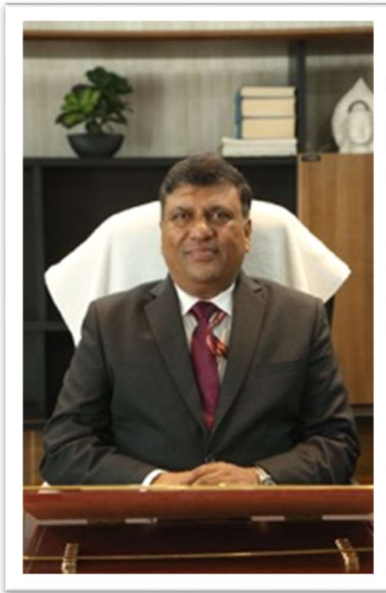




# Chairman's Speech



Dear Shareholders,

It gives me great pleasure to place before you the Annual Report for the Financial Year ending 31<sup>st</sup> March'2024. I am happy to present Auditor's and Directors' Report for the year 2023-24 along with Annual Audited Accounts.

Over the past two decades, I have learnt that growth comes with its set of challenges. Every challenge we have faced has made us stronger. We have set new benchmarks and explored fresh opportunities for growth with responsible, proactive and focused approach on innovation and technology. We have also established higher standards of innovation, efficiency, reliability and sustainability. Your company reaches a turning point-a moment when its portfolio, business strategies, culture and purpose align in a

way that it has been building toward for years.

It gives me immense pleasure to write to you after another eventful year of progress. Fiscal year 2023 was another year of remarkable performance on various fronts for your Company.

We continue to be aggressively focused on growing our clean energy portfolio. We are facilitating this clean energy transition through new technology adoption in collaboration with our customers and partners. We are well positioned to pursue even larger opportunities in the RE space and continue to retain our leadership position in the new consumer centric businesses - Rooftop Solar, EV charging station, Pump storage plants etc.

With your whole-hearted support, your company is strengthening its fundamentals continuously and is emerging as one of the fast growing organization.

I am greatly thankful to all our officers and employees for their consistent high-level performance, commitment for the Company's goals and for their team effort.

## **GROWTH OUTLOOK:**

Electricity is one of the most vital components for the economic growth and development of the nations. Growth rate of India's energy installed capacity is 6.23% in FY 2023-24.

Government of India is focused towards decarbonization of Power Sector and shifting from the fossil fuels to non-fossil fuel-based energy which is cleaner, safer, environment friendly and more sustainable.

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Nationally Determined Contributions (NDCs), India had committed to achieving 50% of its installed electricity capacity from non-fossil energy sources by 2030.

To bring in a green revolution in the country, the Govt. has set an ambitious target of having 500 GW of installed renewable energy by 2030. India's current total renewable energy capacity reached 193.5 GW in May'2024, as per report by the Central Electricity Authority (CEA). At present, RE has a share of 43.5% percent of the total installed generation capacity in the country.

Your organization is striving continuously with your esteem support to explore every new technology that can promote the ambitious target of Govt. for achieving net zero GHG-emission by 2070. THDCIL has played key role for sustained growth of Indian power sector since 2006-07 with focus on reliable, economic and quality power to all.

As part of the roadmap towards achieving India's ambitious energy targets, I am delighted to state that THDCIL has signed MoUs with 'Karnataka Power Corporation Limited' (KPCL) and 'Karnataka Renewable Energy Development Limited' (KREDL) in Nov' 2023 for a diverse range of renewable energy projects totaling to 3270 MW including various Ground mounted, Roof top and Floating Solar PV Plant, PSP, Hybrid. THDCIL has initiated the process of PFR/ DPR preparation and land identification for solar/ floating solar plants development.

Further with an objective to explore future possibilities of energy generation from Renewable Sources, during Uttarakhand Energy Conclave-2023 on 05.12.2023 at Dehradun, Government of Uttarakhand has granted responsibility for the development and commissioning of five Hydro Electric projects totalling 1719 MW in Uttarakhand to THDCIL-UJVNL Energy Company Limited.

THDCIL have also prepared DPRs of three Floating Solar Power Projects of total capacity 464 MW in Uttar Pradesh and being pursued with GoUP for allocation of these projects for implementation.

For a cleaner tomorrow, we aim to capitalise opportunities across hybrid, floating solar, green hydrogen fuel projects and strengthen EV charging stations in all over India.

#### **PERFORMANCE HIGHLIGHTS OF THE YEAR 2023-24:**

I am delighted to share with you that your Company has delivered consistent results and improved its robust fundamentals during the financial year 2023-24. We have the utmost assurance that we will be able to reach even greater heights in the future.

- (a) With hasty efforts of team THDCIL, your company had exceeded its CAPEX targets for F.Y. 2023-24 by almost 26% by incurring a Capital Expenditure of Rs 5168 Cr. against a target of Rs 4100.41 Cr.

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- (b) Energy generation from all Operational Plants are exceptionally well. Total cumulative generation achieved from all plants was 4830.63 MU during 2023-24.
- (c) Plant Availability Factor (PAF) of 80.274% and 69.516% was achieved for Tehri HPP and Koteshwar HEP respectively, against the normative figures of 80% and 68% respectively.
- (d) 2nd Unit of Tehri PSP (4x250 MW) was successfully Boxed up on 26.12.2023.
- (e) Boiler Hydro test of 2nd unit of Khurja STPP successfully completed on 02.11.2023.
- (f) Boiler light up of 1st Unit of Khurja STPP conducted successfully on 21.03.2024.
- (g) 1.25 million tonne (MT) coal has been extracted from Amelia Coal Mine during FY 2023-24.
- (h) THDCIL generated maximum power (25.8 MU) in a day from Tehri HPP on 2nd Aug'2023.
- (i) 400 kV Khurja STPP Switchyard successfully charged along with 400 kV Khurja-Aligarh Line-1 & Line-2 on 8th Jun'2023.
- (j) Maximum HRT excavation in a month by TBM was 431.1 RM in VPHEP project.
- (k) THDCIL has been commenced dam concreting (Non-over flow block in left bank) on 18th Jan 2024 in VPHEP project.
- (l) A JV Company between THDCIL and UJVNL named, 'THDCIL-UJVNL Energy Company Limited has been incorporated in Dec'.2023 for development of Power Projects in Uttarakhand.
- (m) An MoU has been signed between THDCIL and GMVN (Garhwal Mandal Vikas Nigam) in Oct'2023, for establishing EV Charging Stations at identified locations of GMVN's Tourist Rest Houses / Bungalows.
- (n) An MoU has been signed between THDCIL and 'Karnataka Renewable Energy Development Limited'(KREDL), Bengaluru in Nov'2023 for development of Renewable Energy Projects including Pumped Storage Projects in Karnataka.
- (o) A Memorandum of Agreement (MoA) has been signed between THDCIL and Govt. of Arunachal Pradesh (GoAR) in Dec'2023, for implementation of the 1200 MW Kalai-II Hydro Electric Project in the Anjaw District of Arunachal Pradesh.
- (p) MoM has been signed with 'M/s KPCL' (Karnataka Power Corporation Limited, Govt. of Karnataka) for formation of a JV Co. in Feb'2024, for taking up the Godhna Thermal Power Plant (2x800 MW) in Chhattisgarh.
- (q) Foundation Stone of Chitrakoot and Lalitpur Solar PP laid by Hon'ble Prime Minister on 18.12.2023 and 04.03.2024 respectively.
- (r) Contributing towards objective of National Green Hydrogen Mission, a Pilot Project for Green Hydrogen has been installed at THDCIL, Rishikesh. The plant was formally inaugurated on 26th Jan'2024.
- (s) Gross sales during the year 2023-24 is Rs.1967.24 Cr. The net Profit is Rs. 589.34Cr.

## **ON GOING PROJECTS:**

THDCIL is committed to achieve a remarkable cumulative capacity approximately 8750 MW by 2030. THDCIL remains dedicated to expanding its renewable energy footprint and contributing to a greener future. I feel proud on the achievements we have accomplished together during this year, and I am even more optimistic about the opportunities ahead. THDCIL envisages to have installed capacity of at least 4362 MW by 2027.

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In Tehri PSP and Khurja STPP, works in all fronts are in final stage of commissioning. The 1<sup>st</sup> Unit of Tehri PSP and Khurja STPP are likely to be commissioned by Sep'2024 and Oct'2024, respectively.

After implementation of different measures in the interest of the project (VPHEP), THDCIL has been commenced dam concreting (Non-over flow block in left bank) on 18<sup>th</sup> Jan'2024 and 1<sup>st</sup> unit is likely to be commissioned by Mar'2026.

In Amelia Coal Mine, Coal extraction has started from 18.02.2023, ahead of schedule i.e., Aug'2023 and 1.29 MT coal has been dispatched till Mar'2024.

### **SYSTEMS FOR SOCIAL SUSTAINABILITY:**

At THDC India Limited, we understand the importance of corporate social responsibility (CSR) and have undertaken extensive activities in our operational areas through our company-sponsored society, SEWA-THDC. Some noteworthy CSR initiatives include running allopathy dispensary in remote area of Tehri district, operating schools for underprivileged children, distributing health equipment, constructing toilets, installing atmospheric water kiosks in schools, establishing smart classrooms, providing skill training, installing street lights, constructing rainwater harvesting tanks, hosting the Open National Canoe Sprint Senior Men & Women Championship and Qualifier 37<sup>th</sup> National Games (Goa 2023) at Tehri Lake.

### **CORPORATE GOVERNANCE PRACTICES:**

At THDCIL, good governance is rooted in our core values and helps drive our business with integrity, transparency and accountability. Our Board is the focal point and custodian of good corporate governance for the Company and sets the medium and long-term strategies for driving sustainable growth. Corporate Governance practices include establishing a diverse and independent board of directors to provide oversight and strategic direction, implementing robust risk management frameworks, and fostering a culture of integrity and compliance with all relevant laws and regulations. Regular audits and evaluations of financial and operational processes are conducted to maintain high standards of accuracy and reliability.

Additionally, the company prioritizes stakeholder engagement by maintaining open lines of communication with shareholders, employees, customers, and the community, ensuring that their interests and concerns are considered in decision-making processes.

### **RESEARCH & DEVELOPMENT:**

In the field of R&D, THDCIL endeavours to undertake projects and participate in Govt. of India's National Hydrogen Mission. Accordingly, a pilot project of 'Green Hydrogen' (Electrolyser & Fuel-cell based micro-grid system) has been installed at THDCIL Office Complex, Rishikesh (Uttarakhand).

Experience gained from successful implementation and operation of this pilot project shall be utilized in implementing Green Hydrogen production and storage Plant at Commercial Scale.

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### **COMMITMENT TO IMPLEMENT SURYA GHAR: MUFT BIJLI YOJANA:**

'PM Surya Ghar: Muft Bijli Yojana' is a government scheme that aims to provide free electricity to households in India. The scheme was launched by Prime Minister in Feb'2024. Under the scheme, households will be provided with a subsidy to install solar panels on their roofs.

The objective of this scheme is to reduce the electricity costs of the house by installing rooftop solar panels and promoting the adoption of rooftop solar power systems across the country. In this regard, GOI has assigned three states i.e. Uttarakhand, Madhya Pradesh and Karnataka states to THDCIL for coordinating and installing roof top solar plants on residential buildings as well as on state government own buildings.

Under this scheme, households and institutions are encouraged to install Rooftop solar plants to meet their energy needs, reduce electricity bills, and contribute to environmental conservation. THDCIL is committed for the implementation of the PM Surya Ghar scheme

Accordingly, THDCIL has prepared and submitted the expression of interest (EOI) for seeking interest from reputed manufacturers for the manufacturing and supply of Solar PV Modules, Grid Tied Solar Inverters and for installation of roof top solar power project along with supply of BOS.

### **BROADENING HORIZONS: THDCIL OF TOMORROW:**

India is the third largest producer of electricity in the world. Power is one of the basic components of infrastructure, that defines the country's economic development. Commitment to enhancing generation capacity, optimizing resource allocation, and implementing policies has been instrumental in meeting the country's energy needs.

In a significant achievement for India's power sector, the country has met a record maximum power demand of 250 GW on 30.05.2024. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. As per draft national electricity plan 2022 prepared by CEA state that the peak demand and energy demand would be 272 GW and 1,852 billion kWh (excluding rooftop solar generation) respectively in the fiscal year 2026–27. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required. I am sure that dedicated and experienced entire THDCIL team has made continuous efforts to commissioning the under-construction projects as per schedule.

THDCIL to be a leading institution in securing affordable, accessible and sustainable entity on global platform. In order to achieve THDCIL's vision, THDCIL has formulated aggressive strategies to accomplish an overall capacity of 8000 MW during next five years i.e. by 2028-29.

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Your company has expanded its horizons and fully diversified in all types of conventional and non-conventional forms of energy.

Your company is fully concentrated to take more Pump Storage Projects in all over the country. The renewable energy projects are also on the prime agenda for Sustainable economic growth of the company. It gives me immense pleasure to inform that MoU between 'THDCIL' and 'KPCL' has been signed for development of 1500 MW of Pumped Storage Plant at Varahi, Karnataka. THDCIL has also explored 7390 MW Pump storage projects in Maharashtra and 2700 MW Nallar PSP in Tamil Nadu. It is also expected that the responsibility of execution 1200 MW PSP in U.P may be assigned to THDCIL.

### **ENDORSEMENT:**

On behalf of the Board of Directors of THDC India Limited, I would like to convey my gratitude to all our stakeholders, business partners, customers, NTPC, CERC, CEA, CWC, DPE, SEBI, BSE, NSE, State Governments and various Ministries of Govt. of India, especially Ministry of Power for providing valuable guidance and support in our endeavors.

My special thanks and appreciation for the valuable contribution and suggestions of the members of the Board and the Senior Management team, in improving the performance of the Company. I would like to specially acknowledge the sincere efforts commitment, energy and enthusiasm of entire dedicated THDCIL team for making the company a reckoning force in the Power Sector. On your behalf, I would seek their continued support with same zeal in the time to come.

On behalf of THDCIL family, I assure you that your Company will continue to put tireless efforts and commitment to fulfil your expectations. With the unmatched knowledge pool and skill of Team THDCIL, I once again assure you that each employee of the company will work as a "Power Soldier" for improving the performance in the years to come.

I also thank you for your continued trust, confidence and support. I also thank our Contractors and Suppliers, Banks & financial institutions, for their contribution and support in growth of your Company.

I'm honored for the opportunity to work with you. Lastly, we want to thank our shareholders for the trust you've shown in our growth strategies and leadership.

With best wishes,

(Rajeev Kumar Vishnoi)  
Chairman & Managing Director  
DIN: 08534217

Place: New Delhi  
Date: 27.09.2024