TAMIL NADU POWER DISTRIBUTION CORPORATION LIMITED

(formerly known as Tamil Nadu Generation and Distribution Corporation Limited)

15th ANNUAL REPORT
2023-24

Regd. Office: NPKRR MAALIGAI (TNEB Office), 144 Anna Salai, Chennai 600 002.

INDEX

FINANCIAL YEAR 2023-24

TAMIL NADU POWER DISTRIBUTION CORPORATION LIMITED (TNPDCL)
(formerly TANGEDCO)
144, Anna Salai, Chennai – 600 002

NOTICE

NOTICE is hereby given that the 17th Annual General Meeting of the Company will be held at the Registered office of the Company at NPKRR Maaligai, 144, Anna Salai, Chennai – 600 002 on Tuesday, the 31st December, 2024 at 4.00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** the audited Balance Sheet as at 31st March 2024 and the Profit and Loss account of the Company for the period from 1st April 2023 to 31st March 2024, together with Director's Report, and Statutory Auditor's Report, Secretarial Audit Report and CAG's Report along with replies of Management thereon as presented to the meeting, be and the same are hereby, approved and adopted."

2. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the requirement of sub-section (5) of Section 139 of the Companies Act, 2013, the appointment of Audit firms M/s P.S. Subramania Iyer & Co., (Chennai), M/s. Vruksha & Co., (Trichy), M/s. Soleti Associates, (Kancheepuram), M/s Sivamani & Co, (Madurai), as Statutory Auditors of the Company by Comptroller and Auditor General of India/New Delhi for the financial year 2024-25 is hereby accepted".

"**RESOLVED FURTHER THAT** Directors of the Company be and is hereby authorized to fix the fees and other terms and conditions of the Statutory Auditors for the financial year 2024-25".

3. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** the Audit fees for the Statutory Auditors for the financial year 2023-24 fixed at Rs.55,00,000/- (Rupees Fifty Five Lakhs only) with applicable GST extra and out of pocket expenses may be reimbursed subject to maximum of Rs.6.50 lakhs, (with applicable GST extra), by the Board is approved and ratified".

4. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the requirement of section 204 of the Companies Act, 2013, M/s. G. Ramacandran & Associates, practicing Company

Secretary, Chennai, appointed as Secretarial Auditor for the financial year 2023-24, with a fee of Rs.39,000 (Rupees Thirty nine thousand only) with applicable GST extra, by the Board is approved and ratified".

Notes:

1. A member entitled to attend and vote at Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty eight hours before commencement of the Meeting.

2. Members/proxies are requested to bring their Attendance Slip duly filled for attending the meeting.

3. The Annual General Meeting is being convened at a shorter notice. All the members are requested to approve the same by signing the Form No.22A attached with the Notice. Please send the duly filled and signed form to the Registered Office of the company or handover the same to the Chairman before the commencement of the meeting.

(By Order of the Board of TANGEDCO)
(For and on behalf of TANGEDCO)

Company Secretary
TANGEDCO

TAMILNADU POWER DISTRIBUTION CORPORATION LIMITED

(formerly known as Tamil Nadu Generation and Distribution Corporation Limited)

15th Annual Report for the financial year 2023-24

CORPORATE DATA

BOARD OF DIRECTORS (As on 31.03.2024)		
Sl.No.	**Name**	**Designation**
1	Mr. Rajesh Lakhoni, I.A.S.,	Chairman cum Managing Director
2	Mr. M. Sivalingarajan	Director (Distribution)
3	Mr. D. Rajendran	Director (Generation)
4	Tmty. K. Malarvizhi	Director (Finance)
5	Tmty. N. Umadevi	Director (Projects)
6	Thiru. Prashant M. Wadnere,I.A.S Additional Chief Secretary to Government (Finance Department)	Director (Ex-Officio)
7	Dr. Tmty. Beela Rajesh, I.A.S Additional Chief Secretary to Government (Energy Department)	Director (Ex-Officio)
8	Thiru. V. Arun Roy, I.A.S Additional Chief Secretary to Government (Industries Department)	Director (Ex-Officio)

COMPANY SECRETARY	Mr. D. Suresh Kumar
STATUTORY AUDITORS	
M/S. A. John Moris & Co. Chartered Accountants info@ajohnmoris.com	M/S. P.S. Subramania Iyar & Co. Chartered Accountants pss@pssca.in
M/S. Krishnan & Co. Chartered Accountants gopinath_vlr2@rediffmail.com	M/S. Sivamani & Co. Chartered Accountants tbalsu79@gmail.com
REGISTERED OFFICE	NPKRR MAALIGAI(TNEB Office), 144, Anna Salai, Chennai 600002. Ph.No-044-28520131. website: www.tangedco.gov.in CIN No.U40109TN2009SGC073746 GST.No.33AADCT4784E1ZC

REPORT OF THE BOARD OF DIRECTORS

To

Dear Members,

Your Directors are pleased to present the 15th Annual Report on the business and operations of the Company and the Audited Financial Statements for the financial year ended on 31st March, 2024.

Restructuring of Tangedco:

The Government of Tamil Nadu (GoTN) has issued approval for formation of a separate Generation company consisting of thermal stations, Gas stations and Thermal projects under execution vide G.O. No.6 Energy (B2) Department dt.24.01.2024. In G.O.7 Energy (B2) Department dt.24.01.2024, the GoTN has accorded approval for the formation separate company for Green Energy, duly handling the Hydro generation stations, Pumped storage and all renewable energy projects.

The GoTN has also ordered that the date of commencement of business operation of the new companies is proposed to be in the current financial year 2023-24 itself as notified in the transfer scheme of the Govt of Tamil Nadu vide ref (4) cited. The Tamil Nadu Generation and Distribution Corporation Limited was Renamed as Tamil Nadu Power Distribution Corporation Limited (TNPDCL).

In the above G.O.s, it is specified that the existing TANGEDCO's functions shall have to be segregated into three companies as below;

Sl.No	Resulting Companies	Major Operations
A	Tamil Nadu Power Distribution Corporation Limited (TNPDCL), duly renaming TANGEDCO	To carry out all the Distribution related activities and maintaining the existing power purchase contracts.
B	Tamil Nadu Power Generation Corporation Limited (TNPGCL)	To look after generation activities and capacity addition projects based on Coal and Gas.
C	Tamil Nadu Green Energy Corporation Limited (TNGECL)	To look after the existing hydro generation stations, pumped hydro energy station and Green Renewable Energy Project.

Accordingly, two new companies i.e. Tamil Nadu Power Generation Corporation Limited (TNPGCL) and Tamil Nadu Green Energy Corporation Limited (TNGECL) have been formed and Certificate of Incorporation was also obtained as below.

Company name	Date of certificate of incorporation
TNPGCL	09-02-2024
TNGECL	10-02-2024

Summarized financial results:

The summarized financial results of the company for the financial year ended on 31st march 2024 are given below,

Balance Sheet

(Rs.in crore)

Particulars	**2023-24**	**2022-23**
Assets		
Non-Current Assets	1,20,388	1,11,699
Current Assets	38,895	41,786
Total Assets	**1,59,283**	**1,53,485**
Equity and Liabilities		
Equity Share Capital	20,119	20,119
Other Equity	(1,66,703)	(1,61,934)
Liabilities		
Non-Current Liabilities	1,65,662	1,57,767
Current Liabilities	1,40,205	1,37,533
Total Equity and Liabilities	**1,59,283**	**1,53,485**

Profit & Loss Account **(Rs.in crore)**

Particulars	2023-24	2022-23
Revenue from operations	95,781.42	80,857.77
Other Income	3102.39	1,542.14
Total Income	**98,883.81**	**82,399.91**
EXPENSES		
Cost of Power Purchase	55,891.83	51459.82
Cost of Power Generation	11,952.28	10,622.18
Employee Benefit expenses	10,229.99	10,956.99
Finance Cost	16,440.34	13,450.60
Depreciation and Amortization Exp.	3,577.34	3,728.69
Other Expenses	1,987.81	1,373.88
Total Expenses	**1,00,079.59**	**91,592.16**
Profit /(Loss) for the year	**-1,195.78**	**-9,192.25**
Other comprehensive income for the year	-3,240.30	-1,676.01
Total comprehensive income for the year ended 31.03.2024	**-4436.08**	**-10,868.26**

Segmental Report:

Rs.in crore

Particulars	**31-Mar-24**				**31-Mar-23**		
	Thermal Energy Generation (TNPGCL)	**Renewable Energy Generation (TNGECL)**	**Distn. of Power (TNPDCL)**	**Total**	**Generation of Power**	**Distn. of Power**	**Total**
Segment Revenue							
External revenue (nature of revenue)	0.52	0.04	95780.86	95781.42	0.00	80857.77	80857.77
Revenues from transactions with other operating segments of the same entity (Inter-segment revenue)	16366.70	1661.24	0.00	18027.94	18273.36	0.00	18273.36
Other income	2092.46	212.75	775.59	2949.16	32.55	26.81	59.35
Total Segment Revenue	**18459.69**	**1874.03**	**96556.45**	**116758.50**	**18305.91**	**80884.58**	**99190.48**
Segment Expense							
Cost of power purchase	0.00		55891.83	55891.83		51459.82	51459.82
Cost of power generation	11928.62	14.70	8.97	11952.29	9916.65	705.53	10622.18
Expenses from transactions with other operating segments of the same entity (Inter segment expense)			18027.94	18027.94	0.00	18273.36	18273.36
Employee benefit expenses	1128.93	396.61	8704.44	10229.98	953.93	5596.09	6550.02
Finance costs	7156.24	387.74	8896.35	16440.33	4642.72	8807.88	13450.60
Depreciation and amortization	740.84	406.30	2430.20	3577.34	1627.41	2101.28	3728.69
Other expenses	1259.64	130.21	576.38	1834.58	1080.55	117.36	1197.91
Total segmental expense	**22214.27**	**1335.56**	**94536.11**	**118085.94**	**18221.25**	**87061.33**	**105282.60**
Total segmental results	**-3754.59**	**538.47**	**2020.34**	**-1195.78**	**84.66**	**-6176.75**	**-6092.09**
Add/(Less): Unallocable income/(expense) (net)*	0.00		0.00		-451.50	-2648.66	-3100.16
Current tax and deferred tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit after tax	**-3754.59**	**538.47**	**2020.34**	**-1195.78**	**-366.84**	**-8825.41**	**-9192.25**
Other comprehensive income							
Remeasurement of defined benefit plan	-356.43	-129.61	-2754.25	-3240.30	-244.09	-1431.92	-1676.01
Total other comprehensive income for the year	**-4114.06**	**409.32**	**-731.34**	**-4436.08**	**-610.93**	**-10257.30**	**-10868.30**

3. Share Capital

The Authorised share capital of the Company as on 31.03.2024 was Rs.25,000 Crores (2500 Crores Equity Shares of Rs.10 each). The paid up share capital of the Company is Rs.20119.16 Crores as on 31.03.2024 which is held by the holding company TNEB LTD, GOTN nominee and directors of your company.

4. Share holding Pattern as on 31.03.2024:

(Amount in Rs)

Sl no	Name	No. of Shares Held	Book Value (Rs. 10 per Share)
1	TNEB Limited (Holding Company)	20119112749	201191127490
2	Thiru.T.Udhayachandran.,I.A.S Principal Secretary to Government/Fin Dept	49940	499400
3	Thiru.Rajesh Lakhoni.,I.A.S (Chairman cum Managing Director)	10	100
4	Er.Thiru M.Sivalingarajan, B.E (from 19.01.2022 to 30.06.2023) Thiru. R. Manivannan.,B.E (from 30.06.2023 to 13.03.2024) Director Distribution	10	100
5	Er.Thiru.D.Rajendran,M.E., Director/Generation	10	100
6	Thiru.M.Ramachandran,B.E.,MCA (From 19.11.2022 to 30.06.2023) Tmty.N.Umadevi, B.E.MBA (From 18.11.2023 to 29.06.2024) Director / Projects	10	100
7	Tmty.K.Malarvizhi,B.A(Corp),ACA., PGDHRM., (From 07.04.2023 to till date) Director Finance / TANGEDCO (Renamed as TNPDCL),	10	100
8	Thiru.R.Manivannan.,B.E (from 16.12.2022 to 30.06.2023) Thiru.M.Ramachandran., B.E.,MCA, (from 28.08.2023 to 31.03.2024) Managing Director/ TANTRANSCO	10	100
	Total	**20119162749**	**201191627490**

5. Company's Affairs:

(A)Physical Parameters :

(1) Generation Review:-

TANGEDCO (Renamed as TNPDCL), generates power using three basic fuels which can be grouped into Thermal (Coal), Gas Generation and Hydel (Water) also deals with non-conventional energy source such as Wind, Solar etc.

(i)Thermal Stations:

There are five numbers of coal based Thermal Power Stations owned by TANGEDCO (renamed as TNPDCL) in Tamil Nadu viz. Tuticorin Thermal Power Station, Mettur Thermal Power Station-I, Mettur Thermal Power Station-II, North Chennai Thermal Power Station-I and North Chennai Power Station-II. Out of which, sea water is being utilized for Condenser cooling in the coastal based Thermal Stations such as Tuticorin T.P.S, North Chennai T.P.S-I & II whereas River water is being utilized in Mettur T.P.S-I & II which is the only inland Thermal Power Station of TANGEDCO (renamed as TNPDCL).

Performance of the Stations :

Parameter	TTPS	MTPS-I	NCTPS-I	MTPS-II	NCTPS-II	Total
Installed Capacity (in MW) as on 31.03.2024	1050 (5 x 210)	840 (4 x 210)	630 (3 x 210)	600 (1 x 600)	1200 (2 x 600)	**4320**
Actual Generation (in MU) (2023-24)	6485	5805	3616	3202	6370	**25479**
Plant Load Factor (PLF) in % (2023-24)	70.31	78.68	65.35	60.76	60.43	**67.14**

(ii) Gas Stations:

There are four Gas Turbine Power Stations in TANGEDCO (renamed as TNPDCL) viz, Thirumakottai GTPS, Kuttalam GTPS, Valuthur GTPS (I & II) and Basin Bridge GTPS. In all GTPS except Basin Bridge, Natural Gas supplied by M/s.GAIL is being used. In Basin Bridge Gas Turbine Power Station, the Units can be operated using High Speed Diesel (HSD).

Performance of the Stations :

PARAMETER	T(K)GTPS	KGTPS	VGTPS (PHASE I & II)		BBGTPS	TOTAL
Installed capacity (IN MW) as on 31.03.2024	107.88	101.00	Phase I	95.00	120 (4*30 MW)	**516.08**
			Phase II	92.20		
			TOTAL	187.20		
ACTUAL GENERATION (IN MU) 2023-24	47 #	695	Phase I	618	-- **	**1919**
			Phase II	559		
			TOTAL	1177 *		

#T(K)GTPS – This unit is under shutdown condition from 01.08.2023 onwards due to short supply of Gas and discontinuance of Gas Supply Agreement.

*** VGTPS –I** – Combustion Inspection of Gas Turbine was carried out for 22 days in Nov'23 and Dec'23

** **BBGTPS** - Due to higher fuel cost, the Units are operated under generation mode only during emergency conditions. The plant is generally operated on condenser mode.

(iii) Hydro Stations:

There are 76 dams / Barrages / weirs / Saddles in TANGEDCO (Renamed As TNPDCL) spreading across the western Ghats in Nilgiris and Anaimalai hills and the southern parts of Tamil Nadu. This includes the existing 9 Nos. barrages in the Cauvery Basin. The above dams have been constructed and maintained by TANGEDCO (renamed As TNPDCL).

As on 31.03.2024, 47 hydro Power Stations having 107 machines with an installed capacity of 2321.90 MW spread over in Erode, Kundah, Kadamparai and Tirunelveli Generation Circles of Hydro wing are operated for generation of Hydro power for TANGEDCO (Renamed As TNPDCL). 3708 MU was generated from the Hydro Generating Stations during the year 2023-24.

Performance of the Stations :

Parameter	Erode	Kundah	Kadamparai	Tirunelveli	Total
Installed capacity (in MW), 2023-24	503.50	833.65	609.45	375.30	**2321.90**
Actual Generation (in million units) 23-24	638	1761	519	790	**3708**

(iv) Wind Energy :

TANGEDCO (renamed as TNPDCL) had 17.465 MW of Wind Generation capacity on its own account. Due to Aging, wear and tear, 11.265 MW of the Wind Generators are permanently dismantled. Now only 6.2 MW of Wind Generators are in running condition. The DPR is being prepared by National Institute of Wind Energy (NIWE) for converting into Hybrid (Wind +Solar) generators.

(2) Distribution Review:-

The physical achievements in respect of Distribution Operators during the FY 2023-24 are as follows:

- Consumers served as on 31.03.2024 is 336.70 lakh LT Consumers and 11,435 Nos. HT consumers.
- The total number of HT services effected during the FY 2023-24 -703 Nos. and the LT services effected during the financial year - 8.10 lakhs.
- Length lines as on 31.03.2024 - HT lines - 2.02 lakh km; LT Lines - 6.42 lakh km.
- Distribution transformers installed as on 31.03.2024 - 4,15,814 nos.
- Capacity of Distribution Transformers installed 51,889 MVA
- Total number of 33/11 kV Substation as on 31.03.2024 is 788 nos.

(3) Projects Review:

There are various ongoing and upcoming projects at state, central sectors and at joint venture for augmentation of capacity of power generation in Tamil Nadu.

Completed projects during 2023-24.

Sl. No	Name of the Project	Capacity MW	Project Cost including IDC	Status Of Ongoing Projects as on 31.03.2024
1.	NCTPP (Stage III) Project	1 x 800 MW	Rs.10,158 Crore	Plant commissioned on 17.03.24. The project is expected to achieve Trial Run/Full load during FY 2024-25 only. **FGD Package :-** LOA was issued on 22.02.2021 for FGD Package to M/s. BHEL for a value of Rs.615 crores. Design and Engg. works has been started and is under progress and Award of sub-vendors for FGD Package is under progress by BHEL. Pilin, Pile cap and Pedestal Foundation works are under progress.

On going projects as on 31.03.2024:

Sl. No	Name of the Project	Capacity	Project Cost including IDC	Status Of Ongoing Projects as on 31.03.2024
1	ETPS Expansion Project	660 MW	Rs. 6380 crores	On obtaining approval from Board of TANGEDCO, BG towards SDCPG was invoked for value of Rs.128.28 Crores on 02.02.2024 and termination orders issued to M/s.BGRESL on 27.02.2024. Subsequently, the EMD amount of Rs.5 crores paid by BGRESL was also forfeited.
2	Ennore SEZ Supercritical Thermal Power Project	2x660 MW	Approved Project cost - Rs.9800 Cr. Approval for Revised Project Cost Rs.16,444.32 Cr is being under process.	EPC cum debt finance contract awarded to M/s. BHEL on 27.9.2014 at a cost of Rs.7,788 Crores. After reduction in the scope of civil works towards site grading for Rs.100 Cr, LOI dt.05.03.2015 was issued to BHEL for Rs.7,688 Crores and revised to Rs. 7,814 Crores after amendment to carry out initial enabling works to adhere the Revised MOEF norms. Now the project cost amendment to Rs..8,220.89 crs. Work was temporarily suspended from 07.09.2015 due to a writ petition filed by one of the bidders in the Hon'ble High Court of Madras. On appeal to Hon'ble Supreme Court by TANGEDCO and after receipt of order dt.18.10.16 in favour of TANGEDCO, EPC Work by M/s. BHEL has been resumed from 19.10.16. As of now about 68.52% only completed mainly attributable to inadequate manpower mobilization. ECHP conveying system works awarded to M/s. CREW for Rs.170.82Crs, out of that 92% works have been completed so far. Shore unloaders package works awarded to M/s.CREW for Rs.197.49 Crs on

				09.06.2023. Necessary extension of Validity of Environmental clearance has been obtained from MoEF & CC / New Delhi vide Letter No.J 13012/36/2010-1A. II(T) dt.07.01.14 and validity extended up to 31.12.2023 as per MoEF lr. Dt.09.04.2021. Consent to establish under Air and water Acts issued by TNPCB vide order 2002229941522 Dt.26.11.2020 extended the validity upto 06.01.2021. Further extension of validity upto 31.12.2023 is under process. Physical Progress : 68.60% Financial Progress: 98.02% The Project is expected to be commissioned in 2026.
3	Uppur Thermal Power Project	2 x 800 MW	Rs.12,778 Crores.	LOA for spply, erection & commissioning of BTG package along with connected civil works issued on 27.2.16. to M/s. BHEL for a value of Rs 5580 Crores. and amended to Rs. 5852 Crores for additional In - Boiler modification Works to adhere to Revised MOEF norms. The contract for BOP package has been issued to M/s Reliance Infrastructure Ltd on 21.02.18 at a cost of Rs.3647.48 Crores. But the contract was short closed due to huge price escalation sought by M/s. RIL. The contract for Sea water intake and outfall system issued to M/s L & T for a value of Rs.999 Crores on 8.5.18 and amended to Rs.1,067.66 for GST. The project put on hold from 17.03.21. As instructed by Board, all the relevant data's are furnished to Economic Advisory Committee to Hon'ble Chief Minister. The Committee report is awaited. Physical Progress: 35% Financial Progress: 31%
4	Udangudi Power Project Stage-I	2 x 660 MW	Rs.13 076.71 Crs. Awarded cost: Rs.9,751.57 Crs. Exp. incurred till March 2024 is Rs.7,732.68 crs. w.r.t the award cost	The Environmental Clearance for the originally envisaged capacity of 2x800 MW capacity was issued by MOEF/GOI on 14.10.2013 and amendment to the EC for the revised capacity (2x660 MW) was issued on 26.4.2017 with validity up to 14.10.2020 and further extension was issued till 13.10.2024. **Main Plant:** LOI was issued to M/s BHEL for Design, Engineering, Manufacture, Supply, erection, testing and commissioning of complete 2x660MW coal based Supercritical Critical

				Thermal Power Project Udangudi Stage I, on single EPC (Engineering, Procurement and Construction) basis for a value of Rs.7,359 Crores on 07.12.2017. The required land has been handed over to the contractor on 15.12.2017. An additional order for In Boiler Modification and two numbers bay for 400kV feeder in GIS switch yard was issued to BHEL for Rs.489.70 Cr (incl.GST). Physical Progress : 82.24 % Financial Progress: 76.71 % The project is expected to be commissioned in the year 2024-25. **Captive Coal Jetty:** EPC contract for establishment of Captive Coal Jetty and Unloading facilities with Pipe conveyor system was awarded to M/s. ITD Cementation India Ltd. vide LOI dt.13.02.2018 for an amount Rs.1,902.87 Crores including GST and the site was handed over to the contractor on 20.2.2018. As the EC & CRZ clearance for coal jetty expired on 04.06.2022, consequent to Marine Terrestrial EIA studies, fresh ECCRZ clearance was accorded by MoEF & CC on 03.08.2022 till 15.06.2032. Physical Progress : 92.63 % Financial Progress: 89.96 %
5	Kundah Pumped Storage Hydro-Electric Project	4x125MW	Rs.1,831.29 crore. (As per 2014-15 DPR cost) Now, after award of EPC contracts revised project cost is expected to be escalated upto Rs. 3,401 crores Total cost Rs.2,986.37 Cr Approval for Revised Project Cost Rs.3522.49 is being under process.	All Statutory clearances required for the project have been obtained. The EC to this project expired on 07.04.2020. As directed by MoEF & CC, application filed for fresh TOR towards obtaining fresh EC. Fresh Environmental Clearance issued on 12.02.2021. Execution of certain initial works such as Main Access Tunnel(1000m), Cable cum ventilation Tunnel (500m) and Approach roads have been completed before issue of the above EPC contracts. The contract on Engineering, Procurement & Construction basis(EPC) for Civil & Hydro Mechanical works of the project has been issued to M/s.Patel Engg, Mumbai for Package-I of Phase-I at a cost of Rs. 380.44 Crores & to M/s Kundah PSP Consortium, C/o M/s. Patel Engg. Mumbai for Package II of Phase I at a cost of Rs. 423.42 Crores on 15.2.18. Three LOAs for Electrical & Mechanical works have been issued on 28.11.2019 to M/s. Megha Engineering & Infrastructure Ltd, Hyderabad at a cost of Rs.604.62 Crs for Phase-I /Package –III, Rs.756.54 Crs for Phase-II & Rs.401.85 Crs for Phase-III.

				Revision of Project cost: Post award of EPC Contracts, the project cost increased and revised administrative approval of TANGEDCO Board for revised project cost under approval. Physical Progress : EPC Package I & II: 46% E&M Package III Phase I, II & III :85% Financial Progress: EPC Package I & II: 45.24% E&M Package III Phase I, II & III :80% This Project is expected to be commissioned in 2025-26.
6	Kollimalai Hydro Electric Project	(1 X20 MW)	Rs.338.79 crores. Approval for Revised Project Cost Rs.591.20 Crores is being under process.	Environmental Clearance for the project was obtained from MoEF on 05.11.2003. As the project falls under <25 MW category, further renewal of EC from MoEF is not required. No objection certificate from TNPCB was obtained on 07.12.1995. As the project falls under White category, further CTE from TNPCB not required. The Board of TANGEDCO in its 63rd meeting held on 23.08.2016 had approved the proposal for award of work of Kollimalai Hydro Electric Project (20MW) to M/s. K.Rajagopalan & Co, (Leader of Consortium)-SSIPL-GMW-HUNAN ALLONWARD Consortium, Mettur Dam, Salem District Tamil Nadu vide LOA, Dt.28.12.2016 under EPC Contract basis for an amount of Rs.270 Cores + Service tax. After implementation of GST, Amendment to above LOA has been issued vide lr. Dt.10.12.2018 and the revised cost is Rs.307 Crores (including GST). The duration of the project is 54 months and hence the due date of completion is 29.04.2021. Extension of time approved up to 31.10.2024. **Physical Progress** : 66.0% **Financial progress :** 65.91% The project is expected to be completed by 2025-26.

New projects:

1	Udangudi Power Project Stage-II & III	2 x 660 MW	Rs.18,756.660 Crores as per Pre feasibility report	GoTN accorded approval for the establishment of Stage II & III of each 2X660 MW vide No. G.O (4D), No.1, dt.03.02.2015. Subsequently GoTN vide GO (Ms) 11 dt 23.02.2022 accorded Administrative sanction for acquisition of 1500 Acres of land. The preliminary activities are under process to get Terms of reference from MOEF. Based on the decision on execution of

				Uppur Project, the execution of Udangudi Stage–II & III Thermal Projects will be decided.
2	Cheyyur Ultra Mega Power Project	5x800 MW	Rs.25,970 Crores	The total project cost is Rs. 25,970 crores. This is a project being developed by Government of India with private sector participation through Power Finance Corporation. Tamil Nadu will get 1600 MW power from the project as its share. Environmental clearance has been received for the project on 30.09.2013. Land acquisition for port and plant completed for entire patta land to an extent of 623 acres and possession has been taken by CTNPL (Special Purpose Vehicle). As most of the utilities have opted out the project, it has been proposed for closure by PFCCL with MOP. Recommendation of TANGEDCO on closure of project communicated to GOTN on 21.3.2020. Based on TANGEDCO's recommendation, GOTN has decided the closure of Cheyyur UMPP vide G.O.No.36 dt.19.05.2022. In the above G.O, TANGEDCO has directed to take over the land from CTNPL on payment of land cost and then transfer the land to Govt. sipcot land bank. Payment of land cost is in process.
3.	Pumped Storage Hydro Electric Project at Kodayar in Kanyakumari district.	1500 MW		• Govt. of TamilNadu has accorded `In-Principle' approval vide G.O. (Ms.) No. 106, dated 13.12.2023 to execute the project under PPP mode. • TANGEDCO engaged Ernest & Young LLP as Transaction Advisor for `preparing necessary documents for development of projects under Public, Private Partnership (PPP)' and assisting TANGEDCO in bid processing until execution of Concession agreement.
4.	Pumped Storage Hydro Electric Project at Manalar in Theni District.	1200 MW		• Govt. of TamilNadu has accorded `In-Principle' approval vide G.O. (Ms.) No. 106, dated 13.12.2023 to execute the project under PPP mode. • TANGEDCO engaged Ernest & Young LLP as Transaction Advisor for `preparing necessary documents for development of projects under Public, Private Partnership (PPP)' and assisting TANGEDCO in bid processing until execution of Concession agreement and the work is under progress.
5.	Sillahalla Pumped Storage Hydro –Electric Project with a capacity of 2000 MW	Stage-I- 4x250 MW (1000 MW) Stage-II- 4x250 MW (1000 MW)	Rs.7,000 Crores	• Govt. of TamilNadu has accorded `In-Principle' approval vide G.O. (Ms.) No. 106, dated 13.12.2023 to execute the project under PPP mode. • Action is being taken up for developing

<table>
<tr><td></td><td></td><td></td><td></td><td>the projects under PPP mode</td></tr>
<tr><td>6.</td><td>11 Nos. Pumped Storage Hydro Electric Projects at various districts based on feasibility.
i. Uper Bhavani PSHEP (1,000 MW)/Nilgiris District.
ii. Vellimalai PSHEP (500 MW) in Kanyakumari District
iii. Aliyar PSHEP (1,000 MW) in Coimbatore District
iv. Sandy Nalla PSHEP (1,000 MW) in Nilgiris District.
v. Mettur PSHEP (500 MW) in Salem District.
vi. Palar–Poranthalar PSHEP (1,000 MW) in Dindigul District.
vii. Karaiyar PSHEP (500 MW) in Tirunelveli District
viii. Manjalar PSHEP (500 MW) in Theni District
ix. Chattar PSHEP (500 MW) in Kanyakumari District
x. Sigur PSHEP (500 MW) in Nilgiris District</td><td>9800 MW</td><td></td><td>The Projects have been grouped as below:
<table>
<tr><th>Sl. No.</th><th>Name of the Project with District</th><th>Capacity (MW)</th><th>Project Cost (Rs. In crore)</th></tr>
<tr><td>1</td><td>Upper Bhavani PSHEP</td><td>1000</td><td>3905</td></tr>
<tr><td>2</td><td>Sandy Nalla PSHEP</td><td>1200</td><td>4412</td></tr>
<tr><td>3</td><td>Sigur PSHEP</td><td>800</td><td>3797</td></tr>
<tr><td>4.</td><td>Aliyar PSHEP/ Coimbatore</td><td>700</td><td>2504</td></tr>
<tr><td>5.</td><td>Vellimalai PSHEP/ Kanyakumari</td><td>1100</td><td>4521</td></tr>
<tr><td>6.</td><td>Manjalar PSHEP/Theni</td><td>500</td><td>2464</td></tr>
<tr><td>7.</td><td>Palar - Poranthalar PSHEP/ Dindigul</td><td>1100</td><td>4254</td></tr>
<tr><td>8.</td><td>Chattar PSHEP / Kanyakumari</td><td>1100</td><td>4707</td></tr>
<tr><td>9.</td><td>Karaiyar PSHEP / Tirunelveli</td><td>1000</td><td>4589</td></tr>
<tr><td>10.</td><td>Mettur PSHEP /Salem</td><td>1000</td><td>4434</td></tr>
<tr><td>11.</td><td>Athur PSHEP /Dindigul</td><td>300</td><td>1718</td></tr>
<tr><td colspan="2">Total</td><td>9800</td><td></td></tr>
</table>
<u>For Upper Bhavani Sl.No. (1).</u>
• G.O has been issued vide G.O.No.33, dated 11.03.2024 allocating Upper Bhavani Pumped Storage Hydro Electric Project (1000 MW) Nilgiris District to M/s. NTECL for development and the same has been communicated to M/s. NTPC vide Lr. Dt. 14.03.2024.
<u>For Sandy Nalla ,Sigur PSHEP and Velimalai PSHEP Sl.No. (2),(3) (5):</u>
• IFC is proposed as transaction Advisor for execution of the projects under PPP mode vide G.O No.139 & 140 dt.14.03.2024.

<u>For Aliyar PSHEP (Sl.No.4):</u>
• Govt. of TamilNadu has accorded `In-Principle' approval vide G.O. (Ms.) No. 106, dated 13.12.2023 to execute the project under PPP mode.
• TANGEDCO engaged Ernest & Young LLP as Transaction Advisor for `preparing</td></tr>
</table>

	xi. Athur PSHEP (500 MW) in Dindigul District			necessary documents for development of projects under Public, Private Partnership (PPP)', assisting TANGEDCO in bid processing until execution of Concession agreement. <u>For other projects (Sl.No.(6),(7),(8), (9), (10) & (11)):</u> • Govt. of TamilNadu has accorded `In-Principle' approval vide G.O. (Ms.) No. 106, dated 13.12.2023 to execute the projects under PPP mode. • Action is being taken up for developing the projects under PPP mode.

Co-gen Projects:-

As per G.O. No.24, dt.26.02.2008, TANGEDCO (Renamed as TNPDCL), has taken up the establishment of 12 Nos. Co-generation plants with a total capacity of 183 MW in 10 No. Co-operative and 2 No. Public Sector sugar mills along with sugar mill modernization in Tamil Nadu at a total cost of Rs. 1,241.15 crores.

Contract has been executed between TANGEDCO (Renamed as TNPDCL), and M/s.Walchandnagar Industries Ltd., Pune (WIL) on 20.02.2010 for establishment of 12 Nos. Co-generation Plants in 10 Co-operative and 2 Public Sector Sugar mills along with Sugar mill Modernization for a total Contract value of **Rs.1,125.63** Crore on Engineering, Procurement & Construction (EPC) basis.

Sl. No.	Name of Co-gen.Project	Capacity in MW	Present Status
1	Chengalrayan Co-operative Sugar Mills	18	Commissioned on 17.02.2016
2	Vellore Co-operative Sugar Mills	15	Commissioned on 19.01.2017
3	Cheyyar Co-operative Sugar Mills,Cheyyar (Thruvannamalai Dt)	15	Commissioned on 31.10.2017
4	Arignar Anna Public Sector Sugar Mills (Tanjore)	15	Commissioned on 04.09.2018.
5	Perambalur Public Sector Sugar Mills	18	Commissioned on 18.02.2019.
6	Dharmapuri Co-operative Sugar Mills	12	Commissioned on 13.11.2021.
7	M.R.KRISHNAMURTHY Co-operative Sugar Mills, Sethiyathope, Cuddalore	15	Commissioned on 31.12.2023.
8	Kallakurichi-I Co-operative Sugar Mills	15	Work under Progress.To be commissioned in December - 2024 as per action plan of M/s.WIL

9	Kallakurichi-II Co-operative Sugar Mills	15	Work under Progress.To be commissioned in December - 2024 as per action plan of M/s.WIL
10	Salem Co-operative Sugar Mills, (Namakkal)	15	After completion of ongoing Project, Work to be taken up.
11	Subramaniya Siva Co-operative Sugar Mills, Arur,Dharmapuri	15	After completion of ongoing Project, Work to be taken up
12	National Co-operative Sugar Mills, (Madurai)	15	After completion of ongoing Project, Work to be taken up

5. (B) Information on Business:

- **Change in the nature of business, if any:**

  During the Financial year 2023-24, there is no change in the nature of business of the Company.

- **Material changes and commitments:**

  There is no such material change and commitment affecting the financial position of the company which has occurred between the end of the financial year of the company to which the financial statement relate and the date of the report.

- **Significant and material orders passed by the Regulators or courts or tribunals:**

  During the financial year 2023-24, there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.

5. (C) Human Resources Development:

The company is a Government Company having its own service rules and regulations, which, inter-alia, regulates the recruitment and promotions. The System of Annual Performance Appraisal Report (PAR) exists for appraisal of the performance of employees of the Company including Senior Management. Departmental Promotional Committees (DPCs) exist for considering promotion at every level of organization. Employees are also given the opportunity to obtain transfers to their willing office under Request Transfer Scheme. Employees are also transferred on rotational basis for the purpose of Enrichment of knowledge and work expertise.

(i) Recruitment:

a. As per the need and necessity in TNPDCL and based on the direction of the board of TNPDCL, the Additional Chief Secretary to the Government, Energy Dept., was addressed vide letter dated 26.07.2022 communicating the vacancies of posts in TNPDCL and requested to obtain the approval of the Government to fill up 10260 vacancies in TNPDCL, through TNPSC.

b. In the first instance, based on Court orders, approval of the Government was issued only on conducting direct recruitment through TNPSC for 200 posts of Technical Assistant Vide G.O. Ms. No.29 dated 22.04.2023. Based on the approval, steps are being taken to issue notification for 200 posts of Technical Assistant through TNPSC.

c. Recently the Government (Energy Department) deferred TNPDCL's proposal seeking approval to fill 400 Assistant Engineers and 8000 Field Assistants through TNPSC by Direct Recruitment vide Letter dated 29.04.2024 citing that, several issues are needed to be resolved prior to recruitment.

(ii) Training:

Human Resource Development wing is imparting training to various level of Engineers / Officers (Class-I & II) through the 4 Training Institutes namely;

a. Staff Training College/Chennai.
b. Transmission & Distribution Training and Development Institute & Research Centre/ Madurai.
c. Thermal Training Institute & Research Centre/North Chennai and
d. Hydro Training Institute & Research Centre/Kuthiraikalmedu.

The training is also imparted to all Staff (Class III & IV) through the 10 Technical Training & Development Centres located at different parts of the state. Also a Cable Jointing Training & Development Centre, Chennai is providing hands on practical training on Cable Jointing & End termination to the Engineers/Staff.

The details of training provided to the employees during the Year 2023-24 and the cost are furnished below.

Total Number Of Training Programme	Total Number of Employees attended	Total Training Cost
1576	56402	Rs. 3,04,35,362

(iii) Policy Against Workplace Harassment:

There has been no case of Sexual harassment complaints received by the company during the financial year 2023-24, the committee consist of-

Sl.No	NAME & DESIGNATION	OFFICE
1	Tmty. V.Mahalakshmi, CE/Electrical, Hydro chennai	ChairPerson
2	Tmty. A.N.N.Amutha, S.P.O, Labour Administrative Branch	Female Member
3	Tmty. Himani Datar, Hon. Secy, Guild of Service (Central)	NGO (Member Female)
4	Thiru. B. Anandasabesan DCIAO, Internal Audit cell	Male Member
5	Thiru. S.Dilliraj, DS, Personal secretariat branch, Chennai	Male Member.

(iv) Sports activity:

Sports Events conducted during the year 2023-24

Sl.No	PARTICULARS	AMOUNT SPENT
1	Sports – AIESCB Extraordinary General Body Meetng at Chennai	Rs. 2,31,691/-
2	Conducting of 45th AIESCB Tournament at Chennai	Rs. 16,00,000/-

Others

Sl.No	PARTICULARS	AMOUNT SPENT
1	Participation in various tournaments by TANGEDCO (Renamed as TNPDCL),Team	Rs 7,66,500/-

5.(D) Right to Information:

In order to promote transparency and accountability, an appropriate mechanism has been set up across your company in line with "Right to Information Act, 2005". Your company has nominated Public Information Officer/Assistant Public Information Officer / Appellate Authorities at its corporate and circle offices, to provide information to the Citizens under the provisions of Act.

6. Details in respect of adequacy of internal financial control with reference to the financial statements:

The Company has internal control system, in commensurate with the nature of its business and the size of the Company. Effective steps are being taken to engage qualified internal auditors, in order to further strengthen the efficiency of the operational and financial functions of the organisation. During the FY 2023-24, M/s. B.T.Thyagarajan &

M/S. Subramanian Associates has been engaged as internal auditor of TNPDCL. Open Tender will be floated to engage professional firms to cover all the circles under internal audit, duly specifying the scope of work extensively.

7. Details of Subsidiaries/Joint ventures /Associates Companies:

Udangudi Power Corporation limited (UPCL) was a Joint venture company formed between TNEB & BHEL. But BHEL has withdrawn the joint venture on 26.03.2013 and TANGEDCO (Renamed as TNPDCL), has purchased the shares of BHEL at the negotiated price of Rs.65.00 Crores. Consequently UPCL become a Subsidiary Company of TANGEDCO (Renamed as TNPDCL). However, the management has decided to merge the Company (UPCL), as the Udangudi project is being taken up by TANGEDCO (Renamed as TNPDCL), on its own account. The process of merger of UPCL with TANGEDCO (Renamed as TNPDCL), is under progress.

The Joint ventures of the Company and shareholding pattern as on 31st March, 2024 are tabulated below;

Sl.No.	Name of the Company	Shareholding pattern
1	Udangudi Power Corporation Limited	100% by TANGEDCO (Renamed as TNPDCL),(650,00,000 Shares each @ Rs.10/- per Share)
2	NTPC Tamilnadu Energy Company Limited (NTECL)	50%
3	NLC Tamilnadu Power Limited (NTPL)	11%
4	Mandakani B Coal Corporation Limited	25%
5	Maha Tamil Collieries Limited	74%

8. Public Deposits:

During the financial year 2023-24, the Company has not accepted any type of deposits from Public.

9. Distribution Capital Works under specified Schemes:

Revamped Distribution Sector Scheme (RDSS) - Infrastructure works to be executed in Tamil Nadu:

The RDSS was launched with an objectives of Reducing the AT&C losses to the level of 11.92% by 2024-25 & Reducing the ACS - ARR gap to zero by 2024-25.

The following are the works proposed:

(i) Loss reduction works:- Project Cost – Rs. 8,929.86 Crores

1. Agriculture Feeder Segregation
2. High Voltage Distribution System
3. Separation of Double DTs using HVDS
4. Re- conductoring of Existing 33 KV Feeders

Status:

Tender for carrying out the Loss Reduction Works have been awarded in 44 packages. Survey of feeders & Procurement of materials by Turnkey Contractors is under progress.

(ii) SMART METERING WORKS:- Project Cost – Rs.19,163 Crores

The SMART Metering Works for an amount of Rs.19163 Crores were approved by MoP on 25.03.2023 as detailed below:

(i) 3 Crores consumer meters,

(ii) 4.725 Lakhs Distribution Transformers

(iii) 18,274 Feeder/Boundary Meters

Status:

Tender for carrying out the above works are under process

(iii) Modernisation Works:- Project Cost Rs.6,525.94 Crores

The Monitoring Committee in its 19th meeting held on 29.03.2023 observed that TANGEDCO (Renamed as TNPDCL), has complied with all PQ criteria and has scored 73.63 marks under REF evaluation for FY 2021-22.

Status:

Approval of the MoP/GoI is awaited.

9. Consumer friendly Measures:

A. Existing IT initiatives :

i. Online Portal for Service Connection Launched in 2016 and Mandatory from March 2020

ii. Online Payment Portal

- Online payment portal since 2008
- Payment through Mobile App commenced from September 2017
- Payment through BBPS commenced from February 2018
- During November 2020 payments using UPI has also been enabled.
- Quick Pay' facility has been launched in July 2020 for consumers to pay without registration. They can pay using their service connection number alone.

iii. Latest Initiatives

- Direct UPI payment facility from December 2023.
- Payment through NEFT/RTGS mode from June 2023.
- New E-Receipt (same as Counter Receipt format) download facility provided from June 2023.
- New Tax Invoice for LT services in pdf file through E-mail from October 2023.
- Mobile App for Assessors and Section Officers for LT services assessment using Optical Cable/Bluetooth by automatic reading from Meter.
- Single Mobile app for bill Payment and Complaints registration and tracking launched.
- Online Tariff Change – Launched on 10.06.2022
- Automatic refund for cancelled applications - Launched on 10.08.2022
- Online portal for Agriculture Application - Launched on 17.11.2021.
- Unified solar roof top portal (USRP) - Launched on 27.10.2021
- Mis-use of Electricity - Complaints registration through online - Launched on 01.08.2022.
- Existing USRP portal has been integrated with National portal for Domestic consumers on 13.2.2024
- GST No updation through online - launched on 21.01.2024
- Dynamic Load reduction through - launched on 30.9.2023
- Tariff conversion from 1D to 1E through online has been launched on 6.11.2023
- Application for Shifting of meters / Equipments, through online - launched on 9.10.2023.

iv. Consumer Grievance Redressal Portal:

1. The Consumer Grievance Redressal Forum (CGRF) consists of Superintending Engineer/Electricity Distribution Circle as Chairperson and two members nominated by the Collector of the District where the forum is located.
2. Every grievance to the forum can be submitted to the concerned SE office in two ways either manually or through Online.
3. The grievance to the forum may also be registered online through this portal and the online acknowledgment for registration will be received immediately by the complainant and its printout can be taken. The status of the petition

whether accepted or rejected by the concerned (CGRF) can be checked by the consumer through online.

v. SMS facility

SMS is being sent to the consumers in the following occasions:

1. Bill Intimation SMS after assessment entry by the Assessor
2. Payment confirmation SMS after through collection counter and digital mode.
3. Reminder SMS 3 days prior to due date.
4. Outage intimation SMS for both scheduled maintenance and fault tripping.
5. SMS to the applicants at various stages of application processing.
6. SMS to consumers about complaint status.

vi. E-Governance

1. Facility has been provided for Online application through e-seva centers
2. LT Consumers can also pay at Bank counter, Post offices and through e-seva centers.
3. The LT Online portal has been integrated with GoTN Single Window portal under e-Governance for Industrial Applicants.

B. Proposed IT Initiatives:

1. eNach payment facility for LT consumers
2. Integration with Village Panchyat TNPASS application and Department of Treasuries IFHRMS application for electricity charges bill payment.
3. Proposed to send Invoice and UPI payment link through Whatsapp for consumers with more than 500 units consumption.
4. E-filing of Temporary supply tariff conversion request.
5. Supply availability time extension request through online.
6. Integrating with DTCP single window portal to receive the application for shifting of LT/HT line materials.
7. Integrating with CMDA to fetch completion certificate.
8. Centralised collection Account instead of more than 1500 Current Accounts.

C. Implementation of ERP in TANGEDCO and TANTRANSCO:

1. SAP ERP has been implemented in TANGEDCO (Renamed as TNPDCL), and TANTRANSCO and the ERP system has gone live in a phased manner from 05.05.2021 onwards.
2. The major modules implemented are Procurement, Stores and Inventory, Human Capital Management and Finance and Control.
3. All payments including vendor payments are now centrally done from Headquarters through ERP. Integration of ERP with Bank servers for direct electronic payments/fund transfers has been completed and will be rolled out soon.

4. The Balance Sheet for the years 2022-23, 2023-24 in respect of TANGEDCO (Renamed as TNPDCL), are prepared in ERP.

D. Best practices Implemented in Geographic Information System (GIS) Technology:

- ✓ TANGEDCO (Renamed as TNPDCL), is the first utility to map all its distribution assets including 3.28 crore consumers in GIS platform.
- ✓ Geo tagging of all assets & consumers of TANGEDCO (Renamed as TNPDCL), is 100% completed.
- ✓ GIS has been integrated with HT and LT new service application packages, to capture new consumers location details and indexing.
- ✓ Provision for addition of new substation, Feeder and Distribution transformer and modification of existing network is given through GIS application.
- ✓ GIS based asset information is being used in RDSS implementation for choosing the feeders for augmentation. The HT/LT ratio report and HT/LT album generation is used as base line data for DPR preparation.
- ✓ Consumer's defaulter identification and theft happened location showcased in GIS.
- ✓ Consumer / Asset location search provided to O&M section officers to locate the Asset / Consumers for day-to-day O&M works.
- ✓ GIS based Consumer Indexing enabled for all regions in synchronization with other IT system.
- ✓ Affected Geographical area identification during feeder breaker failure of SCADA towns and Non SCADA towns.
- ✓ GIS data extensively used for region reformation in TANGEDCO (Renamed as TNPDCL).
- ✓ Section wise GIS based average DT loading pattern using consumer billing information.
- ✓ GIS dashboard for all users to know the asset details of their jurisdiction.

E. Smart Meter Project:

(i) Smart meters installation at consumer and DT end in T.Nagar /Area Based Development (ABD)/ Chennai area for around 1.3 Lakh has been completed.

(ii) The following features of smart meters are being utilized:

- Billing automation without any manual assessment.
- Auto Disconnection of SCs for non-payment of CC charges.
- Auto Reconnection of SCs round the clock after payment (24 X 7) of Current Consumption Charges by consumer.
- Provision of Consumer mobile app, consumer web portal for the consumers pertaining to T.Nagar ABD area to view their consumption.
- Provision of officers mobile app under T.Nagar ABD area.
- Net metering and monitoring renewable energy generation
- Prepaid functionality available for future use.
- Faster outage detection and rectification, events / alarm notification.

SOFTWARE

- SMS to consumers on outages and Fault
- Pensioners Mobile App for obtaining Digital Life Certificate and to view Account statement
- AI based Demand Forecast Software to obtain day Ahead Demand Forecast

Section Maintenance Work Monitoring :

- Software for entry of daily work carried out at O&M section offices with respect to Maintenance has been implemented.
- Daily reports regarding the work progress are being generated and put up to CMD's desk by SE/REID office.
- Average Hours of Supply (SAIDI & SAIFI) report to REC through SE/Commercial office.

11. Company Auditors :

a) The Comptroller & Auditor General of India, (C&AG) New Delhi has appointed M/s.P.S.Subramanian Iyer & co, Chartered Accountants, Chennai. M/s.A.John Morris & co., Chartered Accountants, Tiruppur, M/s.V.Krishnan & Co., Chartered Accountants, Coimbatore and M/s. Sivamani & Co, Chartered Accountants, Madurai as Joint statutory auditors for the FY 2023-24, as per section 139 (5) of the Companies Act 2013.

b) In terms of section 204 (1) of the Companies Act 2013, the Board has appointed M/s Ramachandran & Associates, Company Secretaries as Secretarial Auditors for the year 2023-24.

c) In terms of section 148 of the Companies Act 2013, the appointment of Cost Auditor for FY 2023-24 is under process.

d) In terms of section 44AB of the Income tax Act 1961, the Board has appointed M/s. K.S.Rao & co, Chartered Accountant as Tax Auditor for the financial year 2023-24.

12. Details of conservation of energy, technology absorption:
a) Conservation of Energy:

Sl. No.	Subject	Action taken
1	Prevention of Energy theft	a) Energy conservation day and week celebrations were conducted in all Electricity Distribution Circles from 14.12.2023 to 20.12.2023. As a permanent measure, the slogan on Energy conservation "SAVE ELECTRICITY" is being sent as SMS to about 1.82 crore consumers along with the SMS alerts for payment of CC charges in every billing cycle (2 months) thereby instilling awareness from grass root level to higher echeleons of society
2	Awareness creation among Public related to Conservation of Energy	The programme of energy conservation awareness to school students by the officers of the distribution network was commenced across the State in the month of October 2014 and is being successfully continued. About 12.11 lakh students have been addressed in the above programme upto March 2023. Subsequently 937 nos. of Energy clubs were established as on 31.03.2024 in Government High and Higher Secondary Schools in 28 districts (30 EDCs) with an enrolment of 29,538 energy club members (students). Also action had been taken to include "Energy Efficiency" syllabus for Class VI to X of State Govt. Schools. To conserve electrical energy in respect of domestic electrical appliances, 28 nos. one-day Retailer Training Programmes (RTP) on Star labelling of Home appliances were conducted benefitting about 565 nos. sales persons/technicians along with general public in Chennai and Trichy districts.
		Further to conserve electrical energy in respect of domestic consumers (Gated Community Consumers) One day Awareness Training Programme on "Energy Conservation, Energy Efficiency and Electrical Safety" 5 nos of programs were conducted at various residential complexs in Chennai. The GOTN has appointed TANGEDCO (Renamed as TNPDCL), as State Nodal Agency (SNA) for creating Public Charging infrastructure across the state for Electric Vehicles (EV) vide G.O. dt 27.05.19. Based on this, EV awareness has been conducted in 8 cities in the State of Tamil Nadu (Chennai Central-1 no., Chennai North-2 nos., Chennai South-I - 1no., Chennai South-II -1no., Chengalpattu-1no., Kanchipuram-1no., Chennai Island Ground-1no.) The Tamil Nadu Energy Conservation Building Code (TNECBC) Rules *2022 was prepared by TNSDA (TANGEDCO) (Renamed as TNPDCL), and submitted to GoTN and the same was notified vide G.O No.71 on 27.12.2022.*

		Model Energy Efficiency Village, Othaiyal and Karenthal are the two electrified Villages for retrofitting of energy efficient appliances in place of existing inefficient ones, work is under progress.
		TANGEDCO(Renamed as TNPDCL), has permitted M/s.Energy Efficiency Services Limited (EESL) to sell Energy Efficient LED bulbs, LED Tube Lights and Ceiling Fans to Domestic Consumers at subsidized rate under UJALA Scheme. In this scheme LED bulbs 37.00421 lakh nos., LED Tube Lights 4.81 lakh nos. and Ceiling Fans 1.34 lakh nos. were sold to domestic consumers so far.
3	Unnat Jyothi by Affordable LED's to All (UJALA) Schemes:	Energy Audit is mandatory as per G.S.R.486 (E), dated: 30.06.2008 for Designated Consumers (DCs). At present, there are 92 DCs covered in 7 PAT cycles (i.e., PAT 1 to 7). Further TNSDA has identified 240 Nos. probable DCs list and submitted to Bureau of Energy Efficiency (BEE) during the financial year 2022-23 for inclusion in future PAT cycle.
4	Energy Auditor for Designated Consumers DCs) as well as Non-Designated Consumer (NDCs) is under implementation	At present, under PAT cycle IV & V, 14 DCs (out of 15) have submitted PAT M&V report and other relevant forms & documents. In PAT cycle VI (with 7 DCs), M&V Audit has to be commenced for the respective assessment year. TNSDA is consistently following up and coordinating with DCs. Conducting of Energy Audit for NDCs is not feasible as per the provisions in the EC Act 2001 and hence the same has been dropped and the fact informed to the Energy Secretary.

13. CSR Commitments in respect of Projects :

The following members of the Board of Directors of the Company as members of CSR Committee:

1. Joint Managing Director /TANGEDCO (Renamed as TNPDCL),
2. Director/Distribution/TANGEDCO (Renamed as TNPDCL),
3. Director/Project /TANGEDCO (Renamed as TNPDCL),
4. Director/Finance/TANGEDCO (Renamed as TNPDCL),

Though TANGEDCO (Renamed as TNPDCL), is incurring huge losses and such not having CSR commitments as per provisions, the company has committed to serve the society under the project coverage as listed out below:

A. <u>NCTPP – Stage –III Project (1X800 MW)</u>

The Board of TANGEDCO (Renamed as TNPDCL) vide (Per) FB TANGEDCO, Proceedings No.57 (TB) dt.21.09.2023, accorded approval for fund allotment of Rs.755.84 lakhs towards CSR/CER activities in the budget for the FY 2023-24 out of the project provision of Rs.10 Cr. in respect of NCTPP Stage-III (1x800MW) project and to release the same to the District Collector, Chairman, DRDA, Tiruvallur District for taking up the works under CSR/CER activities by them for the approved list of 47 nos. permanent infrastructure works to improve the quality of life and uplift the living standards of thirteen surrounding Panchayats.

Necessary Administrative sanction has been issued by the District Collector to the BDO / Minjur to take up the works. Hence, no CSR work has been taken up and expenditure incurred so far.

B. Uppur Super Thermal Power Project (2 X 800 MW)

It is stated that a 'NIL' report in this regard in respect of Uppur STPP/Ramnad.

C. Udangudi Power Project (1X660MW)

In respect of this project, so far Rs.10.84 crores has been disbursed to the District administration out of total provision of Rs.32.70 Crores.

D. Ennore SEZ STPP (2X660 MW)

CSR activities 'Nil' expenditure for the year 2023-24 in respect of Ennore SEZ STPP.

14. Change in the Board of Directors and Managerial Personnel during FY 2023-24:

Sl.No	Name	Designation
1	Thiru.Rajesh Lakhoni, I.A.S., (from 05.08.2021 to 02.10.2024)	Chairman Cum Managing Director TANGEDCO (Renamed as TNPDCL),
2	Thiru.T.Udhayachandran, I.A.S., (from 25.05.2023 to till date)	Principal Secretary to Govt. Finance Department, GoTN
3	Thiru.Ramesh Chand Meena, I.A.S., (from 06.11.2021 to 30.06.2023) Dr.Tmty.Beela Rajesh, I.A.S., (from 30.06.2023 to till date)	Additional Chief Secretary to Govt. Principal Secretary to Govt. Energy department. GoTN
4	Thiru.S.Krishnan, I.A.S ., (from 01.07.2019 to 09.09.2023) Thiru.V.Arun Roy, I.A.S., (from 09.09.2023 to till date)	Additional Chief Secretary to Govt. Secretary to Govt. Industry Dept, GoTN

5	Thiru.R.Manivannan, B.E., (from 16.12.2022 to 30.06.2023) Thiru.M.Ramachandran ,B.E.,MCA., (28.08.2023 to 31.03.2024)	Managing Director, TANTRANSCO
6	Thiru.M.Ramachandran, B.E.,MCA., (from 19.11.2022 to 30.06.2023) Tmty.N.Umadevi, B.E.,MBA., (from 18.11.2023 to 29.06.2024)	Director Projects
7	Tmty.K.Malarvizhi,B.A(Corp).,ACA.,PGDHRM., (from 07.04.2023 to till date)	Director Finance, TANGEDCO (Renamed as TNPDCL),
8	Er.Thiru M.Sivalingarajan, B.E., (from 19.01.2022 to 30.06.2023) Thiru.R.Manivannan , B.E., (from 30.06.2023 to 13.03.2024)	Director Distribution, TANGEDCO (Renamed as TNPDCL)
9	Er.Thiru.D.Rajendran, M.E., (from 16.12.2022 to 13.03.2024)	Director Generation, TANGEDCO (Renamed as TNPDCL)
10	Thiru.Vishu Mahajan, I.A.S., (from 09.09.2023 to till date)	Joint Managing Director/ Finance TANGEDCO (Renamed as TNPDCL)
11	Thiru.Ajoy Choudhury (from 09.09.2023 to 06.02.2024) Thiru.TSC Bosh, B.E.,PGPMSE., (From 06.02.2024 to till date)	Director Finance, REC Ltd., Exe.Director, REC Ltd., Nominee director
12	Thiru.Rajesh Kumar Shahi (from 18.11.2023 to 13.03.2024) Shri.Saurav Kumar Shah (from 13.03.2024 to till date)	Exe.Director, PFC Ltd., Nominee director
13	Thiru.Prashant M.Wadnere, I.A.S., (From 06.02.2024 to till date)	Addl.Secretary to Govt. Finance Department, GoTN

15. Composition of Directors upon restructuring – status as on 31.10.2024

I

SL.NO.	DIRECTORS OF TAMILNADU POWER DISTRIBUTION CORPORATION LIMITED (TNPDCL)
1.	Thiru. Rajesh Lakhoni, I.A.S., Chairman,TNPDCL
2.	Thiru. T. Udhayachandran, I.A.S., Principal Secretary to Govt./Finance Dept.
3.	Dr.(Tmty.) Beela Venkatesan, I.A.S., Principal Secretary to Govt./Energy Dept.
4.	Thiru.V.Arun Roy, I.A.S., Special Secretary to Govt./Industries Dept.
5.	Thiru. Prashanth M.Wadnere, I.A.S., Special Secretary to Govt/Finance Department.
6.	Thiru. Vishu Mahajan, I.A.S., Joint Managing Director/ Finance
7.	Shri.TSC Bosh, B.E., PGPMSE., Executive Director/REC Ltd., Nominee Director
8.	Shri.Saurav Kumar Shah, Executive Director/PFC., Nominee Director
9.	CA.(Tmty) K.Malarvizhi, B.A.(Corp).,ACA.,PGDHRM., Director /Finance

SL. NO.	DIRECTORS OF TAMILNADU POWER GENERATION CORPORATION LIMITED (TNPGCL)
1.	Thiru. Rajesh Lakhoni, I.A.S., (Chairman, TNPGCL) (upto 02.10.2024) Thiru. K. Nanthakumar, I.A.S., (Chairman, TNPGCL) (from 03.10.2024 to till date)
2.	Thiru. Vishu Mahajan, I.A.S., Director/ TNPGCL (from 01.04.2024 to till date)
3.	Thiru. S.Nagarajan, I.A.S., Secretary to Govt/Expenditure, Finance Department, GoTN (from 05.08.2024 to till date)
4.	Dr.(Tmty.) Beela Venkatesan, I.A.S., Principal Secretary to Government, Energy Department, GoTN (from 01.04.2024 to till date)
5.	Thiru.T.Udhayachandran ,I.A.S., (upto 05.08.2024) Thiru. Prashanth M.Wadnere, I.A.S., (from 05.08.2024 to till date) Special Secretary to Govt/Finance Department.
6.	Er.(Thiru).K.Kanikannan, M.E., Director/Tech./Gen., (Full Additional Charge) (upto 18.10.2024) Er.M.Senthilkumar, M.S.,(QM)., Director/Tech/Generation (from 21.10.2024 to till date)
7.	Thiru.K.Karukkuvelrajan ,B.E., Director/Project/PGCL (Full Additional Charge) (upto 18.10.2024) and (from 21.10.2024 to till date)
8.	Tmty.V.Savitha, B.Sc., FCMA., MBA., CA (Inter), CS (Inter)] Director/Finance (Full Additional Charge) (upto 18.10.2024) Thiru.K. Balakrishnan, M.Com., A.C.M.A., D.L.L., Director/Finance (from 21.10.2024 to till date)
9.	Tmty K.Indirani, B.E., MCA., F.I.E., Non – Exe Director (MD-TANTRANSCO) (from 21.10.2024 to till date)

III.

SL. NO.	DIRECTORS OF TAMILNADU GREEN ENERGY CORPORATION LIMITED (TNGECL)
1.	Thiru. Rajesh Lakhoni, I.A.S., (Chairman, TNGECL) (upto 02.10.2024) Thiru. K. Nanthakumar, I.A.S., (Chairman, TNGECL) (from 03.10.2024 to till date)
2.	Thiru. Vishu Mahajan, I.A.S ., Director/TNGECL (from 01.04.2024 to till date)
3.	Dr.(Tmty.) Beela Venkatesan, I.A.S., Principal Secretary to Government, Energy Department, GoTN (from 01.04.2024 to till date)
4.	Dr.(Thiru.)Aneesh Sekhar, I.A.S., Managing Director/TNGECL (from 01.04.2024 to till date)
5.	Thiru.T.Udhayachandran, I.A.S., (upto 05.08.2024) Thiru. Prashanth M.Wadnere, I.A.S.,(from 05.08.2024 to till date) Special Secretary to Govt/Finance Department.
6.	Tmty. Pooja Kuikarni, I.A.S., Special Secretary to Government & CEO/TNIDB (from 05.08.2024 to till date)
7.	Thiru. R. K. Vinothan, B.E., MIE., Dir-Tech- PGCL (Full Additional Charge) (upto 18.10.2024) and (from 19.10.2024 to till date)
8.	Thiru. N. Mahendran, B.Com., ACA., Director/Finance (Full Additional Charge) (upto 18.10.2024) Tmt. B. Rajeswari, FCMA., PGDHRM., Director/Finance (18.10.2024 to till date)
9.	Tmty. K. Indirani, B.E., MCA., F.I.E., Non – Exe Director (MD-TANTRANSCO) (from 18.10.2024 to till date)

16. Composition of audit committee

The company has constituted an Audit Committee as per section 292A of the Companies Act 1956, (Section 177 of Companies Act 2013) in the 10th Board meeting of TANGEDCO(Renamed as TNPDCL), held on 24.3.2011. The Audit Committee was formed with the following members.

i. Chairman Cum Managing Director/TANGEDCO(Renamed as TNPDCL).
ii. Principal Secretary to Government/Finance Department
iii. Principal Secretary to Government/Energy Department.
iv. Principal Secretary to Government/Industries Department.

The Board has accepted all recommendations of the Audit Committee during the financial year 2023-24.

17. Number of meetings of the Board of Directors/Audit Committees:

a) The details of Audit Committee Meetings :

Ref. No. of Meeting	Date	Board Strength	No. of Directors Present
35	25.05.2023	4	3
36	28.08.2023	4	3
37	30.08.2023	4	3
38	09.09.2023	4	4
39	25.11.2023	4	3
40	30.12.2023	4	4
41	30.12.2023	4	4
42	13.03.2024	4	4

b) The details of Board Meetings :

Ref .No. of Meeting	Date	Board Strength	No.of Directors Present
113	25.05.2023	9	8
114	30.06.2023	8	8
115	28.08.2023	10	9
116	30.08.2023	10	9
117	09.09.2023	11	11
118	18.11.2023	12	11
119	25.11.2023	12	7
120	30.12.2023	12	12
121	30.12.2023	12	9
122	06.02.2024	13	13
123	14.02.2024	13	13
124	13.03.2024	13	13

18. Directors Responsibility Statement:

Pursuant to clause (c) of subsection (3) read with sub section (5) of section 134 of the Companies Act 2013, the Directors to the best of their knowledge and belief confirm that,

a. The Financial statements have been prepared on accrual basis of accounting and in accordance with the generally accepted accounting principles in India. As per Notification of Ministry of Corporate Affairs dated 16th February 2015, Ind AS is applicable to the Company. The Company has adhered the provisions of the Companies Act, 2013 by preparing and presenting the financial statements in accordance with the requirements of Schedule III of Companies Act, 2013. The company has reclassified previous year figures wherever required, to bring the same in accordance with the Schedule III presentation requirements.

b. The Directors had selected such accounting policies, applied them consistently made judgment and estimates that are reasonable & prudent so as to give a true and fair view of state of affairs of the company as at March 31, 2024 and the profit or loss of the company for that period.

c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 to the extent applicable for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

d. The Directors had prepared the financial statements as a going concern basis, duly supported with the Government of Tamil Nadu order G.O.(Ms.) No. 38 dated 18.08.2021) on the assurance to taken over 100% of financial losses of TANGEDCO (Renamed as TNPDCL),

e. The Directors had devised proper system to ensure compliance with the provision of all the applicable laws and that such a system are adequate and operating effectively.

Acknowledgement:

The Board of Directors wish to place on record their appreciation with thanks for all the support and guidance extended by the Government of Tamil Nadu, Government of India, Hon'ble Tamil Nadu Electricity Regulatory Commission and forums viz., TNEB Ltd., TANTRANSCO Government treasury, CEA, CERC, all Financial Institutions viz., REC, PFC, TNPFC, HUDCO, NABARD, etc and Commercial Banks, Ministry of Corporate Affairs, Registrar of Companies, Comptroller and Auditor General of India (C&AG), Statutory Auditors, Cost Auditors, Secretarial Auditor, Tax Auditors, Internal Auditors, Consultants, Advocate General & Standing Counsels and, Consumers, Vendors & the General Public for co-operation and active support to TANGEDCO (Renamed as TNPDCL), in our endeavour to serve the society. The Board of Directors would also like to place on record its appreciation for the dedicated and committed services rendered by the Officers and Staffs of the Company.

Chairman Cum Managing Director

TNPDCL

भारतीय लेखापरीक्षा और
लेखा विभाग
INDIAN AUDIT AND ACCOUNTS DEPARTMENT
இந்திய கணக்காய்வு மற்றும் தணிக்கைத் துறை

सत्यमेव जयते

O/o THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT-II)
TAMIL NADU & PUDUCHERRY
முதன்மை கணக்காய்வு அலுவலகம் (தணிக்கை-II)
தமிழ்நாடு & புதுச்சேரி

31.12.2024
31.12.2024

स.प्रमले. (लेखापरीक्षा II)/ शा. का टी एन ई बी /डेटा बैंक /2024-25/28
No. PAG (Audit II)/BO TNEB/DATA BANK/2024-25/28

सेवा में / To

अध्यक्ष एवं प्रबंध निदेशक,
टीएनपीडीसीएल (टैनजेडको),
चेन्नई - 600 002

Chairman and Managing Director,
TNPDCL (TANGEDCO),
Chennai – 600 002.

महोदय Sir/ महोदया Madam,

विषय: 31 मार्च, 2024 को समाप्त वर्ष के लिए टीएनपीडीसीएल (टैनजेडको), चेन्नई के खातों पर कंपनी अधिनियम, 2013 के अधीन धारा 143(6)(बी) के नि.व म.लेप. की टिप्पणी ।

Sub: Comments of the C&AG of India u/s 143(6)(b) of the Companies Act, 2013 on the accounts of TNPDCL(TANGEDCO), Chennai for the year ended 31 March, 2024.

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31 मार्च, 2024 को समाप्त वर्ष के लिए टीएनपीडीसीएल (टैनजेडको, चेन्नई के खातों पर कंपनी अधिनियम, 2013 की धारा 143(6)(बी) के अधीन भारत के नियंत्रक एवं महालेखापरीक्षक के टिप्पणियाँ प्रमाण-पत्र में इस के साथ अग्रेषित कर रहा हूँ ।

I am to forward herewith the COMMENTS CERTIFICATE of the Comptroller and Auditor General of India under section 143 (6) (b) of the Companies Act, 2013 on the accounts of TNPDCL(TANGEDCO), Chennai for the year ended 31 March, 2024.

वार्षिक सामान्य बैठक के कार्यवृत की एक प्रति जिसमें कंपनी अधिनियम 2013 की धारा 143 (6)(बी) के तहत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणी प्रस्तुत की जानी है, उसे इस कार्यालय को कृपया यथाशीघ्र भेजी जाए । मुद्रित वार्षिक रिपोर्ट की छः प्रतियाँ जब भी तैयार होती हैं, इस कार्यालय को अग्रेषित की जाएं । लेखा परीक्षा की सूचना के तहत कंपनी अधिनियम, 2013 की धारा 395 के साथ पठित सीएजी के डीपीसी अधिनियम की धारा 19 ए (3) के तहत विधान सभा के समक्ष सीएजी की टिप्पणियों के साथ वार्षिक खातों को रखने के लिए कार्रवाई की जा सकती है।

A copy of the minutes of Annual General Meeting in which comments of Comptroller & Auditor General of India are to be placed under section 143 (6) (b) of the Companies Act 2013 may please be sent to this office early. Six copies of printed Annual Reports as and when they are ready may be forwarded to this office. Action may be taken to place the annual accounts along with comments of C&AG before the legislative assembly as required under Section 19 A (3) of C&AG's DPC Act read with Section 395 of Companies Act, 2013 under intimation to audit.

भवदीय/Yours sincerely,

संलग्न: **यथोपरि**
Encl: As above

उप महालेखाकार
Deputy Accountant General

प्रधान महालेखाकार (लेखापरीक्षा-II)
तमिलनाडु एवं पुदुचेरी
PRINCIPAL ACCOUNTANT GENERAL (AUDIT-II)
TAMILNADU & PUDUCHERRY

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF TAMIL NADU POWER DISTRIBUTION CORPORATION LIMITED (FORMERLY KNOWN AS TAMIL NADU GENERATION AND DISTRIBUTION CORPORATION LIMITED), CHENNAI FOR THE YEAR ENDED 31 MARCH 2024.

The preparation of financial statements of Tamil Nadu Power Distribution Corporation Limited (TNPDCL) (formerly known as Tamil Nadu Generation and Distribution Corporation Limited, Chennai (TANGEDCO)) for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. **This is stated to have been done by them vide their Audit Report dated 15 November 2024 and they have expressed an "Adverse Opinion" stating that the standalone financial statements do not give the information required by the Companies Act, 2013 in the manner so required and do not give a true and fair view in conformity with the Indian Accounting Standards.**

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143 (6) (a) of the Act on the financial statements of TNPDCL for the year ended 31 March 2024. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

"लेखापरीक्षा भवन" 361, अण्णा सालै, चेन्नई-600 018 "Lekha Pariksha Bhavan", 361, Anna Salai, Chennai - 600 018
दू.भा/Phone : 044 - 24316560 to 6566 ; फैक्स/Fax : 044 - 2431 1659 ई-मेल/E-mail : agautamilnadu2@cag.gov.in

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143 (6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

General Comment

(i) Based on the GOs (Ms) No. 6 and 7 Energy (B2) Dept dated 24.01.2024 issued by the Government of Tamil Nadu (GoTN), two Companies namely Tamil Nadu Power Generation Corporation Limited (TNPGCL) and Tamil Nadu Green Energy Corporation Limited (TNGECL) were incorporated on 09.02.2024 and 10.02.2024 respectively. Government of Tamil Nadu vide GO (Ms) No. 32 Energy (B2) Dept dated 06.03. 2024 announced a scheme of restructuring of Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) duly forming the above two new companies.

As per the G.O No.84 Energy(B2) Department Dated 28.08.2024 the appointed date for the restructuring scheme was notified as 01-04-2023 but the same was not given effect due to the management decision based on the opinions from the law firms and tax consultants, to give effect to the restructuring from 01-04-2024. Accordingly, the management has compiled the annual accounts of financial year 2023-24 for the combined entity- TANGEDCO (renamed as Tamil Nadu Power Distribution Corporation Ltd- TNPDCL) in anticipation of amendment to Government Order to fix the appointed date as 01-04-2024 and the same was approved (15 November 2024) by the Board of the Company and the statutory auditors have also qualified in their Independent Auditors report for the financial year 2023-24.

However, on receipt of the Government order (24 December 2024) amending the appointed date as 01-04-2024 instead of the original 01.04.2023, the company has not obtained the approval of the amended date from the Board. *Hence the effect of restructuring of the company (i.e. the bifurcation and transfer of assets and liabilities etc) will be effective from FY 2024-25 and not from FY 2023-24.*

(ii) **Persistent and significant discrepancies leading to Adverse Opinion**

The company has not prepared its financial statements to give a true and fair view in conformity with the Ind AS prescribed under section 133 of the Companies Act, 2013.

The company has inherent limitations of internal financial controls over financial reporting from financial year 2016-17 onwards. A few instances are given below:

a) Persistent /significant discrepancies relating to non-maintenance of proper records on property, plant and equipment (PPE), Capital work-in progress and inventories from 2016-17 onwards;
b) Non- reconciliation of trade receivable and payables balances, bank balances, inter-unit balances, inter-company balances, legacy general ledger balances and statutory liabilities from 2016-17 onwards;
c) Non-integration of internally developed billing packages (LT and HT packages) as well as SAP- ERP modules from financial year 2021-22 onwards.

All the above issues have significant and serious impact on the financial statements, which the statutory auditors could not quantify. Also, no efforts have been made by the Company to address these long pending issues.

Net impact of Comments

In addition to the above persistent issues, the Company has reported a net loss of ₹ 1195.78 crore (before tax). The net impact of the following comments is that the loss is understated by ₹1962.33 crore. If this is taken into account, the reported loss (before tax) for the year would increase to ₹ 3158.11 crore.

The details of the comments are as follows:

Balance Sheet as on 31 March 2024
Equity and Liabilities
Equity
Other Equity – Note 15
Retained Earnings ₹(1,66,944.33) crore

1. As per the Uday Scheme/the Scheme for Additional Borrowings by the State Governments, loss funding grants shall be given to TANGEDCO in 2021-22 at 50 per cent of loss for the year 2020-21 and in 2022-23 at 60 per cent of the loss for the year 2021-22. TANGEDCO accounted for grant of ₹6703.66 crore and ₹11,437.94 crore respectively in 2021-22 and 2022-23 based on the pre-revised Financial Statements for 2020-21 and 2021-22. TANGEDCO revised the Financial Statements for the year 2020-21 and 2021-22 subsequently to comply with the Ind AS provisions, but the loss funding grants were not revised as per the revised losses for the year 2020-21 and 2021-22. This resulted in accounting of excess grant of ₹2612.18 crore in 2021-22 and lesser grant of ₹624.59 crore in 2022-23. As the prior period errors were not

rectified, Retained Earnings are overstated by ₹1987.59 crore (₹2612.18 crore - ₹624.59 crore) and Current Liabilities are understated by same amount.

Assets
Non-Current Assets
Property, Plant and Equipment - Note 4 (a) - ₹50,702.27 crore

2 The above amount includes ₹59.68 crore being the net value of 42 Power Transformers used in 110/11 KV, 110/22 KV and 110/33 KV Substations used by TANTRANSCO for power transmission. Inclusion of the above assets has resulted in overstatement of net value of Property, Plant and Equipment by ₹59.68 crore and accumulated depreciation by ₹19.41 crore and understatement of dues from TANTRANSCO under the head Other Financial assets by ₹79.09 crore.

Capital Work-in-Progress – Note 4 (a) - ₹64,018.99 crore

3. The above amount includes ₹295.34 crore interest incurred during the year 2023-24 in respect of loan borrowed from Power Finance Corporation Limited for execution of ETPS Expansion Project. The active development of the project did not take place since 23rd June 2022 i.e. the date of takeover of site by BGR Energy Limited, the contractor for the project. The contract was terminated on 27th February 2024. As the active development of the project did not take place due to poor performance of the contractor, the TNPDCL should not have capitalized the interest during 2023-24 in line with Para 20 of Ind As 23. This has resulted in overstatement of the above head and understatement of Finance Cost by ₹295.34 crore. Consequently, loss for the year is understated by ₹295.34 crore.

Current Assets
Other Current Assets – Note 13
Advances to suppliers and contractors ₹3187.21 crore

4. The above amount includes ₹2583.76 crore being the aggregate amount of advances paid to the coal suppliers for supply of coal but the same has not been adjusted against the supplies made due to issues in ERP, which needs to be resolved. The actual amount of advance pending as per the records of the Company could not be confirmed.

Current Liabilities
Financial Liabilities – Trade Payables - Note 21 -
Dues of Creditors other than micro and small enterprises ₹36,069.70 crore

5. The above amount includes Creditors for Power Purchase aggregating to ₹19,788.88 crore. As per SAP module relating to vendors, the Creditors for Power Purchase was ₹12,617.79 crore as on 31 March 2024. As per the manual records, Creditors for power purchase as on the above

date were ₹9,323.56 crore (excluding Late Payment Surcharge) and ₹17,975.21 crore (including Late Payment Surcharge). The above differences need to be reconciled. These facts should have been disclosed under Note 21.

6. The above amount does not include ₹696.65 crore for the period from1994 to June 2017 towards demand raised by the Tamil Nadu Pollution Control Board under the Water (Prevention and Control of Pollution) Cess Act, 1977 for usage of sea water for condenser cooling at North Chennai Thermal Power Station and Tuticorin Thermal Power Station. TNPDCL has sought (September 2024) the Government of Tamil Nadu for waiver of the above amount. This claim and fact should have been accounted for.

Statement of Profit and Loss Account for the year ended 31 March 2024
Income
Revenue from operations – Note 25
Tariff Subsidy from Government – Note 25 - ₹14,976.46 crore

7. The above amount includes excess tariff subsidy of ₹84.05 crore received for the year 2023-24, which is repayable to the Government of Tamil Nadu based on final Tariff Order of Tamil Nadu Electricity Regulatory Commission (TNERC) passed in June 2024 and the above amount also includes previous years tariff subsidies aggregating to ₹121.02 crore, which should have been accounted in the accounts for the year 2022-23 based on the Tariff Order issue by TNERC in April 2023. This has resulted in overstatement of above head by ₹205.07 crore, understatement of Current Liabilities by ₹84.05 crore and understatement of Tariff Subsidy for the year 2022-23 by ₹121.02 crore, as the Prior Period Error should have restated in line with Para 42 of the Ind AS 8. Consequently, loss for the year is understated by ₹205.07 crore.

Other Income - Note 26 - ₹3102.39 crore

8. The above includes a sum of ₹128.28 crore received on 02 February 2024 by invoking Bank Guarantee furnished by BGR Energy Limited, the contractor for ETPS Expansion Project (shelved project- April 2021), for the non-performance of the contract. As the Bank Guarantee was invoked for the capital project, the above amount should not have been accounted as income. This has resulted in overstatement of Other Income and Capital Work in Progress by ₹128.28 crore. Consequently, Loss for the year is understated to the extent ₹128.28 crore.

Expenses
Cost of Power Purchase – Note 27 - ₹55891.83 crore

9 (a) The above amount does not reflect ₹344.70 crore being the difference cost of power purchased from NLC Thermal Power Limited during period 2015-19 based on the final true up order passed by the Central Electricity Regulatory Commission in June 2024. This has resulted

in understatement of above head and Current Liabilities by ₹344.70 crore. Consequently, loss for the year is understated by ₹344.70 crore.

9 (b) The above amount is understated by ₹563.88 crore being the Hydro Balancing Fund withdrawn from the Other Reserves under Other Equity. The above fund is created when the hydro power generation exceeds 25 per cent of the Plant Load Factor (PLF) in year. If the generation falls short of 25 per cent of the Plant Load Factor, the balance in the fund is withdrawn based on the shortfall in PLF. This is done as per the order of the TNERC and methodology provided by the Commission in the order. As there was a shortfall in hydro generation in 2023-24, an amount of ₹563.88 crore was withdrawn from the fund and credited to the cost of power purchase. As reserve is an appropriation, withdrawal from the fund should have been done by way of adjustment within the Other Equity. Consequently, cost of power purchase as well as loss for the year are understated by ₹563.88 crore.

Cost of Power Generation – Note 28- ₹11,952.28 crore

10 (a) The above amount does not include ₹52.71 crore being the net amount payable to MCL for the variations in the grades of coal supplied by MCL during the year 2023-24. This has resulted in understatement of above head as well as Trade Payables by ₹52.71crore. Consequently, Loss is understated by ₹52.71 crore.

10 (b) The above amount is higher by ₹33.15 crore due to double accounting of the gas supply bills of Gas Authority of India of Limited relating to the periods 16.08.2023 to 31.08.2023 and 01.09.2023 to 15.09.2023. This resulted in overstatement of cost of power generation and Trade Payables by ₹33.15 crore. Consequently, loss for the year is overstated by ₹33.15 crore.

Finance Costs – Note No. 30 – ₹16440.34 crore

11. The above amount includes ₹118.77 crore being the aggregate of excess interest and penal interest paid towards the loans of the Government of Tamil Nadu due to incorrect calculations shown in the demand letter of the Government. This has resulted in overstatement of above head by ₹118.77 crore and understatement of Other Financial Assets by the same amount. Consequently loss for the year is overstated by ₹118.77 crore.

Notes to the Financial Statements for the year ended 31 March 2024 – Note 35

12. In respect of post-retirement plans, actual valuation is obtained for the employees working in both TANGEDCO and TANTRANSCO together and apportioned between TANGEDCO and TANTRANSCO in specified ratio/percentages. As per the policy, which existed prior to 2023-

24, post-retirement benefits were apportioned between TANGEDCO and TANTRANSCO in the ratio of 6/7 and 1/7 of the valuation. In 2023-24, the apportionment on the incremental movement in the value of post-employment benefits was revised as 82 per cent and 18 per cent respectively between TANGEDCO and TANTRANSCO based on the revisit of estimates. As it involves change in accounting estimates, provisions under Non-Current Liabilities Provisions under Current Liabilities are understated by ₹932.49 crore and provisions under Current Liabilities are overstated by ₹94.32 crore respectively. Consequently. Loss for year is understated by ₹838.17 crore. The above facts should have been disclosed in the Notes to the Financial Statements in line with Para 39 of the Ind AS 8.

Commitment and Contingent liabilities -Note 50
Contingent liabilities - ₹819.77 crore

13. The above does not include a sum of ₹216.80 crore payable to JSW Energy (Utkal) Limited (formerly known as Ind Bharat Energy (Utkal) Limited) based on the Arbitration Tribunal award dated 10 April 2024 against the invocation of Bank Guarantee done in 2017-18 by TNPDCL citing failure to supply power under Long Term Oper Access contract. TNPDCL has filed an appeal petition challenging the arbitration award before the Hon'ble High Court which is pending.

General

14. TNPDCL used account codes termed as Legacy Codes, which were used when particular entries could not be passed through regular account codes of the SAP-ERP. During 2023-24, a total of 79 such codes were operated which had aggregate balance of ₹21,422.78 crore as on 01 April 2023 and ₹19,518.89 crore as on 01 April 2024, thereby total net adjustments made though these codes aggregated to ₹1,903.89 crore. The balances in these Legacy Codes have been grouped under the different heads in the financial statements. Operation of such codes is not a healthy practice. Proper study needs to be carried out in the SAP-ERP system to avoid such Legacy Codes in future. These facts should have been disclosed in the Notes to the Financial Statements.

15. There were 44 cases (including 24 cases involving an aggregate amount of approx. ₹7085 crore) pending in various legal forums regarding power purchase dues. Contingent Liabilities in these cases should have been analysed and brought in to the Notes to the Financial Statements.

16. An aggregate amount of ₹ 5.60 crore was misappropriated by two persons in Pochammpalli Division under Krishnagiri Electricity Distribution Circle during the period April 2013 to May 2021. The fact should have been disclosed in the Notes to the Financial Statements.

Principal Accountant General

C & AG COMMENTS OF TNPDCL ANNUAL ACCOUNTS FOR FY 2023-24

Sl. No.	Accountant General Audit Comment	Management Reply
	Balance Sheet as on 31 March 2024 **Equity and Liabilities** **Equity** **Other Equity – Note 15** **Retained Earnings ₹(1,66,944.33) crore**	
1.	. As per the Uday Scheme/the Scheme for Additional Borrowings by the State Governments, loss funding grants shall be given to TANGEDCO in 2021-22 at 50 per cent of loss for the year 2020-21 and in 2022-23 at 60 per cent of the loss for the year 2021-22. TANGEDCO accounted for grant of ₹6703.66crore and ₹11,437.94 crore respectively in 2021-22 and 2022-23 based on the pre-revised Financial Statements for year 2020-21 and 2021-22. TANGEDCO revised the Financial Statements for the year 2020-21 and 2021-22 subsequently to comply with the Ind AS provisions, but the loss funding grants were not revised as per the revised losses for the year 2020-21 and 2021-22. This resulted in accounting of excess grant of ₹2612.18 crore in 2021-22 and lesser grant of ₹624.59 crore in 2022-23. As the prior period errors were not rectified, Retained Earnings are overstated by ₹1987.59 crore (₹2612.18 crore -₹624.59 crore) and Current Liabilities are understated by same amount.	The Loss funding grant based on the revised annual report for 2021-22 & 2022-23 will be addressed to the Government of Tamil Nadu and appropriate action will be taken by the company.
	Assets **Non-Current Assets** **Property, Plant and Equipment - Note 4 (a) - ₹50,702.27 crore**	
2.	The above amount includes ₹59.68 crore being the net value of 42 Power Transformers used in 110/11 KV, 110/22 KV and 110/33 KV Substations used by TANTRANSCO for power transmission. Inclusion of the above assets has resulted in overstatement of net value of Property, Plant and Equipment by ₹59.68 crore and	Suitable action will be taken for the transfer of assets related to TANTRANSCO along with the accumulated depreciation in FY 2024-25.

Sl. No.	Accountant General Audit Comment	Management Reply
	accumulated depreciation by ₹19.54 crore and understatement of dues from TANTRANSCO under the head Other Financial assets by ₹79.09 crore.	
	Capital Work-in-Progress – Note 4 (a) - ₹64,018.99 crore	
3.	The above amount includes ₹295.34 crore interest incurred during the year 2023-24 in respect of loan borrowed from Power Finance Corporation Limited for execution of ETPS Expansion Project. The active development of the project did not take place since 23rd June 2022i.e.the date of takeover of site by BGR Energy Limited, the contractor for the project. The contract was terminated on 27th February 2024. As the active development of the project did not take place due to poor performance of the contractor, the TNPDCL should not have capitalized the interest during 2023-24 in line with Para 20 of Ind As 23. This has resulted in overstatement of the above head and understatement of Finance Cost by ₹295.34 crore. Consequently, loss for the year is understated by ₹295.34 crore.	The IDC (Interest During Construction) related to ETPS expansion project will be charged to P&L account instead of capitalisation in the FY 2024-25.
	Current Assets **Other Current Assets – Note 13** **Advances to suppliers and contractors ₹3187.21 crore**	
4.	The above amount includes ₹2583.76crore being the aggregate amount of advances paid to the coal suppliers for supply of coal but the same has not been adjusted against the supplies made due to issues in ERP, which needs to be resolved. The actual amount of advance pending as per the records of the Company could not be confirmed.	Due to teething troubles in the ERP, implemented from the FY 2021-22 in a phased manner, the adjustment between coal advance and coal liabilities were not given effect. This will be arranged for suitable action in the FY 2024-25.
	Current Liabilities **Financial Liabilities – Trade Payables - Note 21 -** **Dues of Creditors other than micro and small enterprises ₹36,069.70 crore**	

Sl. No.	Accountant General Audit Comment	Management Reply
5.	The above amount includes Creditors for Power Purchase aggregating to ₹19,788.88 crore. As per SAP module relating to vendors, the Creditors for Power Purchase was ₹12,617.79 crore as on 31 March 2024. As per the manual records. Creditors for power purchase as on the above date were ₹9,323.56 crore (excluding Late Payment Surcharge) and ₹17,975.21 crore (including Late Payment Surcharge). The above differences need to be reconciled. These facts should have been disclosed under Note 21.	Action will be taken to reconcile the creditors for powers purchase in SAP with that of the manual records during 2024-25.
6.	The above amount does not include ₹696.65 crore for the period from 1994 to June 2017 towards demand raised by the Tamil Nadu Pollution Control Board under the Water (Prevention and Control of Pollution) Cess Act, 1977 for usage of sea water for condenser cooling at North Chennai Thermal Power Station and Tuticorin Thermal Power Station. TNPDCL has sought (September 2024) the Government of Tamil Nadu for waiver of the above amount. This claim and fact should have been accounted for.	The fact will be disclosed during 2024-25.
	Statement of Profit and Loss Account for the year ended 31 March 2024 **Income**	
	Revenue from operations – Note 25 **Tariff Subsidy from Government –Note 25 - ₹14,976.46 crore**	
7.	The above amount includes excess tariff subsidy of ₹84.05 crore received for the year 2023-24, which is repayable to the Government of Tamil Nadu based on final Tariff Order of Tamil Nadu Electricity Regulatory Commission (TNERC)passed in June 2024 and the above amount also includes previous years tariff subsidies aggregating to ₹121.02 crore, which should have been accounted in the accounts for the year 2022-23 based on the Tariff Order issue by TNERC in April 2023. This has resulted in overstatement of above head by ₹205.07 crore, understatement of Current Liabilities by	Due to regular true up order issued by the Hon`ble TNERC on quarterly basis the tariff subsidy receivables are getting altered to accommodate the excess/short in the quantum of subsidy accrued for each Financial year. Based on the true up order, the tariff subsidy will be taken care in the FY 2024-25.

Sl. No.	Accountant General Audit Comment	Management Reply
	₹84.05 crore and understatement of Tariff Subsidy for the year 2022-23 by ₹121.02 crore, as the Prior Period Error should have restated In line with Para 42 of the Ind AS 8. Consequently, loss for the year is overstated by ₹205.07 crore.	
	Other Income - Note 26 - ₹3102.39 crore	
8.	The above includes a sum of ₹128.28 crore received on 02 February 2024 by invoking Bank Guarantee furnished by BGR Energy Limited, the contractor for ETPS Expansion Project, for the non-performance of the contract. As the Bank Guarantee was invoked for the capital project, the above amount should not have been accounted as income. This has resulted in overstatement of Other Income and Capital Work in Progress by ₹128.28 crore. Consequently, Loss for the year is understated to the extent₹128.28 crore.	The Bank guarantees relating to ETPS Expansion Projects will be adjusted against the project cost instead of treating the same as miscellaneous income during 2024-25.
	Expenses **Cost of Power Purchase – Note 27 - ₹55891.83 crore**	
9 (a)	The above amount does not reflect ₹344.70 crore being the difference cost of power purchased from NLC Thermal Power Limited during period 2015-19 based on the final true up order passed by the Central Electricity Regulatory Commission in June 2024. This has resulted in understatement of above head and Current Liabilities by ₹344.70 crore. Consequently, loss for the year is understated by ₹344.70 crore.	As the order was given during June 2024, its impact will be given in 2024-25.
(b)	The above amount is understated by ₹563.88 crore being the Hydro Balancing Fund withdrawn from the Other Reserves under Other Equity. The above fund is created when the hydro power generation exceeds 25 per cent of the Plant Load Factor (PLF) in year. If the generation falls short of 25 per cent of the Plant Load	The utilization of Hydro Balancing Fund has to be adjusted against the power purchase expenses as per the TNERC's Tariff Regulations.

Sl. No.	Accountant General Audit Comment	Management Reply
	Factor, the balance in the fund is withdrawn based on the shortfall in PLF. This is done as per the order of the TNERC and methodology provided by the Commission in the order. As there was short fall in hydro generation in 2023-24, an amount of ₹563.88 crore was withdrawn from the fund and credited to the cost of power purchase. As reserve is an appropriation, withdrawal from the fund should have been done by way of adjustment within the Other Equity. Consequently, cost of power purchase as well as loss for the year are understated by ₹563.88 crore.	
	Cost of Power Generation –Note 28- ₹11,952.28 crore	
10(a)	The above amount does not include ₹52.71 crore being the net amount payable to MCL for the variations in the grades of coal supplied by MCL during the year 2023-24. This has resulted in understatement of above head as well as Trade Payables by ₹52.71crore. Consequently, Loss is understated by ₹52.71 crore.	The Provision for variation in the grades of coal supplied by the MCL was not created due to non-receipt of the quality results from CIMFR/QCI for the bills. Action will be taken for receiving the quality results and provision will be created accordingly during FY 2024-25.
(b)	The above amount is higher by ₹33.15 crore due to double accounting of the gas supply bills of Gas Authority of India of Limited relating to the periods 16.08.2023 to 31.08.2023 and 01.09.2023 to 15.09.2023. This resulted in overstatement of cost of power generation and Trade Payables by ₹33.15 crore.	The double accounting of gas supply bill happened due to submission of revised bill by the company and accounting of the revised bill without reversal of the original bill. However, the payment has been stopped for the original bill. Action will be taken to reverse the original bill and reduce the liability to that extent.
	Finance Costs – Note No. 30 – ₹16440.34 crore	
11.	.The above amount includes ₹ ₹118.77 crore being the aggregate of excess interest and penal interest paid towards the loans of the Government of Tamil Nadu due to incorrect calculations in the workings of the Government. This has	The incorrect calculation in the Interest on Government loans will be addressed to the Government of Tamilnadu and appropriately adjusted in the FY 2024-25.

Sl. No.	Accountant General Audit Comment	Management Reply
	resulted in overstatement of above head by ₹118.77 crore and understatement of other financial assets by the same amount. Consequently loss for the year is over stated by ₹118.77 crore.	
	Notes to the Financial Statements for the year ended 31 March 2024 – Note 35	
12.	In respect of post-retirement plans, actual valuation is obtained for the employees working In both TANGEDCO and TANTRANSCO together and apportioned between TANGEDCO and TANTRANSCO in specified ratio/percentages. As per the policy, which existed prior to 2023-24, post-retirement benefits were apportioned between TANGEDCO and TANTRANSCO in the ratio of 6/7 and 1/7 of the valuation. In 2023-24, the apportionment on the incremental movement in the value of post-employment benefits was revised as 82 per cent and 18 per cent respectively between TANGEDCO and TANTRANSCO based on the revisit of estimates. As it involves change in accounting estimates, provisions under Non-Current Liabilities Provisions under Current Liabilities are understated by ₹932.49 crore and provisions under Current Liabilities are overstated by ₹94.32 crore respectively. Consequently. Loss for year is understated by ₹838.17 crore. The above facts should have been disclosed in the Notes to the Financial Statements in line with Para 39 of the Ind AS 8.	The appropriate disclosure on the changes in the apportionment of the methodology of the Actuarial valuation between TANGEDCO & TANTRANSCO from the FY 2023-24 onwards is made in the financial statements under Note No.3-accounting policies. The same will also be disclosed in the notes to financial statements as pointed out by the Auditors.
	Commitment and Contingent liabilities -Note 50 **Contingent liabilities - ₹819.77 crore**	
13.	The above does not include a sum of ₹216.80 crore payable to JSW Energy (Utkal) Limited (formerly known as Ind Bharat Energy (Utkal) Limited) based on the Arbitration Tribunal award dated 10-	The amount pointed by the audit will be included under Note No.50 – Contingent Liabilities as pointed out by the Auditors.

Sl. No.	Accountant General Audit Comment	Management Reply
	04-2024 against the invocation of Bank Guarantee done in 2017-18 by TNPDCL citing failure to supply power under Long Term Open Access contract. TNPDCL has filed an appeal petition challenging the arbitration award before the Hon'ble High Court which is pending.	
	General	
14.	TNPDCL used account codes termed as Legacy Codes, which were used when particular entries could not be passed through regular account codes of the SAP-ERP. During 2023-24, a total of 79 such codes were operated which had aggregate balance of ₹21,422.78crore as on 01 April 2023 and ₹19,518.89 crore as on 01 April 2024, thereby total net adjustments made though these codes aggregated to ₹1,903.89 crore. The balances in these Legacy Codes have been grouped under the different heads in the financial statements. Operation of such codes is not a healthy practice. Proper study needs to be carried out in the SAP-ERP system to avoid such Legacy Codes in future. These facts should have been disclosed in the Notes to the Financial Statements	From the inception of SAP ERP during 2021-22, GL codes have been created for migration of financial balances from the previous year annual accounts. Further, additional GLs were also created to accommodate the transactions carried out through ERP process. Since the SAP ERP was implemented in a phased manner, there are still transactions carried out outside the ERP process but journalized through ERP books of accounts. In addition to the legacy balances carried forward in the process of migration of data from the previous financial statements, the regular transactions carried out outside the ERP process are also brought under these legacy codes. However, as observed by the AG audit the balances in legacy codes will be analyzed and appropriate measures will be taken for bringing all the transactions under ERP process wherever feasible. The disclosure of utilization of legacy codes need not be made in the notes to the financial statements
15.	There were 44 cases involving an aggregate amount of ₹7085 crore (approx.) pending in various legal forums regarding power purchase dues. Contingent Liabilities in these cases should have been analyzed and brought in to the Notes to the Financial Statements	The contingent liabilities related to power purchase will be brought in the notes to financial statements.

Sl. No.	Accountant General Audit Comment	Management Reply
16.	An aggregate amount of Rs.5.60 crore was misappropriated by two persons in Pochammpalli Division under Krishnagiri Electricity Distribution Circle during the period April 2013 to May 2021. The fact should have been disclosed in the Notes to the Financial Statements.	Arrangements will be made to disclose in the notes to the financial statements

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Independent Auditor's Report

To the Members of **TAMIL NADU POWER DISTRIBUTION CORPORATION LIMITED (TNPDCL)**

(Formerly known as Tamil Nadu Generation and Distribution Corporation Limited) (TANGEDCO)

Report on the Audit of the Standalone IND AS financial statements

Adverse Opinion

We have audited the IND AS financial statements of **TAMIL NADU POWER DISTRIBUTION CORPORATION LIMITED** (Formerly known as TAMIL NADU GENERATION AND DISTRIBUTION CORPORATION LIMITED) ("the Company"), which comprise the balance sheet as at 31st March 2024, and the statement of Profit and Loss, the statement of change in equity and statement of cash flows for the year then ended, and notes to the IND AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matters discussed on the Basis of Adverse Opinion section of our report, the aforesaid standalone financial statements do not give the information required by the Companies Act, 2013 ("the Act") in the manner so required and do not give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act (Ind As), of the state of affairs of the Company as at March 31, 2024 and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

A. JOHN MORIS & CO. Chennai-14 Chartered Accountants

P.S. SUBRAMANIA IYER & CO. CHENNAI 600 028

V. Krishnan Chartered Acc. FRN: 00154[illegible]

SIVAMANI & CO. MADURAI 625 014 CHARTERED ACCOUNTANTS

Basis for Adverse Opinion

I. Refer to Note No.73 regarding demerger of the entity, government is yet to approve the proposal submitted by the company for amending the appointed date from 01.04.2023 to 01.04.2024.

II. Short provision of the following which has the effect of increasing the loss (Amount in Crores)

a) Non provision of obsolete and non-moving inventory amounting to Rs.58.40

b) Non provision for coal shortage during the years 2021 and 2024 amounting to Rs. 99.93

c) Non provision of disputed accrued income amounting to Rs. 68.61 crores due from Kamarajar port,Indian oil and Chennai petroleum corporation.

d) Non provision for grade slippage of coal purchased from M/S Central Coal Fields Ltd. amounting to Rs. 0.36

e) Non provision of amount due from Permanently disconnected customer amounting to Rs.165.85

III. Short provision of the following which has the effect of decreasing the loss (Amount in Crores)

a) Short recognition of deferred income in respect of lease amount from NTECL amounting to Rs. 12.96.

b) In respect of Vazhudur, major overhauling work which has the effect of increasing the life but charged to revenue and hence to be capitalized by Rs.29.76.

c) The Material cost Variance not transferred to the Inventory account by Rs.2.87.

d) Non transfer of Work Breakdown Structure (WBS) and Work-in-Progress (WIP) upgradation accounts shown under revenue head not been capitalized to the Asset Under Construction (AUC) account by Rs. 39.60.

e) In Nagapattinam EDC, the newly constructed building has not been capitalised to the extent of Rs. 4.39 during the financial year 23-24, which was completed and ready for its intended use; instead, it was recognised in the statement of profit and loss account under the Head "Cost of Power Generation." Further, depreciation on the same is also not accounted.

Overall effect of 1 & 2 will increase the loss by Rs 274.78 Crores.

A. JOHN MORIS & CO. Chennai-14 Chartered Accountants

P.S. SUBRAMANIA IYER & CO. CHENNAI 600 028

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FRN: 001541S

SIVAMANI & CO., MADURAI 625 014 CHARTERED ACCOUNTANTS

IV. Other discrepancies that has the impact on the loss, the amount of which we are unable to quantify

A. Legacy balances:

1. When the SAP was introduced, under various account heads breakup details which were not available were carved out and transferred to legacy balances. This is available under all the heads of accounts. As this will have, substantial effect on the revenue, company has to identify and transfer to appropriate head.

B. Integration of various modules with SAP:

2. The company operates various modules which are not integrated with the SAP except billing module which was integrated with the effect from 1st March, 2024. During the course of our audit, we find enormous discrepancies between the amount shown under the module with the SAP balances which has a effect on the financials. Hence all the modules should be integrated with the SAP.

C. Property Plant and Equipment (PPE):

3. No provision is made for the land Lease as per the agreements entered with the forest department. The lease agreements are still in dispute, and overdue rental is to be paid by TANGEDCO. The total lease land under the possession of TANGEDCO is 1215.53 acres.
4. In most of the account rendering units, depreciation has not been provided in respect of legacy balances relating to fixed assets and additions during the year posted manually, impact of which cannot be quantified in the absence of information and explanations.

5. It was noted that TANGEDCO did not conduct any impairment tests throughout the year as per Ind AS 36 "Impairment of Assets". Due to the absence of impairment testing, we are of the opinion that assets may not reflect the true value.
6. The carrying value of the overhauling components replaced in Property, Plant and Equipment (PPE) was not appropriately derecognised from the existing asset in the books of account in accordance with principles contained in Ind AS 16 -

Property, Plant and Equipment. Consequently, this has resulted in the overstatement of PPE as well as depreciation for the current year.

7. With respect to BBGTPS unit, Napthol Tank is ceased from active use and the provision for decommissioning has not been made as per Ind As 16 and also the asset is not removed from the PPE.
8. PPE includes Rs 44.69 Crores in four circles which was completed in earlier years but capitalized during the current year and no arrears of depreciation was provided in the books.
9. The audit qualification of FY 22-23 states that the Line and cable pertaining to Cuddalore amounting to Rs.347.98 Crores which was certified as completed work is yet to be transferred to PPE. Actual bill passed is Rs.331.46 Crores.
10. It is observed that the Company capitalizes Employee costs (4.29%) and Interest During Construction (IDC) (10.24%) to the qualifying assets based on estimated man days (or) hours likely to be incurred on capital works rather than actual man days (or) hours spent on such works. This approach may lead to inaccuracies in the capitalized borrowing costs and could result in the understatement or overstatement of the costs associated with qualifying assets.

D. Capital Work -In - Progress:

11. In respect of Capital Work in Progress (CWIP) balance as at 31st March 2024: Several work orders have been completed as on 31st March 2024 and forms part of CWIP balances in the books whereas such completed work orders have been considered as part of PPE at the time of transition to Ind AS. Consequently, the CWIP balance in respect of these work orders, to the extent already capitalized as part of PPE, can be overstated. The consequential impact on the CWIP, PPE and statement of profit and loss account is unascertainable due to non-availability of proper information and explanations
12. In Various Account rendering units, we noticed that many of the work orders have been completed before 31.03.2024 but not capitalized to the fixed assets accounts, thus resulting in an understatement of fixed assets. Furthermore, the depreciation related to these assets has also not been provided.

E. **Trade receivables :**

13. Trade receivables include unreconciled receivables from HT and LT customers amounting to INR 65.49 crores and INR 1,932.39 crores respectively as described in Note No. 41.
14. Trade receivables include receivables from HT and LT consumers which remain unreconciled between separate billing software and books of account and

consequently we are unable to confirm the correctness of Trade Receivables balance as at the yearend.

15. The collections from consumers are deposited in the respective bank accounts through various modes before the due dates. However, in the absence of periodical reconciliation between the current billing system and the GL Balances we are unable to verify the accuracy of outstanding debtors in the books of accounts.
16. Reference is drawn to Note 11 - Other Financial Asset, which includes unbilled revenue of LT service connections which remains unreconciled between billing software and books of account to the extent of Rs. 100.08 crores (overstated in the books of accounts). This Results in Overstatement and Misstatement of Current Assets.

F. **Inventory :**

17. Reference is drawn to Note 8: Inventory-Other Materials, which comprises a balance of capital spares amounting to Rs. 1,955.03 crores satisfying the recognition criteria as per IND AS 16 Property Plant, and Equipment.The same have not been considered as PPE and corresponding depreciation was not provided for such spares. Consequently, PPE balance and depreciation for the year have been understated.
18. The inventory balance as per the Material Management module in ERP does not reconcile with the inventory balance as per the general ledger in ERP at various account rendering units.
19. In Reference to Note-13, As per IND As-2 inventory of Scrap amounting to Rs. 46.06Crs, which is accounted at cost has to be accounted at Net Realisable Value (NRV). TANGEDCO has not accounted for the same.
20. Balance confirmation has not been obtained from coal vendors.
21. Conveyance loss and operational loss of coal inventory has not been ascertained and accounted, value of which is not ascertainable in the absence of information and explanations.

G. Investment in subsidiaries :

22. The company has Rs. 1774.20 Crores in subsidiaries . No provision for dimunition in the value of the investment have been made in the books of the company.

H. **Other current assets :**

23. It has been observed that Coal Clearing Account balance of Rs. 230.03 crore are not reconciled in the books of headquarters and thermal stations.
24. The bank reconciliations are not done up to date. Follow up on unreconciled entries are also not being done, leading to ineffective control on bank account

operations. Bank closing balance reflected in the financial statements shows a positive figure. On scrutiny, we noticed this positive figure is the result of both credit and debit balance of different banks.

25. The collections from consumers through online payment gateways, which are deposited into designated bank accounts, have not been reconciled with the books of account.
26. Temporary advance to the extent of Rs 71.13 Crores has been classified as cash on hand.
27. In most of the account rendering units, cash in hand balances as per circle office records does not Tally with the cash as per SAP and cheques received from customers are booked as cash on hand.
28. Balances in fixed deposits as per confirmation of balance have not been reconciled with books of accounts.

29. While verifying the General payment Account (Canara bank account no: 0911201000270), we noticed that Rs.9,572.21Crs shows a negative balance in GL 1130000-1130002. Out of the above amount, Rs.2,685.48Crs arise due to duplicate entries made for payment in the ERP. The balance of Rs.6,712.36Crs arise due to a duplicate posting made in the current year for the payment made in the previous year. While rectifying these errors, the department passes a Journal entry in M14 giving effect to Creditors GL (2070502) and Inter unit GL (2070209). TANGEDCO did not provide sufficient explanation for the journal entries passed to rectify this. As a result this may show inaccurate balances with respect to these two accounts (Creditors GL and Inter Unit GL).

30. The Revamped Distribution Sector Scheme (RDSS) A/c no: 10696501016 has a difference of Rs.59.25 Crs on the closing balance while compared to the RBI Bank balance certificate as of 31.3.2024.

31. In respect of certain account rendering units, imprest and temporary advance given to the employees are not adjusted on a timely basis due to delay in submission of bills and supporting documents by the employees. The consequent impact of non-settlement of advances on a timely basis on the Statement of Profit and Loss for the year ended is not ascertainable.

32. The balances of employee-wise loans and advances maintained at the account rendering units do not match with the balance available in the books of accounts of the company.

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33. We observed that advances to suppliers and contractors - Adv Mat Suplirs-Lega (GL- 1050201) shows a balance of Rs. 86.72 crores which has been carried forward from 2022 till date.

34. The company has advances amounting to Rs.32.36 Crs made to contractors and Rs.150 Crs made to material suppliers, which is outstanding for a long period. These advances have not been assessed for impairment in accordance with Ind AS 109, "Financial Instruments," nor has the company provided adequate provisions for these long outstanding amounts as required by Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets." Consequently, the company's advances are overstated, and the net loss is understated.

I. Equity :

35. A discrepancy has been identified between the Balance of equity share capital [2,01,19,16,27,504] as recorded in the financial statements and the Equity Share Capital balance [2,01,15,85,84,490] as reported on the MCA (Ministry of Corporate Affairs) portal to extent of Rs. 3,30,43,014.00.

J. Finance Liabilities:

36. The Company has not reconciled the differences between the value of Security Deposits, Meter Caution Deposits, Earnest Money Deposits as per separate billing software and books of accounts and consequent impact on such balances and statement of profit and loss for any shortfall/excess *of interest on such deposits is* not ascertainable.
37. The balance of vendors prior to the implementation of ERP in most of the account rendering units have not been recorded in respective vendor's sub-ledgers and recorded only in the vendor control account in the general ledger. However, subsequent payments to vendors against such opening balances have been recorded in the respective sub-ledgers. Consequently, we are unable to comment on the true vendor wise balances outstanding as at the year end as well as the aging of such balances which is required to be disclosed as per Schedule III of Companies Act, 2013.
38. GL code 2070104 creditors - Employees- this account is operated as a master control account for all terminal benefits and salary payable to employees other than specific deductions like LIC, HIS, PLI, Professional tax, pension deduction by employees, etc. However, the breakup details for the liability portrayed under various heads is not available. The employee-wise breakup for the outstanding

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amount is also not available in SAP. In view of this, we are unable to confirm the correctness of closing balance under this GL Code.

39. The company creates liability under GL Codes 2070302 - Fuel GR/IR, 2070303 - Material GR/IR, 2070305 - Consumables GR/IR amounting to Rs. 858.52Crs and 2070307 - Service SR/IR amounting to negative balance of Rs. (414.97Crs). When the supplier bills are received, these entries are to be reversed to supplier account. As the company, does not have any breakup details of the creditors, no reconciliation is carried out between the outstanding account in the GR/IR and Supplier account and consequently the amount stated in the liability account is incorrect to that extent, the quantum of which is unascertainable.

40. Audit recovery:

    Whenever recovery is made from the employees in respect of audit queries it gets booked under GL code 2080146 Audit recovery Deductions. The total outstanding amount as on 31.03.2024 is Rs. 127.80 crores. As this represents recovery made from the employees under various heads, proper adjustments for the same should be made.

41. Provision for expenses:

    The outstanding expenses are accounted on mercantile basis as per company policy but many circles are accounting the expenditure on cash basis. The outstanding as at 31.3.2024 as per the book is Rs. 858.52 crores and we are unable to ascertain the correctness of the closing balances.

42. Reference is drawn to Note no 22 – Deposits

    a. As per the Circular Memo No. CFC/ INDAS /FC /ACCTS /AAO /F.BS /2022-23/Instn./D./2023 Dated 19.10.2023, the value of deposits equivalent to its completed work orders should be transferred to the Revenue Account. In the absence of information and explanations, we are unable to comment in respect of performance obligation completed contracts have been transferred to revenue.

    b. Items in the nature of deferred revenue, being amounts collected from consumers towards performance obligation not completed, are also included under this balance instead of transferring to deferred revenue non-current.

43. GL code 2080135 Flood relief fund payable has a credit balance of Rs.7.82 Crs. The account has only credit entries and there are no debit entries for the payment made to Government. As per the discussion with the Head office, no payments have so far been made to the govt., though the amount was deducted from employees. The status of liability needs confirmation.

44. In other current Liabilities, Note No 24 Statutory Liabilities, E TAX payable to government as per financials Rs.1103.4Crs but statement provided by management shows Rs. 510.2 Crs resulting in overstatement of liabilities in the financial statements to the extent of Rs. 593.20 Crs.

K. Employee Recovery/ Liability

45. The entries in ERP in respect of employee recoveries under various heads are emanated from payroll software. The payment is made by the divisions based on the manual records resulting in non-reconciliation of outstanding balance with respect to individual employees as on 31.3.2024.

L. Inter – company units:

46. Inter-company balances with Tamil Nadu Transmission Corporation Limited (TANTRANSCO) and TNEB Limited, Reference is drawn to Note 11 - Other financial assets - Receivable from related parties of Rs. 11,706.34 crores remains unreconciled. The balance confirmation certificate is not provided.
47. Reference is drawn to Note 24: Other Current Liabilities shows a line item as "Inter-unit balances" of Rs.534.35 Crs. The company should not have any inter unit balance. This is to be reconciled and rectified.
48. In some account rendering units, salaries and wages pertaining to TANTRANSCO employees have not been transferred and are fully recorded in the books of account of the Company. In the absence of complete information and explanations, we are unable to ascertain the impact of the above on the Statement of Profit and Loss and corresponding liability balances.

M. Income:

49. It has been observed that there are differences in LT Billing in many circles as per financials and billing software, which results in overstatement or understatement of loss and trade receivables.
50. Pro-rata amount due for the current year relating to Upfront lease rent received amounting to Rs.0.81 Crs shown under Note No.22 is not amortized.
51. As per the income tax portal Dividend income is Rs.288.45Crs and as per financials dividend income is 282.43 Crs. As such as there is a difference of Rs.6.02Crs towards dividend income between income tax portal and that accounted by the company.

N. **Expenditure :**

52. Power Purchase from Sugar Mills to the extent of Rs.56.82Crs which was originally purchased during FY 22-23 was accounted for in Current FY (2023-24). It needs to be accounted for as per Ind As 8.
53. With respect to land taken on lease, transactions are not accounted for as per IND AS 116, "Leases," which states that ROU assets and lease liabilities should be created for every lease considering the lease amount and the period of the lease. Instead Lease amounts paid are shown as expense during the year in which they are paid
54. With respect to borrowings from Power Finance Corporation the interest amount as per the statement provided by the management does not match with the interest amount recognized in the books.

4. Other discrepancies which has no bearing on the loss stated in the accounts:

A. Property Plant and Equipment (PPE):

55. In Cuddalore EDC [2244], the land value to the extent of Rs.0.34Crs was capitalised during the year. Upon verification, this purchase was completed only during FY 2024-25, and permission for usage was given only during June 2024.
56. In Villupuram EDC [2242], an advance was paid to the extent of Rs.0.07Crs towards the purchase of land, but possession was not given, and registration was also not carried till the completion of the audit but was capitalized during the last year, resulting in an overstatement of land value and an understatement of advances.
57. Concerning the building and other civil works, we are unable to match the building statement details furnished by Circle Office with entries in the fixed asset register, and hence we are unable to confirm the correctness of value of Building recorded in the books. Further, sufficient supporting documents were not provided to verify that all buildings that are currently available and in possession are fully capitalized and entered in the asset register.
58. In many accounting rendering units, In respect of Additions made during the current FY relating to plant and machinery, Building and Civil Works as well as cables and lines, no supporting documents were provided to verify the values. Therefore we are unable to comment on the accuracy and completeness of the Property, Plant, and Equipment (PPE) balances.
59. In respect of Interest During Construction (IDC) at 10.24% and other overheads at 4.29% capitalized to the cost of each asset/component of the asset (except land and other non-qualifying assets) appropriate weightage is not given for the period of work. No information or explanations have been provided to substantiate the rate of capitalization and period of charge.

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60. The accounting procedure followed for the sale or scrapping of assets is not in compliance with accounting standards. In the absence of information about the cost of disposed assets, we are unable to ascertain the impact of profit or loss and its impact on depreciation and PPE balances thereon.
61. The date of capitalization and the useful life of PPE needs strengthening with supporting documents.
62. The asset registers for other assets like vehicles, furniture and fixtures, office equipment and hardware does not contain quantitative details of assets held but only a single line item with value for all assets in the SAP. Hence, we are unable to confirm the correctness of the values portrayed in SAP for these assets.

B. **Capital Work -In - Progress**

63. There is a discrepancy between the pending work order values reported in the work order file and those reflected in SAP Assets Under Construction (AUC). The difference arises due to the incomplete migration of pre-ERP work orders into the new system. This discrepancy impacts the ability to confirm the accuracy of the AUC value.
64. With respect to Note No 4(a) Work order and scheme-wise listings for CWIP balances were not maintained, impairing the ability to confirm the capitalization of all relevant assets. There is also a lack of reconciliation between the work order system and AUC, and inadequate monitoring of work order closures and asset transfers, resulting in significant delays between work completion and work order closure.
65. The confirmation for the balance outstanding is not available from BHEL with respect to Ennore SEZ, North chennai TPS-3.
66. The borrowing cost is to be capitalized as per the accounting procedure envisaged as per the circular memo, CFC/INDAS/FC/ACCTS/AAO/F.BS/2022-23 /Instn. /D./2023 dated 19.10.2023, which was not followed in some circle.
67. Reference is drawn to Note 32: Other Expenses, which includes a sum of Rs. 578.87 crore, which is a pending work order that is not transferring to Capital Work in Progress due to non-periodical settlement on a timely basis. Thus results in understatement of capital work in progress and overstatement of loss. Further, depreciation has also been affected.

C. **Inventory**

68. It has been observed that a payment of Rs. 5 crores made to Central Coal Fields Ltd. for the difference in grade slippage of coal purchased during the financial year 2021-22 has been accounted as expenses for the FY 2023-24. It should be accounted as per IND AS 8 (Accounting Policies, Changes in Accounting

Estimates, and Errors). As per IND AS 8, such payment should be recognized as a prior period expense.

D. **Other Assets**

69. Cheques in transit, cheques on hand, stale cheque and uncleared cheques remain unadjusted in respect of which no information for subsequent realizations have been made available at various account rendering units. Further, collection cheques are appearing in stale cheque accounts at various account rendering units for which no information and explanations have been provided.

70. For the profit center 2246 (CDC Scheme), Following banks are controlled by the circle office and sent the reconciliation statement as on 31.03.2024 but the balance as per TANGEDCO taken for reconciliation is different from the balance as shown in the trial balance. Difference is tabulated here.

Particulars	Balance as per GL (Rs.)	Balance as per reconciliation(Rs.)	Difference (Rs.)
Canara bank (405420000389)	-6,95,51,265.84	2,76,014	6,98,27,279.84
Canara bank (405420000383)	5,296	24,999	-19,703

E. **Finance liabilities:**

71. The GL Code: 2070202, as the ledger name shows "payable to TANGEDCO" which amounts to Rs.11.04 Crores , the reason for the same has not been provided by the management, therefore we could not find out the appropriateness of the same

5.Non compliance of Schedule III to the Companies Act, 2013

72. Addition and deletion of Property plant and equipment are not properly exhibited in Note 4(a).

73. In the absence of information and explanations, we are unable to confirm whether trade receivable balances have been classified according to their tenure of outstanding and nature of dispute, if any, in accordance with Schedule III of the Companies Act, 2013.

74. Disclosures relating to Borrowing from banks amounting to Rs.25,997.22Crs based on security of the company have not been disclosed in accordance with Schedule III of the Companies Act, 2013.

75. Information relating to Registration of charges with the Registrar of Companies has not been disclosed in accordance with Schedule III requirements.

76. The Company does not maintain a list of vendors who are categorized as MSME and registered under MSMED Act, 2006. Consequently, we are unable to ascertain whether the provisions of MSMED Act have been fully complied with regard to transactions including settlement of dues within the time limits prescribed under that Act and payment/provision of prescribed interest for delayed settlements. The value of overdue and interest payable and the consequent impact on the Statement of Profit and Loss is not ascertainable in the absence of adequate information and explanations.

77. In the absence of information and explanations, we are unable to confirm whether trade receivable balances have been classified according to their tenure of outstanding and nature of dispute, if any, in accordance with Schedule III of the Companies Act, 2013.

78. In the absence of information and explanations, we are unable to confirm whether trade payable balances have been classified according to their tenure of outstanding and nature of dispute in respect of MSME vendors, if any, in accordance with Schedule III of the Companies Act, 2013.

79. Balances lying in Capital Work in Progress have not been classified according to their tenure in accordance with Schedule III of the Companies Act, 2013.

80. Comparative information relating to intangible assets under implementation of the previous year including time and cost overrun have not been disclosed in accordance with Schedule III of the Companies Act, 2013.

6.Non compliance with Ind AS :

81. The company does not recognize Interest expenses as per Ind AS 109 "Financial Instruments" which requires calculation of Effective interest rate.

82. Reference is drawn to Note-26, "Miscellaneous Receipts," and Note-32, "Other Expenses," which include prior period income of Rs. 183.16 crores. This needs to be accounted as per Ind As 8.

83. Employee Loans have not been quantified using Effective Interest Rate as prescribed in the Ind AS 109.

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84. As regards compliance with Ind AS 21 - Effect of Changes in Foreign Exchange rates, the Company has not measured the forex gain or loss as per the measurement principle laid down in the standard therein.

85. The Company has not prepared and annexed a Consolidated Financial Statement of its accounts with Udangudi Power Corporation Limited, NTPC Tamilnadu Energy Company Ltd., (NTECL) and NLC Tamilnadu Power Ltd., (NTPL) which is not in accordance with Companies Act, 2013.

7.Non compliance with Statutory Acts :

TDS Under GST Liability

86. The Circle office has not furnished the TDS under GST liability and payment details for the year due to which we are unable to confirm the liability outstanding as at 31.03.2024 under various GL codes.

TDS Payable:

87. There is a difference between TDS deducted and TDS remitted to the department. As a result,,we are unable to confirm the correctness of the tds liability.

GST:

88. The company's books of accounts have not been reconciled with the turnover reported in the GSTR-1, to the extent that Rs.6,744.65 crores.

89. Payments reflected in the GST portal do not match with the payment in the books in some months. Because of both turnover and payments not matching with the GST return, the closing balance of gst payable in the financial statement may not represent actual liability.

90. It was observed that GST has been booked through both process entries and journal vouchers. These procedures raise concerns about the potential duplication of entries. This practice has led to uncertainty regarding the accuracy and correctness of the values recorded in the books of accounts

91. It was noted that there are instances where GST liabilities of circles have been booked twice instead of being transferred to the headquarters. Failure to correctly transfer GST liabilities from circles to the headquarters may result in inaccurate financial reporting.

92. It was observed that the liability under Reverse Charge Mechanism (RCM), as per GSTR-3B filings, does not reconcile with the liabilities accounted for in the SAP system.

93. It was observed that there is a lack of substantiating evidence for the exempted income reported in GSTR-1 returns.

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94. It came to our attention that the GST annual returns have not been filed for the past three consecutive years. This non-compliance with GST regulations could have significant implications on the financial statements and requires immediate corrective action.
95. Value reflected in GST Portal with respect to cash ledger and credit ledger do not match with the amount shown in the financial statement
96. The Company does not comply with Provident Fund and Miscellaneous Provisions Act, 1952 as regards investment of the employees' contributions to various terminal benefit funds including Family Benefit Funds, General Provident fund and Contributory Pension Scheme with matching contributions by the Company in accordance with the Act.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone IND AS financial statements of the current period. We have determined that following are the key audit matters to communicate in our report.

1. Lack of knowledge on SAP: The whole accounting system was switched over from oracle base to SAP base from the Year 2021-22. Still the Staff are not familiar with the functionality of the various modules in SAP. Considerable audit time was spent in tracing the entry from module to SAP.
2. Likewise for each Bank three ledger folios are maintained. One for the opening balance, another for the receipt transaction and last one for the payment transaction. Considerable audit time was spent on reconciling the balances.
3. Presence of too many legacy accounts pose audit challenges in arriving at the correct balances.

Information other than the IND AS financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the IND AS financial statements and our auditor's report thereon.

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

In connection with our audit of the IND AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the IND AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone IND AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IND AS financial statements that give a true and fair view of the financial position, financial performance including other income, Statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the IND AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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Auditor's Responsibilities for the Audit of the IND AS financial statements

Our objectives are to obtain reasonable assurance about whether the IND AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these IND AS financial statements.

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

• Identify and assess the risks of material misstatement of the IND AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 IND AS financial statements or, if such disclosures are inadequate, to mo[illegible] 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 IND AS financial statements, including the disclosures, and whether the IND AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone IND AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone IND AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone IND AS financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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e) The matters described in the Basis for Adverse Opinion paragraph above, in our opinion may have an adverse effect on the functioning of the company.

f) Being a Government company and pursuant to Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, the provisions of sub-section (2) of Section 164 of the act are not applicable to the company.

g) Adverse remarks relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Adverse Opinion paragraph above.

h) With respect to the adequacy of the internal financial controls with reference to IND AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'. Our report expresses a Modified Opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

i) As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable on the Company.

j) 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, in our opinion and to the best of our information and according to the explanations given to us:

i. Due to the possible effects of the matters (Whether Quantified or Otherwise) described in the Basis for Adverse Opinion paragraph above, we are unable to state whether the Company has adequately disclosed the impact of pending litigations on its financial position in its standalone financial statements.

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ii. The Company has not assessed any material foreseeable losses on long-term contracts and therefore has not made any provision there for, as required under the applicable law or accounting standards and the company has not entered into any derivative contracts.

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, as disclosed in Note 72 to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities(" Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note 72 to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c)Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. Since no dividend is declared or paid during the year by the company this clause is not applicable.

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vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

3) "Annexure C" to this report carries our responses to the directions and sub-directions of the Comptroller & Auditor General of India issued under Section 143(5) of the Companies Act, 2013.

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FRN: 007220S

CA. C.M Balagopal
MRN No. 029128
UDIN: 24029128BKDGUH6332

For P.S.Subramania Iyer and Co
Chartered Accountants
FRN: 004104S

CA.S. RamaKumar
MRN No. 020405
UDIN:24020405BKIOFT6605

For V. Krishnan & Co
Chartered Accountants
FRN: 001541S

CA. Gopinath.M
MRN No.023819
UDIN:24023819BKFYIJ5981

For Sivamani & Co
Chartered Accountants
FRN: 010746S

CA. T.Balasubramanian
MRN No.221939
UDIN:24221939BKBLWB6600

Place: Chennai
Date: 15.11.2024

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ANNEXURE A TO THE INDEPENDENT AUDITORS REPORT

Referred to in paragraph 1 under the 'Report on Other Legal and Regulatory Requirements' section of Independent Audit Report of even date to the Members of TAMIL NADU POWER DISTRIBUTION CORPORATION LIMITED (TNPDCL)

(Formerly known as Tamil Nadu Generation and Distribution Corporation Limited) (TANGEDCO)

1. a) i) The Company has maintained Fixed Assets Register Except Assets which are Shown under Legacy Balances. However, the Balance as per the Fixed Assets register are not reconciled with balance as per Books.

ii) The Company has not maintained proper records showing full particulars of Intangible assets.

b) The company has not done physical verification of PPE during the year.

c) A list of land titles of which is not in the name of the company to the extent of Rs. 978.31 crores have been disclosed by the company in the Note 4(a) to the financial statement. The lands were revalued, and the division do not have break up of revalued figure and hence the completeness and correctness of the details disclosed could not be confirmed.

d) The Company has not revalued its Property, Plant and Equipment (and right of use Assets) and Intangible assets during the year.

e) No Proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

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2. a) The inventory other than coal has been periodically verified by the management during the year but we are unable to ascertain the extent of adjustment of discrepancies in the books.

With regard to coal shortage, refer to Point no. 1C of the basis of the adverse opinion paragraph of our main report.

b) The Company has a working capital limit in excess of Rs 5 crore sanctioned by banks or financial institutions based on the security of current assets. As per the information and explanations provided by the company stock and receivable statements are furnished to the bank or financial institutions on a monthly basis. There are variances between the stock statement and book statement submitted to the bank with the books of the company which is under reconciliation.

3. The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLI's) or any other parties during the year. Accordingly, reporting, under clause 3(iii) of the not applicable to the Company.

4. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security, as applicable.

5. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount, which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

6. We have broadly reviewed the cost records maintained by the company specified by the Central Government under sub section (1) of the section 148 of the Companies Act, 2013, in respect of the company and we are of the opinion that prima facie the prescribed records have been made and maintained. We have not, however, made a

detailed examination of the records with a view to determine whether they are accurate or complete.

7. (a)In our opinion, and according to the information and explanations given to us, the Company is generally regular in depositing 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 material statutory dues, as applicable, with the appropriate authorities. However certain account rendering units filed their statutory returns belatedly. Due to non-availability of sufficient documents and evidence we are not able to confirm the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date.

(b) According to the information and explanations given to us, there are statutory dues referred to in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute. The following disputed Income Tax and other statutory dues pertaining to the Company and erstwhile TNEB before demerger was reported in the previous year. Details for the present status of the following cases provided for audit.

Sl. No.	Dispute with (Name of the Company/ Supplier/ Consumer)	Brief description of the case	Position as on 31.03.2024	Stake involved amount (in crs.)	Position as on 31.03.2024	Stake involved amount (in crs.)
1	Wealth Tax	On vehicles	0.02	0.02	CIT appeals order received, revising the taxable wealth and Wealth Tax liability. Provision made for Wealth Tax and Interest under prior period expenditure	0.02
2	TDS defaults	Short TDS, Penalty, late filing fees etc.	11.74	11.74	Correction TDS returns filed and defaults have been reduced	11.94

					considerably.	

Disputes related to GST:

As per the information provided by the management, the Total pending Disputed GST Demands amounting to Rs. 1,12,26,80,575 and the breakup for the same are listed below:

S. No.	Period of dispute	Appeal No.	Subject of dispute	Total Tax Amount	Pre deposit amount
1	2017-18	AD330623001374L dated 01/06/2023	Interest demand for alleged belated discharge of GST through DRC 03	98,380	0.00
2	2018-19	AD330623001388C dated 01/06/2023	Interest demand for alleged belated discharge of GST through DRC 03	74,272	0.00
3	2019-20	AD3306230013820 dated 01/06/2023	Interest demand for belated discharge of GST through DRC 03	55,764	0.00

4	2021-22	AD331123009207P dated 07/11/2023	Short reporting in GSTR-1 vs. TDS TCS credit received in GST Portal	28,77,292	2,87,730
5	2017-18	AD331123009195M dated 07/11/2023	Interest demand for belated discharge of GST through DRC 03	9,67,882	0.00
6	2017-18	AD3311230111142 dated 08/11/2023	Demand for Cess	17,14,000	1,71,400
7	2019-20	AD331023004608M dated 04/10/2023	Short reporting in GSTR-1 vs. TDS TCS credit received in GST Portal	3,00,272	30,028
8	2017-18	AD331123011125Z dated 08/11/2023	GST demand on certain services	11,56,28,051	1,05,11,642
9	2018-19	AD330923018513A dated 08/09/2023	GST demand on GSTR 1 vs.3B difference and non-reporting of taxable turnover based on GST TDS credit accepted in GST portal	5,21,18,830	52,11,884
10	2020-21	AD331023004604U dated 04/10/2023	Short reporting in GSTR-1 vs. TDS TCS credit received in GST Portal	15,51,648	1,55,166

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11	2017-18	AD3303241593168 dated 27/03/2024	Assessment order for FY 2017-18	1,04,82,81,217	9,52,98,295
12	2019-20	AD330323028114Q dated 11/03/2023	Interest levy on tax deposited in Electronic credit ledger but GSTR 3B filed belatedly	58,786	0.00
13	2018-19	AD330323027981A dated 11/03/2023	Interest levy on tax deposited in Electronic credit ledger but GSTR 3B filed belatedly	98,98,427	0.00
14	2017-18	AD330323027861E dated 11/03/2023	Interest levy on tax deposited in Electronic credit ledger but GSTR 3B filed belatedly	7,21,899	0.00

8. According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

9. (a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings to any lender or in the payment of interest thereon

(b)According to the information and explanations given to us including presentation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

(c) Sufficient appropriate audit evidence regarding the utilization of amounts raised by way of term loans has not been provided to us. Consequently, we are unable to comment as to whether these have been applied for the purposes for which they were obtained.

(d) Sufficient appropriate audit evidence regarding the utilization of amounts raised by way of short-term loans for long term purposes has not been provided to us. Consequently, we are unable to comment as to whether these have been applied for the purposes for which they were obtained.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures during the year.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

10. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

11. a) As per the information and explanation provided to us, no fraud has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) In the absence of proper confirmation and documents from the management, we are unable to comment whether any whistle-blower complaints were received by the Company during the year.

12. The Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.

13. According to the information and explanations given to us and on the basis of examination of the books of accounts and records, we report that the transactions

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with related parties are in compliance with the provisions of Sections 177 & 188 of the Companies Act, 2013 as applicable and the details have been disclosed in the financials statement as required by the applicable accounting standards except as reported in the basis for Adverse opinion in the main Audit Report.

14.

A)TheCompany has appointed an internal auditor forfinancialyear

2023-24. However, it does not have an internal audit system in commensurate with the size and nature of the business of the company.

B) The reports of the Internal Auditors for the period under audit were Considered by Us.

15.According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with the directors or persons connected with him. Hence, clause (xv) of paragraph 3 of the Order is not applicable to the Company.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.

17.The Company has not incurred cash losses in the current financial year and for the Previous Financial Year company has incurred a cash loss amounting to Rs. 5,463.56 Crores respectively.

18. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

19. According to the information and explanations given to us and on the basis of the financial ratios (also refer Note 74 to the standalone financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability

of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20.According to the information and explanations given to us, the Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and accordingly reporting under clause 3(xx) of the Order is not applicable to the Company.

21. The company has not prepared a consolidated financial statement. Hence reporting under clause 3(xxi) of the Order is not applicable.

For A. John Moris & Co
Chartered Accountants
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CA. C.M Balagopal
MRN No. 029128
UDIN: 24029128BKDGUH6332

For P.S.Subramania Iyer and Co
Chartered Accountants
FRN: 004104S

CA.S. RamaKumar
MRN No. 020405
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For V. Krishnan & Co
Chartered Accountants
FRN: 001541S

CA. Gopinath.M
MRN No.023819
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For Sivamani & Co
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FRN: 010746S

CA. T.Balasubramanian
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UDIN:24221939BKBLWB6600

Place: Chennai
Date: 15.11.2024

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ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Report on the internal financial controls over financial reporting under clause (i) of Subsection 3 of Section 143 of Companies act, 2013 ("the act").

We have audited the Internal Financial Controls over financial reporting of **TAMILNADU GENERATION AND DISTRIBUTION COMPANY LIMITED** ("the Company") as at March 31, 2024, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's responsibility for the Standalone Financial Statements

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India. 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, 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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by The Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls.

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 were 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 and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 in 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 control system over financial reporting.

Meaning of Internal Financial Controls over financial reporting

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

Inherent limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of 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 to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Adverse Opinion

In our opinion and according to the information and explanations given to us, the Company does not have an adequate internal financial control over financial reporting and such internal financial control over financial reporting were not operating effectively as at March 31, 2024 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India.

Basis of Adverse Opinion

The Company did not have an appropriate Internal Control over Financial Reporting in respect of the following aspects:

1. Ineffective supervision over the Company's Internal Financial Controls over financial reporting by those charged with governance.

2. Ensuring compliance with the applicable accounting standards regarding

   a) validating the completeness and accuracy of cost, including the direct costs eligible for capitalisation, of Property, Plant and Equipment (PPE),

   b) establishing a process of periodic verification of PPE and reconciling the same with the PPE register and books of account,

   c) Validating the correctness of classification of the PPE.

3. Absence of a comprehensive policy/circular relating to capitalisation of borrowing costs considering the requirements of Ind AS 23-Borrowing costs.

4. Process of identifying, determining qualifying assets, work order wise, and related borrowing cost resulting in incorrect recognition of PPE/Capital Work in Progress (CWIP) and related expenditure. Similarly, assets created out of government grants and deposit contributions received from customers are not identified separately to enable depreciation computation as well exclusion from capitalisation of borrowing costs.

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5. In many cases, assets of the company are capitalised on approval of corresponding work bills for payment/ financial closure of work orders which is after the date on which the assets are ready for use which is against criteria for capitalisation prescribed in Ind AS 16 Property, Plant and Equipment, leading to delay in the recognition of assets.

6. Process of evaluating completeness and accuracy of transactions relating to impairment and derecognition of PPE based on the periodic verification and technical evaluations.

7. Internal financial controls prescribed over accounting and reconciling, bank transactions not operating effectively in many accounts rendering units, potentially resulting in incorrect accounting and reporting of bank transactions and balances.

8. Process for identifying, recognizing, accounting, impact of physical verification and determining the obsolescence of inventory and related expenses for the year.

9. Process for accounting of inter-unit transactions and reconciliation balances thereon not operating effectively resulting in huge unreconciled balances in inter- unit accounts and resultant misstatement of account balances. The unreconciled differences stated in Para 112 of the Basis for Adverse Opinion section indicates the depth of deficiency in internal financial control over financial reporting as regards inter unit transactions.

10. Manual posting of journal entries by Headquarters towards payment made to vendors on behalf of various account rendering units and not routing it through SAP ERP process leading to such entries not getting mirrored in account rendering units concerned and consequential effect on the vendor balances, being both unadjusted and unreconciled.

11. Lack of effective process and controls over assessment of the health of its investments to ascertain provisioning required for impairment, if any.

12. Absence of processes to reconcile material deficiencies identified between the balances as per Company's books of account and its group entities.

13. Lack of integration and reconciliation of various software and ERP modules for various functions such as revenue billing, payroll processing, material accounting coal accounting, online collections with the Company's books of account, leading to manual intervention in respect of which internal controls are pervasively and persistently deficient.

14. Deficiency in supervision and control over online collections resulting in excess/short collections reported by banks.

15. Lack of evaluation of internal financial controls and risk management systems by the Company required under section 177(4) (vii) of the Companies Act, 2013.

16. Absence of the process of obtaining balance confirmation and reconciliation of loans and advances, deposits, party wise trade payable and receivable, Goods and Service Tax, Retentions, other financial liabilities and Co-Generation units.

17. Lack of adequate internal audit system commensurate with the size and the nature of business of the company.

18. Non implementation of Risk Control Matrix (RCM) for various operational activities of the Company resulting in non-evaluation of adequacy of the internal control process.

19. Manual posting of accounting entries even after implementation of SAP ERP resulting in failure to ensure that the accounting as well as financial reporting is in accordance with generally accepted accounting standards, practices and principles. Further, even for payment made to vendors, both goods and services, the same are made manually against provision entries made by overriding the ERP configured process which could lead to a possible duplication in payment and/or accounting.

20. Non-adherence to Delegation of Power matrix leading to possible unauthorised entries being recorded. Further, in respect of high value closing entries passed in various account rendering units at the time of account finalisation, there appears to be no proper review and approval mechanism in place which has led to highly erroneous entries being passed by the units, having significant impact on the true and fair view of the financial statements.

21. Process followed for maintenance and retrieval of records in support of the various transactions and accounting entries is totally inadequate and requires complete streamlining.

22. Lack of periodical review of security deposit collectable from consumers as per Company's guidelines resulting in uncovered balances due from consumers, more significantly in the case of defaulters.

23.The organization's GL account structure contains legacy and inactive accounts, which can lead to inaccurate financial reporting and inefficient account management. Balances lying in various legacy accounts have not been analysed for proper settlement Further, several instances were observed where staff at account rendering units select such legacy ledgers to record current transactions without proper substantiation.

24. Absence of uniform processes across units to segregate and account for salaries of TANTRANSCO employees leading to errors in accounting for employee benefits for the Company.

25. In respect of major overhauling work physically completed, while only the accounting for payments made to vendor for the above work have been recorded.The work order process allows for the corresponding components of cost

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26. Lack of uniform process to account for the accumulated interest payable to CCD balance as at the year end.

27. The company does not have a codification system for storematerials, which affects inventory management. The absence of a codification system could lead to inefficiencies and inaccuracies in inventory tracking and valuation.

28.In certain accounting units, GL codes were not separately allocated for various accounts. This lack of specificity in GL code allocation can lead to misclassification of transactions and hinder accurate financial reporting.

29.Temporary advances were not repaid within the stipulated 15-day period, which poses liquidity and compliance risks. This delay may lead to cash flow issues and indicates a lapse in financial discipline.

30. Following are the major issues observed during the audit on implementation of SAP ERP:

a) There are no system controls in place to prevent or detect the omission or duplication or wrong accounting of transactions in the books of accounts.

b) In most of the account rendering units, posting in ERP are not performed by skilled staff leading to serious errors and lapses in accounting, even two years post implementation of ERP.

c) There is no consistency in data entry since multiple general ledger codes are being used to account for one or similar type of transaction, Further, we noted that there is no updated accounting manual or implementation of procedures specified in the accounting manual.

d) There is no system in place to ensure the implementation of the maker-checker procedure which is provided as part of the design in SAP ERP at the transaction level data entry. This is against the principles of segregation of duties which may adversely affect the accuracy of recording of transaction level data.

e) Data migration audit has not been performed to confirm the completeness and accuracy of data migrated to the newly implemented SAP ERP from the erstwhile Oracle ERP.

f) Based on information and explanations provided to us, we understand that details of employee wise advances and other applicable recoveries have been posted as at the SAP ERP implementation date. However, transactions during the year including employee wise fresh staff advances and recoveries made have not been updated. Further, information furnished by the account rendering units as per manual register maintained by them do not tally with general ledger balance of the unit.

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g) In respect of certain general ledger accounts relating to loan principal and interest repayment etc, whose control for operations lie exclusively at Headquarters, accounting entries have been posted into such general ledgers by other account rendering units of the company erroneously evidencing the fact that there is no control to prevent or correct such errors.

These types of instances have been also observed for other transactions as well. Further, accounting entries are passed by Headquarters Staff in unit books of account which remain unexplained by unit staff indicating lack of coordination and communication between Headquarters and units.

h) On perusal of details of opening pending work orders, SAP ERP module neither captured nor made it mandatory to capture the following details

i. Date of work orders

ii. Status of work orders

iii. Work order and year wise details in respect of opening, Asset Under Construction (AUC)/ Legacy Internal Work Orders.

Further, while some of the work orders have been closed, the status in SAP ERP has not been updated resulting in such closed work orders not getting capitalisation in the books of account

i) Work order closure process in ERP allows assets to be tagged to "Assets Under Construction' category which has led to incorrect classification of such completed assets as Capital Work in Progress and for which no depreciation has been provided during the year.

j) In certain account rendering units, while work has been physically completed and certified as such, the ERP process of creation of Work Orders has not been followed. Such assets remain as part of CWIP balances as at the year end.

k) On our verification of the work order creation process, we observed that the work order number is not an auto generated number and is only manually entered in SAP ERP.

l) In most of the account rendering units, there is no system in place to ensure the depreciation is charged respect of legacy balances as well as additions during the year posted manually. Further, whenever there is an alteration warranted in the date of capitalization due to correction of some errors, SAP ERP does not consider the altered date for the purpose of depreciation calculation.

m) Periodical settlement process in ERP as regards unmapped legacy work orders created prior to implementation of ERP has not been carried out properly. Consequently, amounts incurred during the year in respect of these work orders remain in capital consumption and WIP upgradation accounts in various account rendering units which are classified as other expenses Repairs and Maintenance.

n) There is no provision in SAP ERP for tracking physical inventory movement from the stage of receipt to consumption in respect of coal inventory.

o) Individual vendor balances as well as ageing of vendors are not made available in its entirety in SAP ERP.

p) MSME mapping is neither available nor made mandatory in SAP ERP Vendor master. Consequently, we are unable to ascertain whether the provisions of MSMED Act have been fully complied as regards transactions including settlement of dues within the time limits prescribed under that Act and payment/provision of prescribed interest for delayed settlements.

q) In several account rendering units, vendor invoices are accounted net of retention amounts and in effect retention amount recovered from contractors/vendors are not recorded as a liability at the time of receipt and recording of invoice.

r) Payments made to vendors by the Headquarters on behalf of circles are not settled against vendor liability at the account rendering unit level,

s) Material identified as scrap are not routed through SAP ERP Material Management (MM) module. No details are available for scrap materials.

t) Payroll processing during the year was carried out manually at each account rendering unit level upto certain period. Parallelly, payroll processing through SAP ERP-Human Resource (HR) module for the company as whole for the year was again carried out which has resulted in double entries in both expenditure and liability accounts for a certain period.

u) Certain account rendering units initiating inter unit transactions with other units are posting entries for such transactions to incorrect units who are unable to confirm and provide explanation as to the nature of such transactions.

v) Separate billing software is maintained for recording customer wise revenue billing and customer deposit transaction which is not integrated with SAP ERP. Further, no reconciliation of revenue between such software and ERP has been carried out on real time basis. Consequently we are unable to confirm the accuracy of revenue and customer deposits recognised.

w) Separate ZEN accounting software is maintained for recording other income including sale of mill reject coal, sale of scrap and sale of fly ash which is not integrated with SAP ERP. Further, no reconciliation of other income between such software and ERPx has been carried out on real time basis. Consequentially we are unable to confirm the accuracy of income recognised on such sales.

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Material weakness is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual financial statements will not be prevented or detected on a timely basis.

In our opinion, because of the collective effect of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has not maintained adequate and effective internal financial controls over financial reporting as of March 31, 2024.

x) The organization's debtor's module within the ERP system is underdeveloped, lacking effective control, verification, and reconciliation capabilities for billing and collection.

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FRN: 007220S

CA. C.M Balagopal
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For P.S.Subramania Iyer and Co
Chartered Accountants
FRN: 004104S

CA.S. RamaKumar
MRN No. 020405
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For V. Krishnan & Co
Chartered Accountants
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CA. Gopinath.M
MRN No.023819
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For Sivamani & Co
Chartered Accountants
FRN: 010746S

CA. T.Balasubramanian
MRN No.221939
UDIN:24221939BKBLWB6600

Place: Chennai
Date : 15.11.2024

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ANNEXURE C TO THE INDEPENDENT AUDITORS' REPORT

Directions issued under Section 143 (5) of the Companies Act, 2013

1. Whether the company has system in place to process all the accounting transactions through IT System? If yes, the implications of processing accounting transactions outside the IT system on the integrity of the accounts along with the financial implications, if any may be stated.

Reply:

Yes, ERP SAP software was implemented in FY 2021-22. All accounting transactions related to expenditure are posted through a process designed in SAP-ERP from the FY 2021-22. Revenue related journals are processed in manual. TANGEDCO is in the process of integration of LT/HT billing software with ERP. In addition, Zen Billing system has not integrated with the ERP till date. No accounting transaction is processed through outside IT system.

2. Whether there is any restructuring of an existing loan or cases of waiver/write-off debts/loans/interest, etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case the lender is a government company, then this direction is also applicable for the statutory auditor of the lender company).

Reply:

Based on information and explanations received, we understand there is no restructuring of existing loans, Waiver /write off of loans and there is no waiver / write off of interest.

3. Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation.

Reply:

Based on information and explanations received, we understand The funds received for the specific schemes from Central /State agencies are properly accounted. In the

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absence of information we are not able to furnish if funds have been utilized for the purpose for which it was received. However, utilization certificates have not been furnished for audit and hence we are unable to confirm the proper utilization of funds received as per its terms and conditions. Further, scheme wise financial statements are not prepared.

Sub-directions issued under Section 143 (5) of the Companies Act, 2013

1. It may be verified and stated whether the Company has complied with the provisions of National Financial Reporting Authority (NFRA) Rules, 2018.

Reply:

As per clause 3, the NFRA rules do not apply to this company.

2. It may be stated whether any report vide Form ADT-4 to the Central Government u/s 143(12) of the Companies Act, 2013 as per the NFRA Circular No. NF25013/2/2023 dated 26.06.2023 has been given by the Statutory Auditors.If yes, a detailed write-up on the issues reported may be furnished. If not, justification for not furnishing such a report may be expressly furnished.

Reply:

During the audit, we have not come across any instance of frauds other than the fraud noticed/reported by the management as reported in Clause 11 of CARO 2020

3. It may be verified and stated whether the Company has complied with the provisions of Chapter XV (Section 230 to 240) of Companies Act, 2013 w.r.t Restructuring of TANGEDCO.

Reply:

Refer to note no.73 regarding demerger of the entity, government is yet to approve the proposal submitted by the company for amending the appointed date from 1.4.2023 to 1.4.2024

4. It may be stated whether the Company claims and accounts various tariff related subsidies according to the orders of TNERC. In case of any deviation in methodology, the impact on the financial statements may be reported,

Reply:

It is stated that the charges per MW claimed by TANTRANSCO are verified with the respective TNERC Orders based on which the invoices are being admitted. In respect of MW

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stated by TANTRANSCO, TANGEDCO/TNPDCL admits the MW claimed by TANTRANSCO.

5. whether the Company has complied with the provisions of Companies Act, 2013 and adopted the applicable accounting framework and Ind AS.

Reply:

Company has complied with the Ind As Framework subject to our comments in the basis of adverse opinion paragraph of the Main audit report. With regard to compliance with the other provisions of the companies act 2013, secretarial audit for F.Y. 2023-24 is yet to be completed. Hence we are unable to comment on the completeness of the compliance with the provisions of the Companies Act 2013

6. Whether the fixed assets registers were maintained properly and updated as on date. Further, it may also be reported whether the physical verification of assets was carried out as on 31.03.2024 or at regular intervals.

Reply:

The fixed asset register as per SAP is incomplete and do not fulfil the regulatory requirement.

The physical verification has not done by the management during the FY 2023-24.

7. It may be verified and stated whether title of lands shown in the books of accounts are registered in the name of TANGEDCO. In case, if the lands are in the name of other entities like TANTRANSCO & TNEB Ltd., entity-wise ownership details along with extent of such lands may be stated

Reply:

Title deeds are not held in the name of TANGEDCO for some of the properties amounting to Rs. 978.31 crores refer note 4(a) of notes to accounts but we are not able to confirm the correctness of this figure as the tittle deeds are not produced in many circle offices to us.

8. Whether all the Capital works completed were transferred to fixed assets head. If not so transferred, please state the impact of the same.

Reply:

Balance of CWIP as on 31st March 2024 includes value of work completed but yet to be capitalised. Further, CWIP balance also includes completed work orders that have been considered as part of PPE at the time of transition to Ind AS

9. Whether the expenses for long term employee benefits have been properly allocated among the employees deployed in TANGEDCO & TANTRANSCO.

Reply:

The expenses for long term employee benefits has been properly allocated as envisaged in the company policy.

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10. It may be verified whether the Company has a proper system for accounting of General Provident Fund and Contributory Pension Scheme in respect of Employee Benefits.

Reply:

Yes the company has a proper system of accounting for GPF and CPS benefits. However we noticed shortcomings which are reported in our main audit report.

The staff wise balances of General Provident Fund (GPF)/Contributory Pension Scheme (CPS) as maintained in the physical registers/HR module in SAP does not reconcile with the books of account. In the absence of adequate information, the difference and the correctness of interest liability recognized in the books of account could not be confirmed.

11. In respect of the Thermal Power Stations under the Company (Tuticorin Thermal Power Station, Mettur Thermal Power Station, North Chennai Power Station and Ennore Thermal Power Station), compliance of the various Pollution Control Acts and the impact thereon (including policy for utilisation and disposal of ash) may be reviewed and reported.

Reply:

The Annual ash compliance reports in respect of all Thermal Power Stations (TPS) are to be submitted before November 30th of each year (April to March) as per the insistence of Ministry of Power.

Based on the Ministry of Environment & Forests & Climate 'Change / Ash Notification dt.31.12.2021 & Amendment dt.01.01.2024, approval has been accorded by the CMD on 08.04.2024 and 10.07.2024 for conducting ash audit in all the Thermal Power Stations for the years 2022-2023 & 2023 -2024) by engaging auditors, authorized by the Central Pollution Control Board.

The ash audit for 2022 - 23 and 2023 - 24 have been completed in respect of MTPS - I and MTPS- II and compliance report in respect of 2022-23 has been sent to the CPCB. The ash audit process for 2022 - 23 and 2023 - 24 in respect of NCTPs - I, NCTPS - II and TTPS are under process and Management is intending to complete it before the target date of 30" November 2024.In the absence of compliance report for FY 23-24 we are unable to comment on the same.

12. The costs incurred by the Company on abandoned projects and the amount written off regarding the same may be verified and reported.

Reply:

As per the information and explanation provided to us, no projects have been reported to be abandoned during the financial year.

13. whether the company has a proper system for reconciliation of quantity/quality of coal ordered and received and whether the grade of coal, moisture contract and demurrage charges paid are recorded correctly in the books of account. In case of shortage of coal noticed, whether the same have been property represented in the Financial Statements,

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Reply

a) With respect to Cost and Quantity:

The Coal Quantity, Coal Quality and Financial reconciliation are being done by on-line from 04/2022 between MCL and the company. The Quantity of the coal is reconciled based on the RR i.e., Railway Receipt Actual Quantity and the Invoice copy of the MCL bills, Whether the received quantity is billed or not. If billed excessively, it will be limited to the minimum quantity and it will be disagreed with MCL in the online reconciliation portal. If any evidences received from MCL ie., the weighment sheet, wagon list, and invoices if it is correctly billed the difference amount will also be paid to the MCL. If not amount payable to MCL will be retained to the RR Actual Quantity.

b) With respect to Quality

For the supplied coal, MCL will send the main bill, to the company and this bill will be adjusted against the advance amount available in MCL. Subsequently after receiving the sampling tested report from QCI, as per the tested grade the bill will be worked out for every Invoice of MCL, Respective Debit/Credit bills will be raised by MCL based on the test result, consequent to the scrutinizing the grade slippage bill. If it is Debit note the amount payable to MCL will be adjusted against the Advance in ERP. The Credit Note will be adjusted against the Debit Note and the Net amount will be adjusted against the Advance amount.

With respect to Demurrage and Moisture:

c) The demurrage incurred if any and the moisture adjustment charges will be deducted from the bill payable to MCL and accounted in the ERP under the concern Account head respectively.

With respect to Shortage of Coal:

d) The amount of will be deducted from the retention amount from the contractors which is already withheld from the contractors. The shortage of coal amount will be accounted in the financial statement in the head of Retention Account.

However, sufficient audit evidence was not made available to us to ensure the correctness of the system followed by the Company.

No provision has been created for coal shortage during the years 2021 and 2024 amounting to Rs. 99.93 crores

14. Whether the volume of coal stockpiles and bulk density of coal are measured by adopting a uniform method across Thermal Power Stations, Cases of discrepancies in this regard may be reported.

Reply:

It is verified that all the operating Thermal Power Stations NCTPS-I, II and MTPS-I, II of the company are adopting a uniform methodology by forming obelisk shape (Truncated Rectangular Pyramid) for computation of volume of coal stock & using steel hallow cubical container for bulk density measurement of coal stock. The Drone Surveying method has been implemented in Tuticorin Thermal Power Station from Feb-23 onwards.In the absence of records we are not able to state if there is any discrepancies.

15. The efficacy of the system of billing and collection of revenue by the company may be reviewed and reported.

Reply

The billing process for both HT and LT is automated through two separate billing software.However the revenue appearing in the billing software do not reconcile with the figures in the books of accounts and differences is yet to be reconciled. Further, the trade receivable balance in the software also not matched with the receivables in the booksrefer note 41 to accounts.

16. whether the reconciliation of receivables and payables between TANGEDCO and TANTRANSCO has been completed. The reasons for differences, if any, may be examined and stated.

Reply

Reconciliation of receivables and payables between TANGEDCO and TANTRANSCO has not been completed and we have asked reconciliation statement but management still has not provided such statement.

17. whether proper provisioning towards unutilized banked energy has been done. The reasons for differences, if any, may be examined and stated.

Reply

Generally, the company makes provision forunutilized banked energy,though we noticed some discrepancies.

18. whether the power purchased during the year was accounted correctly, and necessary liabilities were provided for the cases pending payment. Further, proper accounting of the prior period expenses in the current year in respect of purchase of power may be verified.

Reply

Accounting of power purchase with regard to Co-Gen sugar mills has not been done properly by the company. In addition, accounting of prior period expenses with respect to power purchase is also not done properly. Reference is drawn to note 127 in which power purchase of Rs. 56 cr which pertains to FY 22-23 and therefore is prior period item is accounted as expenses in current FY.

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19. It may be verified whether Materials Cost Variance (MCV) relating to capital items has been charged to fixed assets/capital work in progress for completed works/capital work in progress at EDC level

Reply

Standard costing system has been dispensed with Weighted average cost based on actual cost has been adopted by the company.

However, entries are still being passed in ERP to account for difference in material cost as material cost variance. An amount of Rs 2.87 Crore (Credit) pertaining to difference in material cost has been recognised in the Statement of Profit and Loss during the year.Refer sub note PL IND AS 24.

20. Purchase of Energy Saving Certificates for the thermal stations and gas turbine stations may be verified and it may be stated whether the provisioning in this regard is done properly.

Reply:

We have verified the purchase of energy saving certificate and provision is done properly.However as per the details furnished by the company. The Thermal stations of TANGEDCO were not included in PAT cycle.

21. Confirmation of balances from Debtors/ Creditors may be obtained and verified. In case of non-verification of the same, specific reasons may be stated.

Reply:

With respect to Debtors balances, TANGEDCO is the standalone power distribution utility of the state. The Majority of the consumers are common public. The total numbers of LT Consumers are more than 3.4 crs and around 11400 consumers in case of HT services. It might not be possible to get debtors confirmation from these voluminous consumers.

The balance of vendors prior to implementation of ERP in all of the account rendering units have not been recorded in respective vendor's sub-ledgers properly and recorded only in the vendor control account in the general ledger However, subsequent payments to vendors against such opening balances have been recorded in the respective sub-ledgers. Consequently, we are unable to confirm the vendor wise balances outstanding as at the yearend

Separate billing software is maintained by the Company in respect of services rendered to its customers Customer wise billing and outstanding details are available in the separate billing package. However, the reconciliation of revenue between separate billing package and books of account has not been done properly and therefore we are unable to confirm the customer wise balance outstanding as at the year end.

Further, there is no process followed by the Company to independently obtain confirmation and perform reconciliation of balances from both vendors and customers

22. whether there is a proper system of accounting in respect of Legal and Statutory payments. Instances of delayed filing/Non-filing of Statutory returns may be reported.

Reply:

There is no proper system of accounting with respect to legal and statutory payments. We have noted several instances of unadjusted balances outstanding Including GST liability, TDS, etc.

As regards delayed filing/non-filing of statutory returns, we noticed the following instances

a. GST returns

b. Certain delays and non-filing of companies act related forms and returns.

23. Impact of GST on the assets transferred between TANGEDCO and TANTRANSCO may be analyzed and reported.

Reply:

During the course of audit we have informed that there is no transfer of assets between TANGEDCO and TANTRANSCO but there is transfer of material Rs. 16,08,54,413 attracting GST liability of Rs.2,89,53,795. Regarding this Management intimated a letter to the concerned EDCs informing that as per CMD Proceedings dated 19.01.2022 no transaction will be allowed from TANGEDCO Stores to TANTRANSCO Stores without Sale Order route. Under emergency situations, TANGEDCO has to raise tax invoice on TANTRANSCO for the value of materials including GST and applicable tax has to be levied on the same. The units have been requested to clarify whether invoice has been raised for the transactions reported in ERP and GST has been billed to TANTRANSCO and reported to taxation. But no reply has been received so far from concerned EDCs

.However in the absence of information we are not in the position to inform the impact of GST on the assets transferred between TANGEDCO and TANTRANSCO.

24. Accounting of DCW works and depreciation on the same may be reviewed. Non compliance to Ind AS, if any, in this regard may be reported.

Reply

An amount of Rs 1876.75 Crores (Previous year Rs 1584.92 Crores) has been recognised as income during the year under the head Income from other services provided to customers. This represents moneys collected from its consumers against cost of infrastructure and other works which the Company is obligated to perform on their behalf. In the absence of information and explanations, we are unable to ascertain whether performance obligations have been completed by the Company in respect of such amounts recognised as income in accordance with recognition principles contained in Ind AS 115 Revenue from contract with

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customers. Consequently we are unable to ascertain capitalisation of DCW Works and depreciation as per Ind AS 16.

25. The implications of all schemes (UDAY, DDUGY, IPDS etc.) in the accounts may be analyzed and a scheme-wise report may be furnished.

Reply:

As per the information and explanation provided by the company, funds received for schemes such as UDAY, DDUGJY, IPDS, RAPDRP-B, etc., have already been fully utilized for the purpose of the schemes. Scheme wise asset details are not available in ERP We have been informed by the company that during F.Y 2023- 24 only IPDS scheme has been received and accounted accordingly in accounts, no further funds have been received for any scheme.

26. Correctness of Transmission charges claimed by TANTRANSCO and TANGEDCO may be reviewed and reported.

Reply:

Transmission charges claimed by TANTRANSCO and paid by TANGEDCO were reviewed and found it was done as per the applicable TNERC order.

27. Rebates availed by TANGEDCO may be verified and reported.

Reply:

During the course of our audit we have verified the rebate availed by TANGEDCO towards power purchase and found to be in order.

28. whether the charges such as development charges, self-financing by Agricultural consumers by way of reimbursement of capital infrastructure already created have been properly accounted.

Reply:

The development charges have been recognised as income during the year under the head income from other services provided to Agricultural customers. This represents moneys collected from its consumers against cost of infrastructure and other works against which the Company has an obligation to perform.

In the absence of information and explanations, we are unable to ascertain whether performance obligation have been completed by the Company in respect of such amounts recognised as income in accordance with recognition principles contained in Ind AS 115 Revenue from contract with customers.

29. Udangudi Power Corporation Limited is a subsidiary company of TANGEDCO. As UPCL is a separate entity, accounting of transactions between the two entities may be analyzed and reported.

Reply:

An amount of Rs.94,650/- (Rupes Ninety Four thousand Six hundred and | Fifty only) has been incurred by TANGEDCO on behalf of Udangudi Power Corporation Limited for the FY 2023-2024 towards Professional charges to Company Secretaries, ROC fees.

The transactions between the Udangudi Power Corporation Limited and TANGEDCO is not distinctively accounted is the books of accounts of the company to confirm the disclosure made by the company.

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For Sivamani & Co
Chartered Accountants
FRN: 010746S

CA. T.Balasubramanian
MRN No.221939
UDIN:24221939BKBLWB6600

Place : Chennai
Date : 15.11.2024

MANAGEMENT REPLY TO COMMENTS OF THE STATUTORY AUDITORS ON THE ANNUAL ACCOUNTS FOR THE YEAR 2023-24

Sl. No.	Auditors observations	Management Reply
	Basis for Adverse Opinion	
I	Refer to Note No.73 regarding demerger of the entity, government is yet to approve the proposal submitted by the company for amending the appointed date from 01.04.2023 to 01.04.2024.	The proposal seeking to amend the appointed date as 1.4.2024 is under active consideration and on amendment, the same will be intimated to Audit.
II	**Short provision of the following which has the effect of increasing the loss**	
a)	Non-provision of obsolete and non-moving inventory amounting to Rs.58.40crs	The obsolete and non-moving inventory will be auctioned as per the regular process and relevant profit or loss on sale will be brought into revenue account.This being regular business activity, Provision for the Obsolete and non-moving items held at the end of the year was not made.
b)	Non provision for coal shortage during the years 2021 and 2024 amounting to Rs. 99.93crs	Suitable action will be arranged to be taken to reconcile the figures for coal shortage. Instructions will be arranged to be issued for provisioning based on analysis of transactions.
c)	Non-provision of disputed accrued income amounting to Rs. 68.61 crsdue from Kamarajar port, Indian oil and Chennai petroleum corporation.	The amounts are receivable from the respective parties and hence shown under receivable. Instruction will be arranged to be issued to give appropriate treatment in the books of accountsbased on reconciliation.
d)	Non provision for grade slippage of coal purchased from M/s Central Coal Fields Ltd. amounting to Rs. 0.36crs	The debit/credit note from the coal vendors are being received belatedly. Hence, the admission of such claims are being made in subsequent bills only. This being regular activity, provisioning was not made.
e)	Non-provision of amount due from Permanently disconnected customer amounting to Rs.165.85crs.	Action is being taken to recover the amounts from the permanently disconnected consumers. However, as per the extant practice in power sector, provision for bad & doubtful debts @ 2.5% on closing balance of debtors is being created.
III	**Short provision of the following which has the effect of decreasing the loss**	
a)	Short recognition of deferred income in respect of lease amount from NTECL amounting to Rs. 12.96crs.	Short recognition of deferred income will be arranged to be provided for and instruction to the circle will be arranged to be given accordingly.
b)	In respect of Vazhudur, major overhauling work which has the effect of increasing the life but charged to revenue and hence to be	The transactions will be analysed andarranged for rectification, if required.

Sl. No.	Auditors observations	Management Reply
	capitalized by Rs.29.76crs.	
c)	The Material cost Variance not transferred to the Inventory account by Rs.2.87crs.	The material rate variation claims from vendors are being admitted,subsequent to the receipt of the materials and its consumption. Those rate variation impact is charged to revenue account, considering its materiality being meagre.
d)	Non-transfer of Work Breakdown Structure (WBS) and Work-in-Progress (WIP) upgradation accounts shown under revenue head not been capitalized to the Asset Under Construction (AUC) account by Rs. 39.60crs.	Arrangement will be made to capitalize these amounts and to issue instruction to circles for rectification.
e)	In Nagapattinam EDC, the newly constructed building has not been capitalised to the extent of Rs. 4.39 during the financial year 23-24, which was completed and ready for its intended use; instead, it was recognised in the statement of profit and loss account under the Head "Cost of Power Generation." Further, depreciation on the same is also not accounted.	Action will be arranged to be taken for rectification of this misclassification and circle will be suitably instructed to capitalize this asset upon being put to use, through ERP process.
IV	**Other discrepancies that hasthe impact on the loss, the amount of which we are unable to quantify**	
A.	**Legacy balances:**	
1.	When the SAP was introduced, under various account heads breakup details which were not available were carved out and transferred to legacy balances. This is available under all the heads of accounts. As this will have, substantial effect on the revenue, companyhas to identify and transfer to appropriate head.	The company is in the process of taking necessary steps to transfer the amounts in the Legacy GLs.
B.	**Integration of various modules with SAP:**	
2.	The company operates various modules which are not integrated with the SAP except billing module which was integrated with the effect from 01st March, 2024. During the course of our audit, we find enormous discrepancies between the amount shown under the module with the SAP balances which has a effect on the financials. Hence all the modules should be integrated with the SAP.	Billing module/software is the only external module/ software which has been integrated in SAP as observed by the statutory auditor. However, arrangements will be made to rectify the discrepancies between the various modules in SAP and the balances in the financials.
C.	**Property Plant and Equipment (PPE):**	
3.	No provision is made for the land Lease as per the agreements entered with the forest department. The lease agreements are still in dispute, and overdue rental is to be paid by TANGEDCO. The total lease land under the possession of TANGEDCO is1215.53 acres.	Negotiation with the forest department is yet to be completed. As the lease rent figure payable is not finalized, provision could not be made in the accounts.

Sl. No.	Auditors observations	Management Reply
4.	In most of the account rendering units, depreciation has not been provided in respect of legacy balances relating to fixed assets and additions during the year posted manually, impact of which cannot be quantified in the absence of information and explanations.	The depreciation shown in financials is as per SAP. In SAP depreciation will be calculated for the assets capitalized through process. Necessary steps will be arranged to be taken to avoid manual posting.Such legacy asset balances were already served its life and depreciated in full, as per accounting policy.
5.	It was noted that TANGEDCO did not conduct any impairment tests throughout the year as per Ind AS 36 "Impairment of Assets". Due to the absence of impairment testing, we are of the opinion that assets may not reflect the true value.	Field technical team is regularly monitoring the performance of all the assets and impairment assessment will be initiated in case such assets are identified. However, in case of any such lower performance indicator of any core assets, the same will be replaced instantly as a routine operation in order to ensure uninterrupted supply of power.
6.	The carrying value of the overhauling components replaced in Property, Plant and Equipment (PPE) was not appropriately derecognized from the existing asset in the books of account in accordance with principles contained in Ind AS 16 - Property, Plant and Equipment. Consequently, this has resulted in the overstatement of PPE as well as depreciation for the current year.	Appropriate measures in ERP will be arranged to be taken to resolve this issue.
7.	With respect to BBGTPS unit, Naphtha Tank is ceased from active use and the provision for decommissioning has not been made as per Ind As 16 and also the asset is not removed from the PPE.	The preparation of estimate for dismantling theNaphtha tanks is under progress and proper impairment assessment will be carried out for provisioning, as pointed out by auditors.
8.	PPE includes Rs 41.69 Crores in four circles which was completed in earlier years but capitalized during the current year and no arrears of depreciation was provided in the books.	Arrears of depreciation from the date of capitalisation is automated in ERP, in case of delayed capitalization. Instructions will be arranged to be issued to ensure for capitalization of assets without delay and providing of proper depreciation also.
9.	The audit qualification of FY 22-23 states that the Line and cable pertaining to Cuddalore amounting to Rs.347.98 Crores which was certified as completed work is yet to be transferred to PPE. Actual bill passed is Rs.331.46 Crores.	The final bill of this work is under process. Hence, the asset will be arranged to be capitalized in FY 2024-25.
10.	It is observed that the Company capitalizes Employee costs (4.29%) and Interest During Construction (IDC) (10.24%) to the qualifying assets based on estimated man days (or) hours likely to be incurred on capital works rather than actual man days (or) hours spent on such works. This approach may lead to inaccuracies in the capitalized borrowing costs	Various types of works are being done by TANGEDCO. The manpower involved and the no.of days spent by each category of manpower will also vary. Hence, the employeescost to be charged to each work by TNPDCL is arrived based on the average time spent by each class of employees. If the actual days should be adopted for each work then the percentage to

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	and could result in the understatement or overstatement of the costs associated with qualifying assets.	be charged for each work will vary. As various types of works are carried out by TNPDCL the management decided to adopt based on the average percentage. The variations between the average manpower and actual manpower may not be material in nature. However, the percentage of 4.29% will be arranged to be reviewed, for future adherence.
D.	**Capital Work -In - Progress:**	
11.	In respect of Capital Work in Progress (CWIP) balance as at 31st March 2024: Several work orders have been completed as on 31st March 2024 and forms part of CWIP balances in the books whereas such completed work orders have been considered as part of PPE at the time of transition to Ind AS. Consequently, the CWIP balance in respect of these work orders, to the extent already capitalized as part of PPE, can be overstated. The consequential impact on the CWIP, PPE and statement of profit and loss account is unascertainable due to non-availability of proper information and explanations.	Considering the voluminous fixed assets valuation exercise carried out at the time of first time implementation of Ind AS in FY 2020-21 with the date of transitions as 1.4.2019, these issues were occurred. In view of the materiality and legacy issues of FY 2020-21, this may be considered. However, regular capital work in progress are being capitalized on the date of capitalization through ERP process, during FY 2023-24.
12.	In Various Account rendering units, we noticed that many of the work orders have been completed before 31.03.2024 but not capitalized to the fixed assets accounts, thus resulting in an understatement of fixed assets. Furthermore, the depreciation related to these assets has also not been provided.	Instructions to ensure timely capitalization of fixed assets and calculation of depreciation will be arranged to be reiterated.
E.	**Trade receivables:**	
13.	Trade receivables include unreconciled receivables from HT and LT customers amounting to INR 65.49 crores and INR 1,932.39 crores respectively as described in Note No. 41.	Arrangement will be made to reconcile the figures.
14.	Trade receivables include receivables from HT and LT consumers which remain unreconciled between separate billing software and books of account and consequently we are unable to confirm the correctness of Trade Receivables balance as at the yearend.	Currently the billing software has been integrated with SAP. However, arrangement will be made to reconcile the trade receivables.
15.	The collections from consumers are deposited in the respective bank accounts through various modes before the due dates. However, in the absence of periodical reconciliation between the current billing system and the GL Balances we are unable to verify the accuracy of outstanding debtors in the books of accounts.	Due action will be arranged to be taken to reconcile thedebtors balances in the books of accounts.

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16.	Reference is drawn to Note 11 - Other Financial Asset, which includes unbilled revenue of LT service connections which remains unreconciled between billing software and books of account to the extent of Rs. 100.08 crores (overstated in the books of accounts). This Results in Overstatement and Misstatement of Current Assets.	Arrangement will be made to reconcile the difference in the provision for unbilled revenue between the books of accounts and the billing software. However, the variations will be adjusted in the subsequent year, as routine closing entries for provisions will be posted.
F.	**Inventory:**	
17.	Reference is drawn to Note 8: Inventory-Other Materials, which comprises a balance of capital spares amounting to Rs. 1,955.03 crores satisfying the recognition criteria as per IND AS 16 Property Plant, and Equipment.The same have not been considered as PPE and corresponding depreciation was not provided for such spares. Consequently, PPE balance and depreciation for the year have been understated.	Accountingof these spares are classified depending on the nature of utilisation as these materials can be used for both revenue and capital nature of work. Hence, the treatemnt of all such materials as inventory is justifiable considering the operating nature of the company.
18.	The inventory balance as per the Material Management module in ERP does not reconcile with the inventory balance as per the general ledger in ERP at various account rendering units.	The balance in the Material Management module is only brought in the general ledger of ERP. However, the factors for the difference in both reports will be arranged to be identified in legacy GLs.
19.	In Reference to Note-13, As per IND As-2 inventory of Scrap amounting to Rs. 46.06Crs, which is accounted at cost has to be accounted at Net Realisable Value (NRV). TANGEDCO has not accounted for the same.	At time of auction of scraps, the net realizable value could be assessed. Appropriate action will be initiated to account such transactions as per Ind AS 2.
20.	Balance confirmation has not been obtained from coal vendors.	The process of reconciliation with the coal vendors is under progress and arrangement will be made to obtain balance confirmation.
21.	Conveyance loss and operational loss of coal inventory has not been ascertained and accounted, value of which is not ascertainable in the absence of information and explanations	The audit comment is with respect to the thermal station NCTPS 2. It is to be stated that the coal yard is not separately maintained for NCTPS 2 and the entire coal is received from NCTPS 1 and is being consumed. Thus, there is no conveyance loss and operational loss which needed to be accounted in NCTPS 2, separately.
G.	**Investment in subsidiaries:**	
22.	The company has Rs. 1774.20 Crores in subsidiaries. No provision for diminution in the value of the investment have been made in the books of the company.	Provision for diminution in the value of investments, if arises, will be made in the future.
H.	**Other current assets:**	
23.	It has been observed that Coal Clearing Account balance of Rs. 230.03 crore are not reconciled in the books of headquarters and thermal stations	Arrangement will be made to initiate action for reconciling the coal clearing account.

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24.	The bank reconciliations are not done up to date. Follow up on unreconciled entries are also not being done, leading to ineffective control on bank account operations. Bank closing balance reflected in the financial statements shows a positive figure. On scrutiny, we noticed this positive figure is the result of both credit and debit balance of different banks.	Suitable action will be initiated and instructions will be arranged to be given to the circles to do the reconciliation then and there. It is further stated that in respect of payment, centralized payment system has been implemented since March 2024. Also, the payments through banks have been enabled by way of API integration from November 2024.
25.	The collections from consumers through online payment gateways, which are deposited into designated bank accounts, have not been reconciled with the books of account.	Due action will be arranged to be taken to reconcile the differences
26.	Temporary advance to the extent of Rs 71.13 Crores has been classified as cash on hand.	The imprest and temporary advance balance held with employees for urgent nature of expenses to be spent are clubbed with cash and bank balances in note No:10 and disclosed under cash on hand, which is acceptable grouping.
27.	In most of the account rendering units, cash in hand balances as per circle office records doesnot Tally with the cash as per SAP and cheques received from customers are booked as cash on hand.	Arrangement will be made to reiterate instructions to the Circles to account thecheques received from the customers, appropriately.
28.	Balances in fixed deposits as per confirmation of balance have not been reconciled with books of accounts.	The balance confirmation for the deposit with TNPFC was furnished and matched with the GL. However, action will be taken to reconcile the discrepancies, if any.
29.	While verifying the General payment Account (Canara bank account no: 0911201000270), we noticed that Rs.9,572.21Crs shows a negative balance in GL 1130000-1130002. Out of the above amount, Rs.2,685.48Crs arise due to duplicate entries made for payment in the ERP. The balance of Rs.6,712.36Crs arise due to a duplicate posting made in the current year for the payment made in the previous year. While rectifying these errors, the department passes a Journal entry in M14 giving effect to Creditors GL (2070502) and Inter unit GL (2070209). TANGEDCO did not provide sufficient explanation for the journal entries passed to rectify this. As a result this may show inaccurate balances with respect to these two accounts (Creditors GL and Inter Unit GL).	Journal entries were posted for rectification purposes, wherever transactions were not done through the process in the ERP. Arrangement will be made to reconcile the Bank Balances figures.
30.	The Revamped Distribution Sector Scheme (RDSS) A/c no: 10696501016 has a difference	Arrangements will be made to reconcile such balances.

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	of Rs.59.25Crs on the closing balance while compared to the RBI Bank balance certificate as of 31.3.2024.	
31.	In respect of certain account rendering units, imprest and temporary advance given to the employees are not adjusted on a timely basis due to delay in submission of bills and supporting documents by the employees. The consequent impact of non-settlement of advances on a timely basis on the Statement of Profit and Loss for the year ended is not ascertainable.	Arrangement will be made to issue suitable instructions to the circles to account the expenditure incurred through imprest/temporary advance without delay.
32.	The balances of employee-wise loans and advances maintained at the account rendering units do not match with the balance available in the books of accounts of the company.	Arrangement will be made to rectify the differences, in the ERP.
33.	We observed that advances to suppliers and contractors - Adv Mat Surplus-Legacy (GL-1050201) shows a balance of Rs. 86.72 crores which has been carried forward from 2022 till date.	Appropriate action will be taken to analyze the amount in the legacy GL 1050201 and accounted accordingly.
34.	The company has advances amounting to Rs 32.36Crs made to contractors and Rs 150Crs made to material suppliers, which is outstanding for a long period. These advances have not been assessed for impairment in accordance with Ind AS 109, "Financial Instruments," nor has the company provided adequate provisions for these long outstanding amounts as required by Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets." Consequently, the company's advances are overstated, and the net loss is understated.	Action will be initiated to identify the transactions occurred and adjustment will be made against the advances made.
I.	**Equity :**	
35.	A discrepancy has been identified between the Balance of equity share capital [2,01,19,16,27,504] as recorded in the financial statements and the Equity Share Capital balance [2,01,15,85,84,490] as reported on the MCA (Ministry of Corporate Affairs) portal to extent of Rs. 3,30,43,014.00.	Though Equity share capital are being regularly filed before ROC (form PAS-3), the differential Equity share (issued during FY 2021-22) are not reflected in ROC Portal, which will be arranged to be followed up and resolved.
J.	**Finance Liabilities:**	
36.	The Company has not reconciled the differences between the value of Security Deposits, Meter Caution Deposits, Earnest Money Deposits as per separate billing software and books of accounts and consequent impact on such balances and statement of profit and	Arrangements will be made to reconcile such balances.

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	loss for any shortfall/excess *of interest on such deposits is* not ascertainable	
37.	The balance of vendors prior to the implementation of ERP in most of the account rendering units have not been recorded in respective vendor's sub-ledgers and recorded only in the vendor control account in the general ledger. However, subsequent payments to vendors against such opening balances have been recorded in the respective sub-ledgers. Consequently, we are unable to comment on the true vendor wise balances outstanding as at the year end as well as the aging of such balances which is required to be disclosed as per Schedule III of Companies Act, 2013.	Arrangements will be made to reconcile vendor balances in ERP.
38.	GL code 2070104 creditors - Employees- this account is operated as a master control account for all terminal benefits and salary payable to employees other than specific deductions like LIC, HIS, PLI, Professional tax, pension deduction by employees, etc. However, the breakup details for the liability portrayed under various heads is not available. The employee-wise breakup for the outstanding amount is also not available in SAP. In view of this, we are unable to confirm the correctness of closing balance under this GL Code	In the ERP, the employees master will be arranged to be updated with all deductions like LIC, HIS, PLI, Professional tax, pension deduction by employees, etc.
39.	The company creates liability under GL Codes 2070302 - Fuel GR/IR, 2070303 - Material GR/IR, 2070305 - Consumables GR/IR amounting to Rs. 858.52Crs and 2070307 - Service SR/IR amounting to negative balance of Rs. (414.97Crs). When the supplier bills are received, these entries are to be reversed to supplier account. As the company, does not have any breakup details of the creditors, no. reconciliation is carried out between the outstanding account in the GR/IR and Supplier account and consequently the amount stated in the liability account is incorrect to that extent, the quantum of which is unascertainable.	All such transactions were routed through ERP only and adjusted when materials were check measured and brought into inventory. In case of omissions to book the entry through process, there may be balances, which will be arranged to be rectified, duly adjusting against appropriate accounts balances.
40.	**Audit recovery:** Whenever recovery is made from the employees in respect of audit queries it gets booked under GL code 2080146 Audit recovery Deductions. The total outstanding amount as on 31.03.2024 is Rs. 127.80 crores.	The recoveries made from employees will be subsequently transferred to miscellaneous income. Instructions will be arranged to be issued to the circles to account such recoveries appropriately.

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	As this represents recovery made from the employees under various heads, proper adjustments for the same should be made.	
41.	**Provision for expenses:** The outstanding expenses are accounted on mercantile basis as per company policy but many circles are accounting the expenditure on cash basis. The outstanding as at 31.3.2024 as per the book is Rs. 858.52 crores and we are unable to ascertain the correctness of the closing balances.	Mainly, due to provisioning of expenses on the closure of books and reversal at time of actual payment, there is movement in provision for expenses in the books of account. Arrangement will be made to issue suitable instructions to Circles to account the expenses on accrual basis, instead of cash basis.
42.	**Reference is drawn to Note no 22 – Deposits**	
(a)	As per the Circular Memo. No. CFC/INDAS/FC/ACCTS/AAO/F.BS/2022-23/Instn./D./2023 Dated 19.10.2023, the value of deposits equivalent to its completed work orders should be transferred to the Revenue Account. In the absence of information and explanations, we are unable to comment in respect of performance obligation completed contracts have been transferred to revenue.	In the Distribution circles, the transactions related to DCW are dealt with and brought into account as and when service obligation of the company is satisfied. Circles will be arranged to instruct to maintain proper documents for audit trail purpose.
(b)	Items in the nature of deferred revenue, being amounts collected from consumers towards performance obligation not completed, are also included under this balance instead of transferring to deferred revenue non-current.	At the year end, the value of deposits collected for services are treated as deferred revenue, equivalent to the value of services incurred for such services, as per the accounting standards (AS). However, if there is any omission/errors in such accounting, the same will be resolved through proper rectification journal.
43.	GL code 2080135 Flood relief fund payable has a credit balance of Rs. 7.82Crs. The account has only credit entries and there are no debit entries for the payment made to Government. As per the discussion with the Head office, no payments have so far been made to the govt., though the amount was deducted from employees. The status of liability needs confirmation.	Action will be initiated to confirm the correctness of the amount in the GL 2080135 and necessary rectification of the accounts will be carried out.
44.	In other current Liabilities, Note No 24 Statutory Liabilities, E TAX payable to Government as per financials Rs.1103.40Crs but statement provided by management shows Rs. 510.20Crs resulting in overstatement of liabilities in the financial statements to the extent of Rs. 593.20 Crsoverstatement of liabilities in the financial statements to the extent of Rs. 593.20 Crs.	The circles are accounting the recoveries of E.Tax in their books of account and on compilation of E.tax recovery report, the company is remitting the same to Govt, or adjusted against grants receivable from GoTN, regularly. Subsequent to remittance / adjustment, the same will be brought into account in circles books. The variations in E.Tax balance will be arranged to be resolved and corrected.

Sl. No.	Auditors observations	Management Reply
K.	**Employee Recovery/ Liability**	
45.	The entries in ERP in respect of employee recoveries under various heads are emanated from payroll software. The payment is made by the divisions based on the manual records resulting in non-reconciliation of outstanding balance with respect to individual employees as on 31.3.2024.	Suitable action will be initiated to reconcile the differences in recoveries from employees and its remittances.
L.	**Inter – company units:**	
46.	Inter-company balances with Tamil Nadu Transmission Corporation Limited (TANTRANSCO) and TNEB Limited, Reference is drawn to Note 11 - Other financial assets - Receivable from related parties of Rs. 11,706.34 crores remains unreconciled. The balance confirmation certificate is not provided.	The reconciliation of inter company transactions are regularly carried out and unreconciled balances are being reconciled in a regular basis.
47.	Reference is drawn to Note 24: Other Current Liabilities shows a line item as "Inter-unit balances" of Rs.534.35 Crs. The company should not have any inter unit balance. This is to be reconciled and rectified	Action will be arranged to be taken to reconcile this inter - unit transactions variations.
48.	In some account rendering units, salaries and wages pertaining to TANTRANSCO employees have not been transferred and are fully recorded in the books of account of the Company. In the absence of complete information and explanations, we are unable to ascertain the impact of the above on the Statement of Profit and Loss and corresponding liability balances.	Arrangement will be made to issue suitable instructions to the circles to transfer the salaries and wages pertaining to TANTRANSCO, in its entirety.
M.	**Income:**	
49.	It has been observed that there are differences in IT Billing in many circles as per financials and billing software, which results in overstatement or understatement of loss and trade receivables.	The billing software has been integrated with SAP during FY 2024-25 and therefore arrangements have been made to avoid such discrepancies in future.
50	Pro-rata amount due for the current year relating to Upfront lease rent received amounting to Rs.0.81Crs shown under Note No.22 is not amortized.	Arrangement will be made for rectification.
51.	As per the income tax portal Dividend income is Rs.288.45Crs and as per financials dividend income is 282.43Crs. As such as there is a difference of Rs.6.02Crs towards dividend income between income tax portal and that accounted by the company.	The actual dividend received during FY 2023-24 from Joint Venture companies viz., NTECL, NTPL were brought into books. The excess income reported in IT Portal will be arranged to be analysed and rectified.
N.	**Expenditure:**	

Sl. No.	Auditors observations	Management Reply
52.	Power Purchase from Sugar Mills to the extent of Rs.56.82Crs which was originally purchased during FY 22-23 was accounted for in Current FY (2023-24). It needs to be accounted for as per Ind As 8.	Suitable arrangements will be made to avoid such discrepancies. However, accounting of the same as per Ind As 8 doesn't arise considering the materiality of the expenses involved.
53.	With respect to land taken on lease, transactions are not accounted for as per IND AS 116, "Leases," which states that ROU assets and lease liabilities should be created for every lease considering the lease amount and the period of the lease. Instead Lease amounts paid are shown as expense during the year in which they are paid.	Considering lease arrangement prevailed in circles, suitable assessment of materiality of its impact will be arrived and taken care to comply IND AS 116 – Leases.
54.	With respect to borrowings from Power Finance Corporation the interest amount as per the statement provided by the management does not match with the interest amount recognized in the books.	The statement furnished included all types of loans borrowed from PFC. However, the GL verified by the audit included certain loans only.
4.	**Other discrepancies which has no bearing on the loss stated in the accounts:**	
A.	**Property Plant and Equipment (PPE):**	
55.	In Cuddalore EDC [2244], the land value to the extent of Rs.0.34Crs was capitalised during the year. Upon verification, this purchase was completed only during FY 2024-25, and permission for usage was given only during June 2024.	Asset capitalization can be done in SAP only from period 1 to 12. Hence, arrangement will be made to account this transaction appropriately.
56.	In Villupuram EDC [2242], an advance was paid to the extent of Rs.0.07Crs towards the purchase of land, but possession was not given, and registration was also not carried till the completion of the audit but was capitalized during the last year, resulting in an overstatement of land value and an understatement of advances.	Arrangement will be made to issue suitable instruction to the circles the time of capitalization in respect of land purchase and such discrepancies will be avoided in future.
57.	Concerning the building and other civil works, we are unable to match the building statement details furnished by Circle Office with entries in the fixed asset register, and hence we are unable to confirm the correctness of value of Building recorded in the books. Further, sufficient supporting documents were not provided to verify that all buildings that are currently available and in possession are fully capitalized and entered in theasset register.	Arrangementwill be made to avoid such discrepanciesin future and documentary evidences will be made available.
58.	In many accounting rendering units, In respect of Additions made during the current FY relating to plant and machinery, Building	Arrangement will be made to issue instructions to provide documentary evidences.

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	and Civil Works as well as cables and lines, no supporting documents were provided to verify the values. Therefore we are unable to comment on the accuracy and completeness of the Property, Plant, and Equipment (PPE) balances.	
59.	In respect of Interest During Construction (IDC) at 10.24% and other overheads at 4.29% capitalized to the cost of each asset/component of the asset (except land and other non-qualifying assets) appropriate weightage is not given for the period of work. No information or explanations have been provided to substantiate the rate of capitalization and period of charge.	Considering the loan profile and rate of interest of TANGEDCO, the weighted average rate is arrived at and the same is adopted for assets capitalization. In respect of overhead allocation, the 4.29% has been arrived based on detailed work studies on several representative capital works obtained from circles. This has been adopted under reasonable estimates and best judgements for the class of assets and basis of preparation of financials, under accounting policy of TANGEDCO.
60.	The accounting procedure followed for the sale or scrapping of assets is not in compliance with accounting standards. In the absence of information about the cost of disposed assets, we are unable to ascertain the impact of profit or loss and its impact on depreciation and PPE balances thereon.	Necessary action will be initiated to account these transactions, into ERP as per Ins AS requirements.
61.	The date of capitalization and the useful life of PPE needs strengthening with supporting documents.	The supporting documents will be arranged for uploading into ERP for enabling verification of date of capitalization and the useful life of PPE.
62.	The asset registers for other assets like vehicles, furniture and fixtures, office equipment and hardware does not contain quantitative details of assets held but only a single line item with value for all assets in the SAP. Hence, we are unable to confirm the correctness of the values portrayed in SAP for these assets.	Considering the materiality, these assets were notmapped in SAP asset wise.
B.	**Capital Work -In – Progress**	
63.	There is a discrepancy between the pending work order values reported in the work order file and those reflected in SAP Assets Under Construction (AUC). The difference arises due to the incomplete migration of pre-ERP work orders into the new system. This discrepancy impacts the ability to confirm the accuracy of the AUC value.	Action will be initiated to rectify such discrepancies.
64.	With respect to Note No 4(a) Work order and scheme-wise listings for CWIP balances were not maintained, impairing the ability to confirm the capitalization of all relevant assets. There is also a lack of reconciliation	Arrangement will be made to reconcile the figures.

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	between the work order system and AUC, and inadequate monitoring of work order closures and asset transfers, resulting in significant delays between work completion and work order closure.	
65.	The confirmation for the balance outstanding is not available from BHEL with respect to Ennore SEZ, North chennai TPS-3.	Instructions will be issued to obtain balance confirmation from M/s.BHEL.
66.	The borrowing cost is to be capitalized as per the accounting procedure envisaged as per the circular memo, CFC/INDAS/FC/ACCTS/AAO/F.BS/2022-23/Instn. /D./2023 dated 19.10.2023, which was not followed in some circle	The circles will be advised to adhere to the instructions issued by the Headquarters.
67.	Reference is drawn to Note 32: Other Expenses, which includes a sum of Rs.578.87 crore, which is a pending work order that is not transferring to Capital Work in Progress due to non-periodical settlement on a timely basis. Thus results in understatement of capital work in progress and overstatement of loss. Further, depreciation has also been affected.	Periodical settlement through ERP are regularly carried out and any unsettled balances in such heads will be arranged to be resolved in the ensuing year.
C.	**Inventory:**	
68.	It has been observed that a payment of Rs. 5 crores made to Central Coal Fields Ltd. for the difference in grade slippage of coal purchased during the financial year 2021-22 has been accounted as expenses for the FY 2023-24. It should be accounted as per IND AS 8 (Accounting Policies, Changes in Accounting Estimates, and Errors). As per IND AS 8, such payment should be recognized as a prior period expense.	Considering the materiality involved accounting as per Ind AS 8 doesn't arise.
D.	**Other Assets**	
69.	Cheques in transit, cheques on hand, stale cheque and uncleared cheques remain unadjusted in respect of which no information for subsequent realizations have been made available at various account rendering units. Further, collection cheques are appearing in stale cheque accounts at various account rendering units for which no information and explanations have been provided.	Arrangement will be made to issue suitable instruction to circles for appropriate accounting.
70.	For the profit center 2246 (CDC Scheme), two banks are controlled by the circle office and sent the reconciliation statement as on 31.03.2024 but the balance as per TANGEDCO	Arrangement will be made to issue suitable instructions to circles to avoid such discrepancies.

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	taken for reconciliation is different from the balance as shown in the trial balance.	
E.	**Finance liabilities:**	
71.	The GL Code: 2070202, as the ledger name shows "payable to TANGEDCO" which amounts to Rs.11.04 Crores , the reason for the same has not been provided by the management, therefore we could not find out the appropriateness of the same.	The amount in the GL Code 2070202 will be arranged to be analyzed and rectified.
5.	**Non - compliance of Schedule III to the Companies Act, 2013.**	
72.	Addition and deletion of Property plant and equipment are not properly exhibited in Note 4(a).	All details relating to additions and deletions to PPE have been disclosed adequately in Note 4 (a)
73.	In the absence of information and explanations, we are unable to confirmwhether trade receivable balances have been classified according to their tenure of outstanding and nature of dispute, if any, in accordance with Schedule III of the Companies Act, 2013.	The trade receivables (debtors) are being maintained and updated regularly in the LT and HT software packages. The age wise analysis of trade receivable is disclosed under note No.41. b. (ii).
74.	Disclosures relating to Borrowing from banks amounting to Rs.25,997.22Crs based on security of the company have not been disclosed in accordance with Schedule III of the Companies Act, 2013.	Disclosure as per Schedule III of Companies Act 2013 on the detailed loan profile is given in Note 16A.
75.	Information relating to Registration of charges with the Registrar of Companies has not been disclosed in accordance with Schedule III requirements.	The disclosure on Registration of Charges will be arranged in future.
76.	The Company does not maintain a list of vendors who are categorized as MSME and registered under MSMED Act, 2006. Consequently, we are unable to ascertain whether the provisions of MSMED Act have been fully complied with regard to transactions including settlement of dues within the time limits prescribed under that Act and payment/provision of prescribed interest for delayed settlements. The value of overdue and interest payable and the consequent impact on the Statement of Profit and Loss is not ascertainable in the absence of adequate information and explanations.	TNPDCL (erstwhile TANGEDCO) is in the process of categorizing trade payables as payable to MSME and other than MSME. Currently the vendor registration in SAP also ensures furnishing of MSME status. Upon updation of the MSME status in complete shape, the trade payable of MSMEs will be arranged to be furnished.
77.	In the absence of information and explanations, we are unable to confirm whether trade receivable balances have been classified according to their tenure of outstanding and nature of dispute, if any, in	The trade receivables (debtors) are being maintained and updated regularly in the LT and HT packages. The age wise analysis of trade receivable were disclosed under note No.41. b. (ii).

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	accordance with Schedule III of the Companies Act, 2013.	
78.	In the absence of information and explanations, we are unable to confirm whether trade payable balances have been classified according to their tenure of outstanding and nature of dispute in respect of MSME vendors, if any, in accordance with Schedule III of the Companies Act, 2013	The aging of trade payables has been disclosed in note No:41. However TNPDCL is in the process of reconciling vendor wise including MSME trade payables.
79.	Balances lying in Capital Work in Progress have not been classified according to their tenure in accordance with Schedule III of the Companies Act, 2013.	Efforts will be arranged to be taken to enable proper facility in ERP for disclosing capital work in progress based on its tenure, as per schedule III of the Companies Act, 2013.
80.	Comparative information relating to intangible assets under implementation of the previous year including time and cost overrun have not been disclosed in accordance with Schedule III of the Companies Act, 2013.	Efforts will be arranged to be taken for disclosing intangible assets under implementation as per schedule III of the Companies Act, 2013.
6.	**Non-compliance with Ind AS :**	
81.	The company does not recognize Interest expenses as per Ind AS 109 "Financial Instruments" which requires calculation of Effective Interest Rate.	Compliance of Ind AS 109 will be done in the future.
82.	Reference is drawn to Note-26, "Miscellaneous Receipts," and Note-32, "Other Expenses," which include prior period income of Rs. 183.16 crores. This needs to be accounted as per Ind As 8.	Based on the materiality of the amount involved, the restatement as per Ind AS 8 has not been carried out.
83.	Employee Loans have not been quantified using Effective Interest Rate as prescribed in the Ind AS 109.	Considering the meagre quantum of impact due to EffectiveInterest Rate on employees' loans and advances, the management has decided to maintain the book balance as fair value.
84.	As regards compliance with Ind AS 21 - Effect of Changes in Foreign Exchange rates, the Company has not measured the forex gain or loss as per the measurement principle laid down in the standard therein.	Action will be taken to comply with Ind AS 21 after detailed analysis of such transactions.
85.	The Company has not prepared and annexed a Consolidated Financial Statement of its accounts with Udangudi Power Corporation Limited, NTPC Tamilnadu Energy Company Ltd., (NTECL) and NLC Tamilnadu Power Ltd., (NTPL) which is not in accordance with Companies Act, 2013.	Udangudi Power Corporation Ltd is under merger process and the legal formalities are going on. Thus, the financials of UPCL till FY 2023-24is not consolidated. The financials of other Joint ventures and Associate companies will be arranged for consolidation.
7.	**Non-compliance with Statutory Acts :**	
	TDS Under GST Liability	
86.	The Circle office has not furnished the TDS under GST liability and payment details for the year due to which we are unable to confirm the liability outstanding as at 31.03.2024	Arrangement will be made to reconcile the payment details.

Sl. No.	Auditors observations	Management Reply
	under various GL codes.	
	TDS Payable:	
87.	There is a difference between TDS deducted and TDS remitted to the department. As a result,we are unable to confirm the correctness of the TDS liability.	Reconciliation of such differences will be arranged.
	GST:	
88.	The company's books of accounts have not been reconciled with the turnover reported in the GSTR-1, to the extent that Rs.6,744.65 crores.	Reconciliation of books of accounts with the GSTR -1 Return will be arranged.
89.	Payments reflected in the GST portal do not match with the payment in the books in some months. Because of both turnover and payments not matching with the GST return, the closing balance of GST payable in the financial statement may not represent actual liability.	The books of accounts will be arranged to be reconciled with the GST portal.
90.	It was observed that GST has been booked through both process entries and journal vouchers. These procedures raise concerns about the potential duplication of entries. This practice has led to uncertainty regarding the accuracy and correctness of the values recorded in the books of accounts.	Now, all processhave been implemented in SAP. Hence, the need for posting manual journal entries will be reduced and accuracy and correctness of the values recorded in the books will be ensured in the future.
91.	It was noted that there are instances where GST liabilities of circles have been booked twice instead of being transferred to the headquarters. Failure to correctly transfer GST liabilities from circles to the headquarters may result in inaccurate financial reporting.	Circles will be arranged to be instructed to avoid such double entries in the future.
92.	It was observed that the liability under Reverse Charge Mechanism (RCM), as per GSTR-3B filings, does not reconcile with the liabilities accounted for in the SAP system.	Action will be arranged to be taken to reconcile the liability under Reverse Charge Mechanism (RCM) as per GSTR – 3B with the liability in the SAP system.
93.	It was observed that there is a lack of substantiating evidence for the exempted income reported in GSTR-1 returns.	The exempted income reported in the GSTR -1 returns are based on the revenue reports generated from the billing software.
94.	It came to our attention that the GST annual returns have not been filed for the past three consecutive years. This non-compliance with GST regulations could have significant implications on the financial statements and requires immediate corrective action.	Action will be arranged to be taken to file the pending Annual GST Returns.
95.	Value reflected in GST Portal with respect to cash ledger and credit ledger do not match with the amount shown in the financial statement.	Appropriate action will be taken to reconcile the financials and the GST Portal.
96.	The Company does not comply with Provident Fund and Miscellaneous Provisions Act, 1952	The existing system of maintaining funds with TANGEDCO (now TNPDCL) is being adopted.

Sl. No.	Auditors observations	Management Reply
	as regards investment of the employees' contributions to various terminal benefit funds including Family Benefit Funds, General Provident fund and Contributory Pension Scheme with matching contributions by the Company in accordance with the Act.	

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G RAMACHANDRAN & ASSOCIATES
COMPANY SECRETARIES

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
TAMIL NADU POWER DISTRIBUTION CORPORATION LIMITED
(Formerly known as Tamilnadu Generation and Distribution Corporation Limited)
CIN# U40109TN2009SGC073746
NPKRR Maaligai (TNEB Office)
144, Anna Salai
Chennai - 600002

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Tamil Nadu Power Distribution Corporation Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by M/s. Tamil Nadu Power Distribution Corporation Limited and also information, explanations and clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Tamil Nadu Power Distribution Corporation Limited for the financial year ended on 31st March, 2024 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
(iii) The Depositories Act, 1996 and the regulations and Bye-laws framed thereunder;

F-10, Syndicate Residency, No. 3, Dr. Thomas 1st Street, Off. South Boag Road, T.Nagar, Chennai - 600 017.
Phone : 044-2433 7454, 2432 1143/44. E-mail : gr@gramcsfirm.com / ramgcs@gmail.com Website : www.gramcsfirm.com

(iv) SEBI (Issue and Listing of Non-Convertible Securities) Regulations 2021
(v) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR')
(vi) The Electricity Act, 2003
(vii) Environment Protection Act, 1986 and other environmental laws
(viii) Factories Act, 1948
(ix) Indian Boilers Act, 1923
(x) Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rule, 2003

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India

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

1. *The Company being a high value debt listed entity is required to appoint Independent Directors in accordance with the regulation 17 of SEBI LODR. However, the Company has not appointed Independent Directors during year under review. Hence, the constitution of Audit Committee and Corporate Social Responsibility committee are not in line with the above regulation.*

2. *The Company being a high value debt listed entity is required to constitute Nomination Remuneration Committee in accordance with regulation 19 of SEBI LODR and appoint Independent Directors. However, the Company has not constituted Nomination Remuneration Committee as required under the above said regulation.*

3. The Company has appointed Internal Auditors of the Company for the Financial Year 2023-24. *However, the Company has not considered the said appointment in the Board meeting and consequently Eform MGT-14 has not been filed.*

4. *The Company has not complied with certain regulations under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR). However, we were informed that the Company is in the process of complying with the said regulations.*

5. The Shareholders of the Company at the Extra-Ordinary General Meeting held on 10th May, 2024 approved the change of name of the Company from Tamilnadu Generation And Distribution Corporation Limited to Tamil Nadu Power Distribution Corporation Limited. Accordingly, the Registrar of Companies has issued a fresh Certificate of Incorporation pursuant to change of name on 27th June, 2024.

G Ramachandran & Associates
Company Secretaries
FCS No. 3397
CP No. 3056

6. During the year under review, there have been some changes (appointments and cessations) in the Board of Directors of the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors *except Independent Directors*. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

For G Ramachandran & Associates
Company Secretaries

G Ramachandran & Associates Company Secretaries FCS No. 9687 CP No. 3056

G. RAMACHANDRAN
Proprietor
FCS No.9687 CoP. No.3056
PR No. 2968/2023

Place: Chennai
Date: 31st December, 2024
UDIN: F009687F003534384

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

ANNEXURE - A SECRETARIAL AUDIT REPORT OF EVEN DATE

To,

The Members
TAMIL NADU POWER DISTRIBUTION CORPORATION LIMITED
(Formerly known as Tamilnadu Generation and Distribution Corporation Limited)
CIN# U40109TN2009SGC073746
NPKRR Maaligai (TNEB Office)
144, Anna Salai
Chennai - 600002

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

1. Maintenance of Secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company not of the efficacy of effectiveness with which the management has conducted the affairs of the Company.

For G Ramachandran & Associates
Company Secretaries

G Ramachandran & Associates
Company Secretaries
FCS No 9687
CP No. 3056

G. RAMACHANDRAN
Proprietor
FCS No.9687 CoP. No.3056
PR No. 2968/2023

Place: Chennai
Date: 31st December, 2024
UDIN: F009687F003534384

TAMIL NADU POWER DISTRIBUTION CORPORATION LIMITED

Secretarial Audit for the FY 2023-24 Done by M/s Ramachandran & Asso.

REPLY TO THE QUERIES RAISED FOR THE FINANCIAL YEAR 2023-24.

1. The Company being a high-value debt-listed entity is required to appoint Independent Directors in accordance with regulation 17 of SEBI LODR. However, the Company has not appointed Independent Directors during the year under review. Hence, the constitution of Audit Committee and Corporate Social Responsibility Committee are not in line with the above regulation.

   Reply:
   The Ministry of Corporate Affairs, GoI, vide General Cir No. 9-2017 No 1/22/2013-CL-V GOI MCA dated 05-09-2017 has given an exemption to certain unlisted public companies under the "Companies Appointment and Qualification of Directors Rules, 2014", from the appointment of Independent Director if it is a "wholly owned Subsidiary".

   TNPDCL formerly known as TANGEDCO is a wholly owned subsidiary of TNEB Ltd., further it is not coming within the top 500 - 1000 entities and no shares are listed in any Stock Exchange nor issued to any general public or employees etc.

   It is also to be stated that as per MCA notification dated GSR 123(E) dated 19-02-2021, that the following companies shall not be considered as listed companies-

   a. *Public companies which have not listed their equity shares on a recognized stock exchange but have listed their-*

      i. *non-convertible debt securities issued on private placement basis in terms of SEBI (Issue and Listing of Debt Securities) Regulations, 2008; or*
      ii. *non-convertible redeemable preference shares issued on private placement basis in terms of SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013; or*
      iii. *both categories of (i) and (ii) above*

   The Name of the TAMIL NADU GENERATION AND DISTRIBUTION CORP LTD has been changed as TAMIL NADU POWER DISTRIBUTION CORPORATION LIMITED, which is an unlisted fully owned Government Company and the entire shares are held by the State Government, Tamil Nadu. The CIN of the Company is U40109TN2009 SGC073746.

The non-convertible bonds issued by the company on private placement basis are alone listed in the Stock Exchange and are fully secured by GOTN Guarantee.

From the above, it will be seen clearly that TNPDCL is not a listed company hence, not required to appoint an Independent Director. However, we have appointed an Independent Director in TNEB Ltd., the holding company of the TNPDCL.

2. The Company being a high-value debt-listed entity is required to constitute Nomination Remuneration Committee in accordance with regulation 19 of SEBI LODR and appoint Independent Directors. However, the Company has not constituted Nomination Remuneration Committee as required under the above said regulation.

   Reply:
   As per the MCA, GoI notification dated 05-06-2015 the Subsection (2), (3) & (4) of Section 178 shall not apply to the Government company except with respect to appointment of 'senior management' and other employees.

   Section 178. deals with the "Nomination and Remuneration Committee and Stakeholders Relationship Committee".

   Hence, there is no need for constitute of the Nomination and Remuneration Committee.

3. The Company has appointed an Internal Auditor of the Company for the F Y 2023-24. However, the Company has not considered the said appointment in the Board Meeting and consequently Eform MGT-14 has not filed.

   Reply:
   The company has appointed 2 internal auditors. Their quarterly reports are being placed before the Audit Committee and Board for information and follow-up action.

   Further, there is an in-house Audit Branch headed by the Chief Engineer level officer namely the Chief Internal Audit Officer, to vouch, audit, report and monitor the follow-up rectification, and collection of the audit remarks. Filing of MGT-14 is under process.

4. Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), the Company has filed certain reports/disclosures/details with

BSE Ltd., and as informed by the Company, it is in the process of complying with the rest of regulations under SEBI LODR.

Reply:
Factual. Uploading of Quarterly accounts and old cases will be completed in due course.

5. The Shareholders of the Company at the Extra-Ordinary General Meeting held on 10th May, 2024 approved the change of name of the Company from Tamilnadu Generation And Distribution Corporation Limited to Tamil Nadu Power Distribution Corporation Limited. Accordingly, the Registrar of Companies has issued a fresh Certificate of Incorporation pursuant to change of name on 27th June, 2024.

   Reply:
   Factual.

6. During the year under review, there have been some changes (appointments and cessations) in the Board of Directors of the Company.

   Reply:
   Yes, details of all the directors have been filed with ROC in DIR-12.

Reply to the Secretarial Audit Report was approved by the Director/Finance/TNPDCL vide FLM Noting No. (Approval) A/195/2024 dated 30-12-24.

Company Secretary/
TNPDCL

Tamil Nadu Power Distribution Corporation Limited
(formerly known as Tamil Nadu Generation and Distribution Corporation Limited)
Balance Sheet as at 31 March 2024

(in INR crores)

Particulars	Note	31 March 2024	31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	50,702.27	53,417.65
Capital work-in-progress	4(a)	64,018.99	53,763.27
Investment property	4(b)	71.72	71.72
Other intangible assets	4(c)	72.34	88.11
Intangible assets under development	4(c)	-	-
Financial assets			
(i) Investments	5	1,774.20	1,774.20
(ii) Other financial assets	6	3,578.27	2,425.23
Other non-current assets	7	169.88	158.68
Total non-current assets		**1,20,387.66**	**1,11,698.86**
Current assets			
Inventories	8	2,868.68	2,749.94
Financial assets			
(i) Trade receivables	9	10,144.17	8,391.19
(ii) Cash and cash equivalents	10	4,497.12	11,130.07
(iii) Other financial assets	11	18,124.47	16,463.09
Current tax assets	12	27.65	62.68
Other current assets	13	3,233.27	2,988.93
Total current assets		**38,895.36**	**41,785.90**
TOTAL ASSETS		**1,59,283.02**	**1,53,484.76**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14	20,119.16	20,119.16
Other equity	15	(1,66,703.54)	(1,61,934.19)
Total equity		**(1,46,584.38)**	**(1,41,815.03)**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	16	1,11,524.27	1,06,431.20
(ii) Other financial liabilities	17	8,619.61	8,873.40
Provisions	18	41,971.27	39,398.59
Other non-current liabilities	19	3,547.03	3,063.54
Total non-current liabilities		**1,65,662.18**	**1,57,766.73**

Tamil Nadu Power Distribution Corporation Limited
(formerly known as Tamil Nadu Generation and Distribution Corporation Limited)
Balance Sheet as at 31 March 2024

(in INR crores)

Particulars	Note	31 March 2024	31 March 2023
Current liabilities			
Financial liabilities			
(i) Borrowings	20	69,121.76	58,130.78
(ii) Trade payables	21		
- Total outstanding dues of micro enterprises and small enterprises		61.55	130.16
- Total outstanding dues of creditors other than micro enterprises and small enterprises		36,069.70	43,609.49
(iii) Other financial liabilities	22	28,223.39	25,692.07
Provisions	23	4,737.14	3,669.30
Other current liabilities	24	1,991.67	6,301.26
Total current liabilities		**1,40,205.21**	**1,37,533.06**
TOTAL EQUITY AND LIABILITIES		**1,59,283.02**	**1,53,484.76**

Note: As per G.O.No.6 and G.O.No.7 it has been decided to restructure the TANGEDCO by demerging the thermal energy and renewable energy generation businesses into separate legal entities. Refer Note 1 & 46 for further details on the restructuring scheme and segment information respectively.

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

15/11/24

K. Malarvizhi
(Director/Finance)

Vishu Mahajan, IAS
(Joint Managing Director/Finance)

K. Nanthakumar, IAS
(Chairman cum Managing Director)

15/11/24

V. Savitha
(Chief Financial Controller/Ind AS)

D. Suresh Kumar
Company Secretary

As per our report of even date

For A John Moris & Co.
Chartered Accountants
Firm No. 007220S

A. JOHN MORIS & CO. Chennai-14 Chartered Accountants

(CA C.M.Balagopal)
Partner
M. No. 029128
UDIN:24029128BKDGUH6332

For P.S. Subramania Iyer & Co.
Chartered Accountants
Firm No. 004104S

(CA S.Ramakumar)
Partner
M. No. 020405
UDIN:24020405BKIOFT6605

P.S. SUBRAMANIA IYER & CO. CHENNAI 600 028

For V. Krishnan & Co.
Chartered Accountants
Firm No. 001541S

V. Krishnan & Co. FRN: 001541S Chartered Accountants

(CA M.Gopinath)
Partner
M. No. 023819
UDIN:24023819BKFYIJ5981

For Sivamani & Co.
Chartered Accountants
Firm No. 010746S

(CA T.Balasubramanian)
Partner
M. No. 221939
UDIN:24221939BKBLWB6690

SIVAMANI & CO. MADURAI 625 014 CHARTERED ACCOUNTANTS

Place: Chennai
Date : 15.11.2024

Tamil Nadu Power Distribution Corporation Limited
(formerly known as Tamil Nadu Generation and Distribution Corporation Limited)
Statement of Profit and Loss for the year ended 31 March 2024 (in INR crores)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	25	95,781.42	80,857.77
Other income	26	3,102.39	1,542.14
Total income		**98,883.81**	**82,399.91**
Expenses			
Cost of power purchase	27	55,891.83	51,459.82
Cost of power generation	28	11,952.28	10,622.18
Employee benefit expenses	29	10,229.99	10,956.99
Finance costs	30	16,440.34	13,450.60
Depreciation and amortization expenses	31	3,577.34	3,728.69
Other expenses	32	1,987.81	1,373.88
Total expenses		**1,00,079.59**	**91,592.16**
Profit (Loss) before tax		**(1,195.78)**	**(9,192.25)**
Tax expense:	33		
Current tax		-	-
Deferred tax		-	-
Profit (Loss) for the year		**(1,195.78)**	**(9,192.25)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plan		(3,240.30)	(1,676.01)
Income tax relating to items that will not be reclassified to profit or loss (net)		-	-
Total other comprehensive income for the year		**(3,240.30)**	**(1,676.01)**
Total comprehensive income for the year		**(4,436.08)**	**(10,868.26)**
Earnings per equity share	34		
Basic		(0.59)	(4.58)
Diluted		(0.59)	(4.58)

Note: As per G.O.No.6 and G.O.No.7 it has been decided to restructure the TANGEDCO by demerging the thermal energy and renewable energy generation businesses into separate legal entities. Refer Note 1 & 46 for further details on the restructuring scheme and segment information respectively.

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

15/11/24

K. Malarvizhi
(Director/Finance)

Vishu Mahajan, IAS
(Joint Managing Director/Finance)

K. Nanthakumar, IAS
(Chairman cum Managing Director)

15/11/24

V. Savitha
(Chief Financial Controller/Ind AS)

D. Suresh Kumar
Company Secretary

As per our report of even date

For A John Moris & Co.
Chartered Accountants
Firm No. 007220S

A. JOHN MORIS & CO. Chennai-14 Chartered Accountants

(CA C.M.Balagopal)
Partner
M. No. 029128
UDIN:24029128BKDGUH6332

For P.S. Subramania Iyer & Co.
Chartered Accountants
Firm No. 004104S

(CA S.Ramakumar)
Partner
M. No. 020405
UDIN:24020405BKIOFT6605

P.S. SUBRAMANIA IYER & CO. CHENNAI 600 028

For V. Krishnan & Co.
Chartered Accountants
Firm No. 001541S

(CA M.Gopinath)
Partner
M. No. 023819
UDIN:24023819BKFYIJ5981

V. Krishnan & Co. FRN: 001541S Chartered Accountants

For Sivamani & Co.
Chartered Accountants
Firm No. 010746S

(CA T.Balasubramanian)
Partner
M. No. 221939
UDIN:24221939BKBLWB6608

SIVAMANI & CO. MADURAI 625 014 CHARTERED ACCOUNTANTS

Place: Chennai
Date : 15.11.2024

Tamil Nadu Power Distribution Corporation Limited
(formerly known as Tamil Nadu Generation and Distribution Corporation Limited)

Statement of Cash Flows for the year ended 31 March 2024 (in INR crores)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash flow from operating activities		
Net profit (loss) before tax from continuing operations	(1,195.78)	(9,192.25)
Net profit (Loss) before tax	(1,195.78)	(9,192.25)
Adjustments for:		
Depreciation and amortization	3,577.34	3,728.69
Dividend income	(282.43)	(378.56)
Interest income	(188.02)	(216.64)
Finance costs	16,440.34	13,450.60
Transfer to other reserves	(332.06)	476.30
Net loss on foreign currency transactions	-	(11.35)
Operating profit before working capital changes	**18,019.39**	**7,856.79**
Working capital adjustments:		
(Increase) decrease in inventories	(118.74)	(827.43)
(Increase) decrease in trade receivables	(1,752.98)	(712.72)
(Increase) decrease in other financial assets	(1,661.38)	1,876.95
(Increase) decrease in current tax assets	35.03	(21.52)
(Increase) decrease in other current assets	(244.34)	(1,000.92)
Increase (decrease) in other non-current liabilities	483.49	1,145.84
Increase (decrease) in trade payables	(7,608.40)	12,738.76
Increase (decrease) in other financial liabilities	2,277.54	5,764.08
Increase (decrease) in other current liabilities	(4,310.79)	(2,295.14)
Increase (decrease) in provisions	400.22	(443.28)
Cash generated from (used in) operations	**5,519.04**	**24,081.41**
Income taxes paid (net)	-	-
Net cash flow from (used in) operating activities (A)	**5,519.04**	**24,081.41**
Cash flow from investing activities		
Capital expenditure on property, plant and equipment, including capital advances, intangible assets and investment property	(857.39)	(1,323.05)
Acquisition or construction of capital work-in-progress	(10,255.72)	(10,916.04)
Acquisition or construction of intangibles under development	-	-
Proceeds from sale of property, plant and equipment	-	-
Acquisition of investments		
Investment in fixed deposits	(1,153.04)	(47.15)
Payment of commitment advance for projects	(0.00)	(0.19)
Interest received	188.02	216.64
Dividend received	282.43	378.56
Net cash flow from (used in) investing activities (B)	**(11,795.69)**	**(11,691.23)**

Tamil Nadu Power Distribution Corporation Limited
(formerly known as Tamil Nadu Generation and Distribution Corporation Limited)

Statement of Cash Flows for the year ended 31 March 2024 (in INR crores)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash flow from financing activities		
Net receipts from / repayment of borrowings	16,084.05	9,197.75
Proceeds from issue of equity share capital	-	57.99
Finance costs paid	(16,440.34)	(13,450.60)
Net cash flow from (used in) financing activities (C)	**(356.29)**	**(4,194.86)**
Net increase (decrease) in cash and cash equivalents (A+B+C)	**(6,632.95)**	**8,195.32**
Cash and cash equivalents at the beginning of the year	11,130.07	2,934.75
Cash and cash equivalents at the end of the year	**4497.12**	**11130.07**
Reconciliation of cash and cash equivalents as per statement of cash flows		
Cash and cash equivalents		
Balances with banks		
Balance in current account	4,310.05	10,685.35
Deposits with original maturity of less than three months	31.61	31.61
Cheques and drafts on hand	79.15	83.04
Cash on hand	76.30	330.07
	4497.12	**11130.07**

Note: As per G.O.No.6 and G.O.No.7 it has been decided to restructure the TANGEDCO by demerging the thermal energy and renewable energy generation businesses into separate legal entities. Refer Note 1 & 46 for further details on the restructuring scheme and segment information respectively.

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

15/11/24

K. Malarvizhi
(Director/Finance)

Vishu Mahajan, IAS
(Joint Managing Director/Finance)

K. Nanthakumar, IAS
(Chairman cum Managing Director)

15/11/24

V. Savitha
(Chief Financial Controller/Ind AS)

D. Suresh Kumar
Company Secretary

As per our report of even date

For A John Moris & Co.
Chartered Accountants
Firm No. 007220S

A. JOHN MORIS & CO. Chennai-14 Chartered Accountants

(CA C.M.Balagopal)
Partner
M. No. 029128
UDIN:24029128BKDGUH6332

For P.S. Subramania Iyer & Co.
Chartered Accountants
Firm No. 004104S

(CA S.Ramakumar)
Partner
M. No. 020405
UDIN:24020405BKIOFT6605

P.S. SUBRAMANIA IYER & CO. CHENNAI 600 028

For V. Krishnan & Co.
Chartered Accountants
Firm No. 001541S

V. Krishnan & Co. FRN: 001541S Chartered Accountants

(CA M.Gopinath)
Partner
M. No. 023819
UDIN:24023819BKFYIJ5981

For Sivamani & Co.
Chartered Accountants
Firm No. 010746S

SIVAMANI & CO. MADURAI 625 014 CHARTERED ACCOUNTANTS

(CA T.Balasubramanian)
Partner
M. No. 221939
UDIN:24221939BKBLWB6600

Place: Chennai
Date : 15.11.2024

Tamil Nadu Power Distribution Corporation Limited
(formerly known as Tamil Nadu Generation and Distribution Corporation Limited)

Statement of Changes in Equity for the year ended 31 March 2024

(in INR crores)

A. Equity share capital

Particulars	No. of shares	Amount
Balance as at 1 April 2022	20,06,11,76,573	20,061.17
Changes in equity share capital during the year		
Add: Issued during the year	5,79,86,176	57.99
Balance as at 31 March 2023	**20,11,91,62,749**	**20,119.16**
Balance as at 1 April 2023	20,11,91,62,749	20,119.16
Changes in equity share capital during the year		
Add: Issued during the year	-	-
Balance as at 31 March 2024	**20,11,91,62,749**	**20,119.16**

B. Other equity

Particulars	Reserves and surplus		Total
	Retained earnings	Other reserves	
Balance as at 1 April 2022	(1,51,639.99)	96.55	(1,51,543.44)
Profit / (loss) for the year	(9,192.25)	476.30	(8,715.95)
Other comprehensive income:			
Remeasurement gain / (loss) of defined benefit plans, net of tax	(1,676.01)	-	(1,676.01)
Balance as at 31 March 2023	**(1,62,508.25)**	**572.85**	**(1,61,935.40)**
Balance as at 1 April 2023	**(1,62,508.25)**	**572.85**	**(1,61,935.40)**
Profit / (loss) for the year	(1,195.78)	(332.06)	(1,527.84)
Other comprehensive income:			
Remeasurement gain / (loss) of defined benefit plans, net of tax	(3,240.30)	-	(3,240.30)
Balance as at 31 March 2024	**(166944.33)**	**240.79**	**(166703.54)**

Note: As per G.O.No.6 and G.O.No.7 it has been decided to restructure the TANGEDCO by demerging the thermal energy and renewable energy generation businesses into separate legal entities. Refer Note 1 & 46 for further details on the restructuring scheme and segment information respectively.

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

15/11/24
K. Malarvizhi
(Director/Finance)

Vishu Mahajan, IAS
(Joint Managing Director/Finance)

K. Nanthakumar, IAS
(Chairman cum Managing Director)

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For V. Krishnan & Co.
Chartered Accountants
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(CA M.Gopinath)
Partner
M. No. 023819
UDIN:24023819BKFYIJ5981

V. Krishnan & Co. FRN: 001541S Chartered Accountants

For Sivamani & Co.
Chartered Accountants
Firm No. 010746S
(CA T.Balasubramanian)
Partner
M. No. 221939
UDIN:24221939BKBLWB660

SIVAMANI & CO. MADURAI 625 014 CHARTERED ACCOUNTANTS

Place: Chennai
Date : 15.11.2024

1. Corporate information

Tamil Nadu Power Distribution Corporation Limited ("the Company" or "TNPDCL"), formerly known as Tamil Nadu Generation and Distribution Corporation Limited ("TANGEDCO") is domiciled in India and incorporated on 1 December 2009 under the provisions of the Companies Act, 1956.

TANGEDCO has been restructured vide Government Order ("G.O.") No.6 , G.O.No.7 etc by demerging the thermal energy and renewable energy generation businesses into separate legal entities, Tamil Nadu Power Generation Corporation Limited (hereinafter referred to as "TNPGCL") and Tamil Nadu Green Energy Corporation Limited (hereinafter referred to as "TNGECL") respectively. Pursuant to this proposed demerger, TANGEDCO has been renamed as TNPDCL and will continue to be a power distribution company, TNPGCL will be in the business of thermal power generation and TNGECL will be in the business of renewable power generation. Refer note no 73 to this financial statement for details on demerger scheme.

For the year ended 31st March 2024, the Company has prepared detailed segment information with respect to its distribution, thermal generation and renewable generation businesses. Refer note no 46 for details of segment performance.

The Company is a subsidiary of TNEB Limited ("TNEB"), a government of Tamil Nadu undertaking and has its registered office in NPKRR MAALIGAI (TNEB Office), 144 Anna Salai, Chennai 600 002.

2. Basis of preparation

a. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and the provisions of the Electricity Act, 2003 to the extent applicable.

These financial statements were approved for issue by the Board of Directors on 15.11.2024.

b. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest crore (up to two decimals), unless otherwise stated.

c. Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

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.

d. Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 3(a) - direct overheads attributable to Property, Plant and Equipment ("PPE");
- Note 3(d) - determination of non-current asset held for sale;
- Note 3(k) - leases: whether an arrangement contains a lease;
- Note 3(k) - lease classification.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 3(a) - useful lives of property, plant and equipment;
- Note 3(d) - determination of fair value less cost to sell of the disposal group on the basis of significant unobservable inputs.
- Note 3(f) - determination of Effective Interest Rate ("EIR");
- Note 3(f) and Note 3(h) - impairment of financial and non-financial assets;
- Note 3(f) - estimation of expected credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument;
- Note 3(i) - measurement of defined benefit obligations; key actuarial assumptions;
- Note 3(l) - estimations used for determination of tax expenses and tax balances;
- Note 3(l) - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 3(p) - recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources.

e. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (Unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

f. Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (12 months) and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, *Presentation of Financial Statements.*

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

b) it is held primarily for the purpose of trading;

c) it is expected to be realized within twelve months after the reporting date; or

d) it is cash or a cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the Company's normal operating cycle;

b) it is held primarily for the purpose of trading;

c) it is due to be settled within twelve months after the reporting date; or

d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets and liabilities include the current portion of non-current assets and liabilities respectively. All other assets and liabilities are classified as non-current. Deferred tax assets and liabilities are always classified as non-current.

3. Significant accounting policies

a. Property, plant, and equipment

i. Initial recognition and measurement

PPE has been taken at the transfer price in respect of the assets transferred by the State Government vide G.O. Notification No. 49 with effect from 13 August 2015.

Items of PPE are measured at cost, less accumulated depreciation, and accumulated impairment losses, if any.

Cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use, capitalised borrowing costs and estimated costs of dismantling and removing the item and restoring the site on which it is located.

In case of generating circles, the assets are constructed by respective circles. But, in case of distribution circles, the assets are constructed either by General Construction Circles ("GCCs") or by respective circle itself.

In cases where the assets are constructed by GCCs, the entire cost of (such as their staff expenses, administrative expenses, etc) gets allocated to the asset constructed in proportion to the total cost of assets constructed during the year. However, in case the assets are constructed by the respective circles, the Company identifies the actual direct overheads incurred to bring the assets to its intended use including labour and allocates the same to the cost of asset constructed. At present, 4.29% is allocated towards overheads to the cost of asset constructed by circles. The above percentage of allocation of overheads will be reviewed for accurate estimate, periodically, as and when decided by management.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE. Items of spare parts, stand-by equipment and servicing equipment which meet the definition of PPE are capitalized. Consumable spare parts are carried as inventory and recognized in the Statement of Profit and Loss on consumption.

On transition to Ind AS in FY 2020-21, the Company has elected to fair value the major class of assets which includes land and land rights, buildings, civil works, plant and machinery and lines and cables existing as on the date of transition (1 April 2019) and consider it as their deemed cost of such PPE in accordance with Ind AS 101. For other asset categories which includes hydraulics works, furniture & fittings, office equipments and vehicles that were not fair valued has been taken at their Ind AS value as on 1 April 2019.

In respect of co-generation plant related assets belonging to Co-Operative Sugar Mills / Public Sector sugar mills, TANGEDCO has not carried out any valuation exercise, pending settlement of agreements.

ii. Subsequent costs

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and its cost can be measured reliably.

Expenditure on major inspection and overhauls of generating unit is capitalised when it meets the asset recognition criteria as per Ind AS 16.

The cost of replacing part of an item of PPE is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of PPE are recognised in Statement of Profit and Loss as incurred.

iii. Depreciation

Depreciation is recognized in Statement of Profit and Loss on a straight-line basis over the estimated useful life of each part of an item of PPE. Depreciation is calculated from the date of capitalization or procurement of the asset as determined by the Company's technical team. Assets costing individually INR 500 or less are depreciated fully in the year of purchase. In respect of leasehold improvements, depreciation is charged every year on such amount as is required to write off entire cost of leasehold improvements, on a straight-line method, for the estimated useful life of the asset; or over the period of the lease whichever is earlier.

The useful lives have been determined based on technical evaluation done by the management expert's thus, the management believes that its estimates of useful lives best represent the period over which management expects to use these assets. The Company depreciates assets up to 90% of the cost of the asset and 10% is retained as the residual value.

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.

Assets fair valued as on 1 April 2019 have been depreciated over the remaining useful life of the assets as provided by the Company's technical team. With respect to the assets put into use subsequent to the transition date, the useful life is arrived based on the depreciation rates prescribed in Regulation 24 of Tamil Nadu Electricity Regulation Commission's (Terms and Conditions of Determination of Tariff) Tariff Regulations 2005 as amended vide Gazette No.14 notification dated 09.04.2014.

iv. De-recognition

PPE is de-recognised 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 PPE is determined as the difference between the sale proceeds and the carrying amount of the asset as at the date of de-recognition and is recognized in the Statement of Profit and Loss.

v. Capital work-in-progress

PPE under construction, advance paid towards acquisition, cost incurred for assets that are not ready for their intended use as on the reporting date and cost of asset not put to use before the year end, are disclosed as capital work-in-progress.

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management and the borrowing costs attributable to the acquisition or construction of qualifying asset.

In cases where the assets are constructed by GCCs, the entire cost of (such as their staff expenses, administrative expenses, etc) gets allocated to the asset constructed in proportion to the total cost of assets constructed during the year. However, in case the assets are constructed by the respective circles, the Company identifies the actual direct overheads incurred to bring the assets to its intended use including labour and allocates the same to the cost of asset constructed.

Depreciation is not provided on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

vi. Preliminary project identification and feasibility study costs

Preliminary project development expenditure includes expenditure on feasibility and other studies, development expenditure, expenditure on exploration works, technical knowhow etc. These costs are capitalized only when an asset is acquired, and it is directly attributable to that asset. Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance are charged to Statement of Profit and Loss. If the projects are abandoned with reference to Government orders or otherwise, such expenditure are charged to the Statement of Profit and Loss in the respective years.

b. Investment property

Investment property is a property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes. Upon initial recognition, investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

When the use of a property changed from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

Any gain or loss on disposal of an investment property is recognised in the Statement of Profit and Loss.

Rental income from investment property is recognised as other income on a straight-line basis over the term of the lease.

The fair value of the investment property is disclosed in the notes. Fair value is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

c. Other Intangible Assets

i. Initial Recognition and measurement

Other intangible assets that are acquired by the Company are initially recognized at cost. Subsequently, intangible assets which have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses. Cost includes any directly attributable expenses of preparing the asset for its intended use. Expenditure on development activities is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Expenditure incurred which are eligible for capitalization under intangible assets are carried as intangible assets under development till they are ready for their intended use.

ii. Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it related and when the cost can be measured reliably. All other expenditure is recognized in the Statement of Profit and Loss as incurred.

iii. Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using straight-line method and is included in depreciation and amortization in Statement of Profit and Loss.

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

iv. Derecognition

An intangible asset is de-recognised on disposal or when no future economic benefits are expected from use or disposal. Any gain or loss arising from derecognition of an intangible asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset as at the date of de-recognition and is recognized in the Statement of Profit and Loss.

d. Non-current asset or disposal group held for sale

Non-current assets or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that their carrying amount will be recovered primarily through a sale transaction rather than through continuing use.

This condition is regarded as met only when the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset or disposal group and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. As at each balance sheet date, the management reviews the appropriateness of such classification.

Such assets or disposal groups are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets and employee benefit assets which continue to be measured in accordance with the Company's accounting policies. Losses on initial recognition as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held for sale, intangible assets, PPE, and investment properties are no longer amortized or depreciated.

e. Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on weighted average formula and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Cost of inventories are determined after deducting any rebates and discounts. Spares (not meeting the definition of PPE) are accounted as inventory and expensed to the Statement of Profit and Loss when issued for consumption.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and selling expenses.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where the material prices have declined, and it is estimated that the cost of the finished products will exceed their net realizable value.

The Company accounts for any shortfall in inventory on account of loss incurred during transit, handling or natural loss associated with the inherent nature of the inventory as a charge to Statement of Profit and Loss.

The comparison of cost and net realizable value is made on an item-by-item basis.

f. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial asset or a financial liability only when it becomes party to the contractual provisions of the instrument.

i. Financial assets

Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets which are not valued at fair value through profit or loss, are added to the fair value on initial recognition.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Company's trade receivables do not contain any significant financing component and hence are measured at the transaction price measured under Ind AS 115, *Revenue from contracts with customers.*

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through profit or loss (FVTPL); and
- Financial assets measured at fair value through other comprehensive income (FVOCI).

The Company classifies its financial assets in the above-mentioned categories based on:

- The Company's business model for managing the financial assets, and
- The contractual cash flows characteristics of the financial asset.

Financial assets that meet the following conditions are subsequently measured at amortised cost using effective interest rate method ("EIR") (except for debt instruments that are designated as at Fair Value through Profit or Loss ("FVTPL") on initial recognition):

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

Amortised cost of a financial asset means the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the EIR.

Financial assets are subsequently measured at amortised cost using the effective interest rate method ("EIR") method. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

A financial asset is measured at Fair Value through OCI ("FVTOCI") if both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and
- The asset's contractual cash flows represent SPPI.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at FVTOCI. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Derecognition

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

The rights to receive cash flows from the asset have expired; or

Both (1) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and (2) either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

The difference between the carrying amount and the amount of consideration received/receivable is recognized in the Statement of Profit and Loss.

Impairment of trade receivables and other financial assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on trade receivables or any contractual right to receive cash or another financial asset.

For this purpose, the Company follows a 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of this simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ii. Financial liabilities and equity instruments

Initial recognition and measurement

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument as per Ind AS 32, *Financial instruments: Presentation*.

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL or at amortized cost.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including cash credit.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the EIR.

Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the Statement of Profit and Loss.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

Similarly, interest bearing borrowings are subsequently measured at amortised cost using EIR.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in other comprehensive income ("OCI"). These gains/ losses are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as fair value through profit and loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

The Company has not designated any financial liability at FVTPL.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the extinguishment of original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

g. Investment in subsidiaries, jointly controlled entities and associates

Investment in subsidiaries, jointly controlled entities and associates are measured at cost less impairment as per Ind AS 27, *Separate Financial Statements*. The cost comprises price paid to acquire investment and directly attributable cost, if any.

Impairment of investments

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the investment. A reversal of an impairment loss is recognised immediately in Statement of Profit and Loss.

h. Impairment

i. Impairment of financial assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on trade receivables or any contractual right to receive cash or another financial asset.

For this purpose, the Company follows a 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of this simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ii. Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Recoverable amount of an asset is the higher of its value in use and its fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. When it is not possible to determine the recoverable amount of an individual asset, then the Company estimates the recoverable amount of the cash generating unit ("CGU") to which the asset belongs. The Company's corporate assets to the extent possible are allocated to the CGUs it belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated to the carrying amounts of the assets of the CGU (or group of CGUs) on a pro rata basis. Impairment losses are recognised in the Statement of Profit and Loss.

The Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

i. Employee benefits

In terms of the Tamil Nadu Electricity (Re-organization and Reforms) Transfer Scheme, 2010, all the employees of TNEB were transferred to TANGEDCO and subsequently some employees were deputed to the Company's fellow subsidiary i.e., Tamil Nadu Transmission Corporation Limited ("TANTRANSCO").

Till FY22-23, the management recognised around 1/7th and 6/7th (representing 14% & 86% resp.) of the long-term and post-employment benefit cost arrived based on available actuarial valuation report as its share of long-term employment and post-employment benefits between TANTRANSCO and TANGEDCO respectively.

During FY 23-24, the Company revisited the estimates made on apportionment of employee cost between TANTRANSCO and TANGEDCO to ensure that the revised ratio best represents the actual cost of employee benefits incurred during the year, between the entities.

Based on the above, from FY 23-24, the management has decided to apportion the incremental movement in the value of the employee benefit cost arrived based on the available actuarial valuation report, which includes employee cost incurred and the amount of benefits paid during the year, between TANTRANSCO and TANGEDCO in the ratio of 18% and 82% respectively.

The amount of effect in future periods are impracticable to estimate since it is dependent on actuarial valuation reports for respective future periods.

The effect of the above change in apportionment ratio on the Statement of Profit and Loss of TANGEDCO is below:

(in INR crores)

Particulars	Increase/(Decrease) in employee benefit cost				Total
	Gratuity	Pension	Leave on private affairs	Earned leave	
Employee benefit expenses (P/L)	5.63	12.48	(7.91)	(34.69)	(24.49)
Other Comprehensive income (OCI)	(3.63)	(136.78)	-	-	(140.41)
Total impact					(164.90)

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably. Short term employee benefits comprise of wages, salaries, incentives, short term leave salary etc.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation other than contribution payable to the fund.

The Company runs contributory pension scheme in which the Company deducts 10 percent of the employees' salary and contribute an equal amount into a separate account. The contributions to such contributory pension scheme are recognized as an expense and charged to the Statement of Profit and Loss.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability towards staff pension fund, gratuity, family security fund scheme, TNEB special provident fund cum gratuity scheme are in the nature of defined benefit plans.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the Projected Unit Credit Method (PUCM). When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

Benefits under the Company's earned and unearned leave encashment scheme constitute other long-term employee benefits. The Company's net obligation in respect of these long-term employee benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The actuarial calculation is performed annually by a qualified actuary using the PUCM. Any actuarial gains or losses are recognized in Statement of Profit and Loss account in the period in which they arise.

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

v. Employee benefit schemes in the nature of liability

The Company has several employee benefits schemes such as general provident fund scheme and TNEB employees special provident fund cum gratuity scheme (2000), wherein it receives a fixed amount as contribution from the employees and accrues interest on the same. The corpus (principal and accumulated interest) is paid at the time of retirement or at the time of employee leaving the Company whichever is earlier. Under Ind AS 109, these are classified as financial liabilities.

j. Revenue

Company's revenues arise from sale of power, wheeling charges and other operating income. Revenue from other income comprises interest from banks, sale of scrap, grant and subsidies from government, rebate on power purchase bill, other miscellaneous income, etc.

The specific recognition criteria described below must also be met before revenue is recognised:

i. Sale of power

Revenue is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. The Company recognizes revenue when (or as) the performance obligation is satisfied, which typically occurs when (or as) control over the products or services is transferred to a customer.

Revenue from sale of power is recognized based on the assessment of units consumed by consumer and are billed at the rates for distribution tariff notified by Tamil Nadu Electricity Regulatory Commission ("TNERC") from time to time. Income pertaining to consumption of units not assessed as at the end of reporting period are treated as unbilled revenue based on the actual assessment made in subsequent period which is known at the time of closure of accounts. The income related to unassessed units is recognised based on the growth in consumption and rate of realization.

Tariff is determined based on the aggregate revenue required by the Company.

Revenue from sale of power is recognized once the electricity has been delivered to the beneficiary and is measured through a regular review of usage meters. Beneficiaries are billed on a periodic and regular basis. Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

ii. Wheeling charges

The Company enters into various agreements with power generators to supply or 'wheel' the power generated to the power generator's end customers; these are called 'wheeling charges.' As per these agreements, the Company will only provide the power generator access to the Company's infrastructure for the transfer of power to the end customer. The customer is to pay the respective power generator company for the power consumed as per the rates agreed between them. Therefore, the Company acts only as an intermediary between the power generator and its customers.

In most contracts even though the primary responsibility for supply of the contracted power is on the power generator, in case of shortfalls in the supply, the Company may make good of such shortfalls depending on the availability.

Revenue from wheeling charges is recognized once the electricity has been delivered to the beneficiary (end customer) and is measured through a regular review of usage meters.

iii. **Other operational income**

Other operating income consists of tariff subsidy from Government of Tamil Nadu ("GoTN"), estimate charges, reconnection charges, meter rent, testing and application fees and other miscellaneous receipts.

- **Tariff subsidy from GOTN:**

  The Company from time to time receives Government Order ("GO") from GoTN for providing free supply or concessional tariff for different categories of consumers such as hut consumers, agricultural consumers, domestic consumers, places of public worship, power loom consumers, handloom consumers and lift irrigation co-operative societies.

  As per the GO, the Company is required to provide 100 units of consumption free of charge to all such consumers. GoTN thus undertakes to provide subsidy to the Company for the shortfall in revenue due to policy of free supply and concessional tariff to specific category of consumers.

  The Company accounts for the tariff subsidy when it is due from GOTN in the Statement of Profit and Loss as part of other operating income.

  Other charges collected by the company are-

- Estimate charges are collected by the Company for estimating the requirements of the customer for providing the connection services and are recognised on accrual basis once the services are provided.
- Reconnection charges collected from the customers for reconnecting the services which are disconnected or discontinued for any reason are recognised on accrual basis once the services are provided.
- Meter rents are collected from HT customers on a monthly basis along with the invoice raised for power consumption and are recognised as income on accrual basis.
- Testing and application fees are collected from the customers for testing of the Company's equipment and are recognised on accrual basis once the services are provided.
- The other miscellaneous receipts such as shifting charges, labour charges, meter box charges name transfer charges, dismantling charges etc., are recognised as and when the services are provided.

iv. Other income

- Interest income is recognized, when no significant uncertainty as to measurability or collectability exist, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the EIR.
- Scrap other than steel scrap is accounted for as and when sold. Revenue from rentals and operating leases is recognized on an accrual basis in accordance with the substance of the relevant agreement.
- For debt instruments measured either at amortized cost or FVOCI, interest income is recorded using the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.
- Charges recovered from consumers for delayed payments are recognised as income on accrual basis.
- The liquidated damages/ interest on advance to suppliers is recognized when no significant uncertainty as to measurability or collectability exists.
- Rebate received for early payment of power purchase bills are netted off against the cost of power purchase.

k. Leases

Effective 1 April 2019, the Company adopted Ind AS 116, *Leases* and applied to all lease contracts existing on 1 April 2019 using the modified retrospective method on the date of initial application. Pursuant to adoption of Ind AS 116, the Company recognised right-of-use assets and lease liabilities for those leases which were previously classified as operating leases, except for short-term leases and leases of low-value assets. The lease liability is measured at the present value of remaining lease payments discounted at incremental borrowing rate applicable at the date of initial application and the right-of-use asset has been recognized at an amount equal to lease liability.

As lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

As lessor

When the Company acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease as per requirements under Ind AS 116. To classify each lease, the Company makes an overall assessment of whether the lease transfers to the lessee substantially all of the risk and rewards of ownership incidental to ownership of the underlying asset in which case the lease is classified as finance lease.

Assets given under finance lease are recognized as a receivable at an amount equal to the present value of lease receivable. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance leases. The interest income is recognized in the Statement of Profit and Loss. Initial direct costs such as legal cost, brokerage cost etc. are recognized immediately in the Statement of Profit and Loss.

The amounts due from lessees under finance leases are recorded in the balance sheet as financial assets, classified as 'Finance lease receivables', at the amount equal to the net investment in the lease.

In certain cases of leases where the Company retains the principal risks and rewards of ownership of the underlying asset, the arrangement is considered as operating lease. The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term.

l. Income-tax

Income tax comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to an item recognised directly in equity or in OCI.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that the future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of the deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income ("OCI") or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realised simultaneously.

m. Foreign currency transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates i.e., functional currency. The Company's financial statements are presented in INR, which is also the Company's functional and presentation currency.

The foreign exchange transactions undertaken by the Company includes import of coal, consultancy services and purchase of other materials.

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition. When advance payments are made to the supplier, the related asset or expense is accounted using the spot exchange rate as on the date of advance payment.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in the Statement of Profit and Loss in the year in which it arises.

n. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

o. Government grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions associated with the grant. The grants are recognised in profit or loss as other operating revenue on a systematic basis. Grants related to depreciable assets are recognised in profit or loss over the period and in the proportion in which depreciation expense on those assets is recognised. Capital grants other than those related to depreciable assets are treated as deferred income which is recognized in the Statement of Profit and Loss statement on a systematic and rational basis over the useful life of the asset, i.e., such amounts are allocated to income over the periods.

p. Provision, contingent liabilities and contingent assets

A provision (other than for employee benefits) is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate. Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

q. Ind AS 108 :- Operating segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The Company's Board of Directors are responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the CODM. The Company's CODM reviews financial information presented, for purposes of making operating decisions and assessing financial performance of the Company. The Company has identified the following three reportable segments – 'Thermal Energy' (by TNPGCL) , 'Renewable Energy' (by TNGECL) and 'Distribution' (by TNPDCL) (Also refer to note 46).

r. Ind AS 33 : - Earnings per share

The basic earnings per share ("EPS") for the year is computed by dividing the net profit/ (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The Company has no potentially dilutive equity shares, as the Company is a GoTN undertaking with 100% equity shareholding.

s. Prior period items, accounting estimates and effect of change in accounting policy

Prior period items/errors of material nature are corrected retrospectively by restating the comparative amounts for the prior period(s) presented in which the error occurred. If the prior period error found material occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

The effect of change in accounting estimate is recognised prospectively in the Statement of Profit and Loss except where they relate to assets and liabilities, the same is recognised by adjusting the carrying amount of related assets/liability/equity in the period of change. Changes in accounting policy due to initial application of Ind AS are dealt with in accordance with specific transitional provisions, if any in the respective Ind AS. In other cases, the changes in accounting policy are done retrospectively; the application of such change is limited to the earliest period practicable.

t. Events occurring after the balance sheet date

Assets and liabilities are adjusted for events that occur between the end of the reporting period and the date when the financial statements are approved by the Board of Directors that provide additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period. Such events are disclosed or given effect to in the financial statements as provided for in Ind AS 10, *Events after the reporting period.*

u. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023, as below.

i. **In Ind AS 1, *on Disclosure of material accounting policies***
The amendments related to shifting of disclosure of erstwhile "significant accounting policies" to "material accounting policies" in the notes to the financial statements requiring companies to reframe their accounting policies to make them more "entity specific. This amendment aligns with the "material" concept already required under International Financial Reporting Standards (IFRS). The Company does not expect this amendment to have any significant impact in its financial statements.

ii. **In Ind AS 8, *on Definition of accounting estimates***
The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates." Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty." Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

iii. **In Ind AS 12, *on Income Taxes***
The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12. At the date of transition to Ind ASs, a first-time adopter shall recognize a deferred tax asset to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. Similarly, a deferred tax liability for all deductible and taxable temporary differences associated with :

a. Right-of-use assets and lease liabilities
b. Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset. Therefore, if an Entity has not yet recognised deferred tax on right-of-use assets and lease liabilities or has recognised deferred tax on net basis, the same need to recognize on gross basis based on the carrying amount of right-of use assets and lease liabilities.

(in INR crores)

4(a) Property, plant and equipment and capital work-in-progress
Reconciliation of carrying amount

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Others	Total (A)	Capital work-in-progress (B)	Total (A+B)
Cost or deemed cost (Gross carrying amount)										
Balance as at 1 April 2022	9,558.12	5,679.67	51,098.49	24.74	39.55	147.26	1,238.74	67,786.57	42,847.23	1,10,633.80
Additions during the year	22.64	34.15	1,215.79	0.03	0.02	3.95	48.42	1,325.00	10,916.04	12,241.04
Disposals/transfers during the year	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	**9,580.76**	**5,713.82**	**52,314.28**	**24.77**	**39.57**	**151.21**	**1,287.16**	**69,111.57**	**53,763.27**	**1,22,874.84**
Balance as at 1 April 2023	9,580.76	5,713.82	52,314.28	24.77	39.57	151.21	1,287.16	69,111.57	53,763.27	1,22,874.84
Additions during the year	6.91	21.85	803.55	0.03	0.32	3.88	7.64	844.18	10,255.72	11,099.90
Disposals/transfers during the year	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	**9,587.67**	**5,735.67**	**53,117.83**	**24.80**	**39.89**	**155.09**	**1,294.80**	**69,955.75**	**64,018.99**	**1,33,974.74**
Accumulated depreciation and impairment losses										
Balance as at 1 April 2022	-	601.15	11,010.84	5.46	7.12	54.93	239.44	11,918.93	-	11,918.93
Depreciation during the year	-	195.36	3,386.61	1.17	1.72	8.97	181.15	3,774.99	-	3,774.99
Reversal of impairment loss	-	-	-	-	-	-	-	-	-	-
Disposals/transfers during the year	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	-	**796.51**	**14,397.45**	**6.63**	**8.84**	**63.90**	**420.59**	**15,693.92**	-	**15,693.92**
Balance as at 1 April 2023	-	796.51	14,397.45	6.63	8.84	63.90	420.59	15,693.92	-	15,693.92
Depreciation during the year	-	203.98	3,285.42	1.20	1.79	9.31	57.87	3,559.56	-	3,559.56
Reversal of impairment loss	-	-	-	-	-	-	-	-	-	-
Disposals/transfers during the year	-	-	-	-	-	-		-	-	-
Balance as at 31 March 2024	-	**1,000.49**	**17,682.87**	**7.83**	**10.63**	**73.21**	**478.46**	**19,253.48**	-	**19,253.48**
Carrying amount (net)										
As at 31 March 2023	9,580.76	4,917.31	37,916.83	18.14	30.73	87.31	866.57	53,417.65	53,763.27	1,07,180.92
As at 31 March 2024	9,587.67	4,735.18	35,434.96	16.97	29.26	81.88	816.35	50,702.27	64,018.99	1,14,721.26

Note:
1. The scheme wise registers for capital work-in-progress are not being maintained by the Company. However, the Company is in the process of carrying out reconciliation process to match with the books of accounts.
2. The Company has availed both term loans and working capital loans by mortgage of fixed assets from various banks and financial institutions (refer note 16 and 20)
3. Title deeds for some of the immovable properties mentioned above are not in the name of the Company and the Company is in the process of registering the same in the name of the Company.
4. The Company is in the process of collating all the relevant data (CWIP) required to be disclosed in the financial statements as per revised Schedule III of Companies Act, 2013.

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(in INR crores)

4(a) Property, plant and equipment and capital work-in-progress

The title deeds for the land and buildings amounting to INR 978.31 crores are yet to be received and follow up action is being taken as detailed below.

Relevant line item in the Balance sheet	Particulars	Gross carrying value	Title deeds held in the name of	Property held since which date	Reason for not being held in the name of the Company
PPE	Mallankinar 33KV SS, Mallankinar Village, Aruppukottai TK, Virudhunagar Dist.	24,88,592	Patta in private party name	02 June 1905	RDO/ Aruppukottai will be addressed for name transfer to TANGEDCO
PPE	2Q type Qtrs	7,91,695	Patta in private party name	09 June 1905	RDO/ Aruppukottai will be addressed for name transfer to TANGEDCO
PPE	2P type Qtrs	7,91,695	Patta in private party name	09 June 1905	RDO/ Aruppukottai will be addressed for name transfer to TANGEDCO
PPE	Single 'P' type Qtrs	3,80,013	Patta in private party name	09 June 1905	RDO/ Aruppukottai will be addressed for name transfer to TANGEDCO
PPE	Battery Room	1,83,060	Patta in private party name	17 June 1905	RDO/ Aruppukottai will be addressed for name transfer to TANGEDCO
PPE	Cash Collection Room	2,48,692	Patta in private party name	17 June 1905	RDO/ Aruppukottai will be addressed for name transfer to TANGEDCO
PPE	Periyavalikulam 33KV SS, Periyavallikulam Village, Virudhunagar.	11,95,095	Patta in private party name.	21 June 1905	RDO/ Aruppukottai will be addressed for name transfer to TANGEDCO
PPE	Periyavalikulam 33KV SS, Periyavallikulam Village, Virudhunagar.	13,38,912	Patta in private party name.	21 June 1905	RDO/ Aruppukottai will be addressed for name transfer to TANGEDCO
PPE	Periyavalikulam 33KV SS, Periyavallikulam Village, Virudhunagar.	81,817	Patta in private party name.	21 June 1905	RDO/ Aruppukottai will be addressed for name transfer to TANGEDCO
PPE	Periyavalikulam 33KV SS, Periyavallikulam Village, Virudhunagar.	12,02,197	Patta in private party name.	21 June 1905	RDO/ Aruppukottai will be addressed for name transfer to TANGEDCO
PPE	Periyavalikulam 33KV SS, Periyavallikulam Village, Virudhunagar.	2,10,387	Patta in private party name.	21 June 1905	RDO/ Aruppukottai will be addressed for name transfer to TANGEDCO
PPE	Periyavalikulam 33KV SS, Periyavallikulam Village, Virudhunagar.	1,51,946	Patta in private party name.	21 June 1905	RDO/ Aruppukottai will be addressed for name transfer to TANGEDCO
PPE	Periyavalikulam 33KV SS, Periyavallikulam Village, Virudhunagar.	81,817	Patta in private party name.	21 June 1905	RDO/ Aruppukottai will be addressed for name transfer to TANGEDCO
PPE	Periyavalikulam 33KV SS, Periyavallikulam Village, Virudhunagar.	37,651	Patta in private party name.	21 June 1905	RDO/ Aruppukottai will be addressed for name transfer to TANGEDCO

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4(a) Property, plant and equipment and capital work-in-progress

(in INR crores)

The title deeds for the land and buildings amounting to INR 978.31 crores are yet to be received and follow up action is being taken as detailed below.

Relevant line item in the Balance sheet	Particulars	Gross carrying value	Title deeds held in the name of	Property held since which date	Reason for not being held in the name of the Company
PPE	Periyavalikulam 33KV SS, Periyavallikulam Village, Virudhunagar.	2,07,255	Patta in private party name	15 June 1905	RDO/Sattur will be addressed for name transfer to TANGEDCO
PPE	Periyavalikulam 33KV SS, Periyavallikulam Village, Virudhunagar.	90,457	Patta in private party name	15 June 1905	RDO/Sattur will be addressed for name transfer to TANGEDCO
PPE	Periyavalikulam 33KV SS, Periyavallikulam Village, Virudhunagar.	7,87,737	Patta in private party name	15 June 1905	RDO/Sattur will be addressed for name transfer to TANGEDCO
PPE	Periyavalikulam 33KV SS, Periyavallikulam Village, Virudhunagar.	38,630	Patta in private party name	15 June 1905	RDO/Sattur will be addressed for name transfer to TANGEDCO
PPE	Periyavalikulam 33KV SS, Periyavallikulam Village, Virudhunagar.	2,29,622	Patta in private party name	15 June 1905	RDO/Sattur will be addressed for name transfer to TANGEDCO
PPE	Periyavalikulam 33KV SS, Periyavallikulam Village, Virudhunagar.	14,52,995	Patta in private party name	01 July 1905	RDO/Sivakasi will be addressed for name transfer to TANGEDCO
PPE	Periyavalikulam 33KV SS, Periyavallikulam Village, Virudhunagar.	28,05,222	Patta in private party name	10 July 1905	RDO/Sivakasi will be addressed for name transfer to TANGEDCO
PPE	Periyavalikulam 33KV SS, Periyavallikulam Village, Virudhunagar.	80,963	Patta in private party name	20 June 1905	RDO/Sivakasi will be addressed for name transfer to TANGEDCO
PPE	Periyavalikulam 33KV SS, Periyavallikulam Village, Virudhunagar.	23,56,590	Patta in private party name	08 July 1905	RDO/Sivakasi will be addressed for name transfer to TANGEDCO
PPE	Periyavalikulam 33KV SS, Periyavallikulam Village, Virudhunagar.	1,16,506	Patta in private party name	08 July 1905	RDO/Sivakasi will be addressed for name transfer to TANGEDCO
PPE	Avinashi Dn Off	1,77,01,496	TN Government	01 April 1983	action is being taken to transfer the title deed
PPE	Kumar Nagar EB Campus	4,68,81,323	TN Government	01 April 1932	action is being taken to transfer the title deed
PPE	EE/Tirupur	41,87,264	TN Government	27 March 2019	action is being taken to transfer the title deed
PPE	EE MRT 'E' Type Qtrs	25,410	TN Government	31 May 1905	action is being taken to transfer the title deed
PPE	JE Quarters '2F' Type mQtrs	98,455	TN Government	31 May 1905	action is being taken to transfer the title deed
PPE	Helper Quarters '2G' Type Qtrs	46,500	TN Government	31 May 1905	action is being taken to transfer the title deed
PPE	AEE/N/Avinashi pump room and control room	3,88,423	TN Government	02 June 1905	action is being taken to transfer the title deed

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(in INR crores)

4(a) Property, plant and equipment and capital work-in-progress

The title deeds for the land and buildings amounting to INR 978.31 crores are yet to be received and follow up action is being taken as detailed below.

Relevant line item in the Balance sheet	Particulars	Gross carrying value	Title deeds held in the name of	Property held since which date	Reason for not being held in the name of the Company
PPE	AEE/T/Avinashi pump room and control room	2,75,524	TN Government	02 June 1905	action is being taken to transfer the title deed
PPE	AE/RI/E/Avinashi pump room and control room	3,72,423	TN Government	02 June 1905	action is being taken to transfer the title deed
PPE	AE/RI/W/Avinashi pump room and control room	1,95,542	TN Government	02 June 1905	action is being taken to transfer the title deed
PPE	AE/T/Avinashi pump room and control room	3,11,916	TN Government	02 June 1905	action is being taken to transfer the title deed
PPE	Kariapatti 33 KV SS, S.No.21/8 Kattu kutthagai Karisalkulam Village, Aruppukottai Tk, Virudhunagar Dist.	1,50,18,808	TN Govt land	03 June 1905	RDO/Aruppukottai will be addressed for name transfer to TANGEDCO
PPE	Mallankinar 33 KV SS, S.No.244/1A1, 244/2,244/1A3A Mallankinar Village, Aruppukottai TK, Virudhunagar Dist	16,01,370	Patta in private party name	07 June 1905	RDO/Aruppukottai will be addressed for name transfer to TANGEDCO
PPE	Periyavallikulam 33 KV SS, S.No.324/1A, 324/1C,320/3A, 320/5A, 224/1A Villipathiri Village, Aruppukottai Tk, Virudhunagar Dist.	2,56,62,545	Patta in private party name	20 June 1905	RDO/Aruppukottai will be addressed for name transfer to TANGEDCO
PPE	Vembakottai 33 KV SS, S.No.6/3A,3B,3C, 3D Vijayakarisal kulam village, Vembakottai Tk, Virudhunagar Dist	1,55,62,692	Patta in private party name	13 June 1905	RDO/Sattur will be addressed for name transfer to TANGEDCO
PPE	Sukkiravarpatti 33 KV SS, S.No.29,50 Vadapatti village, Sivakasi TK, Virudhunagar Dist.	1,17,97,492	Patta in private party name	01 July 1905	RDO/Sivakasi will be addressed for name transfer to TANGEDCO
PPE	Naranapuram33 KV SS, S.No.1273/1, 1273/2A Keelathiru thangal village, Sivakasi Tk, Virudhunagar Dist.	1,55,97,585	Patta in private party name	08 July 1905	RDO/Sivakasi will be addressed for name transfer to TANGEDCO
PPE	A.Thulukkapatti 33 KV SS, S.No.50/1A A.Thulukkapatti Village, Srivilliputtur Tk, Virudhunagar Dt.	22,85,514	Patta in private party name	06 July 1905	RDO/Sivakasi will be addressed for name transfer to TANGEDCO
PPE	S.Kodikulam 33/11 KV SS, S.No.628/2 S.Kodikulam Village, Srivilliputtur Tk, VDT Dt.	14,79,685	TN Govt land	10 July 1905	RDO/Sivakasi will be addressed for name transfer to TANGEDCO
PPE	Mamsapuram 33 KV SS, S.No.120/2 Deivendhiry village, Srivilliputtur TK, Virudhunagar Dist.	86,30,166	TN Govt land	10 July 1905	RDO/Sivakasi will be addressed for name transfer to TANGEDCO

(in INR crores)

4(a) Property, plant and equipment and capital work-in-progress

The title deeds for the land and buildings amounting to INR 978.31 crores are yet to be received and follow up action is being taken as detailed below.

Relevant line item in the Balance sheet	Particulars	Gross carrying value	Title deeds held in the name of	Property held since which date	Reason for not being held in the name of the Company
PPE	Karunkulam SS	1,84,575	GOVT	05 September 2018	action is being taken to transfer the title deed
PPE	Lingampatti SS	6,87,500	GOVT	07 June 2018	action is being taken to transfer the title deed
PPE	Kumaran Salai SS	6,56,45,371	TN Government	25 March 2000	action is being taken to transfer the title deed
PPE	Palavanjipalayam SS	9,17,970	TN Government	30 September 2002	action is being taken to transfer the title deed
PPE	Chengapalli SS	9,31,850	TN Government	26 April 2019	action is being taken to transfer the title deed
PPE	Cheyur SS	7,69,488	TN Government	31 March 1978	action is being taken to transfer the title deed
PPE	Anna Salai 33/11 KV SS, No.825, Anna Salai, Ch-02	13,47,02,042	TNEB	09 April 1905	action is being taken to transfer the title deed
PPE	Bells Road 33/11 KV SS, 105, Bells Road, Chepauk, Chennai-05.	7,11,84,000	Madras cricket club	10 April 1905	action is being taken to transfer the title deed
PPE	East GT 33/11 KV SS, No.181, Thambuchetty Street, Chennai-600 001.	20,52,75,691	TNEB	10 May 1905	action is being taken to transfer the title deed
PPE	Flower Bazaar 33/11 KV SS, No.16, Rattan Bazaar, Chennai-600 003	6,96,07,334	TNEB	09 April 1905	action is being taken to transfer the title deed
PPE	OCF 33/11 KV SS, Inside HQ 144, Anna Salai,Chennai - 02.	2,62,04,889	TNEB	09 June 1905	action is being taken to transfer the title deed
PPE	Govt. Estate 33/11 KV SS, Omandurar Estate, Chennai-02	13,54,06,097	TN Government farm	23 September 1999	action is being taken to transfer the title deed
PPE	B&C Mills 33/11 KV SS, Dr.Ambethkar Road,Pulianthope, Chennai-12	5,44,15,880	Chennai electric corporation	1969	action is being taken to transfer the title deed
PPE	Egmore 33/11 KV SS, NO.59, E.V.K.Sampath Road, Chennai-7	17,20,77,987	Chennai electric corporation	1925	action is being taken to transfer the title deed
PPE	Kilpauk Police Quarters 33/11 KV SS, Kilpauk Police Quarters	5,48,05,187	Police department	13 September 2007	action is being taken to transfer the title deed
PPE	Kilpauk 33/11 KVSS, No.37, Medavakkam Tank Road,Kilpauk, Chennai-600 010	15,63,69,623	Madras electric supply corporation	1970	action is being taken to transfer the title deed
PPE	Nehru Stadium 33/11 KV SS,Near Behru Stadium, Chennai Sydems Road (or) Elephant Gate Road	15,62,84,816	Sports authority of india	May 2004	action is being taken to transfer the title deed

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(in INR crores)

4(a) Property, plant and equipment and capital work-in-progress

The title deeds for the land and buildings amounting to INR 978.31 crores are yet to be received and follow up action is being taken as detailed below.

Relevant line item in the Balance sheet	Particulars	Gross carrying value	Title deeds held in the name of	Property held since which date	Reason for not being held in the name of the Company
PPE	Pulianthope 33/11 KV SS, No.1, BBPH Road, Pulianthope, Chennai-12	21,08,76,354	Chennai electric corporation	01 July 1995	action is being taken to transfer the title deed
PPE	Spur Tank Road 33/11 KV SS, No.23, Spur Tank Road, Chetpet, Chennai-600 031	13,68,81,409	TNEB	26 December 1988	action is being taken to transfer the title deed
PPE	West GT 33/11 KV SS, No.38, Basin Water Works Street, Sowcarpet, Ch-79	3,39,05,580	TNEB	1956	action is being taken to transfer the title deed
PPE	Sardarjung Garden 33/11 KV SS, No.25, Sardarjung Garden Tank Road, Royapettah, Chennai-14	7,56,99,739	Chennai Corporation	01 March 2001	action is being taken to transfer the title deed
PPE	Visalatchi thottam 33/11 KV SS No.1 Narasimmapuram Visalatchi thottam, Mylapore, Ch-4	3,60,43,618	TNSCB	29 June 1905	action is being taken to transfer the title deed
PPE	Ammaiappan Lane GIS SS, No.34, Ammaiappam Lane, Royapettah, Chennai-14	7,40,87,254	Chennai Corporation	05 July 1905	action is being taken to transfer the title deed
PPE	College Road 33/11 KV SS (DPI Complex) Old No.52, N.No.67 & 68, College Road, Chennai-34	5,81,75,681	TNEB	08 April 1988	action is being taken to transfer the title deed
PPE	Foreshore Estate 33/11 KV SS, No.96, Foreshore Estate, Chennai-28	7,39,42,344	TNHB	16 June 1905	action is being taken to transfer the title deed
PPE	Lady Willigton 33/11 KV SS Awaishanmugam Salai, Royapettah, Ch-14	3,07,12,695	Lady welligton college	05 May 2008	action is being taken to transfer the title deed
PPE	Luz 33/11 KV SS, No.7, Canal Bank Road, Luz, Mylapore, Chennai-4	3,82,03,251	Madras electric supply corporation	10 May 1905	action is being taken to transfer the title deed
PPE	Nungambakkam 33/11 KV SS, No.141, Mahatma Gandhi Road, Nungambakkam, Chennai-34	6,60,70,966	Madras electric supply corporation	1956 1927	action is being taken to transfer the title deed
PPE	Royapettah 33/11 KV SS No.26, West Cott Road, Chennai-14	6,09,95,000	YMCA	1956 1944	action is being taken to transfer the title deed
PPE	Woods Road GIS SS Woods Road	3,86,24,843	TNEB	2012 2017	action is being taken to transfer the title deed
PPE	Mambalam 33/11 KV SS, No.41, Thanikachalam Road	13,72,76,754	MEDC	18 May 1905	action is being taken to transfer the title deed
PPE	DMS 33/11 KV SS, No.259, DMS Compound, Teynampet, Chennai-18	13,46,47,409	Medical board	05 May 1999	action is being taken to transfer the title deed
PPE	R.R.Colony 33/11 KV SS No.23, West Street, J.Pet, Chennai-83	5,04,69,788	TNSCB	01 April 2005	action is being taken to transfer the title deed
PPE	MHU 33/11 KV SS, Link Road, CIT Nagar, Nandanam	4,19,27,714	TNHB	01 July 1996	action is being taken to transfer the title deed

(in INR crores)

4(a) Property, plant and equipment and capital work-in-progress

The title deeds for the land and buildings amounting to INR 978.31 crores are yet to be received and follow up action is being taken as detailed below.

Relevant line item in the Balance sheet	Particulars	Gross carrying value	Title deeds held in the name of	Property held since which date	Reason for not being held in the name of the Company
PPE	Saidapet 33/11 KV SS, Thodunter Nagar, Saidapet/East, Chennai -15.	4,59,52,433	TNEB	09 June 1905	action is being taken to transfer the title deed
PPE	West Mambalam 33/11 KV SS, 132, K.R.Koil Street, West Mambalam,	5,01,73,884	Hindu religious board	18 June 1905	action is being taken to transfer the title deed
PPE	MRC Nagar 33/11 KV SS, No:71, Thandavaraya Gramini Street MRC Nagar, R.A.Puram, Chennai -28.	7,00,73,822	Chennai Corporation	02 May 2001	action is being taken to transfer the title deed
PPE	Land under power station	11,59,10,800	Corporation Public	31 August 1957	The G.O.2968/PWD dt 31.08.1957 is not traceable and hencename transfer could not be done.
PPE	Land under power station	69,01,24,200	Corporation Pivate	31 August 1957	The G.O.2968/PWD dt 31.08.1957 is not traceable and hencename transfer could not be done.
PPE	Land under power station	59,47,84,600	Corporation Pivate	31 August 1957	The G.O.2968/PWD dt 31.08.1957 is not traceable and hencename transfer could not be done.
PPE	Land under power station	29,70,95,600	Madras State Electricity Board	31 August 1957	The G.O.2968/PWD dt 31.08.1957 is not traceable and hencename transfer could not be done.
PPE	Land under power station	1,77,98,04,400	Madras State Electricity Board	31 August 1957	The G.O.2968/PWD dt 31.08.1957 is not traceable and hencename transfer could not be done.
PPE	Land under power station	2,03,12,08,200	Military land	31 August 1957	The G.O.2968/PWD dt 31.08.1957 is not traceable and hencename transfer could not be done.
PPE	Land under power station	19,36,46,200	Govt. land	31 August 1957	The G.O.2968/PWD dt 31.08.1957 is not traceable and hencename transfer could not be done.
PPE	Land under power station	46,24,56,400	Govt. land index	31 August 1957	The G.O.2968/PWD dt 31.08.1957 is not traceable and hencename transfer could not be done.
PPE	Land under power station	20,80,85,600	Govt. land (index Register P34)	31 August 1957	The G.O.2968/PWD dt 31.08.1957 is not traceable and hencename transfer could not be done.
PPE	Land under power station	39,50,06,600	Harijan Welfare Department	31 August 1957	The G.O.2968/PWD dt 31.08.1957 is not traceable and hencename transfer could not be done.
PPE	Land under power station	5,93,40,000	Govt. land	31 August 1957	The G.O.2968/PWD dt 31.08.1957 is not traceable and hencename transfer could not be done.

(in INR crores)

4(b) Investment property

A. Reconciliation of carrying amount

Particulars	Land	Total
Cost or deemed cost (Gross carrying amount)		
Balance as at 1 April 2022	71.72	71.72
Additions during the year	-	-
Disposals/transfers during the year	-	-
Balance as at 31 March 2023	**71.72**	**71.72**
Balance as at 1 April 2023	71.72	71.72
Additions during the year	-	-
Disposals/transfers during the year	-	-
Balance as at 31 March 2024	**71.72**	**71.72**
Accumulated depreciation and impairment losses		
Balance as at 1 April 2022	-	-
Depreciation during the year	-	-
Impairment loss	-	-
Disposals/transfers during the year	-	-
Balance as at 31 March 2023	-	-
Balance as at 1 April 2023	-	-
Depreciation during the year	-	-
Impairment loss	-	-
Disposals/transfers during the year	-	-
Balance as at 31 March 2024	-	-
Carrying amount (net)		
As at 31 March 2023	71.72	71.72
As at 31 March 2024	71.72	71.72
Fair value		
As at 31 March 2023	71.72	71.72
As at 31 March 2024	71.72	71.72

(in INR crores)

B. Measurement of fair values

i) Fair value hierarchy

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognized professional qualifications and recent experience in the location and category of property being valued.

The fair value measurement for the investment property has been categorized as a Level 3 fair value based on the inputs to the valuation technique used.

ii) Valuation technique

The fair value of land has been determined using market approach (sales comparison method) whereby market rate of similar type of land at or near the location of investment property has been considered to arrive at the land rate applicable.

4(c) Other intangible assets and intangible assets under development

Reconciliation of carrying amount

Particulars	Software	Right of Way	Total	Intangible assets under development
Cost or deemed cost (Gross carrying amount)				
Balance as at 1 April 2022	1.35	0.14	1.49	86.72
Additions during the year	86.83	-	86.83	15.64
Disposals/transfers during the year	-	-	-	(102.36)
Balance as at 31 March 2023	**88.18**	**0.14**	**88.32**	-
Balance as at 1 April 2023	88.18	0.14	88.32	-
Additions/transfers during the year *	2.04	-	2.04	-
Disposals/transfers during the year		-	-	-
Balance as at 31 March 2024	**90.22**	**0.14**	**90.36**	-
Accumulated amortization and impairment losses				
Balance as at 1 April 2022	0.02	-	0.02	-
Amortization during the year	0.19	-	0.19	-
Impairment loss			-	-
Disposals/transfers during the year	-	-	-	-
Balance as at 31 March 2023	**0.21**	-	**0.21**	-
Balance as at 1 April 2023	0.21	-	0.21	-
Amortization during the year	17.81	-	17.81	-
Impairment loss	-	-	-	-
Disposals/transfers during the year	-	-	-	-
Balance as at 31 March 2024	**18.02**	-	**18.02**	-
Carrying amount (net)				
As at 31 March 2023	87.97	0.14	88.11	-
As at 31 March 2024	72.20	0.14	72.34	-

* As at 31 March 2023, the Company estimated that majority of the ERP process agreed as per the contract was available for business operations and the cost of ERP software can be reliably measured. Hence, the Company capitalised the ERP software earlier recognised as intangible asset under development.

(in INR crores)

5 **Financial assets - Investments**

	31 March 2024	31 March 2023
Non-current investments		
Investment in subsidiaries		
a. Udangudi Power Corporation Limited		
65,000,000 (31 March 2023: 65,000,000) equity shares of INR 10 each	65.00	65.00
Investment in associates		
a. NLC Tamil Nadu Power Limited		
240,684,620 (31 March 2023: 240,684,620) equity shares of INR 10 each	240.68	240.68
Investment in joint ventures		
a. NTPC Tamil Nadu Energy Company Ltd.		
1,436,396,112 (31 March 2023 1,436,396,112) equity shares of INR 10 each	1,466.40	1,466.40
b. Mandakini B Coal Corporation Limited		
207,843 (31 March 2023: 207,843) equity shares of INR 10 each	2.08	2.08
c. Maha Tamil Collieries Limited*		
37,000 (31 March 2023: 37,000) equity shares of INR 10 each	0.04	0.04
	1,774.20	**1,774.20**

All units are in absolute numbers		
Aggregate value of quoted investments	-	-
Aggregate value of unquoted investments	1,774.20	1,774.20
Aggregate amount of impairment in value of investments	-	-

* The joint venturers of Maha Tamil Collieries Limited has proposed to wind up Maha Tamil Collieries Limited after settlement of all liabilities.

6 **Other financial assets**

	31 March 2024	31 March 2023
Fixed deposits *	3,520.93	2,367.89
Commitment advance paid towards projects	113.92	113.92
Less : Expected credit loss allowance	(56.58)	(56.58)
	3,578.27	2,425.23

*** Includes margin money for Letter of credit (LC) opened by the company**

Movement in the life-time Expected Credit Loss ("ECL") allowance on non-current investments:

Balance at the beginning of the year	(56.58)	(56.58)
Movement in ECL on non-current investments calculated at life-time expected credit losses	-	-
ECL at the end of the year	(56.58)	(56.58)

7 **Other non-current assets**

	31 March 2024	31 March 2023
Capital advances	169.88	158.68
	169.88	158.68

(in INR crores)

8 Inventories

	31 March 2024	31 March 2023
(At lower of cost and net realisable value)		
Raw materials		
In hand		
- Coal	589.58	412.10
- Oil and chemical	66.31	59.40
Goods in transit		
- Coal	282.03	123.01
	937.92	594.51
Other materials		
In hand	1,955.03	2,179.70
Goods in transit	-	-
	1,955.03	2,179.70
Less: provision for loss/ obsolescence of stock	(24.27)	(24.27)
	2,868.68	2,749.94

The Company has availed regular cash credit (overdraft) facility from various banks by pledging the inventories including coal, chemicals, lubricants, consumables, other materials etc.,

9 Financial assets - Trade receivables

	31 March 2024	31 March 2023
Trade receivables		
Unsecured, considered good	10,404.28	8,606.35
Significant increase in credit risk	-	-
	10,404.28	8,606.35
Credit impaired	(260.11)	(215.16)
	(260.11)	(215.16)
Net trade receivables	10,144.17	8,391.19

All trade receivables are 'current'. Trade receivables includes unreconciled receivables from HT and LT customers for which the Company is in the process of undertaking clean-up activity to reconcile the amounts as per the books of accounts.

The Company has availed regular cash credit (overdraft) facility from various banks by pledging debtors on sale of power.

The Company's exposure to credit risk and loss allowance related to trade receivables are disclosed in Note 41.

The Company is in the process of collating all the relevant data (ageing details for trade receivables) required to be disclosed in the financial statements.

(in INR crores)

10 Financial assets - Cash and bank balances

	31 March 2024	31 March 2023
Balances with banks		
- On current account	4,310.05	10,685.35
- Deposits with original maturity of less than three months	31.61	31.61
Cash on hand	76.30	330.07
Cheques, drafts and stamps on hand	79.15	83.04
	4,497.12	**11,130.07**

11 Other financial assets

	31 March 2024	31 March 2023
Receivable from related parties*	11,706.34	11,428.08
Unbilled revenue	1,955.16	2,249.73
Security deposits	1,700.33	876.67
Subsidy receivable	732.60	831.37
Sundry receivables	1,774.21	826.11
Employee loan	248.05	248.74
Amount recoverable from employees	7.78	2.39
	18,124.47	**16,463.09**

*During the year ended 31 March 2024, the Company carried out the reconciliation of its books of accounts with its fellow subsidiary company TANTRANSCO and there is an unreconciled balance of INR 284.75 crores as at 31 March 2024 for which reconciliation is in progress.

12 Current tax assets

	31 March 2024	31 March 2023
Current tax assets	27.65	62.68
	27.65	**62.68**

13 Other current assets

	31 March 2024	31 March 2023
Unsecured, considered good		
Inter-unit balances		
Advances to suppliers and contractors	3,187.21	2,965.79
Stock for scraps	46.06	23.14
	3,233.27	**2,988.93**

(in INR crores)

14 Share capital

	31 March 2024	31 March 2023
Authorized		
25,00,00,00,000 (31 March 2023: 25,00,00,00,000) equity shares of INR 10 each	25,000.00	25,000.00
	25,000.00	**25,000.00**
Issued, subscribed and paid-up[1]		
20,119,162,749 (31 March 2023: 20,119,162,749) equity shares of INR 10 each fully paid up	20,119.16	20,119.16
	20,119.16	**20,119.16**

[1] All issued shares are fully paid up

a) Reconciliation of equity shares and share capital outstanding at the beginning and at the end of the reporting year

	31 March 2024		31 March 2023	
	No. of shares*	**Amount**	**No. of shares***	**Amount**
At the commencement of the year	20,11,91,62,749	20,119.16	20,06,11,76,573	20,061.17
Shares issued for cash	-	-	5,79,86,176	57.99
At the end of the year	**20,11,91,62,749**	**20,119.16**	**20,11,91,62,749**	**20,119.16**

b) Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of Rs 10 per share. Each equity shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets

No dividend has been declared and distributed to equity shareholders during the current year as well as previous year.

c) Details of shares held by the holding and ultimate holding company

	31 March 2024		31 March 2023	
	No. of shares*	**Amount**	**No. of shares***	**Amount**
Equity shares of Rs. 10 each fully paid-up held by TNEB Limited, holding company	20,11,91,12,749	20,119.11	20,11,91,12,749	20,119.11
	20,11,91,12,749	**20,119.11**	**20,11,91,12,749**	**20,119.11**

d) Particulars of shareholders holding more than 5% of equity shares of Rs 10 each fully paid in the Company

	31 March 2024		31 March 2023	
	No. of shares*	**% held**	**No. of shares***	**% held**
Equity shares of Rs. 10 each fully paid-up held by TNEB Limited	20,11,91,12,749	100.00%	20,11,91,12,749	100.00%
	20,11,91,12,749	**100.00%**	**20,11,91,12,749**	**100.00%**

*Shares details are in absolute numbers.

(in INR crores)

e) **Disclosure of Shareholding of Promoters**

	31 March 2024			31 March 2023		
Promoter Name	**No. of shares***	**% held**	**% change**	**No. of shares***	**% held**	**% change**
TNEB Limited **	20,11,91,12,749	100.00%	0.00%	20,11,91,12,749	100.00%	0.29%
	20,11,91,12,749	100.00%	0.00%	20,11,91,12,749	100.00%	0.29%

*Share details are in absolute numbers.

**Balance 50,000 shares representing 0.00025% of total shares are held by other promoters.

15 Other equity

	31 March 2024	31 March 2023
Retained earnings	(1,66,944.33)	(1,62,508.25)
Other reserves	240.79	572.85
	(1,66,703.54)	(1,61,935.40)

15.1 Retained earnings

	31 March 2024	31 March 2023
Opening balance	(1,62,508.25)	(1,51,639.99)
Add: Profit / (loss) for the year	(1,195.78)	(9,192.25)
Add : Remeasurement gain / (loss) of defined benefit plans, net of tax	(3,240.30)	(1,676.01)
Closing balance	-1,66,944.33	-1,62,508.25

15.2 Other reserves

	31 March 2024	31 March 2023
i. House building advance-special family benefit fund scheme		
Opening balance	(0.67)	7.82
Transfer during the year	(0.65)	(8.49)
Closing balance	(1.32)	(0.67)
ii. General reserve		
Opening balance	0.08	0.09
Transfer during the year	-	(0.01)
Closing balance	0.08	0.08
iii. Hydro balancing fund		
Opening balance	563.88	88.64
Transfer during the year	(563.88)	475.24
Closing balance	-	563.88
iv. Other reserves		
Opening balance	9.56	-
Transfer during the year	232.47	9.56
Closing balance	242.03	9.56

Notes:

i. Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013. No dividends were distributed given the accumulated losses incurred by the Company.

ii. Hydro balancing fund is created (when the hydro generation in a particular year exceeds 25% plant load factor ('PLF')) to meet any financial loss arising on account of increase in quantum of power purchase due to adverse monsoon resulting in reduction in hydro generation.

iii. Other reserves includes an amount of 1% deducted as insurance from each instalment of the house building advance provided to employees. The amount deducted will be utilized when an employee defaults in the repayment of his dues due to unforeseen circumstances.

(in INR crores)

16 Non-current financial liabilities - borrowings

	31 March 2024	31 March 2023
Redeemable non convertible bonds (secured)	328.50	2,266.04
	328.50	**2,266.04**
Term loans		
Secured		
From financial institutions	25,997.22	28,994.03
From banks	-	-
From government	-	-
Unsecured		
From banks	8,358.95	8,351.65
From financial institutions	72,846.51	62,261.48
From government	3,993.10	4,558.00
	1,11,195.77	**1,04,165.16**
	1,11,524.27	**1,06,431.20**

17 Non-current financial liabilities - others

	31 March 2024	31 March 2023
Payable to employees	8,609.04	8,862.02
Upfront lease rent received	10.58	11.38
	8,619.61	**8,873.40**

18 Provision - non-current

	31 March 2024	31 March 2023
Provision for employment benefits (refer note 35)	41,971.27	39,398.59
	41,971.27	**39,398.59**

19 Other non-current liabilities

	31 March 2024	31 March 2023
Deferred revenue*	3,547.03	3,063.54
	3,547.03	**3,063.54**

Notes*

Deferred revenue includes unamortized portion of government grant received. This amount will be recognized as revenue corresponding to the depreciation charge in future years. The amount does not constitute a liability to be discharged in future periods and hence, it has been disclosed separately from equity and liabilities. The Company has the following government grants:

a. INR 950.57 crores (31 March 2023: INR 971.24 crores) received from Government of India under integrated power development scheme for integrated power development scheme for strengthening of sub-transmission and distribution system in rural areas.

b. INR 526.12 crores (31 March 2023: INR 533.38 crores) received from Government of India under Deendayal Upadhyaya Gram Jyothi Yojana Scheme for separation of agriculture and non-agriculture feeders, strengthening and augmentation of sub-transmission and distribution network and rural electrification.

c. INR 35.43 crores (31 March 2023: INR 39.53 crores) received from Government of India under Rajiv Gandhi Gram Vikas Yojana for rural electrification.

d. INR 130.52 crores (31 March 2023: INR 137.49 crores) received from Government of Tamil Nadu under dam rehabilitation and improvement project for improving the safety and operational performance of selected existing dams in the state of Tamil Nadu.

e. INR 152.31 crores (31 March 2023: INR 152.31 crores) received from Government of India, Ministry of Power under R-APDRP-Part-A, SCADA project for strengthening of sub-transmisssion & distribution network in urban areas including provisioning of solar panels and metering and IT enablement of distribution sector.

f. INR 5.02 crores (31 March 2023: INR 5.02 crores) received from Government of Tamil Nadu for reallocation of the energy conservation activities from electrical inspectorate as per the Energy Conservation Act 2001.

g. INR 21.18 crores (31 March 2023: INR 26.72 crores) received from Government of Tamil Nadu as interest free loan.

h. INR 3.10 crores (31 March 2023: INR 3.33 crores) received from NTECL for cooling water system.

i. INR 1206.37 crores (31 March 2023) represent amount collected from consumers for which the related work is yet to be completed.

(in INR crores)

20 Current financial liabilities - borrowings

	31 March 2024	31 March 2023
Current maturities of long term borrowings	23,881.99	23,778.28
Secured		
Bill of exchange discounted with banks	7,125.27	5,131.42
Cash credit from banks	4,222.83	5,860.82
Term loans		
From financial institutions	2.85	
Unsecured		
Term loans		
From financial institutions	33,888.81	23,360.26
	69,121.76	**58,130.78**

Term loans and working capital loans are secured by the mortgage on fixed assets and hypothecation of current assets of the Company.

21 Financial liabilities - Trade payables

	31 March 2024	31 March 2023
Trade payables for goods and services	34,241.36	33,944.98
Trade payables for expenses	1,889.89	9,794.67
	36,131.25	**43,739.65**

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 41.

	31 March 2024	31 March 2023
Due to micro, small and medium enterprises (refer note 43)	61.55	130.16
Dues to others	36,069.70	43,609.49
	36,131.25	**43,739.65**

The Company is in the process of collating all the relevant data required to be disclosed in the financial statements.

22 Other financial liabilities

	31 March 2024	31 March 2023
Deposits*	25,541.48	22,615.02
Employee benefits payable	2,626.66	2,749.29
Government subsidy refundable	15.49	287.99
Administrative expenses payable to UMPPs	38.96	38.96
Upfront lease rent received	0.81	0.81
	28,223.39	25,692.07

*Deposits include INR 71.42 crores representing 10% of the total project cost of INR 1,241.15 crores received from sugar mills for setting up of co-generation plants.

However, no Ind AS impact has been given with respect to the accounting for assets and liabilities pertaining to sugar mills in the first Ind AS financial statements of the Company, since the co-generation projects are jointly developed and run by TANGEDCO, co-operative sugar mills and public sector sugar mills. The accounting impact on this arrangement will be arrived after mutual discussion among the concerned departments of GoTN.

The Company's exposure to liquidity risks related to other financial liabilities is disclosed in Note 41.

23 Provisions

	31 March 2024	31 March 2023
Provision for employee benefits	4,737.14	3,669.30
	4,737.14	**3,669.30**

Disclosures as per Ind AS 19 'Employee benefits' are provided in Note 35.

24 Other current liabilities

	31 March 2024	31 March 2023
Statutory liabilities	1,062.34	4,732.28
Inter-unit balances	534.35	1,258.44
Advance from customers	379.05	294.30
Others	15.93	16.24
	1,991.67	**6,301.26**

(in INR crores)

16A Details of terms and repayment schedule

Particulars	Tenor (in months)	Year of maturity	31 March 2024	31 March 2023
Bonds or debentures (unsecured)				
731 units (31 March 2023 : 731 units) TANGEDCO Bond Series-3/2016-17, 9.25% Secured, Redeemable Non Convertible bonds (Face value of INR 1,000,000 each)	120	27.03.2027	73.28	73.19
400 units (31 March 2023 : 400 units) TANGEDCO Bond Series-2/2016-17, 9.70% Secured, Redeemable Non Convertible bonds (Face value of INR 1,000,000 each)	120	24.12.2026	42.06	41.02
500 units (31 March 2023 : 500 units) TANGEDCO Bond Series-2/2015-16, 10.00% Secured, Redeemable Non Convertible bonds (Face value of INR 1,000,000 each)	120	08.02.2026	36.02	50.71
5,018 units (31 March 2023 : 5,018 units) TANGEDCO Bond Series-3/2014-15, 9.00% Secured, Redeemable Non Convertible bonds (Face value of INR 1,000,000 each)	120	11.06.2025	370.66	515.41
1,000 units (31 March 2023 : 1,000 units) TANGEDCO Bond Series-2/2014-15, 9.20% Secured, Redeemable Non Convertible bonds (Face value of INR 1,000,000 each)	120	18.12.2024	408.24	696.47
1,000 units (31 March 2023 : 1,000 units) TANGEDCO Bond Series-1/2014-15, 9.72% Secured, Redeemable Non Convertible bonds (Face value of INR 1,000,000 each)	120	16.07.2024	370.03	635.12
Nil (31 March 2023 : 6,263 units) TANGEDCO Bond Series-1/2013-14, 10.50% Secured, Redeemable Non Convertible bonds (Face value of INR 1,000,000 each)	120	10.02.2024	-	254.12
			1,300.29	**2,266.04**

(in INR crores)

Particulars	Interest rate	Tenor (In years)	31 March 2024	31 March 2023
Term loans				
Secured				
a. from financial institutions				
Pradhan Mantri Gramodaya Yojana ("PMGY")	10.5% to 12%	20 years	4.22	4.85
Accelerated Power Development and Reform Programme ("APDRP")	9% to 12.5%	20 years	2.85	12.54
Rural Electrification Corporation Limited ("REC Ltd.")	10.35% to 12.75%	1 to 20 years	17,274.53	16,813.29
Power Finance Corporation Ltd. ("PFC")	10.3% to 12.65%	12 to 20 years	6,446.41	11,611.83
Housing and Urban Development Corporation ("HUDCO")	9% to 10%	15 years	583.58	656.39
Tamil Nadu Power Finance & Infrastructure Development Corporation Ltd. ("TNPFC")	9.00%	3 to 7 years	-	122.83
Rajiv Gandhi Grameen Vidyutikaran Yojana ("RGGVY")	10.50%	9 years	0.48	0.58
Deen Dayal Upadhyaya Gram Jyoti Yojana ("DDUGJY")	11.00%	11 years	266.54	293.47
Integrated Power Development Scheme ("IPDS")	10.63%	15 years	427.36	472.77
Indian Renewable Energy Development Agency Limited ("IREDA")	10.34% to 11.60%	2 years	-	-
Restructured Accelerated Power Development & reforms Program ("R-APDRP) PART - A	12%	20 years	-	-
Restructured Accelerated Power Development & reforms Program ("R-APDRP) PART - B	9.75% to 11.5%	15 to 20 years	1,107.46	1,306.42
			26,113.43	31,294.97
Unsecured				
a. from banks				
Medium term loan	7% to 13%	2 to 7 years	12,792.64	12,601.67
			12,792.64	12,601.67
b. from financial institutions				
National Bank for Agriculture and Rural Development ("NABARD")	10.75%	10 years	-	-
Rural Electrification Corporation Limited ("REC Ltd.")	10.5% to 11%	7 to 11 years	33,116.90	21,491.29
Power Finance Corporation Ltd. ("PFC")	10.75% to 12.15%	5 to 12 years	36,507.75	23,396.96
Housing and Urban Development Corporation ("HUDCO")	9.75% to 12.25%	14 to 16 years	3,978.38	2,494.04
Tamil Nadu Power Finance & Infrastructure Development Corporation Ltd. ("TNPFC")	9% to 11%	3 to 7 years	46,293.93	27,997.29
Indian Renewable Energy Development Agency Limited ("IREDA")	10.50% to 11.60%	10 years	2,330.00	301.35
Restructured Accelerated Power Development & reforms Program ("R-APDRP) PART - B	9.75% to 11.5%	15 to 20 years	665.23	665.23
Tamilnadu Industrial Investment Corporation ("TIIC")	9.65%- 11%	2 years	225.00	200.03
			1,23,117.19	76,546.19
c. from government				
Government of Tamil Nadu	0% to 10.50%	10 years	2,444.64	4,796.00
Ways and means	12.60% to 13.30%	10 years	-	1,855.66
			2,444.64	6,651.66

Tamil Nadu Power Distribution Corporation Limited
(formerly known as Tamil Nadu Generation and Distribution Corporation Limited)
Notes to the financial statements for the year ended 31 March 2024

(in INR crores)

25 Revenue from operations

	Year ended 31 March 2024	Year ended 31 March 2023
Sale of power - Low tension ('LT') supply	34,213.33	28,946.75
Sale of power - High tension ('HT') supply	24,875.53	22,316.60
Government grants		
- Tariff subsidy from government	14,976.46	13,783.68
- Other revenue grants received from government	17,129.76	12,688.47
Wheeling charges	994.72	535.19
Other operational income		
- Income from other services provided to customers	1,876.75	1,584.92
- Estimate charges	198.43	101.05
- Reconnection charges	82.88	41.98
- Meter rent charges	49.61	40.46
- Service connection charges	46.70	20.28
- Miscellaneous revenue	1,337.26	798.39
	95,781.42	80,857.77

26 Other income

	Year ended 31 March 2024	Year ended 31 March 2023
Interest income	188.02	216.64
Dividend Income	282.43	378.56
Income from sale of scrap	230.39	198.93
Recoveries from consumers	107.39	83.42
Amortization of capital grants	44.56	44.56
Net gain on foreign exchange transactions	0.01	-
Miscellaneous receipts	2,249.57	620.03
	3,102.39	1,542.14

27 Cost of power purchases

	Year ended 31 March 2024	Year ended 31 March 2023
Central generating sources	18,579.89	19,434.73
Traders & exchanges	21,841.18	17,543.97
Transmission charges	7,309.89	8,370.85
Non-conventional energy sources	4,907.91	3,940.75
Independent power producers	2,937.99	1,904.84
Co- Gen power purchase	314.97	264.68
	55,891.83	51,459.82

The power purchase cost includes late payment surcharge (LPSC) for delay in payments if any

(in INR crores)

28 Cost of power generation

	Year ended 31 March 2024	Year ended 31 March 2023
Raw materials consumed	11,832.64	10,540.56
Direct expenses at generating stations	119.64	81.62
	11,952.28	**10,622.18**

29 Employee benefit expenses

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and other allowances	7,858.94	6,074.55
Contribution to provident and other funds	2,358.50	4,871.22
Staff welfare expenses	12.55	11.22
	10,229.99	**10,956.99**

30 Finance costs

	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense	15,480.20	12,379.72
Other borrowing costs	474.56	798.69
Interest paid on contribution to provident and other funds	485.57	272.19
	16,440.34	**13,450.60**

31 Depreciation and amortization expenses

	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation of property, plant and equipment (refer note 4(a))	3,577.34	3,728.69
	3,577.34	**3,728.69**

(in INR crores)

32 Other expenses

	Year ended 31 March 2024	Year ended 31 March 2023
Repairs and maintenance		
- Plant & Machinery	1,537.82	965.26
- Buildings	0.61	3.99
- Vehicles	2.81	2.94
- Furniture	0.54	0.49
- Office Equipment	2.74	2.90
Security charges	82.04	103.92
Electricity charges	50.93	38.11
Travelling and conveyance	36.88	36.16
Telephone and communication	23.78	31.04
Legal and professional charges	40.29	25.03
Rent	18.12	24.49
Bad debts written off		18.28
Office related expenses	15.99	15.06
Rates and taxes	12.01	15.16
Net loss on foreign exchange transactions		11.35
Insurance	1.48	7.52
Audit Fees (refer Note 32i))	0.81	2.21
Stores related expenses	5.81	0.20
Provision For bad and doubtful debts	44.94	0.17
Penal Interest	0.48	-
Miscellaneous expense	109.76	69.60
	1,987.81	1,373.88

(i) Payment to auditors

	Year ended 31 March 2024	Year ended 31 March 2023
As auditor:		
Statutory audit fees	0.59	0.90
Tax audit fees	0.06	0.05
Other services	0.10	1.17
Reimbursement of expenses	0.06	0.09
	0.81	2.21

33 Tax expense

	Year ended 31 March 2024	Year ended 31 March 2023
Current tax	-	-
Deferred tax (refer note 36)	-	-
	-	-

(in INR crores)

34 Earnings per share

The shares issued by the Company are non-dilutive in nature. Hence, the Company's basic and diluted earnings per share are same.

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

i. Profit (loss) attributable to equity shareholders (basic and diluted)

	Year ended 31 March 2024	Year ended 31 March 2023
Profit (loss) for the year, attributable to the equity holders	(1,195.78)	(9,192.25)

ii. Weighted average number of equity shares (basic and diluted)

	Year ended 31 March 2024	Year ended 31 March 2023
Opening balance of issued equity shares	20,11,91,62,749	20,06,11,76,573
Shares issued during the year	-	5,79,86,176
Closing balance of issued equity shares	20,11,91,62,749	20,11,91,62,749
Weighted average number of equity shares for the year	20,11,91,62,749	20,08,34,36,718
Basic and diluted earnings per share (in INR)	(0.59)	(4.58)

(in INR crores)

35 Assets and liabilities relating to employee benefits

	Non-Current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Provision for employee benefits:				
Provision for gratuity	2,161.67	2,389.12	396.93	213.58
Provision for staff pension	36,185.71	34,332.68	3,919.11	3,027.92
Liability for compensated absences	3,623.90	2,676.79	421.10	427.80
	41,971.27	**39,398.59**	**4,737.14**	**3,669.30**
Employee benefits liability:				
Contributory pension scheme	558.46	238.16	80.90	80.91
	558.46	**238.16**	**80.90**	**80.91**
Total employee benefit liabilities	**42,529.73**	**39,636.75**	**4,818.04**	**3,750.21**

A Defined contribution plan

Employees who have joined the Company on or after 1 April 2003 are covered under contributary pension scheme. The Company makes contributions to the extent of amount not exceeding 10% of basic pay and dearness allowance, in respect of qualifying employees. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognized as an expense towards contribution to pension fund for the year aggregated to INR 316.55 crores (FY 2022-23: INR 261.85 crores)

B Defined benefit plan

i. Gratuity:

The Company operates post-employment defined benefit plans that provide gratuity for those employees joined on or after 1 April 2003. The gratuity plan entitles an employee, who has rendered at least five years of continuous service (not applicable in case of death/disability), to receive 15 days of salary for each year or part thereof in excess of six months of completed service at the time of retirement/exit.

Reconciliation of net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit asset (liability) and its components.

a) Changes in the present value of the defined benefit obligation

Particulars	31 March 2024	31 March 2023
Present value of obligation at the beginning of the year	2,602.70	2,518.62
Current service cost	61.04	67.58
Interest cost	169.05	175.38
Past service cost	-	
Benefits paid	(354.37)	(238.60)
Actuarial (gains) losses on obligations - due to change in demographic assumptions		
Actuarial (gains) losses on obligations - due to change in financial assumptions	17.84	(128.93)
Actuarial (gains) losses on obligations - due to experience	62.35	208.65
Present value of benefit obligation at the end of the year	**2,558.61**	**2,602.70**

b) Expenses recognized in the statement of profit or loss

Particulars	31 March 2024	31 March 2023
Current service cost	61.04	67.58
Net interest cost	169.05	175.38
Past Service cost	-	-
Expenses recognized	**230.09**	**242.96**

c) Expenses recognized in the other comprehensive income (OCI)

Particulars	31 March 2024	31 March 2023
Actuarial (gains) losses on obligation for the year	80.19	79.72
Change in asset ceiling	-	-
Net (income) expense for the year recognized in OCI	**80.19**	**79.72**

d) As at 31 March 2024, the weighted-average duration of the defined benefit obligation is 4.44 years.

(in INR crores)

ii. Pension:

The Company operates post-employment defined benefit plans that provide pension for those employees joined before 1 April 2003. The pension plan entitles an employee, who has rendered at least ten years of continuous service, to receive 15 day's of salary for each year or part thereof in excess of six months of completed service at the time of retirement/exit.

Reconciliation of net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit asset (liability) and its components.

a) Changes in the present value of the defined benefit obligation

Particulars	31 March 2024	31 March 2023
Present value of obligation at the beginning of the year	37,360.60	35,732.23
Current service cost	282.83	321.59
Interest cost	2,622.06	2,633.45
Benefits paid	(3,180.35)	(2,922.98)
Actuarial (gains)/ losses on obligations - due to change in financial assumptions	(9,145.14)	(1,321.93)
Actuarial (gains)/ losses on obligations - due to experience	12,164.83	2,918.22
Present value of benefit obligation at the end of the year	**40,104.82**	**37,360.60**

b) Expenses recognized in the statement of profit or loss

Particulars	31 March 2024	31 March 2023
Current service cost	282.83	321.59
Net interest cost	2,622.06	2,633.45
Expenses recognized	**2,904.88**	**2,955.05**

c) Expenses recognized in the Other Comprehensive Income ('OCI')

Particulars	31 March 2024	31 March 2023
Actuarial (gains)/ losses on obligation for the year	3,019.69	1,596.29
Change in asset ceiling	-	-
Net (income) expense for the year recognized in OCI	**3,019.69**	**1,596.29**

d) As at 31 March 2024, the weighted-average duration of the defined benefit obligation is 16.06 years.

iii. Family security fund:

The Company operates post-employment defined benefit plans that provide insurance. The insurance plan entitles an employee, who has contributed a minimum amount for minimum period, the Company will pay the immediate family an fixed amount on the death of the employee. The Company has not undertaken a separate actuarial valuation in respect of this scheme and has included it as part of pension.

C Actuarial assumptions are as under

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	31 March 2024		31 March 2023	
	Gratuity	Pension	Gratuity	Pension
Expected return on plan assets	0.00%	0.00%	0.00%	0.00%
Discount rate (per annum)	7.15%	7.20%	7.31%	7.52%
Rate of salary increase	3.00%	3.00%	5.00%	5.00%
Rate of employee turnover	1.00%	1.00%	1.00%	1.00%

ii. Sensitivity analysis

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

Particulars	31 March 2024		31 March 2023	
	Gratuity	Pension	Gratuity	Pension
Projected benefit obligation on current assumptions:				
Delta effect of +1% change in discount rate	(103.10)	(2,683.04)	(140.80)	(3,481.24)
Delta effect of -1% change in discount rate	122.75	3,780.96	148.01	3,476.71
Delta effect of +1% change in rate of salary increase	57.80	649.43	75.21	672.44
Delta effect of -1% change in rate of salary increase	(60.31)	(499.20)	(63.76)	(614.78)
Delta effect of +1% change in rate of employee turnover	-	-	0.31	(664.82)
Delta effect of -1% change in rate of employee turnover	-	-	(0.60)	329.80

(in INR crores)

36 Income Tax

A Amounts recognized in the Statement of Profit and Loss

	31 March 2024	31 March 2023
Current tax	-	-
Deferred tax expense/ (income)	(2,078.22)	(240.21)
Reversal of Deferred tax expense/ (income) (refer note B below)	2,078.22	240.21
Tax expense for the year	-	-

B Movement in deferred tax balances

31 March 2024

Particulars	Opening balance	Recognized in profit or loss	Recognized in OCI	Closing balance
Tax effect of items constituting deferred tax liabilities				
Property, plant and equipment	10,809.42	- 1,614.46	-	9,194.96
Other remeasurements including prior period corrections	-	-	-	-
	10,809.42	**(1,614.46)**	**-**	**9,194.96**
Tax effect of items constituting deferred tax assets				
Provision on employee benefits	(11,862.08)	(1,124.26)	-	(12,986.34)
Remeasurement gain on defined benefit obligation	(3,573.54)	-	(1,010.98)	(4,584.52)
Carry forward losses	(38,620.48)	639.41	-	(37,981.07)
Other Ind AS adjustments	(21.09)	21.09	-	-
Disallowance u/s 43B	-	-	-	-
	(54,077.19)	**- 463.76**	**(1,010.98)**	**(55,551.93)**
Net tax (assets) / liabilities	**(43,267.77)**	**(2,078.22)**	**(1,010.98)**	**(46,356.97)**

(in INR crores)

	31 March 2023			
Particulars	**Opening balance**	**Recognized in profit or loss**	**Recognized in OCI**	**Closing balance**
<u>Tax effect of items constituting deferred tax liabilities</u>				
Property, plant and equipment	10,277.01	532.41	-	10,809.42
Other remeasurements including prior period corrections	1,049.49	- 1,049.49	-	-
	11,326.50	**- 517.08**	-	**10,809.42**
<u>Tax effect of items constituting deferred tax assets</u>				
Provision on employee benefits	(11,459.79)	(402.29)		(11,862.08)
Remeasurement gain on defined benefit obligation	(3,050.63)		(522.91)	(3,573.54)
Carry forward losses	(38,862.62)	242.14		(38,620.48)
Other Ind AS adjustments	- 438.22	417.13		(21.09)
Disallowance u/s 43B	(19.89)	19.89		-
	(53,831.15)	**276.87**	**(522.91)**	**(54,077.19)**
Net tax (assets) / liabilities	**(42,504.65)**	**(240.21)**	**(522.91)**	**(43,267.77)**

*The Company has recognized deferred tax asset only to the extent of deferred tax liability. Since the deferred tax asset is more than deferred tax liability and there is no probable future taxable profits which will be available against which such net deferred tax asset shall be utilized, the Company has not recognized any deferred tax assets in its books.

(in INR crores)

37 Disclosure as per Ind AS 116

(A) Company as Lessee

The Company's significant leasing transactions are in respect of the following assets:

(a) Lease of land in Tuticorin Port Trust for construction of Thermal power plant, additional road, TTPS guest house, residential quarters for employees, internal coal handling system for stage III expansion and cooling water system. The lease term is for a period of 30 years which can be further extended at mutually agreed terms subject to escalation of lease rentals.

(b) The Company has leasehold land arrangements for 99 years with notional lease payments of INR 1 per annum or in some cases, the Company incurs only maintenance charges in respect of the land while no lease payments are actually made for such assets. Premises for residential use of employees on lease for a period of 3 years which can be renewed on mutually agreeable terms. The lessor generally incurs amount on improvements, repairs and maintenance.

(c) The Company is currently using land and building belonging to TNEB Limited (holding company) for its head office and branch offices on free of cost basis.

(a) Operating Leases

The Company had entered into agreement with NTECL granting the right to use land in Vallur for construction of township for the employees of NTECL and land situated in NCTPS for occupation of permanent structures i.e., coal conveyor, make up water pipeline corridor and make up water pump house. The Company has classified and accounted for this arrangement as operating lease based on the principles enunciated in para 61 of Ind AS 116. The lease term is for a period of thirty years from the date of transfer.

The Company also provides accommodation to employees in the case of transfer to another location or for the employees working in remote locations. The accommodation can be used by these employees during their tenor of employment and the Company charges rent for the same. The rental amount is determined based on the house rent allowance applicable to the employees. The Company has classified this arrangement as operating lease based on the principles enunciated in para 62 of Ind AS 116.

The following are the amounts recognized in Statement of Profit and Loss:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Lease income	51.60	63.39
Income relating to variable lease payments not dependent on index or rate	-	-

(in INR crores)

Financial Instruments Disclosures

38 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital and it manages its capital to ensure that it will be able to continue as going concern while attaining breakeven through optimized utilization of capital.

The Company determines the amount of capital required on the basis of annual master planning, budgeting and corporate plan for working capital, capital outlay and long-term product and strategic involvements. The funding requirements are met through equity, internal accruals and
long-term borrowings.

The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

The capital structure is as follows:

Particulars	31 March 2024	31 March 2023
Total liabilities	3,05,867.40	2,95,299.79
Less: Cash and cash equivalents	4,497.12	11,130.07
Adjusted net debt (A)	3,01,370.28	2,84,169.72
Total equity (B)	(1,46,584.38)	(1,41,815.03)
Gearing Ratio (A/B)	**(2.06)**	**(2.00)**

39 Financial instruments by category

Particulars	31 March 2024			31 March 2023		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial assets						
Trade receivables	-	-	10,144.17	-	-	8,391.19
Cash and cash equivalents	-	-	4,497.12	-	-	11,130.07
Other financial assets	-	-	21,702.74	-	-	18,888.32
Total assets	**-**	**-**	**36,344.03**	**-**	**-**	**38,409.58**
Financial liabilities						
Borrowings	-	-	1,80,646.03	-	-	1,64,561.98
Trade payables	-	-	36,131.25	-	-	43,739.65
Other financial liabilities	-	-	28,223.39	-	-	25,692.07
Total liabilities	**-**	**-**	**2,45,000.68**	**-**	**-**	**2,33,993.70**

40 Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs 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).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

For all of the Company's assets and liabilities which are not carried at fair value, disclosure of fair value is not required as the carrying amounts approximates the fair values.

41 Financial risk management

The Company's risk management activities are managed, directed and controlled by the Board of Directors of the Company. The Management ensures appropriate risk governance framework for the Company through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Company's principal financial liabilities, comprises of borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include investments, trade and other receivables, and cash and cash equivalents.

(in INR crores)

The company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

Risk	Exposure arising from	Management
Credit Risk	Trade receivable, unbilled revenue, cash and cash equivalents and other financial assets	The Company is a significant power generator and sole distributor of power in the state of Tamil Nadu, whose services are provided to various category of consumers. There are certain Generators utilizing open access facility to the HT consumers in which case TANGEDCO does not have any collection responsibility. The Company has robust collection and as a means of mitigating the risk of financial losses from default, the Company collects security deposits in proportion to average current consumption charges of HT and LT category of customers. In case receivables overdue beyond the contracted period, the service gets terminated and dues are appropriated from the available security deposit of the respective customer. Further, other financial assets comprises security deposits collected, employee loans, unbilled revenue and subsidy receivable from government which is provided through budget. Further, credit risk on receivables from TANTRANSCO is considered nil since it is the entity under the control of same parent and is a state owned entity. The cash and cash equivalents of the Company are held with creditworthy financial institutions. Based on the above, the Company's exposure to credit risk is minimal. Accordingly, the Company has taken the simplistic approach and has recognised a impairment loss of 2.5% of the total trade receivable.
Market risk - foreign currency risk	Financial liabilities denominated in foreign currency	The Company has only limited exposure to foreign currency currently, as the project liability are funded from reputed financial institutions and settled at regular due dates. Hence the company does not have any material risk on account of foreign exchange fluctuations.
Market risk - interest rate risk	Interest rate risk on borrowings	The borrowings of the Company though are primarily at fixed rate of interest which resets are specified intervals and hence the Company is exposed to limited interest risks in this regard. Further, the Company regularly monitors its borrowing arrangements with all its lenders to ensure that the Company gets funding at the prevailing market rates.
Liquidity Risk	Borrowings and other liabilities	The Company's board regularly monitors the liquidity position of the Company and takes proactive measures to ensure that the Company meets all business and financial commitments are on time. Further, the Company has credit lines with reputed financial institutions to mitigate any unplanned events. The Company's sources of liquidity includes operating cash flows, cash and cash equivalents, fund and non-fund based lines from banks. The Company does not maintain plan assets in respect of the employee benefits liability. Since the Company's employee benefit schemes are unfunded, the Company bears liquidity risk to this extent. Further, the GoTN sanctions funding towards certain portion of losses incurred by the company which helps the Company in mitigating liquidity risk.

(in INR crores)

A Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from trade receivables, loans & advances, cash & cash equivalents and deposits with banks and financial institutions. Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans and other financial instruments. Investments in liquid plan/schemes are with public sector Asset Management Companies having highest rating. For banks, only high rated banks are considered for placement of deposits. Bank balances are held with reputed and creditworthy banking institutions.

Exposure to credit risk

Impairment losses on financial assets recognized in profit or loss were as follows.

Particulars	31 March	31 March
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)	-	-
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)	260.11	215.16
Non- current financial assets		
(i) Other financial assets	56.58	56.58
	316.69	271.74

(i) Provision for expected credit losses (ECL)

a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, the Company has taken the simplistic approach and has recognised a impairment loss of 2.5% of the total trade receivable.

b) Financial assets for which loss allowance is measured using life time expected credit losses

The Company has customers (including State government entities) with capacity to meet the obligations and therefore the risk of default, loss given default is negligible since the Company receives security deposit from customers which is available for set off against outstanding dues. Further, in the view of the Company dues are collectible in full and hence, the Company has taken the simplistic approach and has recognised a impairment loss of 2.5% of the total trade receivable.

(ii) Ageing of trade receivables

The ageing analysis of the trade receivables is as below:

Ageing	Not due	0-30 days	31-60 days	61-90 days	91-180 days	181 - 365 days	more than 365 days
Gross carrying amount as at 31 March 2024	2,002.03	196.69	159.40	145.67	371.29	485.07	1,305.46
Gross carrying amount as at 31 March 2023	1,752.51	169.83	126.56	109.95	262.39	399.35	1,483.72

(in INR crores)

B Liquidity risk

Liquidity risk is defined as the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company monitors the net liquidity position on the basis of expected cash flows vis-a-vis debt service fulfilment obligation. The Company has sufficient liquidity to meet its obligations. The Company manages liquidity risk by maintaining adequate banking facilities and borrowing facilities/limits. The Company ensures that, it has sufficient liquidity to meet its expected operational expenses including servicing of financial obligations. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2024 and 31 March 2023:

Particulars	31 March 2024				
	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
Long term borrowings*		1,11,524.27			
Short term borrowings*		69,121.76			
Trade payables*		36,131.25			
Other financial liabilities*		28,223.39			

Particulars	31 March 2023				
	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
Long term borrowings*		1,06,431.20			
Short term borrowings*		58,130.78			
Trade payables*		43,739.65			
Other financial liabilities*		25,692.07			

* The Company is in the process of undertaking clean-up activity to reconcile the amounts as per the books of accounts. Hence, the Company has disclosed the maturities of financial liabilities under the 6-12 months bucket.

Market risk **(in INR crores)**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and derivative financial instruments. The analysis exclude the impact of movements in market variables on the carrying values

Interest rate risk

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. Interest rate risk primarily arises from floating rate borrowing, including various revolving and other lines of credit. The Company's borrowings and investments are primarily at fixed rate, which do not

Currency risk

The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates.

The currency profile of financial assets and financial liabilities as at 31 March 2024 and 31 March 2023 are as below:

Particulars	31 March 2024		31 March 2023	
	Foreign currency (in crores)	in INR crores	Foreign currency (in crores)	in INR crores
Foreign currency liabilities				
In USD	-	-	-	-
In EURO	-	-	-	-

Other market price risk

The Company does not have any financial asset/liability which has a quoted market price available and hence there is no market price risk involved.

(in INR crores)

42 Disclosure as per Ind AS 115, 'Revenue from contracts with customers'

A Disaggregation of revenue

The Company does not disaggregate revenue between generation and distribution.

B Contract balances

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are transferred to unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

The following table provides information about trade receivables, unbilled revenue and advances from customers / payable to beneficiaries:

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	Current	Non-current	Current	Non-current
Trade receivables	10,144.17	-	8,391.19	-
Unbilled revenue	1,955.16	-	2,249.73	-
Advance from customers	129.26	-	159.50	-

43 Information in respect of micro and small enterprises as at 31 March 2024 as required by Schedule III of Companies Act, 2013 and Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	31 March 2024	31 March 2023
Principal amount remaining unpaid	61.55	130.16
Interest due thereon*	-	-
The amount of Interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the year	-	-
The amount of interest accrued and remaining unpaid	-	-
The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid	-	-

* The Company has defaulted in the payment to MSME vendors within the stipulated time under the MSME Act. However, the interest liability on account of belated payment could not be assessed by the Company for the purpose of the above disclosure.

44 Corporate Social Responsibility Expenses (CSR)

As per Section 135 of the Companies Act, 2013, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. A CSR committee has been formed by the Company as per the Act. The funds were primarily utilized through the year on the activities specified in Schedule VII of the Companies Act, 2013:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(i) Amount required to be spent during the year	-	-
(ii) Amount spent during the year on	10.84	
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above		-
- Plantation of tree saplings at several villages	-	-
- Prevention of COVID-19	-	-
- Donation/ compensation paid to fishermen	-	-
- Construction of wall, approach road and pipe culvert	10.84	-
(iii) Shortfall at end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	-	-
(vi) Nature of CSR activities		
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision.	-	-

(in INR crores)

45 Related parties

i) Parent and ultimate controlling party
TNEB limited

ii) Fellow subsidiary
Tamil Nadu Transmission Corporation Limited (TANTRANSCO), TNPGCL, TNGECL

iii) Subsidiary company
Udangudi Power Corporation Limited (UPCL)

iv) Joint venture entities
Maha Tamil Collieries Limited (MTCL)
NTPC Tamil Nadu Energy Company Ltd (NTECL)
Mandakini B Coal Corporation Limited (MCCL)

v) Associate companies
NLC Tamil Nadu Power Limited (NTPL)

vi) Key Managerial Personnel and their relatives

Chairman cum managing director
Thiru.Rajesh Lakhoni, IAS - Chairman cum Managing Director (from 1 April 2023 to 31 March 2024)

Joint managing director
Vishu Mahajan - Joint Managing Director (9 September 2023 to Present)

Managing director
Thiru.R.Manivannan - Managing director (from 16 December 2022 to 30 June 2023)
Thiru.M.Ramachandran (from 28 August 2023 to 31 March 2024)

Directors
Tmty.K.Malarvizhi - Director (Finance) (7 April 2023 to 22 Aug 2023) (FAC)
(23 Aug 2023 to present)
Er.Thiru M.Sivalingarajan - Director (Distribution) (19 January 2022 to 30 June 2023)
Thiru.R.Manivannan - Director (Distribution) (30 June 2023 to 13 March 2024)
Er.Thiru.D.Rajendran - Director (Generation) (16 December 2022 to 13 March 2024)
Thiru.M.Ramachandran - Director (Project) (19 November 2022 to 30 June 2023)
Tmty.N.Umadevi - Director (Project) (18 November 2023 to 29 June 2024)
Thiru.Ajoy Choudhury - Director (Finance/REC Ltd) (09 September 2023 to 06 February 2024)
Shri.TSC Bosh - Director (Finance / REC Ltd) (06 February 2024 to Present)
Thiru.Rajesh Kumar Shahi - Director /PFC (18 November 2023 to 13 March 2024)
Shri.Saurav Kumar Shah - Director / PFC (13 March 2024 to Present)

Chief Financial Controller/ IND AS
Tmty.V.Savitha (12 May 2022 to Present)

Chief Financial Controller/ General
Tmty.K.Malarvizhi (1 April 2023 to 16 April 2023)
Tmty.V.Rajeshwari (17 April 2023 to 23 April 2023)
Tmty.K.Malarvizhi (24 April 2023 to 3 July 2023) (FAC)
Thiru. K.Balakrishnan (3 July 2023 to 26 Feb 2024) (FAC)
(27 Feb 2024 to 31 Mar 2024)

Company secretary
Thiru.D. Suresh Kumar (1 April 2022 to Present)

Entities under the control of the same government
The Company is a State Public Sector Undertaking (SPSU) controlled by Government of Tamil Nadu by holding majority of shares in the Company's parent entity. Pursuant to Paragraph 25 and 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. Transactions with these parties are carried out at market terms at arm length basis. The Company has applied the exemption available for government related entities and have made disclosures accordingly in the financial statements.

b. Transactions with key management personnel

i. Key management personnel compensation*

	Transaction value	
	Year ended 31 March 2024	Year ended 31 March 2023
Short-term employee benefits	1.80	2.72
Post-employment defined benefit	-	-
Other long term benefits	-	-
Termination benefits	-	-
Sitting fees	-	-
	1.80	**2.72**

*Does not include post employment benefits and other long term employee benefits based on actuarial valuation since the actuarial valuation is undertaken for the Company as a whole.

(in INR crores)

c. Transactions with subsidiaries, associates and joint ventures

Name of the related party	Nature of transaction by the Company	Year ended 31 March 2024	Year ended 31 March 2023
TNEB Limited	Reimbursement of expenses	10.98	18.93
	Recovery of expenses	54.20	6.30
	Sharing of holding company	1.85	4.82
Tamil Nadu Transmission Corporation Limited	Payment of transmission charges	4,128.05	3,167.34
	Reimbursement of expenses	-	1.34
	Recovery of expenses	1,148.08	932.55
	Reimbursement of pension	552.61	487.16
Udangudi Power Corporation Limited	Reimbursement of expenses	2.41	2.41
NLC Tamil Nadu Power Limited	Power purchase	1,100.33	1,344.21
	Dividend	7.22	1.20
NTPC Tamil Nadu Energy Company Ltd	Power purchase	3,120.57	3,778.86
	Dividend	275.21	366.53
		10,401.51	**10,111.65**

d. Transactions with the related parties under the control of the same government

Name of the related party	Nature of transaction by the Company	Year ended 31 March 2024	Year ended 31 March 2023
Tamilnadu Power Finance Corporation (TNPFC)	Loan Sanction, disburse and settlement	46,293.93	45,850.84
Poombukar Shipping Corporation (PSC)	Chartering of Ships, bunkering port handling charges of Coal	-	289.67
		46,293.93	**46,140.51**

e. Outstanding balances including commitments with related parties are as follows

Name of the related party	Nature of relationship	31 March 2024	31 March 2023
Udangudi Power Corporation Limited	Subsidiary	33.50	35.50
Tamil Nadu Transmission Corporation Limited	Fellow subsidiary	11,607.48	10,443.19
NTPC Tamil Nadu Energy Company Ltd	Joint venture	1,452.29	1,823.10
NLC Tamil Nadu Power Limited	Associate	274.76	352.22
		13,368.03	**12,654.01**

f. Details of any guarantees given or received

The Company has taken guarantee from GoTN for certain term loans and non-convertible bonds issued on private placement basis. The GoTN charges a guarantee fee of 0.5% p.a. on the outstanding guaranteed amount once in every half year.

The Company has also taken guarantee from State Bank of India with respect to the arbitration dispute against Videocon Power Limited amounting to INR 128 crores as per the directions of the Registrar General of the Madras High Court. The Company pays a guarantee fee of around 3.8% p.a. to the State Bank of India on the guaranteed amount.

g. Terms and conditions of transactions with the related parties:

Transactions with the related parties are made on normal commercial terms and conditions and at market rates.

Post the restructuring of erstwhile Tamil Nadu Electricity Board and TNEB Limited, all the employees of TNEB were transferred to the Company and subsequently some employees were deputed to TANTRANSCO. The post employee benefits except pension of such employees are accounted in the books of the Company.

(in INR crores)

46 Operating segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Board of Directors to make decisions about resources to be allocated to the segments and assess their performance. The Board of Directors is considered to be the Chief Operating Decision Maker (CODM) within the purview of Ind AS 108 *Operating Segments*.

The Company has 3 reportable segments, as described below, which are the Company's strategic business units. These business units offer different services and are managed separately. For each of the business units, the Board of Directors reviews internal management reports on at least a quarterly basis.

The following summary describes the operations in each of the reportable segments:

Reportable segment	Operations
Thermal energy generation (TNPGCL)	Comprises of generation of power from thermal sources (coal, gas and oil) from plants owned and related ancillary services.
Renewable energy generation (TNGECL)	Comprises of non-fossil fuel electricity generation and trading of electrical energy.
Distribution of power (TNPDCL)	Sale of power to high tension and low tension customers through distribution network and related ancillary services.

Information about reportable segments

Particulars	31 March 2024				31 March 2023*		
	Thermal energy generation (TNPGCL)	Renewable energy generation (TNGECL)	Distribution of power (TNPDCL)	Total	Generation of power	Distribution of power	Total
Segment revenue							
External revenue (nature of revenue)	0.52	0.04	95,780.86	95,781.42	-	80,857.77	80,857.77
Revenues from transactions with other operating segments of the same entity (Inter-segment revenue)	16,366.70	1,661.24	-	18,027.94	18,273.36	-	18,273.36
Other income	2,092.46	212.75	775.59	3,080.80	32.55	26.81	59.35
Total segment revenue	**18,459.69**	**1,874.03**	**96,556.45**	**1,16,890.17**	**18,305.91**	**80,884.58**	**99,190.48**
Segment expense							
Cost of power purchase	-		55,891.83	55,891.83		51,459.82	51,459.82
Cost of power generation	11,928.62	14.70	8.97	11,952.29	9,916.65	705.53	10,622.18
Expenses from transactions with other operating segments of the same entity (Inter-segment expense)			18,027.94	18,027.94	-	18,273.36	18,273.36
Employee benefit expenses	1,128.93	396.61	8,704.44	10,229.98	953.93	5,596.09	6,550.02
Finance costs	7,156.24	387.74	8,896.35	16,440.33	4,642.72	8,807.88	13,450.60
Depreciation and amortization	740.84	406.30	2,430.20	3,577.34	1,627.41	2,101.28	3,728.69
Other expenses	1,259.64	130.21	576.38	1,966.23	1,080.55	117.36	1,197.91
Total segmental expense	**22,214.27**	**1,335.56**	**94,536.11**	**1,18,085.94**	**18,221.25**	**87,061.33**	**1,05,282.58**
Total segmental results	(3,754.59)	538.47	2,020.34	(1,195.78)	84.66	(6,176.75)	(6,092.09)
Add/(Less): Unallocable income/(expense) (net)*	-		-		(451.50)	(2,648.66)	(3,100.16)
Segment profit (loss) before income tax							
- Current tax	-		-	-	-	-	-
- Deferred tax	-		-	-	-	-	-
Profit after tax	(3,754.59)	538.47	2,020.34	(1,195.78)	(366.84)	(8,825.41)	(9,192.25)
Other comprehensive income							
Remeasurement of defined benefit plan	(356.43)	(129.61)	(2,754.25)	(3,240.30)	(244.09)	(1,431.92)	(1,676.01)
Income tax relating to items that will not be reclassified to profit or loss (net)	-	-	-	-	-	-	-
Total other comprehensive income for the year	(4,111.02)	408.86	(733.91)	(4,436.08)	(610.93)	(10,257.33)	(10,868.26)

Total comprehensive income for the year

(in INR crores)

Other Information

Particulars	31 March 2024				31 March 2023		
	Thermal energy generation (TNPGCL)	Renewable energy generation (TNGECL)	Distribution of power	Total	Generation of power	Distribution of power	Total
Segment assets	72,865.95	8,179.86	78,237.22	1,59,283.03	86,295.98	64,763.55	1,51,059.53
Unallocated corporate and other assets	-	-			-	-	2,425.23
Total assets	**72,865.95**	**8,179.86**	**78,237.22**	**1,59,283.03**	**86,295.98**	**64,763.55**	**1,53,484.76**
Segment liabilities	1,11,160.87	9,026.81	1,85,679.72	3,05,867.40	80,678.87	1,71,553.03	2,52,231.90
Unallocated corporate and other liabilities	-	-			-	-	43,067.89
Total liabilities	**1,11,160.87**	**9,026.81**	**1,85,679.72**	**3,05,867.40**	**80,678.87**	**1,71,553.03**	**2,95,299.79**

B. Information about geographical areas

The geographical information analyses the Company's revenues and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, revenue has been based on the geographic location of customers and non-current assets have been based on the geographical location of the assets. Since the Company is in the business of generation and distribution of power within the state of Tamil Nadu, all revenue are domestic and all non-current assets are situated in India only.

* Please note that previous year figures are not restated to correspond to the current year segments.

(in INR crores)

47 Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'

The amount of exchange differences (net) debited to the Statement of Profit and Loss during the year is INR 0.0149 crores (FY 2022-23: INR 11.35 crores).

48 Disclosure as per Ind AS 23 'Borrowing Costs'

Borrowing costs capitalized during the year is INR 3,907.98 crores (FY 2022-23: INR 4,288.93 crores)

49 Disclosure as per Ind AS 27 'Separate financial statements'

a) Investment in subsidiary companies:

Company name	Country of incorporation	Proportion of ownership interest (in %)	
		31 March 2024	31 March 2023
Udangudi Power Corporation Limited (UPCL)	India	100.00	100.00

b) Investment in joint venture companies:

Company name	Country of incorporation	Proportion of ownership interest (in %)	
		31 March 2024	31 March 2023
Maha Tamil Collieries Limited (MTCL)	India	74.00	74.00
NTPC Tamil Nadu Energy Company Ltd (NTECL)	India	50.00	50.00
Mandakini B Coal Corporation Limited (MCCL)	India	25.00	25.00

c) Investment in associate companies:

Company name	Country of incorporation	Proportion of ownership interest (in %)	
		31 March 2024	31 March 2023
NLC Tamil Nadu Power Limited (NTPL)	India	11.00	11.00

(in INR crores)

50 Commitment and contingent liabilities

S.No.	Particulars	31 March 2024	31 March 2023
I	**Contingent liabilities** ***Claims against the Company not acknowledged as debts in respect of:***		
1	Income tax disputes	0.27	0.30
2	Excise duty, service tax and customs duty related disputes	117.24	4.98
3	Various government disputed dues related to state/ central department or authorities	612.33	357.06
4	Pending resolution of disputes with various suppliers and contractors	82.32	1,790.55
5	Other disputes including claims relating to employees/ ex-employees	7.61	9.81
	Total	**819.77**	**2,162.70**
II	**Commitments**		
1	Estimated amount of contracts remaining to be executed (including projects) on capital account and not provided for	14,948.38	17,632.24

Notes:

1 Relates to short deduction of TDS, penalty, late filing fees etc., which are pending resolution from the Income Tax department.

2 Relates to disputes involving applicability of GST on liquidated damages, training fees, disposal of fly ash etc., which is pending resolution with the Customs Excise and Service Tax Appellate Tribunal ('CESTAT'). Further, the Company has disputes in respect of determination of transaction value of imported goods under the Customs Act, 1962 which is pending before Deputy Commissioner of Customs.

3 Includes water cess, property tax and demand for unpaid lease on use of land pertaining to forest department which are pending settlement with the concerned government authorities/ local bodies.

4 Includes disputes with various suppliers and contractors pertaining to billing disputes, interest on delayed payment of consideration; claim on liquidated damages etc., Further, the Company has various appeals before filed various the Appellate Tribunal for Electricity ('APTEL') for finalization of capital cost.

5 Includes disputes before labor court relating demand of Employees State Insurance contribution, disputes in the recovery of employees provident fund contributions from contract labourers, dispute in the payment of wage arrears to contract labourers etc.,

50A Additional regulatory information

1 **Details of benami properties:** There are no benami properties held by the Company as on date of financials. Hence the additional disclosure as specified in the said notification Companies Act 2013 is not applicable to the Company.

2 **Willful Defaulter:** As on date of financials or any of the previous years, the Company has not defaulted any of its loans paid to any banks or financial institutions.

3 **Relationship with struck off companies:** There is no transaction with struck off Companies during year.

4 **Compliance with number of layers of companies:** Clause (87) of Sections 2, Section 450 read with sub-sections (1) and (2) of Section 469 of the Companies Act, 2013 and Section 2 Companies (Restriction on number of layers) Rules, 2017, Government Companies are exempt from requirements of disclosing the number of layers of its holding in subsidiaries . Hence the additional disclosure as specified in the notification no.GSR 207(e) dated 24th March 2021 to Companies Act 2013 is not applicable to the Company.

5 **Details of Crypto Currency or Virtual Currency:** The Company has not traded or invested in crypto currency or virtual currency during the current financial year or any of the previous financial years.

(in INR crores)

51 Amount receivable from Government towards determination of tariff

The Government of Tamil Nadu provided Tariff subsidy as compensation for supplying power to certain categories of consumers at free of cost or at subsidised rates. These subsidies are received in advance and any difference with actual consumption over estimate is recognised either as excess subsidy in current liabilities or receivable in current assets.

During the year 2023-24, the sanctioned subsidy is INR 14,976. 46 crores (INR 13,783.68 crores for FY 2022-23) and the entire subsidy has been received.

The status of creation of regulatory assets, amortizatoin, remaining regulatory assets, every year are tabulated below:

Tariff order	Opening balance	Addition including carrying cost during				Amortization	Closing balance
		True-up year	Addition of revenue	Carrying cost	Amount received from GoTN towards loss funding		
Suo Moto no.9/ dated 11.12.2014	-	2010-11		5,166.00		1,033.00	4,133.00
T.P.No.1 of 2017/ dated 11.08.2017	4,133.00	2010-11 to 2015-16		34,464.38		28,164.68	10,432.70
Tariff order No 7 of 2022 dated 09.09.2022	10,432.70	2016-17	898	1089	0	-	12,420.00
	12,420.00	2017-18	8406	1523	217	-	22,131.00
	22,131.00	2018-19	12579	2495	776	-	36,429.00
	36,429.00	2019-20	15580	3991	3156	-	52,844.00
	52,844.00	2020-21	18971	5405	5217	-	72,002.00
Order in M.P.No.12 of 2024 dt.13.08.2024 (True up of ARR	72,002.00	2021-22	18106.00	-	7,108	-	83,000.00
	83,000.00	2022-23	20525.00	8,875.00	7837*		83,000.00

** In the Order in M.P.No.12 of 2024 dt.13.08.2024(True up of ARR for FY 2022-23)

"2.27.2 Even though there is a revenue deficit in FY 2022-23, the same is not being added to the Regulatory Asset as Govt. of Tamil Nadu, vide GO (Ms.) No. 38 dated August 18, 2021 has agreed to take over 100% financial losses of TANGEDCO from FY 2021-22 onwards.
2.27.6 The Commission has already directed TANGEDCO in its Order dated May 28. 2024 on M.P. No. 10 of 2023 shall seek approval of GoTN to get the cumulative Revenue Gap till FY 2021-22 of Rs.83,000 Crore to be liquidated through available Government resources, funds, including any schemes. Hence, the Commission directs TANGEDCO to recover the same along with carrying cost in Consultation with GoTN and recover the approved Gap of Rs.7,837 Crore against the loss funding receivable from GoTN for FY 2023-24."

Ind AS 114, Regulatory Deferral Accounts, permits the Company to apply the requirements of this standard in its first Ind AS financial statements if and only if it conducts rate regulated activities and recognized amounts that quality as regulatory deferral account balances in its financial statements in accordance with its previous GAAP. As the Company had consistently elected not to recognize the regulatory deferral balances in its previous GAAP, the requirement of Ind AS 114 does not apply to the Company.

(in INR crores)

52 The Board of TANGEDCO in the 66th Board meeting held on 02.12.2016 has approved for creation of corpus fund, initially with a contribution of 20 Crores per month for the purpose of the pension commitment of the company. The Board of TANGEDCO in its 75th Board Meeting dt.10.01.2018 ratified the enhancement of contribution from 20 Crores to 50 Crores from April 2017 to October 2017 and 100 Crores from November 2017 to March 2018. Due to mismatching of Cash flow of TANGEDCO, further contributions and deposits were not made since 2018-19 onwards. Hence, the provision of Rs. 1200 crores is being made every year and accounted in the books of account from 2018-19 owards. The non cumulative deposit interest realized for pension corpus funds are not reinvested by TANGEDCO. The Cumulative deposit maturity value along with the interest is automatically renewed on the date of maturity by TANGEDCO with TNPFC.

The details of deposits made in TNPFC Ltd, rate of interest and interest received are tabulated below.

S.No.	Financial Year	Amount Deposited	Total Deposit	Add Cumulative Deposit interest	Cumulative Deposit including interest	Rate of Interest (%)	Interest received
1	2016-17	80.00	80.00	-	-	8.84	0.88
2	2017-18	1,250.88	1,330.88	-	-	8.84	53.88
3	2018-19	100.00	1,430.88	-	-	8.84	126.24
4	2019-20	-	1,430.88	-	-	8.84	125.61
5	2020-21	-	1,430.88	14.75	1,445.63	8.84 up to 24.08.2020 (146 days)	50.60
						8.24 up to 31.12.2020 (129 days)	44.90
						7.75 from 01.01.2021 (90 days)	27.34
						Total	**122.84**
6	2021-22	-	1,445.63	68.67	1,514.31	Cumulative Interest 7.75	23.88
						Cumulative Interest 8.00	44.79
						Non-Cumulative Interest 8.24	49.44
						Total	**118.11**
7	2022-23	-	1,514.31	74.50	1,588.81	Cumulative Interest 7.75	26.02
						Cumulative Interest 8.00	48.48
						Non-Cumulative Interest 8.24	49.44
						Total	**123.94**
8	2023-24	-	1,514.31	74.50	1,588.81	Cumulative Interest 7.75	99.67
						Non-Cumulative Interest 8.24	29.27
						Total	**128.94**

(in INR crores)

53 The employees of the erstwhile Kumbakonam, Thirumayam and Vandavasi Rural Electricity Co-operative Societies were absorbed in TNEB w.e.f August 2005. The accumulated matching employer contribution towards EPF etc., due from the Employees Provident Fund Commissioner is yet to be refunded. TANGEDCO approached the Regional Provident Fund Commissioner to refund the claims for the past years, but so far, no claim has been refunded. Pending receipt of the amount, the pensionery claims of these employees is met from TANGEDCO funds.

The quantum of refund due to TANGEDCO in this regard is given below:

Circle name	Undertakings taken over	Refund claim (in INR crores)
Thanjavur	Kumbakonam	1.27
Pudukottai	Thirumayam	1.96
Thiruvanamalai	Vandavasi	0.13
	Total	3.36

54 Revision of wages to all the employees is due from 01.12.2019. A Wage Revision committee was constituted to negotiate with the Unions/Associations for Revision of Pay Matrix, Revision of work allocation and staff pattern. The commitment of employees cost due to wage revision due could not be quantified at this juncture.

55 **History of the case filed in Hon' NCLT & Hon' NCLAT with the current status and claim details:**

LOI for EPC contract was issued to M/S.LANCO Infra Tech Ltd on 27.2.14 for a value of Rs 3921.55 Crores, Later the contract to M/s LITL was terminated on 9.4.18 due to poor performance and Corporate Insolvency Resolution Process Initiated on the contractor by IDBI in Hon'ble NCLT, Hyderabad under IBC 2016. Total claim of Rs. 1882.03 crores from M/s. LITL for non completion of work and for the consequential losses to TANGEDCO was filed on 25.09.2018 before the Resolution Professional who was later appointed as Liquidator by Hon'ble NCLT, Hyderabad. Only a partial claim amount of Rs.708.38 crores was admitted by the Liquidator. An appeal was filed in the Hon'ble NCLT, Hyderabad Bench to direct the Liquidator to admit entire claim. Subsequently, the claim had been revised to Rs.2383.61 crores based on the actual value of new EPC contract awarded, in view of GST payable for Liquidated Damages, penalty to be claimed and GST payable for SD revoked and EMD forfeited. So, an addendum of the claim in appropriate format was sent to the liquidator on 26.04.2019. After hearing the case Hon' NCLT, Hyderabad Bench, issued a dismissal order of the above said appeal through video conferencing on 19.5.2020, by upholding only the admitted amount of Rs.708.38 crores and setting aside the net claim of Rs 1882.03 crores and additional claim of Rs 501.58 crores. Hence, after obtaining AAG II/GOTN's opinion, on the judgement of Hon' NCLT and Note approval from CMD/TANGEDCO on 23.09.2020, an appeal was filed in the Hon' NCLAT, New Delhi on 23.11.2020 for a total claim of Rs.1882.03 Crores & a fresh application for additional claims for Rs.501.58 crores was filed in the Hon' NCLT, Hyderabad bench.

Details of fresh application filed in Hon' NCLT, Hyderabad bench:

A fresh application for additional claims for Rs.501.58 crores was filed on 11.11.2020 as IA (IBC) No. 01/2021 in COMPANY PETITION NO.CP(IB) No.111/7/HDB/2017, Case was listed repeatedly for consideration earlier and listed for hearing on 18/01/2022. The case was not taken up hearing on 18/01/2022 and adjourned without mentioning next date. Limited reply on behalf of M/s LITL and the Liquidator, was filed in the Hon' NCLT, Hyderabad on 20.10.2021 by their counsel. After several adjournments, the court issued an order during the hearing on 11/04/2022 to submit the final written submission on the date of the final hearing on 05/05/2022 and also made clear that no further adjournment will be granted. Based on the above order, a final written submission was filed by TANGEDCO on 05/05/2022 and the court order for the day was given as "Written Submissions filed. Adjourned for orders." Further, on 02.01.2023, Hon' NCLT, Hyderabad, Court order for the day was given as "IA. No. 1/2021 is reserved for orders". Subsequently, on 10.07.2023, Hon' NCLT, Hyderabad, Court order for the day was given as 'Disposed of as infructuous with the consent of both sides" (IDBI & M/s.LITL). Hence, it is stated that the additional claims for Rs.501.58 Crores is disposed off, as infructuous by Hon' NCLT, Hyderabad Bench.

Details of Appeal filed in the Hon' NCLAT:

Appeal was filed in the Hon' NCLAT, New Delhi on 23.11.2020 (Diary NO.:23650) for the total claim of Rs.1882.03 Crores and the case was transferred from New Delhi to Chennai. Now the Case registered in Hon' NCLAT Chennai bench with Case Number Company Appeal (AT) (INS)-281/2023 - (IA Nos.858 to 861/2023) on 25.08.2023. Case was listed by Hon' NCLAT Chennai bench for admission on 28.08.2023, 26.09.2023, 03.10.2023, 06.10.2023, 07.11.2023, 01.2024, 15.02.2024, 21.03.2024 repeatedly for consideration and further listed for admission on 09.07.2024.

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Details of Appeal filed in the Hon' NCLAT:

Appeal was filed in the Hon' NCLAT, New Delhi on 23.11.2020 (Diary NO.:23650) for the total claim of Rs.1882.03 Crores and the case was transferred from New Delhi to Chennal. Now the Case registered in Hon' NCLAT Chennai bench with Case Number Company Appeal (AT) (INS)-281/2023 - (IA Nos.858 to 861/2023) on 25.08.2023. Case was listed by Hon' NCLAT Chennai bench for admission on 28.08.2023, 26.09.2023, 03.10.2023, 06.10.2023, 07.11.2023, 01.2024, 15.02.2024, 21.03.2024 repeatedly for consideration and further listed for admission on 09.07.2024.

56 The Hon'ble Division Bench of Madras High Court has passed order on 24.04.2018 by allowing CMA & writ appeal filed by the Pudhucherry Electricity Department.

Consequently, reconciliation of dues of either side has been made for the period from 2001 to 2019 and upon reconciliation, PED has been addressed vide letter dt.18.06.2021 to make the payment of INR 34,70,72,590/- (Rupees Thirty Four Crores Seventy Lakhs Seventy Two Thousand Five Hundred and Ninety only) immediately. The recoveries of dues is under process.

57 The details of expenditure incurred due to upgradation / improvement works arising out of technological obsolescence of fixed assets use in respect of Thermal Station in 2023-24 is NIL.

58 During the financial year 1995-96, Coimbatore, Thanjavur Municipal Electrical Undertakings were taken over by the TNEB. The matter of compensation payable or otherwise is under correspondence. Similarly, the Madurai, Pollachi and Karur electrical undertakings were taken over by Tamil Nadu Electricity Board. The issue compensation of Pollachi and Coimbatore Electrical Undertakings was settled. Other Electrical Undertaking issues are under discussion.

A high level committee has been constituted by the Government to look into the issues between the Municipal Electrical Undertakings and the Tamil Nadu Electricity Board, so as to settle the issues amicably. The High Level Committee's period of operation is further extended 30.04.2018 by the G.O.(Rt) No. (Municipal Administration and Water Supply) (MC-II) Department, dt.20.02.2018.

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59 Status of Joint Venture Companies:

COAL WING

Brief History of the Arbitration Case between TANGEDCO and Adani Global Pte Ltd., Singapore in respect of supply of imported coal under P.O.No.100/26.05.2015 :

A Purchase Order No.100 dated 26.05.2015 was placed on M/s Adani Global Pte Ltd., Singapore, for supply of 21.00 LT of imported coal with +3% shipping tolerance and AGPTE completed supplies against this P.O during April 2016. In the Tender specification No.Coal-50 dated 05.01.15 and in the purchase order No.100/26.05.2015 issued to M/s Adani Global Pte Ltd., Singapore, the Board's standard clause was stipulated for recovery of Liquidated damages and increase in Statutory levy, in respect of belated supplies.

The date of completion of unloading the coal from the ship was reckoned as the actual date of supply. The scheduled date of supply was reckoned as the last day of the respective month in the stipulated monthly delivery schedule. AGPTE's Vessels arrived beyond the delivery schedule and without sufficient gap of one week between consecutive vessels as against P.O condition. Due to bunching of vessels, there was pre berthing delay of vessels which attracted LD as per P.O Clause. Consequentially, certain vessels which were unloaded after 1st March 2016 attracted both liquidated damages and deductions in excess clean energy cess since the statutory levy increased from Rs.200/MT to Rs.400/MT with effect from 1.3.2016.

The dispute arose when M/s AGPTE's vessels had incurred liquidated damages when the date of completion of unloading fell later than the scheduled date of supply. M/s Adani Global Pte Ltd., Singapore vide notice dated 28.04.2017 invoked the arbitration clause No.28 of P.O.No.100/26.05.2015 claiming that the ship demurrage charges (3,223,063 USD), liquidated damages (1,737,484 USD) and excess statutory levy (873,606 USD) were due to the alleged delays caused by TANGEDCO in berthing of their vessels at the discharge port. Hon'ble Justice G.M.Akbar Ali (Retd) vide letter dated 14.08.19 addressed to the standing Counsel has forwarded the award. The award on the claims made is as follows:

1) Directing the respondent to pay to the claimant USD 2,768,103 on account of demurrage.
2) Directing the respondent to refund USD 1,737,484 deducted towards liquidated damages to the claimant.
3) Directing the respondent to refund USD 873,606 deducted towards clean energy cess to the claimant.
4) Directing the respondent to pay to the claimant USD 448,133.80 towards interest on the belated payments of their invoices.
5) The interest claimed on 5% of the retention amount is rejected

The value of stake involved in the award for TANGEDCO is USD 5827326.8. Therefore a note approval was accorded from CMD/ TANGEDCO on 20.09.2018 , to file an appeal against the order dated 14.08.2019 in A.F.No 30/2018 in the Hon'ble High Court of Madras by engaging the services of the standing Counsel and the learned AAG-II Thiru P.H.Arvind Pandian. Against the above Arbitral judgment, appeal petition was filed in O.P 55/2020. The case was listed for hearing for admission and interim stay granted for further proceedings of the award. Final arguments was done on 26.08.2021 and 06.09.2021 by the learned Advocate General for final disposal. The final judgement petition filed by TANGEDCO was dismissed. Consequently, the connected applications were closed. It was informed by the standing counsel that appeal can be filed before the Hon'ble High Court Bench against the order delivered by the Hon'ble Justice N.Sathish Kumar on 17.09.2021 and the OSA had to be filed from the order of OP within 30 days and after consultation with Learned Advocate General. The total Claim amount is USD 7,979,765 .70(Rs. 58,73,10,755.52 @ 73.60/USD) as on 17.09.2021 including 18% interest.

Against the dismissal of appeal petition of O.P. 55/2020, further appeal petition was filed before the Hon'ble High court bench on 20.10.2021 vide O.S.A. (CAD) No.124 of 2021 and CMP 20089 of 2021 . The case was listed for hearing on 13.12.2021 in the presence of Hon'ble Mr. Justice Thiru.M.Duraiswamy, and Mr. Justice J. Sathya Narayana Prasad. The case was heard with Mr.J. Ravindran, learned Additional Advocate General IX for the appellant and Mr.P.S.Raman, learned Senior Counsel for the respondent. The bench granted an order of interim stay on condition that the petitioner-appellant depositing a sum of Rs.10,00,00,000/- (Rupees Ten crores only) to the credit of E.P.No.57 of 2021 on the file of this court on or before 31.12.2021, failing which, interim stay granted shall stand vacated automatically without any reference to this court and posted the O.S.A. on 07.01.2022.The O.S.A (CAD) No 124 of 2021 was posted on 07.01.2022 for reporting compliance. In the judgement on 07.01.2022. the Hon'ble Acting Chief Justice and P.D. Audikesavalu .J made the following order, "The memo of compliance of the order dated 23.12.2021 has been submitted and the same is taken on record".

The final hearing on the appeal petition was heard on 15.02.2024. The judgement was uploaded on 16.02.2024 dismissing the Appeal Petition. Approval accorded by CMD for filing Special Leave Petition(SLP) in Hon'ble Supreme Court of India,to Follow with Supreme Court Advocate on Record for filing.

Brief History of the Arbitration Case between TANGEDCO and Adani Global Pte Ltd., Singapore in respect of supply of imported coal under P.O.No.107/29.02.2016 :

Purchase Order No.107 dated 29.02.2016 vide Tender Spec.No.52 dated 05.02.2016 was placed on M/s Adani Global Pte Ltd, Singapore (M/s.AGPTE) for supply of a quantity of 18.60 Lakh Tonnes of imported steam coal with delivery at Kamarajar Port, Ennore/ Karaikal Port with delivery period from May 2016 to November 2016 at a negotiated CIF price of 61.00 USD per MT in 25 shipments. The supply commenced from May 2016. Based on the agreed purchase order conditions, TANGEDCO considering the available stock and varying requirements of the power plants extended the delivery schedule upto May 2017. The supply was completed by M/s AGPTE during June 2017.As per the PO condition, after adjusting the 1% Earnest Money Deposit received before tender opening towards 5% Security Deposit to be provided and Bank Guarantee was furnished for the balance amount. As per P.O. 95% payment of the invoice value shall be paid through irrevocable Letter of Credit (LC) in USD after adjustment for quality, Liquidated damages, exchange rate variation, excess customs duty paid if any and other deductions if any.

(in INR crores)

- M/s Adani Global Pte Ltd, Singapore 2 years after completing the entire supply and receiving all the payments, vide letter dated 06.06.2020 had made a claim for release of money stating that the same is payable to AGPTE under different heads and had been wrongly withheld and/or not paid by TANGEDCO under the purchase Order No 107 dated 29.02.2016 and further invoked arbitration for the following claims:

1. Claimed an amount of USD 1,731,323.27 (One Million Seven Hundred Thirty One Thousand Three Hundred Twenty Three Dollars and Twenty-Seven Cents)towards interest on the delayed payments of 95% and 5%;
2. Claimed an amount of USD 867,592.85 (Eight Hundred Sixty-Seven Thousand Five hundred Ninety-Two Dollars and Eighty-Five Cents) towards demurrage charges for delaying the berthing of vessels at the destination port and refund for an amount USD 44476 (Forty Four Thousand Four Hundred Seventy Six Dollars) of despatch deducted for alleged faster discharge of vessels;
3. Claimed an amount of USD 24,908,637.20 (Twenty Four Million Nine Hundred Eight Thousand Six Hundred Thirty Seven Dollars and Twenty Cents) towards losses suffered by the Claimant due to frequent change/modifications in the delivery schedule;
4. Claimed an amount USD 793,788 (Seven Hundred Ninety Three Thousand Seven Hundred Eighty-Eight Dollars) towards wrongful deduction made by the Respondent on account of alleged excessive custom duty.
5. Claimed an amount of USD 493,007 (Four Hundred Ninety Three Thousand Seven Dollars) towards the deductions made by the Respondent on account of alleged Liquidated Damages.
6. Claimed an amount of USD 73,607 (Seventy Three Thousand Six Hundred Seven Dollars) towards additional expenses incurred by the Claimant for renewal of Performance Bank.

i. Mandakini B coal block:

The Ministry of Coal had de-allocated Mandakini-B Coal Block allocated to four State PSUs including TANGEDCO on 05.12.2012 for non-achievement of milestones and also invoked 50% of the Bank Guarantee submitted by the allottee State PSUs to the Ministry.

The Managing Director of Meghalaya Mineral Development Corporation Ltd, Shillong, expressed their acceptance of the opinion of TANGEDCO to dissolve the MBCCL and release the locked up capital of all companies in MBCCL.

TANGEDCO officials met the Project Officer and the Chief Financial Manager of Odisha Mining Corporation, on 09.08.2019 at Bhubaneswar, Odisha regarding dissolution of MBCCL. It was informed that Board meeting is required to be conducted to decide on closing of MBCCL.

The 19th Board meeting of the company was held on 25.03.21 through VC. It had been insisted by TANGEDCO to windup the company and to share the assets of the company among the JV partners. It had been opined by the Odisha Mining Corporation that MoC may be requested once again to return the invoked Performance Security.

The Company Secretaries of MBCCL, M/s Saroj Ray & Associates, Bhubaneshwar, also suggested that before initiating action for dissolution of MBCCL, it is mandatory that all the backlog annual returns are to be filed with ROC and get MBCCL converted into "Active" status. The Company Secretaries further suggested to take immediate action to convene the next Board Meeting of MBCCL for approving the financial Statements for FY 2020-21 and other matters if any.

In the 22nd Board of Directors Meeting held on 22.12.2022, the Board has approved to file annual returns for FY 2016-17 (pre-Dormant period) and to complete the filing of all the backlog annual returns FY 2017-18, 2018-19, 20219-20 and 2020-2021 and for FY 2021-22 (Active-status period).

In the Adjourned 8th Annual General Meeting (AGM) held on 23.03.2023, the Board of Directors of MBCCL received, considered and adopted the comments

ii. Maha Tamil Collieries Limited:

Ministry of Coal (MoC), Govt. of India, had allocated the Gare Pelma Sector II coal block in Chhattisgarh State for captive mining on 02.08.2006 with estimated coal reserve of 768 Million tonnes jointly to TNEB and Maharashtra State Mining Corporation (MSMC). TNEB and MSMC agreed to share the coal in the ratio of 77 (TANGEDCO) : 23 (MSMC) and formed a joint venture company, "Maha Tamil Collieries Ltd" (MTCL) on 28.08.09. Considering the huge expenditure in transportation of coal from the Gare Pelma sector II coal block to Tamil Nadu, it was proposed to install a pithead thermal power station utilizing TANGEDCO's share of coal from this block.

Due to unavailability of budget provision and difficulty in mobilisation of funds, it was decided to entrust the works of development and operation of the coal block and establishment of a coal based thermal power plant to an external agency through competitive bidding.

The above works were awarded to M/s. Lanco Infratech Ltd. through competitive bidding and they had constituted a separate Project company named "Lanco Mining and Thermal Energy Limited" on 02.09.2011 which was later renamed as "Maha Tamil Mining and Thermal Energy Limited" (Special Purpose Vehicle) on 30.01.2012 for the mining and development of Gare Pelma sector II coal block and for erecting power plant. The Coal Mining Services agreement (CMSA) had been executed between Maha Tamil Collieries Limited (MTCL) and the SPV, Maha Tamil Mining and Thermal Energy Limited, on 01.12.2011.

The Memorandum of Understanding (MoU) had been executed on 19.01.2013 between TANGEDCO and Maha Tamil Mining and Thermal Energy Limited for setting up of a thermal power plant in the State of Chhattisgarh.

As per the Coal Mining Service agreement, the MDO has to submit the Bank Guarantee for Performance Security. However, in order to avoid de-allocation of the coal block, TANGEDCO had furnished the BG for INR 211.456 crores. TANGEDCO had requested M/s.MMTEL to reimburse the Bank commission charges of INR 3,56,78,164 (Rupees Three Crores Fifty Six Lakhs seventy eight thousand one hundred and sixty four only) incurred by TANGEDCO for furnishing the BG and to take care of the subsequent renewal of the Bank Guarantee furnished.

MMTEL had agreed to renew the Bank Guarantee submitted to the Ministry of Coal within subsequent 12 months or before the expiry of the validity period of the Bank Guarantee, whichever is earlier.

However, TANGEDCO had extended validity BG again before expiry of validity of the BG and incurred Bank commission charges INR 4,06,77,181/- for the period 2014-15. Subsequently, MTCL had returned the Bank commission charges of INR 7,63,58,185/- (3,56,78,164 + 4,06,77,181) TANGEDCO on 30.09.2015.

The Hon'ble Supreme Court of India vide its order dated 24th Sep 2014 had cancelled the allocations of 214 coal block made by the MoC. The "Gare Pelma sector II coal block" is one among them.

The Ministry of Coal vide letter dated 26.12.14 had requested the allottees whose allocation had been cancelled by the Supreme to furnish the valuation of compensation to be paid to them for the works executed by them in the coal blocks. Maha Tamil Collieries Ltd. Nagpur, had claimed, vide letter dated 03.01.15, a sum of INR 228 Crore, which includes the amount spent by MTCL and amount claimed by MMTEL (INR 204.66 Crores) towards the development of Mine Infrastructure including the cost of the Geological Report of Gare Pelma Sector-II coal Block.

TANGEDCO Board had accorded approval for winding up MTCL, through circulation, on 31.03.16. The same had been intimated to MTCL.

The Ministry of Coal, vide Notification No.110/9/2015/NA (Part) dated 11.11.16, determined the amount of Compensation for land and mine-infrastructure as "Nil" for Gare Pelma Sector II coal block.

The Office of the Coal Controller (CCO), Kolkata had returned INR 43,48,16,953/- to MTCL towards the cost of Geological Report.

MMTEL had requested MTCL to return the Geological Report cost of INR 43,48,16,953/-, (which was returned by Coal Controller to MTCL) and the EMD of INR 40Crores, after adjusting the outstanding amount payable by MMTEL to MTCL.

M/s Lanco Infratech Ltd., who had also been awarded the EPC contract for ETPS Expansion project (1 x 660 MW), had submitted Insolvency notice in 2017.

In the 40th Board Meeting of MTCL held on 19.07.18, MTCL was requested to furnish the action taken report for the insolvency proceedings initiated against M/s.Lanco Infratech Ltd., and for utilizing the refund amount of INR 43,48,16,953/- (towards Geological Report cost from MoC) exclusively towards the development of the stalled projects of M/s. Lanco Infratech Ltd., in Tamil Nadu and Maharastra in the proportion of respective shareholdings in MTCL.

(in INR crores)

In the 43rd Board meeting of MTCL, it was decided that a Current Account of the company be opened in the Federal Bank Ltd., Nagpur. Further it was also decided to transfer the corpus of INR 43,48,16,953/- from Yes Bank to Tamil Nadu Power Finance Corporation (TNPFC), Chennai.

TNPFC had informed on 22.05.2019 that they are unable to accept bulk deposits due to pending RBI compliances. As MTCL's fixed deposits were about to mature on 11.07.2019, the amount was placed in fixed deposit with Yes Bank Ltd., Nagpur for a further period of one year.
Later on 02.09.2019, TNPFC informed that they accept bulk deposits and it has been decided to open a fixed deposit account in TNPFC and action is being taken in this regard. An amount of about INR 47.68 crore, payable to MMTEL, is available with MTCL. MMTEL had requested for payment of the same. But the same has not been returned by M/s. MTCL to M/s. MMTEL so far. MMTEL has given an unconditional undertaking stating that they would not make any further claim on payment of INR 47.68 Crore to them. The proposal for release of INR 47.68 Crore money to MMTEL was taken up in the Board meeting held on 03.05.2021 through VC. The Board had deferred the subject for the next meeting.

In the 49th Board Meeting of MTCL held on 12/10/2021, the Board had issued directives to obtain legal opinions from the Advocate Generals of Maharashtra and Tamil Nadu regarding the adequacy of the "Deed of Settlement-cum-Indemnity Bond" furnished by MMTEL to safeguard MTCL/MSMCL/TANGEDCO against any subsequent claims by MMTEL and need for incorporating any modification/suggestion in the undertaking and subsequently release the payment to MMTEL. Accordingly, the legal opinions from the respective offices of Advocate Generals of Maharashtra and Tamil Nadu had been received. The Learned AG/ TN opined that the "Deed of Settlement-cum-Indemnity Bond" furnished by MMTEL was in order and the Learned AG/MH suggested to obtain 'consent arbitration award', from a retired judge of High Court to safeguard MTCL/MSMCL/TANGEDCO against any subsequent claims by MMTEL.

MTCL and MMTEL had given their consent for appointing Justice A.B. Chaudhari (Retd.) to conduct the consent arbitration proceedings in Nagpur as per the Clause 32.2 of the CMSA. Arbitration award was delivered on 26.03.2022 and awarded as " MTCL shall pay the amount of INR 47,68,36,778/- (Forty-Seven Crores Sixty-Eight Lakhs Thirty-Six Thousand Seven Hundred and Seventy-Eight Only) to MMTEL within a period of one week".

INR 47,68,36,778/- (Forty-Seven Crores Sixty-Eight Lakhs Thirty-Six Thousand Seven Hundred and Seventy-Eight Only) was paid to MMTEL through RTGS on 05.04.2022.

It has been proposed to wind up M/s. MTCL as the Gare Pelma II coal block had been allocated to MAHAGENCO.

In this regard, G.Ramachandran & Associates, Chennai, a reputed Practicing Company Secretary and IRP (insolvency Resolution professional) has suggested that since there are no creditors, the liquidation process could be completed within 90 days under section 59 of Insolvency and Bankruptcy Code, 2016 (IBC). The same has been communicated to all Directors of MTCL on 23.05.2022.

In the 51st Board Meeting of MTCL held on 15.3.2023 the proposal for Approving voluntary winding up of corporate person (MTCL) and Approving appointment of Liquidator and further course of action was discussed.

52nd Board Meeting of MTCL was held on 29.11.2023 and the proposal for approval of the Financial Statement for the year ended 31.03.2023 was placed in the meeting and it was approved to send the reports to Auditor for signature. 53rd Board meeting of MTCL was held on 20.02.2024.

60 Development and Production of Coal Block

I. Chandrabila Coal block:

Two critical issues hindered the development of Chandrabila coal block.

1. Additional area for dumping overburden

TANGEDCO requested MoC for allotment of additional land/area for dumping overburden. To resolve the issue of lack of area for dumping overburden, MoC had constituted a Sub-Committee to consider /examine the issues related to Chandrabila Coal Block, under the Chairmanship of CMD/CMPDIL and comprising of members from TANGEDCO, MoC and MCL.
The Sub-Committee appointed by MoC had recommended 0.98 sq.km additional area for dumping overburden against the 12 sq.km requested by TANGEDCO.
In the review meeting held on 14.12.2021, the Joint Secretary/MoC had enquired Central Mine Planning and Design Institute Limited (CMPDIL) about the revised map and boundary co-ordinates of the additional area of Chandrabila coal block.
CMPDIL has informed that they have redrawn the boundary of Chandrabila coal block including around 2.5sq.km area from Chhelia coal block and sent the same to Ministry of Coal.
TANGEDCO had requested MoC and CMPDIL to send the copy of the revised map and boundary co-ordinates of Chandrabila coal block including the additional area recommended for allotment by the Sub-Committee. However, the revised boundary co-ordinates received from CMPDIL only on 16.03.2022.(The adequacy of the additional area will be known only after the preparation of Mine Plan).

2. Clearance for Prospecting in forest area in the block :

Total area of the Coal Block will be Forest area and Non-forest area
The development of the Chandrabila coal block allotted to TANGEDCO has been adversely affected due to non-issuance of clearance by the Ministry of Environment and Forest & Climate Change (MoEF & CC) to explore the forest area of the block.
Clearance for prospecting in forest area of the block has been denied by the Regional Empowered Committee of MoEF & CC, though Odisha State Govt. had recommended for giving clearance. The reason given by the REC is that the dense forest area is close to the Similipal- Satakosia Tiger Corridor and it will disturb the lush green forest which is adjacent to the area sought for prospecting. The Forest Advisory Committee of MoEF & CC had observed that the Simlipal-Satkosia Tiger corridor is situated at about 7.29 km away from the block boundary.

TANGEDCO had requested MoEF & CC/New Delhi to arrange to place the proposal for prospecting in forest area before REC for reconsideration of the earlier decision and issuance of clearance for prospecting in the forest area of Chandrabila coal block. MoEF & CC/ New Delhi has requested the Integrated Regional Office of MoEF & CC at Bhubaneswar for specific comments and recommendations in this regard. TANGEDCO had also requested the Integrated Regional Office of the MoEF & CC to reconsider the earlier decision of REC to deny clearance for prospecting in the forest area of the block.
TANGEDCO has requested vide lr.dt.20.05.2022 the Additional Chief Secretary/Forest, Environment & Climate Change Dept./Odisha State Govt.to examine the proposal early and recommend the proposal to IRO/MoEF &CC, for clearance to explore in the forest area of the Chandrabila coal block and for taking further action. However, the clearance had not been given yet.
MDO Tender - TANGEDCO has floated tender for selection of Mine Developer and Operator for the development of the Chandrabila Coal Block during 2019 including liasioning for obtaining forest clearance and exploration in forest area. Only one offer has been received and the tender has been lodged. The tender was again floated during 2020 for selection of Mine Developer and Operator with certain changes to attract more bidders. The tender has been lodged since no offer was received.
The tender for selection of MDO for development and Operation works of non-forest area of Chandrabila coal block with modified terms and conditions was published on 18.11.2022. No bidder participated on the tender in spite of extended time period for bid submission and hence the tender was lodged in May-23.

Show casue notice - The MoC had issued a show cause notice on 08.07.2021, directing to show causes as to why the Performance Security (Bank Guarantee for Rs.56,26,83,372/-) provided by TANGEDCO should not be appropriated, along with reasons for delay in development of coal block as per the schedule of the Coal Block Development and Production Agreement. A detailed reply dt. 19.07.2021 for the above, explaining the reasons beyond the control of TANGEDCO that had obstructed the development of the block and requesting MoC not to appropriate the Performance Security had been sent.

The MoC had again issued show cause notice dated 16.09.2022 to TANGEDCO and directed to refer CBDPA, as per Article 6 of CBDPA, failure of the allottee to comply with the efficiency parameter as required under Article 5 shall attract appropriation of Performance Security. A detailed reply stating as to why the Performance Security should not be appropriated along with reasons for delay in development of the Chandrabila coal block allotted to TANGEDCO and requesting not to appropriate the Performance Security had been sent by TANGEDCO to MoC on 24.09.2022.

Development of non-forest area of the block - TANGEDCO vide letter dt.24.03.2022had requested the Ministry of Coal to approve the proposal for mining in the non-forest area and to provide the boundary co-ordinates of non forest area for demarcation and preparation of Mine Plan etc., for non forest area.
To ascertain the feasibility study including financial impact, it is proposed to engage a consultant immediately tocarryout feasibility study (Technical-Economic viability)for the development of non-forest area only of Chandrabila coal block.
The Consultant had submitted the pre-feasibility report on 07.07.22and recommended that TANGEDCO may go for development & operationalization of the Non-Forest area of Chandrabila Coal Block.
TANGEDCO vide letter dt.13.10.2022 had requested the Ministry of Coal to approve the proposal for mining in the non-forest area and to provide the boundary co-ordinates of non forest area for demarcation and preparation of Mine Plan etc., for non forest area.
MoC vide letter dt.02.11.2022 had requested TANGEDCO to obtain the required boundary co-ordinates of the non-forest area in consultation with Central Mine Planning and Design Institute Limited (CMPDIL) and submit proposal to the Ministry of Coal (MoC). CMPDI vide letter dt.12.12.2022 had stated that they have examined the requirement for carrying out the "Determination of Cardinal Points of non-forest area of Chandrabila coal block" and furnished their offer.
The tender for selection of MDO for development and Operation works of non-forest area of Chandrabila coal block with modified terms and conditions was published on 18.11.2022. No bidder participated on the tender in spite of extended time period for bid submission and hence the tender was lodged in May-23.

Appropriation Order issued by MoC:
MoC had issued appropriation order dt.22.08.23 for appropriation of Rs.48.95 Cr, which is about 87% of the Performance Security of Rs.56.27 Cr provided as Bank Guarantee, in respect of Chandrabila Coal Block, for non-compliance with Milestone activities as per schedule IV-A of Coal Block Development and Production Agreement. The reasons for delay in compliance with milestone activities are not attributable to and beyond the control of TANGEDCO.
Hence, TANGEDCO had filed Writ Petition No.25982/2023 before Hon'ble Madras High Court and obtained interim stay on 01.09.23 of MoC's appropriation order. The matter is still pending before the Hon'ble Court.
Based on the Legal Opinion, TANGEDCO had sent a letter dt.02.01.24 to Secretary/ MoC stating that as per clause 25.3 of CBDP Agreement, TANGEDCO is entitled to Terminate the Agreement and release of Performance Security by MoC to TANGEDCO. Accordingly, TANGEDCO had submitting a request to MoC to accept Termination of the CBDP Agreement of Chandrabila coal block dt.30.03.2016 and release the Performance Security Bank Guarantee furnished by TANGEDCO.

34. III. Long Term Coal Linkage - To meet the Domestic Coal requirement of NCTPS stage III (1 x 800 MW) and Uppur TPP (2x800 MW), TANGEDCO had executed a Fuel Supply Agreement (FSA) with Singareni Collieries Company Ltd (SCCL) for a quantity of 5.913 MTPA (50% of total coal requirement) for a period of 25 years from 01.07.2022.

34. IV. Securing of Coal Mine through Auction
13th Tranche and 3rd Tranche of Auction
14th Tranche and 4th Tranche of Auction
16th Tranche and 6thTranche of Auction
17th Tranche and 7thTranche of Auction

TANGEDCO purchased the Tender documents of Chhendipada II (Revised) and Sakhigopal-B Kakurhi coal blocks, at a price of Rs.5,00,000/- per coal block i.e. totally Rs.10,00,000/- (Rupees Ten lakhs only) and downloaded the documents and sent the same to the consultant for further analysing of coal blocks. The consultant has submitted the draft Report only for the technical assessment for Chendipada-II Revised coal block and financial assessment details had not been discussed in the report and the documents in the Mine Dossier was found to be insufficient. Hence, TANGEDCO could not submit bid for Chendipada-II Revised coal block.
TANGEDCO submitted the Bid Security in the form of Bank Guarantee (BG) for an amount of Rs.2,82,24,000/- for Sakhigopal-B Kakurhi coal block on 22.06.2023.TANGEDCO had participated in auction. Since only one bid was received for the said coal block, it was not allotted by the MoC.

18th and 8thTranche of Auction and 2nd attempt of 17th& 7th Tranche

TANGEDCO had issued Contract for Providing Consultancy Services and Bid Management Advisory for participating in 18th Tranche of Auction under CMSP Act 2015 and 8th Tranche of Auction under MMDR Act, 1957 of Coal Mines and Second Attempt of 17th Tranche of CMSP Act 2015 and Second Attempt of 7th Tranche of MMDR Act 1957 at a total price of Rs.19,17,500/- including GST at 18% to M/s. CRISIL Limited, Mumbai on 14.12.2023.

TANGEDCO has purchased tender document at a price of Rs.5,00,000/- per coal block i.e. totally 10,00,000/- (Rupees Ten lakhs only) for the following coal blocks:

1) Accordingly, the tender documents were purchased / downloaded from MSTC website and sent to the consultant, CRISIL Limited, Mumbai for further analysis of the coal blocks and preparation of techno-economic assessment and to take further decision on participation in the bidding of the coal blocks.

2) The technical bids were opened on 05.02.2024 and TANGEDCO is the only bidder submitted bid for Sakhigopal-B Kakurhi coal block. Hence, it is possible that the said coal block may be allotted to TANGEDCO by the Ministry of Coal. On allocation of the Sakhigopal-B Kakurhi coal block to TANGEDCO by MoC, the coal block developmental activities are to be carried out.

61 Vivad Se Vishwas Scheme 2020 (VSV)

TANGEDCO had filed declaration in Form-1&2 under Vivad Se Vishwas Scheme 2020 (VSV) to settle the disputes pending with the Income Tax Department amounting to INR 4421.24/- crores for erstwhile TNEB from AY 2005-06 to 2011-12 including Department's appeals (AY 2009-10, 2010-11 & 2011-12) [except Assessee & Department appeal for AY 2006-07 and Department appeal for AY2005-06] and for INR 2303.37/- crores relating to TANGEDCO for AY 2011-12 to 2014-15 including Department's appeal (AY 2011-12 & 2012-13). The department has issued order in Form-5 towards full and final settlement of the disputes for TANGEDCO from AY 2011-12 to 2014-15 and for erstwhile TNEB from AY 2005-06 to 2011-12 (except AY 2006-07).

(in INR crores)

The status of other pending appeals for erstwhile TNEB and TANGEDCO's various Income Tax Returns are furnished in the following

a) Erstwhile Tamil Nadu Electricity board (TNEB):

Assessment year	Disallowance of Expenditure	Assessment Status
2006-07 [u/s.143(3)]	11.39	Hon'ble ITAT/Chennai dismissed the appeal vide order dt.28.02.2022. TANGEDCO had preferred an appeal before the Hon'ble High Court of Madras on 05.07.2022
2006-07 [u/s.263]	617.83	Appeals filed against the CIT/ Appeals order dt. 06.08.2018 is pending before the Hon'ble Income Tax Appellate Tribunal/Chennai

b) TANGEDCO :

Assessment Year	Disallowance	Assessment Status
2015-16 (u/s. 143(3))	1,891.88	Commissioner/Appeals has issued an order on 07.08.2019 partially allowing TANGEDCO's Appeal. For the disallowance portion, TANGEDCO has preferred an appeal before the Hon'ble Income Tax Appellate Tribunal/ Chennai.
2015-16 (u/s. 147)	191.69	TANGEDCO has appealed before the CIT/Appeals/NFAC against the Assessment order dt.30.03.2022.
2016-17 (u/s. 143 (3))	2,281.40	Commissioner/Appeals has issued an order on 07.08.2019 partially allowing TANGEDCO's Appeal. For the disallowance, TANGEDCO has preferred an appeal before the Hon'ble Income Tax Appellate Tribunal/Chennai.
2016-17 (u/s. 263)	901.74	TANGEDCO has appealed before the CIT/Appeals/NFAC against the Assessment order dt.29.03.2022.
2017-18	3,324.44	TANGEDCO has appealed before the CIT/Appeals/Chennai against the Assessment order dt.30.12.2019. Faceless hearing is under progress.
2018-19	346.51	Assessment Order issued by DCIT / National e-assessment Centre/ Delhi on 17.04.2021. TANGEDCO has appealed before the CIT/Appeals/Chennai against the Assessment order dt.17.04.2021.
2019-20	--	ITR filed but Scrutiny yet to be started
2020-21	--	ITR filed but Scrutiny yet to be started
2021-22	--	ITR filed but Scrutiny yet to be started
2022-23	313.62	TANGEDCO had appealed before the CIT/Appeals/ Chennai against the Assessment order dt.18.04.2024.
2023-24	--	Assessment is in progress

A sum of INR 9.98 crores (from Assessment Year 2000-2001 to Assessment year 2021-22) is pending to be received as Income Tax refund from Income Tax Department and being followed up closely.

TAXATION DIVISION

Sl. No.	Dispute with (Name of the Company/	Brief description of the case	Position	Stake involved amount	Position	Stake involved amount
1	Wealth Tax	On vehicles		0.02	CIT appeals order received, revising the taxable wealth and Wealth Tax liability. Provision made for Wealth Tax and Interest under prior period expenditure	0.02
2	TDS defaults	Short TDS, Penalty, late filing fees etc.		11.74	Correction TDS returns filed and defaults have been reduced considerably.	11.94

62 Ujwal DISCOM Assurance Yojana (UDAY):

MoU under UDAY has been signed amongst GoI,GoTN and TANGEDCO on 09.01.2017

i. As per UDAY scheme GoTN agreed to taken over the losses of the Company in the graded manner, the details of loss taken over by GoTN are as follows:

Loss funding details by GoTN

Financial year	Loss as per audited accounts	(%) of loss funding	Amount of grant	Actual receipt	Sanctioned vide GO.No. and Dt.
2016-17	4,348.76	5%	217.43	217.43	Go. (Ms) No. 25 Energy (C2) Dept. dt,23.03.2018
2017-18	7,760.77	10%	776.08	776.08	Go. (Ms) No. 68 Energy (C2) Dept.
2018-19	12,623.41	25%	3,155.85	3,155.85	Go. (Ms) No. 14 Energy (C2) Dept. dt,22.01.2021
2019-20	11,964.93	50%	5,982.47	5,982.47	Go. (Ms) No. 14 Energy (C2) Dept. dt,22.01.2021 & Go. (Ms) No. 06 Energy (C2) Dept. dt,09.02.2022
2020-21	13,407.31	50%	6,703.66	6,342.94	Go. (Ms) No. 06 Energy (C2) Dept. dt,09.02.2022
			16,835.49	**16,474.77**	

ii. UDAY scheme prevailed for the period from 2016 and 2021and thus taking over of loss under UDAY scheme has been completed.

iii. Upto FY 2021-22, GoTN has converted the entire loan amount of INR 22,815 crore as grant. (INR 4563 crores each year from 2017-18)

iv. The balance loans of INR 7,605 crores being 25% considered under UDAY Scheme, has to be repaid by TANGEDCO through issue of bonds, for which the GoTN has issued Government Guarantee vide G.O.(Ms.)No.9, Energy (C2) Dept., dt.20.2.2017 and G.O. (Ms.) No.50, Finance (L&A Cell) Dept., dt.1.3.2017, respectively. To mobilize the DISCOM bonds on standalone basis, e-tender Spec No. TANGEDCO CRA/2017-18 was launched on 23.01.2018 inviting bids for 'Credit rating' the DISCOM bonds and opened the tender on 29.01.2018 and same was closed. As directed in the 76th board meeting of TANGEDCO held on 31.01.2018, CRISIL was appointed as rating agency on nomination basis to assign credit rating for UDAY bonds. Further, due to COVID-19 pandemic, the rating process

Loss funding grants under GSDP norms:

As per the conditions stipulated by Ministry of Finance, GoI for the additional borrowing ceiling of 0.5%of GSDP to GoTN based on the performance of power sector, the losses incurred by TANGEDCO (renamed as TNPDCL) is being funded by GoTN in the following manner :-

Financial year	Loss as per accounts	Operational loss (exclusing loss funding grant)	(%) of loss funding	Amount of Grant to be provided in next FY	Actual grant received
2021-22	11,954.64	18,658.30	60%	11,194.98	11,954.94
2022-23	10,868.26	22,822.90	75%	17,117.18	17,117.18

63 **Going concern assumption**
The Company is a state PSU and held 100% by GoTN through its holding Company TNEB. The Company is the sole power supplier in the state of Tamil Nadu and is backed by the GoTN. The Company is taking active steps to revise its tarrif to the customers and expect to reduce the operational losses significantly in the near future. Further, the GoTN is funding the yearly losses to the Company through UDAY scheme. Hence the Company does not expect the current financial position to impair its going concern assumption.

64 The merger of UPCL with TANGEDCO is under progress and pending with Honourable High Court / Madras and thus, the fair valuation of land recognized in UPCL was not incorporated in the Fixed Assets Register (FAR) of TANGEDCO. The project is under WIP and allocation of expenditure under WIP land heads will be converted into fixed assets at the time of commissioning of the power project. The classification of Equity investment in the UPCL Joint venture (which is under amalgamation) of Rs.65 crores and other financial assets of Rs.31.50 crores will be reclassified appropriately.

65 High level committee to review the variations in coal stock between physical stores record and quantity arrived as per physical verifiction in North Chennai Thermal Power Station -1 has been formed by the company and based on the committee report, suitable action will be taken to resolve the issue.

66 As no concrete lease agreement executed between TANGEDCO and VOC port trust, there is no recognition of lease liability. However, Rs. 231.60 crores towards lease rent has been shown as contingent liability.

67 The difference amount between the audited report on the Co-generation mills and the balance available in the books of accounts of TANGEDCO is under reconciliation which will be sorted out at the earliest.

68 From FY 2021-22 onwards, as TANGEDCO implemented SAP-ERP in a phased manner, efforts are being arranged to reconcile the differences between payroll software of ERP and as per the books of accounts.

69 As a company policy, the recovery of dues towards embezzlements / thefts are fixed with the concerned staff in charge and suitable proceedings are being taken.

70 The frauds, misappropriation, embezzlements, etc pending cases as on 31 March 2024 is INR 20.63 crores.

71 The value of scrap, obsolete and non-moving and sick transformer materials as on 31 March 2024 is INR 82.67 crores.

72 **Funds Advanced/Loaned/Investor**
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(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.

73 Scheme of Arrangement

Refer Government order number (G.O) 6 & 7 etc which describes the Restructuring of Tamilnadu Generation and Distribution Corporation Limited (TANGEDCO) into separate generation and distribution companies : Tamilnadu Power Generation Corporation Limited ("TNPGCL") and Tamilnadu Green Energy Corporation Limited ("TNGECL"):

The power sector is currently going through a paradigm shift with focus on clean energy transition which Tamil Nadu Power Distribution Corporation Limited ("the Company" or "TNPDCL"), formerly known as Tamil Nadu Generation and Distribution Corporation Limited ("TANGEDCO") is domiciled in India and incorporated on 1 December 2009 under the provisions of the Companies Act, 1956.

The Tamil Nadu Power Generation Corporation Limited ("TNPGCL"), responsible for fossil fuel (coal and gas) related existing generation plants, will undertake functions as outlined in the aforesaid G.O. TNPDCL will continue to undertake operations related to electricity distribution functions and own and maintain existing power purchase contracts such as LTOA, MTOA, STOA, etc. TNPGCL has been incorporated as a wholly-owned subsidiary of TNEB Limited, a holding company.

Tamil Nadu Green Energy Corporation Limited ("TNGECL") has been formed by integrating the Renewable Energy wing of TANGEDCO and merging Tamil Nadu Energy Development Agency ("TEDA") with the TNGECL i.e., new green energy company. TNGECL shall take care the functions as mentioned in the aforesaid G.O order. TNGECL has been incorporated as a wholly-owned subsidiary of TNEB Limited (Holding Company).

Based on the proposal submitted by the company to the Govt of Tamilnadu, the appointed date of demerger scheme will be from 1st April 2024. For the year ended 31st March 2024, the Company has prepared detailed segment information with respect to its distribution, thermal generation and renewable generation businesses. Refer note no 46 for details of segment performance.

The Government of Tamilnadu has issued an amendment specifying the appointed date as 01.04.2024 vide G.O.No.124, Energy B2 Department, dt.24.12.2024.

Tamil Nadu Power Distribution Corporation Limited (formerly known as Tamil Nadu Generation and Distribution Corporation Limited)

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

74 Financial Ratios

Sl No	Ratios	UOM	Numerator	Denominator	Numerator (in INR crores) As at 31 March 2024	Numerator (in INR crores) As at 31 March 2023	Denominator (in INR crores) As at 31 March 2024	Denominator (in INR crores) As at 31 March 2023
1	Current ratio	in times	Current Assets	Current Liabilities	38,895.36	41,785.90	1,40,205.21	1,37,533.06
2	Debt-equity ratio	in times	Total Borrowings (i.e. Non-current borrowings + Current borrowings)	Total Equity (Shareholder's fund)	1,80,646.03	1,64,561.98	- 1,46,584.38	- 1,41,815.03
3	Debt service coverage ratio	in times	Net Profit after Tax before OCI + Depreciation + Interest	Interest on debentures + Interest on term loans + Scheduled principal repayments of term loans and debentures (i.e. excluding prepayments and refinancing of debts) during the year	18,821.90	7,987.04	15,480.20	12,379.72
4	Return on equity	%	Net profit after tax (-) Preference dividend (if any)	Average networth (or) Equity shareholders fund	- 1,195.78	- 9,192.25	- 1,46,584.38	- 1,41,815.03
5	Inventory turnover ratio	No. of days	Net Sales	Average inventory	95,781.42	80,857.77	2,809.31	2,336.23
6	Trade receivables turnover ratio	No. of days	Net credit sales	(Average Trade Receivables + Average unbilled revenue) * No of days in the reporting year/365	95,781.42	80,857.77	11,370.13	9,875.96
7	Trade payables turnover ratio	No. of days	Net credit purchases	Average Trade payables * No of days in the reporting year/365	55,891.83	50,990.78	39,935.45	37,375.95
8	Net capital turnover ratio	in times	Net Sales	Average working capital (Current asset - Current liabilities, excluding current maturity of long term borrowings)	95,781.42	80,857.77	- 77,427.86	- 71,968.88
9	Net profit ratio	%	Net profit after tax	Revenue from operations (or) Total sales	- 1,195.78	- 9,192.25	95,781.42	80,857.77
10	Return on capital employed	%	Profit before tax plus Interest on long term loans and debentures	Net worth + Total borrowings + Deferred Tax	15,244.56	4,258.35	34,061.65	22,746.95
11	Return on investment *	%	Income from Investment	Cost of investment	-	-	-	-

Tamil Nadu Power Distribution Corporation Limited (formerly known as Tamil Nadu Generation and Distribution Corporation Limited)

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

Sl No	Ratios	UOM	As at 31 March 2024	As at 31 March 2023	% of Variance	Reason for Variance in excess of 25%
1	Current ratio	in times	0.28	0.30	-9%	-
2	Debt-equity ratio	in times	(1.23)	(1.16)	6%	-
3	Debt service coverage ratio	in times	1.22	0.65	88%	Due to the improvement in the financials results of the company, the debt service coverage ratio has varied widely compared to previous year.
4	Return on equity	%	0.01	0.06	-87%	Due to the improvement in the financials results of the company, the Return on equity has varied widely compared to previous year.
5	Inventory turnover ratio	No. of days	34.09	34.61	-	
6	Trade receivables turnover ratio	No. of days	8.42	8.19	3%	
7	Trade payables turnover ratio	No. of days	1.40	1.36	3%	
8	Net capital turnover ratio	in times	(1.24)	(1.12)	10%	
9	Net profit ratio	%	(0.01)	(0.11)	-89%	Due to the improvement in the financials results of the company, the net profit ratio has varied widely compared to previous year.
10	Return on capital employed	%	0.45	0.19	139%	Due to the improvement in the financials results of the company, the Return on capital employed has varied widely compared to previous year.
11	Return on investment *	%	NA	NA	0%	-

*Considering the nature of business "Return on Investment ratio" is not applicable.

The change in ratio is caused mainly due to Demerger of the Company and consequent transfer of Demerged Undertaking to TNPGCL and TNGECL (refer note 74), therefore ratios are not comparable.

For and on behalf of the Board of Directors

K. Malarvizhi
(Director/Finance)

Vishu Mahajan, IAS
(Joint Managing Director/Finance)

K. Nanthakumar, IAS
(Chairman cum Managing Director)

V. Savitha
(Chief Financial Controller/Ind AS)

D. Suresh Kumar
(Company Secretary)

As per our report of even date

For A John Moris & Co.
Chartered Accountants
Firm No. 007220S

(CA C.M.Balagopal)
Partner
M. No. 029128
UDIN:24029128BKDGUH6332

For P.S. Subramania Iyer & Co.
Chartered Accountants
Firm No. 004104S

(CA S.Ramkumar)
Partner
M. No. 020205
UDIN:[illegible]05B[illegible]T6605

For V. Krishnan & Co.
Chartered Accountants
Firm No. 001541S

(CA M.Gopinath)
Partner
M. No. 023819
UDIN:24023819BKFYIJ5981

For Sivamani & Co.
Chartered Accountants
Firm No. 010746S

(CA T.Balasubramanian)
Partner
M. No. 221939
UDIN:24221939BKBLWB[illegible]

Place: Chennai
Date : 15.11.2024

Tamil Nadu Power Distribution Corporation Limited
(formerly known as Tamil Nadu Generation and Distribution Corporation Limited)
ANNEXURE A - STATEMENT OF TECHNICAL DATA

SL. No.	Particulars		Current year 2023-24	Previous year 2022-23
1.	**Installed Generation Capacity (in M.W) at the year end 31st March**			
	Hydel		2322	2322
	Thermal		4320	4320
	Wind Mill		14	17
	Gas Turbine		516	516
	Total		**7172**	**7175**
2.	**Normal Maximum Demand (in M.W)**			
	(a) Restricted		19409	18053
	(b)Un-restricted		19401	18060
3.	**Plant Availability at the time Maximum Demand**			
	1.Hydel	- in MU	146	828
		- in %	6%	36%
	2.Thermal	- in MU	3756	3526
		- in %	87%	82%
4.	**Plant load factor (%)**			
	1.Hydel		18.18%	30.35%
	2.Thermal		67.24%	59.96%
5.	**Own Generation in Million Kwhr.**			
	1.Hydel		3708	6174
	2.Thermal		25516	22689
	3.Wind Mill		3	3
	4.Gas Turbine		1919	1777
	Gross Generation in M.U.		**31146**	**30643**
6.	Auxiliary consumption (in Million KWhr)			
	1.Hydel		19	23
	2.Thermal		2186	1974
	3.Gas		131	143
	Sub Total of Auxillary 6(a)		**2336**	**2139**
	Kadamparai Pump Mode 6(b)		144	272
7	**Own Generation (net) in M.U.**		**28666**	**28232**
8	**Power purchase in Million Kwhr:**			
	Direct Purchase		82029	74823
	Open Access Wheeling		19974	15532
	*** Total Power Purchase in M.U.**		**102003**	**90355**
9	Power available for sale (In Million Kwhr (7+8)		130669	118587
10	Power sold (in Million Kwhr.)			
	Direct sales		92735	87917
	HT wheeling Adjustment		18770	15382
	Total Power sold in M.U.		**111505**	**103299**
11	**AT & C Losses (as per workings)**	in Million Kwhr	11730	9871
		In %	**11.39%**	**10.20%**

(Cont'd)

*	Power Purchase from Various Sources (in MU)	2023-24	2022-23
1	Central Generating Stations (CGS)	37692	40858
2	Independent Power Projects (IPP)	4236	2029
3	Traders (LTOA, MTOA & STOA)	24214	17269
4	Exchanges (IEX & PXIL)	8604	4063
5	Capitive Power Plants (CPP)	1	1
6	Co-Generation	490	422
7	Bio-Mass	2	2
8	Solar - Direct	6549	6267
9	Solar- Wheeling Adjustment	5385	
10	Wind - Direct	1756	4386
11	Wind - Wheeling Adjustment	10968	8895
12	Captive & Third Party Wheeling Adjustment	3620	6637
13	SWAP IN / OUT	-1063	89
14	Unscheduled Interchange	-452	-563
	Total Power Purchase	**102003**	**90355**

AT&C Loss under CEA methodology

Sl. No	Elements	Formula	2023-24	2022-23
A	Input Energy after SR Loss	(Mkwh)	127654	116699
B	Transmission Losses (Mkwh)	3.70%	4729	4371
B1	Wheeling Units - Open Access IN	(Mkwh)	19974	15532
C	Net Input Energy (Mkwh)	A-(B+B1)	102951	96796
D	Energy Sold excluding other state	(Mkwh)	111505	103299
D1	Wheeling Units - Open Access OUT	(Mkwh)	18770	15382
D2	Energy Sold Net	D-D1	92735	87917
D3	Billing Efficiency	D2 / C	90.08%	90.83%
E	Revenue from Sale of Energy	(Rs. In Cr.)	72890.07	64579.25
F	Adjusted Revenue from Sale of Energy, on Subsidy Received basis (Rs./Cr.)	(Rs. In Cr.)	72890.07	64579.25
G	Opening Debtors for Sale of Energy (Rs./Cr.)	(Rs. In Cr.)	7879.96	7151.68
H	i. Closing Debtors for Sale of Energy	(Rs. In Cr.)	9069.70	7879.96
	ii. Any amont written off during the year directly from (i)	(Rs. In Cr.)	0.00	0.00
I	Adjusted Closing Debtors for sale of Energy	H(i+ii)	9069.70	7879.96
J	**Collection Efficiency**	**(F+G-I)/E*100**	**98.37%**	**98.87%**
K	Units Realised (Mkwh) = [Energy Sold*Collection efficiency]	D2 X J/100	91221	86926
L	Units Unrealised (Mkwh)= [Net Input Energy-Units Realised]	C-K	11730	9871
M	**AT&C Losses (%) = [{ Units Unrealised / Net Input Energy}*100]**	**L/C*100**	**11.39%**	**10.20%**

Tamil Nadu Power Distribution Corporation Limited
(formerly known as Tamil Nadu Generation and Distribution Corporation Limited)

ANNEXURE B - Statement on Consumer Data, Units Sold, ARR (including Tariff Subsidy)

Previous Year 2022-23							This Year 2023-24			
No. of Consumers	**Units sold (in Millions)**	**% of total Units sold (in MU)**	**Average realisation (Rs. per unit)**	**Sl. No.**	**Category of Consumers**	**Tariff**	**No. of Consumers**	**Units sold (in Millions)**	**% of total Units sold (in MU)**	**Average realisation (Rs. per unit)**
					I. High Tension Supply (HT)					
7383	15998	18.20%	10.12	1	Industries, Registered factories, Textiles,Tea estates,IT services, Start up	IA	7701	15214	16.41%	11.29
1088	3045	3.46%	8.54	2	Govt. Educational Institutions, Govt. Hospitals, Water supply etc, Places of Worship and Railway Traction	IIA	1082	3212	3.46%	10.24
304	359	0.41%	9.16	3	Private Educational Institutions & hostels	IIB	313	386	0.42%	11.21
2120	2035	2.31%	15.33	4	Commercial and other categories and Lift Irrigation Co-op Societies (Tariff III & IV Merged)	III & IV	2243	2098	2.26%	14.26
71	46	0.05%	16.29	5	HT Temporary Supply for construction and other purposes,Public charging station	V	96	77	0.08%	18.33
10966	**21483**	**24.44%**	**10.41**		**Sub Total HT (A)**		**11435**	**20987**	**22.63%**	**11.45**
					II. Low Tension Supply (LT)					
23240689	30602	34.81%	4.35	6	Domestic , Handloom, Old age homes, Consulting rooms, Nutritious Meals	IA	23793929	32622	35.18%	5.10
944939	450	0.51%	6.34	7	Huts in village panchayats, TAHDCO:- Till installation of meters (Fully subsidised)	IB	938039	366	0.39%	8.16
1446	9	0.01%	15.89	8	L.T. Bulk supply to residential Colonies	I-C	1173	9	0.01%	8.35
287691	278	0.32%	8.92	9	Domestic common supply in multi tenements/Small Apts. (IE Newly Introduced)	ID & IE	316518	550	0.59%	10.19
792973	2507	2.85%	9.05	10	Public lighting, Water Supply provided by Govt./Local bodies	IIA	816866	2677	2.89%	9.29

ANNEXURE B - Statement on Consumer Data, Units Sold, ARR (including Tariff Subsidy)

Previous Year 2022-23							This Year 2023-24			
No. of Consumers	Units sold (in Millions)	% of total Units sold (in MU)	Average realisation (Rs. per unit)	Sl. No.	Category of Consumers	Tariff	No. of Consumers	Units sold (in Millions)	% of total Units sold (in MU)	Average realisation (Rs. per unit)
78220	202	0.23%	11.11	11	Govt and Govt. aided Educational Institutions, Govt. Hospitals etc.,	IIB (1)	78743	217	0.23%	10.89
16195	264	0.30%	10.63	12	Private Educational Institutions & Hostels	IIB (2)	16271	292	0.32%	11.86
152196	146	0.17%	11.56	13	Actual Places of Public worship	IIC	154968	159	0.17%	9.51
235661	314	0.36%	10.00	14	Cottage and Tiny Industries, Agricultural and allied activities etc., (contracted load shall not exceed 12 kW)	IIIA(i)	250928	339	0.37%	8.07
162645	975	1.11%	7.22	15	Power Looms (contracted load shall not exceed 12 kW) incl. Winding etc.	IIIA(ii)	163618	963	1.04%	7.86
312995	8124	9.24%	8.53	16	Industries not covered under LT-III-A(1) & III-A(2), if connected load exceeds 12 kW	IIIB	318166	8172	8.81%	9.81
2332912	13926	15.84%	5.60	17	Agriculture and Allied activities - Till installation of meters (Fully subsidised by the Govt.)	IV	2352628	15909	17.16%	4.35
3519944	8323	9.47%	11.11	18	Commercial (Not covered under LT-I-A, I-B, I-C, II-A,II-B(1), II-B(2), II-C, III-A(1), III-A(2), III-B, IV and VI)	V	3637045	9108	9.82%	12.03
366507	315	0.36%	28.33	19	Construction Activities and Temporary purpose and Public Charging station	VI & VII	363630	364	0.39%	27.76
32445013	**66434**	**75.56%**	**6.42**		**Sub Total LT (B)**		**33202522**	**71748**	**77.37%**	**6.78**
32455979	**87916**	**100.00%**	**7.40**		**Total HT and LT {A+B}**		**33213957**	**92735**	**100.00%**	**7.84**

Tamil Nadu Power Distribution Corporation Limited

(formerly known as Tamil Nadu Generation and Distribution Corporation Limited)

ANNEXURE - C: LOAN PROFILE - FY 2023-24

(Rs. In Crores)

Sl. No.	Sources	Outstanding at the end of previous year 2022-23	Amount received during the year 2023-24	Repayments due during the year 2023-24	Outstanding at the end of the year 2023-24
I	**TNEB Bonds**	**2,217**	**-**	974	**1,243.08**
	TNEB Bonds	2216.93	0	973.85	1,243.08
II	**Financial Institutions**	**127454.38**	**69216.22**	**50139.12**	**1,46,531.48**
1	REC	41613.02	14568.86	5790.45	50,391.43
2	PFC	36566.11	15811.35	9423.31	42,954.16
3	TNPFC	45850.84	34786.00	34342.91	46,293.93
4	HUDCO	3123.06	1750.00	311.10	4,561.96
5	IREDA	301.35	2300.00	271.35	2,330.00
III	**Banks**	**12631.38**	**5000.00**	**4838.74**	**12,792.64**
	BANKS	12631.38	5000.00	4838.74	12,792.64
IV	**Government Schemes**	**2924.917**	**175.000**	**400.791**	**2,699.13**
1	PMGY LOAN	4.84	0.00	0.63	4.22
2	RGGVY LOAN	0.58	0.00	0.10	0.48
3	APDRP LOAN	12.48	0.00	9.63	2.85
5	R APDRP -B LOAN	1951.74	0.00	179.06	1,772.69
6	DDUGJY	292.49	0.00	25.95	266.54
7	IPDS	462.79	0.00	35.42	427.36
8	TIIC	200.00	175.00	150.00	225.00
V	**GOTN Loans**	**4582.45**	**0.00**	**2137.81**	**2,444.64**
1	Loans	3392.17	0.00	947.53	2,444.64
2	W&M Advance	1190.28	0.00	1190.28	**0.00**
VI	**Bill Discount**	**5131.42**	**7567.09**	**5573.24**	7,125.27
VII	**Interest Accrued on Loans**				**3,586.99**
Total Long Term, Short Term & Govt. Loan		**154941.48**	**81958.30**	**64063.55**	**1,76,423.23**

Tamil Nadu Power Distribution Corporation Limited
(formerly known as Tamil Nadu Generation and Distribution Corporation Limited)
ANNEXURE D - GOTN GUARANTEED LOANS OUTSTANDINGS AS ON 31.03.2024

(Rs. In Crores)

Sl. No.	Guarantee Serial Number	Nature of facility Loan /Bond / Debenture etc.	Insitution	Finance Dept./GoTN G.O. No. & Date	Guarantee Sanctioned	Guarantee Availed	Guarantee Loan Outstanding as on 31.03.2024
1	361	R-APDRP Loan	REC(GoI SCHEMES)	G.O.Ms.No.276 Finance (L&A Cell) Dept.Date:19-7-2012	1072.12	961.77	600.79
2	392	R-APDRP Loan	REC(GoI SCHEMES)	G.O.Ms.No.60 Finance (L&A Cell) Dept.Date:5-3-2015	35.49	27.49	27.49
3	395	R-APDRP Loan	REC(GoI SCHEMES)	G.O.Ms.No.111 Finance (L&A Cell) Dept.Date:16-4-2015	44.31	36.95	36.95
4	372	FRP Loan - 70% cash loss	BANKS	G.O.Ms.No.92 Finance (L&A Cell) Dept.Date:26-3-2013	18493.45	17534.03	2.33
5	375	FRP-30% cash loss	BANKS	G.O.Ms.No.367 Finance (L&A Cell) Dept.Date:27-8-2013	2455.00	2426.85	31.08
6	376	Bonds	BONDS	G.O.Ms.No.178 Finance (L&A Cell) Dept.Date:30-6-2014	3335.80	3298.40	1243.08
7	381	FRP- Operational Loss 75%	BANKS	G.O.Ms.No.39 Finance (L&A Cell) Dept.Date:10-2-2014	2887.00	2567.77	238.29
8	386	FRP-50% Operational Loss	BANKS	G.O.Ms.No.215 Finance (L&A Cell) Dept.Date:1-9-2014	1030.00	822.13	195.99
9	403	HUDCO Loan	HUDCO	G.O.Ms.No.51 Finance (L&A Cell) Dept.Date:18-2-2016	300.00	300.00	142.37
10	422	PFC Loan	PFC	G.O.Ms.No.99 Finance (L&A Cell) Dept.Date:21-4-2017	7668.90	7668.90	7668.85
11	424	PFC Loan	PFC	G.O.Ms.No.120 Finance (L&A Cell) Dept.Date:2-5-2017	3000.00	3000.00	1565.73
12	426	HDFC BANK	BANKS	G.O.Ms.No.221 Finance (L&A Cell) Dept.Date:25-7-2017	500.00	500.00	264.61
13	435	HUDCO Loan	HUDCO	G.O.Ms.No.45 Finance (L&A Cell) Dept.Date:9-2-2018	1000.00	1000.00	620.50
14	437	Bank of Boroda (Vijay bank)	BANKS	G.O.Ms.No.109 Finance (L&A Cell) Dept.Date:28-3-2018	1000.00	1000.00	346.88
15	439	SBI	BANKS	G.O.Ms.No.160 Finance (L&A Cell) Dept.Date:10-5-2018	2000.00	2000.00	785.68
16	440	IOB	BANKS	G.O.Ms.No.192 Finance (L&A Cell) Dept.Date:14-6-2018	500.00	500.00	326.83
17	447	REC Loan	REC	G.O.Ms.No.333 Finance (L&A Cell) Dept.Date:5-10-2018	4000.00	4000.00	2476.19
18	448	PFC Loan	PFC	G.O.Ms.No.363 Finance (L&A Cell) Dept.Date:10-11-2018	4500.00	4500.00	1583.64
19	454	HUDCO Loan	HUDCO	G.O.Ms.No.127 Finance (L&A Cell) Dept.Date:25-4-2019	1000.00	1000.00	689.65
20	486	REC Loan	REC	G.O.Ms.No.392 Finance (L&A Cell) Dept.Date:20-12-2019	1355.86	1355.86	1129.88
21	503	HUDCO Loan	HUDCO	G.O.(Ms.)No.333, Finance (L&A Cell) Dept., dt.07.09.2020. P- Rs.1000 cr and Int.	1000.00	1000.00	793.10
22	507	PFC Loan	PFC	G.O.(Ms.)No.378, Finance (L&A Cell) Dept., dt.22.10.2020. P- Rs.1500 cr and Int.	1500.00	1500.00	808.90
23	508	PFC Loan	PFC	G.O.(Ms.)No.385, Finance (L&A Cell) Dept., dt.02.11.2020. P- Rs.12,400 cr along with the	12400.00	9737.40	9492.33

ANNEXURE D - GOTN GUARANTEED LOANS OUTSTANDINGS AS ON 31.03.2024

(Rs. In Crores)

Sl. No.	Guarantee Serial Number	Nature of facility Loan /Bond / Debenture etc.	Insitution	Finance Dept./GoTN G.O. No. & Date	Guarantee Sanctioned	Guarantee Availed	Guarantee Loan Outstanding as on 31.03.2024
24	509	REC Loan	REC	G.O.(Ms.)No.388, Finance (L&A Cell) Dept., dt.02.11.2020. P- Rs.17,830.30 cr along with	17830.30	17830.30	16651.77
25	589	REC Loan	REC	G.O.Ms.No.87/ dt.29.03.2023 (Finance (L& A) department).	6000.00	3461.97	5995.41
26	512	SBI	BANKS	G.O.(Ms.)No.427, Finance (L&A Cell) Dept., dt.21.11.2020. P- Rs.1500 cr.	1500.00	1500.00	332.83
27	513	Bank of India	BANKS	G.O.(Ms.)No.428, Finance (L&A Cell) Dept., dt.23.11.2020. P- Rs.1000 cr.	1000.00	1000.00	540.84
28	517	Bank of Baroda	BANKS	G.O.(Ms.)No.169, Finance (L&A Cell) Dept., dt.13.02.2021.	400.00	400.00	0.00
29	541	Bank of Maharashtra	BANKS	G.O.(Ms.)No.264, Finance (L&A Cell) Dept., dt.02.12.2021.	1000.00	1000.00	968.55
30	548	PFC loan	PFC	G.O.(Ms.)No.277, Finance (L&A Cell) Dept., dt.20.12.2021.	261.29	146.86	185.62
31	551	Canara Bank	BANKS	G.O.(Ms.)No.35, Finance (L&A Cell) Dept., dt.03.02.2022.	500.00	500.00	310.62
32	552	Indian Bank	BANKS	G.O.(Ms.)No.42, Finance (L&A Cell) Dept., dt.16.02.2022.	1000.00	1000.00	332.57
33	594	TNPFC	TNPFC	G.O.Ms.No.140 Finance (L&A Cell) Dept.Date:15.05.2023	5000.00	5000.00	3907.63
34	605	PFC	PFC	G.O.Ms.No. 191 Finance (L&A Cell) Dept.Date:30.06.2023	6000.00	5994.19	5994.19
35	610	Indian Overseas Bank	BANKS	G.O.Ms.No.252 Finance (L&A Cell) Dept.Date:03.08.2023	700.00	700.00	597.60
36	611	State Bank of India	BANKS	G.O.Ms.No.253 Finance (L&A Cell) Dept.Date:03.08.2023	2000.00	2000.00	1769.14
37	612	REC	REC	G.O.Ms.No.267 Finance (L&A Cell) Dept.Date:22.08.2023	1036.75	0.00	90.31
38	613	Canara Bank	BANKS	G.O.Ms.No.270 Finance (L&A Cell) Dept.Date:23.08.2023	1000.00	1000.00	749.72
39	617&618	REC	REC	G.O.Ms.No.340 Finance (L&A Cell) Dept.Date:27.11.2023	2000.00	2000.00	1998.16
40	617&618	HUDCO	HUDCO	G.O.Ms.No.340 Finance (L&A Cell) Dept.Date:27.11.2023	1000.00	1000.00	982.75
41	620	REC	REC	G.O.Ms.No.382 Finance (L&A Cell) Dept.Date:22.12.2023	1745.13	0.00	1697.27
42	621	REC	REC	G.O.Ms.No401 Finance (L&A Cell) Dept.Date:29.12.2023	3000.00	3000.00	3000.00
43	622	Canara Bank	BANKS	G.O.Ms.No. 30 Finance (L&A Cell) Dept.Date:18.01.2024	1000.00	1000.00	1000.00
44	628	PFC	PFC	G.O.Ms.No. 70 Finance (L&A Cell) Dept.Date:10.02.2024	3000.00	2999.20	2999.20
45	631	PFC	PFC	G.O.Ms.No. 103 Finance (L&A Cell) Dept.Date:27.02.2024	5354.00	5196.15	5196.15
46	635	HUDCO	HUDCO	G.O.Ms.No.130 Finance (L&A Cell) Dept.Date:12.03.2024	1000.00	1000.00	750.00
47	632	SBI	BANKS	G.O.Ms.No.104 Finance (L&A Cell) Dept.Date:28.02.2024-104	2000.00	2000.00	1999.97
48	633	Indian Bank	BANKS	G.O.Ms.No.105 Finance (L&A Cell) Dept.Date:28.02.2024	1000.00	1000.00	937.49
						Total	90,058.97

Tamil Nadu Power Distribution Corporation Limited
(formerly known as Tamil Nadu Generation and Distribution Corporation Limited)
Annexure E - Dues from GoTN, Local Bodies & PSU as on 31.03.2024

(Rs. in Crores)

Sl. No.	Name of the Local Bodies/Governments Departments	Defaulters within 60 Days		Defaulters within 61-90 Days		Defaulters within 91-180 Days		Defaulters more than 180 Days		Grand Total	
		No of SCs	Total Dues	No of SCs	Total Dues	No of SCs	Total Dues	No of SCs	Total Dues	No of SCs	Total Dues
1	Local Bodies	107085	42.83	84399	84.31	126752	269.21	547436	1809.51	865672	2205.86
2	State Government	14423	7.12	4472	6.15	12739	22.50	53147	210.94	84781	246.71
3	Public Sector Undertaking	1189	2.50	386	3.74	515	6.29	8458	3521.46	10548	3533.99
	Total	**122697**	**52.45**	**89257**	**94.20**	**140006**	**298.00**	**609041**	**5541.91**	**961001**	**5986.56**