

29 January 2026

To

The Tata Power Company Limited,

Corporate Centre, B Block

34 Sant Tukaram Road,

Carnac Bunder,

Mumbai – 400 001

Dear Sir,

Sub: Arm's length analysis in context of recent amendment pronounced by SEBI under LODR norms pertaining to related party transactions ("RPTs").

FY: 2026-27

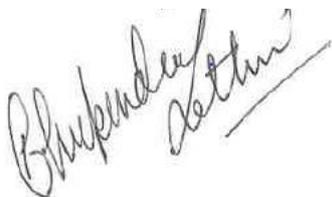
Ref: The Tata Power Company Limited ("the Company / Tata Power")

This is in reference to assistance in performing benchmarking analysis using third party database to identify arm's length range pertaining to RPTs subjected to shareholder's approval and commenting on basis adopted to determine the arm's length price. In this regard, we are forwarding herewith our findings which include details of the current pricing methodology applied by Tata Power for the respective RPTs and analysis from arm's length perspective in line with generally accepted transfer pricing principles. Accordingly, request you to please refer attached **Annexure 1** and appendices thereto.

Trust the above meets your requirement.

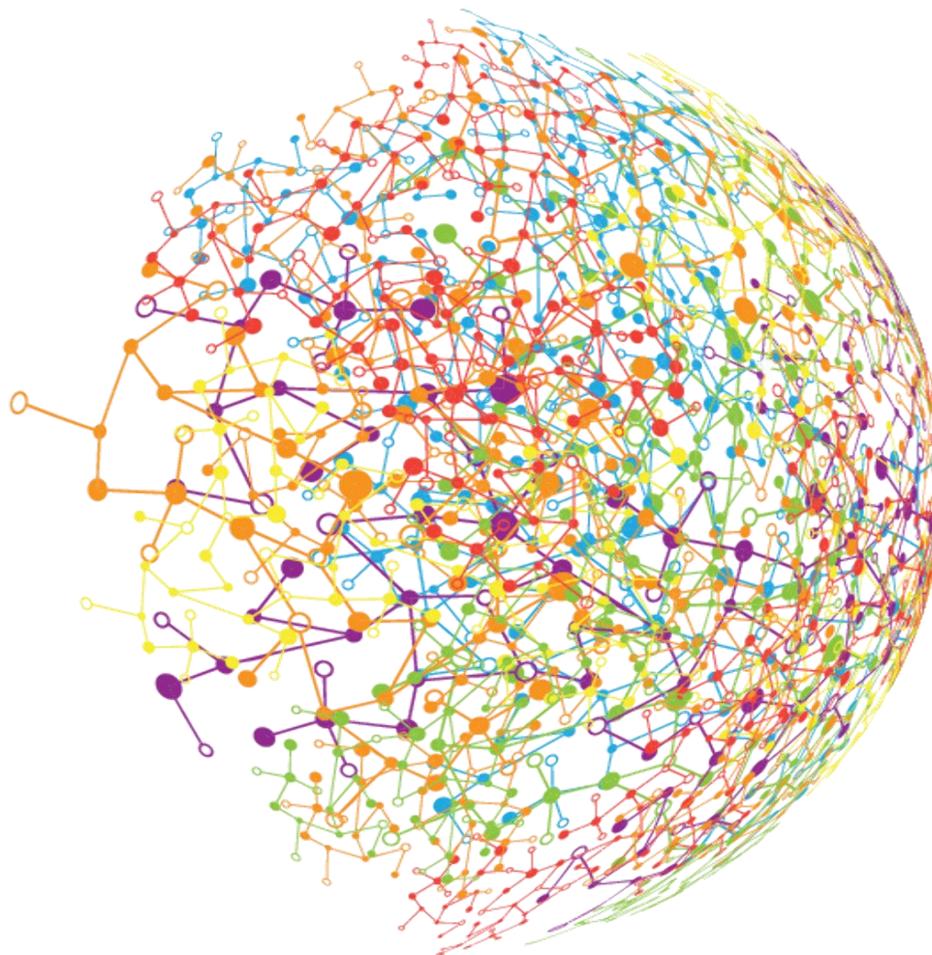
Yours faithfully,

For Deloitte Touche Tohmatsu India LLP



Bhupendra Kothari

Partner



The Tata Power Company Limited

Related party transactions analysis – FY 2026-27

February 2026

Private and confidential

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Glossary

Acronym	Description
ALP	Arm's Length Price Analysis
CERC	Central Electricity Regulatory Commission
DTTI LLP	Deloitte Touche Tohmatsu India LLP
EPC	Engineering, Procurement and Construction contract
FY	Financial Year
FGD	Flue Gas Desulphurization
INR	Indian Rupees
OECD	Organization for Economic Co-operation and Development
OP / OC	Operating profit / operating cost
O&M	Operation and Maintenance Services
PAT	Profit after tax
RP	Related party
RPT	Related Party Transaction
SEBI	Securities and Exchange Board of India
the Act	Companies Act 2013

Background

Background

- The Tata Power Company Limited (“TPCL” / “Tata Power” / “Client”) is India's largest integrated private power and energy company with presence across the entire value chain in power generation (thermal, hydro, solar and wind energies) transmission, trading and distribution.
- In November 2025, Securities and Exchange Board of India (“SEBI”) in its board meeting considered and approved certain amendments pertaining to Related Party Transactions (“RPTs”) of listed entity. These regulations require listed Company to seek shareholder approval for RPTs exceeding specified threshold.
- In order to comply with aforementioned regulations, TPCL has requested Deloitte Touche Tohmatsu India LLP (“DTTI LLP”) to carry out analysis of arm’s length policy adopted for the RPTs exceeding specified threshold and seeking shareholders approvals.
- For the purpose of our arm’s length analysis, reliance has been placed on Indian transfer pricing regulations under the Income-tax Act, 1961, along with international best practices such as the guidance provided by the Organization for Economic Co-operation and Development (“OECD”).
- For the purpose of ALP analysis, we have primarily relied on internal data point, for benchmarking the transaction and wherever such internal data points are not available, we have performed external benchmarking analysis using third party database.

List of RPTs covered

List of RPTs

A. List of RPT where the TPCL is a party

SR. No.	Name of the Entity	Estimated value for FY 2026-27 (INR in Crores)	Nature of transaction covered and amount
1	Tata Projects Limited	27,984	<ol style="list-style-type: none"> 1. Availing of EPC and O&M services – INR 27,967 crore 2. Purchase / rendering of goods and services – INR 10.50 crore 3. Leasing of premises – INR 1 crore 4. Sale of Power – INR 3 crore 5. Rendering / Availing of Shared Services – INR 1.5 crore 6. Reimbursement / Recovery of expenses – INR 1 crore
2	Tata Steel Limited	4,270	<ol style="list-style-type: none"> 1. Sale of Power – INR 1,495 crore 2. Rendering of Engineering, procurement and construction (“EPC”) services – INR 2000 crore 3. Purchase / Rendering of goods and services – INR 350 crore 4. Leasing of premises – INR 1 crore 5. Procurement Of Goods - Coal – INR 400 crore 6. Rendering / Availing of Shared Services – INR 6 crore 7. Reimbursement / Recovery of expenses – INR 13 crore 8. Rendering of project management services – INR 5 crore

List of RPTs

B. List of RPT where the TPCL is not a party

SR. No.	Name of Subsidiary Company	Name of the Related Party	Estimated value for FY 2026-27 (INR in Crores)	Nature of transaction covered and amount
3	Tata Power Renewable Energy Limited	TP Solar Limited	7,000	<ol style="list-style-type: none"> 1. Purchase of Material by TPREL from TP Solar – INR 6,700 crore 2. Sale of Material by TPREL to TP Solar – INR 300 crore
4	Tata Power Renewable Energy Limited	TP Vardhman Surya Limited	4,000	<ol style="list-style-type: none"> 1. Domestic Lending – INR 3,750 crore 2. Leasing of Premises – INR 100 crore 3. Reimbursement / recovery of expense – INR 100 crores 4. Rendering /availing of project management services – INR 50 crore
4	TP Central Odisha Distribution Limited	GRIDCO Limited	4,600	Purchase of Power – INR 4,600 crore
5	TP Western Odisha Distribution Limited	GRIDCO Limited	4,600	Purchase of Power – INR 4,600 crore

Arm's length Price analysis

ALP analysis of RPTs between TPCL and TPL

Name of related party and relationship	Tata Projects Limited (“TPL”) – Associate of TPCL
Nature of RPT & Estimated amount for FY 2026-27	<ol style="list-style-type: none"> 1. Availing of EPC and O&M services – INR 27,967 crore 2. Purchase / rendering of goods and services – INR 10.50 crore 3. Leasing of premises – INR 1 crore 4. Sale of Power – INR 3 crore 5. Rendering / Availing of Shared Services – INR 1.5 crore 6. Reimbursement / Recovery of expenses – INR 1 crore
Transaction description, pricing policy and ALP analysis	<p>1. Availing of EPC and O&M services</p> <ul style="list-style-type: none"> • TPCL has on-going Flue Gas Desulphurization (“TPCL FGD”) agreement with TPL wherein TPL undertakes EPC activities (i.e., design, engineering, manufacture, inspection, supply, etc.) for developing FGD plant at Jojobera unit of TPCL. The said agreement is expected to be completed by March 2026, however TPCL wishes to obtain approval for an amount of INR 50 crores in case any extension is required in the agreement. • Similarly, CGPL Mundra had entered into FGD agreement with TPL for its power plant at Mundra, Gujarat which comprised of 3 components i.e., main package, construction of chimney and general civil works.

ALP analysis of RPTs between TPCL and TPL

- The said services commenced in FY 2019 and are expected to be completed by August 2026. The total value of underlined contract is INR 1,776 crore (including applicable taxes) out of which the unexpired value of contract is INR ~ 242 crore.
- Orders were placed on TPL based on competitive bidding as per RPT Policy of the Company.
- The snapshot of final negotiated price with TPL and third parties is provided hereunder:

A. TPCL FGD Project

Name of Bidder	Amount (INR crores)*
Tata Projects Limited	269.43
L&T Power	355.58
Techno Electric	275.81
BHEL	416.73
VA Tech Wabag Limited	880.19

*Excluding applicable taxes

(cont..)

ALP analysis of RPTs between TPCL and TPL

B. CGPL Mundra Project

Name of Bidder	FGD project components (INR crores)*		
	Main package	Construction of RCC Chimneys	General civil works
Tata Project Limited	1,162.53	106.72	235.75
BHEL	1141.43		
Bygging India Ltd		111.80	
Simplex Infra Ltd		105.93	
Gammon Engineers & Contractors		182.35	
Gannon Dunkerley (GDCL)		162.50	
Simplex Infra Ltd			342.00
Gammon Engineers & Contractors			343.00
Gannon Dunkerley (GDCL)			449.68

***Excluding applicable taxes**

(cont...)

ALP analysis of RPTs between TPCL and TPL

- In view of the above analysis, it is observed that the amount paid/ payable to TPL is within the tolerance range i.e., +/-3% as compared to third party quotations and therefore the same may be considered to be at arm's length.
- Further, TPCL also proposes to enter into some additional work in case of extension of existing agreement / new EPC and O&M agreement with TPL for upcoming projects related to pump storage business related to the 1,800 MW Shirawta Pumped Storage Project and proposed power transmission/distribution related business (T&D) amounting to INR 27,625 crores. The proposed contract / project will be decided basis the bids to be participated and won by TPCL. Based on the terms of the T&D, the new project may get structured into new SPV which will be the subsidiary of TPCL. We are given to understand that TPCL will follow bidding-based approach for awarding any EPC and O&M contracts to TPL and same may be considered to evaluate arm's length price. When such bids are not available alternative method (for instance cost plus mark-up, comparable pricing etc.) shall be considered.

2. Purchase / rendering of goods and services

- Tata Power proposes to enter into transaction of procurement, availing of relevant material, service with TPL. In case of this proposed transaction, order will be placed based on competitive bids for such procurement/ availing the of relevant material/ services. When such competitive bids are not available, alternative method (for instance, cost-plus mark-up or comparable price, etc.) shall be considered to determine arm's length price payable/ receivable to /from TPL.

ALP analysis of RPTs between TPCL and TPL

3. Leasing of premises

- Leasing transactions will be as per leasing agreements with third party by TPCL on similar terms and conditions as that of Related Party or any third party.
- In absence of third-party agreements, TPCL shall rely on valuation report issued by independent valuer certifying fair lease amount to be charged.

4. Sale of Power

- TPCL proposes to sell power to TPL. Pricing policy of such transaction is as per rate determined under tariff order pronounced by Maharashtra Electricity Regulatory Commission.

5. Rendering / Availing of shared services

- Tata Power Skill Development Institute (“TPSDI”), a division of TPCL will offer modular power sector & allied skills including safety & renewable energy skills for various categories of workforce like engineer - executives, non – executives workmen to TPL.
- For technical trainings to be conducted at TPSDI, TPCL will follow cost plus markup and for non-technical trainings, TPCL will follow price charged by TPCL to any third party and the same may be considered to evaluate the arm’s length price.

ALP analysis of RPTs between TPCL and TPL

6. Reimbursement / Recovery of expenses

- Tata Projects incurs certain expenses on behalf of TPCL for administrative convenience purpose. TPCL reimburses those expenses on actual basis without any mark up.
- Given that these expenses are at actual cost and no mark up is charged, the transaction can be considered to be at arm's length.

ALP analysis of RPTs between TPCL and TSL

Name of related party and relationship	Tata Steel Limited (“TSL”) – Associate company of TPCL
Nature of RPT & Estimated amount for FY 2026-27	<ol style="list-style-type: none"> 1. Sale of Power – INR 1,495 crore 2. Rendering of Engineering, procurement and construction (“EPC”) services –INR 2,000 crore 3. Purchase / Rendering of goods and services – INR 350 crore 4. Leasing of premises – INR 1 crore 5. Procurement Of Goods - Coal – INR 400 crore 6. Rendering / Availing of Shared Services – INR 6 crore 7. Reimbursement / Recovery of expenses – INR 13 crore 8. Rendering of project management services – INR 5 crore
Transaction description, pricing policy and ALP analysis	<p>1. Sale of power</p> <ul style="list-style-type: none"> • TPCL has on-going arrangements with TSL for sale of power from its multiple power generating units located at Jojobera and Haldia. Jojobera has four units, out of these two units are regulated by Jharkhand State Electricity Regulatory Commission (“JSERC”) and remaining two are not regulated. In case of regulated units, TPCL sells power as per rate determined under tariff order pronounced by JSERC. Further, for non-regulated units, tariff is mutually decided between the parties and is in line with the tariff approved by state regulatory authority for regulated units.

ALP analysis of RPTs between TPCL and TSL

2. Rendering of Engineering, procurement and construction (“EPC”) services

- TPCL proposes to undertake EPC project of constructing a transmission line for Tata Steel. A Transmission Service Agreement (TSA) will be entered between TPCL and Tata Steel for 40 years. We are given to understand that TPCL will follow price / profitability similar to price / profitability earned by it from other similar third-party contracts or profitability earned by comparable companies engaged in provision of EPC services or quotes obtained from third-party vendors and the same may be considered to evaluate the arm’s length price.

3. Purchase / Rendering of goods and services

3.1 Steam

- TSL, as a part of coke manufacturing process in **Haldia** produces hot flue gas/waste gas as a byproduct in the process. This hot flue gas can be used as primary fuel to generate electricity using the steam cycle route. Therefore, TPCL and TSL both entered into an agreement i.e., Fuel Supply agreement. As per the agreement the seller i.e., TSL to sell the hot flue gas to buyer i.e., TPCL on such terms as specified in the agreement. The pricing of the gas is determined as per methodology specified in sale agreement i.e., based on estimated landed cost of the alternative raw material i.e., coal for generating similar amount of power. Transaction for procurement of Flue gas is linked with the main activity of sale of power of Haldia Units and the overall profitability earned is in line with profitability earned by third party comparable rates.

(cont...)

ALP analysis of RPTs between TPCL and TSL

3.2 Utilities, stores and spares

- We are given to understand that TPCL proposes to purchase certain utilities and spares in relation to power generation activity. Since, the transaction is interlinked with sale of power, the same has been evaluated in aggregation with sale of power activity as described in subsequent paragraphs (i.e., corroborative analysis).

3.3 Purchase of Coils, Sheets, Plates, Rebar, Ready build, Slab, Wire and Wire products, Graphene and Fiber Reinforced Polymer products etc.

- TPCL proposes to purchase various products such as Coils, Sheets, Plates, Rebar, Ready build, Slab, Wire and Wire products, Graphene and Fiber Reinforced Polymer products etc. from TSL. We are given to understand that TSL also sells similar products to third parties at similar price that would be charged to TPCL. Since the price payable to TSL would be in line with price charged to any third party, the said price can be considered for determination of ALP.
- In case of non-availability of third-party reference prices charged by TSL, alternative method (for instance, profitability earned from RP transaction vis-à-vis profitability earned by third party comparable companies, reference price at which the RP is charging other clients or Maximum Retail Price (“MRP”) based price, etc.) shall be considered to determine arm’s length price payable to TSL.

ALP analysis of RPTs between TPCL and TSL

4. Leasing of premises

- Leasing transactions will be as per leasing agreements with third party by TPCL on similar terms and conditions as that of Related Party or any third party.
- In absence of third-party agreements, TPCL shall rely on valuation report issued by independent valuer certifying fair lease amount to be charged.

5. Procurement Of Goods – Coal

- TPCL purchases coal on regular basis from TSL for generation of power at **Jojobera plant**. The coal price is completely pass through and recovered from TSL at cost. Further, TSL also sells similar quality of coal to third parties at similar price charged to TPCL. The price paid / payable to third party can be considered for determination of ALP. Further, since the transaction is interlinked with sale of power, the same has been evaluated in aggregation with sale of power activity as described in subsequent paragraphs (i.e., corroborative analysis).

6. Rendering / Availing of shared services

- Tata Power also proposes to enter into transaction of rendering/receiving of certain services viz. shared services, skill training etc. with TSL. In case of these proposed transactions, wherever market prices are available the same will be considered to meet arms length pricing.

(cont...)

ALP analysis of RPTs between TPCL and TSL

Where market price is not available, alternative methods such as cost + mark-up, comparable price, profitability earned from RP transactions, vis-a`-vis profitability earned by third party comparable companies shall be considered.

7. Reimbursement / recovery of expenses

- TPCL proposes to incur certain expenses on behalf of TSL for administrative convenience purpose. TSL to reimburse those expenses on actual basis without any mark up. TSL incurs certain expenses on behalf of TPCL for administrative convenience purpose. TPCL reimburses those expenses on actual basis without any mark up.
- Given that these expenses are at actual cost and no mark up is charged, the transaction can be considered to be at arm's length price.

8. Rendering of project management services

- TPCL is also proposing to render consultancy services for KPO Expansion [Rohit ferro relocation - 67.5MW] project, training and other business auxiliary and other services to TSL. In case of these proposed transactions, wherever market prices are available the same will be considered to meet arms length pricing. Where market price is not available, alternative methods such as cost + mark-up, comparable price, profitability earned from RP transactions, vis-a`-vis profitability earned by third party comparable companies shall be considered.

ALP analysis of RPTs between TPCL and TSL

9. Corroborative analysis

- The principal related party transaction is sale of power. There are several allied transactions entered with TSL such as purchase of goods, procurement of coal, services etc. to facilitate principal transaction. Given that these transactions are inter linked with principal transaction of sale of power, they are evaluated in aggregation. In view of this, an economic analysis have been performed to benchmark these transactions from ALP perspective.
- The arms length range of profit earned by comparable companies engaged in generation of power is depicted hereunder.

Arm's Length Range (OP/OC)		
35 th Percentile	Median	65 th Percentile
13.17%	19.43%	29.80%

- We are given to understand that TPCL units plant shall earn profitability in similar range to meet the arm's length criteria for FY 2026-27. The above detailed analysis is attached as **Appendix A**.

ALP analysis of RPTs between TPREL and TPSL

<p>Name of related party and relationship</p>	<p>Tata Power Renewable Energy Limited (“TPREL”) - Subsidiary of the TPCL TP Solar Limited (“TPSL”) - wholly owned subsidiary of TPREL and hence an indirect subsidiary of TPCL</p>
<p>Nature of RPT & Estimated amount for FY 2026-27</p>	<ol style="list-style-type: none"> 1. Purchase of Material by TPREL from TP Solar – INR 6,700 crore 2. Sale of Material by TPREL to TP Solar – INR 300 crore
<p>Transaction description, pricing policy and ALP analysis</p>	<p>1. Purchase of Material by TPREL from TP Solar</p> <ul style="list-style-type: none"> • TPREL is engaged in generating electricity from renewable resources and providing the Engineering Procurement and Construction (‘EPC’) services in the solar energy market. TPSL is engaged in the activity of manufacturing of solar photo-voltaic cells and modules. • TPREL is purchasing Solar Modules from TPSL. We have been given to understand that solar module manufacturing industry in India is evolving. Accordingly, the latest available margin of comparable companies available in the public domain has been analyzed to benchmark these transaction from ALP perspective. <p style="text-align: right;">(cont...)</p>

ALP analysis of RPTs between TPREL and TPSL

- An economic analysis have been performed to benchmark these transactions from ALP perspective to identify the arms length range of profit earned by comparable companies engaged in manufacturing of solar modules. Further, we have updated the solar module manufacturing search to include latest margins earned by comparable companies available in the public domain.
- The arms length range of Profit Before Tax (“PBT”) margin earned by comparable companies engaged in similar activities is depicted hereunder.

Arm’s Length Range (PBT margin) – H1 of FY 2025-26				
Sl. No.	Nature of services	35 th Percentile	Median	65 th Percentile
1	Manufacturing of solar modules	13.05%	14.88%	17.44%

- We are given to understand that TPSL would earn PBT margin in aforementioned range to meet the arm’s length criteria for FY 2025-26. Further, given the evolving nature of the solar module manufacturing industry in India, the Company will evaluate the margins earned by comparable companies at regular intervals and would ensure the margins earned by TPSL are in line with the margin earned by comparable companies. The detailed analysis is attached herewith as **Appendix B**.

ALP analysis of RPTs between TPREL and TPSL

2. Sale of Material by TPREL to TP Solar

- We are given to understand that TPREL is seeking to manufacture solar modules via TP Solar by providing them the required raw materials i.e., cells and wafers. TP Solar shall thereafter resell the manufactured modules to TPREL. Further, the cost of raw material will be considered as pass through, and an arm's length markup will be charged on the value-added cost incurred by TPREL for providing procurement support services.
- An economic analysis have been performed to benchmark these transactions from ALP perspective to identify the arms length range of profit earned by comparable companies engaged in procurement services. The arms length range of mark up earned by comparable companies engaged in similar activities is depicted hereunder.

Arm's Length Range (OP/OC)				
Sl. No.	Nature of services	35 th Percentile	Median	65 th Percentile
1	Procurement services	2.86%	7.31%	9.42%

- We are given to understand that TPREL would earn mark-up in aforementioned range to meet the arm's length criteria for FY 2026-27. The detailed analysis is attached herewith as **Appendix C.**

ALP analysis of RPTs between TPREL and TPVSL

<p>Name of related party and relationship</p>	<p>Tata Power Renewable Energy Limited (“TPREL”) - Subsidiary of the TPCL TP Vardhman Surya Limited (“TPVSL”) - Subsidiary of TPREL</p>
<p>Nature of RPT & Estimated amount for FY 2026-27</p>	<ol style="list-style-type: none"> 1. Domestic Lending – INR 3,750 crore 2. Leasing of Premises – INR 100 crore 3. Reimbursement / recovery of expense – INR 100 crores 4. Rendering /availing of project management services – INR 50 crore
<p>Transaction description, pricing policy and ALP analysis</p>	<p>1. Domestic Lending</p> <p><u>Domestic lending</u></p> <ul style="list-style-type: none"> • We are given to understand that TPREL has lend / will lend funds to TPVSL for setting up its power plant, whereas TPREL has proposed to charge interest rate considering the T-Bill 364 days plus Margin 1.50% plus 0.25% unsecured Margin, which will be reset on every year. • The interest rate decided is at arm’s length, as the base rate considered are of the Domestic Reserve Bank of India (RBI) Base Rate or State Bank of India (SBI) base rate with appropriate margin and suitable adjustments to factor difference in terms and condition of RP loan. <p style="text-align: right;">(cont...)</p>

ALP analysis of RPTs between TPREL and TPVSL

Unsecured NCD amounting to INR 1,900 crores

- Asian Development Bank (“ADB”) has provided separate funding in form of Non-Convertible Debentures (“NCD”) to TPREL of INR 1,900 crores at the rate of ~ 8% in connection with setting up of green energy plant by TPVSL. Accordingly, TPREL will lend the money of INR 1,900 crores onwards to TPVSL in the form of unsecured NCDs at the rate paid to ADB plus mark-up. Accordingly, the interest rate decided is at arm’s length.

2. Leasing of premises

- In case of leasing of freehold land, TPREL will charge lease rent based on market rate or valuation report issued by independent valuer for the purpose of determination of arm’s length price.
- In case of subleasing, we are given to understand that the TPREL has acquired the land from third party and sublease the same to TPVSL at the market value. Given that TPREL has recovered the rent on market value, the transaction can be considered to be at arm’s length.

ALP analysis of RPTs between TPREL and TPVSL

3. Reimbursement / recovery of expenses

- TPREL proposes to incur certain expenses on behalf of TPVSL for administrative convenience purpose. TPVSL to reimburse those expenses on actual basis without any mark up.
- TPVSL incurs certain expenses on behalf of TPREL for administrative convenience purpose. TPREL reimburses those expenses on actual basis without any mark up.
- Given that these expenses are at actual cost and no mark up is charged, the transaction can be considered to be at arm's length price.

4. Rendering /availing of project management services

- TPVSL has entered into Power Purchase Agreement ('PPA') with TSL for supply of 966 MW of Solar and Wind hybrid plant. The project will generate around 2,626.58 MUs on an annual average basis for 25 years effective FY 2026. In terms of the aforesaid PPA, TPVSL is proposing to avail project management services from TPREL for setting up the power plant.
- In case of this proposed transaction, wherever market prices are available the same will be considered to meet arms length pricing. Where market price is not available, alternative methods such as cost + mark-up, comparable price shall be considered.

ALP analysis of RPTs between TPCODL and GRIDCO

<p>Name of related party and relationship</p>	<p>TP Central Odisha Distribution Limited (“TPCODL”) - Subsidiary of the TPCL GRIDCO – exercises significant influence and hence an associate of TPCODL</p>
<p>Nature of RPT & Estimated amount for FY 2026-27</p>	<p>1. Purchase of power- INR 4,600 crore</p>
<p>Transaction description, pricing policy and ALP analysis</p>	<p>1. Purchase of power</p> <ul style="list-style-type: none"> • TPCODL procures power from GRIDCO for onward selling to third parties or group companies. TPCODL purchases power as per rate determined under tariff order pronounced by Odisha State Electricity Regulatory Commission (“OERC”). • Given that the pricing of power purchased is in accordance with tariff duly approved by state regulatory authority, the transaction can be considered to be at arm’s length price.

ALP analysis of RPTs between TPWODL and GRIDCO

<p>Name of related party and relationship</p>	<p>TP Western Distribution Limited (“TPWODL”) - Subsidiary of the TPCL GRIDCO - exercises significant influence and hence an associate of TPWODL</p>
<p>Nature of RPT & Estimated amount for FY 2026-27</p>	<p>1. Purchase of power – INR 4,600 crore</p>
<p>Transaction description, pricing policy and ALP analysis</p>	<p>1. Purchase of power</p> <ul style="list-style-type: none"> • TPWODL procures power from GRIDCO for onward selling to third parties or group companies. TPWODL purchases power as per rate determined under tariff order pronounced by Odisha State Electricity Regulatory Commission (“OERC”). • Given that the pricing of power purchased is in accordance with tariff duly approved by state regulatory authority, the transaction can be considered to be at arm’s length price.

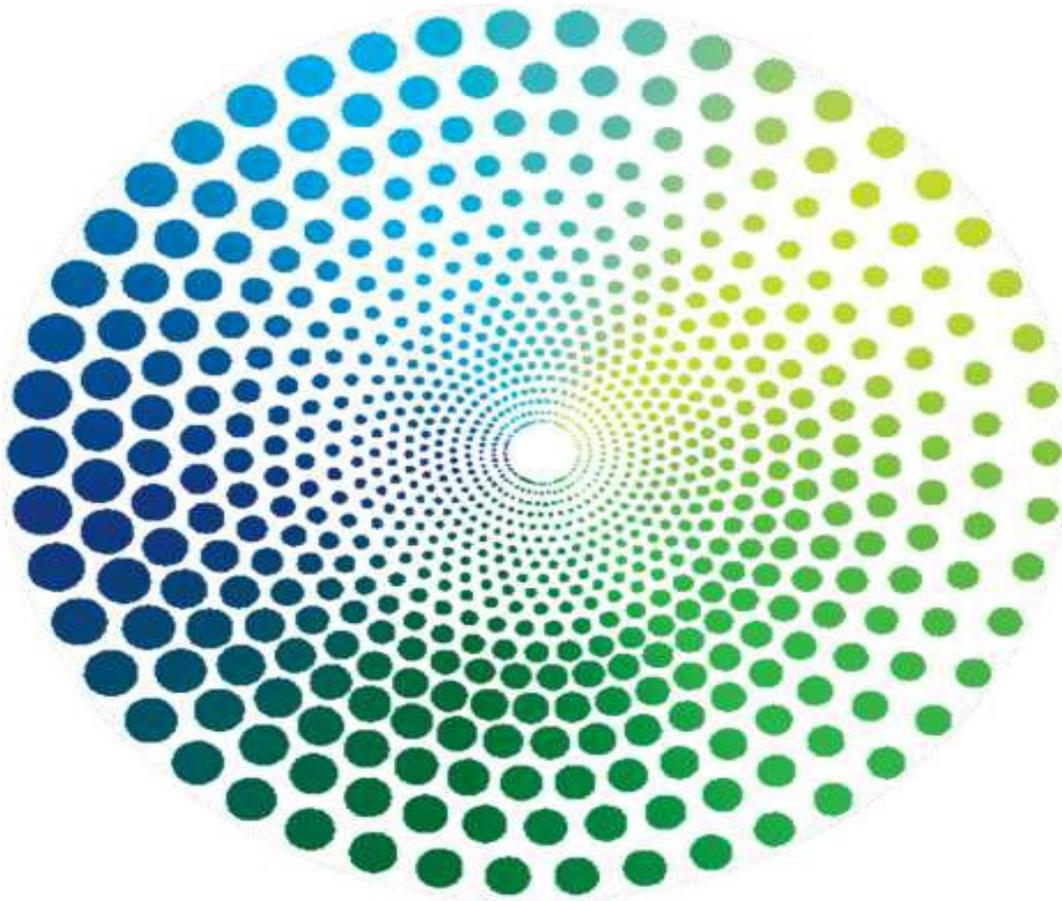


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The Tata Power Company Limited

Benchmarking Memo for Power
Generation

Identification of independent comparable companies

- **Database used**

A search for the companies comparable to Tata Power Company Limited was conducted using the publicly available databases, AceTP and Capitaline, having large number of Indian companies. A brief description of the databases is available at **Appendix 1**. The search for comparable companies was carried out using the version updated as on 15 May 2025.

AceTP and Capitaline classify companies into various industries based on the function or service that the company is engaged in. All companies under these industry classification were downloaded for the purpose of quantitative screening. Based on the quantitative screens, the companies were segregated into three sets, namely Manufacturing, Trading and Services.

The activities performed by Tata Power Company Limited are in the nature of **generation of power**. For identifying potential comparable companies that perform similar functions and bear similar risks to that of Tata Power Company Limited, we selected the 'Manufacturing set'.

- **Number of years used for analysis**

Based on the Rule 10B (5) of the Rules, we have included the comparable companies having data for the current year (i.e. FY 2024-25) or the year immediately preceding the current year (i.e. FY 2023-24) while applying the primary quantitative criteria.

The table below outlines the criteria applied for selecting companies based on the data available:

FY 2024-25	FY 2023-24	Accept / Reject
Yes	Yes	Accept
Yes	No	Accept
No	Yes	Accept
No	No	Reject

Further, while analyzing financial results, where data for the year ended 31 March 2025 is available, the same has been considered along with the data for the year ended 31 March 2024 and 31 March 2023.

- **Financial year alignment**

In the database, we observed that the accounting period for all the companies listed in the databases is not uniform. For the purpose of this analysis, we aligned the financial data of the companies based on the end-date of the FY in the following manner:

Financial year end-date falling between	Considered as the data for the FY
01 April 2022 to 31 March 2023	2022-23
01 April 2023 to 31 March 2024	2023-24
01 April 2024 to 31 March 2025	2024-25

- **Application of primary quantitative filters**

The financial information viz., the profit and loss statements and the balance sheet data of the companies, as reported in the respective databases, was used for application of the primary quantitative filters. A standard definition for each line item was arrived at to have consistency in usage of the data from databases. **Appendix 2** outlines in detail the method used for classifying the various line items.

Following primary quantitative filters were applied using the data of the companies available for FY 2024-25 and / or FY 2023-24:

- i. **Minimum turnover:** Accepted companies that reported net sales equal to or greater than INR 1 crore;
- ii. **Positive net worth:** Accepted companies that reported net worth greater than or equal to zero. The net worth value as provided by the databases was used for applying this filter;
- iii. **Manufacturing income:** Accepted companies that had majority of their revenue from manufacturing activities i.e. the ratio of manufacturing sales to net sales more than 50 percent; and
- iv. **Segment data:** Accepted companies that had segment data for more than 1 segment even where they were failing manufacturing income filter at the entity level.

- **Selection of keywords**

The companies which satisfied the aforementioned primary quantitative filters were selected at the initial stage.

Thereafter, the keywords available in the following categories in AceTP and Capitaline databases were used to identify potential comparable companies:

- Database industry
- NIC Activity
- Products details
- Segments details

Table 1: Keywords selected

Database industry	Power Generation/Distribution
	Power Generation And Supply
NIC Activity	Construction And Maintenance Of Power Plants
	Electric Power Generation; Transmission And Distribution
	Electric Power Generation By Coal Based Thermal Power Plants

	Electric Power Generation Using Other Non Conventional Sources
	Electric Power Generation Using Solar Energy
	Electric Power Generation By Hydroelectric Power Plants
	Mining of hard coal
	Electric Power Generation By Non-Coal Based Thermal (E.G. Diesel; Gas)
	Generation of solar energy
	Generation of electricity from other non-conventio
	Construction/erection and maintenance of power, te
	Electricity, Gas, Steam and Hot Water Supply
	Construction and maintenance of power plants, othe
	Generation and transmission of electricity; coal b
	Generation and transmission of electricity; hydro-
	Power
	Generation
Product and Segment (keywords used)	Thermal
	Coal
	Electricity

- **Application of qualitative filters and detailed qualitative review**

The business descriptions of the set of companies obtained from the database were reviewed in detail. Where the companies are found to be comparable to the business of the tested party, the same are analyzed in detail from the annual report or website of the comparable companies or other sources available on the internet.

Further, in this step, the companies are rejected on the following qualitative criteria:

- i. Business description of the companies not available in the database;
- ii. Companies having significantly different functions / providing different services or products (e.g. service, trading, or diverse activities);
- iii. Insufficient information (with regard to the business) or financial data to analyze the companies or annual reports are not available;
- iv. Inadequate business segment information;
- v. Companies having ownership of more than 50% by any Government body; and
- vi. Companies having extraordinary events during the year or years under study (e.g. mergers, acquisitions, or restructuring) that would impact the comparability of the company.

- **Application of additional quantitative filter based on Annual Report / Database**

Following additional quantitative filter were applied using the data of the companies available for FY 2024-25 and / or FY 2023-24:

- **Segment income less than INR 1 crore** – Income from the relevant segment is less than INR 1 crore.
 - **Related Party Transaction (“RPT”) to total income ratio** – Accepted companies having ratio of related party transaction to total income less than 25 percent.
 - **Persistent losses** – Rejected companies reporting persistent losses in the years of study.
 - **Abnormal margins** – Rejected companies reporting abnormal fluctuations in margins or abnormal margins in the years of study.
- **Summary of search process**

The results of the above analysis carried out are tabulated herein below:

Table 2: Set obtained from AceTP

S. No.	Search Criteria	Eliminated companies	Accepted companies
1	Total number of companies in AceTP classified under 'All Industries' as on 15 May 2025		42,481
2	Companies having at least 1 year data for the years under consideration i.e. 2022-23, 2023-24 and 2024-25	27,058	15,423
3	Application of basic quantitative filters: Accepted companies that passed the below mentioned criteria in the current year if available or immediately preceding financial year		
a)	Accepted companies that reported financial data in the current year if available or immediately preceding financial year	4,310	11,113
b)	Accepted companies that reported net sales greater than or equal to 1 crore	507	10,606
c)	Accepted companies that reported net worth greater than or equal to 0	645	9,961
d)	Accepted companies that reported manufacturing income to net sales as more than 50 percent	5,017	4,944
e)	Accepted companies having more than one segment data even where companies failed manufacturing income filter at the entity level		838
f)	Companies to be analysed (sum of d + e)		5,782
4	Accepted companies based on application of keywords	5,200	582
5	Accepted companies based on qualitative filters	531	51

S. No.	Search Criteria	Eliminated companies	Accepted companies
6	Application of additional quantitative filters		
a)	Segment income less than INR 1 crore	0	51
b)	Accepted companies having ratio of RPT to total income less than 25 percent	11	40
c)	Rejected companies reporting persistent losses in the years of study	4	36
d)	Rejected companies reporting abnormal margins in the years of study	24	12
7	Companies that passed through all the above filters		12

Table 3: Set obtained from Capitaline

S. No.	Search Criteria	Eliminated companies	Accepted companies
1	Total number of companies in Capitaline classified under 'All Industries' as on 15 May 2025	75,217	
2	Companies having at least 1 year data for the years under consideration i.e. 2022-23, 2023-24 and 2024-25	48,179	27,038
3	Application of basic quantitative filters: Accepted companies that passed the below mentioned criteria in the current year if available or immediately preceding financial year		
a)	Accepted companies that reported financial data in the current year if available or immediately preceding financial year	4,974	22,064
b)	Accepted companies that reported net sales greater than or equal to 1 crore	1,818	20,246
c)	Accepted companies that reported net worth greater than or equal to 0	1,467	18,779
d)	Rejected companies already analysed in AceTP	8,344	10,435
e)	Accepted companies that reported manufacturing income to net sales as more than 50 percent	6,922	3,513
f)	Accepted companies having more than one segment data even where companies failed manufacturing income filter at the entity level		382
g)	Companies to be analysed (sum of e + f)		3,895
4	Accepted companies based on application of keywords	3,795	100
5	Accepted companies based on qualitative filters	99	1
6	Application of additional quantitative filters		
a)	Segment income less than INR 1 crore	0	1

S. No.	Search Criteria	Eliminated companies	Accepted companies
b)	Accepted companies having ratio of RPT to total income less than 25 percent	0	1
c)	Rejected companies reporting persistent losses in the years of study	0	1
d)	Rejected companies reporting abnormal margins in the years of study	1	0
7	Companies that passed through all the above filters		0

The details of companies selected / eliminated in the entire search process are provided in **Appendix 4**.

Further, the following company was identified as comparable in the previous year, however, it failed filters applied during the search process. Given that annual report for the same is currently available in the public domain, the company passes all the filters applied and is functionally comparable, they are added to the final list of comparables.

- Solar Energy Corporation of India

The final number of broadly comparable independent companies identified is **thirteen**. The business descriptions of the same are provided in **Appendix 3**.

Computation of Arm's Length Price

Rule 10CA of the Rules provides that if the application of the most appropriate method results in more than one price, the arm's length price would be determined by constructing a data set. The data set has to be prepared by placing the prices in an ascending order.

In case the current year of data is used for analyzing comparability, the data set would be prepared by considering the weighted average values of the current year as well as the previous two years in which same or similar uncontrolled transactions have been undertaken. On the other hand, if the data of the FY preceding the current year is used for analyzing comparability, the data set would be prepared by considering the weighted average values of the two consecutive FYs preceding the current year in which same or similar uncontrolled transactions have been undertaken.

The weighted average OP/OC (considering foreign exchange gain/loss as non-operating) of the comparable companies is given below:

Table 4: Financial analysis of comparable companies (Unadjusted)

Sr. No	Company Name	Database	Entity / Segmental	FY 2022-23	FY 2023-24	FY 2024-25	3 yr Weighted Unadjusted Average
1	Solar Energy Corporation of India	Annual Report	Entity	3.52%	4.00%	NA	3.78%
2	Adani Power Ltd.	AceTP	Entity	21.81%	38.28%	NA	29.80%
3	Energy Development Company Ltd.	AceTP	Entity	23.30%	-5.33%	NA	9.31%
4	Fortune Five Hydel Projects Pvt Ltd.	AceTP	Entity	54.08%	49.72%	NA	51.85%
5	GMR Kamalanga Energy Ltd.	AceTP	Entity	25.12%	25.98%	NA	25.52%
6	Jhabua Power Ltd.	AceTP	Entity	14.62%	-5.67%	NA	2.76%
7	Jindal India Power Ltd.	AceTP	Entity	43.09%	37.48%	NA	40.13%
8	Lalitpur Power Generation Company Ltd.	AceTP	Entity	18.27%	20.67%	NA	19.43%
9	Punjab Hydro Power Pvt Ltd.	AceTP	Entity	24.70%	-18.91%	NA	-2.73%
10	RattanIndia Power Ltd.	AceTP	Entity	20.30%	13.51%	NA	16.74%
11	RKM Powergen Pvt Ltd.	AceTP	Entity	35.87%	41.62%	NA	39.02%
12	Sasan Power Ltd.	AceTP	Entity	35.62%	32.17%	NA	33.81%
13	Universal Biomass Energy Pvt Ltd.	AceTP	Entity	15.06%	11.71%	NA	13.17%
Count							13
Median							19.43%
Mean							21.74%
35 Percentile							13.17%
65 Percentile							29.80%

Economic Adjustments

Rule 10B(3)(ii) of the Act, provides that an uncontrolled transaction can be compared to an international transaction if:

- none of the differences, if any, between the transactions being compared, or between the enterprises entering into such transactions are likely to materially affect the price or cost charged or paid in, or the profit arising from, such transactions in the open market; or
- reasonably accurate adjustments can be made to eliminate the material effects of such differences.

The broadly comparable independent companies that have been identified are not necessarily exactly comparable to the products offered by Tata Power Company Limited. As such, some differences in terms of functions performed and risks borne and assets employed are likely to exist between the comparable companies and the products offered by Tata Power Company Limited. Necessary adjustment to financial data, wherever possible, to account for the differences are required to be performed and the effect of these functional and risk differences on the mark-up needs to be adjusted while determining the arm's length price.

Thus, the company reserves the right to make necessary adjustments, if required.

Conclusion

Rule 10CA (4) provides that in case there are six or more comparable, the arm's length range would be between thirty-fifth percentile and the sixty-fifth percentile of the dataset. Based on the said rule, the arm's length range of weighted average OP/OC of the broadly comparable independent companies is **13.17** percent to **29.80** percent and the median of the data set is **19.43** percent.

Appendix 1 – Brief description of databases

The publicly available databases viz., AceTP and Capitaline, (updated as of 15 May 2025) have been used to identify potential comparable uncontrolled companies for determining the arm's length price. A brief summary of the main databases used for identification of comparable companies is presented below:

Accord Fintech Limited - AceTP Database

AceTP is a database of large and medium Indian firms. It contains detailed information on over 42,481 companies (as on 15 May 2025). Extensive data and analysis on every company for more than 15-year, more than 25,000 products/services and 1,750 unique financial data fields, are available. Profit & Loss a/c, Balance Sheet and Cash flows are directly linked with annual report to ensure authenticity of "as reported" data taken from company's annual report. AceTP classifies companies into various industries based on the balance sheet abstract and products. The database is thus equipped with a powerful search tool to search the comparable companies based on keywords. Some of the features of AceTP are:

- Key Financial Filter - In Built in database.
- Search tool options - Query Module, activity name, companies added / removed, etc.
- Product details
- Business activity
- NIC – activity
- Different industry specific format
- Industry Classification
- Comprehensive coverage of financial Data Fields
- Easy access to Company Annual Reports in PDF form
- Financial data
- Business Description

Capital Market Publishers India Private Limited- Capitaline

Capitaline provides fundamental and market data on 75,217 companies (as on 15 May 2025) Indian listed and unlisted companies, classified under several industries, along with powerful analytic tools. Extensive data and analysis on every company profile, directors, more than 10-year financials (P&L, balance sheet, cash flow, consolidated financial data, segment data, Forex data, R&D data, ratios, etc.), quarterly results, ownership pattern, finished products, raw materials, share price data, Directors' Report, Management

discussion, Notes to account, Business news, Corporate events, etc. are available. The database classifies companies into various industries based on the function or service that the company is engaged in. Some of the features of Capitaline are:

- **Company** - Company section of Capitaline database has extensive financial and non-financial information on Indian companies.
- **Industry** - The industry module in Capitaline database contains aggregate data of all companies in one industry on one screen for easy comparison. For instance, along with data on Tata Motors, you can also see financials and ratios of Ashok Leyland, Eicher Motors, etc in the same screen.
- **Capital Market - Live News** - Capitaline database package has a Live News section, which gives a wide range of news story updates including market commentary, price movements of stocks, all market reports, corporate happenings, results, IPOs, politics, economy, quarterly performance, research reports, etc.
- **Fact Sheets** - Powerful aggregation screens displaying scoreboards of companies classified under different catalogs like Industry, House, State, Country, Product, Stock Exchange, Index, etc.
- **Screeener** - The Screeener in Capitaline database is a very powerful, yet is an easy-to-use, analysis screen. Fundamental research and analysis techniques assist users in identifying companies that meet specific performance criteria. Capitaline database data are uniquely positioned to initiate rigorous company analysis at the highest quantitative level.

Appendix 2 – Data definition

Database: AceTP		Data definition
Line Items		Formula
Net Sales		Sales Turnover + Commission, exchange and brokerage + Export Incentives + Sale of Scrap - Other Income + Service Fee + Bad debts recovered + Commission Received + Sale of Power + Discounts - Subsidy / Grants / Incentives - Lease Income / Rentals - Income from Trading in Securities - Income from other investments - Surplus from deployment in Cash mgmt. - Income from of Mutual Funds - Translation / Actual Exchange Gain - Sale of Shares / Units - Income From Investment in Properties - Dividend Income - Interest Earned - Interest/Discount on advances/Bills - Interest on balances with Reserve Bank of India and other inter-bank funds - Income on investments - Inter divisional transfers - Sales Returns + Provision Written Back – Excise
Raw Material Consumed		Raw Material Consumed + Packing Material Consumed
Increase/ Decrease in Stock		Increase/ Decrease in Stock
Input Cost		Raw Materials Consumption + Change in Stock
Power & Fuel Cost		Power & Fuel Cost
Employee Cost		Employee Cost
Depreciation		Depreciation + Depreciation (including lease equalization) on Leased Assets
Selling & Distribution Expenses		Selling and Distribution Expenses
Operating & Manufacturing Expenses		Operating & Manufacturing Expenses – Packing Material Consumed - Stock Exchange Membership and Subscription
Cost of Software Development		Cost of Software Development
General and Administration Expenses		General and Administration Expenses - Wealth Tax – Depreciation (including lease equalization) on Leased Assets
Bad Debts		Bad Debts/ Advances Written off + Provision for Doubtful debts
Value Added Expenditure (VAE)		Power & Fuel Cost + Employee Cost + Depreciation + Selling & Distribution Expenses + Operating & Manufacturing Expenses + Cost of Software Development + General & Administrative Expenses + Bad Debts + Bank Charges etc. + Other Miscellaneous expenses

Database: AceTP		Data definition
Line Items	Formula	
Total Cost	Input Cost + Value Added Expenditure	
Operating Profit	Net Sales – Total Cost	
Non - Operating Income	Other Income – Commission, exchange and brokerage - Export Incentives - Sale of Scrap : Other Income - Service Fee - Bad debts recovered - Commission Received - Sale of Power - Discounts + Subsidy / Grants / Incentives + Lease Income / Rentals + Income from Trading in Securities + Income from other investments + Surplus from deployment in Cash mgmt. + Income from of Mutual Funds + Translation / Actual Exchange Gain + Sale of Shares / Units + Income From Investment in Properties + Dividend Income + Interest Earned + Interest/Discount on advances/Bills + Interest on balances with Reserve Bank of India and other inter-bank funds + Income on investments - Provision Written back	
Non - Operating Expenses	(Interest – Bank Charges etc.) + (Miscellaneous Expenses – Bad Debts/ Advances Written off + Provision for Doubtful debts – Other Miscellaneous expenses) + Wealth Tax + Stock Exchange Membership and Subscription – Expenses Capitalized	
Reco With Profit before Tax	Operating Profit + Non-Operating Income – Non-Operating Expenses – PBT	
Forex Earnings	Revenue in Forex – Dividend Received (in forex) – Interest Earnings (in forex)	
Manufacturing Sales	Manufacturing Sales	
Trading Sales	Trading Sales	
Service Income	Services Sales	

Database: Capitaline		Data definition
Line Items	Formula	
Net Sales	Sales Turnover or Operating Income + Export Incentives + Import Entitlements + Sale of Scrap-Internal Consumption-Foreign Exchange Earned-Excise Duty-Sales Tax	
Raw material consumption	Opening Stock of Raw Materials + Purchase of Raw Materials + Purchase of Trading Goods + Direct Expenses on Purchase -Closing Stock of Raw Materials + Packing Materials + Stores Consumed + Provision written back + Income from sale of power + Compensation / Reimbursement income + Fee income + Other commission income	
Change in Stock	Closing Stock – WIP + Closing Stock - Finished Goods + Closing Stock - Others-Opening Stock - WIP-Opening Stock - Finished Goods-Opening Stock - Others	
Input Cost	Raw Materials Consumption - Change in Stock	
Gross Profit	Net Sales – Input Cost	

Database: Capitaline Data definition

Line Items	Formula
Energy	Fuel + Electricity Expenses
Employee Cost	Salaries + Contribution to funds + Staff Welfare Expenses + VRS compensation + Gratuity Paid + Other Employee Cost
Depreciation	Depreciation for the current year - Depreciation on Revalued Assets
Amortization	Expenses Amortized
Advertising, Marketing and Distribution	Advertisement + Marketing Expenses + Distribution Expenses+ Commission expense on sales + Other Selling Expenses + Other Commission paid
Bad Debts	Bad Debts written off
Repairs & Maintenance	Repair-Machinery + Repairs-Building + Repairs-Others
Other operating expenses	Water Charges + Franchise Expenses + Courseware Manuals + Cost of Software Package + Training Expenses + Expenses on Equipment + Transport charges + Technical fees paid + Handling, clearing charges + License Fee / Operation Charge + Rent, Rates and Taxes Paid + Royalty and technical fees + Lease Rent / Hire Charges Paid + Insurance + Job Work / Contract / Process + Discount Paid + Director's Remuneration + Travel Expenses + Legal Expenses + Audit Expenses + Other Fees + Other Administrative Expenses + Communication Expenses + Printing and Stationery + Miscellaneous Expenses + Drilling Operation Charges + Wheeling charges payable + Project / Production Charges + Cost of coupon sales, food, beverages + Other Operating Expenses - Pre-operative Expenses - Wealth Tax + Upkeep and service charges + Stevedoring, dunnage, cargo ex + Ship Management Fees + Port, Canal Dues + Management and Advisory Fees + Insurance, Protection and Club + R & D Expenses
Manufacturing sales	Sales-Manufacturing
Trading sales	Sales-Trading + Sale of Imported Software / Packages + Sale of Software Services
Service income	Job Work & Service Income + Property Development + Freight Income + Charter Hire + Demurrage + Food / Beverages etc + Room Service + Development Charges + Training / Educational Charges
Forex earnings	Revenue earnings in forex - Dividend earnings in forex - Interest earnings in forex
Value added expenditure (VAE)	Energy + Employee cost + Depreciation + Amortization + Advertising + Marketing + Distribution + Bad Debts (VAE) + Repairs & maintenance + Other operating expense
Total Cost	Input Cost + Value added expenditure (VAE)
Operating profit	Net Sales - Total Cost
Non - operating income	Other Income - Export Incentives - Import Entitlements - Sale of Scrap + Adjustment on Amalgamation / Trial Runs + Foreign Exchange Earned + Internal Consumption

Database: Capitaline Data definition

Line Items	Formula
Non - operating expenses	Adjustment on Amalgamation / Trial Runs + Wealth Tax + Miscellaneous Expenses - Bad Debts written off - Expenses Amortized - Miscellaneous Expenses + Interest + Other Adjustment + Lease Adjustment
Reco with Profit Before Tax	Operating Profit+ Non - operating income - Non operating expenses - Profit before tax

Appendix 3 – Business description of comparable companies

Adani Power Ltd.

The company is engaged in the sale of power. It is also engaged in the trading, investment and other business activities.

(AR 2024 pdf pg 254)

Energy Development Company Ltd.

The company is engaged in generation of bulk power to various electricity boards. It is also engaged in business construction development, implementation, operation & maintenance of projects and consultancies. Further it is engaged in trading of power equipment, metals etc.

(AR 2024 pdf pg 79)

Fortune Five Hydel Projects Pvt Ltd.

The company is engaged in the business of generation of power.

(AR 2024 pdf pg 81)

GMR Kamalanga Energy Ltd.

The company is engaged in the business of generation and supply of power.

(AR 2024 pdf pg 54)

Jhabua Power Ltd.

The company is engaged in the generation of power.

(AR 2024 pdf pg 64)

Jindal India Power Ltd.

The company is engaged in the generation of power.

(AR 2024 pdf pg 66)

Lalitpur Power Generation Company Ltd.

The company is engaged in the generation of power.

(AR 2024 pdf pg 90)

Punjab Hydro Power Pvt Ltd.

The company is engaged in the generation of electricity.

(AR 2024 pdf pg 27)

RattanIndia Power Ltd.

The company is engaged in the generation, distribution and transmission of power and other ancillary and incidental activities.

(AR 2024 pdf pg 201)

RKM Powergen Pvt Ltd.

The company is engaged in the generation of electricity.

(AR 2024 pdf pg 2)

Sasan Power Ltd.

The company is engaged in the business of generation of power.

(AR 2024 pdf pg 24)

Solar Energy Corporation of India

The company is engaged in the generation and sale of renewable energy power.

(AR 2024 pdf pg 48)

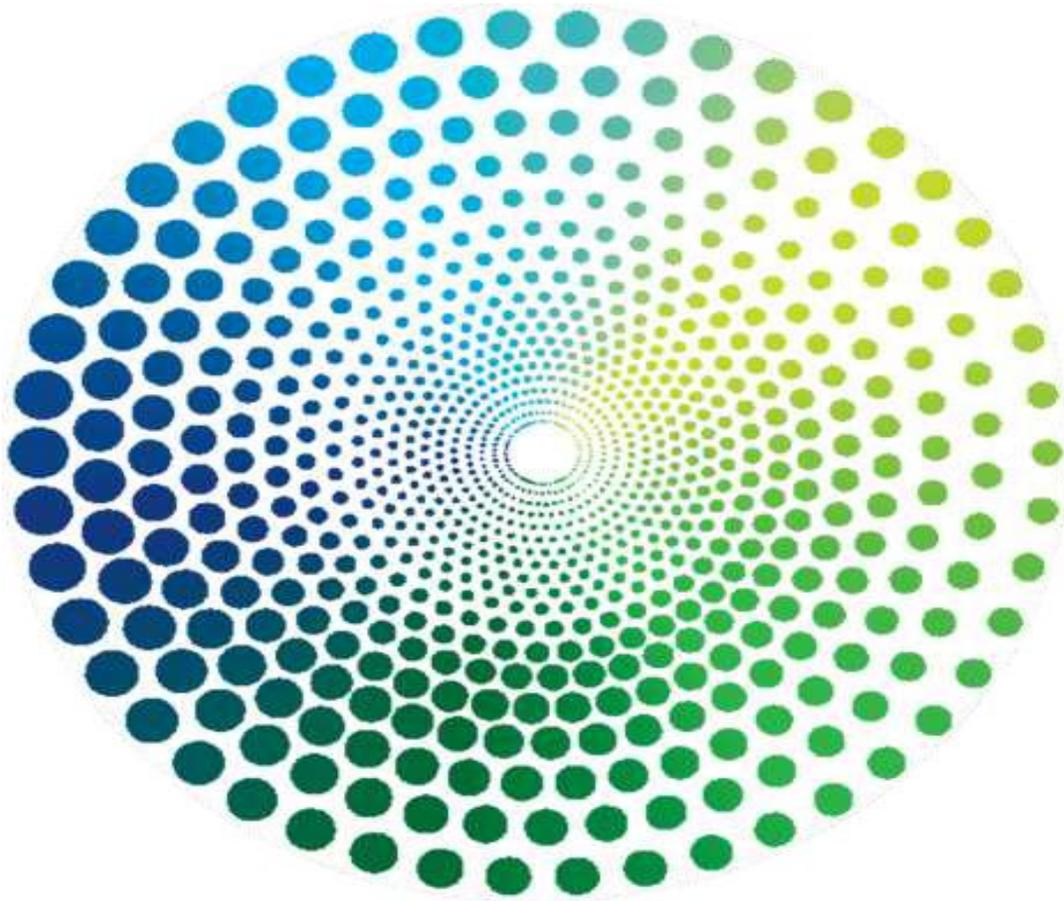
Universal Biomass Energy Pvt Ltd.

The company is engaged in the sale of electricity.

(AR 2024 pdf pg 191)

Appendix 4 – Accept Reject Matrix

The accept / reject matrix has been provided separately by way of **Appendix 4**.



TP Solar Limited

Benchmarking Memo for Manufacturing
of Solar Modules

Identification of independent comparable companies

- **Database used**

A search for the companies comparable to TP Solar Limited was conducted using the publicly available databases, AceTP and Capitaline, having large number of Indian companies. A brief description of the databases is available at **Appendix 1**. The search for comparable companies was carried out using the version updated as on 15 May 2025.

Further, we have been given to understand that solar module manufacturing industry in India is evolving. Accordingly, to analyze the latest available margin of comparable companies available in the public domain we have updated the H2 FY 2025-26 margins of comparable companies to benchmark the transaction from ALP perspective.

AceTP and Capitaline classify companies into various industries based on the function or service that the company is engaged in. All companies under these industry classification were downloaded for the purpose of quantitative screening. Based on the quantitative screens, the companies were segregated into three sets, namely Manufacturing, Trading and Services.

The activities performed by TP Solar Limited are in the nature of manufacturing of solar modules. For identifying potential comparable companies that perform similar functions and bear similar risks to that of TP Solar Limited, we selected the 'Manufacturing set'.

- **Number of years used for analysis**

Based on the Rule 10B(5) of the Rules, we have included the comparable companies having data for the current year (i.e. FY 2024-25) or the year immediately preceding the current year (i.e. FY 2023-24) while applying the primary quantitative criteria.

The table below outlines the criteria applied for selecting companies based on the data available:

FY 2024-25	FY 2023-24	Accept / Reject
Yes	Yes	Accept
Yes	No	Accept
No	Yes	Accept
No	No	Reject

Further, while analyzing financial results, where data for the year ended 31 March 2025 is available, the same has been considered along with the data for the year ended 31 March 2024 and 31 March 2023.

- **Financial year alignment**

In the database, we observed that the accounting period for all the companies listed in the databases is not uniform. For the purpose of this analysis, we aligned the financial data of the companies based on the end-date of the FY in the following manner:

Financial year end-date falling between	Considered as the data for the FY
01 April 2022 to 31 March 2023	2022-23
01 April 2023 to 31 March 2024	2023-24
01 April 2024 to 31 March 2025	2024-25

- **Application of primary quantitative filters**

The financial information viz., the profit and loss statements and the balance sheet data of the companies, as reported in the respective databases, was used for application of the primary quantitative filters. A standard definition for each line item was arrived at to have consistency in usage of the data from databases. **Appendix 2** outlines in detail the method used for classifying the various line items.

Following primary quantitative filters were applied using the data of the companies available for FY 2024-25 and / or FY 2023-24:

- i. **Minimum turnover:** Accepted companies that reported net sales equal to or greater than INR 100 crore;
- ii. **Positive net worth:** Accepted companies that reported net worth greater than or equal to zero. The net worth value as provided by the databases was used for applying this filter;
- iii. **Manufacturing income:** Accepted companies that had majority of their revenue from manufacturing activities i.e. the ratio of manufacturing sales to net sales more than 50 percent; and
- iv. **Segment data:** Accepted companies that had segment data for more than 1 segment even where they were failing manufacturing income filter at the entity level.

- **Selection of keywords**

The companies which satisfied the aforementioned primary quantitative filters were selected at the initial stage.

Thereafter, the keywords available in the following categories in AceTP and Capitaline databases were used to identify potential comparable companies:

- Database industry
- NIC Activity
- Products details
- Segments details

Table 1: Keywords selected

	Diversified
	Electric Equipment
	Power Generation/Distribution
	Electronics - Components

	Batteries
	Miscellaneous
	Diversified - Medium / Small
	Electric Equipment - General - Medium / Small
	Miscellaneous - Medium / Small
	Power Generation And Supply
	Electric Equipment - Gensets / Turbines
	Electric Equipment - General - Large
	Miscellaneous - Large
	Manufacture Of Fluid Power Equipment
	Manufacture Of Other Electrical Equipment
	Manufacture Of Electricity Distribution And Control Apparatus (Electrical Apparatus For Switching Or Protecting Electrical Circuits (E.G. Switches; Fuses; Voltage Limiters; Surge Suppressors; Junction Boxes Etc.) For A Voltage Exceeding 1000 Volts; Simila
	Manufacture Of Electric Power Distribution Transformers; Arc-Welding Transformers; Fluorescent Ballasts; Transmission And Distribution Voltage Regulators
	Manufacture Of Electron Tubes; Diodes; Transistors And Related Discrete Devices
	Manufacture Of Electrical Equipment
	Manufacture Of Primary Cells And Primary Batteries And Rechargeable Batteries; Cells Containing Manganese Oxide; Mercuric Oxide Silver Oxide Or Other Material
	Manufacture Of Power Generators (Except Battery Charging Alternators For Internal Combustion Engines); Motor Generator Sets (Except Turbine Generator Set Units)
	Manufacture of other electrical equipment n.e.c.
	Manufacture of primary cells and primary batteries
	Manufacture of electricity distribution and contro
NIC Activity	

	Manufacture of other electrical equipment n.e.c.
	photovoltaic
	Solar
	Panel
Keywords used for Products & Segments	PV Solar
	Power
	module
	Manufacture

- **Application of qualitative filters and detailed qualitative review**

The business descriptions of the set of companies obtained from the database were reviewed in detail. Where the companies are found to be comparable to the business of the tested party, the same are analyzed in detail from the annual report or website of the comparable companies or other sources available on the internet.

Further, in this step, the companies are rejected on the following qualitative criteria:

- Business description of the companies not available in the database;
- Companies having significantly different functions / providing different services or products (e.g. service, trading, or diverse activities);
- Insufficient information (with regard to the business) or financial data to analyze the companies or annual reports are not available;
- Inadequate business segment information;
- Companies having ownership of more than 50% by any Government body; and
- Companies having extraordinary events during the year or years under study (e.g. mergers, acquisitions, or restructuring) that would impact the comparability of the company.

- **Application of additional quantitative filter based on Annual Report / Database**

Following additional quantitative filter were applied using the data of the companies available for FY 2024-25 and / or FY 2023-24:

- **Segment income less than INR 1 crore** – Income from the relevant segment is less than INR 1 crore.
- **Related Party Transaction (“RPT”) to total income ratio** – Accepted companies having ratio of related party transaction to total income less than 25 percent.
- **Persistent losses** – Rejected companies reporting persistent losses in the years of study.
- **Abnormal margins** – Rejected companies reporting abnormal fluctuations in margins or abnormal margins in the years of study.

- **Summary of search process**

The results of the above analysis carried out are tabulated herein below:

Table 2: Set obtained from AceTP

S. No.	Search Criteria	Eliminated companies	Accepted companies
1	Total number of companies in AceTP classified under 'All Industries' as on 15 May 2025		42,481
2	Companies having at least 1 year data for the years under consideration i.e. 2022-23, 2023-24 and 2024-25	27,058	15,423
3	Application of basic quantitative filters: Accepted companies that passed the below mentioned criteria in the current year if available or immediately preceding financial year		
a)	Accepted companies that reported financial data in the current year if available or immediately preceding financial year	4,310	11,113
b)	Accepted companies that reported net sales greater than or equal to 100 crore	509	10,604
c)	Accepted companies that reported net worth greater than or equal to 0	645	9,959
d)	Accepted companies that reported manufacturing income to net sales as more than 50 percent	5,017	4,942
e)	Accepted companies having more than one segment data even where companies failed manufacturing income filter at the entity level		838
f)	Companies to be analysed (sum of d + e)		5,780
4	Accepted companies based on application of keywords	4,928	852
5	Accepted companies based on qualitative filters	840	12
6	Application of additional quantitative filters		
a)	Segment income less than INR 1 crore	0	12
b)	Accepted companies having ratio of RPT to total income less than 25 percent	2	10
c)	Rejected companies reporting persistent losses in the years of study	0	10
d)	Rejected companies reporting abnormal margins in the years of study	0	10
7	Companies that passed through all the above filters		10

Table 3: Set obtained from Capitaline

S. No.	Search Criteria	Eliminated companies	Accepted companies
1	Total number of companies in Capitaline classified under 'All Industries' as on 15 May 2025	75,217	
2	Companies having at least 1 year data for the years under consideration i.e. 2022-23, 2023-24 and 2024-25	48,179	27,038
3	Application of basic quantitative filters: Accepted companies that passed the below mentioned criteria in the current year if available or immediately preceding financial year		
a)	Accepted companies that reported financial data in the current year if available or immediately preceding financial year	4,974	22,064
b)	Accepted companies that reported net sales greater than or equal to 1 crore	1,818	20,246
c)	Accepted companies that reported net worth greater than or equal to 0	1,467	18,779
d)	Rejected companies already analysed in AceTP	8,344	10,435
e)	Accepted companies that reported manufacturing income to net sales as more than 50 percent	6,922	3,513
f)	Accepted companies having more than one segment data even where companies failed manufacturing income filter at the entity level		382
g)	Companies to be analysed (sum of e + f)		3,895
4	Accepted companies based on application of keywords	3,263	632
5	Accepted companies based on qualitative filters	622	10
6	Application of additional quantitative filters		
a)	Segment income less than INR 1 crore	0	10
b)	Accepted companies having ratio of RPT to total income less than 25 percent	3	7
c)	Rejected companies reporting persistent losses in the years of study	1	6
d)	Rejected companies reporting abnormal margins in the years of study	0	6
7	Companies that passed through all the above filters		6

The details of companies selected / eliminated in the entire search process are provided in **Appendix 3**.

Further, the following company was identified as comparable in the previous year, however, it failed filters applied during the search process. Given that the annual report for the same is currently available in the public domain, the company pass all the filters applied and is functionally comparable, it is added to the final list of comparables.

1. Quark Solar Pvt Ltd.

The final number of broadly comparable independent companies identified is **seventeen**. The business descriptions of the same are provided in Appendix 4.

Computation of Arm's Length Price

Rule 10CA of the Rules provides that if the application of the most appropriate method results in more than one price, the arm's length price would be determined by constructing a data set. The data set has to be prepared by placing the prices in an ascending order.

In case the current year of data is used for analyzing comparability, the data set would be prepared by considering the weighted average values of the current year as well as the previous two years in which same or similar uncontrolled transactions have been undertaken. On the other hand, if the data of the FY preceding the current year is used for analyzing comparability, the data set would be prepared by considering the weighted average values of the two consecutive FYs preceding the current year in which same or similar uncontrolled transactions have been undertaken.

Further, based on time-to-time discussion with the management and solar industry market research, we understand that the solar module manufacturing industry in India is evolving, and the margins earned by major solar module manufacturers in India has increased significantly in the past 6 months to a year because of various factors.

Accordingly, we have updated the solar module manufacturing search to include latest H1 margins of FY 2025-26 of comparable companies available in the public domain. The weighted average OP/OC (considering foreign exchange gain/loss as non-operating) of the comparable companies is given below:

Table 4: Financial analysis of comparable companies (OP/OC)

Sr. No	Company Name	Database	Entity / Segmental	FY 2022-23	FY 2023-24	FY 2024-25	3 yr Weighted Unadjusted Average	FY 2025-26 - H1 Results *
1	Alpex Solar Ltd.	AceTP	Entity	4.21%	8.95%	17.27%	12.83%	17.19%
2	Australian Premium Solar (India) Ltd.	AceTP	Entity	5.08%	5.55%	13.46%	10.40%	14.45%
3	Goldi Solar Pvt Ltd.	AceTP	Entity	3.81%	4.33%	8.50%	5.55%	NA

Sr. No	Company Name	Database	Entity / Segmental	FY 2022-23	FY 2023-24	FY 2024-25	3 yr Weighted Unadjusted Average	FY 2025-26 - H1 Results *
4	Insolation Energy Ltd.	AceTP	Entity	4.11%	1.24%	-0.06%	2.20%	13.05%
5	Solex Energy Ltd.	AceTP	Entity	3.74%	5.12%	9.65%	7.39%	12.72%
6	Vikram Solar	AceTP	Entity	6.33%	11.15%	10.10%	9.43%	22.28%
7	Waaree Energies Ltd.	AceTP	Entity	10.01%	11.39%	18.88%	14.14%	24.77%
8	Quark Solar Pvt Ltd.	AR	Entity	3.85%	0.75%	NA	2.60%	NA
9	Topsun Energy Ltd	AceTP	Entity	-1.23%	8.16%	10.52%	7.70%	NA
10	Fujiyama Power Systems Ltd.	AceTP	Entity	6.86%	9.54%	17.31%	12.61%	19.98%
11	Saatvik Green Energy Ltd.	AceTP	Entity	1.59%	14.57%	9.99%	9.79%	-0.11%
12	ORB Energy Pvt Ltd	Capitaline	Entity	-3.11%	9.86%	0.83%	2.77%	NA
13	Gautam Solar Pvt Ltd	Capitaline	Entity	5.78%	8.74%	13.80%	9.44%	NA
14	Renewsys India Pvt Ltd	Capitaline	Entity	4.93%	7.75%	19.10%	10.59%	NA
15	Sova Solar Ltd	Capitaline	Entity	7.70%	16.75%	12.46%	12.30%	NA
16	Laxmi Agroenergy Pvt Ltd	Capitaline	Entity	-13.12%	-14.19%	NA	-13.66%	NA
17	Genus Innovation Ltd	Capitaline	Entity	3.75%	2.48%	5.03%	3.70%	NA
Count							17	8
Lower Quartile							3.70%	12.97%
Median							9.43%	15.82%
Mean							7.05%	15.54%
Upper Quartile							10.59%	20.55%
35 Percentile							5.55%	13.05%
65 Percentile							10.40%	19.98%

PS: Please note for latest margin data of H1 FY 2025-26 and FY 2024-25 we have relied on the data available in the public domain like screener, research report of rating agency etc.

Profit Before Tax(PBT) [Adjusted Margins]

The below weighted average PBT/TC is computed, considering foreign exchange gain/loss as non-operating and after including finance cost under the cost base:

Table 5: Financial analysis of comparable companies

Sr. No	Company Name	Database	Entity / Segmental	FY 2022-23	FY 2023-24	FY 2024-25	3 yr Weighted Unadjusted Average	FY 2025-26 - H1 Results *
1	Alpex Solar Ltd.	AceTP	Entity	3.45%	7.71%	16.59%	11.95%	16.18%
2	Australian Premium Solar (India) Ltd.	AceTP	Entity	5.10%	5.79%	13.85%	10.71%	13.58%
3	Goldi Solar Pvt Ltd.	AceTP	Entity	2.54%	3.64%	8.50%	4.89%	NA
4	Insolation Energy Ltd.	AceTP	Entity	3.58%	3.28%	13.64%	5.41%	13.05%
5	Solex Energy Ltd.	AceTP	Entity	1.12%	2.87%	8.31%	5.57%	9.23%
6	Vikram Solar	AceTP	Entity	1.89%	6.04%	7.28%	5.47%	18.16%
7	Waaree Energies Ltd.	AceTP	Entity	10.49%	13.19%	25.52%	17.60%	23.01%
8	Quark Solar Pvt Ltd.	AR	Entity	3.30%	3.85%	NA	3.52%	NA
9	Topsun Energy Ltd	AceTP	Entity	-4.14%	4.17%	7.74%	4.55%	NA
10	Fujiyama Power Systems Ltd.	AceTP	Entity	4.94%	7.06%	15.46%	10.55%	17.44%
11	Saatvik Green Energy Ltd.	AceTP	Entity	0.25%	13.43%	9.48%	8.95%	-1.24%
12	ORB Energy Pvt Ltd	Capitaline	Entity	-5.67%	6.39%	-5.65%	-1.36%	NA
13	Gautam Solar Pvt Ltd	Capitaline	Entity	5.54%	8.99%	13.80%	9.44%	NA
14	Renewsys India Pvt Ltd	Capitaline	Entity	5.12%	7.90%	19.10%	10.71%	NA
15	Sova Solar Ltd	Capitaline	Entity	6.44%	14.49%	12.46%	11.13%	NA
16	Laxmi Agroenergy Pvt Ltd	Capitaline	Entity	-16.41%	-18.40%	NA	-17.42%	NA

Sr. No	Company Name	Database	Entity / Segmental	FY 2022-23	FY 2023-24	FY 2024-25	3 yr Weighted Unadjusted Average	FY 2025-26 - H1 Results *
17	Genus Innovation Ltd	Capitaline	Entity	1.56%	-0.07%	0.47%	0.66%	NA
Count							17	8
Lower Quartile							4.55%	12.09%
Median							5.57%	14.88%
Mean							6.02%	13.67%
Upper Quartile							10.71%	17.62%
35 Percentile							4.89%	13.05%
65 Percentile							10.55%	17.44%

PS: Please note for latest margin data of H1 FY 2025-26 and FY 2024-25 we have relied on the data available in the public domain like screener, research report of rating agency etc.

Economic Adjustments

Rule 10B(3)(ii) of the Act, provides that an uncontrolled transaction can be compared to an international transaction if:

- none of the differences, if any, between the transactions being compared, or between the enterprises entering into such transactions are likely to materially affect the price or cost charged or paid in, or the profit arising from, such transactions in the open market; or
- reasonably accurate adjustments can be made to eliminate the material effects of such differences.

The broadly comparable independent companies that have been identified are not necessarily exactly comparable to the products offered by TP Solar Limited. As such, some differences in terms of functions performed and risks borne and assets employed are likely to exist between the comparable companies and the products offered by TP Solar Limited. Necessary adjustment to financial data, wherever possible, to account for the differences are required to be performed and the effect of these functional and risk differences on the mark-up needs to be adjusted while determining the arm's length price.

Thus, the company reserves the right to make necessary adjustments, if required

Conclusion

Unadjusted margins (OP/OC)

Based on the evolving nature of the solar module manufacturing industry in India we have computed the H1 margins of the same set of comparable companies for FY 2025-26, to the extent available in public domain. The 35th and 65th percentile of the margins earned by the comparable companies ranges from 13.05 percent to 19.98 percent and the median of the data set is 15.82 percent.



Accordingly, any mark- up charged in line with the above range of 35th to 65th Percentile of OP/OC shall meet the arm's length requirement. Any deviation of the mark-up from the aforesaid arm's length range in manufacturing search should be backed by the appropriate business reasons or other economic analysis.

Profit Before Tax (PBT)

Based on the evolving nature of the solar module manufacturing industry in India we have computed the H1 margins of the same set of comparable companies for FY 2025-26, to the extent available in public domain. The 35th and 65th percentile of the margins earned by the comparable companies ranges from 13.05 percent to 17.44 percent and the median of the data set is 14.88 percent.

Accordingly, any mark- up charged in line with the above range of 35th to 65th Percentile of OP/OC shall meet the arm's length requirement. Any deviation of the mark-up from the aforesaid arm's length range in manufacturing search should be backed by the appropriate business reasons or other economic analysis.

Appendix 1 – Brief description of databases

The publicly available databases viz., AceTP and Capitaline, (updated as of 15 May 2025) have been used to identify potential comparable uncontrolled companies for determining the arm's length price. A brief summary of the main databases used for identification of comparable companies is presented below:

Accord Fintech Limited - AceTP Database

AceTP is a database of large and medium Indian firms. It contains detailed information on over 42,481 companies (as on 15 May 2025). Extensive data and analysis on every company for more than 15-year, more than 25,000 products/services and 1,750 unique financial data fields, are available. Profit & Loss a/c, Balance Sheet and Cash flows are directly linked with annual report to ensure authenticity of "as reported" data taken from company's annual report. AceTP classifies companies into various industries based on the balance sheet abstract and products. The database is thus equipped with a powerful search tool to search the comparable companies based on keywords. Some of the features of AceTP are:

- Key Financial Filter - In Built in database.
- Search tool options - Query Module, activity name, companies added / removed, etc.
- Product details
- Business activity
- NIC – activity
- Different industry specific format
- Industry Classification
- Comprehensive coverage of financial Data Fields
- Easy access to Company Annual Reports in PDF form
- Financial data
- Business Description

Capital Market Publishers India Private Limited- Capitaline

Capitaline provides fundamental and market data on 75,217 companies (as on 15 May 2025) Indian listed and unlisted companies, classified under several industries, along with powerful analytic tools. Extensive data and analysis on every company profile, directors, more than 10-year financials (P&L, balance sheet, cash flow, consolidated financial data, segment data, Forex data, R&D data, ratios, etc.), quarterly results,

ownership pattern, finished products, raw materials, share price data, Directors' Report, Management discussion, Notes to account, Business news, Corporate events, etc. are available. The database classifies companies into various industries based on the function or service that the company is engaged in. Some of the features of Capitaline are:

- **Company** - Company section of Capitaline database has extensive financial and non-financial information on Indian companies.
- **Industry** - The industry module in Capitaline database contains aggregate data of all companies in one industry on one screen for easy comparison. For instance, along with data on Tata Motors, you can also see financials and ratios of Ashok Leyland, Eicher Motors, etc in the same screen.
- **Capital Market - Live News** - Capitaline database package has a Live News section, which gives a wide range of news story updates including market commentary, price movements of stocks, all market reports, corporate happenings, results, IPOs, politics, economy, quarterly performance, research reports, etc.
- **Fact Sheets** - Powerful aggregation screens displaying scoreboards of companies classified under different catalogs like Industry, House, State, Country, Product, Stock Exchange, Index, etc.
- **Screener** - The Screener in Capitaline database is a very powerful, yet is an easy-to-use, analysis screen. Fundamental research and analysis techniques assist users in identifying companies that meet specific performance criteria. Capitaline database data are uniquely positioned to initiate rigorous company analysis at the highest quantitative level.

Appendix 2 – Data definition

Database: AceTP	Data definition
Line Items	Formula
Net Sales	Sales Turnover + Commission, exchange and brokerage + Export Incentives + Sale of Scrap - Other Income + Service Fee + Bad debts recovered + Commission Received + Sale of Power + Discounts - Subsidy / Grants / Incentives - Lease Income / Rentals - Income from Trading in Securities - Income from other investments - Surplus from deployment in Cash mgmt. - Income from of Mutual Funds - Translation / Actual Exchange Gain - Sale of Shares / Units - Income From Investment in Properties - Dividend Income - Interest Earned - Interest/Discount on advances/Bills - Interest on balances with Reserve Bank of India and other inter-bank funds - Income on investments - Inter divisional transfers - Sales Returns + Provision Written Back – Excise
Raw Material Consumed	Raw Material Consumed + Packing Material Consumed
Increase/ Decrease in Stock	Increase/ Decrease in Stock
Input Cost	Raw Materials Consumption + Change in Stock
Power & Fuel Cost	Power & Fuel Cost
Employee Cost	Employee Cost
Depreciation	Depreciation + Depreciation (including lease equalization) on Leased Assets
Selling & Distribution Expenses	Selling and Distribution Expenses
Operating & Manufacturing Expenses	Operating & Manufacturing Expenses – Packing Material Consumed - Stock Exchange Membership and Subscription
Cost of Software Development	Cost of Software Development
General and Administration Expenses	General and Administration Expenses - Wealth Tax – Depreciation (including lease equalization) on Leased Assets
Bad Debts	Bad Debts/ Advances Written off + Provision for Doubtful debts
Value Added Expenditure (VAE)	Power & Fuel Cost + Employee Cost + Depreciation + Selling & Distribution Expenses + Operating & Manufacturing Expenses + Cost of Software

Database: AceTP		Data definition
Line Items	Formula	
	Development + General & Administrative Expenses + Bad Debts + Bank Charges etc. + Other Miscellaneous expenses	
Total Cost	Input Cost + Value Added Expenditure	
Operating Profit	Net Sales – Total Cost	
Non - Operating Income	Other Income – Commission, exchange and brokerage - Export Incentives - Sale of Scrap : Other Income - Service Fee - Bad debts recovered - Commission Received - Sale of Power - Discounts + Subsidy / Grants / Incentives + Lease Income / Rentals + Income from Trading in Securities + Income from other investments + Surplus from deployment in Cash mgmt. + Income from of Mutual Funds + Translation / Actual Exchange Gain + Sale of Shares / Units + Income From Investment in Properties + Dividend Income + Interest Earned + Interest/Discount on advances/Bills + Interest on balances with Reserve Bank of India and other inter-bank funds + Income on investments - Provision Written back	
Non - Operating Expenses	(Interest – Bank Charges etc.) + (Miscellaneous Expenses – Bad Debts/ Advances Written off + Provision for Doubtful debts – Other Miscellaneous expenses) + Wealth Tax + Stock Exchange Membership and Subscription – Expenses Capitalized	
Reco With Profit before Tax	Operating Profit + Non-Operating Income – Non-Operating Expenses – PBT	
Forex Earnings	Revenue in Forex – Dividend Received (in forex) – Interest Earnings (in forex)	
Manufacturing Sales	Manufacturing Sales	
Trading Sales	Trading Sales	
Service Income	Services Sales	

Database: Capitaline		Data definition
Line Items	Formula	
Net Sales	Sales Turnover or Operating Income + Export Incentives + Import Entitlements + Sale of Scrap-Internal Consumption-Foreign Exchange Earned-Excise Duty-Sales Tax	
Raw material consumption	Opening Stock of Raw Materials + Purchase of Raw Materials + Purchase of Trading Goods + Direct Expenses on Purchase -Closing Stock of Raw Materials + Packing Materials + Stores Consumed + Provision written back + Income from sale of power + Compensation / Reimbursement income + Fee income + Other commission income	

Database: Capitaline Data definition

Line Items	Formula
Change in Stock	Closing Stock – WIP + Closing Stock - Finished Goods + Closing Stock - Others- Opening Stock - WIP-Opening Stock - Finished Goods-Opening Stock - Others
Input Cost	Raw Materials Consumption - Change in Stock
Gross Profit	Net Sales – Input Cost
Energy	Fuel + Electricity Expenses
Employee Cost	Salaries + Contribution to funds + Staff Welfare Expenses + VRS compensation + Gratuity Paid + Other Employee Cost
Depreciation	Depreciation for the current year - Depreciation on Revalued Assets
Amortization	Expenses Amortized
Advertising, Marketing and Distribution	Advertisement + Marketing Expenses + Distribution Expenses+ Commission expense on sales + Other Selling Expenses + Other Commission paid
Bad Debts	Bad Debts written off
Repairs & Maintenance	Repair-Machinery + Repairs-Building + Repairs-Others
Other operating expenses	Water Charges + Franchise Expenses + Courseware Manuals + Cost of Software Package + Training Expenses + Expenses on Equipment + Transport charges + Technical fees paid + Handling, clearing charges + License Fee / Operation Charge + Rent, Rates and Taxes Paid + Royalty and technical fees + Lease Rent / Hire Charges Paid + Insurance + Job Work / Contract / Process + Discount Paid + Director's Remuneration + Travel Expenses + Legal Expenses + Audit Expenses + Other Fees + Other Administrative Expenses + Communication Expenses + Printing and Stationery + Miscellaneous Expenses + Drilling Operation Charges + Wheeling charges payable + Project / Production Charges + Cost of coupon sales, food, beverages + Other Operating Expenses - Pre-operative Expenses - Wealth Tax + Upkeep and service charges + Stevedoring, dunnage, cargo ex + Ship Management Fees + Port, Canal Dues + Management and Advisory Fees + Insurance, Protection and Club + R & D Expenses
Manufacturing sales	Sales-Manufacturing
Trading sales	Sales-Trading + Sale of Imported Software / Packages + Sale of Software Services
Service income	Job Work & Service Income + Property Development + Freight Income + Charter Hire + Demurrage + Food / Beverages etc + Room Service + Development Charges + Training / Educational Charges
Forex earnings	Revenue earnings in forex - Dividend earnings in forex - Interest earnings in forex
Value added expenditure (VAE)	Energy + Employee cost + Depreciation + Amortization + Advertising + Marketing + Distribution + Bad Debts (VAE) + Repairs & maintenance + Other operating expense

Database: Capitaline Data definition

Line Items	Formula
Total Cost	Input Cost + Value added expenditure (VAE)
Operating profit	Net Sales - Total Cost
Non - operating income	Other Income - Export Incentives - Import Entitlements - Sale of Scrap + Adjustment on Amalgamation / Trial Runs + Foreign Exchange Earned + Internal Consumption
Non - operating expenses	Adjustment on Amalgamation / Trial Runs + Wealth Tax + Miscellaneous Expenses - Bad Debts written off - Expenses Amortized - Miscellaneous Expenses + Interest + Other Adjustment + Lease Adjustment
Reco with Profit Before Tax	Operating Profit+ Non - operating income - Non operating expenses - Profit before tax



Appendix 3 – Accept/Reject Matrix

The Accept/Reject Matrix is attached separately as **Appendix 3**.

Appendix 4 – Business description of comparable companies

[Alpex Solar Ltd.](#)

The company is engaged in the manufacturing of solar modules and assembling of solar pumps.

(AR 2024 pdf pg 90)

[Australian Premium Solar \(India\) Ltd.](#)

The company is engaged in the manufacturing of various types of barrels and trading in steel.

(AR 2024 pdf pg 68)

[Goldi Solar Pvt Ltd.](#)

The company is engaged in the manufacturing of Solar Panels.

(AR 2024 pdf pg 143)

[Insolation Energy Ltd.](#)

The company is engaged in the manufacturing of Solar Panels in the brand name of INA.

(AR 2024 pdf pg 139)

[Solex Energy Ltd.](#)

The company is engaged in the manufacturing of solar photo-voltaic modules as well as in the Engineering, Procurement and Construction (EPC) in the solar energy market, wherein the manufactured modules are utilized.

(AR 2024 pdf pg 74)

[Vikram Solar Ltd.](#)

The company is engaged in the manufacturing and sale of Solar photovoltaic modules/ systems.

(AR 2024 pdf pg 133)

[Waaree Energies Ltd.](#)

The company is engaged in the manufacturing of Solar Photovoltaic Modules, setting up of Projects in solar space and sale of electricity.



(AR 2024 pdf pg 151)

Quark Solar Pvt Ltd.

The company is engaged in the manufacturing of solar project.

(AR 2024 pdf pg 76)

Topsun Energy Ltd

The company is engaged in the design, engineering, manufacturing, procurement, installation, commissioning, training and O&M for Solar Power Plants, Solar Rooftop systems and Solar Agricultural Water Pumping systems. It is also engaged in the provision of EPC services.

(AR 2024 pdf pg 66)

Fujiyama Power Systems Ltd.

The company is engaged in the manufacturing of production of solar panels, solar batteries, solar inverters, solar charges, lithium-ion battery and related products.

(AR 2024 pdf pg 78)

Saatvik Green Energy Ltd.

The company is engaged in the Solar Photovoltaic Modules, Solar Modules System, Raw Material (i.e. EVA Film, RTV Sealent, Backsheet, Junction Box, Cell, Tempered Glass, Aluminium Profile and Packing Box.

(AR 2024 pdf pg 1)

ORB Energy Pvt Ltd

The company is engaged in the manufacturing of rooftop solar Photovoltaic solutions, ground mounted solar systems and trading of solar thermal solutions for commercial purpose and residential purpose. The company's products include solar inverters, solar lighting, solar streetlights, solar modules, solar power generating systems and solar water pumping system.

(AR 2024 pdf pg 46)

Gautam Solar Pvt Ltd

The company is engaged in the manufacturing, trading and installation of different kinds of Solar Energy Devices and Parts Thereof.

(AR 2024 pdf pg 80)

Renewsys India Pvt Ltd

The company is engaged in the manufacturing Solar Modules and related components (such as Solar cells, Ethylene-vinyl acetate and Backsheet).

(AR 2024 pdf pg 97)

Sova Solar Ltd

The company is engaged in the manufacturing of solar photovoltaic modules.

(AR 2024 pdf pg 115)

Laxmi Agroenergy Pvt Ltd

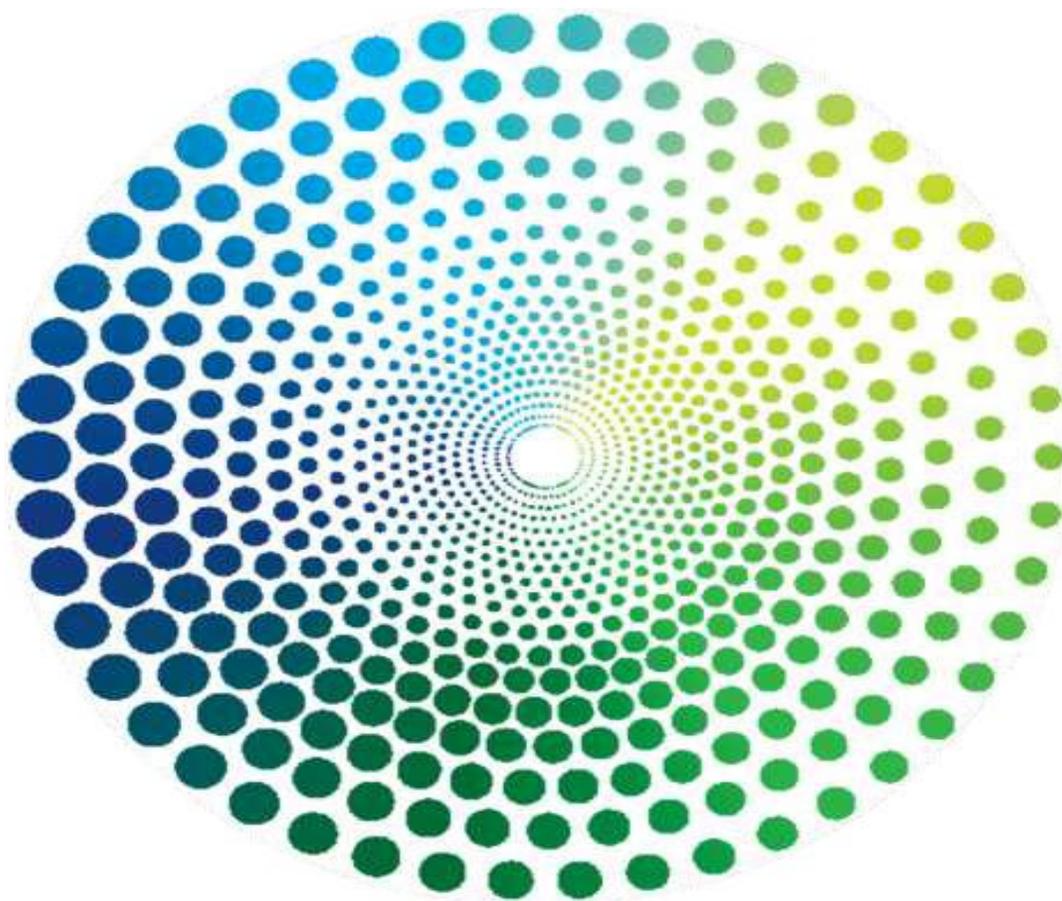
The company is engaged in the manufacturing of solar products and flour mills.

(AR 2024 pdf pg 17)

Genus Innovation Ltd

The company is engaged in the business of engaged in the business of manufacturing Batteries, Inverters, UPS, Solar panels and Solar Energy.

(AR 202403 pdf pg 376)



Tata Power Renewable Energy Limited

Benchmarking Memo for Provision of
Procurement Support Services

Identification of independent comparable companies

- **Database used**

A search for the companies comparable to Tata Power Renewable Energy Limited (“TPREL” or “The Company”) procurement support activity was conducted using the publicly available databases, AceTP and Capitaline, having large number of Indian companies. A brief description of the databases is available at **Appendix 1**. The search for comparable companies was carried out using the version updated as on 15 May 2025.

AceTP and Capitaline classifies companies into various industries based on the function or service that the company is engaged in. All companies under these industry classification were downloaded for the purpose of quantitative screening. Based on the quantitative screens, the companies were segregated into three sets, namely ‘Manufacturing’, ‘Trading’ and ‘Services’.

The activities performed by TPREL are in the nature of provision of procurement support services. For identifying potential comparable companies that perform similar functions and bear similar risks to that of TPREL, we selected the ‘Services set’.

- **Number of years used for analysis**

Based on the Rule 10B(5) of the Rules, we have included the comparable companies having data for the current year (i.e. FY 2024-25) or the year immediately preceding the current year (i.e. FY 2023-24) while applying the primary quantitative criteria.

The table below outlines the criteria applied for selecting companies based on the data available:

FY 2024-25	FY 2023-24	Accept / Reject
Yes	Yes	Accept
Yes	No	Accept
No	Yes	Accept
No	No	Reject

Further, while analyzing financial results, where data for the year ended 31 March 2025 is available, the same has been considered along with the data for the year ended 31 March 2024 and 31 March 2023.

- **Financial year alignment**

In the database, we observed that the accounting period for all the companies listed in the databases is not uniform. For the purpose of this analysis, we aligned the financial data of the companies based on the end-date of the FY in the following manner:

Financial year end-date falling between	Considered as the data for the FY
01 April 2022 to 31 March 2023	2022-23
01 April 2023 to 31 March 2024	2023-24
01 April 2024 to 31 March 2025	2024-25

- **Application of primary quantitative filters**

The financial information viz., the profit and loss statements and the balance sheet data of the companies, as reported in the respective databases, was used for application of the primary quantitative filters. A standard definition for each line item was arrived at to have consistency in usage of the data from databases. **Appendix 2** outlines in detail the method used for classifying the various line items.

Following primary quantitative filters were applied using the data of the companies available for FY 2024-25 and / or FY 2023-24:

1. **Minimum turnover:** Accepted companies that reported net sales equal to or greater than INR 1 crore;
2. **Positive net worth:** Accepted companies that reported net worth greater than or equal to zero. The net worth value as provided by the databases was used for applying this filter;
3. **Service income:** Accepted companies that had majority of their revenue from services activities i.e. the ratio of manufacturing sales and trading sales to net sales less than 50 percent; and
4. **Segment data:** Accepted companies that had segment data for more than 1 segment even where they were failing service income filter at the entity level.

- **Selection of keywords**

The companies which satisfied the aforementioned primary quantitative filters were selected at the initial stage.

Thereafter, the keywords available in the following categories in AceTP and Capitaline databases were used to identify potential comparable companies:

- Database industry
- NIC Activity
- Products details
- Segments details

Table 1: Keywords selected

Database industry	Business Support
	Professional Services
NIC Activity	Management Consultancy Activities
	Cargo Handling
	Other Business Support Service Activities N.E.C.
	Warehousing And Storage
	Courier Activities
	Business Support Service Activities N.E.C.

	Other business activities n.e.c.
	Other Business Activities
	Business and management consultancy activities. (T
	Storage and warehousing
	Logistics services
	Other business activities n.e.c. (This class inclu
	Business activities n.e.c.
	Other Service Activities
	Business and management consultancy activities.[Th
	Other service activities n.e.c. (Includes activiti
	Other business support activities n.e.c.
	Other Business Support Service Activities
	Business services
	Other Consultancy
	Storage & warehousing services
Products & Segments (keywords used)	Document
	Documentation
	Procurement
	Procuring
	Sourcing
	Procure
	Supplier
	Support service
	Professional service
	BSS
	Business support service
	Other business activites
	Business Activities
	Professional services
	Professional fee
	Support
	Professional Income
	Management Consult
	Management
	Consultancy
	Professional
	Mangement

Freight
Cargo
Logistic
Courier
Warehousing
Transport
warehouse

- **Application of qualitative filters and detailed qualitative review**

The business descriptions of the set of companies obtained from the database were reviewed in detail. Where the companies are found to be comparable to the business of the tested party, the same are analyzed in detail from the annual report or website of the comparable companies or other sources available on the internet.

Further, in this step, the companies are rejected on the following qualitative criteria:

- I. Business description of the companies not available in the database;
- II. Companies having significantly different functions / providing different services or products (e.g. manufacturing, trading, or diverse activities);
- III. Insufficient information (with regard to the business) or financial data to analyze the companies or annual reports are not available;
- IV. Inadequate business segment information; and
- V. Companies having ownership of more than 50% by any Government body;

- **Application of additional quantitative filter based on Annual Report / Database**

Following additional quantitative filter were applied using the data of the companies available for FY 2024-25 and / or FY 2023-24:

- **Segment income less than INR 1 crore** – Income from the relevant segment is less than INR 1 crore.
- **Related Party Transaction (“RPT”) to total income ratio** – Accepted companies having ratio of related party transaction to total income less than 25 percent.
- **Persistent losses** – Rejected companies reporting persistent losses in the years of study.
- **Abnormal margins** – Rejected companies reporting abnormal fluctuations in margins or abnormal margins in the years of study.

- **Summary of search process**

The results of the above analysis carried out are tabulated herein below:

Table 2: Set obtained from AceTP

S. No.	Search Criteria	Eliminated companies	Accepted companies
1	Total number of companies in AceTP classified under 'All Industries' as on 15 May 2025		42,481
2	Companies having at least 1 year data for the years under consideration i.e. 2022-23, 2023-24 and 2024-25	27,058	15,423
3	Application of basic quantitative filters: Accepted companies that passed the below mentioned criteria in the current year if available or immediately preceding financial year		
a)	Accepted companies that reported financial data in the current year if available or immediately preceding financial year	4,310	11,113
b)	Accepted companies that reported net sales greater than or equal to 1 crore	507	10,606
c)	Accepted companies that reported net worth greater than or equal to 0	645	9,961
d)	Accepted companies that reported manufacturing sales and trading sales to net sales as less than 50 percent	6,344	3,617
e)	Accepted companies having more than one segment data even where companies failed services income filter at the entity level		1,104
f)	Companies to be analysed (sum of d + e)		4,721
4	Accepted companies based on application of keywords	3,525	1,196
5	Accepted companies based on qualitative filters	1,137	59
6	Application of additional quantitative filters		
a)	Segment income less than INR 1 crore	0	59
b)	Accepted companies having ratio of RPT to total income less than 25 percent	41	18
c)	Rejected companies reporting persistent losses in the years of study	8	10
d)	Rejected companies reporting abnormal margins in the years of study	3	7
7	Companies that passed through all the above filters		7

Table 3: Set obtained from Capitaline

S. No.	Search Criteria	Eliminated companies	Accepted companies
1	Total number of companies in Capitaline classified under 'All Industries' as on 15 May 2025	75,217	
2	Companies having at least 1 year data for the years under consideration i.e. 2022-23, 2023-24 and 2024-25	48,179	27,038
3	Application of basic quantitative filters: Accepted companies that passed the below mentioned criteria in the current year if available or immediately preceding financial year		
a)	Accepted companies that reported financial data in the current year if available or immediately preceding financial year	4,974	22,064
b)	Accepted companies that reported net sales greater than or equal to 1 crore	1,818	20,246
c)	Accepted companies that reported net worth greater than or equal to 0	1,467	18,779
d)	Rejected companies already analysed in AceTP	8,344	10,435
e)	Accepted companies that reported manufacturing sales and trading sales to net sales as less than 50 percent	5,236	5,199
f)	Accepted companies having more than one segment data even where companies failed services income filter at the entity level		216
g)	Companies to be analysed (sum of e + f)		5,415
4	Accepted companies based on application of keywords	4,594	821
5	Accepted companies based on qualitative filters	784	37
6	Application of additional quantitative filters		
a)	Segment income less than INR 1 crore	0	37
b)	Accepted companies having ratio of RPT to total income less than 25 percent	24	13
c)	Rejected companies reporting persistent losses in the years of study	5	8
d)	Rejected companies reporting abnormal margins in the years of study	4	4
7	Companies that passed through all the above filters		4

The details of companies selected / eliminated in the entire search process are provided in **Appendix 4**.

The final number of independent broadly comparable independent companies identified is **11**. The business descriptions of the same are provided in **Appendix 3**.

Computation of Arm's Length Price

Rule 10CA of the Rules provides that if the application of the most appropriate method results in more than one price, the arm's length price would be determined by constructing a data set. The data set has to be prepared by placing the prices in an ascending order.

In case the current year of data is used for analyzing comparability, the data set would be prepared by considering the weighted average values of the current year as well as the previous two years in which same or similar uncontrolled transactions have been undertaken. On the other hand, if the data of the FY preceding the current year is used for analyzing comparability, the data set would be prepared by considering the weighted average values of the two consecutive FYs preceding the current year in which same or similar uncontrolled transactions have been undertaken.

The weighted average OP/OC (considering foreign exchange gain/loss as non-operating) of the comparable companies is given below:

Table 4: Financial analysis of comparable companies (Unadjusted)

Sr. No	Company Name	Database	Entity/ Segment al	FY 2022-23	FY 2023-24	FY 2024-25	3 yr Weighted Unadjusted Average
1	Allegis Global Solutions India Pvt Ltd (Managed Service Provider)	Capitaline	Segment al	88.78%	77.45%	NA	82.96%
2	C1 India Pvt Ltd.	AceTP	Entity	12.85%	6.23%	NA	9.42%
3	DKM Online Pvt Ltd	Capitaline	Entity	7.38%	3.35%	NA	5.33%
4	HSCC (India) Ltd.	AceTP	Entity	1.83%	3.67%	NA	2.80%
5	IP Integrated Services Pvt Ltd	Capitaline	Entity	11.44%	10.69%	NA	11.03%
6	Krystal Integrated Services Ltd	AceTP	Entity	8.27%	6.66%	NA	7.31%
7	National Handling Corporation Ltd.	Bulk AceTP	Entity	-5.72%	3.97%	NA	-1.02%
8	PlatinumOne Business Services Ltd.	AceTP	Entity	11.73%	6.68%	NA	9.11%
9	Proconnect Supply Chain Solutions Ltd.	AceTP	Entity	2.16%	3.54%	NA	2.86%

Sr. No	Company Name	Database	Entity/ Segment al	FY 2022-23	FY 2023-24	FY 2024-25	3 yr Weighted Unadjusted Average
10	Steps Sourcing India Pvt Ltd	Capitaline	Entity	33.45%	31.71%	NA	32.47%
11	Timescan Logistics (India) Ltd.	AceTP	Entity	2.89%	2.45%	NA	2.67%
Count							11
Median							7.31%
Mean							14.99%
35 Percentile							2.86%
65 Percentile							9.42%

Economic Adjustments

Rule 10B(3)(ii) of the Act, provides that an uncontrolled transaction can be compared to an international transaction if:

- none of the differences, if any, between the transactions being compared, or between the enterprises entering into such transactions are likely to materially affect the price or cost charged or paid in, or the profit arising from, such transactions in the open market; or
- reasonably accurate adjustments can be made to eliminate the material effects of such differences.

The broadly comparable independent companies that have been identified are not necessarily exactly comparable to the products offered by TPREL. As such, some differences in terms of functions performed and risks borne and assets employed are likely to exist between the comparable companies and the products offered by TPREL. Necessary adjustment to financial data, wherever possible, to account for the differences are required to be performed and the effect of these functional and risk differences on the mark-up needs to be adjusted while determining the arm's length price.

Thus, the company reserves the right to make necessary adjustments, if required.

Conclusion

Rule 10CA(4) provides that in case there are six or more comparable, the arm's length range would be between thirty-fifth percentile and the sixty-fifth percentile of the dataset. Based on the said rule, the arm's length range of weighted average OP/OC (considering foreign exchange gain/loss as non-operating) of the broadly comparable independent companies is **2.86** percent to **9.42** percent and the median of the data set is **7.31** percent.

Appendix 1 – Brief description of databases

The publicly available databases viz., AceTP and Capitaline, (updated as of 15 May 2025) have been used to identify potential comparable uncontrolled companies for determining the arm's length price. A brief summary of the main databases used for identification of comparable companies is presented below:

Accord Fintech Limited - AceTP Database

AceTP is a database of large and medium Indian firms. It contains detailed information on over 42,481 companies (as on 15 May 2025). Extensive data and analysis on every company for more than 15-year, more than 25,000 products/services and 1750 unique financial data fields, are available. Profit & Loss a/c, Balance Sheet and Cash flows are directly linked with annual report to ensure authenticity of "as reported" data taken from company's annual report. AceTP classifies companies into various industries based on the balance sheet abstract and products. The database is thus equipped with a powerful search tool to search the comparable companies based on keywords. Some of the features of AceTP are:

- Key Financial Filter - In Built in database.
- Search tool options - Query Module, activity name, companies added / removed, etc.
- Product details
- Business activity
- NIC – activity
- Different industry specific format
- Industry Classification
- Comprehensive coverage of financial Data Fields
- Easy access to Company Annual Reports in PDF form
- Financial data
- Business Description

Capital Market Publishers India Private Limited- Capitaline

Capitaline provides fundamental and market data on 75,217 companies (as on 15 May 2025) Indian listed and unlisted companies, classified under several industries, along with powerful analytic tools. Extensive data and analysis on every company profile, directors, more than 10-year financials (P&L, balance sheet, cash flow, consolidated financial data, segment data, Forex data, R&D data, ratios, etc.), quarterly results, ownership pattern, finished products, raw materials, share price data, Directors' Report, Management

discussion, Notes to account, Business news, Corporate events, etc. are available. The database classifies companies into various industries based on the function or service that the company is engaged in. Some of the features of Capitaline are:

- **Company** - Company section of Capitaline database has extensive financial and non-financial information on Indian companies.
- **Industry** - The industry module in Capitaline database contains aggregate data of all companies in one industry on one screen for easy comparison. For instance, along with data on Tata Motors, you can also see financials and ratios of Ashok Leyland, Eicher Motors, etc. in the same screen.
- **Capital Market - Live News** - Capitaline database package has a Live News section, which gives a wide range of news story updates including market commentary, price movements of stocks, all market reports, corporate happenings, results, IPOs, politics, economy, quarterly performance, research reports, etc.
- **Fact Sheets** - Powerful aggregation screens displaying scoreboards of companies classified under different catalogs like Industry, House, State, Country, Product, Stock Exchange, Index, etc.
- **Screeener** - The Screeener in Capitaline database is a very powerful, yet is an easy-to-use, analysis screen. Fundamental research and analysis techniques assist users in identifying companies that meet specific performance criteria. Capitaline database data are uniquely positioned to initiate rigorous company analysis at the highest quantitative level.

Appendix 2 – Data definition

Database: AceTP		Data definition
Line Items		Formula
Net Sales		Sales Turnover + Commission, exchange and brokerage + Export Incentives + Sale of Scrap - Other Income + Service Fee + Bad debts recovered + Commission Received + Sale of Power + Discounts - Subsidy / Grants / Incentives - Lease Income / Rentals - Income from Trading in Securities - Income from other investments - Surplus from deployment in Cash mgmt. - Income from of Mutual Funds - Translation / Actual Exchange Gain - Sale of Shares / Units - Income From Investment in Properties - Dividend Income - Interest Earned - Interest/Discount on advances/Bills - Interest on balances with Reserve Bank of India and other inter-bank funds - Income on investments - Inter divisional transfers - Sales Returns + Provision Written Back – Excise
Raw Material Consumed		Raw Material Consumed + Packing Material Consumed
Increase/ Decrease in Stock		Increase/ Decrease in Stock
Input Cost		Raw Materials Consumption + Change in Stock
Power & Fuel Cost		Power & Fuel Cost
Employee Cost		Employee Cost
Depreciation		Depreciation + Depreciation (including lease equalization) on Leased Assets
Selling & Distribution Expenses		Selling and Distribution Expenses
Operating & Manufacturing Expenses		Operating & Manufacturing Expenses – Packing Material Consumed - Stock Exchange Membership and Subscription
Cost of Software Development		Cost of Software Development
General and Administration Expenses		General and Administration Expenses - Wealth Tax – Depreciation (including lease equalization) on Leased Assets
Bad Debts		Bad Debts/ Advances Written off + Provision for Doubtful debts
Value Added Expenditure (VAE)		Power & Fuel Cost + Employee Cost + Depreciation + Selling & Distribution Expenses + Operating & Manufacturing Expenses + Cost of Software Development + General & Administrative Expenses + Bad Debts + Bank Charges etc. + Other Miscellaneous expenses

Database: AceTP		Data definition
Line Items	Formula	
Total Cost	Input Cost + Value Added Expenditure	
Operating Profit	Net Sales – Total Cost	
Non - Operating Income	Other Income – Commission, exchange and brokerage - Export Incentives - Sale of Scrap : Other Income - Service Fee - Bad debts recovered - Commission Received - Sale of Power - Discounts + Subsidy / Grants / Incentives + Lease Income / Rentals + Income from Trading in Securities + Income from other investments + Surplus from deployment in Cash mgmt. + Income from of Mutual Funds + Translation / Actual Exchange Gain + Sale of Shares / Units + Income From Investment in Properties + Dividend Income + Interest Earned + Interest/Discount on advances/Bills + Interest on balances with Reserve Bank of India and other inter-bank funds + Income on investments - Provision Written back	
Non - Operating Expenses	(Interest – Bank Charges etc.) + (Miscellaneous Expenses – Bad Debts/ Advances Written off + Provision for Doubtful debts – Other Miscellaneous expenses) + Wealth Tax + Stock Exchange Membership and Subscription – Expenses Capitalized	
Reco With Profit before Tax	Operating Profit + Non-Operating Income – Non-Operating Expenses – PBT	
Forex Earnings	Revenue in Forex – Dividend Received (in forex) – Interest Earnings (in forex)	
Manufacturing Sales	Manufacturing Sales	
Trading Sales	Trading Sales	
Service Income	Services Sales	

Database: Capitaline		Data definition
Line Items	Formula	
Net Sales	Sales Turnover or Operating Income + Export Incentives + Import Entitlements + Sale of Scrap-Internal Consumption-Foreign Exchange Earned-Excise Duty-Sales Tax	
Raw material consumption	Opening Stock of Raw Materials + Purchase of Raw Materials + Purchase of Trading Goods + Direct Expenses on Purchase -Closing Stock of Raw Materials + Packing Materials + Stores Consumed + Provision written back + Income from sale of power + Compensation / Reimbursement income + Fee income + Other commission income	
Change in Stock	Closing Stock – WIP + Closing Stock - Finished Goods + Closing Stock - Others-Opening Stock - WIP-Opening Stock - Finished Goods-Opening Stock - Others	
Input Cost	Raw Materials Consumption - Change in Stock	
Gross Profit	Net Sales – Input Cost	

Database: Capitaline Data definition

Line Items	Formula
Energy	Fuel + Electricity Expenses
Employee Cost	Salaries + Contribution to funds + Staff Welfare Expenses + VRS compensation + Gratuity Paid + Other Employee Cost
Depreciation	Depreciation for the current year - Depreciation on Revalued Assets
Amortization	Expenses Amortized
Advertising, Marketing and Distribution	Advertisement + Marketing Expenses + Distribution Expenses+ Commission expense on sales + Other Selling Expenses + Other Commission paid
Bad Debts	Bad Debts written off
Repairs & Maintenance	Repair-Machinery + Repairs-Building + Repairs-Others
Other operating expenses	Water Charges + Franchise Expenses + Courseware Manuals + Cost of Software Package + Training Expenses + Expenses on Equipment + Transport charges + Technical fees paid + Handling, clearing charges + License Fee / Operation Charge + Rent, Rates and Taxes Paid + Royalty and technical fees + Lease Rent / Hire Charges Paid + Insurance + Job Work / Contract / Process + Discount Paid + Director's Remuneration + Travel Expenses + Legal Expenses + Audit Expenses + Other Fees + Other Administrative Expenses + Communication Expenses + Printing and Stationery + Miscellaneous Expenses + Drilling Operation Charges + Wheeling charges payable + Project / Production Charges + Cost of coupon sales, food, beverages + Other Operating Expenses - Pre-operative Expenses - Wealth Tax + Upkeep and service charges + Stevedoring, dunnage, cargo ex + Ship Management Fees + Port, Canal Dues + Management and Advisory Fees + Insurance, Protection and Club + R & D Expenses
Manufacturing sales	Sales-Manufacturing
Trading sales	Sales-Trading + Sale of Imported Software / Packages + Sale of Software Services
Service income	Job Work & Service Income + Property Development + Freight Income + Charter Hire + Demurrage + Food / Beverages etc + Room Service + Development Charges + Training / Educational Charges
Forex earnings	Revenue earnings in forex - Dividend earnings in forex - Interest earnings in forex
Value added expenditure (VAE)	Energy + Employee cost + Depreciation + Amortization + Advertising + Marketing + Distribution + Bad Debts (VAE) + Repairs & maintenance + Other operating expense
Total Cost	Input Cost + Value added expenditure (VAE)
Operating profit	Net Sales - Total Cost
Non - operating income	Other Income - Export Incentives - Import Entitlements - Sale of Scrap + Adjustment on Amalgamation / Trial Runs + Foreign Exchange Earned + Internal Consumption

Database: Capitaline Data definition

Line Items	Formula
Non - operating expenses	Adjustment on Amalgamation / Trial Runs + Wealth Tax + Miscellaneous Expenses - Bad Debts written off - Expenses Amortized - Miscellaneous Expenses + Interest + Other Adjustment + Lease Adjustment
Reco with Profit Before Tax	Operating Profit+ Non - operating income - Non operating expenses - Profit before tax

Appendix 3 – Business description of comparable companies

Allegis Global Solutions India Pvt Ltd (Managed Service Provider (MSP))

The segment of the company is engaged in the provision of vendor management services across various industry verticals.

(AR 2024 pdf pg 80)

C1 India Pvt Ltd.

The company is engaged in the provision of e-commerce B2B solutions such as e-procurement and e-tendering services.

(AR 2024 pdf pg 2, 102)

DKM Online Pvt Ltd

The company is engaged in the provision of management consultancy services.

(AR 2024 pdf pg 12)

HSCC (India) Ltd.

The company is engaged in the provision of consulting and executing agency services for construction activities in healthcare & other social sectors in India and abroad that includes Conceptual Studies, Management consultancy, Project Management, Logistics & Installation, Procurements, Information Technology, design & engineering and Healthcare facility design.

(AR 2024 pdf pg 119)

IP Integrated Services Pvt Ltd

The company is engaged in the providing third party logistics, warehousing and distribution services.

(AR 2024 pdf pg. 36)

Krystal Integrated Services Ltd

The company is engaged in the provision of facilities management services, security agency services, housekeeping services.

(AR 2024 pdf pg 256)

National Bulk Handling Corporation Ltd.

The company is engaged in the provision of warehousing and bulk handling, grading and inspection, commodity care and pest management, collateral management, procurement and disposal of commodities, warehouse audit and accreditation, and commodity valuation.

(AR 2024 pdf pg 84)

PlatinumOne Business Services Ltd.

The company is engaged in the provision of business process management services. It is also engaged in providing pre sales for real estate and Insurance companies, customer service and channel management support to all sectors including consumer brands, BFSI etc.

(AR 2024 pdf pg 27)

Proconnect Supply Chain Solutions Ltd.

The company is engaged in the provision of comprehensive supply chain management providing total logistic solution services including warehousing management and allied services.

(AR 2024 pdf pg. 142)

Steps Sourcing India Pvt Ltd

The company is engaged in the provision of apparel sourcing, designing, development & logistics. It source high-quality garments and accessories including T-shirts, polos, mercerized polos, sportswear, loungewear, innerwear, essentials, underwear, socks, and various woven items using variety of techniques such as digital printing, sublimation, reflective printing, cold pigment dyes, embossing, tie-dye, different wash techniques, discharge printing, and have recently expanded into sustainable products.

(<https://stepsindia.in/about-steps/>)

Timescan Logistics (India) Ltd.

The company is engaged in providing customs clearance and logistics services across surface, sea, and air transportation, including goods transport and warehousing facilities at multiple locations throughout India.

(AR 2024 pdf pg 59)

Appendix 4 – Accept Reject Matrix

The accept / reject matrix has been provided separately by way of **Appendix 4**.