

**TATA POWER SOLAR  
SYSTEMS LIMITED**

**ANNUAL REPORT**

**FY 2021-22**

**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE THIRTY THIRD ANNUAL GENERAL MEETING OF THE TATA POWER SOLAR SYSTEMS LIMITED** will be held on Monday, 18<sup>th</sup> day of July 2022 at 4:00 p.m. (IST) through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”), to transact the following business(es): -

**Ordinary Business:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2022, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Dr. Praveer Sinha (DIN: 01785164), who retires by rotation and, being eligible, offers himself for re-appointment.

**Special Business:****3. Appointment of Mr. Rajeev Sharma as a Director**

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

“RESOLVED that Mr. Rajeev Sharma (DIN: 00973413), who was appointed as an Additional Director of the Company with effect from 6<sup>th</sup> October 2021, by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the Act) but who is eligible for appointment, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

**4. Appointment of Mr. Sanjeev Churiwala as a Director**

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

“RESOLVED that Mr. Sanjeev Churiwala (DIN: 00489556), who was appointed as an Additional Director of the Company with effect from 13<sup>th</sup> June 2022, by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the Act) but who is eligible for appointment, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

**5. Ratification of Cost Auditor’s Remuneration**

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

“RESOLVED that pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 3,00,000/- (Rupees Three Lakh only) plus applicable taxes, travel and actual out-of-pocket expenses incurred in connection with the audit, payable to M/s. B. M. Sharma & Co., Cost Accountants (FRN: 000219), who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the financial year 2022-23.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all acts, matters, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

## 6. Re-appointment of Statutory Auditors

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

“RESOLVED that pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. S. R. Batliboi & Associates LLP, (SRB), (ICAI Firm Registration No.101049W/E300004), be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office for a period of five consecutive years from the conclusion of this, i.e. Thirty Third Annual General Meeting (AGM) of the Company till the conclusion of the Thirty Eighth AGM of the Company to be held in the year 2027 to examine and audit the accounts of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.”

### NOTES:

1. In view of the ongoing COVID-19 pandemic and pursuant to General Circulars No. 14/2020 dated 8<sup>th</sup> April 2020, No. 17/2020 dated 13<sup>th</sup> April 2020, No. 20/2020 dated 5<sup>th</sup> May 2020, No. 02/2021 dated 13<sup>th</sup> January 2021, No. 21/2021 dated 14<sup>th</sup> December 2021 and No. 2/2022 dated 5<sup>th</sup> May 2022 issued by the Ministry of Corporate Affairs (collectively referred to as ‘MCA Circulars’), the Company is convening the 33<sup>rd</sup> AGM through Video Conferencing (‘VC’) or Other Audio-Visual Means (‘OAVM’), without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 (the “Act”) (including any statutory modification or re-enactment thereof for the time being in force), read with the MCA Circulars, the AGM of the Company is scheduled to be held on Monday, 18<sup>th</sup> July 2022, at 4:00 p.m. (IST) through VC/OAVM.
2. As per the provisions of Clause 3.B.IV. of the General Circular No. 20/ 2020 dated 5<sup>th</sup> May 2020, the matters of Special Business as appearing at Item Nos. 3 to 6 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
3. The relative Explanatory Statement pursuant to Section 102 of the Act, in regard to the business as set out in Item Nos. 3 to 6 above and the relevant details of the Directors seeking re-appointment / appointment as set out in Item Nos. 2 to 4 above as required under Secretarial Standard - 2 on General Meetings issued by The Institute of Company Secretaries of India, is annexed hereto as Annexure-A.
4. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
5. Corporate Members intending to appoint their authorized representatives to attend the AGM through VC or OAVM are requested to send a certified copy of the Board Resolution to the Company.
6. In line with the MCA Circular dated 5<sup>th</sup> May 2020, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company.
7. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.



## TATA POWER SOLAR SYSTEMS LIMITED

8. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act. The Members will be allowed to pose questions during the course of the Meeting. The queries can also be given in advance by e-mail at [jemahernosh@tatapower.com](mailto:jmahernosh@tatapower.com)
9. **INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM:**
- The Members will be provided with a facility to attend the AGM through VC/OAVM through the Microsoft Teams platform and they may access the same from the link sent on their e-mail. On clicking this link, the Members will be able to attend and participate in the proceedings of the AGM and pose questions.
  - Members may join the AGM through Laptops, Smartphones, Tablets and iPads for better experience. Further, Members will be required to allow camera and to use Internet with a good speed to avoid any disturbance during the AGM. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
  - The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, for all those Members who are present during the AGM through VC/OAVM.
  - Only those Members who will be present at the AGM through VC/OAVM facility and are otherwise not barred from doing so, shall be eligible to vote at the AGM.
  - Members who need assistance before or during the AGM may contact Mr. Jeraz Mahernosh, Company Secretary by e-mailing at [jemahernosh@tatapower.com](mailto:jmahernosh@tatapower.com)
10. The AGM shall be conducted through Microsoft Teams platform and as the number of members is less than 50, the Chairman may decide to conduct the voting by show of hands, unless demand for a poll is made by any member in accordance with Section 109 of the Act. In case of a poll on any resolution at the AGM, Members are requested to convey their vote at [jemahernosh@tatapower.com](mailto:jmahernosh@tatapower.com)
11. Members desiring inspection of statutory registers during the AGM may send their request in writing to the Company at [jemahernosh@tatapower.com](mailto:jmahernosh@tatapower.com)

By Order of the Board of Directors,  
For Tata Power Solar Systems Limited

Sd/-  
**Jeraz E. Mahernosh**  
Company Secretary  
FCS No.: 7008

Mumbai, 13<sup>th</sup> June 2022

**Registered Office:**

c/o The Tata Power Co. Ltd., Corporate Center B,  
34, Sant Tukaram Road, Carnac Bunder,  
Mumbai 400 009.  
CIN: U40106MH1989PLC330738  
Tel: 91 22 6665 8282 Fax: 91 22 6665 8801  
e-mail: [info.solar@tatapower.com](mailto:info.solar@tatapower.com)  
Website: [www.tatapowersolar.com](http://www.tatapowersolar.com)

**EXPLANATORY STATEMENT**

As required by Section 102 of the Companies Act, 2013 (the "Act"), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 5 of the accompanying Notice dated 13<sup>th</sup> June 2022:

**Item No. 3:** Mr. Rajeev Sharma (DIN: 00973413) was appointed as an Additional Director of the Company with effect from 6<sup>th</sup> October 2021 by the Board of Directors under Section 161(1) of the Act and Article 72 of the Company's Articles of Association. In terms of Section 161(1) of the Act, Mr. Sharma holds office only upto the date of the forthcoming AGM of the Company but is eligible for appointment as a Director, whose office shall be liable to retire by rotation. A notice under Section 160(1) of the Act has been received from a Member signifying its intention to propose Mr. Sharma's appointment as a Director.

A brief profile of Mr. Sharma is as under:

Mr. Rajeev Sharma is B.Tech in Electrical Engineering, he holds a Postgraduate Diploma and Masters Degree in Engineering from IIT Roorkee and is also a MBA in Human Resource Management from Faculty of Management Studies, Delhi. He has been the Chairman of Energy Efficiency Services Limited, Chairman and Managing Director of Power Finance Corporation Limited and Rural Electrification Corporation Limited, General Manager of Power Grid Corporation of India Limited, Deputy Secretary (Transmission and Hydro) in the Ministry of Power and Deputy Director of the Central Electricity Authority (CEA).

He has over 35 years of experience, across the power sector value chain at Board level, fund raising, implementing power sector reforms, Transmission and Distribution; at CEA level in planning, consultancy, power projects. He was also a key member in various committees of the power sector. He was adjudged the Best CEO in PSU category by Business Today in 2016.

Mr. Sharma has strong technical power sector expertise given his varied experience and engineering background. He has actively participated in development of UMPPs and monitored and expedited implementation of hydro projects. He has developed and awarded 23 independent transmission projects. On the Distribution front, he has significantly contributed to the Government Distribution reforms and has spearheaded the Rural Electrification Drive of the Government. He has also contributed on the Electricity Bill and tariff structures for Availability Based Tariff.

Further details and current directorships of Mr. Sharma are provided in the Annexure to this Notice.

The Board recommends the Resolution at Item No. 3 of the accompanying Notice for approval by the Members of the Company.

Other than Mr. Sharma and his relatives, none of the Directors or KMP of the Company or their respective relatives is concerned or interested in the Resolution mentioned at Item No.3 of the accompanying Notice.

Mr. Sharma is not related to any Director or KMP of the Company.

**Item No. 4:** Mr. Sanjeev Churiwala (DIN: 00489556) was appointed as an Additional Director of the Company with effect from 13<sup>th</sup> June 2022 by the Board of Directors under Section 161(1) of the Act and Article 72 of the Company's Articles of Association. In terms of Section 161(1) of the Act, Mr. Churiwala holds office only upto the date of the forthcoming AGM of the Company but is eligible for appointment as a Director, whose office shall be liable to retire by rotation. A notice under Section 160(1) of the Act has been received from a Member signifying its intention to propose Mr. Churiwala's appointment as a Director.

A brief profile of Mr. Churiwala is as under:

Mr. Sanjeev Churiwala has a successful track record and diverse experience leading the finance function and working with Boards, CEOs and multiple regional and global stakeholders in

various industries. He brings over 27 years of experience in operational and finance leadership roles with hands-on experience in managing the entire gamut of finance, reporting & controlling of listed companies, and exposure to projects, supply chain, fundraising, forex management, M&A, contract negotiations and turnarounds. In his last role as Regional Finance Director-APAC & Global Travel Retail, Diageo oversaw multiple country businesses in APAC with an annual turnover of over \$ 2.2 billion. In Diageo India, Mr. Churiwala delivered a comprehensive finance transformation, capital restructuring and debt reduction for its India operation. Before joining Diageo India, he was associated with Holcim's Indian listed subsidiary Ambuja Cements for over 20 years in various capacities. Mr. Churiwala is an all India rank holder Chartered Accountant, a member of the Institute of Company Secretaries of India and Institute of Cost Accountants of India. He holds an Executive MBA from the London, Business School, UK.

Further details and current directorships of Mr. Churiwala are provided in the Annexure to this Notice.

The Board recommends the Resolution at Item No. 4 of the accompanying Notice for approval by the Members of the Company.

Other than Mr. Churiwala and his relatives, none of the Directors or KMP of the Company or their respective relatives is concerned or interested in the Resolution mentioned at Item No.4 of the accompanying Notice.

Mr. Churiwala is not related to any Director or KMP of the Company.

**Item No. 5:** Pursuant to Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a cost accountant in practice. On the recommendation of the Audit Committee of Directors, the Board of Directors have approved the re-appointment of M/s. B. M. Sharma & Co., Cost Accountants (FRN: 000219) as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the Financial Year 2022-23, at a remuneration of ₹ 3,00,000 (Rupees Three lakh) plus applicable taxes, travel and actual out-of-pocket expenses.

M/s. B. M. Sharma & Co., Cost Accountants have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of cost audit and have been in operations since 2008.

The Board recommends the Resolution at Item No. 5 of the accompanying Notice for ratification of the Cost Auditors' remuneration by the Members of the Company.

None of the Directors or KMP of the Company or their respective relatives are concerned or interested in the Resolution at Item No. 5 of the accompanying Notice.

**Item No. 6:** This Explanatory Statement is provided though strictly not required as per Section 102 of the Act.

M/s. S. R. Batliboi & Co. LLP (SRBC), Chartered Accountants, (ICAI Firm Registration No.301003E/E300005) were appointed as Statutory Auditors of the Company for a period of five years in the Annual General Meeting (AGM) held in 2017 till the conclusion of the AGM to be held in 2022. SRBC is eligible for re-appointment for a further period of 5 years. SRBC have given their consent for their re-appointment as Statutory Auditors of the Company and has issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder.

SRBC have confirmed that they are eligible for the proposed appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder. Based on the recommendations of the Audit Committee and the Board of Directors, it is hereby proposed to re-appoint M/s. S. R. Batliboi & Associates. LLP (SRBC), Chartered Accountants, (ICAI Firm Registration No. 101049W/E300004), as the Statutory Auditors of the Company for the second term of five consecutive years, who shall hold office from the conclusion of this, 33<sup>rd</sup> AGM till the conclusion of the 38<sup>th</sup> AGM to be held in 2027. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

Accordingly, approval of the Members is being sought for the proposal contained in the Resolution set out at Item No. 6 of the accompanying Notice.

The Board recommends the Resolution at Item No. 6 of the accompanying Notice for approval by the members of the Company.

None of the Directors or KMP of the Company or their respective relatives are concerned or interested in the Resolution at Item No. 6 of the accompanying Notice.

By Order of the Board of Directors,  
**For Tata Power Solar Systems Limited**

Sd/-  
**Jeraz E. Mahernosh**  
**Company Secretary**  
FCS No.: 7008

Mumbai, 13<sup>th</sup> June 2022

**Registered Office:**

c/o The Tata Power Co. Ltd., Corporate Center B,  
34, Sant Tukaram Road, Carnac Bunder,  
Mumbai 400 009.

CIN: U40106MH1989PLC330738

Tel: 91 22 6665 8282 Fax: 91 22 6665 8801

e-mail: [info.solar@tatapower.com](mailto:info.solar@tatapower.com)

Website: [www.tatapowersolar.com](http://www.tatapowersolar.com)

**Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting  
(In pursuance of Secretarial Standard - 2 on General Meetings)**

<b>Name of Director</b>	<b>Dr. Praveer Sinha (Retirement by Rotation)</b>	<b>Mr. Rajeev Sharma</b>	<b>Mr. Sanjeev Churiwala</b>
<b>DIN</b>	01785164	00973413	00489556
<b>Date of Birth (Age)</b>	8 <sup>th</sup> April 1962 (60 years)	1 <sup>st</sup> June 1960 (61 years)	9 <sup>th</sup> March 1970 (52 years)
<b>Date of Appointment</b>	4 <sup>th</sup> May 2018	6 <sup>th</sup> October 2021	13 <sup>th</sup> June 2022
<b>Expertise in specific functional areas</b>	<p>Dr. Praveer Sinha is the CEO &amp; Managing Director of The Tata Power Company Limited (TPC, Mumbai), India's largest integrated power company.</p> <p>Dr. Sinha has nearly 36 years of experience in Power Generation and Distribution sector in India.</p> <p>Prior to his present role, he had served as the CEO &amp; MD of Tata Power Delhi Distribution Limited (TPDDL), a Public Private Partnership with Delhi Government.</p> <p>He is a qualified Electrical Engineer and has done Master's in Business Law from National Law University, Bangalore.</p> <p>He has also done his PhD. from Indian Institute of Technology, Delhi.</p> <p>He is a visiting Research Associate at Massachusetts Institute of Technology (MIT), Boston, USA and is also a distinguished Visiting Scholar at the Faculty of Engineering and Architectural Science, Ryerson University, Canada.</p> <p>He is a regular speaker in various forums in India and abroad including World Bank, Niti Aayog, Massachusetts Institute of Technology (MIT) and Rockefeller Foundation.</p> <p>He is also the Co-Chairman of the CII National Committee on Power as also on various Industry bodies.</p>	<p>Mr. Rajeev Sharma has been the Chairman of Energy Efficiency Services Limited, Chairman and Managing Director of Power Finance Corporation Limited and Rural Electrification Corporation Limited, General Manager of Power Grid Corporation of India Limited, Deputy Secretary (Transmission and Hydro) in the Ministry of Power and Deputy Director of the Central Electricity Authority (CEA).</p> <p>He has over 35 years of experience, across the power sector value chain at Board level, fund raising, implementing power sector reforms, Transmission and Distribution; at CEA level in planning, consultancy, power projects. He was also a key member in various committees of the power sector. He was adjudged the Best CEO in PSU category by Business Today in 2016.</p> <p>Mr. Sharma has strong technical power sector expertise given his varied experience and engineering background. He has actively participated in development of UMPPs and monitored and expedited implementation of hydro projects. He has developed and awarded 23 independent transmission projects. On the Distribution front, he has significantly contributed to the Government Distribution reforms and has spearheaded the Rural Electrification Drive of the Government. He has also contributed on the Electricity Bill and tariff structures for Availability Based Tariff.</p>	<p>Mr. Sanjeev Churiwala has a successful track record and diverse experience leading the finance function and working with Boards, CEOs and multiple regional and global stakeholders in various industries. He brings over 27 years of experience in operational and finance leadership roles with hands-on experience in managing the entire gamut of finance, reporting &amp; controlling of listed companies, and exposure to projects, supply chain, fundraising, forex management, M&amp;A, contract negotiations and turnarounds. In his last role as Regional Finance Director-APAC &amp; Global Travel Retail, Diageo oversaw multiple country businesses in APAC with an annual turnover of over \$ 2.2 billion. In Diageo India, Mr. Churiwala delivered a comprehensive finance transformation, capital restructuring and debt reduction for its India operation. Before joining Diageo India, he was associated with Holcim's Indian listed subsidiary Ambuja Cements for over 20 years in various capacities.</p>



## TATA POWER SOLAR SYSTEMS LIMITED

<b>Qualifications</b>	<ul style="list-style-type: none"> <li>• Electrical Engineer</li> <li>• Master's in Business Law from National Law University, Bangalore</li> <li>• PhD. from Indian Institute of Technology, Delhi.</li> </ul>	<ul style="list-style-type: none"> <li>• B.Tech in Electrical Engineering</li> <li>• Postgraduate Diploma and Masters Degree in Engineering from IIT Roorkee</li> <li>• MBA in Human Resource Management from Faculty of Management Studies, Delhi</li> </ul>	<ul style="list-style-type: none"> <li>• Chartered Accountant</li> <li>• A member of ICSI and ICAI.</li> <li>• Executive MBA from the London, Business School, UK.</li> </ul>
<b>Directorships held in other Public companies (excluding foreign companies)</b>	<ul style="list-style-type: none"> <li>• The Tata Power Company Limited</li> <li>• TP Northern Odisha Distribution Limited</li> <li>• TP Western Odisha Distribution Limited</li> <li>• TP Southern Odisha Distribution Limited</li> <li>• TP Central Odisha Distribution Limited</li> <li>• Tata Power Delhi Distribution Limited</li> <li>• Tata Power Solar Systems Limited</li> <li>• Tata Power Renewable Energy Limited</li> </ul>	<ul style="list-style-type: none"> <li>• TP Renewable Microgrid Limited</li> <li>• JSW Energy Limited</li> </ul>	<ul style="list-style-type: none"> <li>• SAB Management Services Private Limited</li> <li>• Tata Power Renewable Energy Limited</li> <li>• Prayagraj Power Generation Company Limited</li> <li>• Tata Projects Limited</li> </ul>
<b>Committee position held in other companies</b>	<p><b><u>Nomination and Remuneration Committee</u></b> <i>Member</i></p> <ul style="list-style-type: none"> <li>• Tata Power Delhi Distribution Limited</li> <li>• Tata Power Renewable Energy Limited</li> </ul> <p><b><u>Corporate Social Responsibility Committee</u></b> <i>Member</i></p> <ul style="list-style-type: none"> <li>• The Tata Power Company Limited</li> </ul> <p><b><u>Executive Committee of the Board</u></b> <i>Member</i></p> <ul style="list-style-type: none"> <li>• The Tata Power Company Limited</li> </ul> <p><b><u>Committee of Directors of the Board</u></b> <i>Member</i></p> <ul style="list-style-type: none"> <li>• The Tata Power Company Limited</li> </ul> <p><b><u>Committee of Directors for Tata Power Group Re-structuring</u></b> <i>Member</i></p> <ul style="list-style-type: none"> <li>• The Tata Power Company Limited</li> </ul> <p><b><u>Committee for Sale of Properties</u></b> <i>Member</i></p> <ul style="list-style-type: none"> <li>• The Tata Power Company Limited</li> </ul>	<p>Nil</p>	<p><b><u>Audit Committee</u></b> <i>Member</i></p> <ul style="list-style-type: none"> <li>• Tata Power Renewable Energy Limited</li> <li>• Prayagraj Power Generation Company Limited</li> </ul>

**TATA POWER SOLAR SYSTEMS LIMITED**

	<u>Long Term Loans and Borrowings Limited</u> <u>Member</u> <ul style="list-style-type: none"> <li>Tata Power Delhi Distribution Limited</li> </ul>		
<b>Remuneration</b>	N.A.	₹ 2,00,000/- as Sitting Fees paid during the year	N.A.
<b>No. of meetings of the Board attended during the year</b>	6	2	N.A.
<b>No. of shares held:</b> <b>(a) Own</b> <b>(b) For other persons on a beneficial basis</b>	Nil Nil	Nil Nil	Nil Nil

## Board's Report

To the Members,

The Directors are pleased to present to you the Thirty Third Annual Report on the business and operations of your Company and the Statements of Account for the year ended 31<sup>st</sup> March 2022.

### 1. Financial Results

(₹ in lakh)

Particulars	FY22	FY21
Revenue	8,50,648.62	5,11,891.34
Other income	7,407.08	2,424.36
<b>Total income</b>	<b>8,58,055.70</b>	<b>5,14,315.70</b>
<b>Expenses</b>		
Operating expenditure	8,30,538.93	4,89,366.96
Depreciation and amortization expenses	5,982.35	2,498.21
<b>Total Expenses</b>	<b>8,36,521.28</b>	<b>4,91,865.17</b>
<b>Profit before tax (PBT)</b>	<b>21,534.42</b>	<b>22,450.53</b>
Tax expense	5,482.58	1,610.56
<b>Profit for the year</b>	<b>16,051.84</b>	<b>20,839.97</b>
Other comprehensive income / (losses)	9,190.89	(27,677.03)
<b>Total comprehensive income</b>	<b>25,242.73</b>	<b>(6,837.06)</b>

### 2. Dividend

In view of retaining profits earned by the Company, the Directors do not recommend any dividend for the year under review.

### 3. Financial Performance and State of the Company's Affairs

#### Financial performance

During the year, revenue from operations increased from ₹ 5,11,891.34 lakh in previous year to ₹ 8,50,648.62 lakh in current year. Other income stood at ₹ 7,407.08 lakh, as against ₹ 2,424.36 lakh in the previous year. The earning per share of the Company is ₹69.86.

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

#### State of the Company's Affairs

The Company is engaged in a manufacturing business of solar photo-voltaic cells and modules as well as in the engineering, procurement and construction (EPC) in the solar energy market, wherein the manufactured cells/modules are utilised.

- Looking at the visibility of demand for next 3 years in CPSU tenders, Pumps for DCR modules, Cell line production capacity was enhanced by 250 MW (for both cells and modules) by suitable layout modifications in the existing facility in Bengaluru during FY21.
- Karnataka government is offering Special Incentives schemes for Electronics System Design & Manufacturing (ESDM) sector under ESDM policy 2020-25 for companies to set up manufacturing units in the state. The Company has also applied for this Incentive scheme vide application IEM/A/ACK/270774/2020 dated 21<sup>st</sup> December 2020 for the investment of ₹ 235 crore put in for its new 250 MW Cell Line and existing Module line modifications. The incentives sought under this scheme are approximately to the tune of ₹ 90 crore (inclusive 5 year performance incentive on Sales) as per policy. The Company has successfully submitted the claim application for Capital subsidy along with necessary documentation delivered to ESDM, Karnataka GOI. Claim Application is being vet by ESDM and Capital subsidy to the tune of approx. ₹ 20 crore is expected from Karnataka Government under this policy.

- c) Central government under M-SIPS scheme (Modified Special Incentive Package scheme) has approved Capex expenditure of ₹ 123.16 crore for TPSSL's Expansion and Modernization of Cell & Module lines in the year 2015-2016. Approved Capital Incentive from this expenditure was ₹ 32.83 crore. However, threshold for the scheme to be ₹ 100 crore to be spent in the same year. This was not met in FY16 and so TPSSL hasn't applied for claim on this approved scheme. In the recent development, IFCI has advised to submit the Capex with increase in the Investment tenure to meet 100 crore threshold limit. Thus, the Company has updated the Claim sheet with Capex from FY 2015-2019 amounting to ₹ 103 crore which is vetted by IFCI. Further process of Original hard copies readiness and Audit by IFCI is planned in FY23 to take this Capital Subsidy scheme forward.

The Company with a right blend of experienced team has innovative solutions and is poised to maintain and enhance its leadership position in terms of technology and costs.

#### 4. Credit Rating

As on 31<sup>st</sup> March 2022, your Company had the AA credit rating for long term bank facilities.

#### 5. Subsidiaries/Joint Ventures/Associates

Chirasthaayee Saurya Limited (CSL) is the Company's wholly owned subsidiary. CSL recorded a total income of ₹ 4,899.60 lakh during the financial year 2021-22. Profit after Tax stood at ₹ 792.82 lakh for the financial year under review. CSL was incorporated on 14<sup>th</sup> June 2016 with the objective of undertaking the development of Solar Photo voltaic ground mount power plants in Karnataka to be implemented in Karnataka.

As per Section 129 of the Companies Act, 2013 (the Act), a separate statement containing the salient features of the financial statements of the Subsidiary Companies is attached along with the financial statements in the prescribed Form AOC-1 and marked as Annexure-I. The Company does not have any associate company or joint venture. There has been no change in the nature of the business of the subsidiaries.

The Company shall make available the financial statements and the related detailed information of its subsidiary to any Member of the Company or its subsidiary who may be interested in obtaining the same at any point of time and same is also available on the website: <https://www.tatapowersolar.com/>

#### 6. Reserves

The Board of Directors do not propose to carry any amount to reserves.

#### 7. Foreign Exchange Earnings and Outgo

The details of Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows are as follows:

(₹ in lakh)

Particulars	FY22	FY21
Foreign Exchange Earnings	87.84	15.38
Foreign Exchange Outgo	5,21,986.91	2,62,021.44

#### 8. Risks and Concerns

Risk Evaluation involves estimating the probability of occurrence and severity of loss. Frequency of loss relates to the probable number of particular losses that may occur over some given period. Severity of loss refers to probable magnitude of losses that may occur on the occurrence of losses. This enables ranking of various loss exposures according to their relative importance.

Risk Value = Probability x Severity

The Company may face with risks of different types, all of which need different approaches for mitigation. Your Company has adopted the following approach:

- a) Avoid / Address immediately – Disengage in or find a different approach to the activity that creates the risk.
- b) Transfer – Transfer all or some of the risk, using insurance, risk financing or other methods (such as partnership).
- c) Mitigate / Control – Take measurements to reduce the risk with controls and to identify monitoring metrics.
- d) Accept / Retain – Accept the risk and all associated costs in case of an exposure.

## 9. Risk Management Framework and internal financial controls

### 9.1 Risk Management Framework and Risk Management Committee

A standardized Risk Management Process and System has been implemented across Tata Power Group of companies including your Company. The process of risk identification is guided by company objectives, external environment, industry reports, and internal stakeholders among others. The risk identification process covers the whole gamut of risks including strategic, tactical and operational risks. A risk owner and risk champion are identified for each risk and they are responsible for framing the risk mitigation plans in the Risk Management System©. This has enabled continuous tracking of Risk Mitigation Completion Index (RMCI).

This year the Company has implemented a new concept in the Risk Management System© called “Risk Velocity”. Risk velocity is the time to impact for measuring how fast an exposure can impact an organisation. Mitigation measures of high velocity risks are periodically monitored. The Risk Management Committee (RMC) is in place to closely monitor and review the risk plans. Corrective actions, if any, are discussed and the mitigation plans are revised accordingly. Learnings from mitigating a risk are also captured in the risk plan. This helps in cross-functional and experiential learning across the organisation enabling effective and comprehensive risk management.

An internal audit is instituted to assess risks in the processes from an independent perspective. Improvement is initiated based on internal audit report.

The Company has initiated Disaster Management and Business Continuity Planning (BCP) process as a part of risk management from January 2014. The Company has adopted necessary processes to meet requirement of BCP and has been certified for Business Continuity Management Systems as per ISO:22301:2012 by BSI in the month of March 2015. The Company has a system of revalidating the processes from time to time and necessary corrective and preventive actions are taken.

### 9.2 Internal financial controls and systems

The Management has implemented robust processes to ensure that all Internal Financial Controls (IFCs) are effectively working. The Company has an in-house internal audit function which reviews the sustained effectiveness of IFCs by adopting a systematic approach to its work. To fulfil the requirements of the Act, the internal audit team has integrated IFCs into Risk Control Matrix (RCM) of enterprise processes which are tested as per the approved internal audit plan. Upon review of the internal audit observations and corresponding actions taken, there remain no adverse observations which have a financial and commercial impact or material non-compliances which have not been acted upon. The Company continues with the Control Self-Assessment (CSA) process, whereby responses of all process owners are used to assess internal controls in each process. This helps the Company to make process improvement plans, identify focus audit areas, design the audit plan. support CEO/CFO certifications for internal controls.

The Internal Audit process includes review and evaluation of process robustness, effectiveness of controls and compliances. It also ensures adherence to policies and systems and mitigation of the operational risks perceived for each area under audit. Risk based Internal Audit Plan has been framed based on which process audits have been conducted. All processes of the Company have

been classified under vital and essential, based on the analysis of process impact on Company's Strategic Objectives. Significant observations including recommendations for improvement of the business processes are reviewed by the Management before reporting to the Board. The Board then reviews the Internal Audit reports and the status of implementation of the agreed action plan. Internal audit plan is executed by the Tata Power's in-house audit team.

On review of the audit observations and action taken on audit observations, there are no adverse audit observations which have not been acted upon having material impact on financial reporting or having commercial implications or material non compliances.

The processes and controls of IFC are as per the Act. The Statutory Auditors have opined that the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2022.

The Company believes in the conduct of affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. In line with the Tata Code of Conduct (TCOC), any actual or potential violation, howsoever insignificant or perceived as such, is a matter of serious concern for the Company. Vigil Mechanism has been formulated with a view to provide a mechanism for employees of the Company to approach the Chief Ethics Counsellor (CEC).

## **10. Impact of Covid-19**

This global pandemic has had a big impact on our core EPC business delaying the execution timelines of Large projects, Pumps, Rooftop and Microgrid segments. Complete Lockdown imposed at central level resulted in this delay which was however supported by extended deadlines for commissioning. Restrictions on import of goods mostly from China which is the major exporter of Modules had a huge impact on project completion. Huge restrictions on intercity logistics had also impacted movement of goods to the project sites as per the planned schedules. All these put together has impacted the Company's revenue in Q1 FY22.

The Company has ensured that the health of employees is taken care through various activities viz, frequent sanitization, tie up with local hospitals, minimizing assembly, distancing of workers, avoid travel, stocking of Food and essentials to avoid frequent travel etc.

## **11. Sustainability**

### **11.1 Safety – Care for our People**

The Company is committed towards building safer workplaces across the organization and demonstrating care for the employees. The Company continues to follow the policy on Health, Safety and Environment as an integral part of the work culture. A summary of safety results achieved (both employees and contract workforce) is shown below:

- The achievement of “4.57 Million Safe Man hours for the year 2021-22” without any fatality & one LTI (Lost time Injury). LTIFR (Lost Time Injuries Frequency Rate per million man hours) is 0.09”
- Integrated management system (IMS) comprising of ISO 9001, ISO 14001 & 45001 has been re-certified, and validity of certificates extended.
- Business Continuity Management System 'ISO 22301', has been re-certified for new version 2019 and validity of certificates extended.
- As a continual improvement process: Under Digitisation of Safety System, implemented various systems. Some are, QR code based periodical safety inspection checklist for safety equipment's, QR code based SDS (Safety Data Sheet) access nearby chemicals storage, virtual safety training sessions, online safety quiz etc.
- In the year, total 148 mock drills have been carried out across TPPSL plants to ensure timely actions required to manage different emergency scenarios like Fire, Electric shock, Chemical


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spills, Snake bite, Accidents in workplace, Operational failures, Terrorist attack, Bomb threat, Natural disaster etc. During the BCDMP surveillance audit by External agency, obtained highest escalator score at parent company level (i.e. 93%) without any NC's (Non-Conformity) or Observations.

### 11.2 Care for our Community/Community Relations:

Program Name	Program Description
Amruthadhara – Clean and safe drinking water facility Linked to UNSDG 6	<p>The Company has taken an initiative with help of WSCO in Madhavapura village. The villagers faced drinking water problem, the Company addressed the problem and discussed with government body's 90% paid by Government and 10 % paid by the Company.</p> <p>1,00,000 ltrs water tank construction and distribution to enter village through individual taps, water is sourced by Narmada River.</p> <p>More than 500 Households benefitted across the villages.</p>
Financial Inclusion Project Linked to UNSDG 1	<p>The focus on implementing schemes will be as follows:</p> <ol style="list-style-type: none"> <li>1. Survival related schemes: such as Food Security Act, Maternity Benefits, Social Security schemes, sanitation etc.</li> <li>2. Development related schemes such as scholarship related schemes, Financial Inclusion related schemes e.g. Bank account, lending schemes,</li> <li>3. Aspirational Schemes: Old age Pension, PPF, Pension Schemes, etc.</li> <li>4. Documents like PAN card, Income certificate, Caste certificate to be only covered for 40% of the total beneficiaries.</li> </ol> <p>More than 25,000 families benefitted across 30 villages, with majority of beneficiaries categorized under AA category.</p>
Roshni– Skill Development employability enhancement initiative Linked to UNSDG 2 & 8	<p>To build a sustainable livelihood in the unorganized sector around Bengaluru city. 47 women candidates is trained in Tailoring classes.</p> <p>Two training centers were opened, one at Narayanagatta and another one at Gopasandra Bangalore rural area. More than 47 benefitted across 4 villages.</p>
Health and Sanitation Project is Linked to UNSDG 3	<p>Considering the pandemic situation the Compny arranged distribution of 41,000 Face masks to School children's and local community along with BCC initiatives about awareness and precautions practices to be followed.</p>
Volunteering activity	<p>Several Volunteering activities were initiated during the FY like Food distribution to needy peoples, Mask distribution, COVID-19 vaccination awareness programs, Road safety awareness, women's health, renewable energy usage, etc. More than 2,509 hours of Volunteering done and benefitted more than 38,800 people.</p>

### 11.3 Care for our Environment:

SDG	Care for our Environment	
 <p>Responsible Consumption and Production</p>	<p>Reutilization of MS scrap material</p>	<p>Reuse of 5.25 ton MS scrap for safety railing, equipment supports and solar module structures across the organization</p>
	<p>Energy Saved due to various initiatives</p>	<p>Green Power trading (solar), Inhouse installed solar power generation, Replacement of conventional streetlight with highly efficient LED lights etc.</p>

		Consolidated 3,07,146 Us were saved with all initiatives.
	Sustainable initiative – Conservation of natural resources.	23576 KL of waste water has been re-utilized after treatment.
	Rain water Harvesting	Rainwater harvesting initiated at new areas in TPSSL Bangalore Locations
		456266 m3 of rain water harvested and utilized for domestic purpose
 Climate action	Tree plantation	Under Tata Volunteering, efforts were taken to plant 6,692 saplings across all locations.

During FY 22 the total CSR spend of the Company was ₹ 3.17 crore. It represents two percent of the average net profit of the Company made during the three immediately preceding financial years. Annual report on CSR activities is provided in Annexure-II.

**12. Human Resources**

**12.1 Manpower**

Company has 533 management and 403 non-management employees as on 31<sup>st</sup> March 2022. The enormous business challenges required a strong and concerted effort from the organization, it was essential to align the efforts of all employees towards the ambitious turnaround target that the company had set out for itself. The fresh trainees are hired through campus process.

**12.2 COVID-19**

100% of our employees are fully vaccinated in house.

Various initiatives were introduced during this demanding times to ensure employees feel connected safe and supported in response to situation. Some of the initiatives are:

- Isolation Rooms at each Project & O&M sites.
- Covid War Room - ERT dialogue established for quick turnaround time.
- Support to employees’ families for hospital Bed/O<sub>2</sub> Supply.
- Care 4 U 24x7 initiative.
- Supported O<sub>2</sub> Concentrators to employees at site and at offices.
- Covid 19 Awareness Session and Health & Mental Health session by Professionals was arranged.
- Medication and Wellbeing programme for employees for health.
- Weekly Dialogue with all employees by Leadership on wellbeing.

**12.3 Employee Engagement**

The HR Connect was strengthened and expanded to give opportunities to interact and provide feedback. Interactions with leadership through Town halls, LINK (Lunch with CEO) and Connect with CEO as well as connect initiatives like Shop Floor Meetings, HR connect, Trainees Connect, Being Engaged digital platform, Pulse Connect, Covid Connects, 24/7 Help



line, Connect 50, HR Outreach connect, and HR-Union Connect enhanced the culture of open communication.

The lead measures of engagement like attrition, employee participation in various connect forums, employee celebration closure of engagement action points, effectiveness of L&D interventions all points lead to sustaining the improved levels of engagement.

#### 12.4 Industrial Relations

Company has maintained harmonious industrial relation during the year. During COVID, employees and families were educated on prevention mechanism through unique engagement session.

LTS with union was signed off on 3<sup>rd</sup> December 2021.

Company continues to sustain its tradition of having harmonious industrial relations. Employees in workmen-cadre have been given opportunities to participate in the growth journey of the organization through internal job opportunities to areas in Projects like HSE, Stores, Procurement & Expediting, Quality, Project Execution, and other areas. Focus has been placed on training and capability building of these employees for ensuring they are productive and successful in their new roles. Company shares good relationship with Employee's Union, Contractor employees, Contractors, Government Officials, and other stake holders.

100% compliances within legal due date and its review through Legatrix has been ensured.

Self-audit concept implemented to track and proactively analyze the compliances at all locations.

#### 12.5 Enabling Systems

The Company is leveraging technology in improving the efficiency and effectiveness of its people processes. Initiatives such as Online Joining through Aagman portal, online learning platform portal Gyankosh, Connect 2 Solve, Samiksha, Legatrix, Achievers Portal, Xpression, SAP Employee File Management and participation in organizational effort of leveraging AI are introduced during the year. Culture of innovation is being emphasized upon through formation of Innovation council wherein cross-functional teams are working on various projects focused on innovations that will drive the future of our business.

#### 12.6 Capability Development

Company focused on the critical area of capability building through a rigorous training need identification process enable by goal setting process during the start of the financial year. It is followed by facilitating Functional, Behavioural, FGT and Organisational training to develop capabilities of the employees. Company Measures Capability index of the organisation in terms of LNA – Learning Need Accomplishment, Man-days, Unique Population coverage and Training effectiveness. Training Cycle is from July 2021 to March 2022. LNA-77.03%, Man-days-2150, Unique Population Coverage- 98% and L1: 84.5%.

Some of the key programs that were organized includes the following:

- SLDP journey for senior leaders comprises of 15 months on campus Advanced Management Program @ IIMA, mYCoach, Action Learning Projects and Hogan Assessment & Debrief.
- Achieving Young Leadership Potential 2.0 for managers comprises of 6 months' program in partnership with TMTC & SPJIMR, Action Learning Projects, Hogan Assessment & Debrief, e-Learning & Leader Cafes.
- 'Emerging Leaders' Program' for our young talent comprises of 4 months program in with TMTC & SPJIMR, Action Learning Projects, Hogan Assessment & Debrief, e-Learning,

Panel Discussion with MIT PhD students, Personal Branding Workshop, Business Challenge lab and Leader Connects.

- SEED- Skill Enhancement & Employee Development for trainees' batch 21-22. The program has been introduced in Renewable Cluster, to groom GETs & ETs into a working professional fulfilling their roles and responsibilities. This program gives a holistic picture about various functions & processes in the renewable cluster. In addition to the presentations on various functions, key highlights of the program are presentation by teams of trainees, trainee interaction with President – Renewables.
- Program on Energy Storage & Grid Integration: Since energy storage has been identified as a future competency and we are implementing hybrid projects involving energy storage, we partnered with UPES to deliver an comprehensive program covering Types of electrical energy storage (Battery & Non-battery) and key characteristics, Types of electrical energy storage (Battery & Non-battery) and key characteristics, Operational characteristics of electrical storage, Various Grid related Applications and Integration of energy storage into electrical grids
- Digital Academy has been conceptualized, designed and launched, being delivered using a blended approach comprising of live sessions by external & internal SMEs, Learning reinforcement through Gyankosh assignments, labs and formative quizzes to successfully monetize our digital solution assets, It is important to enhance our ability & build foundation in skills and collaboration to utilize data in day-to-day decision making, measure of success aligned to KPI and business metrics and Identify , Leverage and Accelerate strategic advantage in business experience by analytics and data insights
- Project Management Academy - To sharpen skills in project management and agile project methodologies project management academy has been conceptualized, designed, and implemented in partnership with NICMAR. The academy comprises live faculty led sessions, e-learning, and capstone projects.
- Customer Academy - For developing critical customer service excellence skills such as developing customer first mind-set, managing various type of customers, customer interaction essentials we conceptualized, designed, and implemented in partnership with recognized faculty and its live faculty led sessions, e-learning and capstone projects
- Sales Academy - In line with Tata Power 2.0 Growth Story, B2C Sales & Channel Management, B2B Sales & Key account Management have been identified as critical capabilities. To develop these capabilities through using a blended approach comprising of live interactive sessions, community forums, pre-program & post-program learning reinforcement through Gyankosh

This was followed by rigorous monitoring and tracking performance on the training metrics including Learning Need Accomplishment, training man-days, training effectiveness and a training coverage.

#### 12.7 Anti- Sexual Harassment Policy (POSH)

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has a Policy on Sexual Harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Following is a summary of sexual harassment complaints received and disposed off during the year: FY22

No. of complaints received: 0  
 No. of complaints disposed off: 0  
 No. of workshops/awareness program: 10

### 13. Regulatory and Legal

#### 13.1 Regulatory Environment

- The Ministry of finance, in the Union Budget 2022-23, allocated an additional Rs 19,500 crore under the solar PLI Scheme to manufacture high-efficiency modules, with priority to fully integrated manufacturing units from polysilicon to solar PV modules. The allocation under the first tranche was Rs 4,500 crore. Reliance Industries (RIL), Adani Group and Sri Shirdi Sai Group were declared winners in the first tranche of the solar PLI tender to set up 8737 MW capacity with a PLI amount of Rs 4,455 crore.
- MNRE has finalised new Basic Customs Duty (BCD) on Solar PV cells and Modules. Effective 1<sup>st</sup> April 2022, 25% BCD on Solar PV cells and 40% BCD on Solar Modules is getting imposed. This initiative is taken as a part of Center's Atmanirbhar Bharat with the objective of gearing up the country towards scaling up domestic manufacturing. And thus, scaling up domestic solar manufacturing would also enable India to export solar cells/modules. This would also provide other countries an alternative avenue for procuring solar cells/modules.
- MNRE had issued an order on Approved Models & Manufacturers of Solar Photovoltaic Modules (Requirements for Compulsory Registration) Order, 2019. MNRE, on 13<sup>th</sup> January 2022 published an amendment to Clause-3 of the ALMM order. ALMM mandatory in Govt Projects/Govt assisted Projects/Projects under Govt scheme/ projects for sale under Sec-63 from 1<sup>st</sup> April 2022. ALMM mandatory for Open Access/Net-Metering Projects from 1<sup>st</sup> October 2022. This significantly enhances the opportunities for domestically manufactured modules.
- Gol has announced at COP-26 summit that it will take its non-fossil energy capacity to 500 GW by 2030 and meeting 50% of its energy demand through Renewables. This will pave the way for a new RPO trajectory which is under finalization.
- MoP has notified the Guidelines for the procurement and utilisation of battery energy storage systems (BESS) as a part of generation, transmission and distribution assets, along with ancillary services. It will address the variability/ firm power supply and would provide ancillary & flexibility services to the grid.
- Scheme for Flexibility in Generation & Scheduling of Thermal/Hydro Power Stations through Bundling with RE & Storage Power has been announced. The RE plant can be set up anywhere in the country, creating avenues for expanding the RE capacity. Such RE power may be supplied against existing commitments to procurers anywhere in India. RE power may be standalone or along with Battery Energy Storage System (BESS). This provides another basket of opportunities for RE capacity addition.
- Green Hydrogen Policy has been framed by Gol. It would be defined as hydrogen produced by way of electrolysis of water using RE (including RE, which has been banked and hydrogen produced from biomass). ISTS waiver for a period of 25 years allowed (projects commissioned before 30<sup>th</sup> June 2025).Banking permitted for 30 days. RE consumed shall count towards RPO compliance of the consuming entity.
- Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021 provides for Recovery of amount within 180 months for fixed amount or in case of recurring impact, until the impact persists. Affected party to give notice & computation of impact in tariff to

be adjusted and recovered with a time frame specified. Recovery of the proposed impact from the next billing cycle. This would lead to better recovery of dues on account of change-in-law by developers and consequently financially viable consumers for the Company.

- Electricity (Promotion of Generation of Electricity from Must-Run Power Plant) Rules, 2021 by MOP mandates that a must-run power plant shall not be subjected to curtailment or regulation of generation or supply of electricity due to MOD/ other commercial consideration. In case of a curtailment of supply, compensation by the procurer at the rates specified in the PPA. In case curtailment is due to grid security, Procurer to give advance notice before DAM and RTM. The implementation of these Rules would give much relief to Solar power developers and pave the way for a commercially viable sector.

### 13.2 EMERGING POLICIES/ INITIATIVES:

- MOP has published trajectory of replacement of thermal power with RE under the Flexibilization Scheme. High tariff thermal power is being sought to be replaced by RE under this scheme; estimated about 58,000 MU from Central, State and private sectors can be replaced by around 30 GW of solar capacity. Huge impetus for setting up solar capacity.
- Govt has invited bids for a pilot project to set up two brownfield and one greenfield manufacturing zones to meet its growing domestic demand of power and renewable energy (RE) equipment in the country as well as to build domestic production capacity. These zones will play a critical role in meeting pledges made by India at the COP 26 summit.
- Government is considering a policy to encourage storage. Any developer can set up ESS (ESS); no license would be required. The ESS developers shall be allowed to purchase/sell power under PPAs or through the Power Exchange. RPO will mandate the trajectory for Storage in conjunction with the renewable energy trajectory.
- Electricity (Right of Consumers) Amendment Rules, 2021 by MoP. One of the most significant amendments is the recognition of a category of consumers known as 'prosumer' under the Rules. This amendment incentivizes the generation of power by the consumers themselves, by encouraging them to profit from the installation of a Rooftop Solar System.
- Waiver of ISTS charges to be extended for Solar or Wind, Hydro Pumped Storage Plant (HPSP) and Battery Energy Storage System (BESS) projects commissioned up to 30.06.2025. The corresponding regulatory changes are expected with the finalization of the General Network Access Rules.
- Odisha Electricity Regulatory Commission (OERC) has allowed group metering and virtual net metering for promotion of RE. The framework will be applicable for consumers under domestic, specified public purpose category and offices of government/ local authorities as per OERC Distribution (Conditions of Supply) Code, 2019.
- Green Open Access Rules by MOP envisages any consumer having contract demand of at least 100 kW may purchase RE through open access (Green Open Access) even beyond their RPO obligations. Consumers will also be able to buy Green Power from their DISCOM at "Green Energy Tariff" determined by Appropriate Commission. This would

encourage solar projects greatly including decentralized and behind-the-meter applications.

- New LPSC Rules with provisions to penalize defaulting procurers for delays in payments through limiting their access to short-term markets and progressively increasing curtailment of purchase under long-term PPAs expected to bring in some discipline in payment of dues to generators. DISCOMs have been allowed to liquidate dues including LPS over a period of 4 years. States like Maharashtra, Tamil Nadu, UP, Andhra, Rajasthan, Telengana, etc will have a saving as a result of proposed scheme. This provides for prompt payment of current dues to developers while giving some respite to procurers for past dues.
- New REC Regulations announced. REC trade will be market driven; Floor and forbearance prices not required. Validity of REC would be perpetual i.e., till it is sold. Technology multiplier for promotion of new and high priced RE technologies. RECs can be issued to obligated entities for beyond their RPO.

**13.3 REGULATORY ORDERS OF RELEVANCE:**

- The Hon’ble SC in the matter pertaining to the conservation measures to recover, protect, and preserve the Great Indian Bustard (GIB), has mandated that all low voltage transmission line in priority & potential habitat of GIB in future (Rajasthan & Gujarat) to be laid underground; those existing presently in the priority and potential habitats of GIB, shall be converted into underground powerlines. Till time of undergrounding bird diverters to be installed. In a subsequent hearing, Hon’ble SC has further mandated time-bound installation of bird divertors by state owned & private players. Further, pleas for exemptions from laying underground cables for new transmission lines must be first examined by the Hon’ble SC appointed Committee on a case to case basis; any subsisting grievance can be moved before Court.
- APTEL in its order dated August 2021 on curtailment of solar energy by Tamil Nadu SLDC stated that DISCOM & SLDC issued backdown order for commercial reasons - this violates Grid Code and are liable to pay compensation. Any future back down to be compensated at PPA Tariff. SLDCs shall submit monthly report to SERCs with detailed reasons for any backing down instructions issued.

**13.3 Legal Matters of relevance**

SR NO.	CASE DETAILS	BRIEF BACKGROUND	STATUS
1.	TPSSL vs State of Rajasthan and Ors. [SB CWP 15974/2017]	The case is pending before the Rajasthan High Court. An order was passed against TPSSL under Rajasthan Stamp Duty Act by Collector (Stamps), Jodhpur for evasion of stamp Duty for an agreement executed with NTPC for the Bhadla project. TPSSL challenged the order passed by Collector (Stamps), Jodhpur before the Rajasthan High Court and the HC subsequently stayed the said order and issued notice to the respondents. On 13.04.2018 the HC directed that the matter be connected with S.B. Civil Writ Petition 11084/2017. A limited rejoinder on the	The next date of hearing is <b>05/05/2022</b> .

SR NO.	CASE DETAILS	BRIEF BACKGROUND	STATUS
		maintainability of the petition in response to the Reply filed by NTPC was filed by TPSSL.	
2.	Ravji Patel vs Om Enterprises and TPSSL [OS 61/2020]	The case is pending before the Principal Civil Judge and JFMC II at Raichur. (Suit for recovery of money) Plaintiff claims that there was a default in payment for the 700 bags of cement worth Rs. 2,45,000/- he had supplied to Om Enterprises (for work taken up under contract with TPSSL).	The next date of hearing is <b>24/05/2022</b> .
3.	Pankaj Patel vs Om Enterprises and TPSSL [Comm. OS 5/2020]	The case is pending before the Court of the Principal District Judge at Raichur. (Suit for recovery of money) Plaintiff claims that there was a default in payment for the 9410 bags of cement worth Rs. 25,23,150/- he had supplied to Om Enterprises (for work taken up under contract with TPSSL). An ex-parte order of attachment was passed against TPSSL for an amount of Rs. 12,23,150/- plus interest, against which TPSSL filed a Writ Petition. TPSSL was granted a conditional stay wherein it was directed to deposit the amount amount payable to Defendant No. 1 (retention amount) with the Prl. District and Sessions Judge at Raichur.	The next date of hearing on <b>12/04/2022</b> .
4.	TPSSL vs APDCL [WP (C) 418/2021]	The case is pending before the Gauhati High Court. A writ petition was filed for the recovery of dues from APDCL pursuant to completion of the Arbitral Proceeding No. 2 of 2012 under which an Arbitral Award dated 25th July, 2015 was passed. Post arbitral proceedings the Parties entered into a Settlement Agreement under which Rs. 2 crores had been paid to TPSSL, however, the balance of Rs. 1.88 crores has been pending for over 5 years and a writ petition was filed for the recovery of the same.	The Matter was last listed on 14/03/22 when APDCL filed an affidavit-in-opposition in the matter. Matter to be listed after two weeks.
5.	Siddanagouda vs RAPPL and TPSSL (Misc. No. 105/2020)	The case is pending before the District and Sessions Court at Bellary. Petition filed for claiming compensation for loss/damage caused due to the erection of towers and passing of high voltage transmission lines from the field of petitioner resulting in damage to standing crops and other related hazards. The Petitioner claims that the Respondents have failed to properly assess the market value of the scheduled lands and accordingly pay compensation of the diminution of land value. However, we are the contractors and are wrongly added as Respondent No. 2 to the suit.	The matter has been posted on <b>23/05/2022</b> for Evidence.

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SR NO.	CASE DETAILS	BRIEF BACKGROUND	STATUS
6.	K. Mallayya vs RAPPL and TPSSL [Misc. No. 240/2020]	The case is pending before the District and Sessions Court at Bellary. Petition filed for claiming compensation for loss/damage caused due to the erection of towers and passing of high voltage transmission lines from the field of petitioner resulting in damage to standing crops and other related hazards. The Petitioner claims that the Respondents have failed to properly assess the market value of the scheduled lands and accordingly pay compensation of the diminution of land value. However, we are the contractors and are wrongly added as Respondent No. 2 to the suit.	The matter has been posted on <b>23/05/2022</b> for Evidence.
7.	S. Poornima vs RAPPL and TPSSL [Misc. No. 265/2020]	The case is pending before the District and Sessions Court at Bellary. Petition filed for claiming compensation for loss/damage caused due to the erection of towers and passing of high voltage transmission lines from the field of petitioner resulting in damage to standing crops and other related hazards. The Petitioner claims that the Respondents have failed to properly assess the market value of the scheduled lands and accordingly pay compensation of the diminution of land value. However, we are the contractors and are wrongly added as Respondent No. 2 to the suit.	The matter has been posted on <b>23/05/2022</b> for Evidence.
8.	Umakantha Shabadi vs RAPPL and TPSSL [Misc. No. 266/2020]	The case is pending before the District and Sessions Court at Bellary. Petition filed for claiming compensation for loss/damage caused due to the erection of towers and passing of high voltage transmission lines from the field of petitioner resulting in damage to standing crops and other related hazards. The Petitioner claims that the Respondents have failed to properly assess the market value of the scheduled lands and accordingly pay compensation of the diminution of land value. However, we are the contractors and are wrongly added as Respondent No. 2 to the suit.	The matter has been posted on <b>23/05/2022</b> for Evidence.
9.	KR Kattabasamma vs RAPPL and TPSSL [Misc. No. 267/2020]	The case is pending before the District and Sessions Court at Bellary. Petition filed for claiming compensation for loss/damage caused due to the erection of towers and passing of high voltage transmission lines from the field of petitioner resulting in damage to standing crops and other related hazards. The Petitioner claims that the Respondents have failed to properly assess the market value of the scheduled lands and accordingly pay compensation of the diminution	The matter has been posted on <b>23/05/2022</b> for Evidence.

SR NO.	CASE DETAILS	BRIEF BACKGROUND	STATUS
		of land value. However, we are the contractors and are wrongly added as Respondent No. 2 to the suit.	
10.	Holagunde Basavaraj vs RAPPL and TPSSL [Misc. No. 268/2020]	The case is pending before the District and Sessions Court at Bellary. Petition filed for claiming compensation for loss/damage caused due to the erection of towers and passing of high voltage transmission lines from the field of petitioner resulting in damage to standing crops and other related hazards. The Petitioner claims that the Respondents have failed to properly assess the market value of the scheduled lands and accordingly pay compensation of the diminution of land value. However, we are the contractors and are wrongly added as Respondent No. 2 to the suit.	The matter has been posted on <b>23/05/2022</b> for Evidence.
11.	KR Veereshappa vs RAPPL and TPSSL [Misc. No. 269/2020]	The case is pending before the District and Sessions Court at Bellary. Petition filed for claiming compensation for loss/damage caused due to the erection of towers and passing of high voltage transmission lines from the field of petitioner resulting in damage to standing crops and other related hazards. The Petitioner claims that the Respondents have failed to properly assess the market value of the scheduled lands and accordingly pay compensation of the diminution of land value. However, we are the contractors and are wrongly added as Respondent No. 2 to the suit.	The matter has been posted on <b>23/05/2022</b> for Evidence.
12.	H. Rudrappa vs. RAPPL and TPSSL [Misc. No. 270/2020]	The case is pending before the District and Sessions Court at Bellary. Petition filed for claiming compensation for loss/damage caused due to the erection of towers and passing of high voltage transmission lines from the field of petitioner resulting in damage to standing crops and other related hazards. The Petitioner claims that the Respondents have failed to properly assess the market value of the scheduled lands and accordingly pay compensation of the diminution of land value. However, we are the contractors and are wrongly added as Respondent No. 2 to the suit.	The matter has been posted on <b>23/05/2022</b> for Evidence.
13.	Datti Nirmalamma vs RAPPL and TPSSL [Misc. No. 285/2020]	The case is pending before the District and Sessions Court at Bellary. Petition filed for claiming compensation for loss/damage caused due to the erection of towers and passing of high voltage transmission lines from the field of petitioner resulting in damage to standing crops and other related hazards. The Petitioner claims that the	The matter has been posted on <b>23/05/2022</b> for Evidence.



## TATA POWER SOLAR SYSTEMS LIMITED

SR NO.	CASE DETAILS	BRIEF BACKGROUND	STATUS
		Respondents have failed to properly assess the market value of the scheduled lands and accordingly pay compensation of the diminution of land value. However, we are the contractors and are wrongly added as Respondent No. 2 to the suit.	
14.	Ramalingamma vs RAPPL and TPSSL [Misc. No. 286/2020]	The case is pending before the District and Sessions Court at Bellary. Petition filed for claiming compensation for loss/damage caused due to the erection of towers and passing of high voltage transmission lines from the field of petitioner resulting in damage to standing crops and other related hazards. The Petitioner claims that the Respondents have failed to properly assess the market value of the scheduled lands and accordingly pay compensation of the diminution of land value. However, we are the contractors and are wrongly added as Respondent No. 2 to the suit.	The matter has been posted on <b>23/05/2022</b> for Evidence.
15.	TPSSL vs. Ambience Indecor  (A.C. No.267/2021) before the Arbitration and Conciliation Centre, Bangalore.  (Arbitration Proceeding)	Ambience Indecor (AI), a Kolkata based dealer of TPSSL is withholding Rs. 1.74 crores payable to TPSSL for the materials supplied to it. AI claims that there have continuously raised disputes regarding supplies provided by TPSSL, the latest being for the six hospitals in respect of which materials, AI alleges, were supplied in a hasty manner, soon after which they say that their dealership code was illegally blocked. AI is demanding that TPSSL compensate them for losses allegedly caused due to actions of TPSSL.  As per the contract executed with AI, TPSSL has invoked arbitration and has filed its claim. Ambience Indecor has sought time from the Arbitral Tribunal to file its Written Response. The tribunal has accordingly, granted time till 29.03.2022 for filing of written response.	The Respondent has filed its objection/ reply along with a counter claim against TPSSL. The matter has been posted for filing of rejoinder/ objection by TPSSL on 21/04/2022.
16.	Sanjay Kumar Jana vs State of Assam [Cr. Rev. P. 59/2014]	The case is pending before the Guwahati High Court. Criminal review petition was filed challenging the charges against Mr. Sanjay Kumar Jana, who is an employee of TPSSL, before the Guwahati HC. The HC passed an order staying further proceedings in this matter in light of the pending proceedings before the Magistrate Court in Bilasipara.  <b><u>This is a Criminal litigation</u></b>	The case was last listed on 03/05/2021. Next date for hearing is, however, yet to be notified.

SR NO.	CASE DETAILS	BRIEF BACKGROUND	STATUS
17.	Hariram Sharma vs State of Rajasthan [SB CrI. MP 441/2021]	An FIR was filed u/s 420, 406, 447, 448, 323, 370 of Indian Penal Code by Manoj S/O Leeladhar regarding land acquired in Kolayat by TPSSL. Manoj has claimed that the money due to him has not been paid by TPSSL.  <b><u>This is a Criminal litigation</u></b>	The Hon'ble High Court of Rajasthan vide order dated 20/01/2021 passed an interim order whereby it stayed the arrest of Petitioners named in the FIR No-11/2021. The last date of listing of the matter was 04/03/2022. The parties have, however, agreed to amicably settle the matter and accordingly the settlement has already begun.

#### 14. Number of meetings of the Board and attendance of Directors

Dates of Board meetings in the ensuing year are decided in advance and circulated to all Directors. The agenda for each meeting, along with detailed notes, is circulated well in advance to all the Directors.

Six meetings of the Board of Directors were held during the year. These meetings were held on 20<sup>th</sup> April 2021, 1<sup>st</sup> July 2021, 20<sup>th</sup> July 2021, 14<sup>th</sup> September 2021, 15<sup>th</sup> October 2021 and 19<sup>th</sup> January 2022.

Names and categories of the Directors on the Board and attendance of Directors during FY22:

Sl. No.	Name of the Director	Category of Directorship	No. of Board Meetings held during tenure	No. of Board Meetings attended	Attendance at AGM held on 20 <sup>th</sup> July 2021
1.	Dr. Praveer Sinha	Chairman & Non-Executive Director	6	6	Yes
2.	Mr. Seethapathy Chander	Independent, Non-Executive Director	6	6	Yes
3.	Mr. Anand Agarwal	Non-Executive Director	6	6	Yes
4.	Mr. Ashish Khanna	Non-Executive Director	6	6	Yes
5.	Dr. Aditi Raja	Non-Executive Director	6	6	Yes
6.	Mr. Rajeev Sharma <sup>(1)</sup>	Non-Executive Director	2	2	NA

<sup>(1)</sup> Mr. Rajeev Sharma was appointed as a Non-Executive Director w.e.f. 6<sup>th</sup> October 2021.

#### 15. Directors and Key Managerial Personnel

Mr. Rajeev Sharma was appointed as an Additional Director designated as Non-Executive Director, pursuant to the provisions of Sections 161 and other applicable provisions of the Act w.e.f. 6<sup>th</sup> October 2021. Mr. Sharma holds office up to the date of the ensuing Annual General Meeting ("AGM"). Mr. Sharma's candidature for appointment as Non-Executive Director would be placed before the ensuing AGM.

Mr. Seethapathy Chander, Independent Director of the Company has submitted the declaration of independence, as required pursuant to the provisions of Section 149(7) of the Act, stating that he meets the criteria of independence as provided in Section 149(6) of the Act and is not disqualified from continuing as Independent Director. He has submitted the declaration of compliance of sub-rule (1) and subrule (2) of rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the Board.

**Key Managerial Personnel:**

As on 31<sup>st</sup> March 2022, the KMPs of the Company are:

- Mr. Mahesh Paranjpe, Chief Executive Officer
- Mr. Aditya Gupta, Chief Financial Officer
- Mr. Jeraz E. Mahernosh, Company Secretary

In accordance with the requirements of the Act and the Articles of Association of the Company, Dr. Praveer Sinha, retires at the ensuing AGM and being eligible, seek re-appointment. The Board recommends his re-appointment.

None of the Directors had any pecuniary relationship or transactions with the Company. The Company has paid sitting fees to the Directors who are not in employment with the holding Company during FY22.

**16. Annual Evaluation of Board Performance and performance of its committees and individual directors**

Pursuant to the provisions of Section 134(3)(p) of the Act read with rule 8(4) of the Companies (Accounts) Rules, 2014, the Board has carried out an annual evaluation of its own performance, performance of individual Directors and certain Board appointed Committees. The following processes were adopted for evaluation:

- Feedback was sought from each Director about their views on the performance of the Board as a whole covering various criteria such as degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning, Board culture and dynamics, quality of relationship between the Board and the Management and efficacy of communication with external stakeholders.
- Self-assessment questionnaires were filled in by the Directors.
- Feedback was also sought from Committees' member for evaluation of Board appointed Committees covering various criteria such as degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

**17. Committees of the Board**

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. The following Committees constituted by the Board function according to their respective roles and defined scope:

**Audit Committee**

The Committee comprises the following as on 31<sup>st</sup> March 2022:

- Mr. Seethapathy Chander, Chairman
- Mr. Anand Agarwal
- Mr. Ashish Khanna
- Mr. Rajeev Sharma

The members are financially literate and bring in expertise in the fields of finance, economics, development, strategy and management. The Committee met four times during the year. The meetings were held on 19<sup>th</sup> April 2021, 19<sup>th</sup> July 2021, 15<sup>th</sup> October 2021 and 18<sup>th</sup> January 2021 with the requisite quorum. The attendance details of the Committee meetings are as follows:

Sl. No.	Name of the Director	Category of Directorship	No. of Audit Committee Meetings held during tenure	No. of Audit Committee Meetings attended
1.	Mr. Seethapathy Chander, Chairman	Independent Director	4	4
2.	Mr. Anand Agarwal	Non-Executive Director	4	4
3.	Mr. Ashish Khanna	Non-Executive Director	4	4
4.	Mr. Rajeev Sharma <sup>(1)</sup>	Non-Executive Director	2	2

<sup>(1)</sup> Mr. Rajeev Sharma was appointed as a Member of the Committee w.e.f. 6<sup>th</sup> October 2021.

The Company has adopted Charter of the Committee to bring the terms of reference, role and scope in conformity with the provisions of Section 177(4) of the Act. The Charter specifies the composition, meetings, quorum, powers, roles and responsibilities, etc.

The powers of the Committee are as follows:

- Call for any explanation, information, representation or confirmation from any employee, director, auditor, vendor, customer or other stakeholder, confidentially or otherwise.
- Examine and take into its custody any record or document of the Company.
- Appoint legal counsel, accountants or other advisors at its sole discretion at the cost of the Company.
- Management shall implement the Committee's directions in respect of the foregoing areas. Management has a right of appeal to the Board of Directors should it disagree with the Committee's directions.

The responsibilities of the Committee are broadly divided into two parts viz. Primary and Enabling Responsibilities, the details of which are as follows:

**Primary Responsibilities:**

The Committee shall primarily be responsible for the following -

- Overseeing the processes that ensure the integrity of financial statements issued by management from time to time. Overseeing the adequacy and effectiveness of the processes and controls for economic and efficient operations of the company. Overseeing the adequacy and effectiveness of the processes and controls for compliance with laws and regulations.
- Overseeing the adequacy and effectiveness of the process by which confidential or anonymous complaints or information regarding financial or commercial matters are received and acted upon.
- Approving, prior to their execution, transactions with related parties (as defined in the Companies Act, 2013) and any subsequent modifications. In according approval, the committee will consider the business needs for those transactions and the fairness of the terms at which they are proposed to be contracted.
- Enquiring into reasons for any default by the company in honouring its obligations to its creditors and members and recommending appropriate action to the Board.
- Satisfy itself that the remuneration, expense reimbursements and use of company assets by the chief executive and other senior executives is in accord with their terms of employment and the company's rules and policies in that respect.
- Appointing expert valuers for any valuation by the company either of its own assets or liabilities or those of any other party and approving the valuer's opinion on conclusion of the valuation.
- Approve the selection /appointment of the company's Chief Financial Officer.
- Enquire into the end-use of funds raised from the public.
- The Committee shall recommend to the board the appointment of and remuneration to the cost and secretarial auditors.

**Enabling Responsibilities:**

In order to discharge the above primary responsibilities, the Committee shall also be responsible for the following -

- Overseeing the quality of internal accounting controls and other controls relevant to its primary responsibilities.
- Overseeing the system for storage (including back-up), modification, retrieval, display, print-out and disposal of electronic accounting records.
- Overseeing the quality of the financial reporting process, including the selection of the most appropriate of permitted accounting policies, significant adjustments and the disclosure of aggregate effect of material adjustments pertaining to last quarter, the appropriateness of use
- of the going concern assumption, the exercise of reasonable judgment where required and the use of the most appropriate estimates.

- The Committee shall be responsible for ensuring the independence of the external auditor from management influence. It shall annually appraise the quality of the external audit. Based on such appraisal it shall recommend to the board the appointment and the remuneration of an auditor, including any other terms, for the following year.
- The committee shall scrutinize inter-corporate loans and investments with the object of ascertaining if management has taken appropriate steps to protect their value and that they are appropriately reflected in the financial statements.
- The Committee will monitor the end use of funds raised through public offers and shall draw to the attention of the board significant deviations from the use as stated in the offer document.
- The committee shall conduct the valuation of any undertaking or asset of the company where an independent valuation is required by law or regulation or where such a valuation is necessary for incorporation in the financial statements.
- The Committee shall oversee the internal audit function. It shall recommend the individual chosen for appointment as the chief internal auditor prior to the approval of the board. The committee shall have a direct and independent line of reporting of chief internal auditor of the company.
- The Committee shall bring to the notice of the board any lacunae in the Tata Code of Conduct and the vigil mechanism (whistle blowing process) adopted by the company.
- The committee shall review with the CEO and the CFO of the company the underlying process followed by them in their annual certification to the Board of Directors of matters related to financial statements, legitimacy of transactions, internal controls and other matters as required to be certified to the Board by them under laws and regulations.
- The Committee shall approve the schedule of authority to satisfy itself that there is a satisfactory division of powers and responsibilities and that these are commensurate with the levels of management.

The Committee invites such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at its meetings. The Statutory Auditors are also invited to the meetings. The Company Secretary acts as the Secretary of the Committee.

**Corporate Social Responsibility Committee**

The Committee comprises the following as on 31<sup>st</sup> March 2022:

- Mr. Ashish Khanna, Chairman
- Mr. Seethapathy Chander
- Mr. Anand Agarwal

The Committee met once during the year on 13<sup>th</sup> October 2021 with the requisite quorum. The attendance details of the Committee meetings are as follows:

SI. No.	Name of the Director	Category of Directorship	No. of CSR Committee Meetings held during tenure	No. of CSR Committee Meetings attended
1.	Mr. Ashish Khanna, Chairman	Non-Executive Director	1	1
2.	Mr. Seethapathy Chander	Independent Director	1	1
3.	Mr. Anand Agarwal	Non-Executive Director	1	1

The Company has adopted CSR policy in line with the activities to be undertaken by the Company as specified in Schedule VII to the Act.

**18. Disclosure of particulars**

Particulars required by Section 134(3) of the Act read with Companies (Accounts) Rules, 2014 on Conservation of Energy and Technology Absorption are given in the prescribed format in Annexure-III.

**19. Related Party Transactions**

In line with the requirements of the Act, the Company has formulated a Framework and Guidelines on Related Party Transactions (RPTs). Details of particulars of contracts/arrangements entered into by the Company with related parties are provided in Annexure-IV in accordance with the form prescribed under the Act.

**20. Deposits**

During the year, your Company did not accept any deposits.

**21. Loans, guarantees, securities and investments**

The Company has given loan to its 100 % subsidiary CSL which is partially outstanding as on 31<sup>st</sup> March 2022. No guarantees or any securities are provided under Section 186 of the Act. Particulars of investments made by the Company during FY22 are provided in the financial statements. Please refer to the Note no. 7 to the financial statements for details of investments made by the Company.

**22. Annual Return**

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the extract of the annual return for FY 22 is uploaded on the website of the Company and the same is available on <https://www.tatapowersolar.com/>

**23. Auditors**

M/s. S.R. Batliboi & Associates LLP, (SRB) Chartered Accountants, the Statutory Auditors of your Company, were appointed from the conclusion of the 28<sup>th</sup> AGM till the ensuing AGM. On the basis of the evaluation process and recommendation of the Audit Committee, the Board of Directors at its meeting held on 19<sup>th</sup> April 2022 has re-appointed SRB for a second term of five years i.e. from the conclusion of 33<sup>rd</sup> Annual General Meeting till the conclusion of the 38<sup>th</sup> Annual General Meeting of the Members of the Company, subject to the approval of the Members in the ensuing AGM of the Company.

The aforesaid appointment is pursuant to the provisions of Section 139(2) of the Act and the rules made thereunder. SRB has confirmed that their appointment, if made, will comply with the eligibility criteria in terms of Section 141(3) of the Act. Further, the Auditors have confirmed that they have subjected themselves to Peer Review process by the Institute of Chartered Accountants of India ("ICAI") and hold valid certificate Issued by the Peer Review Board of ICAI.

**24. Auditors' Report**

The Notes to the Accounts referred to in the Auditors' Report of the Company are self-explanatory and, therefore, do not call for any further explanation under Section 134(3)(f) of the Act.

**25. Secretarial Audit Report**

M/s. Sumant Bhargava & Co., Practicing Company Secretaries, were appointed as Secretarial Auditors to conduct Secretarial Audit of records and documents of the Company for FY22. The Secretarial Audit Report confirms that the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc. and do not call for any further explanation. The Audit Report is given in Annexure-V.

**26. Cost Auditor and Cost Audit Report**

As per the Cost Audit Orders, Cost Audit is applicable to the Company's products. In view of the same and in terms of the provisions of Section 148 and all other applicable provisions of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. B. M. Sharma & Co., Cost Accountants (FRN: 000219) have been appointed as Cost Auditors to conduct the audit of cost records of your Company for FY23. The remuneration proposed to be paid to them requires

ratification of the shareholders of the Company. In view of this, your ratification for payment of remuneration to Cost Auditors is being sought at the ensuing AGM.

## **27. Vigil Mechanism**

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

Pursuant to section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chief Ethics Counsellor (CEC)/ Chairman of the Audit Committee of the Company.

## **28. Directors' Responsibility Statement**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, secretarial auditors and external consultants and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2021-22.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed and that there are no material departures;
- b) The Directors had, in the selection of the accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) The Directors had taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis;
- e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **29. Other Disclosures/Reporting**

The Board of Directors of the Company at its meeting held on 11<sup>th</sup> August 2020 had approved the Composite Scheme of Arrangement amongst Coastal Gujarat Power Limited and the Company and The Tata Power Company Limited and their respective shareholders ("Composite Scheme") under the provisions of Sections 230 - 232 of the Act (including the rules thereunder) and other relevant provisions of the Act, subject to sanction by the National Company Law Tribunal and regulatory approvals, if any.

Further on the aforesaid amalgamation and after considering the COVID-19 scenario, the present business environment and its impact on business and affairs of the Company, the Board was of the opinion that the synergy proposed to be created out of it would no longer be viable and therefore, during the year under review it was decided to withdraw/exclude the name of the Company from the Composite Scheme for which the Company received the necessary statutory and regulatory approvals.

Your Directors state that no disclosure or reporting is required in respect of the following items on account of non-applicability/non-occurrence of any of the events during the year under review:

- (i) Significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;
- (ii) Change in nature of business of the Company;
- (iii) Issue of equity shares with differential rights as to dividend, voting or otherwise;
- (iv) Issue of shares (including sweat equity shares) to employees of the Company under any scheme;
- (v) Issue of debentures, bonds or any non-convertible securities;
- (vi) Issue of warrants;
- (vii) Details in respect of frauds reported by Auditors under sub-section (12) of Section 143 other than those which are reportable to the Central Government, as there were no such frauds reported by the Auditors.
- (viii) The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year: In terms of Rule 8(5) of Companies (Accounts) Rules 2014, the Company has not made any application or there are no proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year 2021-22.
- (ix) The provisions regarding disclosure of details of difference between the amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable to the Company.

### **30. Acknowledgements**

On behalf of the Directors of the Company, I would like to place on record our deep appreciation to our Shareholders, Customers, Business Partners, Vendors, both international and domestic, Bankers, Financial Institutions and Academic Institutions for all the support rendered during the year.

The Directors are thankful to the Government of India and the various Ministries, the State Governments and the various Ministries, Regulatory Authorities, Communities in the neighbourhood of our operations, Corporation and Municipal authorities and local authorities in areas where we are operational. Finally, we appreciate and value the contributions made by all our employees and their families for making the Company what it is.

On behalf of the Board of Directors,  
For **Tata Power Solar Systems Limited**

Sd/-  
**Praveer Sinha**  
**Chairman**  
(DIN: 01785164)

Mumbai  
19<sup>th</sup> April 2022



**Annexure-I: Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**  
(Ref.: Board Report, Section 5)

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

**Part "A": Subsidiaries**

(₹ In lakhs)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Chirasthaayee Saurya Limited
2.	The date since when subsidiary was acquired	14.06.2016
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
5.	Share capital	100
6.	Reserves & surplus	
7.	Total assets	34,148.88
8.	Total Liabilities	1,502.63
9.	Investments	0
10.	Turnover	4,899.6
11.	Profit before taxation	1,063.04
12.	Provision for taxation	270.22
13.	Profit after taxation	792.83
14.	Proposed Dividend	Nil
15.	Extent of shareholding (in %)	100%

On behalf of the Board of Directors,  
For **Tata Power Solar Systems Limited**

Sd/-  
**Praveer Sinha**  
Chairman  
(DIN: 01785164)

Mumbai  
19<sup>th</sup> April 2022

**Annexure-II: Annual Report on CSR Activities**

(Ref.: Board Report, Section 11.3)

1. Brief outline on CSR Policy of the Company:

Tata Power Solar is committed to ensuring the social wellbeing of the communities in the vicinity of its business operations through Corporate Social Responsibility initiatives (CSR) in alignment with Tata Power Policy.

Tata Power Solar shall engage with the community by undertaking the following principles and activities:

- Employability and Employment (Skilling for Livelihood)
- Education (Including Financial and Digital Literacy)
- Entrepreneurship

Major initiatives taken by Company in this year, were

- Linkage of community with Govt Social Welfare Scheme.
- Experiential Science learning to school students
- Primary Health Service Interventions and COVID sensitization to communities.
- Dhaaga Centres for Women training and employability and Skill Development.
- Strengthening Community Institutions

2. Composition of CSR Committee:

Sl. No.	Name of the Director	Category of Directorship	No. of CSR Committee Meetings held during tenure	No. of CSR Committee Meetings attended
1.	Mr. Ashish Khanna, Chairman	Non-Executive Director	1	1
2.	Mr. Seethapathy Chander	Independent Director	1	1
3.	Mr. Anand Agarwal	Non-Executive Director	1	1

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://www.tatapowersolar.com/wp-content/uploads/2018/01/05115317/CSR-Policy-1.pdf>

4. Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹.)	Amount required to be set off for the financial year, if any (in ₹.)
Not applicable			

6. Average net profit of the company as per section 135(5): ₹ 1,58,57,74,218.07

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 3,17,15,485

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 3,17,15,485

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹.)	Amount Unspent (in ₹.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
1,66,36,736	1,50,78,749	-	-	-	-

(b) Details of CSR amount spent against **ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Name	Mode of Implementation - Through Implementing Agency - CSR Registration number
				State	District							
1.	Integrated Vocational Training	(ii)	Yes	Karnataka	Bangalore, Tumkur	1 year	45,60,000	2,40,000	43,20,000	No	TPCDT	CSR00002946
2.	Micro-Enterprises for collectives	(iii)	Yes	Uttar Pradesh, Bihar		1 year	9,94,704	2,76,378	7,18,326	No	TPCDT	CSR00002946
3.	Promotion of e-education	(iii)	Yes	Karnataka, Andhra Pradesh, Maharashtra, Bihar, Punjab, Madhya Pradesh, Rajasthan, Gujarat, Tamil Nadu	Bangalore Tumkur, Banaskantha, Neemuch, Satara, Gaya, karur, Trichy, Jodhpur, Bhatinda, Kurnool	1 year	1,06,42,000	26,60,500	79,81,500	No	TPCDT	CSR00002946
4.	Empowering for inclusion	(iii)	Yes	Kerala	Trivandrun	1 year	27,46,160	11,17,004	16,29,156	No	TPCDT	CSR00002946
5.	Other Initiatives	(x)	Yes	Karnataka, Tamil Nadu	Bangalore, Bidar, Koppal, Karur	1 year	429,767	-	429,767	No	TPCDT	CSR00002946
<b>Total</b>							<b>1,93,72,631</b>	<b>42,93,882</b>	<b>1,50,78,749</b>			

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project.		(6) Amount spent for the project (in ₹)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Integrated Vocational Training	(ii)	Yes	Kerala	Wayanad	27,52,750	No	TPCDT	CSR00002946
2.	Empowering for inclusion	(iii)	Yes	Karnataka, Uttar Pradesh	Bangalore, Shajhapur	5,74,576	No	TPCDT	CSR00002946
3.	COVID Response Initiatives	(xii)	Yes	Maharashtra, Uttar Pradesh, Tamil Nadu, Andhra Pradesh, Rajasthan	Satara, Ahmedabad, Karur, Kurnool, Jodhpur	49,76,623	No	TPCDT	CSR00002946
4.	Other Initiatives	(x)	Yes	Rajasthan, Karnataka, Tamil Nadu	Jodhpur, Bangalore, Bidar, Karur, Trichy	29,35,896	No	TPCDT	CSR00002946
	<b>Total</b>					<b>112,39,845</b>			

(d) Amount spent in Administrative Overheads: ₹11,03,009

(e) Amount spent on Impact Assessment, if applicable: Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 1,66,36,736

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	3,17,15,485
(ii)	Total amount spent for the Financial Year	1,66,36,736
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

6. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
Nil							

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the Reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹.)	Status of the project – Completed /Ongoing.
Nil								

7. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **(asset-wise details)**.

- (a) Date of creation or acquisition of the capital asset(s): Not applicable
- (b) Amount of CSR spent for creation or acquisition of capital asset: Not applicable
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: Not applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not applicable

8. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not applicable

Sd/-  
**Mahesh Paranjpe**  
**Chief Executive Officer**

Sd/-  
**Ashish Khanna**  
**Chairman CSR Committee**  
 (DIN: 06699527)

Mumbai  
 19<sup>th</sup> April 2022

**Annexure-III: Conservation of Energy and Technology Absorption**  
(Ref.: Board Report, Section 18)

**A. Conservation of Energy**

CO<sub>2</sub> reduction for Utility scale, C&I Rooftop solar plants

**B. Technology absorption**

**(i) Expenditure on R&D**

1.	Specific are in which R & D carried out by the Company	<ul style="list-style-type: none"> <li>• New Product &amp; Systems Development                             <ul style="list-style-type: none"> <li>○ Single axis tracker with bifacial module and reflective foundation (SAT-BF) pilot and win utility scale projects</li> <li>○ Battery storage system (BESS)– local packaging &amp; strategic alliance</li> <li>○ “mysine” a high end residential solar solution &amp; low cost off-grid solution for UP/Bihar market</li> <li>○ Microgrid porta cabin solution</li> <li>○ Universal pump controller design</li> <li>○ Universal structures for bifacial solar modules</li> </ul> </li> </ul>
2.	Benefits derived as a result of the above R & D.	<ul style="list-style-type: none"> <li>• Significant reduction of LCOE, to help win projects ~ 1GW for FY23-24 using SAT-BF technology</li> <li>• Won two unique BESS projects 50MWh @ Leh and 120MWh @ Chhattisgarh</li> <li>• New market of off-grid in FY23</li> <li>• Simplified deployment of microgrids at interiors</li> <li>• New market retail marketing of pumps</li> <li>• Reduction of DC capacity by 3% from normal fixed tilt system</li> </ul>
3.	Future Plan of Action	<ul style="list-style-type: none"> <li>• 100% localisation of SAT-BF tracker system</li> <li>• Mechanised foundation techniques to improve speed of execution</li> <li>• Digitised tool to check module tightening at site</li> <li>• Upgrade of WRENCH for QA digitization</li> <li>• Video-graphic training process @ site</li> </ul>
4.	Expenditure on R &D (in ₹ crore) a) Capital b) Recurring c) Total	Nil

*\*O&M-Operations & Maintenance, CTQ-Critical to Quality, DM-Data Mining, AI-Artificial Intelligence, ML-Machine Learning, VOC-Voice of Customers, KPI-Key Performance Indicators, MTTR-Mean Time To Repair*

**(ii) Technology, absorption, adaption and innovation**

During the year, the following Product & Systems Development were completed:

- **Single-axis tracker with reflective foundation:** This is an unique tracker system that has potential to reduce cost of energy by 6 to 8 paise per kWh. Design alliance with OEM is completed and localisation efforts (up to 50%) completed in FY22 and rest will be completed in FY23. Pilot project has been completed and performance is under monitoring.
- **Mysine:** An elegant high end solar solution with several unique load control features targeting residential market was designed, tested and developed in FY22. Supply-chain build and large scale deployment of the same is targeted in FY23.
- **Universal MMS:** Low tonnage structure that can accept a variety of makes of solar modules was developed for both mono-facial and bi-facial type and deployed.

**(iii) Benefits derived as a result of the above**

The above initiatives have improved organisational KPIs related to cost competitiveness, technology self-reliance, enhanced customer experience, reliability & performance of offered products and systems and overall market penetration.

**(iv) Future Plan of Action**

In pursuit to continuously improve LCOE (Levelized cost of energy), company is executing 1GWp projects in new technology: SAT-BF (single axis tracker with bifacial module) and with reflective foundation by focusing on 100% localisation of all mechanical parts. Also to improve speed of execution, various techniques such as mechanised foundation, pre-fab structures are being planned. With higher scale of operation, due focus on digitization is planned which will improve the productivity and operation efficiency.

On behalf of the Board of Directors,  
For **Tata Power Solar Systems Limited**

Sd/-  
**Praveer Sinha**  
Chairman  
(DIN: 01785164)

Mumbai  
19<sup>th</sup> April 2022

**Annexure-IV: Related Party Transactions**

(Ref.: Board Report, Section 19)

- Policy on dealing with Related Party Transactions - The Company has adopted a framework of Related Party Transactions.
- Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

Details of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
N.A.							

Details of material contracts or arrangement or transactions at arm's length basis:

(₹ in lakh)

Name(s) of the related party and nature of relationship	Nature of contracts / arrangement /transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any.	Date(s) of approval by the Board, if any.	Amount paid as advance, if any
Poolavadi Windfarm Limited (Fellow Subsidiary)	Sale of Materials	12 months	EPC Contract for Solar PV Plant	NA	32.25
Walwhan Renewable Energy Limited (Subsidiary of a Fellow Subsidiary)	Sale of Material	12 months	Module Sales	NA	2.69
The Tata Power Company Limited (Holding Company)	Sale of Materials	12 months	EPC Contract for Solar PV Plant	NA	23,165.48
TP Renewable Microgrid Limited (Fellow Subsidiary)	Sale of Materials	12 months	EPC Contract of Microgrids	NA	1,380.28
TP Solapur Solar Limited (Subsidiary of a Fellow Subsidiary)	Sale of Materials	12 months	EPC Contract for Solar PV Plant	NA	146.85
TP Kirnali Limited (Subsidiary of a Fellow Subsidiary)	Sale of Materials	12 months	EPC Contract for Solar PV Plant	NA	88,916.33
TP Kirnali Solar Limited (Subsidiary of a Fellow Subsidiary)	Sale of Materials	12 months	EPC Contract for Solar PV Plant	NA	93.22
TP Saurya Limited	Sale of Materials	12 months	EPC Contract for Solar PV Plant	NA	6,342.26
TP Akkalkot Renewable Limited	Sale of Materials	12 months	EPC Contract for Solar PV Plant	NA	3,130.46



## TATA POWER SOLAR SYSTEMS LIMITED

Name(s) of the related party and nature of relationship	Nature of contracts / arrangement / transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any.	Date(s) of approval by the Board, if any.	Amount paid as advance, if any
Tata Power Green Energy Ltd.	Sale of Materials	12 months	EPC Contract for Solar PV Plant	NA	97,869.56
Tata Projects Limited (Subsidiaries & Joint Ventures of Promoters holding more than 20% in the Holding Company)	Sale of Materials	12 months	EPC Contract for Solar PV Plant	NA	25.99
Prayagraj Power Generation Company Limited	Sale of Materials	12 months	EPC Contract for Solar PV Plant	NA	93.51
Industrial Energy Limited	Sale of Materials	12 months	EPC Contract for Solar PV Plant	NA	6,194.72
Tata Capital Financial Services Limited	Sale of Materials	12 months	EPC Contract for Solar PV Plant	NA	276.98
The Tata Power Company Limited (Holding Company)	Services rendered	12 months	O&M Contract for Solar PV Plant	NA	1.34
Chirasthaayee Saurya Limited (Subsidiary)	Services rendered	12 months	O&M Contract for Solar PV Plant	NA	287.80
Tata Power Renewable Energy Limited (Fellow Subsidiary)	Services rendered	12 months	O&M Contract for Solar PV Plant	NA	2,184.33
Tata Power Trading Company Limited (Fellow Subsidiaries)	Services rendered	12 months	O&M Contract for Solar PV Plant	NA	49.75
Tata Power Delhi Distribution Limited (Fellow Subsidiary)	Services rendered	12 months	O&M Contract of Solar PV Plant	NA	9.17
Tata Play Limited (formerly Tata Sky Limited)	Services rendered	12 months	EPC Contract for Solar PV Plant	NA	0.08
Tata Consultancy Services Limited (Subsidiaries & Joint Ventures of Promoters holding more than 20% in the Holding Company)	Services rendered	12 months	O&M Contract of Solar PV Plant	NA	0.08
The Tata Power Company Limited (Holding Company)	Services availed	12 months	Rent for Premises, guest house and other charges	NA	636.01
Tata Power Trading Company Limited (Fellow Subsidiaries)	Services availed	12 months	Power procurement	NA	364.54
Tata Projects Limited (Associates and Joint Ventures of Holding Company)	Services availed	12 months	Project Support	NA	324.8
Tata Consultancy Services Limited	Services availed	12 months	Project Support	NA	110.66
Powerlinks Transmission Limited	Services availed	12 months	Project Support	NA	22.26
Tata Sons Private Limited (Promoters holding more than 20% in the Holding Company)	Services availed	12 months	Brand Equity and Business promotion Agreement for use of Tata name and logo	NA	1133.3
Tata Consulting Engineers (Subsidiaries & Joint Ventures of	Services availed	12 months	Engineering support	NA	368.38

## TATA POWER SOLAR SYSTEMS LIMITED

Name(s) of the related party and nature of relationship	Nature of contracts / arrangement / transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any.	Date(s) of approval by the Board, if any.	Amount paid as advance, if any
Promoters holding more than 20% in the Holding Company)					
Tata Capital Financial Services Limited (Subsidiaries & Joint Ventures of Promoters holding more than 20% in the Holding Company)	Services availed	12 months	Rental lease services	NA	133.11
Tata Communications Limited (Subsidiaries & Joint Ventures of Promoters holding more than 20% in the Holding Company)	Services availed	12 months	IT Services	NA	43.18
Tata AIG General Insurance Company Limited (Subsidiaries & Joint Ventures of Promoters holding more than 20% in the Holding Company)	Services availed	12 months	Insurance Services	NA	1278.03
Tata Elxsi Limited (Subsidiaries & Joint Ventures of Promoters holding more than 20% in the Holding Company)	Services availed	12 months	IT Services	NA	122.89
Tata Communications Collaboration Services Private Limited (Subsidiaries & Joint Ventures of Promoters holding more than 20% in the Holding Company)	Services availed	12 months	Communication services	NA	0.10
Infiniti Retail Limited (Subsidiaries & Joint Ventures of Promoters holding more than 20% in the Holding Company)	Services availed	12 months	Laptop procurement	NA	0.39
Tata Teleservices Limited (Subsidiaries & Joint Ventures of Promoters holding more than 20% in the Holding Company)	Services availed	12 months	Communication services	NA	13.53
Air India SATS Airport Services Private Ltd.	Services availed	12 months	Communication services	NA	0.03
The Tata Power Company Limited (Holding Company)	Interest Paid	12 months	Loan taken	NA	2,877.49
Chirasthaayee Saurya Limited (Subsidiary)	Interest received	12 months	Loan given	NA	6.62
Tata Power Renewable Energy Limited (Fellow Subsidiary)	Interest received	12 months	Loan given	NA	5256.53
TP Kirnali Limited	Interest received	12 months	Loan given	NA	361.24
Chirasthaayee Saurya Limited (Subsidiary)	Loans given	12 months	Loans given	NA	1478.90



## TATA POWER SOLAR SYSTEMS LIMITED

Name(s) of the related party and nature of relationship	Nature of contracts / arrangement /transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any.	Date(s) of approval by the Board, if any.	Amount paid as advance, if any
The Tata Power Company Limited (Holding Company)	Loans taken	12 months	Loans taken	NA	151900
Walwhan Renewable Energy Limited (Subsidiary of a Fellow Subsidiary)	Loans taken	12 months	Loans taken	NA	30000
The Tata Power Company Limited (Holding Company)	Loans repaid	12 months	Loans repaid	NA	202883.20
Walwhan Renewable Energy Limited (Subsidiary of a Fellow Subsidiary)	Loans repaid by the company	12 months	Loans repaid	NA	30000
Chirasthaayee Saurya Limited (Subsidiary)	Loans repaid to the company	12 months	Loans repaid to the company	NA	288.14

On behalf of the Board of Directors,  
For **Tata Power Solar Systems Limited**

Sd/-  
**Praveer Sinha**  
Chairman  
(DIN: 01785164)

Mumbai  
19<sup>th</sup> April 2022



**FORM No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014)

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

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

Based on my verification of the Tata Power Solar Systems Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;(Not applicable to the Company during the audit period)



- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(Not applicable to the Company during the audit period)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the audit period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the audit period)**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not applicable to the Company during the audit period)**
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; **(Not applicable to the Company during the audit period)**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the audit period)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the audit period)**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the audit period); and**





(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)

(vi) Other laws applicable specifically to the Company namely:

- (a) The Indian Electricity Rules, 1956;
- (b) The Energy Conservation Act, 2001;

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

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

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

I further report that:

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board Meeting, Agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

I further reported that during the audit period no events occurred which had bearing on the

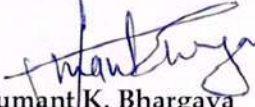


# Sumant Bhargava & Co.

Company Secretaries

Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For and behalf of Sumant Bhargava & Co.

  
Sumant K. Bhargava  
Proprietor



FCS No. 8250

CP. No.: 15656

UDIN: F008250D000115247

Date: 14/04/2022

Place: Navi Mumbai

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

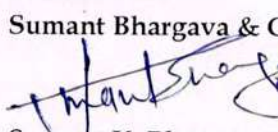

ANNEXURE -A

To,

THE MEMBERS,  
TATA POWER SOLAR SYSTEMS LIMITED  
CIN U40106MH1989PLC330738  
C/o The Tata Power Company Limited,  
Corporate Center B, 34 Sant Tukaram Road,  
Carnac Bunder Mumbai- 400009

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

For and behalf of

Sumant Bhargava & Co.   


Sumant K. Bhargava  
Proprietor

FCS No. 8250

CP. No.: 15656

UDIN: F008250D000115247

Date: 14/04/2022

Place: Navi Mumbai



**INDEPENDENT AUDITOR'S REPORT**

To the Members of Tata Power Solar Systems Limited

**Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Tata Power Solar Systems Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 audit opinion on the financial statements.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' 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 such 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.

**Responsibilities of Management for Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India.



including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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**

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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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.
- 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.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31(ii) to the financial statements;
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 21 to the financial statements;



# **S.R. BATLIBOI & ASSOCIATES LLP**


Chartered Accountants

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures that were 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. No dividend has been declared or paid during the year by the Company.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

  
per **Adarsh Ranka**

Partner

Membership Number: 209567

UDIN: 22209567AHJARF4822

Place of Signature: Bengaluru

Date: April 19, 2022





**Annexure 1 referred to in clause 1 of paragraph under the heading “Report on other legal and regulatory requirements” of our report of even date**

**Re: Tata Power Solar Systems Limited**

**In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:**

- i) a) i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- ii) The Company has maintained proper records showing full particulars of intangibles assets.
- b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular program of verification which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) The title deeds of the immovable properties included in property plant and equipment are held in the name of the Company.
- d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2022.
- e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii) a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.
- b) As disclosed in note 17 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are generally in agreement with the books of accounts of the Company except as below:

Quarter ending	Value per books of account (Rs. in lakhs)	Value per quarterly return/statement (Rs. in lakhs)	Discrepancy (Rs. in lakhs)
<b>Current borrowings</b>			
June 30, 2021	188,316	244,416	56,100

- iii) a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies, firms, Limited Liability Partnerships or any other parties (other than employee loans/advances) as follows:



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	Guarantees	Security	Loans (Rs. in lakhs)	Advances in nature of loans
Aggregate amount granted/ provided during the year to a subsidiary	-	-	1,479.40	-
Balance outstanding as at balance sheet date in respect of the loan provided to Subsidiary	-	-	1,190.76	-

- b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.
- c) The Company has granted loans or advance in the nature of loans during the year to a subsidiary where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii) a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:



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Name of the statute	Nature of dues	Amount of Demand (Rs. In Lakhs)	Period for which amounts relates to	Forum where dispute is pending	Amount paid (Rs. In Lakhs)	Amount unpaid (Rs. In Lakhs)
Income Tax Act, 1961	Income Tax	1,629.70	FY 2003-04	Income Tax Appellate Tribunal	1,629.70	-
Income Tax Act, 1961	Income Tax	580.60	FY 2007-08	Commissioner Income Tax (Appeals)	580.60	-
Income Tax Act, 1961	Income Tax	719.91	FY 2010-11	Income Tax Appellate Tribunal	719.91	-
Income Tax Act, 1961	Income Tax	140.63	FY 2011-12	Income Tax Appellate Tribunal	140.63	-
Income Tax Act, 1961	Income Tax	1,848.60	FY 2009-10	High Court	1,848.60*	-
Income Tax Act, 1961	Income Tax	128.67	FY 2012-13	Commissioner Income Tax (Appeals)	128.67*	-
Income Tax Act, 1961	Income Tax	1,019.33	FY 2016-17	Commissioner Income Tax (Appeals)	1,019.33*	-
Rajasthan VAT Act, 2003	Rajasthan VAT	3,806.72	FY 2013-14, FY 2014-15 and FY 2015-16	Rajasthan Tax Board	208.74	3,597.98

\*The Company is contesting income tax disputes pertaining to adjustments to unutilised tax credits amounting to Rs. 1,848.60 Lakhs, Rs. 128.67 Lakhs and Rs. 1,019.33 Lakhs for FY 2009-10, FY 2012-13 and FY 2016-17 respectively.

viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix) a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) Term loans were applied for the purpose for which the loans were obtained.

d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.



# **S.R. BATLIBOI & ASSOCIATES LLP**

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e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

x) a) The Company has utilized the monies raised during the year by way of initial public offer / further public offer (including debt instruments) in the nature of commercial paper for the purposes for which they were raised.

b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, reporting under clause (x)(b) is not applicable to the Company and hence not commented upon.

xi) a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by [cost auditor/ secretarial auditor or by us] in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xiii)(c) of the Order is not applicable to the Company.

xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

xiv) a) The Company has an internal audit system commensurate with the size and nature of the business.

b) The internal audit reports of the Company issued till the date of audit report, for the period under audit have been considered by us.

xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi) a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.





# S.R. BATLIBOI & ASSOCIATES LLP

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d) The Group has five CICs which are registered with the Reserve Bank of India and 1 CIC which is not required to be registered with the Reserve Bank of India.

xvii) The Company has not incurred cash losses in the current and immediate previous financial year.

xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix) On the basis of the financial ratios disclosed in note 36(xi) to the financial statements, ageing and expected dates of realization 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 Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) a) There are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.

b) The Company has not transferred the amount remaining unspent in respect of ongoing projects, to a Special Account, till the date of the report. However, the period for such transfer i.e., thirty days from the end of the financial year as permitted under sub section (6) of section 135 of the Companies Act, has not elapsed till the date of our report.

For S.R.Batliboi & Associates LLP

Chartered Accountants

ICAI firm registration number: 101049W/E300004

  
Per Adarsh Ranka

Partner

Membership number: 209567

UDIN: 22209567AHJARF4822

Place: Bengaluru

Date: April 19, 2022



**Annexure 2 to the Independent auditor's report of even date on the financial statements of Tata Power Solar Systems Limited**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls with reference to financial statements of Tata Power Solar Systems Limited ('the Company') as of March 31, 2022 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**

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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to these financial statements.





**Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements**

A Company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these 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 the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP  
ICAI Firm Registration Number: 101049W/E300004  
Chartered Accountants

  
per Adarsh Ranka  
Partner  
Membership Number: 209567  
UDIN: 22209567AHJARF4822  
Place: Bengaluru  
Date: April 19, 2022



₹ in Lakhs

Particulars		Note	As at March 31, 2022	As at March 31, 2021
<b>A</b>	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Property, plant and equipment	4	32,075.17	35,384.60
	(b) Capital work-in-progress	6	544.30	466.79
	(c) Intangible assets	5	58.33	34.60
	(d) Financial assets			
	(i) Investment in subsidiary	7	100.00	100.00
	(ii) Trade receivables	9	2,787.50	21,783.48
	(iii) Other financial assets	12	759.83	743.47
	(e) Non-current tax assets (net)	13	6,012.22	4,387.54
	(f) Deferred tax assets (net)	31	9,424.93	11,820.36
	(g) Other non-current assets	14	127.74	1.80
	<b>Total non-current assets</b>		<b>51,890.02</b>	<b>74,722.64</b>
2	<b>Current assets</b>			
	(a) Inventories	8	159,434.69	41,568.91
	(b) Financial assets			
	(i) Trade receivables	9	345,950.52	333,725.00
	(ii) Cash and cash equivalents	10.1	1,583.56	13,997.52
	(iii) Bank balances other than (ii) above	10.2	160.54	-
	(iv) Loans	11	1,203.84	18.23
	(v) Other financial assets	12	417.35	335.48
	(c) Other current assets	14	90,149.74	41,640.77
	<b>Total current assets</b>		<b>598,900.24</b>	<b>431,285.91</b>
	<b>Total assets (1+2)</b>		<b>650,790.26</b>	<b>506,008.55</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>			
	(a) Equity share capital	15	22,977.57	22,977.57
	(b) Other equity	16	64,607.45	39,364.71
	<b>Total equity</b>		<b>87,585.02</b>	<b>62,342.28</b>
	<b>Liabilities</b>			
2	<b>Non-current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	17	4,500.00	11,000.00
	(b) Provisions	21	11,067.67	9,644.66
	(c) Non-current tax liabilities (net)	20	302.66	302.66
	(d) Other non-current liabilities	22	1,214.75	1,214.75
	<b>Total non-current liabilities</b>		<b>17,085.08</b>	<b>22,162.07</b>
3	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	17	88,162.13	86,382.82
	(ii) Trade payables			
	(a) Total outstanding dues of micro enterprises and small enterprises	18	13,724.15	4,676.29
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	18	326,939.72	208,162.99
	(iii) Other financial liabilities	19	5,112.65	24,124.50
	(b) Current tax liabilities (net)	20	-	4,430.69
	(c) Provisions	21	17,492.43	7,159.15
	(d) Other current liabilities	22	94,689.08	86,567.76
	<b>Total current liabilities</b>		<b>546,120.16</b>	<b>421,504.20</b>
	<b>Total equity and liabilities (1+2+3)</b>		<b>650,790.26</b>	<b>506,008.55</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R.Batilboi & Associates LLP  
ICAI Firm Registration Number: 101049W/ E300004  
Chartered Accountants

per Adarsh Ranka  
Partner  
Membership Number: 209567



Place : Bengaluru  
Date: April 19, 2022

For and on behalf of the Board of Directors of  
Tata Power Solar Systems Limited

Ashish Khanna  
Director  
DIN: 06699527

M.D Paranjpe  
Chief Executive Officer

Jeraz E. Mahernosh  
Company Secretary

Anand Agarwal  
Director  
DIN: 06398370

Aditya Gupta  
Chief Financial Officer

Place : Mumbai  
Date: April 19, 2022



₹ in Lakhs

Particulars	Note	For the Year ended March 31, 2022	For the Year ended March 31, 2021
I Revenue from operations	23	850,648.62	511,891.34
II Other income	24	7,407.08	2,424.36
III Total income (I + II)		858,055.70	514,315.70
IV Expenses			
Cost of materials consumed (Including sub-contracting costs Rs. 53,471.64 (March 31, 2021 - Rs.28,349.39 Lakhs))		763,339.91	433,840.88
(Increase)/ decrease in inventories of finished goods and work-in-progress		(19,478.39)	126.62
Employee benefits expenses	25	17,419.61	12,530.34
Finance costs	26	15,709.99	8,053.87
Depreciation and amortisation expenses	27	5,982.34	2,498.21
Other expenses	28	53,547.81	34,815.25
V Total expenses		836,521.27	491,865.17
VI Profit before tax (III- V)		21,534.43	22,450.53
VII Tax expenses			
Current tax	29	6,381.22	7,316.86
Deferred tax	30	(898.64)	(5,706.30)
Total tax expenses		5,482.58	1,610.56
VIII Profit for the period (VI-VII)		16,051.85	20,839.97
IX Other comprehensive income			
<u>Items that will not be reclassified to profit / (loss)</u>			
(i) Remeasurements of the defined benefit liabilities / (asset)		(755.78)	191.14
(ii) Income tax relating to items that will not be reclassified to profit / (loss)		(152.41)	48.11
<u>Items that may be reclassified to profit or (loss)</u>			
(i) Net movement on cash flow hedges		13,088.33	(37,176.69)
(ii) Income tax relating to items that will may be reclassified to profit / (loss)		3,294.07	(9,356.63)
Total other comprehensive income ((i) - (ii))		9,190.89	(27,677.03)
X Total comprehensive income for the period (VIII + IX)		25,242.74	(6,837.06)
XI Earnings per equity share (₹):	34		
Basic		69.86	90.70
Diluted		69.86	90.70

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R.Balliboi & Associates LLP  
ICAI Firm Registration Number: 101049W/ E300004  
Chartered Accountants

per Adash Ranka  
Partner  
Membership Number:209567



Place : Bengaluru  
Date: April 19, 2022

For and on behalf of the Board of Directors of  
Tata Power Solar Systems Limited

Ashish Khanna  
Director  
DIN: 06699527

Maresh D Paranjpe  
Chief Executive Officer

Jeraz E. Mahemosh  
Company Secretary

Place : Mumbai  
Date: April 19, 2022

Anand Agarwal  
Director  
DIN: 06398370

Aditya Gupta  
Chief Financial Officer

Tata Power Solar Systems Limited  
Statement of Cash flow for the year ended March 31, 2022  
CIN: U40106MH1989PLC330738

₹ in Lakhs

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>Cash flows from operating activities</b>		
Profit / (loss) before tax	21,534.43	22,450.53
Adjustments for:		
Finance costs recognised in profit or loss	15,709.99	8,053.87
Interest income recognised in profit or loss	(7,396.38)	(2,407.86)
Loss/ (Gain) on disposal of property, plant and equipment	(1.19)	5.49
Impairment / (reversal) of financial assets	760.36	(619.38)
Bad debts	12.99	186.22
Depreciation and amortisation expense	5,982.34	2,498.21
Provision for warranty	1,065.96	2,649.57
Net Unrealised loss/(Gain)	2,130.98	(453.29)
(Gain)/loss on sale of current investments	-	(12.90)
	<b>39,799.48</b>	<b>32,350.46</b>
Movements in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(117,865.78)	(12,067.21)
Trade receivables	13,349.86	(256,100.36)
Current Loans	5.15	10.00
Other current and non-current assets	(48,761.13)	(19,481.83)
Movement in operating assets	(153,271.90)	(287,639.40)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	125,693.61	149,240.50
Other current liabilities	8,121.32	35,594.17
Short-term and long-term provisions	9,934.56	4,388.47
Other financial liabilities - Current	(45.35)	159.60
Movement in operating liabilities	143,704.14	189,382.74
Cash generated from operations	<b>30,231.72</b>	<b>(65,906.20)</b>
Income taxes paid	(12,284.18)	(4,618.55)
<b>Net cash (used in)/ generated from operating activities</b>	<b>17,947.54</b>	<b>(70,524.75)</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of current investments	-	3,634.18
Interest received	37.02	2,422.12
Payments for property, plant and equipment (including capital advances) and intangible assets	(10,222.30)	(13,129.13)
Proceeds from disposal of property, plant and equipment	6.19	6.55
Loan given to related parties	(1,478.90)	(26,801.85)
Loan repaid by related parties	288.14	26,801.85
Investments in bank deposits (net)	-	4,000.00
<b>Net cash (used in)/ generated from investing activities</b>	<b>(11,369.85)</b>	<b>(3,066.29)</b>



Tata Power Solar Systems Limited  
Statement of Cash flow for the year ended March 31, 2022  
CIN: U40106MH1989PLC330738

₹ in Lakhs

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>Cash flows from financing activities</b>		
Repayment of long-term borrowings	(4,500.00)	15,000.00
Net proceeds from short term borrowings	44,627.37	29,668.61
Loan taken from related parties	181,900.00	86,982.00
Loan repaid to related parties	(232,883.20)	(35,998.80)
Interest paid	(14,270.95)	(13,950.90)
<b>Net cash (used in)/ generated from financing activities</b>	<b>(25,126.78)</b>	<b>81,700.91</b>
<b>Net increase in cash and cash equivalents</b>	<b>(18,549.09)</b>	<b>8,109.87</b>
Cash and cash equivalents at the beginning of the year	12,270.52	4,160.65
<b>Cash and cash equivalents at the end of the year</b>	<b>(6,278.57)</b>	<b>12,270.52</b>

Cash and Cash Equivalents include :	As at March 31, 2022	As at March 31, 2021
	Balances with banks	
In current accounts	1,583.56	13,197.52
In Deposit Accounts (with original maturity three months or less)	-	800.00
Bank Overdraft	(7,862.13)	(1,727.00)
	<b>(6,278.57)</b>	<b>12,270.52</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R.Batliloi & Associates LLP  
ICAI Firm Registration Number: 101049W/ E300004  
Chartered Accountants

per Adarsh Ranka  
Partner  
Membership Number:209567



Place : Bengaluru  
Date: April 19, 2022

For and on behalf of the Board of Directors of  
Tata Power Solar Systems Limited

Ashish Khanna  
Director  
DIN: 06699527

Mahesh D Paranjpe  
Chief Executive Officer

Jeraz E. Mahemosh  
Company Secretary

Anand Agarwal  
Director  
DIN: 06398370  
Aditya Gupta  
Chief Financial Officer

Place : Mumbai  
Date: April 19, 2022

Tata Power Solar Systems Limited  
Statement of changes in equity for the year ended March 31, 2022  
CIN: U40106MH1989PLC330738

a. Equity share capital  
As at April 1, 2020  
As at March 31, 2021

₹ in Lakhs
22,977.57
22,977.57
22,977.57
22,977.57

As at April 1, 2021  
As at March 31, 2022

b. Other Equity

	Reserves and Surplus					Item of Other Comprehensive Income	Total other equity
	Securities premium	General reserves	Capital Redemption reserves	Deemed Equity	Retained Earnings	Effective Portion of Cash flow hedge Reserve	
As at April 1, 2020	14,587.09	4,735.00	2,295.00	1,261.87	13,681.67	9,641.14	46,201.77
Profit / (Loss) for the year	-	-	-	-	20,839.97	-	20,839.97
Other comprehensive Income / (expense) (net of tax)	-	-	-	-	143.03	(27,820.06)	(27,677.03)
<b>As at March 31, 2021</b>	<b>14,587.09</b>	<b>4,735.00</b>	<b>2,295.00</b>	<b>1,261.87</b>	<b>34,664.67</b>	<b>(18,178.92)</b>	<b>39,364.71</b>
As at April 1, 2021	14,587.09	4,735.00	2,295.00	1,261.87	34,664.67	(18,178.92)	39,364.71
Profit / (Loss) for the year	-	-	-	-	16,051.85	-	16,051.85
Other comprehensive Income / (expense) (net of tax)	-	-	-	-	(603.37)	9,794.26	9,190.89
<b>As at March 31, 2022</b>	<b>14,587.09</b>	<b>4,735.00</b>	<b>2,295.00</b>	<b>1,261.87</b>	<b>50,113.15</b>	<b>(8,384.66)</b>	<b>64,607.45</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP  
ICAI Firm Registration Number: 101049W/E300004  
Chartered Accountants

per Adarsh Ranka  
Partner  
Membership Number: 209567



Place : Bengaluru  
Date: April 19, 2022

For and on behalf of the Board of Directors of  
Tata Power Solar Systems Limited

Ashish Khanna  
Director  
DIN: 06699527

Mahesh D Paranjpe  
Chief Executive Officer

Jitaz E. Mahernosh  
Company Secretary

Place : Mumbai  
Date: April 19, 2022

Anand Agarwal

Anand Agarwal  
Director  
DIN: 06398370

Aditya Gupta  
Chief Financial Officer



**Tata Power Solar Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2022**  
**CIN: U40106MH1989PLC330738**

**1 Corporate information**

Tata Power Solar Systems Limited ("the Company" or "TPSSL") is a manufacturer of solar photo-voltaic cells and modules as well as in the Engineering, Procurement and Construction (EPC) in the solar energy market, wherein the manufactured cells/modules are utilised. The Company is a wholly owned subsidiary of The Tata Power Company Limited.

**2 Significant Accounting Policies**

**2.1 Statement of compliance**

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

**2.2 Basis of preparation and presentation**

The financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

This financial statement has been reported in ₹ Lakhs, except for information pertaining to number of shares and earnings per share information.

The functional and presentation currency of the Company is Indian Rupee ("INR") which is the currency of the primary economic environment in which the Company operates.

**2.3 Other Significant Accounting Policies**

**2.3.1 Current versus non-current classification**

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

- ▶ Expected to be realised or intended to be sold or consumed in normal operating cycle
- ▶ Held primarily for the purpose of trading
- ▶ Expected to be realised within twelve months after the reporting period, or
- ▶ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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



**Tata Power Solar Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2022**  
**CIN: U40106MH1989PLC330738**

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

**2.3.2 Non-current assets held for sale**

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

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

**2.3.3 Foreign currencies**

In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

**2.3.4 Fair value measurement of financial instruments**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.



**Tata Power Solar Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2022**  
**CIN: U40106MH1989PLC330738**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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 observable

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

### **2.3.5 Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the Statement of profit and loss. In case of interest free or concession loans/debentures/preference shares given to subsidiaries, associates and joint ventures, the excess of the actual amount of the loan over initial measure at fair value is accounted as an equity investment.

Investment in equity instruments issued by subsidiaries, associates and joint ventures are measured at cost less impairment.

Investment in preference shares/ debentures of the subsidiaries are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares/ debentures not meeting the aforesaid conditions are classified as debt instruments at amortised cost.

#### **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

#### **(a) Financial assets**

##### **Financial assets at amortised cost**

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

##### **Financial assets measured at fair value**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.



**Tata Power Solar Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2022**  
**CIN: U40106MH1989PLC330738**

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**Impairment of financial assets**

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through the statement of profit and loss.

The Company recognises impairment loss on trade receivables using expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 – Impairment loss on investments.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

**De-recognition of financial assets**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of de-recognition and the consideration received is recognised in statement of profit or loss.

**(b) Financial liabilities and equity instruments**

**Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

**Financial Liabilities**

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

a. **Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.





b. De-recognition

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

c. Off-setting of financial instruments

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

**2.3.6 Derivative financial instruments**

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks by way of foreign exchange forward contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

For the purpose of hedge accounting, hedges are classified as:

- ▶ Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- ▶ Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- ▶ Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

**(i) Fair value hedges**

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.



**Tata Power Solar Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2022**  
**CIN: U40106MH1989PLC330738**

**(ii) Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the Effective portion of cash flow hedges, while any ineffective portion is recognised immediately in the statement of profit and loss. The Effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in finance costs.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

**(iii) Hedges of a net investment**

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is reclassified to the statement of profit and loss (as a reclassification adjustment).

**2.3.7 Leases:**

At inception of contract, the Company assesses whether the Contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative standalone price.

**Company as a lessee:**

**i) Right-of-use Assets**

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

**ii) Lease Liabilities:**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount



**Tata Power Solar Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2022**  
**CIN: U40106MH1989PLC330738**

lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

**3. Critical accounting estimates and judgements**

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

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

The areas involving critical estimates or judgements are:

3.1 Useful lives of Property, Plant and Equipment

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

3.2 Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The cross functional team of the Company works closely with the valuer to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the finding to the board of directors of the Company every quarter to explain the cause of fluctuations in the fair value of the assets and liabilities.

3.3 Determination of percentage of completion

The Company uses the proportionate completion method for recognition of revenue, accounting for unbilled revenue / unearned revenue and contract cost thereon for its turnkey contracts. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Use of the proportionate completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Significant assumptions are required in determining the stage of completion, the extent of the contract cost incurred, the estimated total contract revenue and contract cost and the recoverability of the contracts. These estimates are based on events existing at the end of each reporting date.

3.4 Deferred tax asset is recognized only when and to the extent there is convincing evidence that the Company will have sufficient taxable profits in future against which such assets can be utilized. Significant management judgment 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, recent business performance and developments.

3.5 Refer note 39 as regards management judgements with regard to COVID – 19 pandemic,



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

**Accounting Policy**

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price (net of trade discount and rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with Ind AS 23. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Other indirect Expenses incurred relating to project, net of income accrued during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress. When significant parts of plant and equipment are acquired in or replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Freehold land is not depreciated.

Fixtures and equipment (including vehicles) are stated at cost less accumulated depreciation and accumulated impairment losses.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes indirect costs and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit or loss as and when incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate assets are derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of the assets are as follows:

- Property, plant and equipment - The useful life is as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

(i) Plant and Machinery: Useful life ranging from 3 to 25 years

(ii) In case of low value assets, i.e. assets individually costing less than Rs. 5,000/-, they are depreciated in full in the year of capitalisation.

- Lease-hold improvements are amortised over the primary period of the lease.

Pro-rata depreciation is charged on assets purchased and / or sold during the year.

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 the statement of profit and loss.

Refer Note 5 as regards accounting policy on impairment of property, plant and equipment.

	Land	Building	Plant and machinery	Leasehold improvements	Office equipment	Furniture and fixtures	Motor vehicles	Total
<b>₹ in Lakhs</b>								
<b>Gross carrying value</b>								
As at April 1, 2020	7,456.80	7,404.64	23,235.75	20.84	1,897.24	823.43	58.47	40,897.17
Additions made during the year	-	430.46	19,624.55	-	356.45	52.00	-	20,463.46
Disposals/ adjustments during the year	-	-	(1,192.67)	-	(52.36)	(5.17)	(15.86)	(1,265.06)
As at March 31, 2021	7,456.80	7,835.10	41,667.63	20.84	2,201.33	870.26	42.61	60,094.58
Additions made during the year	-	765.11	1,450.91	-	340.79	99.02	-	2,655.83
Disposals/ adjustments during the year	-	-	(4.82)	-	(87.46)	-	-	(92.28)
As at March 31, 2022	7,456.80	8,600.21	43,113.72	20.84	2,454.67	969.28	42.61	62,658.13
<b>Accumulated depreciation</b>								
As at April 1, 2020	-	1,899.88	19,745.21	20.84	1,156.65	729.65	43.37	23,595.80
Depreciation expense for the year	-	489.60	1,553.39	-	277.57	39.57	8.27	2,368.40
Disposals/ adjustments for the year	-	-	(1,188.13)	-	(49.21)	(5.17)	(11.51)	(1,254.02)
As at March 31, 2021	-	2,389.48	20,110.47	20.84	1,385.01	764.05	40.13	24,709.98
Depreciation for the year	-	554.89	5,039.22	-	334.74	29.60	1.81	5,960.26
Disposals/ adjustments during the year	-	-	(4.41)	-	(82.87)	-	-	(87.28)
As at March 31, 2022	-	2,944.37	25,145.28	20.84	1,636.88	793.65	41.94	30,582.96
<b>Net Block As at March 31, 2022</b>	<b>7,456.80</b>	<b>5,655.84</b>	<b>17,968.44</b>	<b>-</b>	<b>817.79</b>	<b>175.63</b>	<b>0.67</b>	<b>32,075.17</b>
<b>Net Block As at March 31, 2021</b>	<b>7,456.80</b>	<b>5,445.62</b>	<b>21,557.16</b>	<b>-</b>	<b>816.32</b>	<b>106.21</b>	<b>2.48</b>	<b>35,384.59</b>





**Note - 5 : Intangible assets**

**Accounting Policy**

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Derecognition of intangible assets

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

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

- Software purchased: 3 years

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

Impairment of Property, plant and equipment and intangible assets

As at the end of each accounting year, the Company reviews the carrying amounts of its Property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- in the case of an individual asset, at the higher of the net selling price and the value in use; and
- in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

Refer note 39 as regards management judgements with regard to COVID – 19 pandemic.

	₹ in Lakhs	
	Software	Total
<b>Gross carrying value</b>		
As at April 1, 2020	886.91	886.91
Additions made during the year	-	-
Disposals/ adjustments during the year	-	-
As at March 31, 2021	886.91	886.91
Additions made during the year	45.81	45.81
Disposals/ adjustments during the year	-	-
As at March 31, 2022	932.72	932.72
<b>Accumulated amortisation</b>		
As at April 1, 2020	722.50	722.50
Amortisation expense for the year	129.81	129.81
Disposals/ adjustments for the year	-	-
As at March 31, 2021	852.31	852.31
Amortisation expense	22.08	22.08
Disposals/ adjustments during the year	-	-
As at March 31, 2022	874.39	874.39
<b>Net Block As at March 31, 2022</b>	<b>58.33</b>	<b>58.33</b>
<b>Net Block As at March 31, 2021</b>	<b>34.60</b>	<b>34.60</b>



Note - 5 Capital Work-in-Progress

Accounting Policy

Capital work in progress is stated at cost, net of accumulated impairment loss, if any

	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Capital work in progress (CWIP)	544.30	466.79

Capital Work in Progress (CWIP) ageing Schedule as at March 31, 2022

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	544.30	-	-	-	544.30
Projects temporarily suspended	-	-	-	-	-

Capital Work in Progress (CWIP) ageing Schedule as at March 31, 2021

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	466.79	-	-	-	466.79
Projects temporarily suspended	-	-	-	-	-

Note - 7 Non-current Investments

	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
(i) Investments in equity instruments at cost		
Unquoted investments (all fully paid)		
- Chirasthaayee Saurya Limited (wholly owned subsidiary) (1,000,000 shares of Rs. 10 each)	100.00	100.00
<b>Total</b>	<b>100.00</b>	<b>100.00</b>
Aggregate value of unquoted investments	100.00	100.00

Note - 7.1: Investment in equity instrument

The Company has incorporated a subsidiary Chirasthaayee Saurya Limited with total investment of Rs. 100 Lakhs in the form of equity as at March 31, 2022.

Note - 8: Inventories

Accounting Policy

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average basis. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, taxes. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

► Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition

► Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs

► Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in respect of the purchases of raw materials.

	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
(Lower of cost and net realisable value)		
Raw materials	129,698.60	31,678.97
Work-in-progress	1,198.66	841.79
Finished goods	27,198.60	8,277.08
Stores and spares	1,338.83	971.07
<b>Total</b>	<b>159,434.69</b>	<b>41,568.91</b>
Included above, goods-in-transit:		
Raw materials	4,666.98	2,303.43
Finished goods	10,932.99	3,780.81
<b>Total</b>	<b>15,599.97</b>	<b>6,084.24</b>

The cost of materials consumed include inventories and project related materials delivered at site recognised as an expense during the year was Rs. 709,868,27 Lakhs (for the year ended March 31, 2021: Rs. 405,491.49 Lakhs)

The Mode of valuation of Inventories has been stated above



Note - 9: Trade receivables

	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Considered Good- Secured	-	-	-	-
Considered Good- Unsecured	347,420.66	2,787.50	335,150.31	21,783.48
Doubtful	4,272.87	180.67	3,650.62	117.97
Less: Allowance for doubtful debts (including expected credit loss allowance)	(5,743.01)	(180.67)	(5,075.93)	(117.97)
<b>Total</b>	<b>345,950.52</b>	<b>2,787.50</b>	<b>333,725.00</b>	<b>21,783.48</b>

Trade Receivables Ageing schedule as at March 31, 2022

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
<b>(i) Undisputed Trade Receivables</b>							
a) Considered good	260,275.48	73,975.51	9,921.23	834.50	136.93	101.60	345,146.35
b) Significant increase in credit risk	458.07	442.90	409.62	356.54	118.17	243.22	2,528.52
c) Credit Impaired	-	-	-	-	-	-	-
<b>(ii) Disputed Trade Receivables</b>							
a) Considered good	4,465.22	424.96	171.63	-	-	-	5,061.81
b) Significant increase in credit risk	89.95	227.73	121.16	1,302.86	31.46	151.86	1,925.01
c) Credit Impaired	-	-	-	-	-	-	-

Trade Receivables Ageing schedule as at March 31, 2021

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
<b>(i) Undisputed Trade Receivables</b>							
a) Considered good	292,955.97	59,152.75	3,961.24	606.17	6.61	93.07	356,775.81
b) Significant increase in credit risk	622.00	207.27	1,161.54	523.78	230.94	52.74	2,798.27
c) Credit Impaired	-	-	-	-	-	-	-
<b>(ii) Disputed Trade Receivables</b>							
a) Considered good	39.22	62.31	56.42	-	-	-	157.95
b) Significant increase in credit risk	141.89	212.85	295.13	139.04	38.38	143.03	970.32
c) Credit Impaired	-	-	-	-	-	-	-

Note - 9.1 :

The average credit period on sale of goods and services ranges between 60 to 90 days. No interest is normally charged on the trade receivable outstanding balances. Before accepting any new customer, the Company does a credit evaluation either through internal evaluations or through external analysts reports except in the case of Government funded projects and large Public Sector Undertakings (PSUs) which are considered to have high credit quality, to assess the potential customer's credit quality.

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix for different categories of customers. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing Particulars	Average Expected credit loss (%)
Within the credit period	0.49%
1-30 days past due	1.74%
31-60 days past due	1.91%
61-90 days past due	2.47%
91-120 days past due	2.81%
121-150 days past due	2.54%
151-180 days past due	3.02%
More than 180 days past due	3.86%

Movement in the allowance for doubtful receivables (including expected credit loss allowance)

(a) Expected credit loss allowance	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	1,425.31	950.78
Movement in expected credit loss allowance on trade receivables calculated at lifetime	44.83	474.53
Balance at end of the year	1,470.14	1,425.31

(b) Specific allowance for doubtful receivables

	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	3,768.59	11,151.76
Add: Specific allowance on trade receivables	1,365.17	1,629.68
Less: Reversal of allowance on collection/written off	(680.23)	(9,012.85)
Balance at end of the year	4,453.53	3,768.59

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Refer note 39 as regards management judgements with regard to COVID - 19 pandemic.



**Note - 10: Cash and bank balances**

**Accounting Policy**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**Note - 10.1: Cash and cash equivalents**

	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Balances with banks		
in Current Accounts	1,583.56	13,197.52
in Deposit Accounts (with original maturity three months or less)		800.00
<b>Cash and cash equivalents as per balance sheet</b>	<b>1,583.56</b>	<b>13,997.52</b>
Bank overdrafts	(7,862.13)	(1,727.00)
<b>Cash and cash equivalents as per statement of cashflows</b>	<b>(6,278.57)</b>	<b>12,270.52</b>

**Note - 10.2: Bank balances other than cash and cash equivalents**

	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Balances with banks (with original maturity of more than three months but less than 12 months)		
In Deposit Accounts	441.86	267.05
Less: Disclosed under non-current financial assets	(281.32)	(267.05)
	<b>160.54</b>	<b>-</b>

**Reconciliation of Liabilities from Financing Activities**

	As at March 31, 2021	Cash Flows		Non-cash Transactions	₹ in Lakhs
		Proceeds/ Expense	Repayment/ Payment		As at March 31, 2022
Non-current Borrowings (including Current Maturity of Non-current Borrowings)	15,000.00	-	(4,500.00)	-	10,500.00
Current Borrowings (excluding Bank Overdraft)	80,655.82	1,026,309.03	(1,032,664.85)	-	74,300.00
Interest accrued	604.47	15,709.99	(15,430.70)	-	883.76
<b>Total</b>	<b>96,260.29</b>	<b>1,042,019.02</b>	<b>(1,052,595.55)</b>	<b>-</b>	<b>86,683.76</b>

	As at March 31, 2020	Cash Flows		Non-cash Transactions	₹ in Lakhs
		Proceeds/ Expense	Repayment/ Payment		As at March 31, 2021
Non-current Borrowings (including Current Maturity of Non-current Borrowings)	-	15,000.00	-	-	15,000.00
Current Borrowings (excluding Bank Overdraft)	4.01	252,802.64	(172,150.83)	-	80,655.82
Interest accrued	68.55	8,053.87	(7,517.95)	-	604.47
<b>Total</b>	<b>72.56</b>	<b>275,856.51</b>	<b>(179,668.78)</b>	<b>-</b>	<b>96,260.29</b>



Note - 11: Loans

	₹ in Lakhs			
	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
<b>Loans to related parties</b>				
Considered Good- Secured	-	-	-	-
Considered Good- Unsecured	1,190.76	-	-	-
Having Significant Increase in Credit Risk	-	-	-	-
Credit Impaired	-	-	-	-
<b>Other Loans</b>				
Considered Good- Secured	-	-	-	-
Considered Good- Unsecured	13.08	-	18.23	-
Having Significant Increase in Credit Risk	-	-	-	-
Credit Impaired	-	-	-	-
<b>Total</b>	<b>1,203.84</b>	<b>-</b>	<b>18.23</b>	<b>-</b>

Note - 11.1:

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

₹ in Lakhs

Name of the Company	Relationship	Amount outstanding as at the year end		Maximum Principal Amount Outstanding during the year (excluding interest accrued)	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		Chirasthaayee Saurya Limited	Subsidiary Company	1,190.76	-

The Inter- Corporate Deposit were provided to its subsidiary company Chirasthaayee Saurya Limited. The tenure of the loan was 91 days to 107 days and it carries interest rate 5.49% p.a. Refer note 45 (v).

Note - 12: Other financial assets

	₹ in Lakhs			
	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
<b>(a) At Amortised Cost</b>				
<b>Security Deposits</b>				
Considered Good- Unsecured	394.02	478.51	318.76	476.42
Considered Doubtful- Unsecured	557.95	37.84	542.95	37.84
	951.97	516.35	861.71	514.26
Less: Impairment loss on security deposits (Refer Note 12.1 below)	(557.95)	(37.84)	(542.95)	(37.84)
	394.02	478.51	318.76	476.42
<b>(b) Unsecured, considered good</b>				
<b>Accruals</b>				
Interest accrued on inter corporate deposit (Refer Note 35.5)	2.45	-	-	-
Interest accrued on bank deposits	20.88	-	16.72	-
<b>Others</b>				
Balances with Banks: (refer note 10.2)				
In Deposit Accounts (with maturity of more than twelve months) (Refer Note 12.2 below)	-	281.32	-	267.05
<b>Total</b>	<b>417.35</b>	<b>759.83</b>	<b>335.48</b>	<b>743.47</b>

Note -12.1: Movement of impairment loss on security deposits

	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Balance at beginning of the year	580.79	509.76
Movement in impairment loss allowance on security deposits	15.00	71.03
Less: Reversal of allowance on collection	-	-
Balance at end of the year	595.79	580.79

Note 12.2: Balances with Banks held as Margin Money Deposits against Guarantees.



Note - 13: Current and non-current tax assets (net)

	₹ in Lakhs			
	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good Tax assets	-	6,012.22	-	4,387.54
<b>Total</b>	-	6,012.22	-	4,387.54

Note - 14: Other current and non-current assets

	₹ in Lakhs			
	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Capital advances	-	125.94	-	-
Advances other than capital advances				
Advances to suppliers	18,514.14	-	14,065.32	-
Advance to employee	14.89	-	19.38	-
Others				
Balances with government authorities	47,815.65	1.80	21,487.82	1.80
Unbilled revenue	19,005.73	-	4,150.97	-
Prepaid expenses	610.82	-	318.54	-
Other contract assets	4,177.28	-	1,571.51	-
Other receivables	11.23	-	27.23	-
<b>Total</b>	<b>90,149.74</b>	<b>127.74</b>	<b>41,640.77</b>	<b>1.80</b>





Note - 15: Equity share capital

	As at March 31, 2022		As at March 31, 2021	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Authorised share capital: Equity shares of Rs. 100/- each with voting rights	25,000,000	25,000.00	25,000,000	25,000.00
Issued, subscribed and fully paid: Equity shares of Rs. 100/- each with voting rights	22,977,567	22,977.57	22,977,567	22,977.57
<b>Total</b>	<b>22,977,567</b>	<b>22,977.57</b>	<b>22,977,567</b>	<b>22,977.57</b>

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

	No. of shares	₹ in Lakhs
As at April 1, 2020	22,977,567	22,977.57
Changes during the year	-	-
As at March 31, 2021	22,977,567	22,977.57
Changes during the year	-	-
As at March 31, 2022	22,977,567	22,977.57

(ii) Detail of the rights, preferences and restrictions attached to equity shares

Equity Shares

The Company has only one class of Equity Share, having a par value of Rs 100/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amount. The distribution will be in proportion to number of equity shares held by the shareholders. The equity shares issued on conversion of the preference shares have pari-passu rights to the earlier issued equity shares.

(iii) Details of shares held by each shareholder holding more than 5% shares:

	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights The Tata Power Company Limited, the Holding Company and its nominees	22,977,567	100%	22,977,567	100%

Note - 16: Other equity

	₹ in Lakhs						
	Securities premium	General reserve	Capital redemption Reserve	Deemed equity	Effective portion of cash flow hedge Reserve (Refer Note 3.2)	Retained earnings	Total
As at April 1, 2020	14,587.09	4,735.00	2,295.00	1,261.87	9,641.14	13,681.67	46,201.77
Profit for the year	-	-	-	-	-	20,839.97	20,839.97
Other comprehensive Income / (expense) arising from rereasurements of the defined benefit liabilities / (asset) (net of tax)	-	-	-	-	(27,820.06)	143.03	(27,677.03)
<b>As at March 31, 2021</b>	<b>14,587.09</b>	<b>4,735.00</b>	<b>2,295.00</b>	<b>1,261.87</b>	<b>(18,178.92)</b>	<b>34,664.67</b>	<b>39,364.71</b>
Profit for the year	-	-	-	-	-	16,051.85	16,051.85
Other comprehensive Income / (expense) arising from rereasurements of the defined benefit liabilities / (asset) (net of tax)	-	-	-	-	9,794.25	(603.37)	9,190.89
<b>As at March 31, 2022</b>	<b>14,587.09</b>	<b>4,735.00</b>	<b>2,295.00</b>	<b>1,261.87</b>	<b>(8,384.66)</b>	<b>50,113.15</b>	<b>64,607.45</b>

**Note - 16.1 : Securities Premium**

Amounts received on issue of shares in excess of the par value has been classified as securities premium.

**Note - 16.2 : General reserve**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

**Note - 16.3 : Capital redemption Reserve**

Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital redemption reserve.

**Note - 16.4 : Deemed equity**

The deemed equity pertains to the accrued interest on the preference shares waived by the preference shareholders.

**Note - 16.5 : Retained earnings**

The amount can be distributed by the Company as dividend to its equity shareholders.

**Note - 16.6 : Item of Other Comprehensive Income**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve. Amounts recognised in the effective portion of cash flow hedges is reclassified to the statement of profit and loss when the hedged item affects profit or loss.



Note - 17.1: Non Current Borrowings

	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
<b>A. Secured borrowings</b>		
(a) Term Loans from banks (Refer Note 17.2 below)	10,500.00	15,000.00
	10,500.00	15,000.00
Less: Current maturities of long term borrowings	6,000.00	4,000.00
<b>Total</b>	<b>4,500.00</b>	<b>11,000.00</b>

Note - 17.2: Term Loan

Secured through a pari passu charge over all the present and future movable fixed assets with minimum asset cover of 1.25x of the loan sanctioned. The rate of interest ranged from 6.9% to 6.95% p.a. Outstanding Borrowing has to be repaid in 10 Equal Quarterly installments, commence from July 31, 2021.

Note - 17.3: Current Borrowings

	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
<b>A. Secured borrowings</b>		
(a) Current maturities of long-term borrowings	6,000.00	4,000.00
(b) Loans repayable on demand from banks		
Bank overdraft (Refer Note 17.4 below)	5,998.57	348.88
Cash credit from bank (Refer Note 17.5 below)	1,863.56	1,378.14
Short-term borrowings (Refer Note 17.6 below)	34,300.00	23,410.88
<b>Total secured borrowings</b>	<b>48,162.13</b>	<b>29,137.88</b>
<b>B. Unsecured borrowings</b>		
(a) Loans repayable on demand from banks		
Short-term borrowings (Refer Note 17.6 below)	40,000.00	-
(b) Other loans		
Buyers credit (Refer Note 17.7)	-	6,261.74
(b) From related parties (Refer Note Note 36.5 and 17.8)	-	50,983.20
<b>Total unsecured borrowings</b>	<b>40,000.00</b>	<b>57,244.94</b>
<b>Total</b>	<b>88,162.13</b>	<b>86,382.82</b>

Note - 17.4: Bank overdraft

Secured through a pari passu charge by hypothecation of stores, raw materials, work-in-progress, finished goods and book debts.

Note - 17.5: Cash Credit from Bank

Cash Credit from Bank is the short term facility with 5.66% p.a. interest charge secured through a pari passu charge on current assets of the Company.

Note - 17.6: Working Capital Demand Loan

Short term loan is the working capital demand loan facility provided by the banks secured through a pari passu charge on current assets of the Company. This short term facility is provided for 7 to 150 days. The interests charges on such facilities ranges between 4.5% to 9.53% p.a.

Note - 17.7: Buyers Credit

Buyers Credit are short term facilities provided for 30 to 90 days. The interest charge on the buyers credit ranged between 0.58% to 0.65%.

Note - 17.8: Loans from Related parties

Interest on short term loans from related parties ranged between 3.41% to 8.40%.

The Company has been sanctioned working capital limits in excess of Rs. 5 crore in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are generally in agreement with the books of accounts of the Company except as below:

Quarter ended	₹ in Lakhs	
	As per books of accounts	As per quarterly statements
<b>June 30, 2021</b>		
Current borrowings	188,316	244,416

Note - 18: Trade payables

	₹ in Lakhs			
	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Trade payable for goods and services				
- Total outstanding dues of micro enterprise and small enterprise (Refer Note 32)	13,724.15	-	4,676.29	-
- Total outstanding dues of creditors other than micro enterprise and small enterprise	326,939.72	-	208,162.99	-
<b>Total</b>	<b>340,663.87</b>	<b>-</b>	<b>212,839.28</b>	<b>-</b>

The average credit period for purchase of certain goods ranges from is 30 to 90 days. No interest is charged on trade payables.

Trade Payables Ageing schedule as at March 31, 2022

a) Trade Payables where due date of payment is available

	₹ in Lakhs				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	12,434.80	1,007.48	281.67	0.22	13,724.15
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	241,255.42	7,406.73	940.15	1,411.03	251,013.33
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-

b) Trade Payables other than (a) above\*

	₹ in Lakhs				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	75,926.39	-	-	-	75,926.39
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-



a) Trade Payables where due date of payment is available

	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	4,230.12	438.60	7.57	-	4,878.29
(ii) Total outstanding dues of creditors other than micro enterprises and small	116,182.70	1,258.98	3,972.21	2,105.04	1,20,519.03
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small	-	-	-	-	-

b) Trade Payables other than (a) above\*

	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small	34,543.96	-	-	-	34,543.96
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small	-	-	-	-	-

\*Represents accrued expenses and GRIR as at the respective balance sheet dates

**Note - 19: Other Financial Liabilities**

	₹ in Lakhs			
	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
<b>Other financial liabilities measured at amortised cost</b>				
(a) Interest accrued (Refer Note 19.1 below)	168.11	-	278.18	-
(b) Interest on MSME (Refer Note 32)	715.65	-	326.29	-
(c) Creditors for capital supplies/services	1,245.16	-	8,562.37	-
(d) Trade / security deposits received	202.57	-	247.92	-
	<b>2,331.49</b>	<b>-</b>	<b>9,414.76</b>	<b>-</b>
<b>Other financial liabilities measured at fair value</b>				
Derivative financial instruments carried at fair value	2,781.16	-	14,709.74	-
	<b>2,781.16</b>	<b>-</b>	<b>14,709.74</b>	<b>-</b>
<b>Total</b>	<b>5,112.65</b>	<b>-</b>	<b>24,124.50</b>	<b>-</b>

**Note - 19.1: Interest accrued**

The interest accrued includes interest accrued but not due on borrowings amounting to Rs. 168.11 Lakhs (As at March 31, 2021 - Rs. 278.18 Lakhs). Refer Note 17.2, Note 17.4, Note 17.5, Note 17.6, Note 17.7 and Note 17.8 for the terms of the interest rate on the borrowings.

**Note - 20: Current and non-current tax liabilities (net)**

	₹ in Lakhs			
	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Income tax payable	-	302.66	4,430.89	302.66
<b>Total</b>	<b>-</b>	<b>302.66</b>	<b>4,430.89</b>	<b>302.66</b>

**Note - 21: Provisions**

**Accounting Policy**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Provisions and contingent liability are reviewed at each balance sheet.

**Provision for warranty**

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Company's obligation. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.



₹ in Lakhs

	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
(a) Provision for employee benefits				
Compensated absences (Refer Note 21.2)	95.79	1,781.08	57.34	1,483.53
Gratuity (Refer Note 21.2)	57.70	3,679.20	52.48	2,578.58
Post Employee Benefits (Refer Note 21.2)	-	5.09	-	3.28
Other defined benefit plan (Refer Note 21.2)	43.07	420.86	40.39	319.82
Other employee benefits (Refer Note 21.2)	30.26	190.72	39.80	187.34
(b) Other Provisions				
Warranty (Refer Note 21.1 below)	884.70	4,999.74	1,035.82	5,092.11
Rectification work (Refer Note 21.1 below)	-	-	199.80	-
Provision for foreseeable losses (Refer Note 21.1 below)	16,379.91	-	5,723.54	-
<b>Total</b>	<b>17,492.43</b>	<b>11,067.67</b>	<b>7,159.15</b>	<b>9,644.66</b>

Note - 21.1: Provision for warranty and rectification work

₹ in Lakhs

	As at March 31, 2022		As at March 31, 2021	
	Warranty Provision	Rectification work	Warranty Provision	Rectification work
Balance as at beginning of the year	6,127.93	199.80	4,549.44	449.80
Provision made during the year	1,065.96	-	2,649.57	-
Amounts incurred/utilized during the year	(1,309.45)	(199.80)	(1,071.08)	(250.00)
<b>Balance as at the end of the year</b>	<b>5,884.44</b>	<b>-</b>	<b>6,127.93</b>	<b>199.80</b>

Of the above the amounts expected to be incurred within a year amounts to Rs. 884.70 Lakhs (March 31, 2021: Rs. 1,035.82 Lakhs). The warranty expenditure is expected to be incurred over the warranty life of the products as contracted, which varies from 10 to 25 years.

The provision for warranty claims represents the present value of the management's best estimate of the future outflow of economic benefits that will be required under the Company's obligations for warranties under sales of goods legislation. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality.

The provision for rectification work relates to the estimated cost of work agreed to be carried out for the rectification of goods supplied to the customers. The amount has been utilised or reversed in the financial year 2021-22. These amounts have not been discounted for the purposes of measuring the provision for rectification work, because the effect is not material.

Provision for foreseeable loss represents loss provided for onerous contracts.



**Note - 21.2: Employee benefit plan**

Refer note 25 as regards policy on employee benefits

**(i) Defined Contribution plan**

The Company makes provident fund and superannuation fund contribution which are defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs 660.26 Lakhs for the year ended March 31, 2022 (Rs 531.90 Lakhs for Provident Fund contributions, Rs 84.39 Lakhs for Superannuation Fund contributions included as a part of contribution to provident fund and other funds in Note 25 Employees Benefit Expenses. The Company recognised Rs 4.02 Lakhs for the year ended March 31, 2021 (Rs 1.88 Lakhs for Employee State Insurance Scheme contributions, included as a part of staff welfare in Note 25 Employees Benefit Expenses. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

**(ii) Defined benefit plans**

The Company offers the following employee defined benefit schemes to its employees-employees

- i) Gratuity included as a part of contribution to provident fund and other fund in Note 25 Employees Benefit Expenses
- ii) Pension-cost retirement benefits, is the erstwhile managing director included as a part of Salary and Wages in Note 21 Employees Benefits Expense
- iii) Post-Employment Medical Benefits (post-employment health care benefits to superannuated employees in Note 25 Employees Benefits Expense)
- iv) Ex-Gratia Death Benefit (granting ex-gratia in case of death during service in Note 25 Employees Benefits Expense)
- v) Retirement Gift (granting a pre-determined sum as retirement gift on superannuation of an employee in Note 25 Employees Benefits Expense)

**Investment Risk:**

The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

**Interest Risk:**

A decrease in the yield of Indian government securities will increase the plan liability.

**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. In particular, there is a risk for the Company that any adverse salary growth can result in an increase in cost of providing these benefits to employees in future.

In respect of the plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2022 by professional actuary. The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit cost credit method.

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

	Valuation as at	
	March 31, 2022	March 31, 2021
Gratuity, compensated leave absences and pension		
Discount rate (p.a.)	6.80%	6.50%
Expected rate of salary increase (p.a.)	Management - 7% Non Management - 6%	Management - 7% Non Management - 5%
Attrition (p.a.)	Management: 21-44 years - 6% 45 years and above - 2% Non Management: 0.5%	Management: 21-44 years - 6% 45 years and above - 2% Non Management: 0.5%
Expected return on plan assets (p.a.)	6.80%	6.50%
Pension increase rate (p.a.)	5%	5%
Mortality tables	Indian Assured Lives Mortality (06-08) UIT Table	Indian Assured Lives Mortality (06-08) UIT Table

- The discount rate is based on the prevailing market yields of Indian Government securities as at balance sheet date for the estimated term of the obligation.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
- In order to protect the capital and optimize returns within acceptable risk parameters, the plan assets are maintained with an insurer managed fund and is well diversified.

Amounts recognised in statement of profit and loss in respect of these defined benefits plans are as follows:

	Gratuity		Pension		Others benefits	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Current Service Cost	199.04	202.21	-	-	-	-
Past Service Cost	-	-	-	-	-	-
Past Service Cost - plan amendments	-	-	-	-	-	-
Net Interest expense	172.38	158.53	22.95	24.37	0.22	-
Immediate recognition of (gains)/losses - other long term employee benefit plans	-	-	-	-	-	-
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>371.42</b>	<b>360.84</b>	<b>22.95</b>	<b>24.37</b>	<b>0.22</b>	<b>-</b>

Re measurement on the net defined benefit liability:

	Gratuity		Pension		Others benefits	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Return on the net defined benefit liability						
Return on plan assets excluding amounts included in interest cost/(income)	12.82	0.81	-	-	-	-
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-	18.09	-	0.45	-
Actuarial (gains)/losses arising from changes in financial assumptions	181.57	(30.93)	(5.52)	(2.29)	(0.14)	(0.04)
Actuarial (gains)/losses arising from experience	411.09	(162.40)	136.04	0.39	1.28	3.32
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>605.58</b>	<b>(192.52)</b>	<b>148.61</b>	<b>(1.90)</b>	<b>1.59</b>	<b>3.28</b>
<b>Total</b>	<b>977.00</b>	<b>168.32</b>	<b>171.56</b>	<b>22.47</b>	<b>1.81</b>	<b>3.28</b>

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The re measurement of the net defined benefit liability is included in other comprehensive income.



The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

	Gratuity		Pension		Others benefits	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Present value of funded defined benefit obligation	3,778.89	2,848.31	480.14	376.07	5.09	3.28
Fair value of plan assets	(31.30)	(17.27)	-	-	-	-
Funded status	3,747.59	2,831.04	480.14	376.07	5.09	3.28
<b>Net (liability) recognised in balance sheet</b>	<b>(3,737.89)</b>	<b>(2,831.04)</b>	<b>(480.14)</b>	<b>(376.07)</b>	<b>(5.09)</b>	<b>(3.28)</b>
Current (liability)	(67.70)	(52.46)	(53.92)	(40.38)	-	-
Non-current (liability)	(3,670.19)	(2,578.58)	(426.22)	(335.69)	(5.09)	(3.28)
Estimated amount of contribution in the immediate next year	67.70	52.46	53.92	40.38	-	-

Movements in the present value of the defined benefit obligations are as follows:

	Gratuity		Pension		Others benefits	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening defined benefit obligations	2,548.31	2,535.14	376.07	396.19	3.28	-
Current service cost	199.04	202.21	-	-	-	-
Interest Cost	174.88	159.70	22.95	24.37	0.22	-
Acquisitions (credit)/cost	226.58	132.41	-	-	-	1.33
Actuarial (Gains)/losses arising from changes in demographic assumptions	-	-	18.09	-	0.45	-
Actuarial (Gains)/losses arising from changes in financial assumptions	181.67	(30.93)	(5.52)	(2.29)	(0.14)	(0.04)
Actuarial (Gains)/losses arising from experience assumptions	411.09	(162.40)	136.04	0.39	1.28	-
Past Service Cost, including losses (gains) on curtailment	-	-	-	-	-	-
Benefits paid directly by the Company	(26.73)	(139.32)	(67.49)	(42.55)	-	-
Benefits paid from plan assets	(35.73)	(18.51)	-	-	-	-
<b>Closing defined benefit obligation</b>	<b>3,778.89</b>	<b>2,848.31</b>	<b>480.14</b>	<b>376.07</b>	<b>5.09</b>	<b>3.28</b>

Movements in the fair value of the plan assets are as follows:

	Gratuity		Pension		Others benefits	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening fair value of plan assets	17.26	16.13	-	-	-	-
Interest income	2.27	1.08	-	-	-	-
Remeasurement gains/(losses)	-	-	-	-	-	-
Actual return on plan assets less interest on plan assets	(12.82)	(0.81)	-	-	-	-
Contribution from the employer	70.00	19.38	-	-	-	-
Contribution from plan participant	-	-	-	-	-	-
Benefits paid	(35.73)	(18.51)	-	-	-	-
<b>Closing fair value of plan assets</b>	<b>40.99</b>	<b>17.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The weighted average duration of the benefit obligation as at March 31, 2022 is 7.6 years (March 31, 2021 is 7.4 years)

#### Sensitivity Analysis

The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account changes in these three key parameters:

	₹ in Lakhs	
	March 31, 2022	March 31, 2021
<b>Discount rate</b>		
Effect on DBO due to 0.5% increase in Discount Rate	(213.10)	(158.69)
Effect on DBO due to 0.5% decrease in Discount Rate	229.73	0.08
<b>Pension/Salary increase rate</b>		
Effect on DBO due to 0.5% increase in Pension Escalation Rate	228.55	171.34
Effect on DBO due to 0.5% decrease in Pension Escalation Rate	(213.91)	(160.01)
<b>Medical Inflation Rate</b>		
Effect on DBO due to 0.5% increase in Medical Inflation Rate	0.33	-
Effect on DBO due to 0.5% decrease in Medical Inflation Rate	(0.03)	-
<b>Life expectancy</b>		
Effect on DBO due to 1 year increase in longevity	32.08	26.93
Effect on DBO due to 1 year decrease in longevity	(31.25)	(26.57)

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

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

	Gratuity		Pension		Others benefits	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Within 1 year	112.33	71.99	55.72	41.70	-	-
Between 1 - 2 years	155.17	97.92	56.30	41.76	0.21	0.14
Between 2 - 3 years	229.27	109.97	56.54	41.56	0.23	0.15
Between 3 - 4 years	114.89	199.81	56.41	41.08	0.24	0.16
Between 4 - 5 years	274.47	99.19	55.84	40.30	0.26	0.17
Beyond 5 years	2,135.23	1,935.32	252.34	179.81	1.88	1.04

Movement of Provision of Compensated Leave Absences

	₹ in Lakhs	
	March 31, 2022	March 31, 2021
Opening balance	1,530.87	1,524.88
Add: Expenses for the year	507.81	333.63
Less: Payment made during the year	(170.83)	(327.64)
<b>Closing Balance</b>	<b>1,867.85</b>	<b>1,530.87</b>
Expense recognised in Statement of Profit and Loss	507.81	333.63
Current portion of provision balance	86.79	67.24
Non-current portion of provision balance	1,781.06	1,463.53





Note - 22: Other current and non-current liabilities

	₹ in Lakhs			
	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
(a) Advances received from customers	63,640.47	-	26,310.80	-
(b) Government grant (Refer Note 22.1 below)	-	1,214.75	-	1,214.75
(c) Statutory dues (other than income taxes)	579.52	-	582.73	-
(d) Income received in advance (unearned revenue)	30,379.66	-	59,604.26	-
(e) Other liabilities	89.43	-	69.97	-
<b>Total</b>	<b>94,689.08</b>	<b>1,214.75</b>	<b>86,567.76</b>	<b>1,214.75</b>

Note - 22.1: Government grant

**Accounting Policy**

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

**Movement in Government Grant**

	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	1,214.75	1,214.75
Add: Received during the year	-	-
Less: Released to the statement of profit and loss	-	-
<b>Balance at end of the year</b>	<b>1,214.75</b>	<b>1,214.75</b>

The Company has received government grants in the form of import duty exemption on purchase of capital goods, to be used for production of items for exports, based on the terms of the Export Promotion Capital Goods (EPCG) scheme. The Company recognises an income from such grants based on meeting the export obligations as specified under the EPCG scheme.



Note - 23: Revenue from operations

Accounting Policy

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

Revenues from turnkey contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using the proportionate completion method, with contract costs determining the degree of completion. Foreseeable losses on such contracts are recognised when probable.

Delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers or on receipt of favourable order from regulator / authorities.

Revenue on installation and commissioning contracts are recognized as per the terms of contract.

Revenues from maintenance contracts are recognised pro-rata over the period of the contract.

Refer Note 22.1 as regards policy on government grant.

₹ in Lakhs		
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
(a) Revenue from sale of goods and services	843,195.32	505,426.96
(b) Revenue from rendering of maintenance services	6,607.05	5,608.01
(c) Other operating revenue		
- Sale of scrap	566.04	411.17
- Sale of scrips for duty exemption	73.04	434.09
- Miscellaneous Revenue	207.17	11.11
<b>Total</b>	<b>850,648.62</b>	<b>511,891.34</b>

The following table provides information about the company's revenue from contracts with customers:

₹ in Lakhs		
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Timing of revenue recognition (excluding other operating revenue)		
Goods transferred at a point in time	29,751.05	29,335.03
Services transferred over time	820,051.32	481,699.94
<b>Total</b>	<b>849,802.37</b>	<b>511,034.97</b>
India	849,714.53	511,019.59
Outside India	87.84	15.38
<b>Total</b>	<b>849,802.37</b>	<b>511,034.97</b>



**Tata Power Solar Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2022**  
**CIN: U40106MH1989PLC330738**

The following table provides information about contract assets and contract liabilities from contract with customers.

	Rs. in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>Contract Assets</b>		
Recoverable from Customers		
Non-current	-	-
Current	4,177.28	1,571.51
<b>Total Contract Assets</b>	<b>4,177.28</b>	<b>1,571.51</b>
<b>Contract Liabilities</b>		
Advance from Customers		
Non-current	-	-
Current	63,640.47	26,310.80
Liabilities towards Customers		
Non-current	-	-
Current	30,379.66	59,604.26
<b>Total Contract Liabilities</b>	<b>94,020.13</b>	<b>85,915.06</b>
<b>Receivables</b>		
Trade Receivables (Gross)		
Non-current	2,968.17	21,901.45
Current	351,693.53	338,800.93
Unbilled Revenue		
Non-current	-	-
Current	19,005.73	4,150.97
(Less): Allowances for Doubtful Debts		
Non-current	(180.67)	(117.97)
Current	(5,743.01)	(5,075.93)
<b>Net Receivables</b>	<b>367,743.75</b>	<b>359,659.45</b>

Note: Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>Opening Balance (excluding trade receivables and trade payables)</b>		
Recoverable from Customers	5,722.48	1,423.26
Liabilities towards Customers	85,915.06	50,489.97
Revenue recognised during the year from contracts	790,198.11	488,573.37
Revenue recognised during the year that was included in the opening contract liability	59,604.26	22,461.60
<b>Closing Balance (excluding trade receivables and trade payables)</b>		
Recoverable from Customers	23,183.01	5,722.48
Liabilities towards Customers	94,020.13	85,915.06



Note -24 Other income

Accounting Policy

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Refer note 2.3.5 as regards policy on fair valuation measurement with regard to Financial instruments.

	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
(a) Interest income (Refer Note (i) below)	7,396.38	2,407.86
(b) Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	9.51	3.60
(c) Profit from Sale of Investments (Net) (Refer Note (iii) below)	-	12.90
(d) Other gains (Refer Note (iv) below)	1.19	-
<b>Total</b>	<b>7,407.08</b>	<b>2,424.36</b>
<b>Notes</b>		
(i) <b>Interest income comprises :</b>		
Interest on Inter Corporate Deposits (Refer Note 36)	6.62	1,179.65
Interest from banks on deposits	26.89	229.83
Interest Income from Income-Tax Refund	0.12	37.00
Interest Income from Revenue Contracts (Refer Note 36)	7,352.75	961.22
Other Interest	10.00	0.16
<b>Total</b>	<b>7,396.38</b>	<b>2,407.86</b>
(ii) <b>Other non-operating income (net of expenses directly attributable to such income) :</b>		
Miscellaneous Income	9.51	3.60
<b>Total</b>	<b>9.51</b>	<b>3.60</b>
(iii) <b>Profit from sale/ fair valuation of investments (Net)</b>		
Current Investments	-	12.90
<b>Total</b>	<b>-</b>	<b>12.90</b>
(iv) <b>Other gains</b>		
Gain on disposal of property, plant and equipment	1.19	-
<b>Total</b>	<b>1.19</b>	<b>-</b>



Note -25 Employee benefits expenses

**Accounting Policy**

Retirement and other employee benefits

Retirement benefit in the form of provident fund, pension fund and superannuation fund are defined contribution scheme. The Company has no obligation, other than the contribution payable. The Company recognizes contribution payable to provident fund, pension fund and superannuation fund as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method for the year ended March 31, 2022.

The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method using actuarial valuation to be carried out for the year ended March 31, 2022.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

		₹ in Lakhs	
		For the Year ended March 31, 2022	For the Year ended March 31, 2021
(a)	Salaries and wages	13,364.04	9,707.23
(b)	Contribution to Provident Fund	581.44	432.34
(c)	Contribution to Superannuation Fund	84.39	79.66
(d)	Retiring Gratuities	371.43	360.84
(e)	Compensated Absences	507.81	333.63
(f)	Pension Scheme	131.78	124.02
(g)	Staff welfare expenses	2,378.72	1,492.62
<b>Total</b>		<b>17,419.61</b>	<b>12,530.34</b>



Note -26 Finance costs

Accounting Policy

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

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

₹ in Lakhs		
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
(a) Interest expense		
Interest on bank overdraft, related party borrowings and other borrowings	15,303.34	7,697.82
Interest on delayed payment of MSME vendor	389.36	257.75
Interest on delayed remittance of income taxes	0.67	-
(b) Other borrowing costs		
Bank charges	16.62	98.30
<b>Total</b>	<b>15,709.99</b>	<b>8,053.87</b>

Note -27: Depreciation and amortisation expenses

Refer Note 4 and Note 5 as regards policy on property, plant and equipment and intangible assets.

₹ in Lakhs		
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Depreciation of Property, Plant and equipment (Refer Note 4)	5,960.26	2,368.40
Amortisation of intangible assets (Refer Note 5)	22.08	129.81
<b>Total</b>	<b>5,982.34</b>	<b>2,498.21</b>





Note -28 Other expenses

	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Stores and spares consumed	1,304.49	841.01
Effluent processing charges	537.20	156.54
Power, fuel, water & oil consumed	2,951.05	1,576.49
Freight and handling charges	10,467.97	6,472.40
Rent including lease rentals	3,496.14	3,699.16
Repairs and maintenance - Buildings	480.05	373.07
Repairs and maintenance - Machinery	1,295.57	1,334.45
Repairs and maintenance - Others	917.62	642.10
Rates and taxes	414.51	137.15
Expenditure on corporate social responsibility (CSR) under section 135 of the Companies Act, 2013.	317.15	282.09
Insurance charges	1,063.90	746.78
Commission, discounts and rebates	91.50	861.27
Bad Debts	12.99	186.22
Impairment of financial assets (Refer Note 28.3 below)	760.36	(619.38)
Net loss / (gain) on foreign currency transactions	6,767.35	309.95
Loss on fixed assets written off	-	5.49
Provision for warranty	1,065.96	2,649.57
Legal and other professional costs (Refer Note 28.1 below)	1,638.72	1,390.78
Advertisement, promotion and selling expenses	336.58	315.72
Travelling expenses	1,765.95	1,225.46
Cost of service-outsourced	11,361.04	8,033.95
Director fees	14.16	8.85
Tata brand equity	1,133.30	1,182.14
Other general expenses	5,354.25	3,003.99
<b>Total</b>	<b>53,547.81</b>	<b>34,815.25</b>

Note-28.1: Payment to auditors included in legal and other professional costs  
(excluding applicable taxes)

	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
(a) For Statutory Audit	43.00	39.00
(b) For Tax Audit	4.00	4.00
(c) For Other Services	6.00	7.00
(d) For reimbursement of expenses	3.22	3.22
<b>Total</b>	<b>56.22</b>	<b>53.22</b>



**Note-28.2: Corporate Social Responsibility Expenses**

	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Amount required to be spent by the Company during the year	317.15	282.09
<b>Total</b>	<b>317.15</b>	<b>282.09</b>

	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Amount spent during the year on:	In cash/bank	In cash/bank
(i) Construction / Acquisition of any asset	-	-
(ii) On purposes other than (i) above	166.36	282.09

	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Details related to spent or unspent obligations:	In cash/bank	In cash/bank
(i) Contribution to Public Trust	-	-
(ii) Contribution to Charitable Trust	166.36	282.09
(iii) Unspent Amount in relation to		
(a) Ongoing Projects	150.79	-
(a) Other Than Ongoing Projects	-	-

**Note - 28.3: Impairment losses on financial assets and reversal of impairment on financial assets**

	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Impairment loss allowance on trade receivables (Refer Note 9.1)	1,410.00	2,104.21
Impairment loss allowance on deposits (Refer Note 12.1)	15.00	71.03
	<b>1,425.00</b>	<b>2,175.24</b>
Reversal of impairment losses on deposits (Refer Note 12.1)	-	-
Reversal of impairment losses on trade receivables (Refer Note 9.1)	(680.23)	(9,012.85)
Allowances considered as bad debts during the year	15.58	6,218.22
<b>Total</b>	<b>760.35</b>	<b>(619.39)</b>



Note -29 Income Tax

Accounting Policy

Current income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Note- 29.1: Income Tax Expenses**

**Note- 29.1.1: Income taxes recognised in the statement of profit and loss**

	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>Current tax</b>		
In respect of the current year	6,381.22	7,316.86
<b>Deferred tax</b>		
In respect of the current year	(898.64)	(5,706.30)
<b>Total income tax expense recognised in the current year</b>	<b>5,482.58</b>	<b>1,610.56</b>

**Note- 29.1.2: The income tax expense for the year can be reconciled to the accounting profit as follows:**

	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Profit before tax	21,534.43	22,450.53
Income tax expense calculated at 25.168%	5,419.78	5,650.35
Effect of expenses that are not deductible in determining taxable profit	62.80	377.69
Unrecognized deferred tax asset as at the beginning of the year	-	(4,417.48)
<b>Income tax expense recognised in profit or loss</b>	<b>5,482.58</b>	<b>1,610.56</b>

**Note- 29.1.3: Income tax recognised directly in other comprehensive income**

	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>Current tax</b>		
Remeasurement of defined benefit obligation	(152.41)	48.11
<b>Deferred tax</b>		
Derivative financial instruments designated and effective as hedging instruments carried at fair value	3,294.07	(9,356.63)
<b>Total income tax recognised in other comprehensive income</b>	<b>3,141.66</b>	<b>(9,308.52)</b>

	₹ in Lakhs	
<b>Bifurcation of the income tax recognised in other comprehensive income into:</b>	<b>For the Year ended March 31, 2022</b>	<b>For the Year ended March 31, 2021</b>
Items that will not be reclassified to profit or loss	(152.41)	48.11
Items that may be reclassified to profit or loss	3,294.07	(9,356.63)
	<b>3,141.66</b>	<b>(9,308.52)</b>



**Note - 30: Deferred tax balance**

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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

₹ in Lakhs		
	As at March 31, 2022	As at March 31, 2021
Deferred tax assets	9,424.93	11,820.36
<b>Net Deferred Tax Asset/(Liability)</b>	<b>9,424.93</b>	<b>11,820.36</b>

₹ in Lakhs					
2021-22	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Closing Balance (note 2)
<b>Deferred tax assets/ (liabilities) in relation to:</b>					
Difference in the written down value of fixed assets	(1,948.36)	(454.80)	-	-	(2,403.16)
Provisions for Employee benefits	1,138.89	472.49	152.41	-	1,763.79
Provisions for doubtful debts and advances	1,453.38	187.45	-	-	1,640.83
Provision for Warranty	1,542.28	(61.28)	-	-	1,481.00
Derivative financial instruments designated for hedging	6,114.05	-	(3,294.07)	-	2,819.98
Other disallowances	3,520.11	602.39	-	-	4,122.50
<b>Sub-Total</b>	<b>11,820.35</b>	<b>746.25</b>	<b>(3,141.66)</b>	-	<b>9,424.94</b>
Less: Adjustments (Refer Note below)	-	152.41	(152.41)	-	-
<b>Net Deferred Tax Asset / (Liability)</b>	<b>11,820.35</b>	<b>898.66</b>	<b>(3,294.07)</b>	-	<b>9,424.94</b>

₹ in Lakhs					
2020-21	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Closing Balance (note 2)
<b>Deferred tax assets/ (liabilities) in relation to:</b>					
Difference in the written down value of fixed assets	(1,308.13)	(640.23)	-	-	(1,948.36)
Provisions for Employee benefits	1,324.38	(137.38)	(48.11)	-	1,138.89
Provisions for doubtful debts and advances	3,174.27	(1,720.89)	-	-	1,453.38
Provision for Warranty	1,145.00	397.28	-	-	1,542.28
Derivative financial instruments designated for hedging	(3,242.58)	-	9,356.63	-	6,114.05
Other disallowances	81.96	3,438.16	-	-	3,520.12
<b>Sub-Total</b>	<b>1,174.90</b>	<b>1,336.94</b>	<b>9,308.52</b>	-	<b>11,820.36</b>
Less: Adjustments (Refer Note below)	(4,417.48)	4,369.37	48.11	-	-
<b>Net Deferred Tax Asset / (Liability)</b>	<b>(3,242.58)</b>	<b>5,706.31</b>	<b>9,356.63</b>	-	<b>11,820.36</b>

**Notes**

1. The Company has deferred tax assets relating to provision for doubtful debts and advances, employee benefits and certain other temporary differences which is partially offset by difference in the written down value of property, plant and equipment. In assessing the realization of deferred tax assets, the likelihood of whether it is more likely than not that some portion or all of the deferred tax assets will not be realized must be considered. The ultimate realization of deferred tax assets is dependent on the generation of future taxable income during the periods in which temporary difference become deductible. As the Company was in the process of establishing a trend of taxable profits and considering the absence of certainty of future taxable profits till previous year ended March 31, 2020, the Company had not recognised deferred tax asset of Rs 4,417.47 Lakhs. During the year ended March 31, 2021, based on its internal assessment, the company believes that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The company has accordingly recognised deferred tax asset as at March 31, 2021 and March 31, 2022.

2. The Company intends to elect to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 during 2020-2021. Accordingly, the Deferred Tax as at March 31, 2021 and March 31, 2022 has been computed using the rates prescribed by Ordinance 2019.



Note -31: Commitments and Contingent Liabilities (to the extent not provided for)

(i) Commitments

		₹ in Lakhs	
		As at March 31, 2022	As at March 31, 2021
(a)	Estimated amounts of contracts remaining to be executed on capital account and not provided for		
	Property, plant and equipment	1,231.27	1,481.36
(b)	Other commitments:		
	(i) Vendor purchase commitments	160,037.04	18,922.61
	(ii) Export Commitments pertaining to EPCG benefits, considered as Government Grants that are required to be met by 2023 to 2026	7,666.35	7,666.35
	(iii) The Company has committed to provide future post sale services for periods extending from 1 to 25 years	23,730.52	14,294.51

(ii) Contingent Liabilities

Refer Note 21 as regards policy on provision and contingent liabilities.

		₹ in Lakhs	
		As at March 31, 2022	As at March 31, 2021
(a)	Claims against the Company not acknowledged as debts, in the nature of :		
	(i) Income Tax demands, including penalty and interest due up to date of the order. *The Company is contesting income tax disputes pertaining to adjustments to unutilised tax credits amounting to Rs. 1,848.60 Lakhs, Rs. 128.67 Lakhs and Rs. 1,019.33 Lakhs for FY 2009 -10, FY 2012- 13 and FY 2016-17 respectively.	3,725.86	729.26
	(ii) Sales tax and VAT demands, including penalty and interest due up to the date of the order. - These claims relates to demands arising from sale of Solar PV Module, Module Structure, Cable, Battery, Submersible Pumps, Motor Controller, Hardware etc. as 'Solar Pumping System' as an exempt goods. As per Authority in the schedules appended to Rajasthan VAT Act, there is no entry for 'Solar Pumping System' and hence the same is subjected to item-wise duty structure.	3,806.72	3,806.72
(b)	The Company entered into an EPC Agreement with NTPC Renewable Energy Limited (NTPC) for development of 320 MW Solar PV project in Rajasthan. In April 2021, Hon'ble Supreme Court passed Order which directed the Undergrounding of transmission lines passing through priority and potential habitat of the Great Indian Bustard ("GIB"), wherein the Project is located. In April 2021, the Company served notice of "Change in Law" to its customer on account of the additional costs to be incurred on account of the said Supreme Court Order and subsequently sought extension of time due to COVID 19 and certain other events. However, in October 2021, NTPC served Notice of default on the Company citing various delays by the Company in the completion of the Project. The Company has duly filed its reply in November 2021 to NTPC explaining the reason for the delay and triggering of the clauses on "Change in Law" and "Force Majeure" which has resulted both in delay of the Project and additional costs. As at March 31, 2022, the Company has Contract assets of Rs. 3,681 lakhs pertaining to costs incurred for acquisition of land and has provided total bank guarantees of Rs. 13,736 lakhs and performance guarantees of Rs. 11,697 lakhs to the customers, the Company has received advance of Rs. 13,736 lakhs from the customer. The Company based on a legal opinion and internal assessment, is of the view that the Company has a strong merit in its argument as regards "Change in Law" and "Force Majeure". Accordingly, the Company does not foresee any financial impact arising out of this matter and has not made any provision in this regard.		



Note -32: Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
(i) Principal amount remaining unpaid to any supplier as at the end of accounting year	13,724.15	4,676.29
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	154.01	1.64
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond appointed day during each accounting year	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	235.35	256.11
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	389.36	257.75
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	715.65	326.29

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

**Note -33: Capital management**

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through equity and internal accumulations.

The capital structure of the Company consists of working capital debt (borrowings as detailed in notes 17 offset by cash and bank balances) and total equity of the Company.

The Company is not subject to any externally imposed capital requirements.

The Company's management reviews the capital structure of the Company on a need basis when planning any expansions and growth strategies.





**Note - 34: Earnings/ (Loss) Per Share**

**Accounting Policy**

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

	in ₹	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Basic earnings/ (loss) per share	69.86	90.70
Diluted earnings/ (loss) per share	69.86	90.70

**Note - 34.1: Basic Earnings/ (Loss) Per Share**

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

	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Profit/ (loss) for the period attributable to Shareholders of the Company (₹ in Lakhs)	16,051.85	20,839.97
Earnings/ (loss) used in the calculation of basic earnings per share (₹ in Lakhs)	16,051.85	20,839.97
Weighted average number of equity shares for the purposes of basic earnings/ (loss) per share	22,977,567	22,977,567

**Note - 34.2: Diluted Earnings/ (Loss) Per Share**

The earnings/ (loss) and weighted average number of equity shares used in the calculation of diluted earnings/ (loss) per share are as follows:

	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Profit/ (Loss) for the period attributable to Shareholders of the Company (₹ in Lakhs)	16,051.85	20,839.97
Earnings/ (Loss) used in the calculation of diluted earnings per share (₹ in Lakhs)	16,051.85	20,839.97
Weighted average number of equity shares for the purposes of diluted earnings/ (loss) per share	22,977,567	22,977,567

The Company does not have any outstanding equity instruments which are dilutive.



Note - 35: Related Party Disclosure

Note - 35.1 Names of Related parties and relationships:

Holding Company	The Tata Power Company Limited
Wholly Owned Subsidiary	Chrasathayee Saurya Limited
Follow Subsidiaries (Where there were transactions)	Tata Power Renewable Energy Limited Tata Power Delhi Distribution Limited Tata Power Trading Company Limited TP Renewable Microgrid Limited Poolavadi Windfarm Limited Madhvan Power Limited Wajirhan Renewable Energy Limited Coastal Gujarat Power Limited (Merged With Holding Co. w.e.f. 1st Apr. 2020) TP Kinari Limited TP Kinari Solar Limited TP Solapur Solar Limited TP Saurya Limited TP Akkalkot Renewable Limited Tata Power Green Energy Ltd
Associates of Holding Company (Where there were transactions)	Tata Projects Limited
Joint Ventures of Holding Company (Where there were transactions)	Powertronic Transmission Limited Industrial Energy Limited Prayagraj Power Generation Company Limited
Promoters holding more than 20% in the Holding Company	Tata Sons Private Limited
Subsidiaries of Promoters holding more than 20% in the Holding Company (Where there were transactions)	Tata Advanced Materials Limited Tata Consulting Engineers Limited Tata Capital Financial Services Limited Tata Consultancy Services Limited Tata Communications Limited Tata Housing Development Company Limited Tata International Limited Tata Communications Collaboration Services Private Limited Tata Elxsi Limited (w.e.f. 1st December, 2020) Infosys Retail Limited Tata AIG General Insurance Company Limited Tata Teleservices Limited
Joint Ventures of Promoters holding more than 20% in the Holding Company (Where there were transactions)	Tata AIA Life Insurance Company Limited Air India SAIG Airport Services Private Ltd Tata Play Limited (formerly Tata Sky Limited)
Employee Benefits Fund Trust	Tata Power Solar Systems Ltd. Employees Gratuity Fund Trust Tata Power Solar Systems Ltd. Employees Superannuation Fund Trust
Key Management Personnel	Mr. Raveer Sinha - Chairman Mr. Ashish Khanna - Director (w.e.f. 13.08.2020) Ms. Anjali Bansal - Director (upto 08.01.2021) Mr. Mahesh D Parange - Chief Executive Officer (w.e.f. 13.08.2020) Mr. Anand Agarwal - Director Mr. Seethapathy Chander - Director (w.e.f. 27.03.2020) Ms. Aditi Raga - Director (w.e.f. 01.04.2021) Mr. Rajeev Sharma - Director (w.e.f. 06.10.2021) Mr. Aditya Gupta - Chief Financial Officer (w.e.f. 01.05.2020) Mr. Satish Gupta - Chief Financial Officer (upto 30.04.2020) Mr. Jitendra E. Maheshwari - Company Secretary (w.e.f. 13.08.2020) Mr. Arun B. Nair - Company Secretary (upto 12.08.2020)

Note - 35.2: Transactions during the period

	₹ in Lakhs											
	Holding Company		Wholly Owned Subsidiary		Fellow Subsidiaries		Associates and Joint Ventures of Holding Company		Promoters holding more than 20% in the Holding Company		Subsidiaries & Joint Ventures of Promoters holding more than 20% in the Holding Company	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>1 Sale of Materials</b>												
Tata Power Renewable Energy Limited	-	-	-	-	164,001.03	140,270.07	-	-	-	-	-	-
Poolavadi Windfarm Limited	-	-	-	-	32.25	5,297.06	-	-	-	-	-	-
Wajirhan Renewable Energy Limited	-	-	-	-	2.69	1,243.11	-	-	-	-	-	-
The Tata Power Company Limited	23,165.47	8,116.55	-	-	-	-	-	-	-	-	-	-
TP Renewable Microgrid Limited	-	-	-	-	1,380.28	5,583.88	-	-	-	-	-	-
TP Solapur Solar Limited	-	-	-	-	148.85	3,774.15	-	-	-	-	-	-
TP Kinari Limited	-	-	-	-	88,916.33	8,295.39	-	-	-	-	-	-
TP Kinari Solar Limited	-	-	-	-	93.22	4,358.05	-	-	-	-	-	-
TP Saurya Limited	-	-	-	-	6,342.26	-	-	-	-	-	-	-
TP Akkalkot Renewable Limited	-	-	-	-	3,130.46	-	-	-	-	-	-	-
Tata Power Green Energy Ltd	-	-	-	-	97,869.56	-	-	-	-	-	-	-
Tata Consultancy Services Limited	-	-	-	-	-	-	-	-	-	-	-	80.52
Tata Projects Limited	-	-	-	-	-	-	25.99	276.15	-	-	-	-
Prayagraj Power Generation Company Limited	-	-	-	-	-	-	-	-	93.51	-	-	-
Industrial Energy Limited	-	-	-	-	-	-	6,194.72	-	-	-	-	-
Tata Capital Financial Services Limited	-	-	-	-	-	-	-	-	-	-	276.97	-
<b>2 Services Rendered</b>												
The Tata Power Company Limited	1.34	42.77	-	-	-	-	-	-	-	-	-	-
Chrasathayee Saurya Limited	-	-	287.79	274.10	-	-	-	-	-	-	-	-
Tata Power Renewable Energy Limited	-	-	-	-	2,184.33	2,034.23	-	-	-	-	-	-
Poolavadi Windfarm Limited	-	-	-	-	205.57	53.92	-	-	-	-	-	-
Tata Power Trading Company Limited	-	-	-	-	49.74	32.34	-	-	-	-	-	-
Tata Power Delhi Distribution Limited	-	-	-	-	9.12	8.79	-	-	-	-	-	-
Tata Play Limited (formerly Tata Sky Limited)	-	-	-	-	-	-	-	-	-	-	0.08	-
Tata Consultancy Services Limited	-	-	-	-	-	-	-	-	-	-	13.74	2.13



3	Services Received												
	The Tata Power Company Limited	536.31	379.92										
	Tata Power Trading Company Limited				364.34	485.99							
	Tata Projects Limited						324.88	206.94					
	Powerlinks Transmission Limited						12.26						
	Tata Solar Private Limited								1,733.20	1,187.37			
	Tata Consultancy Services Limited											119.96	
	Tata Consulting Engineers Limited											366.35	276.98
	Tata Capital Financial Services Limited											133.11	99.07
	Tata Communications Limited											92.19	43.32
	TATA A&L Insurance Company Limited												74.03
	Tata AIG General Insurance Company Limited												1,276.33
	Tata Elix Limited												122.99
	Tata Communications Collaboration Services Private Limited												9.10
	Infinite Retail Limited												3.39
	Tata Teleservices Limited												15.53
	Air India GATS Airport Services Private Ltd												0.03

	Holding Company	Wholly Owned Subsidiary		Fellow Subsidiaries		Associates and Joint Ventures of Holding Company		Promoters holding more than 20% in the Holding Company		Subsidiaries & Joint Ventures of Promoters holding more than 20% in the Holding Company			
		For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021		
		For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021		
4	Interest Expense												
	The Tata Power Company Limited	2,677.49	1,913.14	-	-	-	-	-	-	-	-	-	-
	Waikhan Renewable Energy Limited	-	-	-	-	824.42	-	-	-	-	-	-	-
5	Interest Received												
	Chirashayee Saurya Limited	-	-	9.92	1,179.95	-	-	-	-	-	-	-	-
	Tata Power Renewables Energy Limited	-	-	-	-	5,256.53	894.72	-	-	-	-	-	-
	TP Kings Limited	-	-	-	-	381.24	88.50	-	-	-	-	-	-
6	Loan given during the period												
	Chirashayee Saurya Limited	-	-	1,478.90	26,801.85	-	-	-	-	-	-	-	-
7	Loan taken during the period												
	The Tata Power Company Limited	151,900.00	86,982.00	-	-	-	-	-	-	-	-	-	-
	Waikhan Renewable Energy Limited	-	-	-	-	30,000.00	-	-	-	-	-	-	-
8	Loan Repaid by the company												
	The Tata Power Company Limited	202,883.20	35,998.80	-	-	-	-	-	-	-	-	-	-
	Waikhan Renewable Energy Limited	-	-	-	-	30,000.00	-	-	-	-	-	-	-
9	Loan Repaid to the company												
	Chirashayee Saurya Limited	-	-	288.14	26,801.85	-	-	-	-	-	-	-	-

Note - 35.3: Contributions made to the Employee Benefit Fund Trust

	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
10 Tata Power Solar Systems Ltd. Employees Gratuity Fund Trust	70.00	19.38
11 Tata Power Solar Systems Ltd. Employees Superannuation Fund Trust	83.82	78.86

Sale of goods and services to related parties were made at the Company's usual list prices. Purchases were made and services were received at market price.



Note - 35.4: Compensation of key management personnel

	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Short term benefits (Refer Note below)	14.16	8.85

Note:

The Directors were paid only director's sitting fees during year ended March 31, 2022 and March 31, 2021. The remuneration payable to key management personnel is determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.

Note - 35.5: Balances outstanding as at period end

1	Balance Receivable/(Payable) (net)	₹ in Lakhs	
		As at March 31, 2022	As at March 31, 2021
	The Tata Power Company Limited	10,862.98	5,306.83
	Tata Power Renewable Energy Limited	12,517.83	107,854.29
	Poolavadi Windfarm Ltd	1,679.83	5,941.83
	Tata Power Delhi Distribution Limited	26.97	24.75
	Tata Power Trading Company Limited	9.28	(7.96)
	TP Renewable Microgrid Limited	830.15	942.69
	Chirasthaayee Saurya Limited	55.66	26.64
	Mathon Power Limited	-	17.33
	Walwhan Renewables Energy Limited	1,110.37	1,446.42
	Industrial Energy Limited	6,203.04	3.70
	TP Solapur Solar Limited	974.15	807.11
	TP Kimali Limited	86,333.36	10,266.85
	TP Kimali Solar Limited	845.52	741.42
	Tata Power Green Energy Ltd.	69,426.01	-
	TP Akkalkot Renewable Limited	2,268.32	-
	TP Saurya Limited	7,209.82	-
	Prayagraj Power Generation Company Limited	106.42	-
	Tata Projects Limited	143.78	289.16
	Tata Sons Private Limited	(1,133.39)	(1,182.14)
	Tata AIA Life Insurance Company Limited	(0.79)	-
	Tata AIG General Insurance Company Limited	0.05	1.60
	Tata Capital Financial Services Limited	169.89	3.55
	Tata Communications Limited	(0.41)	(0.41)
	Tata Consulting Engineers Limited	0.14	(33.70)
	Tata International Limited	2.15	2.15
	Tata Consultancy Services Limited	53.90	452.79
	Tata Advanced Materials Limited	3.48	3.48
	Tata Elxsi Limited	(17.93)	-
	Air India SATS Airport Services Private Ltd.	(0.54)	-
	Tata Play Limited (formerly Tata Sky Limited)	0.20	0.11
2	<b>Advances Received/(Paid)</b>		
	Tata Power Renewable Energy Limited	4.83	4.83
	Tata Power Trading Company Limited	8.85	-
	TP Kimali Limited	10,234.34	-
	TP Saurya Limited	13,566.00	-
	Tata International Limited	4.11	4.11
	Tata Consultancy Services Limited	7.24	7.24
	Tata Housing Development Company Limited	2.60	2.60
	TATA AIA Life Insurance Company Limited	(0.77)	(0.77)
	Air India SATS Airport Services Private Ltd.	(28.00)	-
	Tata Projects Limited	6.93	6.93
3	<b>Loan Balance outstanding (payable)/ receivable</b>		
	Chirasthaayee Saurya Limited	1,190.76	-
	The Tata Power Company Limited	-	(50,983.20)
4	<b>Interest accrued outstanding (payable)/ receivable</b>		
	Chirasthaayee Saurya Limited	2.45	-
	The Tata Power Company Limited	-	(143.27)

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. There have been no instances of amounts due to or due from related parties that have been written back or written off or otherwise provided for during the year.



Note -36. Financial Instruments

(i) Categories of financial instruments

The carrying value of financial instruments by categories as at March 31, 2022 and March 31, 2021 are as follows

	₹ in Lakhs			
	Carrying Value		Fair Value	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>Financial Assets</b>				
<b>Measured at amortised cost</b>				
Trade receivables	348,738.02	355,608.48	348,738.02	355,608.48
Cash and cash equivalents	1,593.58	13,997.52	1,593.58	13,997.52
Bank balances other than cash and cash equivalents	441.86	257.05	441.86	257.05
Loans	1,203.84	18.23	1,203.84	18.23
Other financial assets	895.65	811.90	895.65	811.90
<b>Total assets</b>	<b>352,863.14</b>	<b>370,603.18</b>	<b>352,863.14</b>	<b>370,603.18</b>
<b>Financial Liabilities</b>				
<b>Measured at amortised cost</b>				
Borrowings	92,652.13	97,382.82	92,652.13	97,382.82
Trade payables	340,663.87	212,839.28	340,663.87	212,839.28
Other financial liabilities	2,331.49	9,414.76	2,331.49	9,414.76
<b>Measured at fair value through other comprehensive income (FVTOCI)</b>				
Derivative liabilities in hedging relationship	2,781.16	14,693.16	2,781.16	14,693.16
<b>Measured at fair value through profit or loss (FVTPL)</b>				
Derivative liabilities not in hedging relationship	-	16.58	-	16.58
<b>Total liabilities</b>	<b>438,438.55</b>	<b>334,346.60</b>	<b>438,438.55</b>	<b>334,346.60</b>

The Management assessed that the fair value of cash and cash equivalents, trade receivables, loans, borrowings, trade payables and other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value/ amortised cost.

a) Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

b) Fair values of the Company's interest-bearing borrowings and loans are determined by using discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2022 was assessed to be insignificant.

c) The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts and options are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves etc. As at March 31, 2022, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationship and other financial instruments recognised at fair value.

(ii) Fair value hierarchy

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period.

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

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

**Valuation techniques with observable inputs (Level 2):** Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This includes derivative financial instruments and unquoted floating and fixed rate borrowings.

**Valuation techniques with significant unobservable inputs (Level 3):** Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares and redeemable non-cumulative preference shares.

The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique (s) and inputs used)

Financial assets/(financial liabilities)	Fair Value as at (₹ in Lakhs)		Fair Value Hierarchy	Valuation Technique(s) and key inputs used
	March 31, 2022	March 31, 2021		
Derivative financial instruments (Foreign currency forward contracts and Options)	(2,781.16)	(14,709.74)	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

(iii) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Management consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values, hence no further disclosure have been made.

(iv) Capital Management and Gearing Ratio

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. From time to time, the Company reviews its policy related to dividend payment to shareholders, return capital to shareholders or fresh issue of shares. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations as detailed in the notes below.

The Company's capital management is intended to create value for shareholders by facilitating the meeting of its long-term and short-term goals. Its Capital structure consists of net debt (borrowings as detailed in notes below) and total equity.



**Gearing ratio**

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

	As at March 31, 2022	As at March 31, 2021
Borrowings (i)	92,662.13	97,382.82
Less: Cash and Bank balances (including other bank balances)	2,025.42	14,264.57
<b>Net borrowings</b>	<b>90,636.71</b>	<b>83,118.25</b>
Total Capital (ii)	87,585.02	62,342.28
<b>Capital and net borrowings</b>	<b>178,221.73</b>	<b>145,460.53</b>
Net borrowings to Total Capital plus net borrowings ratio (%)	51%	57%

(i) Borrowings are defined as long-term borrowings (including current maturities) and short-term borrowings (excluding derivative, financial guarantee contracts and contingent considerations)

(ii) Equity is defined as Equity share capital, unsecured perpetual securities and other equity including reserves and surplus.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

**(v) Financial risk management objectives and policies**

The Company's treasury function provides services to the business, monitors and manages the financial risks relating to the operations of the Company through internal meetings with the key stakeholders to analyse exposures by degree of magnitude of risks. These risks include market risk (including currency risk), credit risk and liquidity risk.

The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. All derivative activities for risk management purposes are carried out by a team that has the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivative for speculative purposes may be undertaken. The Management reviews and agrees policies for managing each of these risks.

**(vi) Market Risk**

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates (see note (vi) below). The company enters into a derivative financial instruments to manage its exposure to foreign currency risk, including:

- Forward foreign exchange contracts to hedge the exchange rate risk arising on the export of modules and import of cells/modules and capital goods.

Market risk exposures are measured using sensitivity analysis.

There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

**(vii)(a) Foreign Currency risk management**

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period:

Currency	Liabilities in Foreign Currency		Liabilities in Indian Currency		Assets in Foreign Currency		Assets in Indian Currency	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
JPY	2.14	2.14	1.33	1.41	-	-	-	-
USD	2,625.24	999.22	199,032.89	73,055.50	1.25	0.07	94.78	5.04
EURO	1.75	50.82	147.16	4,359.49	0.00	0.00	0.04	0.04
CHF	0.00	-	0.33	-	-	-	-	-

Note: Assets includes trade receivables and Liabilities include trade payable and Creditors for capital supplies/services.





(vii)(b) Derivative financial instruments

It is the policy of the Company to enter into forward foreign exchange contracts to cover specific foreign currency payments within 90% to 100% of the exposure generated. The Company also enters into forward foreign exchange contracts to manage the risk associated with anticipated purchase transactions. Adjustments are made to the initial carrying amounts of non-financial hedged items when anticipated sale or purchase transaction takes place.

The following table gives details in respect of outstanding foreign exchange forward and option contracts

As at March 31, 2022

Category	Currency	Buy/ Sell	Foreign Currency (USD in Lakhs)	Nominal Value ₹ in Lakhs	Fair Value assets/ (liabilities) ₹ in Lakhs
Forward contracts	USD	Buy	4,753.34	360,995.27	(2,781.16)

As at March 31, 2021

Category	Currency	Buy/ Sell	Foreign Currency (USD in Lakhs)	Nominal Value ₹ in Lakhs	Fair Value assets/ (liabilities) ₹ in Lakhs
Forward contracts	USD	Buy	8,939.50	653,589.25	(14,709.74)



**Tata Power Solar Systems Limited**

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**(viii) Interest rate risk management**

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

The Company's borrowings are primarily short-term, which do not expose it to significant interest rate risk.

**(ix) Credit risk management**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to financial loss. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans and other financial instruments.

	₹ in Lakhs	
	March 31, 2022	March 31, 2021
Trade Receivables	348,738.02	355,508.43
Loans	1,203.84	18.23
Other Financial assets	895.96	811.90
Unbilled Revenue	19,005.73	4,150.97
<b>Total</b>	<b>369,843.45</b>	<b>360,489.58</b>

**Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The following table gives details in respect of revenues generated from top customer and top 5 customers:

	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Revenue from top customer	177,558.04	153,368.90
Revenue from second top customer	177,060.64	148,649.59
Revenue from top 5 customers	581,160.58	378,022.33

Two customers accounted for 42% of the revenue for the year ended March 31, 2022 and two customer accounted for more than 59% of the revenue for the year ended March 31, 2021.

The following table gives details in respect of receivables due from top customer and top 5 customers:

	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Receivable from top customer	60,109.32	115,327.19
Receivable from second top customer	11,119.61	108,706.27
Receivable from top 5 customers	240,042.31	266,370.92

Two customers accounted for 20% of the receivables as at March 31, 2022 and two customer accounted for more than 62% of the receivables as at March 31, 2021.



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CIN: U40106MH1989PLC330738

(x) Liquidity risk management

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's principal sources of liquidity are cash and cash equivalents, working capital borrowings, the cash flow that is generated from operations and proceeds of maturing financial assets. The Company believes that the working capital, including the available unutilised borrowing limits is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The following table details the Company's expected maturity for its non-derivative financial assets:

	As at March 31, 2022			As at March 31, 2021			₹ in Lakhs
	Less than 1 year	1-5 years	More than 5 years	Less than 1 year	1-5 years	More than 5 years	
Cash and cash equivalents (including other bank balances)	2,025.42	-	-	14,264.57	-	-	
Trade receivables	345,950.52	2,787.50	-	341,575.85	22,195.77	-	
Investments	-	-	-	-	-	-	
Loans	1,203.84	-	100.00	18.23	-	100.00	
Other financial assets	417.35	478.51	-	335.48	478.42	-	
<b>Total</b>	<b>349,597.13</b>	<b>3,266.01</b>	<b>100.00</b>	<b>356,193.93</b>	<b>22,672.19</b>	<b>100.00</b>	

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2022:

Financial Liabilities	Upto 1 year			1 to 5 years		More than 5 years		Total		₹ in Lakhs Carrying Amount
Accounts payable and acceptances (non-interest bearing)	340,663.87	-	-	-	-	-	-	340,663.87	340,663.87	
Borrowings and interest thereon	88,330.24	-	-	4,500.00	-	-	-	92,830.24	88,330.24	
Other financial liabilities	2,163.38	-	-	-	-	-	-	2,163.38	2,163.38	
Derivative liabilities	2,781.16	-	-	-	-	-	-	2,781.16	2,781.16	

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2021:

Financial Liabilities	Upto 1 year			1 to 5 years		More than 5 years		Total		₹ in Lakhs Carrying Amount
Accounts payable and acceptances (non-interest bearing)	212,839.28	-	-	-	-	-	-	212,839.28	212,839.28	
Borrowings and interest thereon	86,661.00	-	-	11,000.00	-	-	-	97,661.00	86,661.00	
Other financial liabilities	9,136.58	-	-	-	-	-	-	9,136.58	9,136.58	
Derivative liabilities	14,709.74	-	-	-	-	-	-	14,709.74	14,709.74	

(xi) Financial Ratios

Sl No	Ratios	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% of Variance*
a)	Current Ratio	Current Assets	Current Liabilities	1.10	1.02	7%
b)	Debt-equity ratio	Total debt	Shareholder's Equity	1.06	1.56	-32%
c)	Debt service coverage ratio	Profit after taxes + interest expenses + depreciation and amortisation+ other non-cash expenses	Interest expense + scheduled principal repayment of long-term debt and lease liabilities during the period	1.89	4.03	-53%
d)	Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.21	0.32	-32%
e)	Inventory turnover ratio	Cost of goods sold	Average Inventories	7.49	12.50	-40%
f)	Trade receivables turnover ratio	Net Credit Sales	Average Trade receivable	2.34	2.23	5%
g)	Trade payables turnover ratio	Net credit purchases	Average Trade payable	3.28	3.47	-5%
h)	Net capital turnover ratio	Net Sales	Working capital	16.12	52.33	-69%
i)	Net profit ratio	Net Profit after Tax	Revenue	0.02	0.04	-54%
j)	Return on capital employed	Earning before interest and taxes	Capital employed	0.21	0.20	8%
k)	Return on investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

\*Reason for variance of more than 25% in above ratios

1. Due to outbreak of Covid-19, the operations of the Company including purchases and revenue were affected during the year ended March 31, 2022 and year ended March 31, 2021. Hence, the above ratios are not comparable.



**Tata Power Solar Systems Limited**

**Notes to the financial statements for the year ended March 31, 2022**

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**Note -37: Change in useful life of plant and machinery**

During the year ended March 31, 2022, based on its technical evaluation, the Company has revised estimated useful life of certain plant and machinery w.e.f April 1, 2021. The said changes in accounting estimate has resulted in lower depreciation charge of Rs.2,014.64 Lakhs during year and increase in reserves of the Company by Rs. 1,507.59 Lakhs (net of tax) as at March 31, 2022.

**Note -38: Segment Information**

The Company is a manufacturer of solar photo-voltaic cells and modules as well as in the Engineering, Procurement and Construction (EPC) in the solar energy market, wherein the manufactured cells/modules are utilised. The Company is currently predominantly operating in a single geography i.e. India, with the total of exports being less than 10% of total revenues.

Based on the "management approach" as defined in Ind-AS 108 - Operating Segments, the Chief Operating Decision Marker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by the overall business segment, i.e. the performance of the EPC projects.

As the allocation of resources and profitability of the business is evaluated by the CODM on an overall basis, with evaluation into individual categories to understand the reasons for variations, no separate segments have been identified. Accordingly no additional disclosure has been made for the segmental revenue, segmental results and the segmental assets and liabilities.

**Note -39: Impact of Covid-19**

The Company has considered the possible effects that may result from the pandemic relating to COVID- 19 on the carrying amounts of property, plant and equipment, trade receivables, on effectiveness of hedging and on estimation of contract costs. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information and consensus estimates from market sources on the expected future performance of the Company. Based on the said available information and estimates, the Company believes that the carrying amount of these assets as at March 31, 2022 and the current estimates made by the management are appropriate. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial results.

**Note -40:** The carrying amount of trade receivables does not include receivables of Rs. 28,661.47 Lakh, for which the Company has entered into factoring arrangement. Under this agreement, the Company has transferred the relevant receivables in exchange for cash on non recourse basis. The Company, accordingly, has derecognised the said receivables.





**Tata Power Solar Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2022**  
**CIN: U40106MH1989PLC330738**

**Note - 41:** As at March 31, 2022, the Company has Good and Service tax recoverable recorded under balances with government authorities (Note 15) amounting to Rs. 35,006.07 Lakhs ( As at March 31, 2021 - Rs.11,387.52 Lakhs). The Company based on its assessment believes that the aforesaid is fully recoverable and accordingly no provision is required.

**Note - 42: Significant Events after the Reporting Period**

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

**Note - 43:**

The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact if any of the change will be assessed and accounted in the period in which said Code becomes effective and the rules framed thereunder are notified.

**Note - 44: Approval of financial statements**

The financial statements were approved for issue by the Board of Directors on April 19, 2022.

**Note - 45: Other Statutory Information**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.  
(ii) The Company does not have any transactions with companies struck off, other than those disclosed below:

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding
Nayana Infra Business Solutions Private Limited	Trade payables	6.71
Samahitha Power Systems Private Limited	Trade payables	2.03
Goodyear India Limited	Trade receivables	3.29
Fanuc India Private Limited	Trade receivables	0.87

₹ in Lakhs

(iii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of companies beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2022.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

**Note - 46:** The Company is a wholly owned subsidiary of The Tata Power Company Limited and accordingly is exempted from the preparation of consolidated financial statements in term of Ministry of Corporate Affairs Notification dated October 14, 2014.

**Note - 47:** The previous year's figures have been regrouped/ reclassified, wherever necessary to conform to current year's classification.

As per our report of even date

For S.R. Battiboi & Associates LLP  
 ICAI Firm Registration Number: 101049W/ E300004  
 Chartered Accountants

per Adarsh Ranka  
 Partner  
 Membership Number: 209567



For and on behalf of the Board of Directors of  
 Tata Power Solar Systems Limited

*Ashish Khanna*  
 Ashish Khanna  
 Director  
 DIN: 06699527

*M.D. Paranjpe*  
 Mahesh D Paranjpe  
 Chief Executive Officer

*Jeraz E. Mahernosh*  
 Jeraz E. Mahernosh  
 Company Secretary

*Anand Agarwal*

Anand Agarwal  
 Director  
 DIN: 06398370

*Aditya Gupta*  
 Aditya Gupta  
 Chief Financial Officer

Place: Bengaluru  
 Date: April 19, 2022

Place: Mumbai  
 Date: April 19, 2022