

# Price Waterhouse Chartered Accountants LLP

## Independent Auditor's Report

### To the Members of Torrent Power Grid Limited

### Report on the Audit of the Financial Statements

#### Opinion

1. We have audited the accompanying financial statements of Torrent Power Grid Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



Price Waterhouse Chartered Accountants LLP, 1701, 17th Floor, Shapath V, Opp. Karnavati Club, S G Highway  
Ahmedabad - 380 051, Gujarat, India  
T: +91 (79) 6924 7000, F: +91 (79) 6924 7082

Registered office and Head office: 11-A, Vishnu Digamber Marg, Sucheta Bhawan, Gate No 2, 1st Floor, 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

## INDEPENDENT AUDITOR'S REPORT

To the Members of Torrent Power Grid Limited

Report on Audit of the Financial Statements

Page 2 of 5

### Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's responsibilities for the audit of the financial statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
8. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.





# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Members of Torrent Power Grid Limited

Report on Audit of the Financial Statements

Page 3 of 5

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
12. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.



# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Members of Torrent Power Grid Limited  
Report on Audit of the Financial Statements  
Page 4 of 5

- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 12(b) above on reporting under Section 143(3)(b) and paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Rules.
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Rules, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company was not required to recognise a provision as at March 31, 2024 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2024.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 48(b) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The management has represented that, to the best of its knowledge and belief as disclosed in the Note 48(b) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and





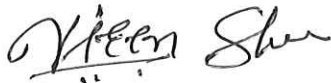
# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Members of Torrent Power Grid Limited  
Report on Audit of the Financial Statements  
Page 5 of 5

- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v. The dividend paid during the year by the Company is in compliance with Section 123 of the Act.
  - vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has been operating throughout the year for all relevant transactions recorded in the software at application level and has been operating from March 27, 2024 at database level, except that the audit log does not capture changes, if any made using certain privileged access. Further, during the course of our audit except the aforesaid instances, we did not notice any instance of audit trail feature being tampered with.
13. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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



Viren Shah  
Partner  
Membership Number: 046521  
UDIN: 24046521BKFVOE8756  
Place: Ahmedabad  
Date: May 01, 2024

# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditor's Report

Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of Torrent Power Grid Limited on the financial statements for the year ended March 31, 2024  
Page 1 of 2

### Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Torrent Power Grid Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the [internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.





# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditor's Report

Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of Torrent Power Grid Limited on the financial statements for the year ended March 31, 2024  
Page 2 of 2

### Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

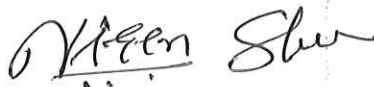
### Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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



Viren Shah  
Partner  
Membership Number: 046521  
UDIN: 24046521BKFVOE8756  
Place: Ahmedabad  
Date: May 01, 2024

# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Torrent Power Grid Limited on the financial statements as of and for the year ended March 31, 2024  
Page 1 of 4

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.  
  
(B) The Company does not have any Intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The Company does not own any immovable properties (Refer Note 4 to the financial statements). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. (a) The Company has made investments in four mutual fund schemes during the year. The company has not granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to companies, firms, Limited Liability Partnerships or other parties. Therefore, the reporting under clause 3 (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.
- (b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.





# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Torrent Power Grid Limited on the financial statements for the year ended March 31, 2024  
Page 2 of 4

- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its services. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, income tax, cess, and other material statutory dues, as applicable, with the appropriate authorities.  
(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.  
(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.  
(c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.  
(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short-term basis. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.  
(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.  
(f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.  
(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.



# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Torrent Power Grid Limited on the financial statements for the year ended March 31, 2024  
Page 3 of 4

- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3 (xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one CICs as part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.





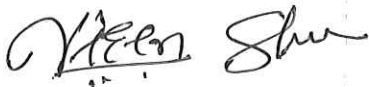
# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Torrent Power Grid Limited on the financial statements for the year ended March 31, 2024  
Page 4 of 4

- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios (Also refer Note 43 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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



Viren Shah  
Partner  
Membership Number: 046521  
UDIN : 24046521BKFVOE8756  
Place: Ahmedabad  
Date: May 01, 2024

# TORRENT POWER GRID LIMITED

## Balance sheet

As at March 31, 2024

	Notes	As at March 31, 2024	₹ in lakhs As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	10,350.44	10,676.14
Capital work-in-progress	5	29.79	42.54
Financial assets			
Other financial assets	6	0.56	0.56
Deferred tax assets (net)	29	742.07	558.04
Non-current tax assets(net)	7	49.29	41.47
		<u>11,172.15</u>	<u>11,318.75</u>
<b>Current assets</b>			
Inventories	8	54.79	40.66
Financial assets			
Investments	9	3,486.18	2,270.68
Trade receivables	10	542.42	798.82
Cash and cash equivalents	11	207.14	141.98
Other financial assets	12	78.75	38.20
Current tax assets (net)	13	25.34	1.80
Other current assets	14	30.42	3.26
		<u>4,425.04</u>	<u>3,295.40</u>
		<u>15,597.19</u>	<u>14,614.15</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	15	9,000.00	9,000.00
Other equity	16	5,506.83	4,621.35
		<u>14,506.83</u>	<u>13,621.35</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Other non-current liabilities	17	238.21	246.28
		<u>238.21</u>	<u>246.28</u>
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	18		
Total outstanding dues of micro and small enterprises		40.69	22.22
Total outstanding dues other than micro and small enterprises		90.76	30.76
Other financial liabilities	19	416.51	386.29
Other current liabilities	20	285.98	280.06
Provisions	21	18.21	18.96
Current tax liabilities (net)	22	-	8.23
		<u>852.15</u>	<u>746.52</u>
		<u>15,597.19</u>	<u>14,614.15</u>

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors,

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



Viren Shah  
Partner  
Membership No.:046521

Place: Ahmedabad  
Date : May 1, 2024

  
Yatindra Dwivedi  
Chairman  
DIN:10301390  
Place: Gurugram

  
Darshan Soni  
Company secretary  
Place: Ahmedabad

  
Pramod Patel  
Managing Director  
DIN:10183403  
Place: New Delhi

  
Nayank Dave  
Chief Financial Officer  
Place: Ahmedabad

Date : May 1, 2024



# TORRENT POWER GRID LIMITED

## Statement of profit and loss

For the year ended on March 31, 2024

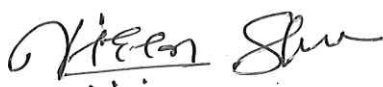
	Notes	Year ended March 31, 2024	₹ in lakhs Year ended March 31, 2023
<b>Income</b>			
Revenue from operations	23	2,553.73	3,910.92
Other income	24	288.74	127.82
<b>Total income</b>		<u>2,842.47</u>	<u>4,038.74</u>
<b>Expenses</b>			
Employee benefits expense	25	353.23	144.49
Finance costs	26	-	14.57
Depreciation and amortization expense	27	344.71	1,644.66
Other expenses	28	332.75	308.12
<b>Total expenses</b>		<u>1,030.69</u>	<u>2,111.84</u>
<b>Profit before tax</b>		1,811.78	1,926.90
<b>Tax expenses</b>			
Current tax	29	304.70	343.60
Deferred tax	29	(182.90)	(541.02)
(Excess) / short provision of current tax for earlier years	29	(8.23)	0.19
<b>Total tax expenses</b>		<u>113.57</u>	<u>(197.23)</u>
<b>Profit for the year</b>		<u>1,698.21</u>	<u>2,124.13</u>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans		(3.86)	11.60
Tax relating to remeasurement of the defined benefit plans		(1.13)	3.38
<b>Other comprehensive income for the year (net of tax)</b>		<u>(2.73)</u>	<u>8.22</u>
<b>Total comprehensive income for the year</b>		<u>1,695.48</u>	<u>2,132.35</u>
Basic and diluted earnings per share of face value of ₹10 each (in ₹)	36	1.89	2.36

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No.: 012754N/N500016




Viren Shah  
Partner  
Membership No.:046521

Place: Ahmedabad  
Date : May 1, 2024

  
Yatindra Dwivedi  
Chairman  
DIN:10301390  
Place: Gurugram

  
Darshan Soni  
Company secretary  
Place: Ahmedabad

  
Pramod Patel  
Managing Director  
DIN:10183403  
Place: New Delhi

  
Nayank Dave  
Chief Financial Officer  
Place: Ahmedabad

Date : May 1, 2024

# TORRENT POWER GRID LIMITED

## Statement of cash flows

For the year ended on March 31, 2024

	Notes	Year ended March 31, 2024	₹ in lakhs Year ended March 31, 2023
<b>Cash flow from operating activities</b>			
Profit before tax		1,811.78	1,926.90
<b>Adjustments for :</b>			
Depreciation and amortization expense	27	344.71	1,644.66
Deferred income	23	(8.04)	(41.21)
Provisions for doubtful debts no longer required	24	(64.19)	-
Loss on sale / discarding of property, plant & equipment	28	58.01	-
Allowance for doubtful debts (net)	28	-	27.98
Finance costs	26	-	14.57
Interest income	24	(0.03)	(0.03)
Gain on sale of current investments in mutual funds	24	(43.25)	(99.25)
Net loss/ (gain) arising on current investments in mutual funds measured at fair value through profit or loss	24	(147.34)	3.95
<b>Operating profit before working capital changes</b>		<u>1,951.65</u>	<u>3,477.57</u>
<b>Movement in working capital:</b>			
Adjustments for decrease / (increase) in operating assets:			
Inventories	9	(14.13)	-
Trade receivables	10	320.59	(28.75)
Other current financial asset	12	(40.52)	(21.49)
Other current assets	14	(27.16)	0.43
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables	18	78.46	0.40
Other current financial liabilities	19	72.76	(385.46)
Short-term provisions	21	(4.61)	(3.65)
Other current liabilities	20	5.89	2.67
<b>Cash generated from operations</b>		<u>2,342.93</u>	<u>3,041.72</u>
Taxes paid (net)		<u>(336.06)</u>	<u>(350.79)</u>
<b>Net cash generated from operating activities</b>		<u>2,006.87</u>	<u>2,690.93</u>
<b>Cash flow from investing activities</b>			
Payments for property, plant and equipment & capital work-in-progress		(116.49)	-
Sale of property, plant and equipment		9.70	-
(Purchase of) / proceeds from current investments (net)		<u>(1,024.92)</u>	<u>(356.14)</u>
<b>Net cash used in investing activities</b>		<u>(1,131.71)</u>	<u>(356.14)</u>
<b>Cash flow from financing activities</b>			
Repayment of borrowings		-	(520.00)
Dividend (including interim dividend) paid		(810.00)	(1,710.00)
Finance costs paid		-	(14.57)
<b>Net cash flow used in financing activities</b>		<u>(810.00)</u>	<u>(2,244.57)</u>
<b>Net increase in cash and cash equivalents</b>		<u>65.16</u>	<u>90.22</u>
<b>Cash and cash equivalents as at beginning of the year</b>		<u>141.98</u>	<u>51.76</u>
<b>Cash and cash equivalents as at end of the year</b>		<u>207.14</u>	<u>141.98</u>





# TORRENT POWER GRID LIMITED

## Statement of cash flows (Contd.)

For the year ended on March 31, 2024

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
<b>Notes:</b>			
1. Cash and cash equivalents as at end of the year:			
Cash and cash equivalents			
Balance in Current Accounts	11	<u>207.14</u> <u>207.14</u>	<u>141.98</u> <u>141.98</u>

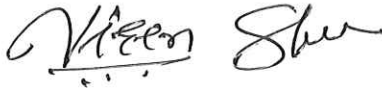
2. The cash flow statement has been prepared under the 'Indirect Method' set out in Indian Accounting Standards (Ind AS), 7 - "Statement of Cash Flows".

### See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No.: 012754N/N500016



Viren Shah  
Partner  
Membership No.:046521

Place: Ahmedabad  
Date : May 1, 2024




Yatindra Dwivedi  
Chairman  
DIN:10301390  
Place: Gurugram



Darshan Soni  
Company secretary  
Place: Ahmedabad



Pramod Patel  
Managing Director  
DIN:10183403  
Place: New Delhi



Nayank Dave  
Chief Financial Officer  
Place: Ahmedabad

Date : May 1, 2024

# TORRENT POWER GRID LIMITED

## Statement of changes in equity

For the year ended on March 31, 2024

		₹ in lakhs
<b>A. Equity share capital (Refer note 15)</b>		
Balance as at April 01, 2022		9,000.00
Changes in equity share capital during the year		-
<b>Balance as at March 31, 2023</b>		<b>9,000.00</b>
Changes in equity share capital during the year		-
<b>Balance as at March 31, 2024</b>		<b>9,000.00</b>
<b>B. Other equity (Refer note 16)</b>		
		<b>Reserves and surplus</b>
		<b>Retained earnings</b>
		₹ in lakhs
Balance as at April 01, 2022		4,199.00
Profit for the year	2,124.13	
Other comprehensive income for the year		
Remeasurement of the defined benefit plans (net of tax)	8.22	
<b>Total comprehensive income for the year</b>		<b>2,132.35</b>
Dividend (including interim dividend) paid	(1,710.00)	(1,710.00)
<b>Balance as at March 31, 2023</b>		<b>4,621.35</b>
Balance as at April 01, 2023		4,621.35
Profit for the year	1,698.21	
Other comprehensive income for the year		
Remeasurement of the defined benefit plans (net of tax)	(2.73)	
<b>Total comprehensive income for the year</b>		<b>1,695.48</b>
Dividend (including interim dividend) paid	(810.00)	(810.00)
<b>Balance as at March 31, 2024</b>		<b>5,506.83</b>

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No.: 012754N/N500016



**Viren Shah**  
Partner  
Membership No.:046521

Place: Ahmedabad  
Date : May 1, 2024

  
**Yatindra Dwivedi**  
Chairman  
DIN:10301390  
Place: Gurugram

  
**Darshan Soni**  
Company secretary  
Place: Ahmedabad

  
**Pramod Patel**  
Managing Director  
DIN:10183403  
Place: New Delhi

  
**Nayank Dave**  
Chief Financial Officer  
Place: Ahmedabad

Date : May 1, 2024



## TORRENT POWER GRID LIMITED

### Notes to the financial statements for the year ended March 31, 2024

#### NOTE: 1.1 GENERAL INFORMATION

The financial statements comprise financial statements of Torrent Power Grid Limited ("the Company") for the year ended March 31, 2024.

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. The registered office of the Company is located at "Samanvay", 600, Tapovan, Ambawadi, Ahmedabad – 380 015.

The Company is engaged in the business of transmission of power. The Company has set up a transmission system for evacuation of power from Torrent Power Limited's 1,147.5 MW Generation Project near Akhakhol in District Surat, Gujarat to Pirana sub-station and the system is being used to transmit power to its beneficiaries within and outside Gujarat State.

#### NOTE: 1.2 NEW AND AMENDED STANDARDS ADOPTED BY COMPANY

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 mentioned below, and are effective from April 1, 2023:

- Disclosure of accounting policies - amendments to Ind AS 1
- Definition of accounting estimates - amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

#### NOTE: 2. MATERIAL ACCOUNTING POLICIES

##### 2.1 Basis of preparation:

###### a) Compliance with Ind AS:

The financial statements are in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act and rules made thereunder.

As prescribed by the Ind AS, if the particular Ind AS is not in conformity with the applicable laws, the provisions of the said law shall prevail and financial statements shall be prepared in conformity with such laws. Consequently, the Company has applied this norm while preparing the financial statements.

###### b) Historical cost convention:

The financial statements have been prepared on an accrual basis under the historical cost convention except for following which have been measured at fair value;

- Certain financial assets and liabilities which has been measured at fair value
- Defined benefit plan assets

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

##### 2.2 Property, plant and equipment:

All items of property, plant and equipment held for use in the production or supply of services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, except that on adoption of Ind AS, property, plant and equipment had been measured at deemed cost, using the net carrying value as per previous GAAP as at 1st April, 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 direct costs incurred up to the date the asset is ready for its intended use. Such property, plant and equipment are classified to the appropriate categories when completed and ready for intended use.

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

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



## TORRENT POWER GRID LIMITED

### Notes to the financial statements for the year ended March 31, 2024

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

Depreciation commences when the assets are ready for their intended use. Depreciation for the year is provided on additions / deductions of the assets during the period from / up to the month in which the asset is added / deducted. Depreciation on tangible assets which are governed as per the provisions of Part B of Schedule II of the Companies Act, 2013 is provided on straight line method using the depreciation rates, the methodology and residual value as notified by the Central Electricity Regulatory Commission and in accordance with the Electricity Act, 2003.

The estimated useful life, residual value and depreciation method are reviewed at the end of each reporting period. The effect of any such change in estimate in this regard being accounted for on a prospective basis.

#### Depreciation rates:

Class of assets	Rates of depreciation
Plant and Machinery	- 1.09% to 5.28%
Overhead Transmission line	- 0.71% to 5.28%
Vehicles	- 9.50%
Office equipment	
- Computer	- 15.00%
- Office equipment	- 6.33%

#### 2. 3 Impairment of assets:

Property, Plant and equipment 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 net selling price and value in use. 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. 4 Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, balances with banks. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

#### 2. 5 Inventories:

Stores and spares are stated at the lower of cost and net realisable value. Cost of stores and spares comprises cost of purchases. Cost of stores and spares also includes all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average basis. 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. 6 Revenue recognition:

Revenue is recognized, when the control of the services has been transferred to customer, net of discounts.

Revenue from transmission charges is accounted for in accordance with the principles laid down under the relevant Tariff Regulations / Tariff Orders notified by the Central Electricity Regulatory Commission. Revenue recognised on the basis of billing data submitted to Central Transmission Utility of India Limited (CTU) on the basis of applicable tariff and adjustments in respect of revenue gaps /surplus 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.

These adjustments / accruals are carried forward as 'Unearned revenue' under "Other current financial liabilities" in Note 20, which would be adjusted through future billing based on tariff determination by Central Electricity Regulatory Commission.

Revenue are subject to true up as per Central Electricity Regulatory Commission Regulations in each control period of 5 years and any under-recovered or over-recovered revenue needs to be recovered or refunded from/to customer with interest. This has been adjusted in revenue from transmission Charges considering the regulatory nature of such item.

#### 2. 7 Employee benefits:

##### Defined contribution plans

Contribution to Retirement benefit plans in the form of provident fund and superannuation schemes as per regulation are charged as an expense on an accrual basis when employees have rendered the service. The Company has no further payment obligations once the contributions have been paid.





## TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

### Defined benefits plans

The liability or asset recognised in the balance sheet in respect of retirement benefit plans 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 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 approximately to the terms of the related obligations.

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

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

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

### Other long-term employee benefit obligations

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

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

## 2. 8 Taxation:

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

### Current Tax

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

Advance taxes and provisions for current income taxes are offset when there is a legally enforceable right to offset and balance arises with same tax authority.

### Deferred Tax

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

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

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

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

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

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. 9 Earnings per share:

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



## TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

### 2. 10 Provisions and contingent liabilities:

#### Provisions:

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

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

#### Contingent liability:

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

### 2. 11 Financial instruments:

#### (i) Financial assets:

##### a. Classification of financial assets

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

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

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

##### b. Initial measurement

Financial assets 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.

##### c. Impairment of financial assets

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

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 only, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109 i.e. expected credit loss allowance as computed based on historical credit loss experience.

##### d. Derecognition of financial assets

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

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

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

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

##### e. Income recognition

#### Interest income

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





## TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

### (ii) Financial liabilities

The Company's financial liabilities include trade and other payables.

#### a. Classification

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

#### b. 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.

#### c. Subsequent Measurement

Financial liabilities 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.

#### d. Derecognition of financial liabilities

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

### 2. 12 Rounding of amounts:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs to two decimals as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated.



## TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 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 underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

#### 3. 1 Property, plant and equipment:

##### i Service concession arrangements

The Company has assessed applicability of Appendix D of Ind AS 115: 'Service Concession Arrangements' with respect to its transmission assets portfolio. In assessing the applicability, they have exercised significant judgment in relation to the underlying ownership of the assets, Provisions of the Electricity Act, 2003 and transmission license and/or agreements. Based on such assessment, it has been concluded that Appendix D of Ind AS 115 is not applicable.

#### 3. 2 Impairment of Financial Assets:

##### i Trade receivables

The Company estimates the credit allowance as per practical expedient based on historical credit loss experience as enumerated.

##### ii Taxation

##### Deferred tax assets

Deferred tax assets are recognised for unused tax losses / 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 that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.





# TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

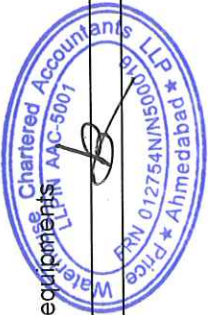
## NOTE - 4 : PROPERTY, PLANT AND EQUIPMENT

As at March 31, 2024

Particulars	Gross carrying amount			Accumulated depreciation			Net carrying amount
	As at April 1, 2023	Additions during the year	Deductions during the year	As at April 1, 2023	For the year	Deductions during the year	
Plant and machinery	1,226.03	-	-	658.80	18.71	-	548.52
Overhead transmission line	22,544.94	86.70	153.84	12,465.36	322.15	86.15	9,776.44
Vehicles	39.91	-	-	11.45	3.79	-	24.67
Office equipments	1.84	-	-	0.97	0.06	-	0.81
<b>Total</b>	<b>23,812.72</b>	<b>86.70</b>	<b>153.84</b>	<b>13,136.58</b>	<b>344.71</b>	<b>86.15</b>	<b>10,350.44</b>

As at March 31, 2023

Particulars	Gross carrying amount			Accumulated depreciation			Net carrying amount
	As at April 1, 2022	Additions during the year	Deductions during the year	As at April 1, 2022	For the year	Deductions during the year	
Plant and machinery	1,226.03	-	-	576.45	82.35	-	567.23
Overhead transmission line	22,544.94	-	-	10,906.90	1,558.46	-	10,079.58
Vehicles	39.91	-	-	7.66	3.79	-	28.46
Office equipments	1.84	-	-	0.91	0.06	-	0.87
<b>Total</b>	<b>23,812.72</b>	<b>-</b>	<b>-</b>	<b>11,491.92</b>	<b>1,644.66</b>	<b>-</b>	<b>10,676.14</b>



**TORRENT POWER GRID LIMITED**

Notes to the financial statements for the year ended March 31, 2024

**NOTE - 5 : CAPITAL WORK-IN-PROGRESS**

As at March 31, 2024

₹ in lakhs					
Particulars	As at April 1, 2023	Additions during the year	Capitalised during the period	Adjustment	As at March 31, 2024
Capital work-in-progress	42.54	73.95	86.70	-	29.79
Total	42.54	73.95	86.70	-	29.79

As at March 31, 2023

₹ in lakhs					
Particulars	As at April 01, 2022	Additions during the year	Capitalised during the year	Adjustment	As at 31st March 2023
Capital work-in-progress	-	42.54	-	-	42.54
Total	-	42.54	-	-	42.54

Note:

- 1 Refer note 40 for ageing schedule of the capital work-in-progress.





# TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

## NOTE - 6 : OTHER NON-CURRENT FINANCIAL ASSETS

Unsecured (considered good unless stated otherwise)

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Bank fixed deposits balance #	0.56	0.56
	<u>0.56</u>	<u>0.56</u>

# Above balance is under lien with GST/ VAT authority of Gujarat

## NOTE - 7 : NON-CURRENT TAX ASSETS

Unsecured (considered good unless stated otherwise)

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Advance income tax and tax deducted at source [Net of provision for income tax ₹ 2884.00 lakhs (March 31, 2023 - ₹ 2540.40 lakhs)]	49.29	41.47
	<u>49.29</u>	<u>41.47</u>

## NOTE - 8 : INVENTORIES

(valued at lower of cost and net realizable value)

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Stores and spares	54.79	40.66
	<u>54.79</u>	<u>40.66</u>

## NOTE - 9 : CURRENT INVESTMENTS

(Investments carried at fair value through profit and loss)

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Investment in mutual funds (unquoted)	3,486.18	2,270.68
	<u>3,486.18</u>	<u>2,270.68</u>
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	3,486.18	2,270.68
	<u>3,486.18</u>	<u>2,270.68</u>
Aggregate amount of impairment in value of investments	-	-
Aggregate amount of market value of unquoted investments	-	-



# TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

## NOTE - 10 : TRADE RECEIVABLES

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Trade receivables		
Unsecured - Considered good	542.42	798.82
- Credit impaired	56.97	121.16
	599.39	919.98
Less: Allowance for bad and doubtful debts	56.97	121.16
	542.42	798.82

Notes:

- 1 Refer note 39 for credit risk related disclosures.
- 2 Refer note 41 for ageing schedule of trade receivables.

## NOTE - 11 : CASH AND CASH EQUIVALENTS

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Balances with banks		
Balance in current accounts	207.14	141.98
	207.14	141.98

## NOTE - 12 : OTHER CURRENT FINANCIAL ASSETS

Unsecured (considered good unless stated otherwise)

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Interest accrued on deposits	0.11	0.08
Receivable from gratuity fund (Refer note 33.2(d))	43.84	15.40
Other advances-(Recoverable expense) (Refer note 38)	34.80	22.72
	78.75	38.20

## NOTE - 13 : CURRENT TAX ASSETS

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Advance income tax and tax deducted at source	25.34	1.80
[Net of provision for income tax ₹ 316.60 lakhs (March 31, 2023 - ₹ 343.60 lakhs)]		
	25.34	1.80

## NOTE - 14 : OTHER CURRENT ASSETS

Unsecured (considered good unless stated otherwise)

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Prepaid expenses	30.42	3.26
	30.42	3.26





# TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

## NOTE - 15 : EQUITY SHARE CAPITAL

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
<b>Authorised</b>		
250,00,00,000 (12,50,00,000 as at March 31, 2023) equity shares of ₹ 10 each	25,000.00	12,500.00
	<u>25,000.00</u>	<u>12,500.00</u>

### Issued, subscribed and paid up

9,00,00,000 (9,00,00,000 as at March 31, 2023) equity shares of ₹ 10 each	9,000.00	9,000.00
	<u>9,000.00</u>	<u>9,000.00</u>

### 1. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

	No. of shares As at March 31, 2024	No. of shares As at March 31, 2023
At the beginning of the year	9,00,00,000	9,00,00,000
Outstanding at the end of the year	<u>9,00,00,000</u>	<u>9,00,00,000</u>

### 2. 6,66,00,000 equity shares (6,66,00,000 equity shares as at March 31, 2023) of ₹10 each fully paid up are held by the holding company - Torrent Power Limited.

### 3. Terms / Rights attached to equity shares :

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

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

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

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Torrent Power Limited	6,66,00,000	74.00%	6,66,00,000	74.00%
Power Grid Corporation of India Limited	2,34,00,000	26.00%	2,34,00,000	26.00%
	<u>9,00,00,000</u>	<u>100.00%</u>	<u>9,00,00,000</u>	<u>100.00%</u>

### 5 Details of shareholding of promoters in the Company : Shares held by promoters at the end of the year

Promoter name	No. of shares	March 31, 2024		No. of shares	March 31, 2023	
		% of total shares	% changes during the period		% of total shares	% changes during the year
Torrent Power Limited (Jointly with nominees)	66600000	74.00%	0.00%	66600000	74.00%	0.00%
Power Grid Corporation Of India Ltd.	23400000	26.00%	0.00%	23400000	26.00%	0.00%

### 6 Distributions made and proposed:

The amount of per share dividend(including interim dividend ₹ Nil (Previous year- ₹1.00)) distributed to equity shareholders during the year ended March 31, 2024 is ₹0.90 (Previous year- ₹1.90) per equity share, including the final dividend declared and paid for the year ended March 31, 2023.

The Board of Directors at its meeting held on May 1,2024 have recommended a final dividend of 17% ( ₹ 1.70 per equity share of par value ₹10 each).The proposal of final dividend is subject to the approval of share holders at the ensuing Annual General Meeting and if approved, would result in cash outflow of approximately ₹ 1,530.00 Lakhs.

## NOTE - 16 : OTHER EQUITY

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
<b>Reserves and surplus</b>		
Retained earnings	5,506.83	4,621.35
	<u>5,506.83</u>	<u>4,621.35</u>

### 1 Retained earnings:

The retained earnings reflect the profit of the Company earned till date net of appropriations. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve, after considering the requirements of the Companies Act, 2013. Retained earnings includes ₹ -2.47 lakhs (March 31, 2023 ₹ 0.26 lakhs) related to re-measurement of defined benefit plans.



# TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

## NOTE - 17 : OTHER NON-CURRENT LIABILITIES

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Deferred revenue		
Contribution received from party (Refer note 30)	238.21	246.28
	<u>238.21</u>	<u>246.28</u>

## NOTE - 18 : CURRENT TRADE PAYABLES

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Trade payables for goods and services		
(a.) Total outstanding dues of micro and small enterprises (Refer note 32)	40.69	22.22
(b.) Total outstanding dues other than micro and small enterprises	90.76	30.76
	<u>131.45</u>	<u>52.98</u>

Note : Refer note 42 for ageing schedule of current trade payables.

## NOTE - 19 : OTHER CURRENT FINANCIAL LIABILITIES

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Unearned revenue	346.13	269.87
Payables on purchase of property, plant and equipment ^	-	42.54
Sundry payables (including for employees related payables)	70.38	73.88
	<u>416.51</u>	<u>386.29</u>

^ includes dues to Micro and Small enterprises for ₹ Nil (P.Y. ₹ 42.54 lakhs) (Refer note 32)

## NOTE - 20 : OTHER CURRENT LIABILITIES

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Credit balances of party#	193.50	193.32
Deferred revenue		
Contribution received from party (Refer note 30)	8.04	8.01
Statutory dues	10.82	5.11
Sundry payables#	73.62	73.62
	<u>285.98</u>	<u>280.06</u>

#Amount received from National Highway Authority of India for shifting of 400KV Sugan-Pirana line for work of Vadodara Mumbai expressway.

## NOTE - 21 : CURRENT PROVISIONS

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Provision for employee benefits		
Provision for compensated absences	18.21	18.96
	<u>18.21</u>	<u>18.96</u>

## Note - 22 : CURRENT TAX LIABILITIES

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Provision for taxation [Net of advance tax and tax deducted at source ₹ Nil (March 31, 2023 - ₹ 350.79 lakhs)]	-	8.23
	<u>-</u>	<u>8.23</u>





# TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

## NOTE - 23 : REVENUE FROM OPERATIONS

	Year ended March 31, 2024	₹ in lakhs Year ended March 31, 2023
Revenue from transmission income including incentive	2,593.03	3,910.85
Less: Truing up / tariff order adjustment (Refer note 2.6)	34.02	22.85
Less: Discount for prompt payment of bills	13.32	18.31
	<u>2,545.69</u>	<u>3,869.69</u>
Other operating income		
Deferred income on		
Transfer of assets from party (Refer note 30)	8.04	41.21
Miscellaneous income	-	0.02
	<u>8.04</u>	<u>41.23</u>
	<u>2,553.73</u>	<u>3,910.92</u>

## NOTE - 24 : OTHER INCOME

	Year ended March 31, 2024	₹ in lakhs Year ended March 31, 2023
Interest income from financial assets at amortised cost		
Deposits	0.03	0.03
	<u>0.03</u>	<u>0.03</u>
Gain on sale of investments in mutual funds	43.25	99.25
Net gain / (loss) arising on investments in mutual funds measured at fair value through profit or loss	147.34	(3.95)
Provision for doubtful debts no longer required	64.19	-
Delay payment surcharge	33.85	32.08
Miscellaneous income	0.08	0.41
	<u>288.74</u>	<u>127.82</u>



# TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

## NOTE - 25 : EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2024	₹ in lakhs Year ended March 31, 2023
Salaries, wages and bonus	332.71	126.55
Contribution to provident and other funds (Refer note 33)	13.04	16.37
Compensated absences	7.48	1.57
	<u>353.23</u>	<u>144.49</u>

## NOTE - 26 : FINANCE COSTS

	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense for financial liabilities classified as amortised cost		
Term loans	-	14.57
	<u>-</u>	<u>14.57</u>

## NOTE - 27 : DEPRECIATION AND AMORTIZATION EXPENSE

	Year ended March 31, 2024	₹ in lakhs Year ended March 31, 2023
Depreciation on property, plant and equipment	344.71	1,644.66
	<u>344.71</u>	<u>1,644.66</u>

## NOTE - 28 : OTHER EXPENSES

	Year ended March 31, 2024	₹ in lakhs Year ended March 31, 2023
Consumption of stores and spares	0.90	5.26
Rent and hire charges (Refer note 45)	0.46	0.43
Repairs to		
Plant and machinery	201.32	188.63
Others	1.57	1.62
	<u>202.89</u>	<u>190.25</u>
Insurance	3.07	3.54
Rates and taxes	0.10	0.16
Vehicle running expenses	5.97	13.36
Loss on sale / discarding of property, plant and equipment	58.01	-
Directors sitting fees	3.89	3.42
Statutory auditors remuneration (Refer note 34)	7.05	7.43
Legal, professional and consultancy fees	11.86	17.99
Corporate social responsibility expense (Refer note 35)	36.05	35.04
Allowance for doubtful debts (net)	-	27.98
Miscellaneous expenses	2.50	3.26
	<u>332.75</u>	<u>308.12</u>





# TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

## NOTE - 29 : CURRENT AND DEFERRED TAX

Management has made an assessment of the amount of taxable income that would be available in future to offset the tax credits available to the Company.

### (a) Tax expense recognised in statement of profit and loss

	Year ended March 31, 2024	₹ in lakhs Year ended March 31, 2023
<b>Current tax</b>		
Current tax on profits for the year	304.70	343.60
Adjustment for current tax of prior periods	(8.23)	0.19
	<u>296.47</u>	<u>343.79</u>
<b>Deferred tax</b>		
Increase in deferred tax assets	(276.55)	(313.51)
Decrease in deferred tax liabilities	93.65	(227.51)
	<u>(182.90)</u>	<u>(541.02)</u>
<b>Tax expense</b>	<u>113.57</u>	<u>(197.23)</u>

### (b) Reconciliation of tax expense and the accounting profit (including Other Comprehensive income) multiplied by statutory tax rate

	Year ended March 31, 2024	₹ in lakhs Year ended March 31, 2023
Profit before tax	1,811.78	1,926.90
Tax at the income tax rate of 27.82% (Previous year - 26%)#	504.04	500.99
Tax effect of amounts which are not deductible (taxable) in calculating taxable book profit :		
Effect of Corporate social responsibility expenditure that is not deductible in determining taxable profit	10.03	7.82
Tax Incentives under tax holiday period	(365.55)	(742.63)
Reversal of depreciation during tax holiday period	-	43.53
Others	(34.95)	(6.94)
<b>Tax expense as per statement of profit and loss</b>	<u>113.57</u>	<u>(197.23)</u>

# The tax rate used for the year ended March 31, 2024 reconciliations above is the Normal tax rate of 27.82% (including Health and education cess 4%) and for the year ended March 31, 2023 the Normal tax rate of 26% (including Health and education cess 4%), payable by corporate entities in India on taxable book profits under the Indian tax law.

### (c) Income tax recognised in other comprehensive income

	Year ended March 31, 2024	₹ in lakhs Year ended March 31, 2023
<b>Deferred tax</b>		
Re-measurement of defined benefit obligation (Items that will not be reclassified to profit or loss)	(3.86)	11.60
Income tax expense recognised in other comprehensive income	(1.13)	3.38



# TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

## NOTE - 29 : CURRENT AND DEFERRED TAX (Contd.)

### (d) Deferred tax balances

#### (i) The following is the analysis of deferred tax assets / (liabilities) presented in the balance sheet

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
<b>Deferred tax liabilities</b>		
Property, plant and equipment	(1,995.71)	(1,944.97)
Financial assets at fair value through profit and loss	(58.09)	(15.18)
	<u>(2,053.80)</u>	<u>(1,960.15)</u>
<b>Deferred tax assets</b>		
Remeasurement of the defined benefit plan	6.44	1.04
Minimum Alternate Tax credit entitlement	2,789.43	2,517.15
	<u>2,795.87</u>	<u>2,518.19</u>
	<u>742.07</u>	<u>558.04</u>

#### (ii) Movement of deferred tax balances

	As at April 1, 2023	Recognised in profit or loss	Recognised in OCI	₹ in lakhs As at March 31, 2024
<b>Deferred tax liabilities</b>				
Property, plant and equipment	(1,944.97)	(50.74)	-	(1,995.71)
Financial assets at fair value through profit and loss	(15.18)	(42.91)	-	(58.09)
	<u>(1,960.15)</u>	<u>(93.65)</u>	<u>-</u>	<u>(2,053.80)</u>
<b>Deferred tax assets</b>				
Remeasurement of the defined benefit plan	1.04	4.27	(1.13)	6.44
Minimum Alternate Tax credit entitlement	2,517.15	272.28	-	2,789.43
	<u>2,518.19</u>	<u>276.55</u>	<u>(1.13)</u>	<u>2,795.87</u>
	<u>558.04</u>	<u>182.90</u>	<u>(1.13)</u>	<u>742.07</u>
	As at April 1, 2022	Recognised in profit or loss	Recognised in OCI	As at March 31, 2023
<b>Deferred tax liabilities</b>				
Property, plant and equipment	(2,171.33)	226.36	-	(1,944.97)
Financial assets at fair value through profit and loss	(16.33)	1.15	-	(15.18)
	<u>(2,187.66)</u>	<u>227.51</u>	<u>-</u>	<u>(1,960.15)</u>
<b>Deferred tax assets</b>				
Remeasurement of the defined benefit plan	9.97	(5.55)	3.38	1.04
Minimum Alternate Tax credit entitlement	2,198.09	319.06	-	2,517.15
	<u>2,208.06</u>	<u>313.51</u>	<u>3.38</u>	<u>2,518.19</u>
	<u>20.40</u>	<u>541.02</u>	<u>3.38</u>	<u>558.04</u>

#### (iii) Unrecognised deferred tax assets

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Unused tax credits	935.94	1,356.79
	<u>935.94</u>	<u>1,356.79</u>

As at March 31, 2024 the company has unused tax credits that shall expire as given:

Financial year	As at March 31, 2024	₹ in lakhs As at March 31, 2023
2023-24	-	420.85
2024-25	460.90	460.90
2025-26	447.04	447.04
2026-27	28.00	28.00
<b>Total</b>	<u>935.94</u>	<u>1,356.79</u>





# TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

## NOTE - 30 : DEFERRED REVENUE

### (a) Contribution received from party :

#### (i) Nature of Contribution received from "Gujarat Mineral Development Corporation Limited(GMDC)"

The contribution received by third party-GMDC for refusal of right of way is recognized as a credit to deferred revenue. Such revenue is recognised over the useful life of the property, plant and equipment.

#### (ii) Movement of contribution received from "Gujarat Mineral Development Corporation Limited"

	As at March 31, 2024	As at March 31, 2023
Opening balance	254.29	295.50
Less: Transfer to statement of profit and loss	8.04	41.21
Closing balance	246.25	254.29
Non-current portion	238.21	246.28
Current portion	8.04	8.01
	246.25	254.29

## NOTE - 31 : CONTINGENT LIABILITIES AND CAPITAL AND OTHER COMMITMENTS

### (a) Contingent liabilities

	As at March 31, 2024	As at March 31, 2023
Claims against the Company not acknowledged as debt	0.20	0.20

### (b) Capital and other commitments

	As at March 31, 2024	As at March 31, 2023
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Property, plant and equipment	31,630.45	-

## NOTE - 32 : MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

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

	As at March 31, 2024	As at March 31, 2023
(a) Principal amount remaining unpaid	40.69	64.76
(b) Interest due thereon	-	-
(c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(d) The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
(e) The amount of interest accrued and remaining unpaid	-	-
(f) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-



## TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

### NOTE - 33 : EMPLOYEE BENEFIT PLANS

#### 33.1 Defined contribution plan

The Company operates defined contribution retirement benefit plans for all qualifying employees.

The Company's contribution to provident fund and superannuation fund are determined under the relevant schemes and / or statute and charged to the statement of profit or loss.

The Company's contribution to provident fund and superannuation fund aggregating to ₹ 13.08 lakhs (Previous year - ₹ 11.96 lakhs) has been recognised in the statement of profit and loss under the head employee benefits expense.

#### 33.2 Defined benefit plans

##### (a) Gratuity

The Company operates a gratuity plan covering employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company. In case of death while in service, the gratuity is payable irrespective of vesting.

The Company makes annual contribution to the gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund. The liability in respect of plan is determined on the basis of an actuarial valuation.

##### (b) Risk exposure to defined benefit plans

The plans typically expose the Company to actuarial risks such as: asset volatility, interest rate risk, longevity risk and salary risk as described below :

##### Asset volatility

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

##### Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

##### Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

##### Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2024. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

##### (c) Significant assumptions

The principal assumptions used for the purposes of the actuarial valuations were as follows.

	As at March 31, 2024	As at March 31, 2023
Discount rate	7.27%	7.57%
Salary escalation rate	8.50%	8.50%

##### (d) The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plan is as follows:

##### Balances of defined benefit plan

	As at March 31, 2024	As at March 31, 2023
Present value of funded defined benefit obligation	26.64	51.36
Fair value of plan assets	70.48	66.76
Net asset / (liability) arising from gratuity (Refer note 12)	43.84	15.40





# TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

## NOTE - 33 : EMPLOYEE BENEFIT PLANS (Contd.)

### (e) Expenses recognised for defined benefit plan and movement of plan assets and liabilities

Following is the amount recognised in statement of profit and loss, other comprehensive income, movement in defined benefit liability and movement in plan assets:

	₹ in lakhs	
	Funded plan- Gratuity	
	Year ended	Year ended
	March 31,	March 31,
	2024	2023
<b>(i) Movements in the present value of the defined benefit obligation:</b>		
Obligation at the beginning of the year	51.36	74.31
Current service cost	3.88	3.50
Interest cost	1.13	5.32
Liability transferred in	-	20.00
Liability transferred out	-	(40.17)
Actuarial (gains) / losses arising changes in financial assumptions	0.55	(0.66)
Actuarial (gains) / losses from experience adjustments	1.27	(10.94)
Benefits paid directly by employer	(31.55)	-
Obligation at the end of the year	26.64	51.36
<b>(ii) Movements in the fair value of the plan assets:</b>		
Plan assets at the beginning of the year, at fair value	66.76	61.55
Interest income	5.05	4.41
Return on plan assets (excluding interest income)	(2.05)	-
Contributions by the Employer	0.72	0.80
Plan assets at the end of the year, at fair value	70.48	66.76
<b>(iii) Gratuity cost recognized in the statement of profit and loss</b>		
Current service cost	3.88	3.50
Interest cost	(3.92)	0.91
Net gratuity cost recognized in the statement of profit and loss (Refer Contribution to provident and other funds under note 25)	(0.04)	4.41
<b>(iv) Gratuity cost recognized in the other comprehensive income(OCI)</b>		
Return on plan assets, excluding interest income	2.05	-
Actuarial (gains)/ losses on obligation for the year	1.82	(11.60)
Net (income) / expense for the year recognized in OCI	3.87	(11.60)

### (f) Category wise plan assets

Particulars	As at March 31, 2024	As at March 31, 2023
Insurer Managed Funds	100.00%	100.00%

### (g) Sensitivity analysis:

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

	₹ in lakhs	
Change in assumptions	Year ended	Year ended
	March 31,	March 31,
	2023	2022
<b>Impact on defined benefit obligation of gratuity</b>		
50 basis points increase in discount rate	(0.90)	(0.78)
50 basis points decrease in discount rate	0.96	0.83
50 basis points increase in salary escalation rate	0.73	0.56
50 basis points decrease in salary escalation rate	(0.68)	(0.52)



## TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

### NOTE - 33 : EMPLOYEE BENEFIT PLANS (Contd.)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

(h) The weighted average duration of the gratuity plan based on average future service is **14 years** (As at March 31, 2023 is 12 years).

(i) Expected contributions to the plan for the next annual reporting period is NIL.

(j) **Cash flow projection from the fund :**

Projected benefits payable in future years from the date of reporting

	₹ in lakhs	
	Funded Plan - Gratuity	
	As at	As at
	March 31,	March 31,
	2024	2023
1st following year	0.43	28.95
2nd following year	0.44	0.41
3rd following year	0.45	0.42
4th following year	19.13	0.43
5th following year	0.15	18.80
sum of years 6 to 10th	1.00	0.76
sum of years 11 and above	28.76	23.08

### 33.3 Other long-term employee benefit obligations

The leave obligation covers the Company's liability for earned leave. Under these compensated absences plans, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation at the rate of daily salary, as per current accumulation of leave days. Refer note 21 and note 25 with respect to item of balance sheet and profit and loss where such charge / provision has been presented.





# TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

## NOTE - 34 : STATUTORY AUDITORS REMUNERATION

	Year ended March 31, 2024	₹ in lakhs Year ended March 31, 2023
As auditor #		
Audit fees	6.49	6.31
Other services- certificates etc	0.56	1.12
# (including goods and service tax)		
	<u>7.05</u>	<u>7.43</u>

## NOTE - 35 : CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

	Year ended March 31, 2024	₹ in lakhs Year ended March 31, 2023
(a) Amount required to be spent by the company during the year	36.05	35.04
(b) Amount of expenditure incurred		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	36.05	35.04
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	Not Applicable	Not Applicable
(f) Nature of CSR activities	1) Pediatric health care activity	1) Pediatric health care activity
(g) Contribution to section 8 related companies, included in (b) above, in relation to CSR expenditure		
(i) UNM Foundation	36.05	35.04
	<u>36.05</u>	<u>35.04</u>

The Company does not have any amount remaining unspent under Section 135(5) of the Companies Act, 2013.

## NOTE - 36 : EARNINGS PER SHARE

	Year ended March 31, 2024	Year ended March 31, 2023
Basic earnings per share	1.89	2.36
Diluted earnings per share	1.89	2.36

### Basic and diluted earnings per share

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

	Year ended March 31, 2024	₹ in lakhs Year ended March 31, 2023
Profit for the year attributable to the Equity share holder of the Company used in calculation of basis earning per share	1,698.21	2,124.13
Weighted average number of equity shares	9,00,00,000	9,00,00,000

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

## NOTE - 37 : OPERATING SEGMENT

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company's business viz. "Transmission of Power". Hence the Company does not have any reportable segment as per Ind AS - 108 "Operating Segments".

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



# TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

## NOTE - 38 : RELATED PARTY DISCLOSURES

### A. Names of related parties and nature of relationship:

1	Enterprise Controlling the holding company	Torrent Investments Private Limited
2	Holding Company	Torrent Power Limited
3	Enterprise having significant influence on the company	Power Grid Corporation of India Limited
4	Wholly owned subsidiary of enterprise having significant influence on the company	Central Transmission Utility of India Limited (Subsidiary of Power Grid Corporation of India Limited)
5	Other entities where the Holding Company has 50% voting right / enterprises controlled by the holding Company*	DNHDD Power Distribution Corporation Limited UNM Foundation (Formerly known as Tornascent Care Institute)
6	Employee benefits plans*	TPG Gratuity Trust TPG Superannuation Fund
7	Key Management Personnel	Jinal Mehta - Managing Director and CEO (Resigned w.e.f. May 19, 2023) Pramod Patel - Managing Director (w.e.f. May 30, 2023)
8	Non-executive directors	Yatindra Dwivedi (w.e.f. January 30, 2024) Ravisankar Ganesan (w.e.f. June 22, 2023 and Resigned December 15, 2023) Vinod Kumar Singh (w.e.f. July 28, 2022 and Resigned w.e.f. May 31, 2023) Sreekant Kandikuppa (Retired w.e.f. July 11, 2022) Varun Mehta (Resigned w.e.f. May 19, 2023) Animesh Mehta Deepak Kumar Singh (w.e.f. June 09, 2022) Sudhir Prasad (w.e.f. May 19, 2023) Naimesh V. Shah Arumuganainar Surendiran (w.e.f. January 25, 2022 and Retired w.e.f. September 19, 2022) Thiruchitrambalam Krishnakumar (w.e.f. October 28, 2022) Ms. Luna Pal (w.e.f. January 30, 2024)
9	Executive director	Jayanta Bardhan (w.e.f. May 30, 2023 Whole-time Director)

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



# **TORRENT POWER GRID LIMITED**

Notes to the financial statements for the year ended March 31, 2024

## **NOTE - 38 : RELATED PARTY DISCLOSURES (Contd.)**

### **B. Volume of transactions:**

Particulars	₹ in lakhs	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>Revenue from transmission income</b>		
Central Transmission Utility of India Limited	2,593.03	3,910.85
<b>Rent and hire charges</b>		
Torrent Power Limited	0.46	0.43
<b>Shared expenditure</b>		
Torrent Power Limited	-	10.00
Power Grid Corporation of India Limited^	31.38	-
<b>Managerial remuneration</b>		
Jayanta Bardhan^	79.46	-
Pramod Patel	54.76	-
<b>Repairs and maintenance expenses</b>		
Power Grid Corporation of India Limited	86.38	84.16
<b>CSR expense</b>		
UNM Foundation	36.05	35.04
<b>Dividend paid</b>		
Torrent Power Limited	599.40	1,265.40
Power Grid Corporation of India Limited	210.60	444.60
<b>Deposit received on behalf of Director</b>		
Torrent Power Limited	-	1.00
<b>Deposit refunded on behalf of Director</b>		
Torrent Power Limited	-	1.00
<b>Contribution to fund</b>		
TPG Superannuation Fund	3.64	4.15
TPG Gratuity Trust	0.72	0.80
<b>Gratuity &amp; leave encashment liability transfer in</b>		
Torrent Power Limited	-	27.16
<b>Gratuity &amp; leave encashment liability transfer out</b>		
Torrent Power Limited	-	48.27
DNHDD Power Distribution Corporation Limited	-	3.12
<b>Director sitting fees^</b>		
Animesh Mehta	1.95	1.70
Dipakkumar Singh	1.35	1.20

^Excluding Goods and Service tax

### **C. Balances at the end of the year:**

Particulars	₹ in lakhs	
	As at March 31, 2024	As at March 31, 2023
<b>Receivables</b>		
Central Transmission Utility of India Limited	642.00	941.47
Power Grid Corporation of India Limited	1.23	1.23
<b>Payables</b>		
Torrent Power Limited	-	21.11
DNHDD Power Distribution Corporation Limited	-	3.12
Power Grid Corporation of India Limited	72.80	21.04

The transaction with related parties are made on terms equivalent to those that prevail in arms length transaction. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year end are unsecured and settlement occurred in cash.





# TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

## NOTE - 39 : FINANCIAL INSTRUMENTS AND RISK REVIEW

### (a) Capital Management

The Company manages its capital structure to ensure that the Company will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of equity of the Company (comprising issued capital, reserves, retained earnings, deferred tax liability / assets in notes 15,16 & 29)

#### Gearing ratio

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

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Debt	-	-
Total equity	13,764.76	13,063.31
Debt to Total equity ratio	-	-

(i) Equity is defined as, Equity share capital + all reserve (excluding revaluation reserve) + deferred tax liabilities – deferred tax assets.

### (b) Categories of financial instruments

	As at March 31, 2024		As at March 31, 2023	
	Carrying value	Fair Value	Carrying value	Fair Value
<b>Financial assets</b>				
Measured at amortised Cost				
Cash and bank balances	207.14	207.14	141.98	141.98
Other non-current financial assets	0.56	0.56	0.56	0.56
Trade receivables	542.42	542.42	798.82	798.82
Other current financial assets	78.75	78.75	38.20	38.20
	828.87	828.87	979.56	979.56
Measured at fair value through profit and loss (FVTPL)				
Investments in mutual funds	3,486.18	3,486.18	2,270.68	2,270.68
	3,486.18	3,486.18	2,270.68	2,270.68
<b>Financial liabilities</b>				
Measured at amortised Cost				
Trade payable	131.45	131.45	52.98	52.98
Other current financial liabilities	416.51	416.51	386.29	386.29
	547.96	547.96	439.27	439.27

### (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: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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) :

#### (i) Financial assets at fair value through profit and loss (FVTPL)

	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	March 31, 2024	March 31, 2023		
Investment in mutual fund units (unquoted)	3,486.18	2,270.68	Level 1	Quoted bid prices in an active market
	3,486.18	2,270.68		



# TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

## NOTE - 39 : FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

### (d) Financial risk management objectives

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations, normal and projects capital expenditure. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations.

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

#### Credit risk

##### Trade receivables

#### (i) Exposures to credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to the credit risk arising from the possibility that counterparties (primarily trade receivables, suppliers etc.) might fail to comply with contractual obligations. This exposure may arise with regard to unsettled amounts and to the cost of substituting products that are not supplied.

#### (ii) Credit risk management

Credit risk is managed and limited in accordance with the type of transaction and the creditworthiness of the counterparty. The credit risk is limited as the revenue and collection are sources from Central Transmission Utility of India Ltd (CTU) which is a Government of India undertaking.

#### (iii) Other credit enhancements

The Company does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

#### (iv) Age of receivables and expected credit loss

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

The age of receivables and provision matrix at the end of the reporting period is as follows.

#### As at 31st March, 2024

	Gross trade receivables	₹ in lakhs Allowance for doubtful debt
Less than or equal to 6 months	339.52	-
More than 6 months but less than or equal to 1 year	3.55	-
More than one year	256.32	56.97
	<u>599.39</u>	<u>56.97</u>

#### As at March 31, 2023

	Gross trade receivables	₹ in lakhs Allowance for doubtful debt
Less than or equal to 6 months	452.74	-
More than 6 months but less than or equal to 1 year	118.37	-
More than one year	348.87	121.16
	<u>919.98</u>	<u>121.16</u>

#### (v) Other Financial Assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks and investment in mutual funds. With respect to investments, the Company limits its exposure to credit risk by investing in liquid securities with counterparties depending on their Composite Performance Rankings (CPR) published by CRISIL. The Company's investment policy lays down guidelines with respect to exposure per counterparty, rating, processes in terms of control and continuous monitoring. The Company therefore considers credit risks on such investments to be negligible.



# TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

## NOTE - 39 : FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are required to be settled by delivering the cash or another financial asset. The Company manages liquidity risk by maintaining adequate reserves by continuously monitoring projected / actual cash flows.

### Maturities of Financial Liabilities

The Company's remaining contractual maturity for its financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The contractual maturity is based on the earliest date on which the Company may be required to pay.

As at March 31, 2024 .

	Less than 1 year	Between 1 and 5 year	5 years and above	₹ in lakhs Total
<b>Current financial liabilities</b>				
Trade payables	131.45	-	-	131.45
Other financial liabilities	416.51	-	-	416.51
<b>Total financial liabilities</b>	<b>547.96</b>	<b>-</b>	<b>-</b>	<b>547.96</b>

As at March 31, 2023

	Less than 1 year	Between 1 and 5 year	5 years and above	₹ in lakhs Total
<b>Current financial liabilities</b>				
Trade payables	52.98	-	-	52.98
Other financial liabilities	386.29	-	-	386.29
<b>Total financial liabilities</b>	<b>439.27</b>	<b>-</b>	<b>-</b>	<b>439.27</b>





# TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

## NOTE - 40 : AGEING SCHEDULE FOR CAPITAL WORK-IN-PROGRESS (CWIP)

As at March 31, 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	29.79	-	-	-	29.79
<b>Total</b>	<b>29.79</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29.79</b>

As at March 31, 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	42.54	-	-	-	42.54
<b>Total</b>	<b>42.54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42.54</b>

## NOTE - 41 : AGEING SCHEDULE FOR TRADE RECEIVABLES

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due*	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade receivables</b>							
- considered good	339.52	3.55	1.30	126.40	71.65	-	542.42
- credit impaired	-	-	-	-	-	56.97	56.97
<b>Total</b>	<b>339.52</b>	<b>3.55</b>	<b>1.30</b>	<b>126.40</b>	<b>71.65</b>	<b>56.97</b>	<b>599.39</b>

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due*	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade receivables</b>							
- considered good	452.74	118.37	89.36	138.35	-	-	798.82
- credit impaired	-	-	-	-	-	121.16	121.16
<b>Total</b>	<b>452.74</b>	<b>118.37</b>	<b>89.36</b>	<b>138.35</b>	<b>-</b>	<b>121.16</b>	<b>919.98</b>

\*Includes amount of ₹229.87 lakhs (Previous year ₹349.82 lakhs) billed in subsequent financial year.

## NOTE - 42 : AGEING SCHEDULE FOR TRADE PAYABLES

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed dues</b>							
- MSME	9.53	31.16	-	-	-	-	40.69
- Others	28.17	10.68	51.89	-	-	0.02	90.76
<b>Total</b>	<b>37.70</b>	<b>41.84</b>	<b>51.89</b>	<b>-</b>	<b>-</b>	<b>0.02</b>	<b>131.45</b>

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed dues</b>							
- MSME	12.10	10.12	-	-	-	-	22.22
- Others	30.13	0.61	-	-	0.02	-	30.76
<b>Total</b>	<b>42.23</b>	<b>10.73</b>	<b>-</b>	<b>-</b>	<b>0.02</b>	<b>-</b>	<b>52.98</b>



# TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

## NOTE - 43 : FINANCIAL RATIOS

Particulars	As at March 31, 2024	As at March 31, 2023	Variance (%)	Remarks for variation more than 25%
(a) Current Ratio (in times)	5.24	4.46	17.48%	Not Applicable
(b) Return on Equity Ratio (ROE) (in %)	12.66%	16.19%	(21.79%)	Not Applicable
(c) Inventory turnover Ratio (in times)	53.51	96.19	(44.37%)	Ratio has decreased on account of decrease in consumption of stores and spares
(d) Trade Receivables turnover Ratio (in times)	3.36	4.32	(22.16%)	Not Applicable
(e) Trade Payables turnover Ratio (in times)	0.01	0.10	(90.21%)	Ratio has decreased on account of decrease in consumption of stores and spares
(f) Net capital turnover Ratio (in times)	0.71	1.53	(53.38%)	Ratio has decreased on account of increase in working capital
(g) Net profit Ratio (in %)	66.50%	54.31%	22.44%	Not Applicable
(h) Return on Capital employed (ROCE) (in %)	13.16%	14.86%	(11.44%)	Not Applicable
(i) Return on investment (in %)	6.62%	4.66%	42.08%	Ratio has increased on account of increase in average investment

Explanations to items included in computing the above ratios:

### (a) Current Ratio

Numerator: Current Assets  
Denominator: Current Liabilities

Current Liabilities = Current liabilities - Deferred revenue

### (b) Return on Equity Ratio

Numerator: Profit for the year  
Denominator: Average Shareholder's Equity

Average Shareholder's Equity = Share Capital + Other equity + Deferred Tax liability (net) - Deferred Tax assets (net)

### (c) Inventory turnover Ratio

Numerator: Revenue from operations  
Denominator: Average inventories

### (d) Trade Receivables turnover Ratio

Numerator: Revenue from operations  
Denominator: Average Accounts Receivable

### (e) Trade Payables turnover Ratio

Numerator: Consumption of stores and spares  
Denominator: Average Trade Payables

### (f) Net capital turnover Ratio

Numerator: Revenue from operations  
Denominator: Current assets - (Current Liabilities - Current maturities)

### (g) Net profit Ratio

Numerator: Profit for the year  
Denominator: Revenue from operations

### (h) Return on Capital employed

Numerator: Earning before interest and  
Denominator: Share Capital + Other equity + Deferred Tax liability (net) - Deferred Tax assets (net)

### (i) Return on investment

Numerator: Gain on sale of investment  
Denominator: Average investments

Note : Debt Equity Ratio and Debt Service Coverage Ratio are not applicable to the company.



## TORRENT POWER GRID LIMITED

Notes to the financial statements for the year ended March 31, 2024

### NOTE - 44 : REVENUE FROM CONTRACTS WITH CUSTOMERS

#### (A) Movement in liabilities towards customers

	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Opening balance	269.87	171.97
Add: Revenue adjusted during the year as per tariff regulations / orders	76.26	97.90
Closing balance	<u>346.13</u>	<u>269.87</u>
Disclosed under		
Unearned revenue (Refer note 19)	<u>346.13</u>	<u>269.87</u>
	<u>346.13</u>	<u>269.87</u>

### NOTE - 45 : LEASE

#### (i) Amounts recognised in the statement of profit and loss

PARTICULARS	As at March 31, 2024	₹ in lakhs As at March 31, 2023
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses) (Refer note 28)	0.46	0.43

### NOTE - 46 : REGISTRATION OF CHARGES

There are no charges or satisfactions which were to be registered with the Registrar of Companies beyond the statutory period during the year ended March 31, 2024 and March 31, 2023.

### NOTE - 47 : AUDIT TRAIL IN ACCOUNTING SOFTWARE

TPGL has been using SAP ERP as a books of accounts. While SAP audit logging has been enabled from the beginning of the year and captures all the changes made in the audit log as per SAP note no 3042258 version 7 dated 6th March 2024. However, changes made using certain privileged access does not capture "old value" and "new value" of changes made. After thorough testing and validation of tolerable impact on performance of SAP system, the audit trail at Database level was configured on 27th March 2024. As a part of part of privileged access management, TPGL has implemented ARCON make PAM (Privileged Access Management System) suite. This PAM system provides access based on need/approval and does the video recording of all activities carried out by privileged user. However due to standard database functionality of HANA DB, while changes made are logged in the database, it does not capture "old value" and "new value" of changes made.

This is SAP related issue and management is working towards resolving the same with the vendor.





## TORRENT POWER GRID LIMITED

### Notes to the financial statements for the year ended March 31, 2024

#### NOTE - 48 : ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

- (a) The Company is in compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the year ended March 31, 2024 and March 31, 2023.
- (b) During the year ended March 31, 2024 and March 31, 2023, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- During the year ended March 31, 2024 and March 31, 2023, the Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.
- (c) The Company has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2024 and March 31, 2023.
- (d) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder during the year ended March 31, 2024 and March 31, 2023.
- (e) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2024 and March 31, 2023.
- (f) The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended March 31, 2024 and March 31, 2023.
- (g) During the year ended March 31, 2024 and March 31, 2023, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (h) The Company has not entered into any scheme of arrangement approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year ended March 31, 2024 and March 31, 2023.
- (i) The Company has not granted any loans or advances in nature of loans to promoters/directors/KMPs/Related parties (as defined under the Companies Act, 2013) for the year ended March 31, 2024 and March 31, 2023.

#### NOTE - 49 : APPROVAL OF FINANCIAL STATEMENTS

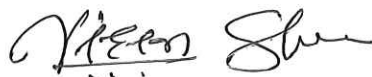
The financial statements were approved for issue by the board of directors on May 1, 2024.

#### Signature to Note 1 to 49

In terms of our report attached

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No.: 012754N/N500016



Viren Shah  
Partner  
Membership No.:046521

Place: Ahmedabad  
Date : May 1, 2024



Yatindra Dwivedi  
Chairman  
DIN:10301390  
Place: Gurugram



Darshan Soni  
Company secretary  
Place: Ahmedabad



Pramod Patel  
Managing Director  
DIN:10183403  
Place: New Delhi



Nayank Dave  
Chief Financial Officer  
Place: Ahmedabad

Date : May 1, 2024