including Loan agreements, Debenture Trust deeds), are carved out of security provided to lenders.

(ii) **Torrent Solargen Limited:**

Capex LC facility (LC issued of ₹ 693.27 Crore and LC discounted of ₹ 612.94 Crore as at March 31, 2023) is secured by way of hypothecation of all the project assets, project receivables and project accounts.

Project means ~115 MW of wind power project being implemented in Gujarat by Torrent Solargen Limited, subsidiary of the Company.

Non-convertible debentures of ₹ 525.80 Crore outstanding as at March 31, 2023, is secured by first pari passu charge on all projects' immovable and movable properties, intangible assets, current assets, receivable and bank accounts.

Project means ~126 MW of wind power project being implemented in Maharashtra by Torrent Solargen Limited, subsidiary of the Company.

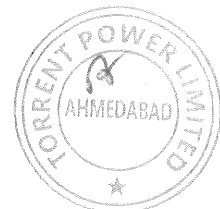
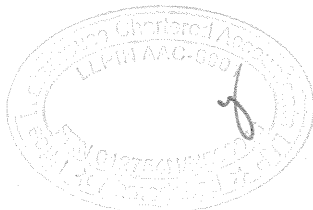
(iii) **Surya Vidyut Limited:**

Term loans ₹ 368.37 Crore are secured by a first pari-passu charge (i) by way of mortgage / hypothecation in respect of the property, plant and equipment including its land (excluding revenue / government land), building, plant & machinery, etc. of subsidiary company, Surya Vidyut Limited (SVL), (ii) by way of hypothecation of movable assets and current assets, rights under the project documents of SVL.

2 The rate of interest for term loans from banks are ranges from 8.35% p.a. to 9.19% p.a. as at March 31, 2023.

3 Undrawn term loans from banks, based on approved facilities, were ₹ 306.73 Crore as at March 31, 2023.

4 During the previous year, the Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.





**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 24 : Non-current trade payables**

|   | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|---|-----------------------------|---|
| Trade payables for goods and services                         |                             |   |
| Total outstanding dues of micro and small enterprises         | -                           | -                                       |
| Total outstanding dues other than micro and small enterprises | <u>286.86</u>               | <u>210.61</u>                           |
|   | <u>286.86</u>               | <u>210.61</u>                           |

**Note 25 : Other non-current financial liabilities**

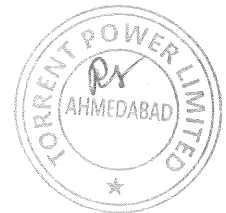
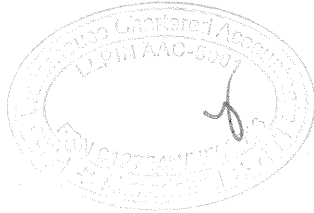
|   | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|---|-----------------------------|---|
| Redemption liability [Refer footnote 1] | <u>0.74</u>                 | <u>-</u>                                |
|   | <u>0.74</u>                 | <u>-</u>                                |

Footnote:

1 There are other stakeholders in certain subsidiaries owning in the range of 26% to 33% stake. A redemption liability of ₹ 0.74 Crore (March 31, 2023 - ₹ Nil) has been accounted for non-controlling interest portion.

**Note 26 : Other non-current liabilities**

|                                      | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|--------------------------------------|-----------------------------|---|
| Deferred revenue                     |                             |   |
| Contribution received from consumers | 1,326.84                    | 1,303.00                                |
| Capital grant from government        | 12.22                       | 11.66                                   |
| Sundry payables                      | <u>57.79</u>                | <u>57.80</u>                            |
|                                      | <u>1,396.85</u>             | <u>1,372.46</u>                         |



**TORRENT POWER LIMITED**

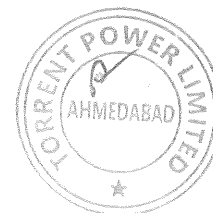
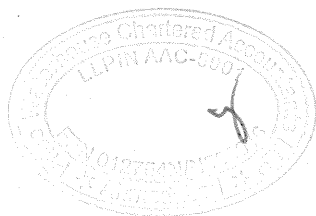
Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 27 : Current borrowings**

|  | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|--|-----------------------------|---|
| Secured loans  |                             |   |
| Working capital loan from banks                      | 225.00                      | -                                       |
|  | <u>225.00</u>               | <u>-</u>                                |
| Unsecured loans                                      |                             |   |
| Other loans [Refer footnote 6]                       | 3.50                        | 3.50                                    |
|  | <u>3.50</u>                 | <u>3.50</u>                             |
| Current maturities of long-term debt [Refer note 23] | 922.66                      | 1,590.25                                |
|  | <u>1,151.16</u>             | <u>1,593.75</u>                         |

**Footnotes:**

- 1 The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for working capital facilities and by way of second pari passu charge in favour of lenders for hedge facility.
- 2 Working capital facility of ₹ 50.00 Crore is secured by a first pari-passu charge (i) by way of mortgage / hypothecation in respect of the property, plant and equipment including its land (excluding revenue / government land), building, plant & machinery, etc. of subsidiary company, Surya Vidyut Limited (SVL), (ii) by way of hypothecation of movable assets and current assets, rights under the project documents of SVL.
- 3 Working capital facility of ₹ 50.00 Crore is secured by a first exclusive charge by way of hypothecation in respect of entire movable assets and current assets of subsidiary company, Torrent Electricals Limited (formerly known as Torrent Electricals Private Limited / TCL Cables Private Limited) (TEL), both present and future of TEL.
- 4 Undrawn cash credit from banks, based on approved facilities, were ₹ 925.00 Crore (March 31, 2023 - ₹ 1,200.00 Crore).
- 5 During the current period and previous year, the Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- 6 Loan is interest free and repayable on demand.



**TORRENT POWER LIMITED**

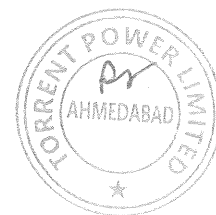
**Note 27 : Current borrowings (Contd.)**

**Net debt reconciliation :**

|  | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|--|-----------------------------|---|
| Cash and cash equivalents  | 370.28                      | 188.23                                  |
| Current investments  | 1,073.55                    | 787.75                                  |
| Current borrowings (excluding current maturities of long-term debt) #                                      | (228.50)                    | (3.50)                                  |
| Non-current borrowings (including current maturities of long-term debt and interest accrued but not due) # | (10,612.54)                 | (10,642.80)                             |
| Lease Liabilities  | (46.78)                     | (45.34)                                 |
|  | <u>(9,443.99)</u>           | <u>(9,715.66)</u>                       |

# Transactions cost reduced from the borrowing is excluded.

|   | Other assets              |                     | Liabilities from financing activities |                        |                   | Total             |
|---|---------------------------|---------------------|---------------------------------------|------------------------|-------------------|-------------------|
|   | Cash and cash equivalents | Current investments | Current borrowings                    | Non-current borrowings | Lease liabilities |                   |
| <b>Net balance as at April 01, 2023</b>     | <b>188.23</b>             | <b>787.75</b>       | <b>(3.50)</b>                         | <b>(10,642.80)</b>     | <b>(45.34)</b>    | <b>(9,715.66)</b> |
| Cash flows (net)                            | 182.05                    | 254.17              | (225.00)                              | 87.58                  | 17.35             | 316.15            |
| New lease                                   | -                         | -                   | -                                     | -                      | (20.64)           | (20.64)           |
| Transfer from non-current investments       | -                         | 1.02                | -                                     | -                      | -                 | 1.02              |
| Deletion relating to lease liability        | -                         | -                   | -                                     | -                      | 3.93              | 3.93              |
| Interest expense                            | -                         | -                   | (1.31)                                | (431.73)               | (2.08)            | (435.12)          |
| Interest paid                               | -                         | -                   | 1.31                                  | 374.41                 | -                 | 375.72            |
| Gain on sale of current investments         | -                         | 26.78               | -                                     | -                      | -                 | 26.78             |
| Fair value adjustment                       | -                         | 3.83                | -                                     | -                      | -                 | 3.83              |
| <b>Net balance as at September 30, 2023</b> | <b>370.28</b>             | <b>1,073.55</b>     | <b>(228.50)</b>                       | <b>(10,612.54)</b>     | <b>(46.78)</b>    | <b>(9,443.99)</b> |
| <b>Net balance as at April 01, 2022</b>     | <b>289.41</b>             | <b>273.70</b>       | <b>(717.24)</b>                       | <b>(8,531.52)</b>      | <b>(44.21)</b>    | <b>(8,729.86)</b> |
| Cash flows (net)                            | (101.18)                  | 449.25              | 713.74                                | (2,107.38)             | 22.34             | (1,023.23)        |
| New lease                                   | -                         | -                   | -                                     | -                      | (21.19)           | (21.19)           |
| Transfer from non-current investments       | -                         | 1.93                | -                                     | -                      | -                 | 1.93              |
| Deletion relating to lease liability        | -                         | -                   | -                                     | -                      | 2.25              | 2.25              |
| Interest expense                            | -                         | -                   | (13.97)                               | (769.73)               | (3.95)            | (787.65)          |
| Interest paid                               | -                         | -                   | 13.97                                 | 765.83                 | -                 | 779.80            |
| Gain on sale of current investments         | -                         | 55.64               | -                                     | -                      | -                 | 55.64             |
| Fair value adjustment                       | -                         | 7.23                | -                                     | -                      | -                 | 7.23              |
| On account of acquisition of subsidiaries   | -                         | -                   | -                                     | -                      | (0.58)            | (0.58)            |
| <b>Net balance as at March 31, 2023</b>     | <b>188.23</b>             | <b>787.75</b>       | <b>(3.50)</b>                         | <b>(10,642.80)</b>     | <b>(45.34)</b>    | <b>(9,715.66)</b> |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 28 : Current trade payables**

|   | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|---|-----------------------------|---|
| Trade payables for goods and services                         |                             |   |
| Total outstanding dues of micro and small enterprises #       | 47.34                       | 68.99                                   |
| Total outstanding dues other than micro and small enterprises | 2,269.24                    | 1,453.68                                |
|   | <u>2,316.58</u>             | <u>1,522.67</u>                         |

# Amount due to micro and small enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act,2006) have been determined based on the information available with the Group.

**Note 29 : Other current financial liabilities**

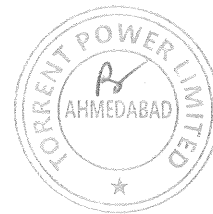
|   | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|---|-----------------------------|---|
| Interest accrued but not due on loans and security deposits | 179.09                      | 121.77                                  |
| Investor education and protection fund #                    |                             |   |
| Unpaid / Unclaimed dividend                                 | 12.85                       | 11.21                                   |
| Unclaimed fractional coupons                                | *                           | *                                       |
| Book overdraft  | 0.03                        | 0.07                                    |
| Derivative financial instruments                            | 0.04                        | -                                       |
| Security deposits from consumers @                          | 1,851.11                    | 1,702.55                                |
| Other deposits  | 8.77                        | 6.86                                    |
| Payables for purchase of property, plant and equipment      | 371.31                      | 451.62                                  |
| Sundry payables (including for employees related payables)  | 209.78                      | 393.64                                  |
|   | <u>2,632.98</u>             | <u>2,687.72</u>                         |

# There is no amount due and outstanding to be credited to investor education and protection fund as at September 30, 2023 and as at March 31, 2023.

@ Security deposits from consumers in the Group's business, which is in the nature of utility, are generally not repayable within a period of twelve months based on historical experience.

**Note 30 : Other current liabilities**

|                                      | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|--------------------------------------|-----------------------------|---|
| Credit balances of consumers         | 84.81                       | 106.28                                  |
| Service line deposits from consumers | 258.84                      | 236.41                                  |
| Deferred revenue                     |                             |   |
| Contribution received from consumers | 102.98                      | 100.80                                  |
| Capital grant from government        | 1.15                        | 2.37                                    |
| Statutory dues                       | 245.80                      | 223.93                                  |
| Sundry payables                      | 2.28                        | 7.45                                    |
|                                      | <u>695.86</u>               | <u>677.24</u>                           |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 31 : Current provisions**

|                                       | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|---------------------------------------|-----------------------------|---|
| Provision for employee benefits       |                             |   |
| Provision for gratuity                | 20.23                       | 2.54                                    |
| Provision for compensated absences \$ | 130.29                      | 124.68                                  |
| Provision for pension                 | 1.03                        | 1.95                                    |
|                                       | <u>151.55</u>               | <u>129.17</u>                           |
| Other provisions                      |                             |   |
| Provision for indirect taxes          | 0.25                        | 0.25                                    |
| Provision for onerous contracts       | 134.38                      | 134.38                                  |
| Others                                | 0.62                        | 0.26                                    |
|                                       | <u>135.25</u>               | <u>134.89</u>                           |
|                                       | <u><b>286.80</b></u>        | <u><b>264.06</b></u>                    |

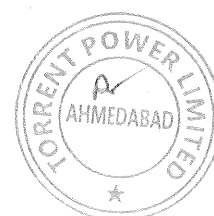
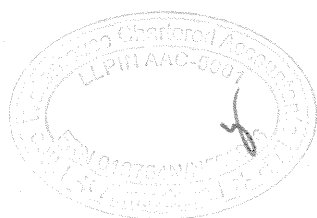
\$ Provision for compensated absences is disclosed under current provision as the Group does not have an unconditional right to defer settlement for at least twelve months however these are generally not repayable within a period of twelve months based on historical experience.

**Movement in Provision**

|  | Provision for indirect<br>taxes | Provision for onerous<br>contracts | (₹ in Crore)<br>Others |
|--|---------------------------------|------------------------------------|------------------------|
| Balance as at April 01, 2023                     | 0.25                            | 134.38                             | 0.26                   |
| Additional provision recognised                  | -                               | -                                  | 0.36                   |
| Balance as at September 30, 2023                 | <u>0.25</u>                     | <u>134.38</u>                      | <u>0.62</u>            |
| Balance as at April 01, 2022                     | 0.25                            | 135.76                             | -                      |
| Additional provision recognised                  | -                               | 9.44                               | -                      |
| Addition on account of acquisition of subsidiary | -                               | -                                  | 0.26                   |
| Reversal of provision                            | -                               | (10.82)                            | -                      |
| Balance as at March 31, 2023                     | <u>0.25</u>                     | <u>134.38</u>                      | <u>0.26</u>            |

**Note 32 : Current tax liabilities**

|  | As at<br>September 30, 2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|--|-----------------------------|---|
| Provision for taxation (net of tax paid) | 241.72                      | 178.57                                  |
|  | <u>241.72</u>               | <u>178.57</u>                           |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 33 : Revenue from operations**

|   | (₹ in Crore)                           |  |
|---|--|--|
|   | Six months ended<br>September 30, 2023 | Six months ended<br>September 30, 2022 |
| Revenue from contracts with customers [Refer footnotes below] |  |  |
| Revenue from power supply                                     | 13,702.14                              | 11,653.06                              |
| Revenue from sale of cable products                           |  |  |
| Manufactured goods  | 253.91                                 | 220.18                                 |
| Revenue from trading of RLNG                                  | 220.99                                 | 1,213.95                               |
|   | <u>14,177.04</u>                       | <u>13,087.19</u>                       |
| Less: Discount for prompt payment of bills                    | 18.74                                  | 16.46                                  |
|   | <u>14,158.30</u>                       | <u>13,070.73</u>                       |
| Other operating income  |  |  |
| Amortisation of deferred revenue                              |  |  |
| Contribution received from consumers #                        | 51.27                                  | 47.33                                  |
| Capital grant from government                                 | 0.65                                   | 1.18                                   |
| Income from Generation Based Incentive                        | 22.00                                  | 22.28                                  |
| Hire of meters  | 0.97                                   | 1.17                                   |
| Provisions of earlier years written back                      | 0.01                                   | 0.11                                   |
| Insurance claim receipt                                       | 1.67                                   | 0.08                                   |
| Miscellaneous income  | 53.67                                  | 70.58                                  |
|   | <u>130.24</u>                          | <u>142.73</u>                          |
|   | <u>14,288.54</u>                       | <u>13,213.46</u>                       |

# Amortisation of deferred revenue are recognised within the scope of Ind AS 115.

**Footnotes:**

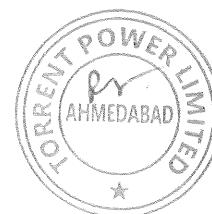
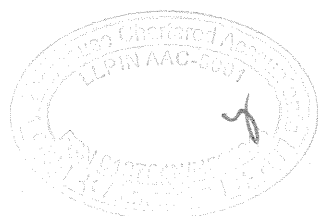
1. Disaggregation of revenue from contracts with customers:

|                               | (₹ in Crore)                           |  |
|-------------------------------|--|--|
|                               | Six months ended<br>September 30, 2023 | Six months ended<br>September 30, 2022 |
| Generation                    | 923.37                                 | 1,040.61                               |
| Transmission and Distribution | 12,884.13                              | 11,774.79                              |
| Renewables                    | 350.80                                 | 255.34                                 |
|                               | <u>14,158.30</u>                       | <u>13,070.73</u>                       |

2. Timing of revenue recognition (from contract with customers) : Revenue from power supply is recognised over a period of time and others at a point in time.

**Note 34 : Other income**

|  | (₹ in Crore)                           |  |
|--|--|--|
|  | Six months ended<br>September 30, 2023 | Six months ended<br>September 30, 2022 |
| Interest income from financial assets measured at amortised cost   |  |  |
| Deposits   | 3.91                                   | 5.52                                   |
| Consumers  | 22.06                                  | 19.14                                  |
| Contingency reserve investments  | 0.62                                   | 0.61                                   |
| Loans to related parties [Refer note 47(b)]  | -                                      | 3.45                                   |
| Others   | 0.03                                   | 1.25                                   |
|  | <u>26.62</u>                           | <u>29.97</u>                           |
| Gain on disposal of property, plant and equipment / investment property  | 19.31                                  | 22.56                                  |
| Gain on sale of current investments in mutual funds  | 26.78                                  | 18.85                                  |
| Gain on sale of non-current investments  | 0.05                                   | -                                      |
| Net gain arising on financial assets / liabilities measured at amortised cost                                  | 17.40                                  | 8.75                                   |
| Net gain / (loss) arising on current investments in mutual funds measured at fair value through profit or loss | 3.83                                   | 1.02                                   |
| Net gain on foreign currency transactions and translations   | 4.91                                   | 10.73                                  |
| Discount on prompt payment of power purchase   | 53.35                                  | 58.35                                  |
| Miscellaneous income   | 41.64                                  | 52.14                                  |
|  | <u>193.89</u>                          | <u>202.37</u>                          |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 35 : Cost of materials consumed**

|                                  | Six months ended<br>September 30, 2023 | (₹ in Crore)<br>Six months ended<br>September 30, 2022 |
|----------------------------------|--|--|
| Cost of materials consumed       | 281.44                                 | 278.64   |
| Less: Allocated to capital works | 67.03                                  | 78.11  |
|                                  | <u>214.41</u>                          | <u>200.53</u>  |

**Note 36 : Changes in inventories of finished goods and work-in-progress**

|                                  | Six months ended<br>September 30, 2023 | (₹ in Crore)<br>Six months ended<br>September 30, 2022 |
|----------------------------------|--|--|
| Inventory of finished goods      |  |  |
| Opening stock                    | 56.43                                  | 26.33  |
| Less: Closing stock              | 43.55                                  | 36.08  |
|                                  | <u>12.88</u>                           | <u>(9.75)</u>  |
| Inventory of work-in-progress    |  |  |
| Opening stock                    | 23.20                                  | 9.96   |
| Less: Closing stock              | 18.80                                  | 16.58  |
|                                  | <u>4.40</u>                            | <u>(6.62)</u>  |
| Less: Allocated to capital works | 3.69                                   | (4.96)   |
|                                  | <u>13.59</u>                           | <u>(11.41)</u>   |

**Note 37 : Employee benefits expense**

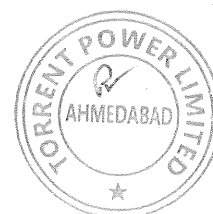
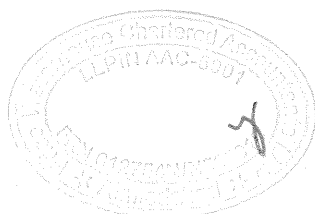
|   | Six months ended<br>September 30, 2023 | (₹ in Crore)<br>Six months ended<br>September 30, 2022 |
|---|--|--|
| Salaries, wages and bonus   | 364.30                                 | 338.91   |
| Contribution to provident and other funds                                     | 26.31                                  | 24.47  |
| Employees welfare expenses  | 15.18                                  | 13.45  |
| Compensated absences  | 14.12                                  | 13.25  |
| Gratuity  | 9.38                                   | 9.68   |
|   | <u>429.29</u>                          | <u>399.76</u>  |
| Less: Allocated to capital works, repairs and other relevant revenue accounts | 121.40                                 | 111.64   |
|   | <u>307.89</u>                          | <u>288.12</u>  |

**Note 38 : Finance costs**

|   | Six months ended<br>September 30, 2023 | (₹ in Crore)<br>Six months ended<br>September 30, 2022 |
|---|--|--|
| Interest expense for financial liabilities measured at amortised cost |  |  |
| Term loans #  | 277.73                                 | 224.15   |
| Non convertible debentures ^  | 131.25                                 | 133.89   |
| Working capital loans   | 1.31                                   | 13.94  |
| Security deposits from consumers                                      | 57.94                                  | 31.63  |
| Lease liabilities   | 2.08                                   | 1.95   |
| Others (including for supplier's credit)                              | 26.19                                  | 13.51  |
| Unwinding of discount   | -                                      | 0.97   |
|   | <u>496.50</u>                          | <u>420.04</u>  |
| Other interest expense  | 0.71                                   | 0.08   |
| Other borrowing costs   | 13.21                                  | 6.73   |
|   | <u>510.42</u>                          | <u>426.85</u>  |
| Less: Allocated to capital works                                      | 35.98                                  | 25.85  |
|   | <u>474.44</u>                          | <u>401.00</u>  |

# includes amortisation of borrowing cost of ₹ 2.31 Crore (six months ended september 30, 2022 : ₹ 5.62 Crore)

^ includes amortisation of borrowing cost of ₹ 0.95 Crore (six months ended september 30, 2022 : ₹ 0.90 Crore)



**TORRENT POWER LIMITED**

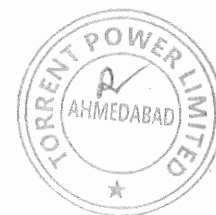
Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 39 : Depreciation and amortisation expense**

|   | (₹ in Crore)                           |  |
|---|--|--|
|   | Six months ended<br>September 30, 2023 | Six months ended<br>September 30, 2022 |
| Depreciation expense on property, plant and equipment | 647.12                                 | 602.74                                 |
| Depreciation expense on right-of-use assets           | 7.21                                   | 6.68                                   |
| Amortisation expense on intangible assets             | 20.43                                  | 22.25                                  |
|   | <u>674.76</u>                          | <u>631.67</u>                          |
| Less: Transfer from others                            | -                                      | 0.10                                   |
| Less: Allocated to capital works                      | 1.06                                   | 1.31                                   |
|   | <u>673.70</u>                          | <u>630.26</u>                          |

**Note 40 : Other expenses**

|   | (₹ in Crore)                           |  |
|---|--|--|
|   | Six months ended<br>September 30, 2023 | Six months ended<br>September 30, 2022 |
| Consumption of stores and spares  | 148.18                                 | 90.71                                  |
| Rent and hire charges   | 8.67                                   | 11.45                                  |
| Repairs to  |  |  |
| Buildings   | 7.73                                   | 5.51                                   |
| Plant and machinery   | 254.12                                 | 223.73                                 |
| Others  | 17.35                                  | 12.46                                  |
|   | <u>279.20</u>                          | <u>241.70</u>                          |
| Insurance   | 24.25                                  | 24.91                                  |
| Rates and taxes   | 8.64                                   | 7.26                                   |
| Vehicle running expenses  | 24.28                                  | 23.78                                  |
| Electricity expenses  | 20.83                                  | 18.67                                  |
| Security expenses   | 31.71                                  | 27.90                                  |
| Water charges   | 16.60                                  | 13.95                                  |
| Power transmission and scheduling charges   | 10.78                                  | 4.39                                   |
| Corporate social responsibility expenses  | 19.46                                  | 4.11                                   |
| Loss on sale / discarding of property, plant and equipment and capital work-in-progress | 11.15                                  | 5.83                                   |
| Commission to non-executive directors [Refer note 47(b)]                                | 1.92                                   | 1.56                                   |
| Directors sitting fees  | 0.55                                   | 0.35                                   |
| Auditors remuneration   | 1.74                                   | 1.36                                   |
| Legal, professional and consultancy fees  | 68.93                                  | 57.87                                  |
| Donations   | 9.42                                   | 9.01                                   |
| Net loss on foreign currency transactions   | 0.02                                   | 0.24                                   |
| Bad debts written off (net of recovery)   | (9.01)                                 | (18.44)                                |
| Provision for onerous contracts   | -                                      | 9.68                                   |
| Allowance for doubtful advances   | (6.06)                                 | -                                      |
| Allowance for doubtful debts (net)  | 38.84                                  | 16.37                                  |
| Miscellaneous expenses  | 72.71                                  | 82.95                                  |
|   | <u>782.81</u>                          | <u>635.61</u>                          |
| Less: Allocated to capital works, repairs and other relevant revenue accounts           | 57.66                                  | 58.36                                  |
|   | <u>725.15</u>                          | <u>577.25</u>                          |





**TORRENT POWER LIMITED**

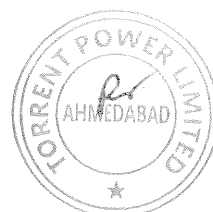
Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 41: Composition of the group**

**(a) Subsidiaries**

(1) Details of the Company's subsidiaries are as follows:

| Name of subsidiary   | Principal activity      | Place of incorporation and operation | Proportion of ownership interest and voting power held by the Company |                      |
|--|-------------------------|--------------------------------------|---|----------------------|
|  |                         |                                      | As at September 30, 2023  | As at March 31, 2023 |
| Torrent Solargen Limited   | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Pipavav Generation Limited   | Power Generation        | India                                | 95%   | 95%                  |
| Torrent Power Grid Limited   | Transmission of Power   | India                                | 74%   | 74%                  |
| Latur Renewable Private Limited  | Power Generation        | India                                | 100%  | 100%                 |
| Jodhpur Wind Farms Private Limited   | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Electricals Limited (Formerly known as Torrent Electricals Private Limited / TCL Cables Private Limited) | Manufacturing of Cables | India                                | 100%  | 100%                 |
| Torrent Solar Power Private Limited  | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Saurya Urja 2 Private Limited  | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Saurya Urja 3 Private Limited  | Power Generation        | India                                | 74%   | 100%                 |
| Torrent Saurya Urja 4 Private Limited  | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Saurya Urja 5 Private Limited  | Power Generation        | India                                | 74%   | 100%                 |
| Visual Percept Solar Projects Private Limited  | Power Generation        | India                                | 100%  | 100%                 |
| Surya Vidyut Limited   | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Saurya Urja 6 Private Limited (Formerly known as LREHL Renewables India SPV 1 Private Limited)           | Power Generation        | India                                | 100%  | 100%                 |
| Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited (w.e.f. April 01, 2022)          | Power Distribution      | India                                | 51%   | 51%                  |
| Torrent Urja 7 Private Limited (w.e.f. July 30, 2022) (formerly known as Wind Two Renergy Private Limited)       | Power Generation        | India                                | 100%  | 100%                 |
| Sun Shakti Solar Power Projects Private Limited (w.e.f. June 13, 2022)   | Power Generation        | India                                | 100%  | 100%                 |
| Torrent Urja 8 Private Limited (w.e.f. April 28, 2023)   | Power Generation        | India                                | 100%  | -                    |
| Torrent Urja 9 Private Limited (w.e.f. April 26, 2023)   | Power Generation        | India                                | 100%  | -                    |
| Torrent Urja 10 Private Limited (w.e.f. April 21, 2023)  | Power Generation        | India                                | 100%  | -                    |
| Torrent Urja 11 Private Limited (w.e.f. April 20, 2023)  | Power Generation        | India                                | 100%  | -                    |
| Torrent Urja 12 Private Limited (w.e.f. April 18, 2023)  | Power Generation        | India                                | 100%  | -                    |
| Torrent Urja 13 Private Limited (w.e.f. April 26, 2023)  | Power Generation        | India                                | 100%  | -                    |
| Torrent Urja 14 Private Limited (w.e.f. May 11, 2023)  | Power Generation        | India                                | 100%  | -                    |
| Torrent Urja 15 Private Limited (w.e.f. May 11, 2023)  | Power Generation        | India                                | 100%  | -                    |
| Torrent Urja 16 Private Limited (w.e.f. May 11, 2023)  | Power Generation        | India                                | 100%  | -                    |
| Torrent Urja 17 Private Limited (w.e.f. May 11, 2023)  | Power Generation        | India                                | 100%  | -                    |
| Torrent Green Energy Private Limited (w.e.f. August 02, 2023)  | Power Generation        | India                                | 100%  | -                    |
| <b>Step down Subsidiary</b>  | Power Generation        | India                                | 100%  | -                    |
| Airpower Windfarms Private Limited (w.e.f. September 01, 2023)   | Power Generation        | India                                | 100%  | -                    |



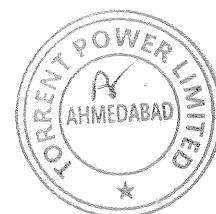
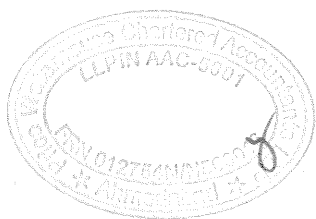
**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 41: Composition of the group (Contd.)**

(2) Disclosure of additional information pertaining to the Parent Company its Subsidiaries and its step down subsidiaries as per Schedule III of Companies Act, 2013 as at and for six months ended September 30, 2023:

| Name of the entity in the Group  | Consolidated share in net assets i.e. total assets minus total liabilities |                     | Consolidated share in profit or loss |                     | Consolidated share in other comprehensive income |                     | Consolidated share in total comprehensive income |                     |
|--|--|---------------------|--------------------------------------|---------------------|--|---------------------|--|---------------------|
|  | As % of consolidated net assets  | Amount (₹ in Crore) | As % of consolidated profit          | Amount (₹ in Crore) | As % of consolidated other comprehensive income  | Amount (₹ in Crore) | As % of consolidated total comprehensive income  | Amount (₹ in Crore) |
| Torrent Power Limited - Parent Company   | 95.41%   | 11,790.56           | 90.32%                               | 970.77              | 77.40%   | (7.64)              | 90.44%   | 963.13              |
| Torrent Solargen Limited   | 0.15%  | 18.53               | 0.50%                                | 5.37                | -  | -                   | 0.50%  | 5.37                |
| Torrent Pipavav Generation Limited   | 0.23%  | 28.79               | (0.03%)                              | (0.36)              | -  | -                   | (0.03%)  | (0.36)              |
| Torrent Power Grid Limited   | 0.82%  | 100.98              | 0.57%                                | 6.17                | (0.10%)  | 0.01                | 0.58%  | 6.18                |
| Latur Renewable Private Limited  | 1.22%  | 150.90              | 1.72%                                | 18.50               | -  | -                   | 1.74%  | 18.50               |
| Jodhpur Wind Farms Private Limited   | 1.14%  | 140.60              | 1.15%                                | 12.37               | -  | -                   | 1.16%  | 12.37               |
| Torrent Electricals Private Limited (Formerly known as TCL Cables Private Limited)                     | (0.09%)  | (10.53)             | (1.14%)                              | (12.22)             | 2.94%  | (0.29)              | (1.17%)  | (12.51)             |
| Torrent Solar Power Private Limited  | (0.18%)  | (21.81)             | (0.62%)                              | (6.65)              | -  | -                   | (0.62%)  | (6.65)              |
| Torrent Saurya Urja 2 Private Limited  | (0.08%)  | (9.29)              | (0.36%)                              | (3.91)              | -  | -                   | (0.37%)  | (3.91)              |
| Torrent Saurya Urja 3 Private Limited  | 0.00%  | 0.28                | (0.03%)                              | (0.35)              | -  | -                   | (0.03%)  | (0.35)              |
| Torrent Saurya Urja 4 Private Limited  | (0.01%)  | (0.87)              | (0.07%)                              | (0.79)              | -  | -                   | (0.07%)  | (0.79)              |
| Torrent Saurya Urja 5 Private Limited  | 0.00%  | 0.57                | (0.05%)                              | (0.54)              | -  | -                   | (0.05%)  | (0.54)              |
| Visual Percept Solar Projects Private Limited  | 1.44%  | 178.33              | 1.28%                                | 13.80               | 0.20%  | (0.02)              | 1.29%  | 13.78               |
| Surya Vidyut Limited   | 2.75%  | 340.35              | 2.17%                                | 23.48               | -  | -                   | 2.20%  | 23.48               |
| Torrent Saurya Urja 6 Private Limited (formerly known as LREHL Renewables India SPV 1 Private Limited) | 0.68%  | 84.05               | 0.48%                                | 5.16                | -  | -                   | 0.48%  | 5.16                |
| Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited                        | 2.12%  | 262.16              | 3.30%                                | 35.51               | 9.83%  | (0.97)              | 3.24%  | 34.54               |
| Sun Shakti Solar Power Projects Private Limited  | 1.11%  | 136.90              | 0.81%                                | 8.69                | -  | -                   | 0.82%  | 8.69                |
| Torrent Urja 7 Private Limited (formerly known as Wind Two Renergy Private Limited)                    | 0.14%  | 17.00               | 0.31%                                | 3.37                | -  | -                   | 0.32%  | 3.37                |
| Torrent Urja 13 Private Limited (w.e.f. April 26, 2023)  | -  | -                   | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Torrent Green Energy Private Limited (w.e.f. August 02, 2023)  | -  | (0.05)              | (0.01%)                              | (0.10)              | -  | -                   | (0.01%)  | (0.10)              |
| Airpower Windfarms Private Limited (w.e.f. September 01, 2023)   | 0.18%  | 21.69               | 0.00%                                | (0.04)              | -  | -                   | 0.00%  | (0.04)              |
| Torrent Urja 8 Private Limited (w.e.f. April 28, 2023)   | -  | -                   | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |

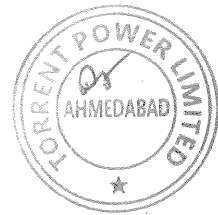
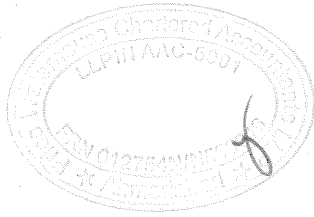


**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 41: Composition of the group (Contd.)**

| Name of the entity in the Group                         | Consolidated share in net assets i.e. total assets minus total liabilities |                     | Consolidated share in profit or loss |                     | Consolidated share in other comprehensive income |                     | Consolidated share in total comprehensive income |                     |
|---|--|---------------------|--------------------------------------|---------------------|--|---------------------|--|---------------------|
|   | As % of consolidated net assets  | Amount (₹ in Crore) | As % of consolidated profit          | Amount (₹ in Crore) | As % of consolidated other comprehensive income  | Amount (₹ in Crore) | As % of consolidated total comprehensive income  | Amount (₹ in Crore) |
| Torrent Urja 9 Private Limited (w.e.f. April 26, 2023)  | -  | -                   | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Torrent Urja 10 Private Limited (w.e.f. April 21, 2023) | -  | -                   | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Torrent Urja 11 Private Limited (w.e.f. April 20, 2023) | -  | -                   | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Torrent Urja 12 Private Limited (w.e.f. April 18, 2023) | -  | -                   | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Torrent Urja 14 Private Limited (w.e.f. May 11, 2023)   | -  | -                   | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Torrent Urja 15 Private Limited (w.e.f. May 11, 2023)   | -  | -                   | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Torrent Urja 16 Private Limited (w.e.f. May 11, 2023)   | -  | -                   | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Torrent Urja 17 Private Limited (w.e.f. May 11, 2023)   | -  | -                   | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Non-controlling interests                               | 4.09%  | 505.27              | 2.95%                                | 31.67               | 9.73%  | (0.96)              | 2.88%  | 30.71               |
| Consolidation adjustments                               | (11.12%)   | (1,377.16)          | (3.25%)                              | (34.97)             | -  | -                   | (3.30%)  | (34.97)             |
| <b>Total</b>  | <b>100.00%</b>   | <b>12,357.25</b>    | <b>100.00%</b>                       | <b>1,074.83</b>     | <b>100.00%</b>                                   | <b>(9.87)</b>       | <b>100.00%</b>                                   | <b>1,064.96</b>     |



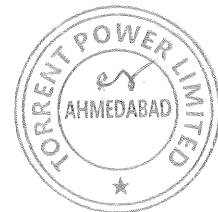
**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 41: Composition of the group (Contd.)**

(2) Disclosure of additional information pertaining to the Parent Company its Subsidiaries and its step down subsidiaries as per Schedule III of Companies Act, 2013 as at and for the year ended March 31, 2023:

| Name of the entity in the Group  | Consolidated share in net assets i.e. total assets minus total liabilities |                     | Consolidated share in profit or loss |                     | Consolidated share in other comprehensive income |                     | Consolidated share in total comprehensive income |                     |
|--|--|---------------------|--------------------------------------|---------------------|--|---------------------|--|---------------------|
|  | As % of consolidated net assets  | Amount (₹ in Crore) | As % of consolidated profit          | Amount (₹ in Crore) | As % of consolidated other comprehensive income  | Amount (₹ in Crore) | As % of consolidated total comprehensive income  | Amount (₹ in Crore) |
| Torrent Power Limited - Parent Company   | 95.93%   | 11,019.67           | 97.18%                               | 2,103.72            | 120.74%  | 7.29                | 97.25%   | 2,111.01            |
| Torrent Solargen Limited   | 0.11%  | 13.16               | (0.22%)                              | (4.83)              | -  | -                   | (0.22%)  | (4.83)              |
| Torrent Pipavav Generation Limited   | 0.25%  | 29.14               | (0.04%)                              | (0.81)              | -  | -                   | (0.04%)  | (0.81)              |
| Torrent Power Grid Limited   | 0.88%  | 100.80              | 0.73%                                | 15.72               | 1.02%  | 0.06                | 0.73%  | 15.78               |
| Latur Renewable Private Limited  | 1.15%  | 132.40              | 0.49%                                | 10.62               | -  | -                   | 0.49%  | 10.62               |
| Jodhpur Wind Farms Private Limited   | 1.12%  | 128.23              | 0.34%                                | 7.31                | -  | -                   | 0.34%  | 7.31                |
| Torrent Electricals Limited (Formerly known as Torrent Electricals Private Limited / TCL Cables Private Limited) | 0.02%  | 1.98                | (0.22%)                              | (4.77)              | 3.23%  | 0.19                | (0.21%)  | (4.58)              |
| Torrent Solar Power Private Limited  | (0.13%)  | (15.16)             | (0.67%)                              | (14.53)             | -  | -                   | (0.67%)  | (14.53)             |
| Torrent Saurya Urja 2 Private Limited  | (0.05%)  | (5.38)              | (0.23%)                              | (4.95)              | -  | -                   | (0.23%)  | (4.95)              |
| Torrent Saurya Urja 3 Private Limited  | -  | -                   | 0.00%                                | (0.02)              | -  | -                   | 0.00%  | (0.02)              |
| Torrent Saurya Urja 4 Private Limited  | 0.00%  | (0.08)              | (0.01%)                              | (0.12)              | -  | -                   | (0.01%)  | (0.12)              |
| Torrent Saurya Urja 5 Private Limited  | 0.00%  | 0.02                | 0.00%                                | (0.01)              | -  | -                   | 0.00%  | (0.01)              |
| Visual Percept Solar Projects Private Limited  | 1.53%  | 175.55              | 1.26%                                | 27.36               | (0.03%)  | (0.00)              | 1.26%  | 27.36               |
| Surya Vidyut Limited   | 2.76%  | 316.87              | (0.51%)                              | (10.94)             | (0.53%)  | (0.03)              | (0.51%)  | (10.97)             |
| Torrent Saurya Urja 6 Private Limited ( Previously known as LREHL Renewables India SPV 1 Private Limited)        | 0.69%  | 78.98               | 0.11%                                | 2.43                | -  | -                   | 0.11%  | 2.43                |
| Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited                                  | 1.98%  | 227.63              | 2.45%                                | 53.04               | (12.64%)   | (0.76)              | 2.41%  | 52.28               |
| Sun Shakti Solar Power Projects Private Limited (w.e.f. June 13, 2022)   | 1.12%  | 128.21              | 0.92%                                | 19.88               | -  | -                   | 0.92%  | 19.88               |
| Torrent Urja 7 Private Limited (w.e.f. July 30, 2022) (formerly known as Wind Two Renergy Private Limited)       | 0.12%  | 13.55               | (0.72%)                              | (15.54)             | -  | -                   | (0.72%)  | (15.54)             |
| Non-controlling interests  | 4.15%  | 476.64              | 2.18%                                | 47.24               | (11.79%)   | (0.71)              | 2.14%  | 46.53               |
| Consolidation adjustments  | (11.63%)   | (1,335.56)          | (3.04%)                              | (66.13)             | -  | -                   | (3.04%)  | (66.13)             |
| <b>Total</b>   | <b>100.00%</b>   | <b>11,486.65</b>    | <b>100.00%</b>                       | <b>2,164.67</b>     | <b>100.00%</b>                                   | <b>6.04</b>         | <b>100.00%</b>                                   | <b>2,170.71</b>     |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 41: Composition of the group (Contd.)**

**(b) Summarised Financial Information of Material Non Controlling Interests**

Financial Information of Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited that have material non-controlling interest is provided below:

Proportion of equity interest held by non-controlling interests:

| Name of subsidiary  | Place of incorporation and operation | Proportion of ownership interest by non controlling interest |                      |
|---|--------------------------------------|--|----------------------|
|   |                                      | As at September 30, 2023                                     | As at March 31, 2023 |
| Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited | India                                | 49%  | 49%                  |

**(i) Summarised Balance Sheet:**

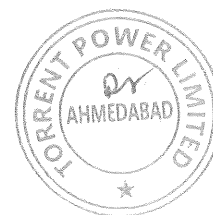
|                                     | (₹ in Crore)             |                      |
|-------------------------------------|--------------------------|----------------------|
|                                     | As at September 30, 2023 | As at March 31, 2023 |
| Non-current Assets                  | 488.91                   | 387.11               |
| Current Assets                      | 1,054.08                 | 929.77               |
| Non-current Liabilities             | (23.96)                  | (18.37)              |
| Current Liabilities                 | (1,004.99)               | (852.18)             |
|                                     | <b>514.04</b>            | <b>446.33</b>        |
| <b>Accumulated share of Profit:</b> |                          |                      |
| Owners of the company               | 262.15                   | 227.63               |
| Non-controlling interest            | 251.89                   | 218.70               |

**(ii) Summarised Statement of Profit and Loss:**

|  | (₹ in Crore)                        |                                     |
|--|-------------------------------------|-------------------------------------|
|  | Six months ended September 30, 2023 | Six months ended September 30, 2022 |
| <b>Income</b>                                    |                                     |                                     |
| Revenue from operations                          | 3,167.51                            | 3,042.22                            |
| Other income                                     | 34.55                               | 39.10                               |
| <b>Total Income</b>                              | <b>3,202.06</b>                     | <b>3,081.32</b>                     |
| <b>Expenses</b>                                  |                                     |                                     |
| Electrical energy purchased                      | (3,034.27)                          | (3,002.85)                          |
| Employee benefits expense                        | (19.86)                             | (22.01)                             |
| Finance costs                                    | (12.04)                             | (9.54)                              |
| Depreciation and amortisation expense            | (8.70)                              | (7.28)                              |
| Other expenses                                   | (32.68)                             | (28.33)                             |
| <b>Total expenses</b>                            | <b>(3,107.55)</b>                   | <b>(3,070.01)</b>                   |
| <b>Profit before tax</b>                         | <b>94.51</b>                        | <b>11.31</b>                        |
| Tax expense                                      | (24.88)                             | (2.77)                              |
| <b>Profit for the Period</b>                     | <b>69.63</b>                        | <b>8.54</b>                         |
| Other Comprehensive Income for the period        | (1.92)                              | -                                   |
| <b>Total Comprehensive Income for the period</b> | <b>67.71</b>                        | <b>8.54</b>                         |
| <b>Attributable to:</b>                          |                                     |                                     |
| Owners of the company                            | 34.53                               | 4.36                                |
| Non-controlling interest                         | 33.18                               | 4.18                                |

**(iii) Summarised Cash Flow information:**

|   | (₹ in Crore)                        |                                     |
|---|-------------------------------------|-------------------------------------|
|   | Six months ended September 30, 2023 | Six months ended September 30, 2022 |
| Operating Activities  | 193.74                              | (179.50)                            |
| Investing Activities  | (67.82)                             | (18.02)                             |
| Financing Activities  | (5.45)                              | 75.75                               |
| <b>Net (Decrease) / Increase in Cash and Cash Equivalents</b> | <b>120.47</b>                       | <b>(121.77)</b>                     |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 42: Business Acquisition / Asset acquisitions****A Acquisitions during the six months ended September 30, 2023****(a) Details of asset acquisitions****(i) Airpower Windfarms Private Limited**

On September 01, 2023, the Company through its subsidiary, Torrent Green Energy Private Limited (TGEPL) has signed a Share Purchase Agreement (SPA) with Powerica Limited and Vestas Wind Technology India Private Limited (the Sellers) for the acquisition of 100% share capital of Airpower Windfarms Private Limited (AWPL), which holds leasehold revenue land situated in the state of Gujarat for the purpose of development of wind power project. AWPL has become wholly owned subsidiary of the TGEPL w.e.f. September 01, 2023.

Based on guidance on definition of business under Ind AS, Management has classified above acquisitions as asset acquisitions. The management has assessed that above acquisitions does not meet the definition of 'business' in accordance with the principles laid down under Ind AS 103 - Business Combinations and hence have been considered to be 'asset acquisition', considering the factor that the purchase consideration pertain to the fair value of leasehold land for development of renewable power assets.

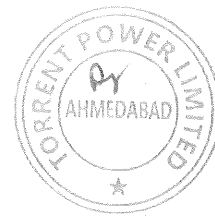
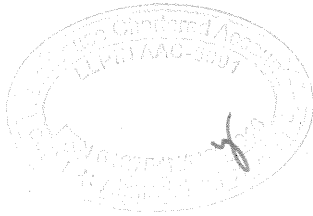
**Consideration Transferred**

| Particulars   | (₹ in Crore)                          |
|---|---------------------------------------|
|   | Airpower Windfarms<br>Private Limited |
| Consideration paid in cash for purchase of Equity shares* | 21.81                                 |
|   | <u>21.81</u>                          |

\* Subsequent to six months ended September 30, 2023, the group has adjusted the consideration by ₹ 0.29 crore pursuant to indemnity claim under clause 8.1 of the SPA.

**Net amount of Assets and Liabilities**

| Particulars  | (₹ in Crore)                          |
|--|---------------------------------------|
|  | Airpower Windfarms<br>Private Limited |
| <b>Assets</b>  |                                       |
| Property, plant and equipment (including Capital Work in Progress and Right-of-use-assets) | 19.01                                 |
| Other current assets   | 2.86                                  |
| <b>Total Assets Acquired</b>   | <u>21.87</u>                          |
| <b>Liabilities</b>   |                                       |
| Trade payables   | 0.05                                  |
| Other current liabilities  | 0.01                                  |
| <b>Total Liabilities Assumed</b>   | <u>0.06</u>                           |
| <b>Net Assets Acquired</b>   | <u>21.81</u>                          |



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**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 42: Business Acquisition / Asset acquisitions (Contd.)****B Acquisitions during the previous year (FY 2022-23)****(a) Details of business combination****(i) Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited' (the 'DNHDDPDCL')**

On March 15, 2022, the Company has entered into a Share Purchase Agreement (SPA) and Shareholders Agreement (SHA) with 'The Hon'ble Administrator of the Union Territory of Dadra and Nagar Haveli and Daman and Diu' (the 'Holding Entity') and 'Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited' (the 'DNHDDPDCL') for purchase of 51% shares of the DNHDDPDCL from the Holding Entity for a consideration of ₹ 555.00 Crore plus consideration adjustment of ₹ 31.06 Crore as per terms of SPA, on account of notified balance sheet of the DNHDDPDCL as at April 01, 2022 i.e. total consideration of ₹ 586.06 crore.

Basis the Share Purchase Agreement read with The Dadra and Nagar Haveli and Daman and Diu Electricity (Reorganisation and Reforms) Transfer Scheme, 2022 (the "transfer scheme"), the effective date of transfer has been notified by the UT Administrator, Union Territory of Dadra and Nagar Haveli and Daman and Diu as April 01, 2022 ('Acquisition date') for the purpose of implementing the transfer scheme.

DNHDDPDCL shall be the licensee to carry out the function of distribution and retail supply of electricity in the Dadra and Nagar Haveli District of the Union Territory of Dadra and Nagar Haveli and Daman and Diu for a period of 25 years effective from the acquisition date.

The Group has accounted the said acquisition in accordance with Ind AS 103 'Business Combination'. The details are as follows:

**Consideration Transferred and computation of Goodwill**

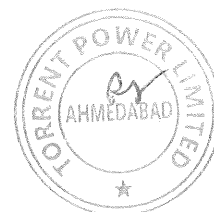
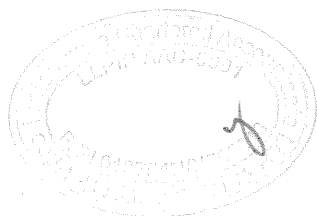
| Particulars  | (₹ in Crore)  |
|--|---------------|
| Total consideration*                                 | 586.06        |
| <b>Consideration Transferred</b>                     | <b>586.06</b> |
| Less: Fair Value of identifiable net assets acquired | (813.63)      |
| Add: Non-Controlling Interest (49%)                  | 398.64        |
| <b>Goodwill on acquisition</b>                       | <b>171.07</b> |

\* Out of the above ₹ 31.06 crore, included in Note 29 Sundry Payables under "Other current financial liabilities" has been paid subsequent to year end on April 29, 2023. Further there are no contingent considerations.

Goodwill comprises the value of expected higher profitability on account of the acquisition. Non-controlling interest has been initially measured at proportionate share of DNHDDPDCL's Fair Value of identifiable net assets acquired. Further pursuant to the transfer scheme there are no contingent liability transferred as on the acquisition date. Acquisition related costs of ₹ 4.30 Crores have been excluded from the consideration transferred and have been recognised as an expense in Consolidated Statement of Profit and Loss in the Current year and Previous year under the head "Other expenses".

**Details of assets acquired and liabilities recognised at the date of acquisition**

| Particulars                              | (₹ in Crore)    |
|--|-----------------|
| <b>Assets</b>                            |                 |
| <b>Non-current assets</b>                |                 |
| Property, plant and equipment            | 397.84          |
| Other intangible assets                  | 634.00          |
| <b>Current assets</b>                    |                 |
| Inventories                              | 17.13           |
| Financial assets                         |                 |
| Trade receivables                        | 409.42          |
| Cash and cash equivalents                | 140.64          |
| Other financial assets                   | 160.75          |
| <b>Total Assets Acquired</b>             | <b>1,759.78</b> |
| <b>Liabilities</b>                       |                 |
| <b>Non-current liabilities</b>           |                 |
| Financial liabilities                    |                 |
| Other financial liabilities              | 181.72          |
| Deferred tax liabilities (net)           | 263.96          |
| <b>Current liabilities</b>               |                 |
| Financial liabilities                    |                 |
| Trade payables                           | 336.80          |
| Other financial liabilities              | 163.67          |
| <b>Total Liabilities Assumed</b>         | <b>946.15</b>   |
| <b>Net Assets Acquired at fair value</b> | <b>813.63</b>   |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 42: Business Acquisition / Asset acquisitions (Contd.)**

Revenue and profit of the DNHDDPDCL since the acquisition date included in the consolidated statement of profit and loss of the Group:

| Particulars             | (₹ in Crore) |
|-------------------------|--------------|
| Revenue from Operations | 5,985.40     |
| Profit for the Period   | 104.00       |

**(b) Details of asset acquisitions**

**(i) Sunshakti Solar Power Projects Private Limited**

On April 23, 2022, the Company has entered into a Securities Purchase Agreement (SPA) with SkyPower Southeast Asia III Investments Limited, SkyPower Southeast Asia Holdings 2 Limited (the Sellers) for the acquisition of 100% of the share capital of Sunshakti Solar Power Projects Private Limited (SSPPPL), which operates 50 MW solar power plant, situated in the state of Telangana. On completion of the conditions precedent to SPA, SSPPPL has become wholly owned subsidiary of the Company w.e.f. June 13, 2022.

**(ii) Torrent Urja 7 Private Limited (formerly known as Wind Two Renergy Private Limited)**

On July 30, 2022, the Company has acquired 100% of paid-up capital of Torrent Urja 7 Private Limited ("TU7") (formerly known as Wind Two Renergy Private Limited (WTRPL)) from Inox Green Energy Services Limited (formerly known as Inox Wind Infrastructure Services Limited). TU7 operates 50 MW Wind power plant, situated in the state of Gujarat. On acquisition of shares, TU7 has become wholly owned subsidiary of the Company w.e.f. July 30, 2022 which was Associate of the Company till July 29, 2022.

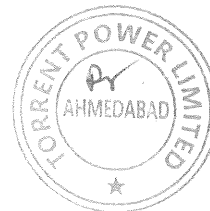
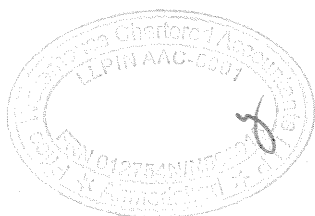
Based on guidance on definition of business under Ind AS, Management has classified above acquisitions as asset acquisitions. The management has assessed that above acquisitions does not meet the definition of 'business' in accordance with the principles laid down under Ind AS 103 - Business Combinations and hence have been considered to be 'asset acquisition', considering the factors like the purchase consideration pertains to the fair value of the Solar / Wind assets, the only key activity for this acquisition is the maintenance of the Solar / Wind assets and there are no other substantive processes required for the generation of output.

**Consideration Transferred**

| Particulars  | Sunshakti Solar<br>Power Projects<br>Private Limited | Torrent Urja 7<br>Private Limited<br>(formerly known as<br>Wind Two Renergy<br>Private Limited) |
|--|--|---|
|  |  | (₹ in Crore)  |
| Consideration paid in cash for purchase of Equity shares                     | 105.93   | 32.51   |
| Consideration paid in cash for purchase of Compulsory Convertible Debentures | 36.69  | -   |
|  | <u>142.62</u>  | <u>32.51</u>  |

**Net amount of Assets and Liabilities**

| Particulars  | Sunshakti Solar<br>Power Projects<br>Private Limited | Torrent Urja 7<br>Private Limited<br>(formerly known as<br>Wind Two Renergy<br>Private Limited) |
|--|--|---|
|  |  | (₹ in Crore)  |
| <b>Assets</b>  |  |   |
| Property, plant and equipment (including CWIP) and Right-of-use assets | 279.60   | 271.95  |
| Intangible Asset including Customer contract                           | 18.87  | 20.22   |
| Other non-current assets   | -  | 2.31  |
| Other current assets   | 148.77   | 2.34  |
| <b>Total Assets Acquired</b>   | <u>447.24</u>  | <u>296.82</u>   |
| <b>Liabilities</b>   |  |   |
| Non current Borrowings   | 273.52   | -   |
| Other non-current liabilities  | 22.34  | -   |
| Current Borrowings   | -  | 251.76  |
| Other current liabilities  | 8.76   | 12.55   |
| <b>Total Liabilities Assumed</b>                                       | <u>304.62</u>  | <u>264.31</u>   |
| <b>Net Assets Acquired</b>   | <u>142.62</u>  | <u>32.51</u>  |





**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 43: Impairment assessment**

**(1) DGEN Power Plant**

Net carrying value of Property, plant & equipment ("PPE") and Right-of-use assets ("ROU") as at September 30, 2023 includes ₹ 1,282.55 Crore (March 31, 2023 ₹ 1,315.05 Crore) pertaining to 1,200 MW DGEN Mega Power Project located at Dahej, Gujarat including its Transmission Line ("DGEN"). DGEN started commercial operations with effect from November 2014 and thereafter had operated only intermittently / partially including the current six months due to various factors such as unavailability of domestic gas, high prices of imported gas and non-availability of power selling arrangement.

In view of the above and given the current economic environment, the Company had carried out an impairment assessment of DGEN as at March 31, 2023 by considering the recoverable amount based on value-in-use of DGEN in accordance with Indian Accounting Standard 36 'Impairment of Assets' and concluded that no further impairment loss is required as at March 31, 2023. The Company has reviewed the key assumptions underlying the above assessment as on September 30, 2023 and concluded that no further impairment provision is considered necessary as at September 30, 2023.

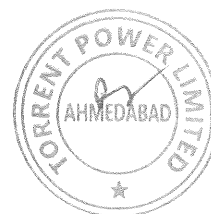
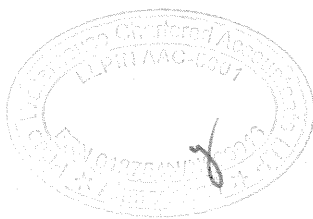
During the earlier years, the Company had provided for impairment loss of ₹ 2,300.00 Crore (March 31, 2023: ₹ 2,300.00 Crore).

Assessment of 'value-in-use' involves several key assumptions including expected demand, future price of fuel, expected tariff rates for electricity, discount rate, exchange rate and electricity market scenario, based on past trends and the current and likely future state of the industry. Management reviews such assumptions periodically to factor updated information based on events or changes in circumstances in order to make fresh assessment of impairment, if any.

**(2) Investment in Torrent Pipavav Generation Limited**

Torrent Pipavav Generation Limited ("TPGL"), a subsidiary of the Company and a joint venture between the Company and Gujarat Power Corporation Limited ("GPCL"), had made payments in nature of compensation for acquisition of private land as per the court orders in Amreli, Gujarat for the purpose of developing a coal-based power plant of 1,000+ MW. Due to non-availability of fuel linkage, Government of Gujarat ("GoG") vide its letter dated December 06, 2017, communicated that the said project may not be developed and accordingly, the joint venture is intended to be dissolved. Further, as per the said letter, the cost of land would be reimbursed after the disposal of land.

Considering the above facts, assets and liabilities are reflected at their net realisable values or cost whichever is lower and the financial results of TPGL for six months ended September 30, 2023 have been continued to be prepared on a non - going concern basis. The management has made an impairment assessment of the amount recoverable from Government of Gujarat and concluded that there is no impairment in the carrying amount of the compensation for acquisition of such land.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 44: Contingent liabilities, contingent assets and capital commitments**

**(a) Contingent liabilities**

|  | (₹ in Crore)       |                |
|--|--------------------|----------------|
|  | As at              | As at          |
|  | September 30, 2023 | March 31, 2023 |
| Disputed income tax matters  | 20.56              | 23.21          |
| Disputed sales tax matters   | 5.25               | 5.25           |
| Disputed service tax matters   | 0.49               | 0.49           |
| Disputed custom duty matters   | 18.50              | 18.50          |
| Disputed excise duty matters   | 2.88               | 2.88           |
| Disputed stamp duty matters  | 36.37              | 36.37          |
| Disputed value added tax matters                                     | 3.36               | 3.36           |
| Disputed central sales tax matters                                   | 4.09               | 4.09           |
| Claims against the Group not acknowledged as debt [Refer footnote 3] | 134.30             | 127.93         |

The Group has evaluated the impact of Supreme Court ("SC") judgement dated February 28, 2019 in the case of Regional Provident Fund Commissioner (II) West Bengal v/s Vivekananda Vidyamandir and Others, in relation to exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to Provident Fund ("PF") under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. There are interpretation issues relating to the said SC judgement. Based on such evaluation, management has concluded that effect of the aforesaid judgement on the Group is not material and accordingly, no provision has been made in the Consolidated financial statements.

**Footnotes :**

- Management believes that its position on the aforesaid direct and indirect tax demands and other claims against the Group will likely be upheld in the appellate process and accordingly no provision has been made in the consolidated financial statements for such demands.
- In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute / matters. No reimbursement is expected.
- Break up of claims against the Group not acknowledged as debt:

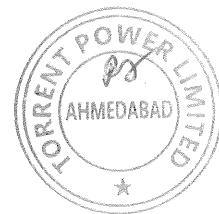
|  | (₹ in Crore)       |                |
|--|--------------------|----------------|
|  | As at              | As at          |
|  | September 30, 2023 | March 31, 2023 |
| Claim of regulatory surcharge including interest in franchise distribution business                            | 90.21              | 85.89          |
| Demand including interest for Tariff Indexation for excess energy withdrawn in franchise distribution business | 23.84              | 21.83          |
| Compensation payable for short lifting for material  | 8.46               | 8.46           |
| Others   | 11.79              | 11.75          |
|  | <u>134.30</u>      | <u>127.93</u>  |

**(b) Contingent assets**

|   | (₹ in Crore)       |                |
|---|--------------------|----------------|
|   | As at              | As at          |
|   | September 30, 2023 | March 31, 2023 |
| Claim for coal grade slippage                       | 11.67              | 6.92           |
| Claim of compensation for short lifting of material | 8.46               | 8.46           |
|   | <u>20.13</u>       | <u>15.38</u>   |

**(c) Capital and other commitments**

|  | (₹ in Crore)       |                |
|--|--------------------|----------------|
|  | As at              | As at          |
|  | September 30, 2023 | March 31, 2023 |
| <b>i) Capital commitments</b>  |                    |                |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) |                    |                |
| Property, plant and equipment  | 4,699.70           | 761.39         |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 45: Earnings per share**

|                                | Six months ended September<br>30, 2023 | Six months ended<br>September 30, 2022 |
|--------------------------------|--|--|
| Basic earnings per share (₹)   | 21.70                                  | 20.47                                  |
| Diluted earnings per share (₹) | 21.70                                  | 20.47                                  |

**Basic and diluted earnings per share**

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:

|  | Six months ended September<br>30, 2023 | Six months ended<br>September 30, 2022 |
|--|--|--|
| Profit for the year attributable to the owners of the Company (₹ in Crore) | 1,043.16                               | 983.76                                 |
| Weighted average number of equity shares (No.)                             | 48,06,16,784                           | 48,06,16,784                           |
| Nominal value of shares (₹)  | 10                                     | 10                                     |

The Company does not have any dilutive potential ordinary shares and therefore diluted earnings per share is the same as basic earnings per share.

**Note 46: Operating segment**

During the current period, in line with the reassessment for reporting financial information to the entity's chief operating decision maker (CODM), the Group has presented its segment information in the un-audited special purpose interim condensed consolidated financial statements as per Ind AS 108 – 'Operating Segments'. The CODM evaluates the Group's performance and applies the resources to whole of the Group's business viz. "Generation, Renewables, Transmission and Distribution of Power". In accordance with Ind AS - 108 "Operating Segments", the Group's reportable segments are as follows :-

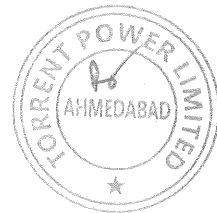
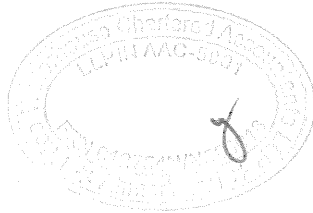
**Generation:** Comprises of generation of power from thermal sources (gas and coal) and trading of Regassified Liquefied Natural Gas.

**Transmission and Distribution:** Comprises of transmission and distribution business (licensed and franchisee) and related ancillary services. It also comprises Power Cable business.

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

Revenue and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

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



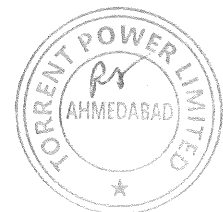
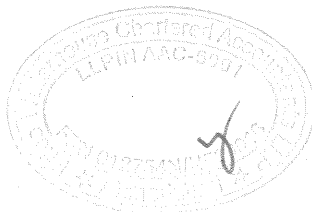
**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 46: Operating segment (Contd.)**

|  | Six months ended September<br>30, 2023         | Six months ended<br>September 30, 2022         |
|--|--|--|
| <b>1 Segment revenue</b>   |  |  |
| (a) Generation   | 4,193.01                                       | 3,102.59                                       |
| (b) Transmission and Distribution  | 12,973.06                                      | 11,874.58                                      |
| (c) Renewables   | 657.91   | 565.04   |
| <b>Total segment revenue</b>   | <u>17,823.98</u>                               | <u>15,542.21</u>                               |
| Less: Inter segment revenue  | (3,535.44)                                     | (2,328.75)                                     |
| <b>Total revenue from operations</b>   | <u>14,288.54</u>                               | <u>13,213.46</u>                               |
|  | <b>Six months ended September<br/>30, 2023</b> | <b>Six months ended<br/>September 30, 2022</b> |
| <b>2 Segment results (Profit before tax, depreciation and finance costs)</b> |  |  |
| (a) Generation   | 594.98   | 689.13   |
| (b) Transmission and Distribution  | 1,463.88                                       | 1,278.80                                       |
| (c) Renewables   | 587.19   | 498.08   |
| <b>Total segment results</b>   | <u>2,646.05</u>                                | <u>2,466.01</u>                                |
| Add: Unallocated   | (45.97)  | (39.06)  |
| Less: Finance costs  | (474.44)                                       | (401.00)                                       |
| Less: Depreciation and amortisation expense                                  | (673.70)                                       | (630.26)                                       |
| <b>Profit before tax</b>   | <u>1,451.94</u>                                | <u>1,395.69</u>                                |
|  | <b>As at September 30, 2023</b>                | <b>As at<br/>March 31, 2023</b>                |
| <b>3 Segment assets</b>  |  |  |
| (a) Generation   | 5,138.30                                       | 4,745.48                                       |
| (b) Transmission and Distribution  | 19,739.23                                      | 18,076.49                                      |
| (c) Renewables   | 6,848.23                                       | 6,472.04                                       |
| (d) Unallocated / Inter segment  | 268.27   | 616.17   |
| <b>Total assets</b>  | <u>31,994.03</u>                               | <u>29,910.18</u>                               |
|  | <b>As at September 30, 2023</b>                | <b>As at<br/>March 31, 2023</b>                |
| <b>4 Segment liabilities</b>   |  |  |
| (a) Generation   | 3,415.36                                       | 3,251.81                                       |
| (b) Transmission and Distribution  | 13,524.45                                      | 12,690.98                                      |
| (c) Renewables   | 4,233.98                                       | 3,966.72                                       |
| (d) Unallocated / Inter Segment  | (1,537.01)                                     | (1,485.98)                                     |
| <b>Total liabilities</b>   | <u>19,636.78</u>                               | <u>18,423.53</u>                               |
|  | <b>Six months ended September<br/>30, 2023</b> | <b>Six months ended<br/>September 30, 2022</b> |
| <b>5 Depreciation and Amortisation</b>                                       |  |  |
| (a) Generation   | 140.85   | 139.49   |
| (b) Transmission and Distribution  | 335.33   | 312.84   |
| (c) Renewables   | 194.45   | 175.07   |
| (d) Unallocated  | 3.07   | 2.87   |
| <b>Total Depreciation and Amortisation</b>                                   | <u>673.70</u>                                  | <u>630.27</u>                                  |
|  | <b>Six months ended September<br/>30, 2023</b> | <b>Six months ended<br/>September 30, 2022</b> |
| <b>6 Addition to Capital Expenditure</b>                                     |  |  |
| (a) Generation   | 4.92   | 4.55   |
| (b) Transmission and Distribution  | 811.05   | 1,030.52                                       |
| (c) Renewables   | 341.67   | 543.86   |
| (d) Unallocated  | 5.69   | (0.43)   |
| <b>Total Addition to Capital Expenditure</b>                                 | <u>1,163.33</u>                                | <u>1,578.50</u>                                |

The Group's operations are wholly confined within India and as such there is no reportable geographical information.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

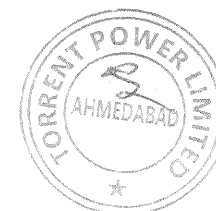
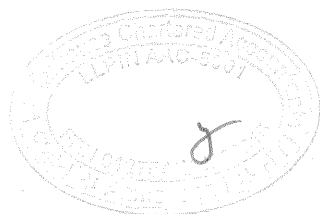
**Note 47: Related party disclosures**

**(a) Names of related parties and description of relationship:**

|   |  |   |
|---|--|---|
| 1 | <b>Parent Company</b>  | Torrent Investments Private Limited   |
| 2 | <b>Associates</b>  | Torrent Urja 7 Private Limited (formerly known as Wind Two Renergy Private Limited) (upto July 29, 2022)  |
| 3 | <b>Employee benefits plans*</b>  | TPL (Ahmedabad) Gratuity Trust, TPL (Ahmedabad) Superannuation Fund, TPL (Surat) Gratuity Trust, TPL (Surat) Superannuation Fund, TPL (SUGEN) Gratuity Trust, TPL (SUGEN) Superannuation Fund, TPL (DGEN) Gratuity Trust, TPL (DGEN) Superannuation Fund, TPG Gratuity Trust, TPG Superannuation Fund, DNHDD PDCL Employees' Group Gratuity Trust, DNHDD PDCL Employees Super annuation Trust, ED-DD & DNHDD PDCL Employees Group Gratuity Trust, ED-DD & DNHDD PDCL Leave Enchashment Trust, ED-DD & DNHDD PDCL Super Annuation Pension Trust.                 |
| 4 | <b>Key management personnel</b>  | Samir Mehta, Chairperson<br>Jinal Mehta, Managing Director<br>Varun Mehta (w.e.f. August 08, 2022), Wholetime Director  |
|   |  | Sudhir Mehta, Chairman Emeritus<br>Pankaj Patel, Independent Director<br>Samir Barua (Upto September 30, 2022), Independent Director<br>Keki Mistry , Independent Director<br>Usha Sangwan, Independent Director<br>Radhika Haribhakti, Independent Director<br>Mamta Verma, Independent Director<br>Ketan Dalal (w.e.f. May 11, 2022), Independent Director  |
| 5 | <b>Close member of key management personnel*</b>   | Varun Mehta (upto August 07, 2022)  |
| 6 | <b>Other entities where the company has 50% voting right / enterprises controlled by the Parent Company / Associate of Parent Company/Entities where the directors have significant influence*</b> | UNM Foundation, Torrent Pharmaceuticals Limited, Torrent Power Services Private Limited, Torrent Gas Pune Limited <sup>^</sup> , Torrent Gas Limited (Formerly known as Torrent Gas Private Limited) <sup>^</sup> , Torrent Gas Chennai Private Limited, Torrent Gas Moradabad Limited <sup>^</sup> , Torrent Gas Jaipur Private Limited, Torrent Fincorp Private Limited, Torrent Sports Ventures Private Limited, Torrent Hospitals Private Limited, Torrent Diagnostics Private Limited, School of Ultimate Leadership Foundation (w.e.f. October 15, 2022). |

\* where transactions have taken place during the period / year and / or previous period / year or where balances are outstanding at the period / year end

<sup>^</sup> Torrent Gas Pune Limited and Torrent Gas Moradabad Limited has been merged with Torrent Gas Limited (Formerly known as Torrent Gas Private Limited) w.e.f. April 01, 2023 (appointed date). Hence transactions with Torrent Gas Pune Limited and Torrent Gas Moradabad Limited for period ended September 30, 2023 has been disclosed under Torrent Gas Limited.



**TORRENT POWER LIMITED**

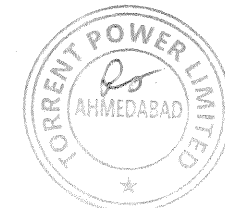
Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

Note 47: Related party disclosures (Contd.)

**(b) Related party transactions**

(₹ in Crore)

| Nature of transactions  | Associates         |                    | Employee benefits plans |                    | Key management personnel |                    | Parent Company / Close member of key management personnel / Other entities where the company has 50% voting right / enterprises controlled by the Parent Company / Associate of Parent Company/Entities where the directors have significant influence |                    | Total              |                    |
|---|--------------------|--------------------|-------------------------|--------------------|--------------------------|--------------------|--|--------------------|--------------------|--------------------|
|   | Six months ended   | Six months ended   | Six months ended        | Six months ended   | Six months ended         | Six months ended   | Six months ended   | Six months ended   | Six months ended   | Six months ended   |
|   | September 30, 2023 | September 30, 2022 | September 30, 2023      | September 30, 2022 | September 30, 2023       | September 30, 2022 | September 30, 2023   | September 30, 2022 | September 30, 2023 | September 30, 2022 |
| <b>Interest income</b>  | -                  | 3.45               | -                       | -                  | -                        | -                  | -  | -                  | -                  | 3.45               |
| Torrent Urja 7 Private Limited (formerly known as Wind Two Renergy Private Limited) | -                  | 3.45               | -                       | -                  | -                        | -                  | -  | -                  | -                  | 3.45               |
| <b>Dividend paid</b>  | -                  | -                  | -                       | -                  | -                        | -                  | 102.97   | -                  | 102.97             | -                  |
| Torrent Investments Private Limited   | -                  | -                  | -                       | -                  | -                        | -                  | 102.97   | -                  | 102.97             | -                  |
| <b>Services provided (rent income including tax)</b>                                | -                  | -                  | -                       | -                  | -                        | -                  | 0.66   | 0.74               | 0.66               | 0.74               |
| UNM Foundation  | -                  | -                  | -                       | -                  | -                        | -                  | *  | *                  | *                  | *                  |
| Torrent Investments Private Limited   | -                  | -                  | -                       | -                  | -                        | -                  | *  | *                  | *                  | *                  |
| Torrent Power Services Private Limited  | -                  | -                  | -                       | -                  | -                        | -                  | *  | *                  | *                  | *                  |
| Torrent Gas Limited (Formerly known as Torrent Gas Private Limited)                 | -                  | -                  | -                       | -                  | -                        | -                  | 0.44   | 0.25               | 0.44               | 0.25               |
| Torrent Fincorp Private Limited   | -                  | -                  | -                       | -                  | -                        | -                  | *  | *                  | *                  | *                  |
| Torrent Sports Ventures Private Limited   | -                  | -                  | -                       | -                  | -                        | -                  | *  | *                  | *                  | *                  |
| Torrent Gas Chennai Private Limited   | -                  | -                  | -                       | -                  | -                        | -                  | 0.11   | 0.12               | 0.11               | 0.12               |
| Torrent Gas Jaipur Private Limited  | -                  | -                  | -                       | -                  | -                        | -                  | 0.11   | 0.12               | 0.11               | 0.12               |
| Torrent Gas Pune Limited (Merged with Torrent Gas Limited)                          | -                  | -                  | -                       | -                  | -                        | -                  | -  | 0.12               | -                  | 0.12               |
| Torrent Gas Moradabad Limited (Merged with Torrent Gas Limited)                     | -                  | -                  | -                       | -                  | -                        | -                  | -  | 0.12               | -                  | 0.12               |
| Torrent Hospitals Private Limited   | -                  | -                  | -                       | -                  | -                        | -                  | *  | -                  | *                  | -                  |
| School of Ultimate Leadership Foundation  | -                  | -                  | -                       | -                  | -                        | -                  | *  | -                  | *                  | -                  |
| Torrent Diagnostcs Private Limited  | -                  | -                  | -                       | -                  | -                        | -                  | *  | -                  | *                  | -                  |
| <b>Services received / remuneration paid</b>  | -                  | -                  | -                       | -                  | -                        | -                  | -  | 1.16               | -                  | 1.16               |
| Varun Mehta   | -                  | -                  | -                       | -                  | -                        | -                  | -  | 1.16               | -                  | 1.16               |
| <b>Sale of cables</b>   | -                  | -                  | -                       | -                  | 0.17                     | -                  | -  | -                  | 0.17               | -                  |
| Samir Mehta   | -                  | -                  | -                       | -                  | 0.17                     | -                  | -  | -                  | 0.17               | -                  |
| <b>Purchase of material</b>   | -                  | -                  | -                       | -                  | -                        | -                  | 96.60  | -                  | 96.60              | -                  |
| Torrent Gas Limited (Formerly known as Torrent Gas Private Limited)                 | -                  | -                  | -                       | -                  | -                        | -                  | 96.60  | -                  | 96.60              | -                  |
| <b>Assignment of gas contract</b>   | -                  | -                  | -                       | -                  | -                        | -                  | 19.47  | -                  | 19.47              | -                  |
| Torrent Gas Limited (Formerly known as Torrent Gas Private Limited)                 | -                  | -                  | -                       | -                  | -                        | -                  | 19.47  | -                  | 19.47              | -                  |
| <b>Shared expenditure charged to</b>  | -                  | 0.11               | -                       | -                  | -                        | -                  | -  | -                  | -                  | 0.11               |
| Torrent Urja 7 Private Limited (formerly known as Wind Two Renergy Private Limited) | -                  | 0.11               | -                       | -                  | -                        | -                  | -  | -                  | -                  | 0.11               |



TORRENT POWER LIMITED

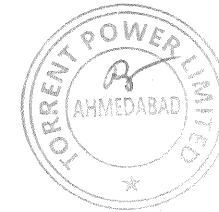
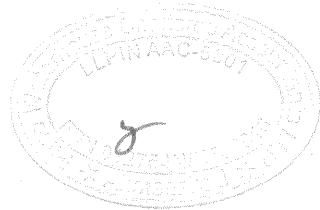
Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

Note 47: Related party disclosures (Contd.)

(b) Related party transactions

(₹ in Crore)

|   | Associates         |                    | Employee benefits plans |                    | Key management personnel |                    | Parent Company / Close member of key management personnel / Other entities where the company has 50% voting right / enterprises controlled by the Parent Company / Associate of Parent Company/Entities where the directors have significant influence |                    | Total              |                    |
|---|--------------------|--------------------|-------------------------|--------------------|--------------------------|--------------------|--|--------------------|--------------------|--------------------|
|   | Six months ended   | Six months ended   | Six months ended        | Six months ended   | Six months ended         | Six months ended   | Six months ended   | Six months ended   | Six months ended   | Six months ended   |
|   | September 30, 2023 | September 30, 2022 | September 30, 2023      | September 30, 2022 | September 30, 2023       | September 30, 2022 | September 30, 2023   | September 30, 2022 | September 30, 2023 | September 30, 2022 |
| Expenses incurred on behalf of            | -                  | -                  | -                       | -                  | -                        | -                  | 1.23   | -                  | 1.23               | -                  |
| UNM Foundation                            | -                  | -                  | -                       | -                  | -                        | -                  | 1.23   | -                  | 1.23               | -                  |
| Managerial remuneration@                  | -                  | -                  | -                       | -                  | 10.26                    | 6.99               | -  | -                  | 10.26              | 6.99               |
| Varun Mehta                               | -                  | -                  | -                       | -                  | 2.73                     | 0.45               | -  | -                  | 2.73               | 0.45               |
| Jinal Mehta                               | -                  | -                  | -                       | -                  | 7.53                     | 6.54               | -  | -                  | 7.53               | 6.54               |
| Sitting fees to non-executive directors@@ | -                  | -                  | -                       | -                  | 0.42                     | 0.28               | -  | -                  | 0.42               | 0.28               |
| Samir Barua                               | -                  | -                  | -                       | -                  | -                        | 0.07               | -  | -                  | -                  | 0.07               |
| Keki Mistry                               | -                  | -                  | -                       | -                  | 0.06                     | 0.01               | -  | -                  | 0.06               | 0.01               |
| Pankaj Patel                              | -                  | -                  | -                       | -                  | 0.06                     | 0.04               | -  | -                  | 0.06               | 0.04               |
| Usha Sangwan                              | -                  | -                  | -                       | -                  | 0.08                     | 0.06               | -  | -                  | 0.08               | 0.06               |
| Radhika Haribhakti                        | -                  | -                  | -                       | -                  | 0.11                     | 0.06               | -  | -                  | 0.11               | 0.06               |
| Mamta Verma#                              | -                  | -                  | -                       | -                  | 0.01                     | 0.01               | -  | -                  | 0.01               | 0.01               |
| Ketal Dalal                               | -                  | -                  | -                       | -                  | 0.10                     | 0.03               | -  | -                  | 0.10               | 0.03               |
| Donation                                  | -                  | -                  | -                       | -                  | -                        | -                  | 3.31   | 0.46               | 3.31               | 0.46               |
| UNM Foundation                            | -                  | -                  | -                       | -                  | -                        | -                  | 3.31   | 0.46               | 3.31               | 0.46               |
| Contribution towards CSR                  | -                  | -                  | -                       | -                  | -                        | -                  | 19.44  | 4.10               | 19.44              | 4.10               |
| UNM Foundation                            | -                  | -                  | -                       | -                  | -                        | -                  | 19.44  | 4.10               | 19.44              | 4.10               |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

Note 47: Related party disclosures (Contd.)

**(b) Related party transactions**

(₹ in Crore)

|   | Associates         |                    | Employee benefits plans |                    | Key management personnel |                    | Parent Company / Close member of key management personnel / Other entities where the company has 50% voting right / enterprises controlled by the Parent Company / Associate of Parent Company/Entities where the directors have significant influence |                    | Total              |                    |
|---|--------------------|--------------------|-------------------------|--------------------|--------------------------|--------------------|--|--------------------|--------------------|--------------------|
|   | Six months ended   | Six months ended   | Six months ended        | Six months ended   | Six months ended         | Six months ended   | Six months ended   | Six months ended   | Six months ended   | Six months ended   |
|   | September 30, 2023 | September 30, 2022 | September 30, 2023      | September 30, 2022 | September 30, 2023       | September 30, 2022 | September 30, 2023   | September 30, 2022 | September 30, 2023 | September 30, 2022 |
| <b>Contribution to employee benefit plans (net)</b>                                 | -                  | -                  | 15.05                   | 20.45              | -                        | -                  | -  | -                  | 15.05              | 20.45              |
| TPL (Ahmedabad) Gratuity Trust  | -                  | -                  | 0.01                    | 10.12              | -                        | -                  | -  | -                  | 0.01               | 10.12              |
| TPL (Ahmedabad) Superannuation Fund   | -                  | -                  | 7.72                    | 7.58               | -                        | -                  | -  | -                  | 7.72               | 7.58               |
| TPL (Surat) Gratuity Trust  | -                  | -                  | -                       | 1.53               | -                        | -                  | -  | -                  | -                  | 1.53               |
| TPL (SUGEN) Gratuity Trust  | -                  | -                  | 1.21                    | 0.40               | -                        | -                  | -  | -                  | 1.21               | 0.40               |
| TPL (SUGEN) Superannuation Fund   | -                  | -                  | 0.57                    | 0.51               | -                        | -                  | -  | -                  | 0.57               | 0.51               |
| TPL (DGEN) Gratuity Trust   | -                  | -                  | 0.05                    | 0.03               | -                        | -                  | -  | -                  | 0.05               | 0.03               |
| TPL (DGEN) Superannuation Fund  | -                  | -                  | 0.25                    | 0.25               | -                        | -                  | -  | -                  | 0.25               | 0.25               |
| TPG Gratuity Trust  | -                  | -                  | -                       | 0.01               | -                        | -                  | -  | -                  | -                  | 0.01               |
| TPG Superannuation Fund   | -                  | -                  | 0.02                    | 0.02               | -                        | -                  | -  | -                  | 0.02               | 0.02               |
| DNHDD PDCL Employees' Group Gratuity Trust  | -                  | -                  | 0.82                    | -                  | -                        | -                  | -  | -                  | 0.82               | -                  |
| DNHDD PDCL Employees' Superannuation Trust  | -                  | -                  | 0.41                    | -                  | -                        | -                  | -  | -                  | 0.41               | -                  |
| ED-DD and DNHPDCL Superannuation Pension Trust                                      | -                  | -                  | 0.40                    | -                  | -                        | -                  | -  | -                  | 0.40               | -                  |
| ED-DD and DNHPDCL Gratuity Trust  | -                  | -                  | 1.63                    | -                  | -                        | -                  | -  | -                  | 1.63               | -                  |
| ED-DD and DNHPDCL Leave Encashment Trust  | -                  | -                  | 1.96                    | -                  | -                        | -                  | -  | -                  | 1.96               | -                  |
| <b>Redemption of non-convertible debentures</b>                                     | -                  | 26.33              | -                       | -                  | -                        | -                  | -  | -                  | -                  | 26.33              |
| Torrent Urja 7 Private Limited (formerly known as Wind Two Renergy Private Limited) | -                  | 26.33              | -                       | -                  | -                        | -                  | -  | -                  | -                  | 26.33              |
| <b>Premium on NCD</b>   | -                  | 2.62               | -                       | -                  | -                        | -                  | -  | -                  | -                  | 2.62               |
| Torrent Urja 7 Private Limited (formerly known as Wind Two Renergy Private Limited) | -                  | 2.62               | -                       | -                  | -                        | -                  | -  | -                  | -                  | 2.62               |
| <b>Loan Given</b>   | -                  | 3.50               | -                       | -                  | -                        | -                  | -  | -                  | -                  | 3.50               |
| Torrent Urja 7 Private Limited (formerly known as Wind Two Renergy Private Limited) | -                  | 3.50               | -                       | -                  | -                        | -                  | -  | -                  | -                  | 3.50               |
| <b>Receipt on repayment of loans</b>  | -                  | 11.25              | -                       | -                  | -                        | -                  | -  | -                  | -                  | 11.25              |
| Torrent Urja 7 Private Limited (formerly known as Wind Two Renergy Private Limited) | -                  | 11.25              | -                       | -                  | -                        | -                  | -  | -                  | -                  | 11.25              |

@@ excluding Goods and Services Tax.

@ excluding provision for gratuity and leave encashment, insurance premium for group personal accident and group mediclaim.

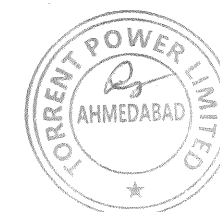
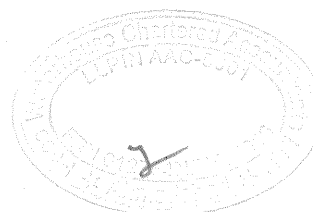
# Sitting fees and Commission of Mamta Verma (nominee of the Government of Gujarat) is paid / payable to the Government of Gujarat.

The Group is a public utility, being engaged in distribution of electricity. Transactions entered with the above mentioned related party does not include sale of electricity since the tariff charged to the customers are determined by an independent rate-setting authority.

**(c) Key management personnel compensation**

(₹ in Crore)

|                              | Six months ended September 30, 2023 | Six months ended September 30, 2022 |
|------------------------------|-------------------------------------|-------------------------------------|
| Short-term employee benefits | 10.26                               | 6.99                                |
|                              | <u>10.26</u>                        | <u>6.99</u>                         |





**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

Note 47: Related party disclosures (Contd.)

**(d) Related party balances**

(₹ in Crore)

|   | Associates                             |                      | Employee benefits plans  |                      | Key management personnel |                      | Parent Company / Close member of key management personnel / Other entities where the company has 50% voting right / enterprises controlled by the Parent Company / Associate of Parent Company/Entities where the directors have significant influence |                      | Total                    |                      |
|---|--|----------------------|--------------------------|----------------------|--------------------------|----------------------|--|----------------------|--------------------------|----------------------|
|   | As at September 30, 2023               | As at March 31, 2023 | As at September 30, 2023 | As at March 31, 2023 | As at September 30, 2023 | As at March 31, 2023 | As at September 30, 2023   | As at March 31, 2023 | As at September 30, 2023 | As at March 31, 2023 |
|   | <b>Balances at the end of the year</b> |                      |                          |                      |                          |                      |  |                      |                          |                      |
| <b>Current liabilities</b>  | -                                      | -                    | -                        | -                    | -                        | 22.97                | 18.95  | 0.40                 | 18.95                    | 23.37                |
| Torrent Gas Limited (formerly known as Torrent Gas Private Limited) | -                                      | -                    | -                        | -                    | -                        | -                    | 18.95  | 0.38                 | 18.95                    | 0.38                 |
| Torrent Gas Jaipur Private Limited                                  | -                                      | -                    | -                        | -                    | -                        | -                    | -  | 0.02                 | -                        | 0.02                 |
| Torrent Hospitals Pvt Ltd   | -                                      | -                    | -                        | -                    | -                        | -                    | -  | -                    | -                        | -                    |
| School of Ultimate Leadership Foundation                            | -                                      | -                    | -                        | -                    | -                        | -                    | -  | -                    | -                        | -                    |
| Samir Mehta   | -                                      | -                    | -                        | -                    | -                        | 15.00                | -  | -                    | -                        | 15.00                |
| Varun Mehta   | -                                      | -                    | -                        | -                    | -                        | 1.00                 | -  | -                    | -                        | 1.00                 |
| Jinal Mehta   | -                                      | -                    | -                        | -                    | -                        | 5.00                 | -  | -                    | -                        | 5.00                 |
| Samir Barua   | -                                      | -                    | -                        | -                    | -                        | 0.21                 | -  | -                    | -                        | 0.21                 |
| Keki Mistry   | -                                      | -                    | -                        | -                    | -                        | 0.24                 | -  | -                    | -                        | 0.24                 |
| Pankaj Patel  | -                                      | -                    | -                        | -                    | -                        | 0.28                 | -  | -                    | -                        | 0.28                 |
| Ketal Dalal   | -                                      | -                    | -                        | -                    | -                        | 0.31                 | -  | -                    | -                        | 0.31                 |
| Usha Sangwan  | -                                      | -                    | -                        | -                    | -                        | 0.43                 | -  | -                    | -                        | 0.43                 |
| Radhika Haribhakti  | -                                      | -                    | -                        | -                    | -                        | 0.43                 | -  | -                    | -                        | 0.43                 |
| Mamta Verma <sup>#</sup>  | -                                      | -                    | -                        | -                    | -                        | 0.07                 | -  | -                    | -                        | 0.07                 |
| <b>Investment in equity</b>   | -                                      | -                    | -                        | -                    | -                        | -                    | 0.05   | 0.05                 | 0.05                     | 0.05                 |
| UNM Foundation  | -                                      | -                    | -                        | -                    | -                        | -                    | 0.05   | 0.05                 | 0.05                     | 0.05                 |
| <b>Trade and other receivables</b>                                  | -                                      | -                    | -                        | -                    | -                        | -                    | 0.01   | -                    | 0.01                     | -                    |
| Torrent Gas Limited (formerly known as Torrent Gas Private Limited) | -                                      | -                    | -                        | -                    | -                        | -                    | 0.01   | -                    | 0.01                     | -                    |

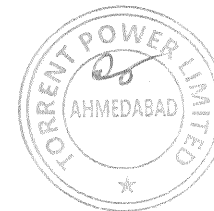
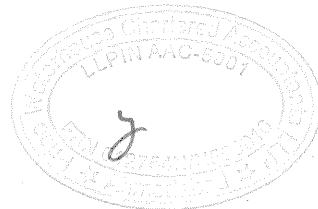
# Sitting fees and Commission of Mamta Verma (nominee of the Government of Gujarat) is payable to the Government of Gujarat.

The Group is a public utility, being engaged in distribution of electricity. Transactions entered with the above mentioned related party does not include sale of electricity since the tariff charged to the customers are determined by an independent rate-setting authority.

**(e) Terms and conditions of outstanding balances**

The transactions with related parties are made in the normal course of business on terms equivalent to those that prevail in arm's length transactions.

Outstanding balances at the year-end are unsecured.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 48: Financial instruments and risk management**

**(a) Capital management**

The Group manages its capital structure in a manner to ensure that it will be able to continue as a going concern while optimising the return to stakeholders through the appropriate debt and equity balance.

The Group's capital structure is represented by equity (comprising issued capital, retained earnings and other reserves as detailed in notes 21, 22) and debt (borrowings as detailed in note 23).

The Group's management reviews the capital structure of the Group on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Group's plan is to ensure that the gearing ratio (debt equity ratio) is well within the limit of 2:1. No changes were made in the objectives, policies or process for managing its capital during the period ended September 30, 2023 and year ended March 31, 2023. The Group reviews its dividend policy from time to time.

**Gearing ratio**

The gearing ratio at end of the reporting year is as follows.

|                      | As at September 30,<br>2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|----------------------|-----------------------------|---|
| Debt                 | 10,433.45                   | 10,521.03                               |
| Total equity         | 12,500.52                   | 11,489.39                               |
| Debt to equity ratio | <u>0.83</u>                 | <u>0.92</u>                             |

**Footnotes:**

- 1 Debt is defined as all long term debt outstanding [including unamortised expense] + contingent liability pertaining to corporate / financial guarantee given + short term debt outstanding in lieu of long term debt.
- 2 Total equity is defined as equity share capital + all reserve (excluding revaluation reserve) + deferred tax liabilities – deferred tax assets – intangible assets – Intangible assets under development

**Loan Covenants**

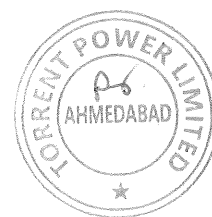
The Company has complied with financial covenants specified as per the terms of borrowing facilities.

**(b) Categories of financial instruments**

|  | As at September 30, 2023 |                  | As at<br>March 31, 2023 |                  |
|--|--------------------------|------------------|-------------------------|------------------|
|  | Carrying Value           | Fair Value       | Carrying Value          | Fair Value       |
| <b>Financial assets</b>                                |                          |                  |                         |                  |
| Measured at amortised cost                             |                          |                  |                         |                  |
| Cash and cash equivalent                               | 370.28                   | 370.28           | 188.23                  | 188.23           |
| Bank balance other than cash and cash equivalents      | 88.63                    | 88.63            | 155.29                  | 155.29           |
| Investment in bonds and debentures                     | 19.92                    | 19.92            | 17.82                   | 17.82            |
| Trade receivables                                      | 2,685.11                 | 2,685.11         | 2,246.33                | 2,246.33         |
| Other financial assets                                 | 3,684.03                 | 3,684.03         | 3,246.78                | 3,246.78         |
|  | <u>6,847.97</u>          | <u>6,847.97</u>  | <u>5,854.45</u>         | <u>5,854.45</u>  |
| Measured at fair value through profit and loss (FVTPL) |                          |                  |                         |                  |
| Investment in mutual funds                             | 1,070.60                 | 1,070.60         | 785.82                  | 785.82           |
| Investment in equity instruments                       | 0.05                     | 0.05             | 0.05                    | 0.05             |
|  | <u>1,070.65</u>          | <u>1,070.65</u>  | <u>785.87</u>           | <u>785.87</u>    |
| <b>Financial liabilities</b>                           |                          |                  |                         |                  |
| Measured at amortised cost                             |                          |                  |                         |                  |
| Borrowings   | 10,638.10                | 10,635.80        | 10,496.07               | 10,459.31        |
| Trade payables   | 2,603.44                 | 2,603.44         | 1,733.28                | 1,733.28         |
| Other financial liabilities                            | 2,633.72                 | 2,633.72         | 2,687.72                | 2,687.72         |
|  | <u>15,875.26</u>         | <u>15,872.96</u> | <u>14,917.07</u>        | <u>14,880.31</u> |

**Footnotes:**

- 1 The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other financial assets and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.
- 2 Non current loan carries the interest rates that are variable in nature and hence carrying value is considered as same as fair value.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 48: Financial instruments and risk management (Contd.)**

**(c) Fair value measurement**

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

- Level 1 : Inputs are Quoted (unadjusted) market prices in active markets for identical assets or liabilities. This includes investments in mutual funds that have quoted price.
- Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. This includes unquoted floating and fixed rate borrowing.
- Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. This includes unquoted equity shares, loans, security deposits, investments in Debentures, floating rate borrowings.

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

**(1) Financial assets at fair value through profit and loss (FVTPL)**

|                                 | Fair value               |                      | Fair value hierarchy | Valuation technique(s) and key input(s) |
|---------------------------------|--------------------------|----------------------|----------------------|---|
|                                 | As at September 30, 2023 | As at March 31, 2023 |                      |   |
| Investment in mutual fund units | 1,070.60                 | 785.82               | Level 1              | Quoted bid prices in an active market   |

**(2) Financial liabilities at amortised cost**

|  | Fair value               |                      | Fair value hierarchy | Valuation technique(s) and key input(s)   |
|--|--------------------------|----------------------|----------------------|---|
|  | As at September 30, 2023 | As at March 31, 2023 |                      |   |
| Fixed rate borrowings (Non-convertible debentures) | 2,937.70                 | 2,777.44             | Level 2              | Inputs other than quoted prices that are observable based on yields provided by 'The Fixed Income Money Market and Derivatives Association of India' (FIMMDA) |

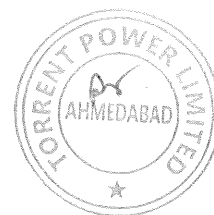
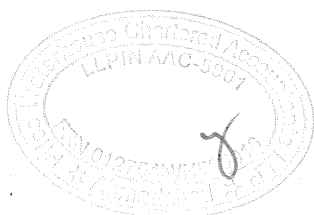
**(d) Financial risk management objectives**

The Group's principal financial liabilities, comprise borrowings, employee payables, security deposit from customer, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and projects capital expenditure. The Group's principal financial assets include loans, advances, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Group's activities expose it to a variety of financial risks viz foreign currency risk, commodity price risk, interest rate risk, credit risk, liquidity risk etc. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Group's senior management oversees the management of these risks. It advises on financial risks and the appropriate financial risk governance framework for the Group.

**Foreign currency risk**

The Group is exposed to foreign currency risks arising from various currency exposures, primarily with respect to the USD and EURO. Foreign currency risks arise from future commercial transactions and recognized assets and liabilities, when they are denominated in a currency other than Indian Rupee.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 48: Financial Instruments and risk management (Contd.)**

The Group's exposure with regards to foreign exchange risk which are not hedged are given below.

Unhedged foreign currency exposures:

| Nature of transactions       | Currency | As at September 30,<br>2023 | (₹ in Crore)            |
|------------------------------|----------|-----------------------------|-------------------------|
|                              |          |                             | As at<br>March 31, 2023 |
| <b>Financial liabilities</b> |          |                             |                         |
| Trade payable                | USD      | 15.26                       | 3.58                    |
| Trade payable                | EURO     | 235.39                      | 175.32                  |
| Capital payable              | EURO     | 0.06                        | 0.06                    |

**Foreign currency sensitivity analysis**

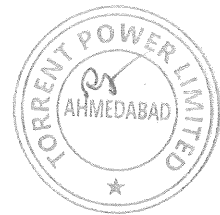
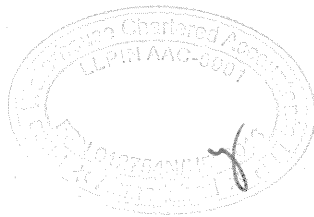
The following tables demonstrate the sensitivity to a reasonably possible change in EURO exchange rates, with all other variables held constant.

|  | As at September 30,<br>2023 | (₹ in Crore)<br>As at<br>March 31, 2023 |
|--|-----------------------------|---|
| Impact on Profit before Tax - Rupee depreciate by ₹ 1 against EURO | (2.68)                      | (1.96)                                  |
| Impact on Profit before Tax - Rupee appreciate by ₹ 1 against EURO | 2.68                        | 1.96                                    |

**Commodity price risk**

The commodity exposure is mainly on account of fuel, a substantial part of which is a pass through cost and hence the commodity price exposure is not likely to have a material financial impact on the Group.

The Group has exposure to USD / INR exchange rate arising principally on account of import of LNG and import of coal. The extant tariff regulations do not permit the cost of hedging such exposure as a cost to be passed through to the off-takers / beneficiaries. As a result, the Group does not follow a policy of hedging such exposures and actual rupee costs of import of fuel are substantially passed on to the off-takers / consumers, because of which such commodity price exposure is not likely to have a material financial impact on the Group.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 48: Financial instruments and risk management (Contd.)**
**Derivatives**

The Company uses derivative financial instruments such as forwards to hedge its risks associated with foreign exchange fluctuation and price risk movements. Risks associated with fluctuation in the price of the raw materials (natural gas, copper and aluminium) are minimized by undertaking appropriate derivative instruments. The fair values of all such derivative financial instruments are recognized as assets or liabilities at the balance sheet date.

(a) The Asset position of various outstanding derivative financial instruments is given below: (₹ in Crore)

| Particulars                  | Nature of risk being hedged | As at September 2023 |                | As at March 31, 2023 |                |
|------------------------------|-----------------------------|----------------------|----------------|----------------------|----------------|
|                              |                             | Asset                | Net fair value | Asset                | Net fair value |
| <b>Current</b>               |                             |                      |                |                      |                |
| <b>Non-designated hedges</b> |                             |                      |                |                      |                |
| Forward commodity contracts  | Price Risk Component        | 93.46                | 93.46          | -                    | -              |
| Foreign currency contracts   | Exchange rate movement risk | 13.20                | 13.20          | -                    | -              |
| <b>Total</b>                 |                             | <b>106.65</b>        | <b>106.65</b>  | -                    | -              |

(b) Outstanding position and fair value of various foreign exchange derivative financial instruments:

| Particulars           | Currency Pair | As at September 2023         |  |                                       | As at March 31, 2023         |  |                                       |
|-----------------------|---------------|------------------------------|--|---------------------------------------|------------------------------|--|---------------------------------------|
|                       |               | Weighted Average Strike rate | Notional value in foreign currency (in millions) | Fair value gain / (loss) (₹ in Crore) | Weighted Average Strike rate | Notional value in foreign currency (in millions) | Fair value gain / (loss) (₹ in Crore) |
| <b>Non-designated</b> |               |                              |  |                                       |                              |  |                                       |
| Buy                   | USD_INR       | 82.71                        | 2.67   | 13.20                                 | -                            | -  |                                       |
| <b>Total</b>          |               |                              |  | <b>13.20</b>                          |                              | -  |                                       |

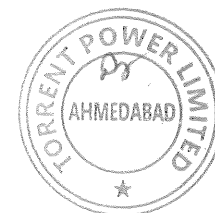
(c) Outstanding position and fair value of various commodity derivative financial instruments

(i) Outstanding position and fair value of various commodity derivative financial instruments as at september 30 , 2023

| Particulars                  |     | Currency | Weighted Average Strike rate | Quantity | Unit  | Notional Value (USD) (in millions) | Fair value gain / (loss) (₹ in Crore) |
|------------------------------|-----|----------|------------------------------|----------|-------|------------------------------------|---------------------------------------|
| <b>Non Designated hedges</b> |     |          |                              |          |       |                                    |                                       |
| Aluminium                    | Buy | USD      | 2,185.03                     | 1,030.00 | Tonne | 2.25                               | 93.46                                 |
| Copper                       | Buy | USD      | 8,391.00                     | 50.00    | Tonne | 0.42                               | 13.20                                 |
| <b>Total</b>                 |     |          |                              |          |       |                                    | <b>106.65</b>                         |

(ii) Outstanding position and fair value of various commodity derivative financial instruments as at March 31, 2023

| Particulars                  |     | Currency | Weighted Average Strike rate | Quantity | Unit | Notional Value (USD) (in millions) | Fair value gain / (loss) (₹ in Crore) |
|------------------------------|-----|----------|------------------------------|----------|------|------------------------------------|---------------------------------------|
| <b>Non Designated hedges</b> |     |          |                              |          |      |                                    |                                       |
| Aluminium                    | Buy | USD      | -                            | -        | -    | -                                  | -                                     |
| Copper                       | Buy | USD      | -                            | -        | -    | -                                  | -                                     |
| <b>Total</b>                 |     |          |                              |          |      |                                    | -                                     |



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 48: Financial instruments and risk management (Contd.)****Interest rate risk**

Most of the Group's borrowings are on a floating rate of interest. The Group has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR). The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible debentures and short term credit lines besides internal accruals.

The following table provides a break-up of the Group's fixed and floating rate borrowings:

|                                       | (₹ in Crore)                |                         |
|---------------------------------------|-----------------------------|-------------------------|
|                                       | As at September 30,<br>2023 | As at<br>March 31, 2023 |
| Fixed rate borrowings <sup>^</sup>    | 3,198.95                    | 3,348.47                |
| Floating rate borrowings <sup>^</sup> | 7,463.00                    | 7,176.06                |
|                                       | <u>10,661.95</u>            | <u>10,524.53</u>        |

<sup>^</sup> Transactions cost reduced from the borrowing is excluded.

**Interest rate risk sensitivity:**

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rates had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit.

|   | (₹ in Crore)                           |  |
|---|--|--|
|   | Six months ended<br>September 30, 2023 | Six months ended<br>September 30, 2022 |
| Impact on profit before tax - increase in 50 basis points | (18.11)                                | (17.94)                                |
| Impact on profit before tax - decrease in 50 basis points | 18.11                                  | 17.94                                  |

**Credit risk**

Trade receivables:

**(1) Exposures to credit risk**

The Group is exposed to the counterparty credit risk arising from the possibility that counterparties might fail to comply with contractual obligations. This exposure may arise with regard to unsettled amounts.

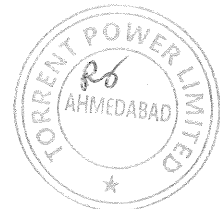
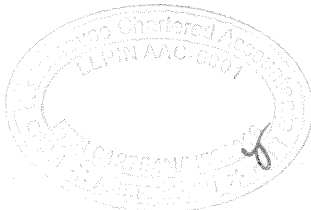
**(2) Credit risk management**

Credit risk is managed and limited in accordance with the type of transaction and the creditworthiness of the counterparty. The Group has established criteria for admission, approval systems, authorisation levels, exposure measurement methodologies, etc. The concentration of credit risk is limited due to the fact that the customer base is large. None of the customers accounted for more than 10% of the receivables and revenue for six months ended September 30, 2023 and year ended March 31, 2023. The Group is dependent on the domestic market for its business and revenues.

The Group's credit policies and practices with respect to distribution areas are designed to limit credit exposure by collecting security deposits prior to providing utility services or after utility service has commenced according to applicable regulatory requirements. In respect to generation business, Group generally has letter of credits / bank guarantees to limit its credit exposure.

**(3) Other credit enhancements**

The Group collects the security deposits in the form of Cash or Bank guarantee, considering the relevant electricity regulations under the relevant geographical area to cover its credit risks associated with its trade receivables.



**TORRENT POWER LIMITED**

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

**Note 48: Financial instruments and risk management (Contd.)****(4) Age of receivables and expected credit loss**

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables. The expected credit loss allowance is based on ageing of the days the receivables are due. Trade receivable balances mainly comprise of outstanding from consumers wherein the credit period provided to such consumers is less than 30 days. Based on the historical trend the same is collected well within the credit period.

The Group segments the receivables for the purpose of determining historical loss rate based on shared risk characteristics i.e. Government Consumers / Non Government consumers, Status of Consumers i.e. Live consumers / Disconnected consumers and Security deposits provided by the Consumer. Considering the nature of the business, the historical loss rate is not significant.

The ageing of receivables and allowance for doubtful debt at the end of the reporting period is as follows.

**As at September 30, 2023**

|   | (₹ in Crore)            |                             |
|---|-------------------------|-----------------------------|
|   | Gross trade receivables | Allowance for doubtful debt |
| Less than or equal to 6 months                      | 2,578.21                | 41.95                       |
| More than 6 months but less than or equal to 1 year | 65.79                   | 22.53                       |
| More than one year                                  | 284.45                  | 178.86                      |
|   | <u>2,928.45</u>         | <u>243.34</u>               |

**As at March 31, 2023**

|   | (₹ in Crore)            |                             |
|---|-------------------------|-----------------------------|
|   | Gross trade receivables | Allowance for doubtful debt |
| Less than or equal to 6 months                      | 2,148.01                | 35.33                       |
| More than 6 months but less than or equal to 1 year | 58.79                   | 23.20                       |
| More than one year                                  | 244.03                  | 145.97                      |
|   | <u>2,450.83</u>         | <u>204.50</u>               |

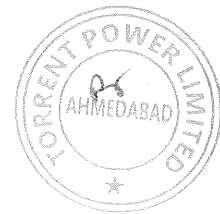
**(5) Movement in the expected credit loss allowance**

|  | (₹ in Crore)             |                      |
|--|--------------------------|----------------------|
|  | As at September 30, 2023 | As at March 31, 2023 |
| Opening balance  | 204.50                   | 217.71               |
| Movement in expected credit loss allowance on trade receivable calculated, net [Refer note 40] | 38.84                    | (13.21)              |
| <b>Closing balance [Refer note 16]</b>   | <u>243.34</u>            | <u>204.50</u>        |

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

**Other financial assets/ instruments:**

The Group is having balances in cash and cash equivalents, term deposits with banks, deposits, Loans to related parties, investments in government securities and investment in mutual funds. The Group is having balances in cash and cash equivalents, term deposits with scheduled banks with high credit rating and hence perceive low credit risk of default. With respect to investments, the Group limits its exposure to credit risk by investing in liquid securities with counterparties depending on their Composite Performance Rankings (CPR) published by CRISIL. The Group's investment policy lays down guidelines with respect to exposure per counterparty, rating, processes in terms of control and continuous monitoring. The Group therefore considers credit risks on such investments to be negligible. The credit loss from Loans receivable from related parties and financial guarantees is considered immaterial. The recoverable amount of unbilled revenue (including revenue gap/ surplus) perceives low credit risk of default considering applicable tariff regulations / tariff orders, management's probability estimate and the past trends of approval.



TORRENT POWER LIMITED

Notes forming part of the un-audited special purpose interim condensed consolidated financial statements for the six months ended September 30, 2023

Note 49: Approval of un-audited special purpose interim condensed consolidated financial statements

The un-audited special purpose interim condensed consolidated financial statements were approved for issue by Fund Raising Committee of the Company on

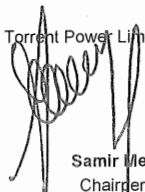
December 2, 2024

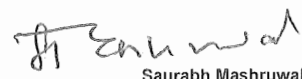
In terms of our report attached

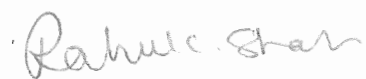
Signature to Note 1 to 49


For and on behalf of Fund Raising Committee of Torrent Power Limited

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number : 012754N/N500016

  
Samir Mehta  
Chairperson  
DIN: 00061903

  
Saurabh Mashruwala  
Chief Financial Officer

  
Rahul Shah  
Company Secretary

  
Priyanshu Gurdana  
Partner  
Membership No.: 109553

Mumbai, December 2, 2024

Ahmedabad, December 2, 2024