15th ANNUAL REPORT 2018-19

CREATING VALUE

SPREADING SMILES

torrent POWER

Growth and Value Cycle

Sustaining Growth.
Enhancing Shareholders' Value.

The Company's growth philosophy focuses on increasing the capital employed by investing in new projects at returns higher than cost of capital and continuous improvement in capital efficiency through operational excellence. The Company expanded its assets base from Rs. 6971 crores in FY 09 to Rs. 24554 crores in FY 19, delivering a CAGR of about 14%. For FY 19 the total shareholder return was about 14% compared with BSE Power Index return of (-4%).

Consistent with its objective of steady growth with superior returns, Company also has a dividend policy of distributing 30% of its annual consolidated net profit after tax.

The Company seeks to enhance the quality of its growth and earnings by setting them within a corporate governance philosophy based on the core principles of transparency, integrity and accountability.

Focus on Long Term Financial Health

Plug Point – Customer Convenience

Partnering Progress.
Transforming Lives.

The Company touches 3 million plus customers, whose satisfaction is a core value. It is a continuous endeavour to increase the delight of customers in every which way, through transparent billing, near zero downtime, quick fault attendance, ease of interaction through use of digital technology and most importantly reasonable tariff based on continuous improvements in efficiency of operations.

Continuous strategic investments are made to upgrade and underground the power network, leading to industry best standards of reliability and quality of power. Benchmarking against the best globally, the Company also offers a highly rated mobile App and service portal that brings the entire bouquet of customer services at fingertips. Well-appointed and dedicated service centres, aptly named "Plugpoints", and service camps in large residential zones, energy efficiency audits and safety education embodies the spirit to be amongst the best utilities in the country.

We strive being a critical yet reliable partner in progress of every society we serve through dependable product and unmatched service.

Customer Delight

INDEX

CORPORATE INFORMATION

Board of Directors
Sudhir Mehta, Chairman Emeritus
Samir Mehta, Chairman
Pankaj Patel
Samir Barua
Keki Mistry
Bhavna Doshi
Dharmishta Raval
Pankaj Joshi, IAS
Jinal Mehta, Managing Director

Audit Committee
Keki Mistry, Chairman
Samir Barua
Bhavna Doshi
Dharmishta Raval

Stakeholders Relationship Committee
Pankaj Patel, Chairman
Samir Mehta
Jinal Mehta

Nomination and Remuneration Committee
Pankaj Patel, Chairman
Sudhir Mehta
Dharmishta Raval

Corporate Social Responsibility Committee
Bhavna Doshi, Chairperson
Samir Barua
Jinal Mehta

Risk Management Committee
Samir Barua, Chairman
Jinal Mehta
Sanjay Dalal

Committee of Directors
Samir Mehta, Chairman
Jinal Mehta

Chief Financial Officer
Sanjay Dalal

Company Secretary
Samir Shah
(upto 15/05/2019)
Rahul Shah
(wef 16/05/2019)

Statutory Auditors
Price Waterhouse Chartered Accountants LLP
Chartered Accountants

Registered Office
"Samanvay",
600 Tapovan,
Ambawadi, Ahmedabad-380015,
Gujarat, India.
Phone: +91 79 26628300
Fax: +91 79 26764159

Corporate Identity Number
L31200GJ2004PLC044068

Website
www.torrentpower.com

Investor Services Email Id
cs@torrentpower.com

Registrar and Share Transfer Agent
Link Intime India Pvt. Ltd.
Unit : Torrent Power Limited
5th floor, 506-508, Amarnath Business Centre-1,
Beside Gala Business Centre,
Nr. St. Xavier's College Corner, Off. C. G. Road,
Ellisbridge, Ahmedabad-380006 (Gujarat)
Phone: +91 79 26465179 / 86 / 87
Email: ahmedabad@linkintime.co.in
Website: www.linkintime.co.in

NOTICE

NOTICE is hereby given that 15th Annual General Meeting of the members of **TORRENT POWER LIMITED** will be held on Monday, 5th August, 2019 at 9:30 am at **J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015*** to transact the following businesses:

ORDINARY BUSINESSES

1. **Adoption of the Financial Statements**

   To consider and adopt the Financial Statements (including Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2019, including Auditor's Report and the Board's Report thereon.

2. **Declaration of dividend**

   To declare dividend of ₹5.00 per share on equity shares of the Company for the Financial Year ended 31st March, 2019.

3. **Re-appointment of Director retiring by rotation**

   To appoint a Director in place of Shri Jinal Mehta (DIN: 02685284), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESSES

4. **Commission to Non-Executive Directors**

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

   "RESOLVED THAT pursuant to the provisions of section 197 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force, Articles of Association of the Company and regulation 17(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval be and is hereby accorded for annual commission to Non-Executive Directors for such amounts / rate as may be determined by the Board, but not exceeding in aggregate for all Non-Executive Directors, 1% of the net profit of the Company for each Financial Year, computed in the manner laid down in section 198 of the Companies Act, 2013 or any statutory modifications(s) or re-enactment thereof, for a period of 5 years from 1st April, 2019."

5. **Ratification of Remuneration of Cost Auditors**

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

   "RESOLVED THAT pursuant to the provisions of section 148 of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, rules or notifications of the Act including any statutory modification(s) or re-enactment thereof, for the time being in force, M/s. Kirit Mehta & Co., Cost Accountants, Mumbai, the Cost Auditors appointed by the Board of Directors of the Company to conduct audit of cost records of the Company for FY 20 be paid remuneration of ₹12,00,000/- plus applicable taxes and out of pocket expenses incurred by them during the course of cost audit.

   RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to take such actions as may be necessary for implementing the above resolution."

6. **Commission to Shri Sudhir Mehta, Non-Executive Director and Chairman Emeritus, for FY 19**

   To consider and if thought fit, to pass the following resolutions as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder and regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval be and is hereby accorded to remuneration by way of annual commission of ₹5 Crore to Shri Sudhir Mehta, Non-Executive Director and Chairman Emeritus, for FY 19.

* *Please refer to page no. 246 for route map to the AGM venue.*

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to take such actions as may be necessary for implementing the above resolution.”

7. **Issuance of Non-Convertible Debentures on a private placement basis**

To consider and if thought fit, to pass the following resolutions as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of sections 42, 71, 179, 180 and other applicable provisions, if any, of the Companies Act, 2013 and all applicable rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force (“the Act”), the Memorandum of Association and the Articles of Association of the Company, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable SEBI regulations, circulars and guidelines for the time being in force and Foreign Exchange Management Act & RBI directives, circulars and guidelines for the time being in force, approval be and is hereby accorded for issuance of Non-Convertible Debentures (NCDs) by way of offer or invitation, upto an aggregate ₹1,500 Crore, on a private placement basis to the following identified investor classes viz.

(a) Qualified Institutional Buyers as defined in SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(b) Banks other than scheduled commercial banks, companies, bodies corporate, Foreign Portfolio Investors (category III) registered with SEBI, financial institutions (including NBFCs), pension / gratuity / provident / superannuation funds;

in one or more tranches, within the overall borrowing limits approved for the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to do all such acts, deeds and things as may be necessary for or incidental to the above resolution.”

By Order of the Board
For Torrent Power Limited

Ahmedabad
15th May, 2019

Samir Shah
Company Secretary

Registered Office:
“Samanvay”,
600 Tapovan,
Ambawadi, Ahmedabad-380015
CIN: L31200GJ2004PLC044068
Phone: +91 79 26628300
Website: www.torrentpower.com
Email: cs@torrentpower.com

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 15TH ANNUAL GENERAL MEETING (“AGM” or “meeting”) OF THE COMPANY IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company. However, a member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other member.

2. A Proxy Form is sent herewith. In case a member wants to appoint a Proxy, duly completed and stamped Proxy Form, must reach the Registered Office of the Company not later than 48 hours before the time for holding the aforesaid meeting.

3. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company/ Registrar and Transfer Agent, authorising their representative to attend and vote on their behalf at the meeting.

4. Members/ Proxies/ authorised representatives are requested to bring the Attendance Slip sent herewith, duly filled in, for attending the meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The dividend, if declared, would be paid after the conclusion of said AGM to those persons whose names appear as Beneficial Owners as at the end of the business hours on Friday, 14th June, 2019 in the list of Beneficial Owner.
7. The statement pursuant to section 102 of the Companies Act, 2013 and / or regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto and forms part of this Notice.
8. In terms of the section 124 of the Companies Act, 2013, the amount of dividend not encashed or claimed within 7 years from the date of its transfer to the unpaid dividend account, will be transferred to the IEPF established by the Government. Accordingly, the unclaimed dividend in respect of FY 12 of the erstwhile Torrent Cables Limited (since amalgamated with the Company) and the Company will be due for transfer to the said Fund in August, 2019. Members who have not encashed their dividend warrants for FY 12 are requested to approach the Company for payment.

   Further, pursuant to the provisions of section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all shares on which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred to the Demat Account of IEPF Authority. The Company has sent intimation to all such members who have not claimed their dividend for seven consecutive years. All such members are requested to claim their Unclaimed Dividend expeditiously failing which their shares shall be transferred to the Demat Account of IEPF Authority and no claim shall lay against the Company. The members thereafter need to claim their shares from IEPF Authority by filing IEPF Form-5 and by following such procedures as prescribed in the IEPF Rules.
9. The Companies Act, 2013 provides nomination facility to the members. As a member of the Company, you have an option to nominate any person as your nominee to whom your shares shall vest in the unfortunate event of your death. It is advisable to avail this facility especially by the members who currently hold shares in their single name. Nomination can avoid the process of acquiring any right in shares through transmission by law. In case of nomination for the shares held by the joint holders, such nomination will be effective only on death of all the holders. In case the shares are held in dematerialised form, the nomination form needs to be forwarded to your Depository Participant.
10. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends by registering their bank account details with the Company. For further information, you are requested to approach the Registrar and Share Transfer Agent of the Company.
11. **As per provisions of SEBI, transfer of listed securities shall not be processed unless the securities are held in dematerialized form. This measure is aimed at curbing fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares.**
12. **Trading in equity shares of the Company is compulsorily in dematerialised mode by all the members. Members are therefore advised to convert their shareholding in dematerialised form in case they wish to trade their equity shares.**
13. Members seeking any information or clarification on the accounts are requested to send written queries to the Company, atleast 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
14. Annual Report for FY 19 of the Company has been uploaded on website of the Company i.e. www.torrentpower.com.

15. All documents referred to in the accompanying Notice and the explanatory statement alongwith the Statutory Registers maintained by the Company as per the Companies Act, 2013 shall be open for inspection at the Registered Office during normal business hours (9:30 am to 6:30 pm) on all working days, (except Saturday) upto and including the date of the AGM of the Company and also will be available for inspection by the members at the AGM venue.

16. Electronic copy of the Notice of the 15th AGM along with Annual Report, inter-alia, including the remote e-voting instructions, Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has specifically requested for a hard copy of the same. For members, who have not registered their email address, physical copies are being sent by the permitted mode.

17. With a view to conserve natural resources, we request members to update and register their email addresses with their Depository Participants or with the Company, as the case may be, to enable the Company to send communications including Annual Report, Notices, Circulars, etc. electronically.

18. Members who hold shares in physical form in multiple folios, in identical names or joint holding in the same order of names, are requested to send the share certificates to the Registrar and Share Transfer Agent, for consolidation of such multiple folios into a single folio.

19. **Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. Monday, 29th July, 2019.**

20. In terms of section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the e-voting facility through Central Depository Services Limited (CDSL) to its members holding shares in physical or dematerialized form, as on the cut-off date to exercise their right to vote by electronic means on any or all of the business specified in the accompanying Notice (the "Remote e-voting"). It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility and a member may avail the facility at his / her discretion, subject to compliance with the instructions for remote e-voting.

    In case of members who are present in person at the meeting and entitled to vote, and have not exercised their right to vote by electronic means, the Chairman of the Company shall allow voting by way of poll in terms of rule 20 of the said rules for the businesses specified in the accompanying Notice. For abundant clarity, in the event of poll, please note that the members who have exercised their right to vote by electronic means shall not be eligible to vote by way of poll at the meeting.

    The information and other instructions regarding remote e-voting are detailed in Note No. 24.

    Shri Rajesh Parekh, Practicing Company Secretary (Membership No. A8073) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

21. The results shall be declared by the Chairman or a person so authorised by him in writing on receipt of consolidated report from Scrutinizer. The results declared along with Scrutinizer's Report shall be placed on the Company's website www.torrentpower.com and on the website of CDSL and shall also be communicated to the stock exchanges where the shares of the Company are listed.

22. The SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agent of the Company.

23. **The resolutions shall be deemed to have been passed on the date of the AGM, subject to the same being passed with requisite majority.**

24. **Voting Process and other instructions regarding Remote e-voting:**

Section A: Voting Process

The members should follow the following steps to cast their votes electronically:

Step 1: Open your web browser during the voting period and log on to the e-voting website: www.evotingindia.com

Step 2: Click on "Shareholders" to cast your vote(s).

Step 3: Please enter User ID –

a. For account holders in CDSL: Your 16 digits beneficiary ID.

b. For account holders in NSDL: Your 8 Character DP ID followed by 8 Digits Client ID.

c. Members holding shares in physical form should enter Folio Number registered with the Company.

Step 4: Enter the Image Verification as displayed and Click on "LOGIN".

Step 5: If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you have forgotten the password, then enter the User ID and the image verification code and click on "FORGOT PASSWORD" and enter the details as prompted by the system.

Step 6: Follow the steps given below if you are:

a. holding shares in physical form, or

b. holding shares in dematerialised form and are a first time user,

6.1(a) Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both, members holding shares in physical or dematerialized form).

Members holding shares in physical form and who have not updated their PAN with the Company are requested to enter the last 7 digits of their Share Certificate No. prefixed by "TPL". In case the certificate number is less than 7 digits enter the required number of 0's before the number. In case you are holding more than one share certificate under the same folio, enter the details of the share certificate which is higher in number.

Eg. If you are holding 3 share certificates under the same folio having certificate nos. 50111, 50112, 50113, then enter TPL0050113 in the PAN field.

Members who are holding shares in dematerialized form and who have not updated their PAN with depository are requested to use the Sequence Number as printed on the Address Sticker in case of the dispatch of the Annual Report through physical mode and as mentioned in covering email in case of dispatch of soft copy.

6.1(b) Enter the Date of Birth (DOB) as recorded in your demat account or registered with the Company for the said demat account or folio in dd/mm/yyyy format. #

6.1(c) Enter the Dividend Bank Account details (account number) as recorded in your demat account or registered with the Company for the said demat account or folio. #

Please enter either the DOB or Dividend Bank Account details in order to login. If the details are not recorded with the depository or Company, please enter the member ID / folio number in the Dividend Bank details field as mentioned in Step 3.

After entering these details appropriately, click on "SUBMIT" tab.

6.2 For demat holding:

Members holding shares in demat form will now reach “PASSWORD CREATION” menu wherein they are required to create their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. **It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.**

6.3 For physical holding:

Members holding shares in physical form will then directly reach the Company selection screen. For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Step 7: Click on the EVSN of the Company i.e. 190615002 to vote.

Step 8: On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES / NO” for voting. Select the option YES or NO as desired for casting your vote.

Step 9: Click on “RESOLUTION FILE LINK” if you wish to view the Notice.

Step 10: After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

Step 11: Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

You can also take print-out of the voting done by you by clicking on “CLICK HERE TO PRINT” option on the voting page.

Members can also use Mobile app - “m-Voting” for e voting. m-Voting app is available on Apple, Android and Windows platforms. Members may log in to m-Voting using their e voting credentials to vote for the Company resolution(s).

Section B: Other instructions regarding Remote e-voting

Step 1: The Remote e-voting period shall commence on Thursday, 1st August, 2019 at 9:00 am and end on Sunday, 4th August, 2019 at 5:00 pm. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their votes electronically. The e-voting module shall be disabled for voting thereafter.

Step 2: Institutional members (i.e. members other than Individuals, HUF, NRI, etc.) are additionally requested to note and follow the instructions mentioned below, if they are first time user:

- Institutional members and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

Step 3: Institutional members and Custodian are required to upload the following in PDF format in the system for the scrutinizer to verify the same:

a. Copy of the Board Resolution (where institution itself is voting).

b. Power of Attorney issued in favour of the Custodian (if PoA is not uploaded earlier) as well as Board Resolution of Custodian.

Step 4: **Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.**

Step 5: Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Item No. 3

Brief profile of Shri Jinal Mehta is set forth in the table below :

Age	36 years
Qualification	Bachelor of Business Studies (BBS) and Master of Business Administration (MBA) in International Business and Finance from University of Technology Sydney (UTS), Sydney, Australia.
Experience / Brief resume	He has more than 12 years of experience in the power sector, in generation, transmission and distribution segments. He was involved in set-up and operations of 1,147.5 MW SUGEN Mega Power Project and later in the implementation of 382.5 MW SUGEN Expansion (i.e. UNOSUGEN) and 1200 MW DGEN Mega Power Project. He was Director and CEO of erstwhile Torrent Energy Limited (now merged with the Company), for a period of about 3 years until 31st March, 2014. He took charge of distribution operations since April, 2014 and played a leading role in bringing about significant operational improvements in licensed and franchised distribution businesses, in terms of network modernisation, reduction in T&D losses, improved customer services and timely regulatory approvals for recovery of costs. During the year under his leadership, the Company obtained a distribution license for Dholera Special Industrial Region and won the franchised distribution area of Shil, Mumbra & Kalwa.
Date of first appointment on the Board	19th October, 2011
No. of shares held in the Company	8000
Relationship with other Directors and Key Managerial Personnel	He is son of Shri Sudhir Mehta, Chairman Emeritus and relative of Shri Samir Mehta, Chairman.
List of directorship of listed entities	Torrent Power Limited
Chairmanship / Membership of Committees of the Board in such Companies	**Torrent Power Limited** CSR Committee (Member) Stakeholders Relationship Committee (Member) Risk Management Committee (Member) Committee of Directors (Member)

Item No. 4

The members had, at the 10th Annual General Meeting of the Company held on 28th July, 2014 by way of Special Resolution, approved the payment of remuneration by way of annual commission to the Non-Executive Directors (i.e. other than the Managing Directors and Whole-time Directors) of the Company at a rate not exceeding 1% of net profits for each Financial Year, for a period of 5 years effective from 1st April, 2014. The aforesaid approval expired on 31st March, 2019.

Section 197 of the Companies Act 2013 (“the Act”), inter alia, provides that a company may pay remuneration to its Non-Executive directors (i.e. other than a Managing Director or Whole-time Director), by way of commission, not exceeding, in aggregate, 1% of the net profit of the Company for each Financial Year, as computed in the manner laid down in section 198 of the Act.

Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that all fees or commission, paid to the Non-Executive directors, shall be recommended by the board of directors and shall require approval of the members in a general meeting.

It is proposed to take approval of members for payment of annual commission to Non-Executive Directors effective from 1st April, 2019 at a rate as may be determined by the Board for each year, such that the total commission does not exceed 1% of the net profit of the Company for the Financial Year, computed in the manner laid down in section 198 of the Act.

The Board recommends the resolution at Item No. 4 of the Notice, for your approval as an Ordinary Resolution.

All the Non-Executive Directors are deemed to be interested in the resolution. None of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution.

ITEM NO. 5

The members had, at the 14th Annual General Meeting of the Company held on 1st August, 2018, ratified the remuneration of M/s. Kirit Mehta & Co., Cost Accountants, Mumbai as Cost Auditors of the Company at ₹12,00,000/- plus applicable taxes and reimbursements of out of pocket expenses incurred by them during the course of cost audit for the FY 19.

The Audit Committee had at its meeting held on 5th February, 2019 recommended and the Board had at its meeting held on the same day approved the re-appointment of M/s. Kirit Mehta & Co., Cost Accountants, Mumbai as Cost Auditors of the Company to conduct the audit of the Cost Records of the Company for the FY 20 at a remuneration of ₹12,00,000/- plus applicable taxes and out of pocket expenses incurred by them during the course of cost audit.

In accordance with the provisions of section 148 of the Companies Act, 2013 read with rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, members are requested to ratify the remuneration of ₹12,00,000/- plus applicable taxes and out of pocket expenses payable to M/s. Kirit Mehta & Co., Cost Auditors of the Company for the FY 20 by passing an Ordinary Resolution at Item No. 5 of the Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution.

ITEM NO. 6

Shri Sudhir Mehta relinquished his position as a Chairman wef 1st April, 2018, but at the request of the Board, agreed to continue as Non-Executive Director. In recognition of long and pioneering services in the development of the Company, the Board also conferred on him the title of Chairman Emeritus. Shri Sudhir Mehta even in Non-Executive capacity, spent considerable time on key matters in the business of the Company. In recognition of his mentoring and constant support during the FY 19, the Board approved annual commission of ₹5 Crore for Shri Sudhir Mehta, subject to approval of members. For the FY 18 (during which he occupied an executive role) annual commission paid to him was ₹10 Crore.

In terms of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of members by way of Special Resolution is sought for annual commission of ₹5 Crore for FY 19.

The Board recommends the resolutions at Item No. 6 of the Notice for your approval as a Special Resolution.

Shri Sudhir Mehta holds 6,882 equity shares of the Company and is related to Shri Samir Mehta, Chairman and Shri Jinal Mehta, Managing Director. Shri Sudhir Mehta, Shri Samir Mehta and Shri Jinal Mehta are, therefore, deemed interested in the resolution. None of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution.

ITEM NO. 7

Members of the Company at Annual General Meeting held on 1st August, 2018 accorded consent to the Board of Directors to borrow monies (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) and create security on assets of the Company for such borrowing, in such form and manner and on such terms and conditions as the Board may deem fit, such that the total amount borrowed and outstanding at any time does not exceed ₹20,000 Crore and for the said purpose authorised the Board inter-alia, to delegate all or any of the above powers to the Committee of Directors.

Out of above borrowing limit, the Company may, at an appropriate time consider offering or inviting subscriptions for Non-Convertible Debentures (NCDs), in one or more series / tranches, on private placement basis, in order to augment long-term resources for financing the ongoing capital expenditure and other general corporate purposes.

Section 42 of the Companies Act, 2013 read with rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 provides that a company which intends to make a private placement of its NCDs, shall obtain approval of its members by means of a Special Resolution. It shall be sufficient if the company passes a Special Resolution only once in a year for all the offers or invitations for such NCDs during the year.

It is therefore found desirable to have the requisite enabling approval in place for meeting the fund requirements of the Company in an efficient manner.

Approval of members is sought for issuance of NCDs upto an aggregate ₹1,500 Crore, within overall approved borrowing limit of the Company. Such approval shall be valid in respect of all offers and invitations for such NCDs to be made in one or more series / tranches, within 12 months from the date of passing of the Special Resolution.

The Board recommends the resolutions at Item No. 7 of the Notice for your approval as a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution.

By Order of the Board
For Torrent Power Limited

Samir Shah
Company Secretary

Ahmedabad
15th May, 2019

Registered Office:
"Samanvay",
600 Tapovan,
Ambawadi, Ahmedabad-380015
CIN: L31200GJ2004PLC044068
Phone: +91 79 26628300
Website: www.torrentpower.com
Email: cs@torrentpower.com

Dear Members,

Your Directors are pleased to present the Fifteenth Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended 31st March, 2019.

1. OPERATIONAL & FINANCIAL HIGHLIGHTS

The Management Discussion and Analysis Report for FY 19 is part of the Annual Report and explains the operating and financial performance of the business for the year.

Summary of the financial results of the Company for the year under review is as under:

(₹ in Crore except per share data)

Particulars	Standalone		Consolidated	
	FY 19	FY 18	FY 19	FY 18
Total Income	13,239	11,717	13,341	11,776
Profit Before Tax	1,248	1,376	1,264	1,401
Total comprehensive income for the year (after non-controlling interest)	**883**	**935**	**893**	**955**
Add: Balance brought forward	3,378	2,606	3,405	2,614
Add: Impact on adoption of Ind AS 115	649	-	648	-
Balance available for Appropriation	**4,910**	**3,541**	**4,946**	**3,569**
Appropriations				
Transfer to specific reserves	36	36	36	36
Dividend paid (including dividend distribution tax)	288	127	290	128
Balance carried to Balance Sheet	**4,586**	**3,378**	**4,620**	**3,405**
Basic and Diluted Earnings per Share (₹ per share)	**19**	**19**	**19**	**20**

2. DIVIDEND

The Company, as a policy, endeavours to distribute approx. 30% of its consolidated annual profits after tax as dividend in one or more tranches. Following the said policy, the Board of Directors have recommended dividend of ₹5 per equity share having face value of ₹10/- on 48,06,16,784 equity shares (PY ₹5 per equity share having face value of ₹10/- on 48,06,16,784 equity shares), amounting to ₹240.31 Crore (PY ₹240.31 Crore).

The Company will pay Dividend Distribution Tax of ₹49.40 Crore (PY ₹49.40 Crore) on the above dividend; the total outflow on account of dividend thus is ₹289.71 Crore (PY ₹289.71 Crore) i.e. 32.28% (PY 30.01%) of consolidated total comprehensive income for FY 19.

The Dividend Distribution Policy of the Company can be accessed at the Company's website: https://www.torrentpower.com/pdf/investors/06-01-2017_hfl6a_Dividend_Distribution_Policy.pdf

3. FINANCE

During the year under review, the Company has tied up ₹2,355 Crore in the form of Capex LC facility and part of the Rupee Term Loan for 499.8 MW Wind Power Project and ₹1,680 Crore in the form of term loan for its routine capex requirements, mainly for its Distribution Licensee and Distribution Franchisee businesses as well as cable business of the Company incurred and to be incurred during FY 19 and FY 20.

Outstanding amount towards long term loans, Non-Convertible Debentures (NCDs) and Accelerated Power Development and Reforms Programme (APDRP) loans as on 31st March, 2019 was ₹9,455 Crore. Details of long term loans of the Company for the year under review are provided in Note 22 to the Consolidated Financial Statements.

The consolidated debt to equity (including deferred tax liability) ratio as at the end of FY 19 was 0.90 (PY 1.01).

The particulars of loans given, guarantees provided and investments made are disclosed in Note 55 to the Standalone Financial Statements.

Credit Rating of the Company's long term loans, cash credit and NCDs has been reaffirmed by CRISIL at AA- / Stable and that of Letters of Credit / Bank Guarantees of the Company has been reaffirmed at A1+ on 29th September, 2018.

4. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Board reviews the affairs of the Company's subsidiaries and associates at regular intervals. In accordance with section 129(3) of the Companies Act, 2013, the Company has prepared Consolidated Financial Statements of the Company which form part of this Annual Report. Further, a statement containing salient features of the Financial Statements of the Company's subsidiaries and associates is given in prescribed form AOC-1 which forms part of this Annual report at page no. 238. The said Form also highlights the financial performance of each of the subsidiaries and associate companies included in the Consolidated Financial Statements.

Details pertaining to companies that ceased to be the associates of the Company during the year are provided in Note no. 41 of the notes to the Consolidated Financial Statements, forming part of the Annual Report.

In accordance with section 136(1) of the Companies Act, 2013, the Financial Statements of the subsidiary and associate companies are available for inspection by the members at the Registered Office of the Company during business hours on all days except Saturday, Sunday and Public Holiday. Any person desirous of obtaining said financial statements may write at cs@torrentpower.com. The Annual Report of the Company and Audited Financial Statements of each of the subsidiary companies have been placed on the website of the Company www.torrentpower.com.

5. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The members of the Company at the 14th Annual General Meeting (AGM) held on 1st August, 2018, appointed Shri Samir Mehta as Chairman (with substantial powers of management) and Shri Jinal Mehta as Managing Director of the Company wef 1st April, 2018, for a term of five years.

The members in the same meeting re-appointed Smt. Bhavna Doshi (from 4th August, 2018 till 30th September, 2021), Ms. Dharmishta N Raval (from 16th October, 2018 till 30th September, 2021), Shri Samir Barua (from 1st April, 2019 till 30th September, 2022), Shri Keki Mistry (from 1st April, 2019 till 31st March, 2024) and Shri Pankaj Patel (from 1st April, 2019 till 31st March, 2024) as Independent Directors of the Company for second and final term.

Shri Markand Bhatt, Whole-time Director relinquished his position wef 30th September, 2018.

Shri Kiran Karnik completed his term as an Independent Director of the Company on 31st March, 2019 and in deference to his wish, was not re-appointed for second term.

The Board meeting held on 7th February, 2018 appointed Shri Sanjay Dalal as Chief Financial Officer & Whole-time KMP of the Company wef 30th May, 2018 in place of Shri T. P. Vijayasarathy who was assigned a new role in the Company.

The Board meeting held on 1st August, 2018 appointed Shri Samir Shah as Company Secretary & Whole-time KMP of the Company wef 2nd August, 2018.

As per the provisions of the Companies Act, 2013, Shri Jinal Mehta (DIN: 02685284), Director, retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment. A brief resume and other relevant details of Shri Jinal Mehta are given in the Explanatory Statement to the Notice convening the 15th AGM.

6. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Independent Directors are in compliance with the Code of Conduct prescribed under Schedule IV of the Companies Act, 2013.

7. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION POLICY

The Nomination and Remuneration Committee (NRC) has approved the following criteria and process for identification / appointment of Directors:

Criteria for appointment:

i. Proposed Director ("Person") shall meet all statutory requirements and should:

- possess the highest ethics, integrity and values
- not have direct / indirect conflict with present or potential business / operations of the Company
- have the balance and maturity of judgment
- be willing to devote sufficient time and energy
- have demonstrated leadership and vision at senior levels, and have the ability to articulate a clear direction for the Company
- have relevant experience with respect to Company's business (in exceptional circumstances, specialisation / expertise in unrelated areas may also be considered)
- have appropriate comprehension to understand or be able to acquire that understanding:
  - o relating to Corporate Functioning
  - o concerning the scale, complexity of business and specific market and environment factors affecting the functioning of the Company

ii. The appointment shall be in compliance with the Board Diversity Policy of the Company.

Process for Identification / Appointment of Directors:

i. Board members may (formally or informally) suggest any potential person to the Chairman of the Company meeting the above criteria. If the Chairman deems fit, necessary recommendation shall be made by him to the NRC.

ii. Chairman of the Company can himself also refer any potential person meeting the above criteria to the NRC.

iii. NRC will process the matter and recommend such proposal to the Board.

iv. Board will consider such proposal on merit and decide suitably.

Remuneration Policy:

The Company has in place a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees of the Company. The Company has revised the said policy in its Board Meeting held on 5th February, 2019. The amended policy is available on the website of the Company at https://www.torrentpower.com/pdf/investors/Remuneration_Policy.pdf

8. EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The evaluation of Board, its Committees and Individual Directors was carried out as per the process and criteria laid down by the Board of Directors.

The proforma formats for facilitating the evaluation process of Non Independent Directors, Board as a whole and Committees were sent to all Independent Directors. A presentation on functioning of the Board and Committees containing the outcome of their evaluation and feedback was reviewed by the Independent Directors in their separate meeting and by the Board. Based on the feedback, the Board expressed satisfaction on the functioning of the Board, Committees and performance of Individual Directors.

9. MEETINGS OF THE BOARD, COMMITTEES & COMPLIANCE TO SECRETARIAL STANDARDS

The Board meets at regular intervals, with gap between two meetings not exceeding 120 days. During the year under review, the Board met four times.

The Board has five Committees namely Audit and Risk Management Committee (ARMC), Nomination and Remuneration Committee (NRC), Corporate Social Responsibility (CSR) Committee, Stakeholders Relationship Committee (SRC) and Committee of Directors (CoD). A detailed note on the composition of the Board and its Committees (ARMC, NRC and SRC) is provided in the Corporate Governance Report included in this Annual Report. Composition of CSR Committee is given in the Report on CSR Activities (Annexure C). CoD is a Board Committee to facilitate routine executive decisions and exercise of authority granted by the Board in various matters. The minutes of the CoD meetings are reviewed at every Board meeting.

During the year under the review, the Company has complied with the provisions of Secretarial Standard 1 (relating to meeting of the Board of Directors) and Secretarial Standard 2 (relating to General meetings).

10. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of section 134(3) of the Companies Act, 2013, the Board of Directors state that:

a) in preparation of the Financial Statements, the applicable accounting standards have been followed and there are no material departures;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2019 and of the profits for the year ended 31st March, 2019;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the financial statements have been prepared on a going concern basis;

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

11. AUDITORS

STATUTORY AUDITORS

The members had at the 13th AGM of the Company appointed M/s. Price Waterhouse Chartered Accountants LLP as Statutory Auditors of the Company to hold the office from the close of the 13th AGM till the conclusion of the 18th AGM, subject to their appointment being ratified by the members in every AGM. The members of the Company approved deletion of the requirement of seeking ratification of appointment of Statutory Auditors at every AGM pursuant to amendment brought by the Companies Amendment Act, 2017.

The Auditors' Report for FY 19 forms part of this Annual Report and does not contain any qualification, reservation or adverse remark.

COST AUDITORS

Pursuant to section 148(3) of the Companies Act, 2013, M/s. Kirit Mehta & Co., Cost Accountants, Mumbai had been appointed as the Cost Auditors of the Company for FY 19 by the Board of Directors for conducting audit of cost records maintained in respect of electrical energy and electrical cables. Their remuneration was ratified by members at the 14th AGM of the Company.

The Cost Audit Report for FY 18 does not contain any qualification and was filed on 29th August, 2018 with the Central Government (within the prescribed time limit) pursuant to section 148(6) of the Companies Act, 2013.

SECRETARIAL AUDITORS

Pursuant to section 204 of the Companies Act, 2013 read with rules thereof, the Board of Directors had appointed M/s. M. C. Gupta & Co., Company Secretaries, Ahmedabad, as Secretarial Auditors of the Company for FY 19. The Secretarial Audit Report for FY 19 is annexed herewith as **Annexure A.**

There are no adverse observations in the Secretarial Audit Report which call for explanation.

12. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to Financial Statements. During the year under review, such controls were tested by the Auditors and no reportable material weakness was observed.

13. CORPORATE GOVERNANCE

In compliance with Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Report on Corporate Governance forms part of this Annual Report. Certificate of the Auditors regarding compliance with the conditions of Corporate Governance is annexed to the Board's Report as **Annexure B.**

14. CORPORATE SOCIAL RESPONSIBILITY (CSR)

During FY 19, the Company incurred CSR expenditure of ₹19.64 Crore which was higher than the obligation to spend 2% of average net profit for the past three financial years amounting to ₹19.51 Crore. The CSR activities by the Company were under the thrust areas of Community Healthcare, Sanitation & Hygiene, Education & Knowledge Enhancement and Social Care & Concern. The brief outline of the CSR policy of the Company and the details of key CSR programs and activities undertaken at Group level are provided in the Report on CSR Activities annexed herewith as **Annexure C**.

In addition to above, the Company continued other social activities during the year, the brief details of the same is described hereunder.

- **Creating livelihoods :**
  - 33 working days intensive training module, followed by structured on job training for 28 days, developed in-house by the security team at SUGEN and DGEN Power Plant, covering security, basic firefighting and working knowledge of computers for unemployed youth with basic primary education has been continued in FY19 as well; these youths, numbering 48, have been absorbed in security related jobs at SUGEN and DGEN power plants. As at end of the year, 138 youth were employed as Security Guards at SUGEN and DGEN power plants as part of the security setup.
  - 31 differently abled persons (with impaired hearing and speech) were trained for routine cleaning of solar panels at the GENSU Solar Plant, thus providing them a dignified livelihood.
  - Employment to uneducated and destitute locals for horticulture, house keeping and canteen work.
- **Community Healthcare :**

  SWADHAR – the community health care centre at SUGEN Plant, provided primary health care facilities at nominal cost to the surrounding communities. FY 19 witnessed enhanced scope through inclusion of specialized consultations in the areas of Dental care, Ophthalmology, Dermatology, Gynaecology, Physiotherapy and Orthopaedic. The enhancement in scope resulted in a surge in the number of patients served during year to about 85,000. Till 31st March, 2018 a total of 80,640 patients in general ailment category were benefited whereas during FY 19, total 84,714 patients, including 23,806 patients with specific ailment. The cumulative patients served since inception of the program was 1,65,354.

- **Donations :**

  The Company also made donations amounting to ₹9.20 Crore to various organisations for activities related to healthcare, education, arts & culture, science, relief to disaster victims; socio-economic development including de-addiction, skill development; self-help groups, youth, upliftment of women, integrated development of tribes; etc.

15. ENVIRONMENT, HEALTH AND SAFETY (EHS)

The Company accords utmost importance to EHS in its various operations. The key developments concerning EHS during FY 19 includes:

- Zero Liquid Discharge (ZLD) since August 2017 at SUGEN plant.
- SUGEN, UNOSUGEN, DGEN and Cable Units have upgraded to the 2015 version of ISO standards. Generation plants have also implemented 5-S programme and got certified by Quality Circle Forum of India (QCFI).
- Implemented "Behaviour Based Safety" (BBS) to develop and inculcate safety as a behavioural aspect of each individual. Safety trainings were imparted to employees at different locations.
- Health talks related to common health problems such as Hypertension, Diabetes, Life Style Disease, yoga sessions, mini marathon etc. were conducted for employees.
- Drip Irrigation System in AMGEN premises to save water, rainwater harvesting at Meghdhanush housing colony of DGEN, extension of remote calibration facility for Continuous Emission Monitoring System (CEMS) to Central Pollution Control Board (CPCB) as per the applicable regulations.
- E-learning initiative taken up for EHS training in SUGEN, DGEN and GENSU. Specialized external training workshops were organised for critical activities such as lifting and rigging, working at height, hot works, confined space working and safe scaffolding, training for CPR technique (with latest analytical tool) with practical demonstration and practice, Mock drills for different kind of emergency scenarios such as electrical shock, fire in office premise after duty hours, oil spillage in the workshop etc.
- Measurement and monitoring of environmental parameters related to drinking water quality, food quality, work place noise, energy consumption stores, usage of environmentally friendly bio-degradable ester oil in place of mineral oil in distribution transformers in densely populated and congested areas to enhance safety and to prevent land contamination.
- Celebrations of Electrical Safety/ Chemical Safety / National Safety / Anti-Tobacco / Road Safety weeks, World Heart Day, National Fire Service Day, World Environment Day, Earth Day, etc.

Moreover, the Company has in place the "Conviction for Safety" policy, which provides for substantial compensation to the personnel (Employees as well as Contractors) and their families, who are adversely affected by accidents.

16. VIGIL MECHANISM

The Company has in place a Whistle Blower Policy pursuant to the applicable statutory requirements. The details of the Whistle Blower Policy are explained in the Report on Corporate Governance.

17. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of sections 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, during the year under review, the Company has credited unpaid / unclaimed Dividend and equity shares to the Demat account of IEPF Authority as per the details mentioned below:

Dividend for Financial Year	Unpaid / Unclaimed Dividend transferred (in ₹)	No. of equity shares transferred
2010-11	1,63,43,497/-	4,49,354
2011-12 (Interim)	89,20,242/-	96,978

During the year under review, the Company has also credited dividend declared for FY 18 amounting to ₹61,80,205/- to IEPF account arising on 12,36,041 equity shares already transferred to IEPF authority.

Members whose shares and unclaimed dividend, have been transferred to the IEPF Demat Account or IEPF account, as the case may be, may claim the shares or apply for refund of dividend by making an application to the IEPF Authority in Form IEPF-5 (available on http://www.iepf.gov.in). Details of members whose dividend remained unpaid for 7 consecutive years or more may be accessed at Company's website at www.torrentpower.com.

The details of unpaid/ unclaimed dividend lying in the unpaid Dividend accounts as on 31st March, 2019 are mentioned below:

Sr. No.	Dividend for Financial Year	Due date for transfer to IEPF	Amount of Unpaid / Unclaimed Dividend (in ₹)
1.	2011-12 (Final) of Torrent Power Ltd.	29th August, 2019	1,05,28,951.00
2.	2011-12 (Final) of erstwhile Torrent Cables Ltd.	23rd August, 2019	9,45,094.50
3.	2012-13 (Final) of Torrent Power Ltd.	30th August, 2020	66,91,906.00
4.	2012-13 (Final) of erstwhile Torrent Cables Ltd.	25th August, 2020	9,40,775.50
5.	2013-14 (Final) of Torrent Power Ltd.	2nd September, 2021	18,65,015.00
6.	2013-14 (Final) of erstwhile Torrent Cables Ltd.	2nd September, 2021	4,71,168.00
7.	2014-15 (Final) of Torrent Power Ltd.	9th September, 2022	55,76,581.50
8.	2014-15 (Final) of erstwhile Torrent Cables Ltd.	2nd September, 2022	3,09,858.00
9.	2015-16 (Interim) of Torrent Power Ltd.	15th April, 2023	1,69,65,814.50
10.	2016-17 (Final) of Torrent Power Ltd.	6th September, 2024	1,27,40,446.40
11.	2017-18 (Final) of Torrent Power Ltd.	6th September, 2025	1,73,66,385.00

Note: Torrent Cables Limited was amalgamated with Torrent Power Limited wef 1st October, 2015.

At the above mentioned due dates, the actual amount lying in unpaid dividend accounts alongwith corresponding shares related thereto will be transferred to IEPF authority.

18. BUSINESS RESPONSIBILITY REPORT

As stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility Report forms part of this Annual Report.

19. RISK MANAGEMENT

The Company has in place a Risk Management framework for a systematic approach to control risks. The Risk Management Policy of the Company lays down procedures for risk identification, assessment, monitoring, review and reporting. The policy also lists the roles and responsibilities of Board, Risk Management Committee, Chief Risk Officer, Risk Champions and Risk Co-ordinators. Internal and external risks with potential impact and likelihood that may impact the Company in achieving its strategic objectives or may threaten its existence have been identified and assessed.

20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties are given in the prescribed Form AOC-2, appended herewith as **Annexure D** and in the section on Related Party Transactions in the Report on Corporate Governance.

21. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The details in terms of section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time are forming part of this report as **Annexure E**.

22. PROTECTION OF WOMEN AGAINST SEXUAL HARASSMENT AT WORK PLACE

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013].

23. THE EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return in Form MGT-9 is appended herewith as **Annexure F** to this Report.

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The details relating to conservation of energy, technology absorption, foreign exchange earnings and outgo prescribed under section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are given in the **Annexure G** which forms part of this Report.

25. OTHER DISCLOSURES

- During the year under review, the Company has neither accepted nor renewed any fixed deposits.
- There are no material changes and commitments, affecting the financial position of the Company which has occurred between end of Financial Year i.e. 31st March, 2019 and the date of Board's Report i.e. 15th May, 2019.
- No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.

26. APPRECIATION AND ACKNOWLEDGEMENTS

The Board of Directors is pleased to place on record its appreciation for the continued support received from all stakeholders including government, regulatory authorities and financing institutions. The Board is thankful to the members and employees for their unstinted support and contribution.

For and on behalf of the Board of Directors

Ahmedabad
15th May, 2019

Samir Mehta
Chairman
DIN: 00061903

ANNEXURE A

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Torrent Power Limited,
"Samanvay", 600 Tapovan,
Ambawadi, Ahmedabad – 380 015

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Torrent Power Limited CIN: L31200GJ2004PLC044068 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification of Torrent Power Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company", for the Financial Year ended on 31st March, 2019 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

iii. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009/2018; **(Not applicable to the Company during the Audit Period)**

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**

   (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period);**

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**; and

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998/2018; **(Not applicable to the Company during the Audit Period).**

vi. The Company has complied with following other laws specifically applicable to the Company:

(a) Electricity Act, 2003

(b) Gujarat Electricity Duty Act, 1958

(c) Gujarat Electricity Industry (Reorganisation and Regulation) Act, 2003

(d) Gujarat Electricity Grid Code, 2013

(e) Energy Conservation Act, 2001

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that

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

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

There were no dissenting views on any matter.

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

We further report that during the audit period under review the Company has no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For, M. C. Gupta & Co.
Company Secretaries
UCN: S1986GJ003400

Mahesh C. Gupta
Propietor
FCS: 2047 (CP: 1028)

Place : Ahmedabad
Date : 13th May, 2019

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

Annexure: "A"

To,
The Members,
Torrent Power Limited,
"Samanvay", 600 Tapovan,
Ambawadi, Ahmedabad – 380 015

Our Report of even date is to be read along with this Letter;

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

For, M. C. Gupta & Co.
Company Secretaries
UCN: S1986GJ003400

Mahesh C. Gupta
Propietor
FCS: 2047 (CP: 1028)

Place : Ahmedabad
Date : 13th May, 2019

ANNEXURE B

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

TO THE MEMBERS OF
TORRENT POWER LIMITED

We have examined the compliance of conditions of Corporate Governance by Torrent Power Limited (the "Company"), for the year ended March 31, 2019 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Pradip Kanakia
Partner
Membership No.: 039985
UDIN: 19039985AAAAAA3693

Place: Ahmedabad
Date: 15th May, 2019

ANNEXURE C

REPORT ON CSR ACTIVITIES FOR FY 19

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs**

   Inspired by noble ideas of the founder Chairman late Shri U N Mehta, Torrent Group deeply subscribes to its responsibilities as a corporate citizen and believes in carrying out its industrial and business activities in a socially and environmentally responsible manner balancing the needs of all stakeholders and contributing to the upliftment and well being of the disadvantaged sections of the society.

   The Company, as a part of its CSR programmes / activities, made dedicated efforts in the fields of Community Healthcare, Sanitation & Hygiene, Education & Knowledge Enhancement and Social Care & Concern. It is in this backdrop that the Company has drawn up its CSR policy and conducted its programmes and activities for the FY 19.

   Overview of projects or programs undertaken

   Major CSR initiatives undertaken by the Company during FY 19, are enumerated hereunder:

   1. **REACH:** Driven by the belief of our Chairman Emeritus, Shri Sudhir Mehta **'Children are the future of our nation and this future must be well preserved',** the flagship CSR program of the Group **"REACH" – Reach EAch CHild** was initiated in the year 2016 under the aegis of Tornascent Care Institute. REACH has three major pillars: **(a) SHAISHAV (b) JATAN and (c) MUSKAN.** The program has made a strong headway in the current year at all the four centres viz. SUGEN (near Surat), Dahej, Indrad and Nadiad / Balasinor and across all the three pillars, with increase in the scope and reach. Salient achievements are:

      - Under the first pillar of the program **"Shaishav"**, so far 289 paediatric camps covering 372 villages and 58,000+ underserved children (in the age group of 6 months to 6 years) were conducted, to obtain their base line health status, identify and treat anaemia and malnutrition and provide specialised treatment to those identified with cardiac, neurological, respiratory and the like disorders. Till date, more than 90% of the children were cured of their anaemic condition and around 79% of children were brought out of severe malnourishment. To improve the effectiveness in treatment of malnourishment an extensive in-house research was carried out to develop palatable nutri-dense recipes from easily available local ingredients, without any compromise in the nutrient content. After duly testing for nutrient content in certified laboratories, **"Mauji Biscuits"** were launched. **"Mauji Biscuits"** proved to be a success story as 63% of 12,976 children addressed were cured. In FY 19, emphatic focus was to ensure complete recovery in children having specific ailments, identified during camps or in Jatan centers. Specialised treatment was co-ordinated with referral hospitals and 985 children were restored to normalcy till 31st March, 2019.

      - **"Jatan",** the second pillar of the program, focuses on providing the paediatric care through well equipped Paediatric centres to children in the age group of 0-18 years. Established in year 2017, all 4 centres at SUGEN, Dahej, Balasinor and Indrad are successfully supporting the basic medical needs of children in these four areas. Treatment by doctors, medicines & basic laboratory tests are provided free of cost. 1,47,000+ children have benefited till 31st March, 2019.

        A Paediatric Hospital at SUGEN

        To provide intensive and inclusive healthcare solution to paediatric patients, a 150 bedded secondary care hospital is being constructed near SUGEN plant. The target date for commissioning and dedicating the hospital is 2nd October, 2019.

      - Under **"Muskaan"**, the third pillar of the program, counselling and support is provided to the adolescent girls of villages near SUGEN, Dahej & Indrad centers for menstrual hygiene and sanitation by giving them free health and hygiene kits which include sanitary pads, soap, shampoo, etc. About 6,300 adolescent girls of

125 villages near above specified centres, between 11-18 years of age were provided kits on monthly basis during the year. This programme has helped gradual eradication of physiological and social taboos and increased confidence and self-esteem amongst them.

Through large scale employee participation, a new initiative was launched in the name of **"જાગરણ એ જ નિવારણ",** with an aim to spread health awareness amongst the communities about curative facilities available at Bal Arogya Kendras so as to prevent diseases. The targetted population includes patients waiting for consultation at Jatan, mothers hailing from villages where camps are conducted and others who come in contact during follow up interventions.

2. **Shiksha Setu :** The Teaching and Learning Programme conducted through UNM Foundation completed third year of Phase II. This programme covers 13 schools located near SUGEN, Chhatral, Chhapi, Memadpur and Ahmedabad locations having 4,600+ students and 150+ teachers of 3-8 standards. Focus in FY 19 continued to be on enhancing learning levels of students through academic workshops and technology based education tools provided in the schools. About 4,600 students from 3rd to 8th standard (including 13 program schools and 7 control schools) participated in technology based learning assessment and achieved 21% YOY improvement in learning levels compared to previous year's result.

   Based on the result analysis, gaps in concepts and skills were identified and continuous inputs were provided to teachers and students.1,037 academic sessions were carried out on different topics for 150+ teachers on strengthening academic concepts. Additionally, focused intervention through remedial tools was carried out to improve basic skills in Language & Mathematics of academically weak students and bring them at par with others.

3. **Development of Public Parks:**

   The Company along with one of India's best known landscape design firm, developed a detailed process that is an exemplar on how public projects should be undertaken and embarked upon. Six other firms in Ahmedabad have joined hands under LEAF (Landscape Environment and Advancement Foundation) to undertake this work. After visiting many parks in Ahmedabad, 15 parks with differing sizes, which were equally distributed in Ahmedabad, were chosen for development. During the year, 6 parks measuring approx. 33,000 sqmt (under Phase 1) have been fully developed by the Company and are open for public use. The design of the other parks of Phase II is in Progress.

4. **Donation of Medical Equipment:**

   The Company donated and installed CT Scanner and MR machine at Parvati Jadhav Hospital, Ahmedabad to partially improve the medical infrastructure of Hospital. The Hospital is in operation since 8th September, 2014 and is a multi-speciality hospital catering to poor and needy people with nominal charges on No Profit No Loss basis.

5. **National Cancer Institute:**

   The Company contributed to Dr. Abaji Thatte Seva Aur Anusandhan Sanstha, Nagpur to establish laboratory sciences department and to procure 1 mobile cancer detection unit complete with CR, Mammography X-Ray, with necessary furniture and other medical equipments. Dr. Abaji Thatte Seva Aur Anusandhan Sanstha is a registered charitable trust established in 1996 focuses on alleviating suffering of people with various medical illnesses.

The CSR Policy and approved CSR budget for FY 19 are available for reference on the website of the Company at:

https://www.torrentpower.com/pdf/investors/02-06-2016_rautx_csrpolicy.pdf &

https://www.torrentpower.com/pdf/investors/14-11-2018_8oc69_CSR_Plan.pdf respectively.

A brief outline of the CSR policy is given below:

- three thrust area in which CSR activities are planned (a) Community Healthcare, Sanitation & Hygiene (b) Education & Knowledge Enhancement (c) Social Care & Concern.
- the CSR projects are conducted, preferably in local area(s) around which the Company (including its Units) operates, after approval of CSR Committee and Board with estimated budget and implementation schedules thereto. Half-yearly monitoring of the implementation of the CSR policy and Plan be done by the CSR Committee.
- CSR projects may be implemented directly whereby the Company implements the CSR projects on its own or through its Trust / Society / Section 8 company or Group company Trust / Society / Section 8 company; and / or indirect whereby the Company implements the CSR Projects through an external Trust / Society / Section 8 company.

2. **The Composition of CSR Committee:**

Name of Director	Category of Directorship
Smt. Bhavna Doshi, Chairperson	Independent Director
Shri Samir Barua	Independent Director
Shri Jinal Mehta	Managing Director

3. **Average net profit of the Company for last three Financial Years:** ₹975.70 Crore.

4. **Prescribed CSR Expenditure (2% of the above amount):** ₹19.51 Crore.

5. **Details of CSR spent during the Financial Year:**

   a) Total amount spent for the FY 19: ₹19.64 Crore.

   b) Amount unspent, if any: Nil

c) Manner in which the CSR amount was spent during the FY 19 is detailed below:-

(₹ in Crore)

1 Sr. No.	2 CSR Project or Activity Identified	3 Sector in which the Project is covered	4 Projects or programs: (1) Local area or other; (2) Specify the State and district where projects or programs were undertaken during FY 19	5 Amount Outlay (Budget) Project or Program wise FY 19	6 Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs, (2) Overheads FY 19	7 Cumulative expenditure upto the reporting period*	8 Amount Spent : Direct or through implementing agency
1	REACH - Paediatric Healthcare Programme	Community Healthcare, Sanitation & Hygiene (Promoting healthcare including preventive healthcare)	Various district in the State of Gujarat like Kamrej, Mandvi, Mangrol, Olpad in Surat, Vagra, Amod in Bharuch, Balasinor in Mahisagar, Jotana, Kadi in Mehsana, Galteshwar, Kapadvanj, Kathlal, Thasra, Nadiad in Kheda, Kalol in Gadhinagar	1.62	2.78	34.61	Directly: (1) Through Tornascent Care Institute (Section 8 company of the Group) (2) By Company
2	Development of Public Parks	Social Care & Concern (Ensuring environmental sustainability, ecological balance and protection of flora and fauna)	Ahmedabad, Gujarat	4.00	4.00	6.50	Directly: Through UNM Foundation (Section 8 company of the Group)
3	Shiksha Setu (Quality Education Programme) (Rural and Urban Slum Area)$	Education & Knowledge Enhancement (Promoting education)	Sabarmati in Ahmedabad, Kamrej in Surat, Vadgam in Banaskantha Kadi in Mehsana, in the State of Gujarat	0.75	0.75	4.65	Directly: Through UNM Foundation (Section 8 company of the Group)
4	Supporting Primary & Secondary School (For urban slum children)	Education & Knowledge Enhancement (Promoting education)	Sabarmati, Ahmedabad, Gujarat	0.33	0.26	0.91	Directly by company
5	Supporting the establishment of a Cancer Care Centre	Community Healthcare, Sanitation & Hygiene (Promoting healthcare including preventive healthcare)	Nagpur, Maharashtra	3.00	3.00	7.00	Indirectly through Implementing Agency: Dr. Abaji Thatte Seva Aur Anusandhan Sanstha

(₹ in Crore)

1 Sr. No.	2 CSR Project or Activity Identified	3 Sector in which the Project is covered	4 Projects or programs: (1) Local area or other; (2) Specify the State and district where projects or programs were undertaken during FY 19	5 Amount Outlay (Budget) Project or Program wise FY 19	6 Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs, (2) Overheads FY 19	7 Cumulative expenditure upto the reporting period*	8 Amount Spent : Direct or through implementing agency
6	Supporting village development	Social Care & Concern (Rural Development)	Nadiad, Kheda, Gujarat	0.05	0.03	0.18	Directly by Company
7	Supporting improvement of Medical infrastructure in a local hospital	Community Healthcare, Sanitation & Hygiene (Promoting healthcare including preventive healthcare)	Ahmedabad, Gujarat	8.80	8.80	8.80	Directly by Company
8	Others						
	CSR capacity building cost including Administrative overhead			1.00	0.00	2.60	Directly by Company
	Miscellaneous			0.05	0.02	0.04	
	Total			**19.60**	**19.64**	**65.29**	

*Starting from 1st April, 2014.

$ Amount of ₹2.70 Crore was contributed till 31st March, 2014.

Figures are rounded off to nearest Lakh

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's Report.

Not Applicable

7. The CSR Committee confirms that the implementation and monitoring of the CSR policy, is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Ahmedabad
15th May, 2019

Samir Barua
Director
DIN: 00211077

Bhavna Doshi
Chairperson, CSR Committee
DIN: 00400508

ANNEXURE D

FORM AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with Related Parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts / arrangements / transactions including value, if any	Justification for entering into such contracts / arrangements / transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
NIL								

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts / arrangements / transactions including value, if any:	Date(s) of approval by the Board and Audit Committee, if any:	Amount paid as advances, if any:	Date on which shareholders resolution was passed in general meeting u/s 188(1)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Shri Varun Mehta, Director's Relative	Appointment as Vice President (office or place of profit held by Director's relative)	Effective from 2nd August, 2018	Salary : within the range of ₹3 Lakh to ₹12 Lakh per month Performance pay: not exceeding 50% of the salary Perquisites and Benefits: (i) allowances and incentive as applicable to other employees as per the prevailing rules and policies of the Company (ii) Perquisites as per applicable law / rules of the Company	29th May, 2018	NIL	1st August, 2018

For and on behalf of the Board of Directors

Ahmedabad
15th May, 2019

Samir Mehta
Chairman
DIN: 00061903

ANNEXURE E

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1), 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 19 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during FY 19 are as under:

Sr. No.	Name	Designation	Ratio of Remuneration of Director to Median$ Remuneration of employees	% increase in Remuneration in FY 19
			(Sub-clause (i) of Rule 5(1))	(Sub-clause (ii) of Rule 5(1))
1.	Shri Sudhir Mehta	Chairman Emeritus	124.86	-50.00%*
2.	Shri Samir Mehta	Chairman	249.73	0.00%
3.	Shri Pankaj Patel	Independent Director	4.74	-29.63%
4.	Shri Samir Barua	Independent Director	6.99	-12.50%
5.	Shri Kiran Karnik	Independent Director	6.99	3.70%
6.	Shri Keki Mistry	Independent Director	4.50	-5.26%
7.	Smt. Bhavna Doshi	Independent Director	6.99	0.00%
8.	Ms. Dharmishta Raval	Independent Director	6.99	16.67%
9.	Shri Pankaj Joshi, IAS	Nominee Non-Executive Director	2.00	-50.00%
10.	Shri Markand Bhatt	Whole-time Director	545.29	-44.02%**
11.	Shri Jinal Mehta	Managing Director	244.07	28.70%
12.	Shri Sanjay Dalal	Chief Financial Officer	Not Applicable	15.79%
13.	Shri Samir Shah	Company Secretary	Not Applicable	12.00%

Notes:

* Shri Sudhir Mehta relinquished the position of Chairman wef 1st April, 2018 but at request of Board, continued as Non-Executive Director.

** Shri Markand Bhatt relinquished the position of Whole-time Director wef 1st October, 2018.

2. Sub-clause (iii) of Rule 5(1): The median remuneration of the employees in FY 19 increased by 6.72%. The employees who are members of a union and whose remuneration is based on periodic settlements have been excluded for this purpose.

3. Sub-clause (iv) of Rule 5(1): The number of permanent employees on the rolls of Company as on 31st March, 2019 was 7,647.

4. Sub-clause (viii) of Rule 5(1): The average percentage increase made in the remuneration:

   - of employees (excluding Directors, Managerial Personnel, other Key managerial personnel & employees who were employed for part of the previous year) is 11.76%;
   - of managerial personnel is -37.52%.

   The decrease in the remuneration of managerial personnel is due to cessation of two of the Managerial Personnel during FY 19.

5. Sub-clause (xii) of Rule 5(1): It is hereby affirmed that the remuneration paid is as per the Remuneration policy of the Company.

6. Rules 5(2) and 5(3): The information required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Annual Report. Having reference to the provisions of section 134 and section 136 of the Companies Act, 2013, the Reports and Accounts are being sent to the members excluding such information. However, the said information is available for inspection by the members at the Registered Office of the Company during its working hours up to the date of ensuing Annual General Meeting. Further, any member interested in obtaining such information may obtain it by writing to the Company Secretary at cs@torrentpower.com.

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN: 00061903

Ahmedabad
15th May, 2019

ANNEXURE F

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended 31st March, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN:	L31200GJ2004PLC044068
ii)	Registration Date:	29th April, 2004
iii)	Name of the Company:	Torrent Power Limited
iv)	Category / Sub-Category of the Company:	Limited by Shares / Indian Non-Government Company
v)	Address of the Registered Office and contact details:	"Samanvay", 600 Tapovan, Ambawadi, Ahmedabad - 380 015 (Gujarat) Phone: +91 79 26628300 Fax: +91 79 26764159 Email: cs@torrentpower.com Website: www.torrentpower.com
vi)	Whether listed company Yes / No :	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent:	Link Intime India Pvt. Ltd. 5th floor, 506 to 508, Amarnath Business Centre - 1 (ABC - 1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad-380006 (Gujarat) Phone: +91 79 26465179 / 86 / 87 Email: ahmedabad@linkintime.co.in Website: www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company are given below:

Sr. No.	Name and Description of main products / services	NIC Code of the product / service	% to total turnover of the Company
1	Electric power generation and distribution	351	95.87%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	Torrent Private Limited	Torrent House, Off Ashram Road, Ahmedabad-380009	U67120GJ1985PTC007573	Holding	53.56%	2(46)
2	Torrent Power Grid Limited	"Samanvay", 600 Tapovan, Ambawadi, Ahmedabad-380015	U40104GJ2005PLC046660	Subsidiary	74.00%	2(87)
3	Torrent Pipavav Generation Limited	"Samanvay", 600 Tapovan, Ambawadi, Ahmedabad-380015	U40108GJ2007PLC051822	Subsidiary	95.00%	2(87)
4	Torrent Solargen Limited	"Samanvay", 600 Tapovan, Ambawadi, Ahmedabad-380015	U40102GJ2008PLC055000	Subsidiary	100.00%	2(87)
5	Jodhpur Wind Farms Private Limited	"Samanvay", 600 Tapovan, Ambawadi, Ahmedabad-380015	U31909GJ2017PTC106919	Subsidiary	100.00%	2(87)
6	Latur Renewable Private Limited	"Samanvay", 600 Tapovan, Ambawadi, Ahmedabad-380015	U31906GJ2017PTC106736	Subsidiary	100.00%	2(87)
7	AEC Cements & Constructions Limited	AEC Tower, Fifth Floor, Shahpur, Ahmedabad-380001	U45201GJ1988PLC010752	Subsidiary	69.00%	2(87)
8	Tidong Hydro Power Limited	Ground Floor, Room No. 1, Building Khasra No. 6849 Ward No. 1, Nirmand Road, Near Army Area, Kullu Kulu Himachal Pradesh-172022	U40101HP2007PLC030774	Associate	49.00%	2(6)
9	UNM Foundation (Section 8 company)	"Samanvay", 600 Tapovan, Ambawadi, Ahmedabad-380015	U85110GJ2015NPL083340	Associate	50.00%	2(6)
10	Tornascent Care Institute (Section 8 company)	"Samanvay", 600 Tapovan, Ambawadi, Ahmedabad-380015	U85100GJ2015NPL082291	Associate	50.00%	2(6)
11	Wind Two Renergy Private Limited	Survey No. 1837 & 1834, At Moje Jetalpur ABS Tower, Second Floor, Old Padra Road, Vadodara-390007	U40300GJ2017PTC096960	Associate	NIL	2(6)

Sr. No.	Name of the Company	Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
12	Wind Four Renergy Private Limited	Survey No. 1837 & 1834, At Moje Jetalpur ABS Tower, Second Floor, Old Padra Road, Vadodara-390007	U40300GJ2017PTC097003	Associate	NIL	2(6)
13	Wind Five Renergy Private Limited	Survey No. 1837 & 1834, At Moje Jetalpur ABS Tower, Second Floor, Old Padra Road, Vadodara-390007	U40100GJ2017PTC096973	Associate	NIL	2(6)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholder	No. of the Shares held at the beginning of the year 01/04/2018				No. of Shares held at the end of the year 31/03/2019				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. PROMOTER AND PROMOTER GROUP									
(1) INDIAN									
(a) Individual / HUF	21007	-	21007	-	21007	-	21007	-	-
(b) Central Government	-	-	-	-	-	-	-	-	-
(c) State Government(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	257422311	-	257422311	53.56	257422311	-	257422311	53.56	-
(e) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total A(1)	**257443318**	**-**	**257443318**	**53.57**	**257443318**	**-**	**257443318**	**53.57**	**-**
(2) FOREIGN									
(a) Individuals (NRIs / Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b) Other Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Banks / FIs	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total A(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)=A(1)+A(2)	**257443318**	**-**	**257443318**	**53.57**	**257443318**	**-**	**257443318**	**53.57**	**-**

Category of Shareholder	No. of the Shares held at the beginning of the year 01/04/2018				No. of Shares held at the end of the year 31/03/2019				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
B. PUBLIC SHAREHOLDING									
(1) INSTITUTIONS									
(a) Mutual Funds / UTI	42925637	-	42925637	8.93	53161122	-	53161122	11.06	2.13
(b) Banks / Financial Institutions	42979641	98111	43077752	8.96	23384345	83165	23467510	4.88	-4.08
(c) Central Government	-	-	-	-	-	-	-	-	-
(d) State Government(s)	900	7057896	7058796	1.47	900	7057896	7058796	1.47	0.00
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) Foreign Portfolio Investors / Foreign Institutional Investors	28213800	-	28213800	5.87	37533395	-	37533395	7.81	1.94
(h) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	
(i) Others	-	-	-	-	-	-	-	-	-
Sub-Total B(1)	**114119978**	**7156007**	**121275985**	**25.23**	**114079762**	**7141061**	**121220823**	**25.22**	**-0.01**
(2) NON-INSTITUTIONS									
(a) Bodies Corporate	**57876277**	**-**	**57876277**	**12.04**	**60643772**	**-**	**60643772**	**12.61**	**0.57**
(i) Indian	54016277	-	54016277	11.24	56783772	-	56783772	11.81	0.57
(ii) Overseas	3860000	-	3860000	0.80	3860000	-	3860000	0.80	-
(b) Individuals									
(i) Individual shareholders holding nominal share capital Upto ₹1 lakh	22195522	5866514	28062036	5.84	20954521	4772863	25727384	5.35	-0.49
(ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	9665730	2186330	11852060	2.47	9297236	1746831	11044067	2.30	-0.17
(c) NBFC's registered with RBI	-	-	-	-	15913	-	15913	0.00	0.00
(d) Others									
- NRI	849317	155231	1004548	0.21	931177	92513	1023690	0.21	0.00
- Trusts	153814	-	153814	0.03	156644	-	156644	0.03	0.00
- HUF	1080373	-	1080373	0.22	939429	-	939429	0.20	-0.02
- Office Bearers	-	25	25	0.00	-	25	25	0.00	0.00
- Foreign Portfolio Investor Individual	-	-	-	-	750	-	750	0.00	0.00
- Clearing Member	632307	-	632307	0.13	628648	-	628648	0.13	0.00
- IEPF	1236041	-	1236041	0.26	1772321	-	1772321	0.37	0.11
Sub-Total B(2)	**93689381**	**8208100**	**101897481**	**21.20**	**95340411**	**6612232**	**101952643**	**21.21**	**0.01**
Total Public Shareholding (B)=B(1)+B(2)	**207809359**	**15364107**	**223173466**	**46.43**	**209420173**	**13753293**	**223173466**	**46.43**	**0.00**
C. SHARES HELD BY CUSTODIANS FOR GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)	**465252677**	**15364107**	**480616784**	**100.00**	**466863491**	**13753293**	**480616784**	**100.00**	**-**

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2018			Shareholding at the end of the year 31/03/2019			% Change in Share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / Encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / Encumbered to total Shares	
1	Torrent Private Limited	257422311	53.56	0.00	257422311	53.56	0.00	0.00
2	Shri Sudhir Mehta	6882	0.00	0.00	6882	0.00	0.00	0.00
3	Shri Samir Mehta	6125	0.00	0.00	6125	0.00	0.00	0.00
4	Shri Jinal Mehta	8000	0.00	0.00	8000	0.00	0.00	0.00
	Total	**257443318**	**53.57**	**0.00**	**257443318**	**53.57**	**0.00**	**0.00**

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

There was no change in promoters' shareholding during the reporting period.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01/04/2018 to 31/03/2019)	
		No. of Shares at the beginning (01/04/2018) end of the year (31/03/2019)	% of Shares of the Company				No. of Shares	% of total Shares of the Company
1	Gujarat State	-	-	01-04-18	Nil			
	Financial Services			22-03-19	46871621	Transfer	46871621	9.7524
	Limited	46871621	9.7524	31-03-19			46871621	9.7524
2	Axis Mutual Fund	22639291	4.7105	01-04-18				
	Trustee Limited A/C			06-04-18	-189000	Transfer	22450291	4.6711
	Axis Mutual Fund A/C			13-04-18	-27000	Transfer	22423291	4.6655
	Axis Long Term			27-04-18	-405000	Transfer	22018291	4.5813
	Equity Fund			08-06-18	-129000	Transfer	21889291	4.5544
				15-06-18	-12302	Transfer	21876989	4.5519
				30-06-18	-486000	Transfer	21390989	4.4507
				06-07-18	-132000	Transfer	21258989	4.4233
				13-07-18	-84000	Transfer	21174989	4.4058
				20-07-18	-81000	Transfer	21093989	4.3889
				27-07-18	68568	Transfer	21162557	4.4032
				24-08-18	-255004	Transfer	20907553	4.3502
				07-09-18	-3000	Transfer	20904553	4.3495
				14-09-18	-69000	Transfer	20835553	4.3352
				05-10-18	-72000	Transfer	20763553	4.3202
				14-12-18	200000	Transfer	20963553	4.3618
				21-12-18	3460881	Transfer	24424434	5.0819

Sr. No.	Name	Shareholding: No. of Shares at the beginning (01/04/2018) end of the year (31/03/2019)	Shareholding: % of Shares of the Company	Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01/04/2018 to 31/03/2019): No. of Shares	Cumulative Shareholding during the year (01/04/2018 to 31/03/2019): % of total Shares of the Company
				28-12-18	-236340	Transfer	24188094	5.0327
				31-12-18	42491	Transfer	24230585	5.0416
				04-01-19	96000	Transfer	24326585	5.0615
				11-01-19	-24000	Transfer	24302585	5.0565
				18-01-19	1600000	Transfer	25902585	5.3894
				25-01-19	1200000	Transfer	27102585	5.6391
				08-02-19	-28000	Transfer	27074585	5.6333
				15-02-19	200000	Transfer	27274585	5.6749
				01-03-19	3410000	Transfer	30684585	6.3844
				15-03-19	380000	Transfer	31064585	6.4635
				22-03-19	-320000	Transfer	30744585	6.3969
		30744585	6.3969	31-03-19			30744585	6.3969
3	Life Insurance	28438469	5.9171	01-04-18				
	Corporation			21-12-18	-1106200	Transfer	27332269	5.6869
	of India			28-12-18	-841745	Transfer	26490524	5.5118
				31-12-18	-207289	Transfer	26283235	5.4686
				04-01-19	-726752	Transfer	25556483	5.3174
				11-01-19	-1076393	Transfer	24480090	5.0935
				18-01-19	-2426192	Transfer	22053898	4.5887
				25-01-19	-1391975	Transfer	20661923	4.2990
				01-02-19	-395943	Transfer	20265980	4.2167
				08-02-19	-641526	Transfer	19624454	4.0832
				15-02-19	-462802	Transfer	19161652	3.9869
				01-03-19	-3168096	Transfer	15993556	3.3277
				08-03-19	-1025169	Transfer	14968387	3.1144
		14968387	3.1144	31-03-19			14968387	3.1144
4	UTI-Mid	10724242	2.2313	01-04-18				
	Cap Fund			06-04-18	158594	Transfer	10882836	2.2643
				13-04-18	69256	Transfer	10952092	2.2788
				20-04-18	71980	Transfer	11024072	2.2937
				27-04-18	76516	Transfer	11100588	2.3097
				04-05-18	5631	Transfer	11106219	2.3108
				11-05-18	87817	Transfer	11194036	2.3291
				18-05-18	103128	Transfer	11297164	2.3506
				01-06-18	98429	Transfer	11395593	2.3710
				08-06-18	251787	Transfer	11647380	2.4234
				15-06-18	233469	Transfer	11880849	2.4720
				22-06-18	-100000	Transfer	11780849	2.4512

Sr. No.	Name	Shareholding: No. of Shares at the beginning (01/04/2018) end of the year (31/03/2019)	Shareholding: % of Shares of the Company	Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01/04/2018 to 31/03/2019): No. of Shares	Cumulative Shareholding during the year (01/04/2018 to 31/03/2019): % of total Shares of the Company
				30-06-18	100000	Transfer	11880849	2.4720
				06-07-18	100000	Transfer	11980849	2.4928
				27-07-18	154624	Transfer	12135473	2.5250
				17-08-18	13406	Transfer	12148879	2.5278
				31-08-18	-160898	Transfer	11987981	2.4943
				14-09-18	-58457	Transfer	11929524	2.4821
				21-09-18	-100000	Transfer	11829524	2.4613
				29-09-18	-300000	Transfer	11529524	2.3989
				12-10-18	236156	Transfer	11765680	2.4480
				19-10-18	88392	Transfer	11854072	2.4664
				26-10-18	-300000	Transfer	11554072	2.4040
				23-11-18	-110382	Transfer	11443690	2.3810
				11-01-19	300000	Transfer	11743690	2.4435
		11743690	2.4435	31-03-19			11743690	2.4435
5	Reliance Capital	5448029	1.1335	01-04-18				
	Trustee Co Ltd.			06-04-18	-57000	Transfer	5391029	1.1217
	A/c Reliance Multi			27-04-18	967000	Transfer	6358029	1.3229
	Cap Fund			04-05-18	684143	Transfer	7042172	1.4652
				11-05-18	267932	Transfer	7310104	1.5210
				25-05-18	87000	Transfer	7397104	1.5391
				01-06-18	231000	Transfer	7628104	1.5871
				08-06-18	1950000	Transfer	9578104	1.9929
				22-06-18	-183000	Transfer	9395104	1.9548
				06-07-18	815813	Transfer	10210917	2.1245
				20-07-18	8944	Transfer	10219861	2.1264
				27-07-18	-242079	Transfer	9977782	2.0760
				03-08-18	-88377	Transfer	9889405	2.0576
				10-08-18	-43	Transfer	9889362	2.0576
				24-08-18	100941	Transfer	9990303	2.0786
				31-08-18	-119997	Transfer	9870306	2.0537
				07-09-18	-369977	Transfer	9500329	1.9767
				14-09-18	230500	Transfer	9730829	2.0247
				21-09-18	-3	Transfer	9730826	2.0247
				29-09-18	431904	Transfer	10162730	2.1145
				05-10-18	260943	Transfer	10423673	2.1688
				12-10-18	723538	Transfer	11147211	2.3194
				19-10-18	-150000	Transfer	10997211	2.2881
				26-10-18	-593933	Transfer	10403278	2.1646
				02-11-18	746377	Transfer	11149655	2.3199
				09-11-18	-189501	Transfer	10960154	2.2804

Sr. No.	Name	Shareholding: No. of Shares at the beginning (01/04/2018) end of the year (31/03/2019)	Shareholding: % of Shares of the Company	Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01/04/2018 to 31/03/2019): No. of Shares	Cumulative Shareholding during the year (01/04/2018 to 31/03/2019): % of total Shares of the Company
				16-11-18	-38000	Transfer	10922154	2.2725
				23-11-18	-149984	Transfer	10772170	2.2413
				30-11-18	80478	Transfer	10852648	2.2581
				07-12-18	-342000	Transfer	10510648	2.1869
				14-12-18	-2764687	Transfer	7745961	1.6117
				21-12-18	-909342	Transfer	6836619	1.4225
				28-12-18	-33021	Transfer	6803598	1.4156
				04-01-19	-56	Transfer	6803542	1.4156
				25-01-19	-84601	Transfer	6718941	1.3980
				01-02-19	-47249	Transfer	6671692	1.3882
				08-02-19	224033	Transfer	6895725	1.4348
				15-02-19	-75000	Transfer	6820725	1.4192
				01-03-19	-71954	Transfer	6748771	1.4042
				08-03-19	95222	Transfer	6843993	1.4240
				15-03-19	1101404	Transfer	7945397	1.6532
				22-03-19	-38590	Transfer	7906807	1.6451
				29-03-19	82422	Transfer	7989229	1.6623
		7989229	1.6623	31-03-19			7989229	1.6623
6	The Governor of Gujarat	7057050	1.4683	01-04-18				
		7057050	1.4683	31-03-19			7057050	1.4683
7	HDFC Life	4308954	0.8965	01-04-18				
	Insurance			06-04-18	724351	Transfer	5033305	1.0473
	Company			13-04-18	49983	Transfer	5083288	1.0577
	Limited			20-04-18	50000	Transfer	5133288	1.0681
				25-05-18	297685	Transfer	5430973	1.1300
				01-06-18	-28440	Transfer	5402533	1.1241
				08-06-18	-116936	Transfer	5285597	1.0998
				30-06-18	147691	Transfer	5433288	1.1305
				20-07-18	96854	Transfer	5530142	1.1506
				27-07-18	3146	Transfer	5533288	1.1513
				10-08-18	50000	Transfer	5583288	1.1617
				17-08-18	25000	Transfer	5608288	1.1669
				29-09-18	75530	Transfer	5683818	1.1826
				05-10-18	125437	Transfer	5809255	1.2087
				12-10-18	-149509	Transfer	5659746	1.1776
				19-10-18	101	Transfer	5659847	1.1776
				26-10-18	69600	Transfer	5729447	1.1921

Sr. No.	Name	Shareholding: No. of Shares at the beginning (01/04/2018) end of the year (31/03/2019)	Shareholding: % of Shares of the Company	Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01/04/2018 to 31/03/2019): No. of Shares	Cumulative Shareholding during the year (01/04/2018 to 31/03/2019): % of total Shares of the Company
				02-11-18	206486	Transfer	5935933	1.2351
				16-11-18	7643	Transfer	5943576	1.2367
				23-11-18	90	Transfer	5943666	1.2367
				30-11-18	408	Transfer	5944074	1.2368
				07-12-18	-101	Transfer	5943973	1.2367
				14-12-18	50363	Transfer	5994336	1.2472
				21-12-18	35	Transfer	5994371	1.2472
				28-12-18	35	Transfer	5994406	1.2472
				04-01-19	160	Transfer	5994566	1.2473
				11-01-19	245	Transfer	5994811	1.2473
				18-01-19	84	Transfer	5994895	1.2473
				25-01-19	36	Transfer	5994931	1.2473
				01-02-19	150071	Transfer	6145002	1.2786
				08-02-19	100371	Transfer	6245373	1.2994
				15-02-19	100073	Transfer	6345446	1.3203
				01-03-19	50890	Transfer	6396336	1.3309
				08-03-19	50134	Transfer	6446470	1.3413
				15-03-19	200	Transfer	6446670	1.3413
				29-03-19	12239	Transfer	6458909	1.3439
		6458909	1.3439	31-03-19			6458909	1.3439
8	GPC Mauritius II LLC	3860000	0.8031	01-04-18				
		3860000	0.8031	31-03-19			3860000	0.8031
9	General Insurance Corporation of India	6100000	1.2692	01-04-18				
				15-06-18	-90000	Transfer	6010000	1.2505
				31-08-18	-60000	Transfer	5950000	1.2380
				07-09-18	-150000	Transfer	5800000	1.2068
				14-09-18	-137928	Transfer	5662072	1.1781
				21-09-18	-100085	Transfer	5561987	1.1573
				26-10-18	-200000	Transfer	5361987	1.1156
				02-11-18	-800000	Transfer	4561987	0.9492
				23-11-18	-130714	Transfer	4431273	0.9220
				30-11-18	-194500	Transfer	4236773	0.8815
				07-12-18	-419791	Transfer	3816982	0.7942
				21-12-18	-100592	Transfer	3716390	0.7733
				18-01-19	-50000	Transfer	3666390	0.7629
				25-01-19	-100000	Transfer	3566390	0.7420
				08-03-19	-20984	Transfer	3545406	0.7377

Sr. No.	Name	Shareholding: No. of Shares at the beginning (01/04/2018) end of the year (31/03/2019)	Shareholding: % of Shares of the Company	Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01/04/2018 to 31/03/2019): No. of Shares	Cumulative Shareholding during the year (01/04/2018 to 31/03/2019): % of total Shares of the Company
				15-03-19	-5091	Transfer	3540315	0.7366
				29-03-19	-149000	Transfer	3391315	0.7056
		3391315	0.7056	31-03-19			3391315	0.7056
10	National	3401851	0.7078	01-04-18				
	Westminster			06-04-18	38805	Transfer	3440656	0.7159
	Bank PLC as			22-06-18	-6869	Transfer	3433787	0.7145
	Trustee of the			21-09-18	-214086	Transfer	3219701	0.6699
	Jupiter India Fund			29-09-18	-506272	Transfer	2713429	0.5646
				16-11-18	47329	Transfer	2760758	0.5744
				01-03-19	197984	Transfer	2958742	0.6156
		2958742	0.6156	31-03-19			2958742	0.6156
11	The New India	5087563	1.0585	01-04-18				
	Assurance			22-06-18	-60000	Transfer	5027563	1.0461
	Company			24-08-18	-200000	Transfer	4827563	1.0045
	Limited			31-08-18	-140000	Transfer	4687563	0.9753
				07-09-18	-180000	Transfer	4507563	0.9379
				14-09-18	-173319	Transfer	4334244	0.9018
				21-09-18	-31509	Transfer	4302735	0.8953
				29-09-18	-4563	Transfer	4298172	0.8943
				02-11-18	-560000	Transfer	3738172	0.7778
				09-11-18	-154237	Transfer	3583935	0.7457
				16-11-18	-185763	Transfer	3398172	0.7070
				07-12-18	-97931	Transfer	3300241	0.6867
				14-12-18	-102069	Transfer	3198172	0.6654
				21-12-18	-288250	Transfer	2909922	0.6055
				28-12-18	-168228	Transfer	2741694	0.5705
				31-12-18	-27500	Transfer	2714194	0.5647
				04-01-19	-16022	Transfer	2698172	0.5614
		2698172	0.5614	31-03-19			2698172	0.5614
12	Gujarat State	46871621	9.7524	01-04-18				
	Investments							
	Limited	NIL	0.0000	31-03-19			NIL	0.0000

Note: The details of shareholding have been clubbed based on PAN.

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year - 01/04/2018		Shareholding at the end of the year - 31/03/2019	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Shri Sudhir Mehta	6882	0.00	6882	0.00
2	Shri Samir Mehta	6125	0.00	6125	0.00
3	Shri Jinal Mehta	8000	0.00	8000	0.00
4	Smt. Bhavna Doshi#	1900	0.00	1900	0.00
5	Shri Samir Shah# (CS)	5	0.00	5	0.00
#	Holding jointly.				

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(₹ in Crore)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness as on 01/04/2018				
(i) Principal Amount@	9227.24	28.28	-	9255.52
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	23.56	-	-	23.56
Total (i+ii+iii)	**9250.80**	**28.28**	**-**	**9279.08**
Change in Indebtedness during the FY 19				
Addition	617.08#	900.00$	-	1,517.08
Reduction	(717.94)	(903.82)$	-	(1621.76)
Net Change	**(100.86)**	**(3.82)**	**-**	**(104.68)**
Indebtedness as on 31/03/2019				
(i) Principal Amount@#	9126.38	24.46	-	9150.84
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	24.63	-	-	24.63
Total (i+ii+iii)	**9151.01**	**24.46**	**-**	**9175.47**

@ Including unamortised expenses of ₹39.09 Crore as at 1st April, 2018 and ₹34.81 Crore as at 31st March, 2019.

\# Including Cash Credit of ₹300.05 Crore.

$ Including short term debts of ₹900.00 Crore.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager

(₹ in Crore)

Sr. No.	Particulars of Remuneration	Name of MD / WTD			Total Amount
		Shri Samir Mehta	Shri Markand Bhatt#	Shri Jinal Mehta	
1	Gross salary				
	(a) Salary as per provisions contained u/s 17(1) of the Income Tax Act, 1961	-	8.84^	7.27	16.11
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	*	*	*
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others specify	10.00	13.00	2.50	25.50
5	Others, please specify	-	-	-	-
	Total (A)	**10.00**	**21.84**	**9.77**	**41.61**
	Ceiling as per the Act	10% of the Net Profit of the Company			

Relinquished his position wef 30th September, 2018.

* Amount below ₹50,000.

^ Includes payment of leave encashment of ₹2.83 Crore.

B. Remuneration to other Directors

(₹ in Crore)

Sr. No.	Particulars of Remuneration	Name of Directors								Total Amount
		Shri Sudhir Mehta	Shri Pankaj Patel	Shri Samir Barua	Shri Kiran Karnik	Shri Keki Mistry	Smt. Bhavna Doshi	Ms. Dharmishta Raval	Shri Pankaj Joshi, IAS	
1.	**Independent Directors**									
	Fee for attending Board / Committee meetings	-	0.10	0.12	0.12	0.06	0.12	0.12	-	0.64
	Commission	-	0.09	0.16	0.16	0.12	0.16	0.16		0.85
	Others, please specify	-	-	-	-	-	-	-	-	-
	Total (1)	**-**	**0.19**	**0.28**	**0.28**	**0.18**	**0.28**	**0.28**	**-**	**1.49**
2.	**Other Non-Executive Directors**									
	Fee for attending Board / Committee meetings	-	-	-	-	-	-	-	0.02	0.02
	Commission	5.00	-	-	-	-	-	-	0.06	5.06
	Others, please specify	-	-	-	-	-	-	-	-	-
	Total (2)	**5.00**	**-**	**-**	**-**	**-**	**-**	**-**	**0.08**	**5.08**
	Total (B)=(1+2)	**5.00**	**0.19**	**0.28**	**0.28**	**0.18**	**0.28**	**0.28**	**0.08**	**6.57**
	Total Managerial Remuneration	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**48.18**
	Overall Ceiling as per the Act	11% of the Net Profit of the Company								

Note: Excluding Goods and Service Tax

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

(₹ in Crore)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Shri T. P. Vijayasarathy# (CFO)	Shri Sanjay Dalal@ (CFO)	Shri Samir Shah$ (CS)	Total Amount
1	Gross salary				
	(a) Salary as per provisions contained u/s 17(1) of the Income Tax Act, 1961	0.92	4.83	0.88	6.63
	(b) Value of perquisites u/s 17(2) of the Income Tax, Act 1961	*	*	*	0.01
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total Amount	**0.92**	**4.83**	**0.88**	**6.64**

* Amount below ₹50,000.

CFO upto 29th May, 2018.

@ CFO wef 30th May, 2018.

$ CS wef 2nd August, 2018.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of Companies Act	Brief description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / Court]	Appeal made, if any give details
A. COMPANY					
Penalty			Nil		
Punishment			Nil		
Compounding			Nil		
B. DIRECTORS					
Penalty			Nil		
Punishment			Nil		
Compounding			Nil		
C. OTHER OFFICERS IN DEFAULT					
Penalty			Nil		
Punishment			Nil		
Compounding			Nil		

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN: 00061903

Ahmedabad
15th May, 2019

ANNEXURE G

A. CONSERVATION OF ENERGY

i) The steps taken or impact on conservation of energy:

A. SUGEN AND UNOSUGEN:

- Energy conservation initiatives implemented have resulted in annual energy savings to the tune of 1,14,07,553 kWh.
- PVC tubing has been replaced with Copper tubing in Water Treatment and Demineralisation Plants which has resulted in checking air leaks thereby reduced air and energy consumption.

B. DGEN:

- Energy conservation measures have resulted in annual energy savings to the tune of 22,41,320 kWh.
- Replacement to LED lighting being done progressively.
- Solar power to the tune of 41,628 kWh generated and utilized at the Meghdhanush housing colony.

C. AMGEN:

- Primary air preheater replacement & Secondary air heater outlet to ESP inlet corroded duct replacement at E station; saving 3000 kWh per day in fan power consumption.
- Primary air heater repairing, primary air heater cold air duct patching, secondary air heater seal servicing at F station; saving 1,500 kWh per day in fan power consumption.
- At D & E station, drum & super heater passing safety valve replaced.
- Replacement of 71 inefficient Air Conditioners and 8 Water Coolers with energy efficient one.
- Replacement of old conventional lights with energy efficient LED lamps at D/E/F/CHP Control room, Conveyor belt, D/E Clear well pump house, parking and BOP area.

D. DISTRIBUTION AREAS – AHMEDABAD, SURAT, DAHEJ, AGRA AND BHIWANDI:

- Installation of additional 33/11kV substations and bifurcation of overloaded 11kV (LT&HT) feeders resulting in reduction in technical losses.
- Installation of APFCs to improve PF at LT side of DTCs.
- Installation of additional distribution substations to optimize LV networks and thereby technical losses.
- Revamping and undergrounding of LT networks of 650 Distribution Transformers at Ahmedabad and Agra distribution areas to improve the reliability and reduce the losses.
- Installation of energy efficient air conditioning system and lighting system for all new and renovated premises; saving ~2,10,790 kWh annually.
- Replacement of the conventional outdoor lighting by LED lights; saving around ~1,21,665 kWh annually.
- Replacement of conventional lighting by LED in EHV substations; saving ~2,20,675 kWh annually.
- Installation of LED lights at 220 kV Control room and energy efficient Air-conditioner at 33 kV East Control room at TPL-Dahej.
- Procurement of Star rated energy efficient Distribution transformers having lower losses.
- Installation of Automatic Power Factor Correction Panels at substations.
- Undergrounding of 62.30 KM of 11 kV lines, 14.66 KM of 33 kV lines and 726.91 KM LT lines.

- Energy conservation campaign for awareness of consumers through leaflets, energy bills, display at the Company's customer care centres and thorough customer meet.

E. CABLES UNIT:

- Replaced 120 250W HPMV lamps & twin tubelights of low wattage with Lamps in Plant lighting.
- Replaced 10 DC motors of various ratings with new high efficiency AC motors with Variable Frequency Drive.
- Replaced two old machines (56 wire stranding & wire drawing) with new energy efficient Machines.

ii) The steps taken by the Company for utilising alternate sources of energy:

- 50 kW roof top installed on the common buildings at the housing colony together generated 74,892 kWh in FY 19.
- 6.3 kW floating solar installed inside Water Reservoir generated 8,200 kWh in FY 19.
- 42.7 kW roof top installed on roof of the administration building generated 65,235 kWh in FY 19.
- Since the launch of the rooftop Solar policy, Company has facilitated intallation of over 45 MW of solar power across numerous residential, commercial premises. In FY 19, Company has facilitated installation of over 3,800 rooftop Solar projects totalling over 22.67 MW.

iii) The capital investment on energy conservation equipment: NIL

B. TECHNOLOGY ABSORPTION

i) The efforts made towards technology absorption:

A. SUGEN AND UNOSUGEN:

- Redundant power supply has been provided to HP Bypass Hydraulic system panel and independent power supply has been provided to each of the two Hydraulic Pumps from different boards instead of one source to increase availability and reliability of SUGEN Units.
- Redundant Power supply provided for UNOSUGEN Gas Receiving Station control panel to increase reliability and availability of gas supply to UNOSUGEN.
- DM Plant PLC has been provided with dual UPS for redundancy and reliability.
- Steam Turbine trip from Main Steam Shut off valve close feedback has been modified to 2 out of 3 logic to increase reliability and availability of the UNOSUGEN.
- Additional pressure transmitters provided in critical DC Lube oil system and GT pneumatic system of Unit 40 for continuous monitoring of process from control room.
- Drive logic of Pumps/ Fans of Unit 30 (30LCB12AP001, MKW12AP001 & MKW72AN001) has been segregated to seperate racks of DCS to increase availability and unit reliability.
- Modifications implemented in Main Cooling Water Pump level logic and Intakewell Pump vibration logic to increase equipment availbility and reliability.
- Automatic interlock provided for shutting down DM water production on high conductivity to avoid contamination of DM water in storage tank.
- UNOSUGEN Condensate Extraction Pump tripping from Dearator level low was modified such that it won't trip in case Deaerator is out of service.
- UNOSUGEN CW Pump tripping from Condensor temperature high was removed to improve availability of cooling water system incuding CW Pumps.

- UNOSUGEN Gas Turbine tripping on GT Drain tank temperature high has been removed in line with SUGEN/ DGEN units to increase availabilty of Unit.
- UNOSUGEN Boiler Feedwater Pump interlock with its lube oil pressure was modified by removing timer to make the Feed Pump available quicker.
- In UNOSUGEN, additional alarms and warning implemented for critical processes like GT Blow Off Valve, ST Hyd Oil system, Instrument Air system, etc for early warning to Operator.
- UNOSUGEN DCS has been upgraded to version V7.2.
- ABT System of SUGEN/ UNOSUGEN has been modified to capture GENSU export details.
- BFP/ CWP Motor protection relay configured for pickup event alarm for early warning to operators.
- Nitrogen blanketing system is provided in ST Hydraulic system for improved quality of ST Hydraulic oil.
- Anti sweating insulation provided in Gas Receiving Station gas pipeline to avoid corrosion of pipes and increase reliability.

B. GENSU

- Astronomical Timer has been provided in lighting system.

C. DGEN:

- Main gas supply line shutoff valve solenoid power supply fitted with electronic barrier to increase operational reliability and safety.
- HCL tank level transmitter replaced with radar type to increase operational reliability and safety.

D. AHMEDABAD, SURAT AND DAHEJ DISTRIBUTION AREAS:

- Implementation of GIS for Ahmedabad, Surat and Dahej Distribution areas.
- 11 kV Distribution Automation in 265 substations at Ahmedabad and Surat.
- Implemetnation of Automatic Meter Reading System for HT Consumers at Ahmedabad, Surat and Dahej.
- Use of condition monitoring system including thermal imaging camera, partial discharge detectors etc to distribution assets.
- Implementation of VESDA (Very Early Smoke Detection System) at Central Stores at Surat.
- 220 kV GIS SS charged at C Station and 66 kV AIS converted into GIS at C Station and Commissioning of 220 kV Cable concluded for ‘C-Bhatar’ connectivity at Surat.
- Implementation of Field force mobile application for quality supervision during field visits, HT/LT network cable patroling and Meter (O&M) activities.

E. BHIWANDI AND AGRA DISTRIBUTION AREAS:

- Usage of environmentally friendly bio-degradable ester oil in place of mineral oil in Distribution transformers.
- Installation of SCADA and automated RMUs at 22kV feeders.
- Installation of Automated FSP for high loss DTCs.
- Relay co-ordination of all 22kV feeders starting from EHV sub-station to last end protection element.
- Implementation of Pre-payment metering at Agra.

- Implementation of Automatic Meter Reading System for High Value consumers at Bhiwandi. Installed Insulated Pole top box under DT Cleaning - 2100 Nos.
- Use of CYMDIST software for network designing. All HT network Modeling has been completed and LT modelling is under progress.
- Smart Group Meter Pole Top Box installed - 600 Nos.
- Installation of theft proof joints at around 3,030 locations in replacement busbar distribution box.
- Use of Thermography camera for finding hot spot.

ii) The benefits derived:

A. GENERATION:

- Cost reduction
- Better availability, reliability and safety
- Improved efficiency

B. DISTRIBUTION:

- Better availability, reliability and safety
- Reduced power interruptions & enhanced customer satisfaction
- Reduction of energy losses and theft
- Increase of evacuation capacity utilizing same corridor
- Reduction in power restoration time

iii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year): Not Applicable

I. the details of technology imported;

II. the year of import;

III. whether the technology been fully absorbed;

IV. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

iv) The expenditure incurred on Research and Development: No expenditure has been incurred on R&D.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Description	₹ in Crore
Foreign Exchange Earned (Actual Inflow)	6.62
Foreign Exchange Used (Actual Outflow)	2,071.57

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN: 00061903

Ahmedabad
15th May, 2019

POWER SECTOR – STRUCTURE AND DEVELOPMENTS

India's power sector can be broadly segmented as under:

Generation : Includes thermal (dominated by coal with some gas-based capacities), hydro, nuclear and renewables (mainly wind and solar).

Distribution : Mainly comprising of state-owned utilities and few private utilities.

Transmission: Comprising of state networks, inter-state networks and inter-regional networks.

The power sector is mainly regulated through Tariff Policy 2016 of the Central Government, Electricity Act, 2003 and rules and regulations framed thereunder. The regulatory set-up for power sector comprises of the federal Ministry of Power as the policy setting body, Central Electricity Regulatory Commission (CERC) and State Electricity Regulatory Commissions (SERCs) with clearly demarcated areas of regulation.

Generation segment is fully deregulated with freedom to set up new generation capacities, subject to compliance with applicable laws. While generation plants prior to 6th January, 2006 (with a few exceptions) continue to be entitled for cost plus prescribed Return on Equity (ROE) tariff regime under two part tariff structure, all new generation capacities have to bid for selling their power under a competitive bidding process initiated by distribution companies seeking to procure additional power.

Distribution segment is regulated by the appropriate SERCs under cost plus prescribed ROE tariff regime. The Government has declared its policy intent to further deregulate the distribution segment by unbundling of wire infrastructure and supply businesses of the distribution companies - regulating the wire business on cost plus prescribed ROE tariff regime and opening up the supply business to competition by allowing multiple suppliers and choice to consumer to decide his electricity supplier.

Transmission projects prior to 6th January, 2011 are regulated by appropriate regulatory Commissions by way of cost plus prescribed ROE tariff regime and all new inter-state transmission projects (with a few exceptions) are awarded under a tariff based competitive bidding process.

Post deregulation of electricity generation, a lot of Independent Power Producers (IPP) from private sector set up new thermal generation (coal and gas-based) capacities. This resulted in country's generation capacity exceeding the demand, leading to sharp reduction in peak power / energy deficits. Many of the IPPs set up new capacities with inadequate risk management, which also resulted in lot of stranded capacities (currently estimated at approx. 50 GW). Many of these stranded capacities are likely to be taken through the Insolvency Resolution process due to their default on financial obligations and are expected to be available at sharp discounts to current costs for creating these capacities.

Due to emphasis in Government policies and regulations aided by sharp reduction in capital costs, there has been a massive increase in installed capacities in renewable energy space – more particularly wind and solar. The Government has targeted to reach 175 GW of installed renewable energy capacity by March 2022. Wind and solar electricity prices have reached grid parity prices. The country's renewable energy capacity is expected to witness strong growth in the coming years.

Distribution segment is seen as the weakest link in India's power system and recognising this, the Central Government successfully launched its flagship scheme Ujwal Discom Assurance Yojana (UDAY) with a view to improve the operational and financial performance of the distribution companies. In addition, several policy measures have been proposed, such as stringent Aggregate Technical & Commercial (AT&C) loss targets, Direct Benefit Transfer scheme, pre-paid supply, service standards for Discoms, etc. The power-for-all scheme, Sahaj Bijli Har Ghar Yojana (SAUBHAGYA), targeted to electrify all villages in the country, has been successfully implemented by the Government during the year.

Transmission segment, which is now deregulated, witnessed 18 new projects involving investment of approximately ₹16,000 Crore being brought up for competitive bidding during the year. This segment will require huge investments in creation and upgradation of transmission capacities to cater to increased power capacities (including green corridors for renewable capacities) and improve the power flow from surplus regions to deficit regions.

BUSINESS MODEL

The Company is an integrated power utility engaged in the businesses of electricity generation, transmission and distribution with operations spread across the states of Gujarat, Maharashtra, Uttar Pradesh and Karnataka.

1. Generation

The Company has total generation capacity of 4,553.8 MW (including under construction) spread across thermal and renewable generating assets.

A. 3,092 MW Thermal Generation

i. 362 MW coal-fired thermal generation

The 362 MW AMGEN Power Plant at Ahmedabad in Gujarat is an embedded generation unit for the licensed distribution area of Ahmedabad. It is regulated by Gujarat Electricity Regulatory Commission (GERC) which allows cost plus post-tax ROE of 14% as part of the regulated tariff.

ii. 2,730 MW gas-fired thermal generation

The Company has three gas based plants namely 1,147.5 MW SUGEN Mega Power Plant, 382.5 MW UNOSUGEN Power Plant and 1,200 MW DGEN Mega Power Plant. All three are regulated by CERC which allows cost plus post-tax ROE of 15.5% as part of the regulated tariff. Of the above gas-fired thermal generation, 1,582.5 MW capacity (comprising UNOSUGEN and DGEN) is stranded for want of demand.

B. 1,461.8 MW Renewable Generation

i. 610.5 MW operational projects

The operational renewable generation capacity of 610.5 MW (138 MW Solar and 472.5 MW Wind) have long-term Power Purchase Agreements (PPAs) at preferential feed-in-tariffs, which ensure attractive returns. Out of this capacity, 490.5 MW capacity is for meeting the Renewable Power Purchase Obligations of Company-operated distribution utilities.

ii. 851.3 MW under construction projects

The following are the major under construction projects:

- **499.8 MW Wind Power Project at Gujarat**

  The project was won by the Company under the SECI III auction held in FY 18 at a tariff of ₹2.44 per kWh for a period of 25 years with scheduled commissioning by November 2019. The project will be set up at an expected cost of ₹3,329 Crore and is delayed, primarily due to land availability issues in Gujarat. Currently, such delay is not expected to have any material cost impact.

- **126 MW Wind Power Project at Maharashtra**

  The project was won by the Company under the Maharashtra State Electricity Distribution Company Limited (MSEDCL) auction held in FY 18 at a tariff of ₹2.87 per kWh for a period of 25 years with scheduled commissioning by January 2020. The project will be set up at an expected cost of ₹918 Crore within the scheduled commissioning time. The project is being implemented by Torrent Solargen Ltd, a wholly owned subsidiary of the Company.

- **115 MW Wind Power Project at Gujarat**

  The project was won by the Company under the SECI V auction held in FY 19 at a tariff of ₹2.76 per kWh for a period of 25 years with scheduled commissioning by July 2020. The project will be set up at an expected cost of ₹800 Crore. The project is being implemented by Torrent Solargen Ltd, a wholly owned subsidiary of the Company.

❖ **100 MW Wind Power Project at Gujarat**

The Company had entered into an arrangement with Inox Wind Ltd. for 150 MW wind power project won by it under the SECI I auction at a tariff of ₹3.46 per kWh for a period of 25 years. The project has been downsized from 150 MW to 100 MW. The downsized project will be set up at an expected cost of ₹683 Crore and is expected to commission by July 2019. The project is being implemented through SPVs, the ownership of which will be transferred to the Company after the transfer restriction period.

2. Distribution

The Company operates as a licensee for power distribution in the cities of Ahmedabad, Gandhinagar, Surat and Dahej, aggregating to 425 sq kms of area. During FY 19, the Company was awarded distribution license for Dholera Special Investment Region - DSIR (920 sq kms) for 25 years as an additional licensee. The licensed distribution business of the Company is regulated by GERC which allows post-tax ROE of 14% as part of the regulated tariff.

The Company operates as a franchisee (of the license holder) for power distribution in the cities of Bhiwandi and Agra, aggregating to 942 sq kms of area. The franchise agreement period for Bhiwandi is upto 2027 and for Agra is up to 2030, but may be renewed on expiry. During FY 19, the Company was awarded distribution franchise for Shil, Mumbra & Kalwa (SMK) area covering approx. 65 sq kms (under Thane urban circle) by MSEDCL, based on competitive bidding process, for a period of 20 years. The franchised distribution business of the Company is governed by the respective Distribution Franchise Agreements executed between the Company and State Discom as license holder. The main thrust of the Company is to reduce AT&C losses in the franchised areas and improve customer services.

In addition to above, the Company has non-material transmission and electrical cables manufacturing businesses.

OPERATIONAL AND FINANCIAL PERFORMANCE

1. Operating Performance

The following tables set forth the key operational parameters:

A. Thermal Generation

Particulars	AMGEN*		SUGEN	
	FY 19	FY 18	FY 19	FY 18
PAF (%)	93.13	93.21	98.46	95.86
PLF (%)	87.84	83.21	62.29	65.26
Net Generation (MUs)	2,550	2,406	6,105	6,396

*Excluding 60 MW C station which has been retired wef 2nd April, 2018

UNOSUGEN and DGEN projects did not operate during the year primarily for want of demand.

While the PLF at AMGEN was high due to better fuel cost and its status as an embedded generation plant, the PLF of SUGEN was marginally lower as compared to previous year mainly on account of lower off take by long term beneficiaries and underutilisation of merchant capacity. In spite of continuing unavailability of domestic gas and relatively higher cost of imported LNG, SUGEN was able to operate at decent PLFs compared to other gas-based plants in the country mainly on account of highly efficient plant operations, judicious usage of imported LNG contracted at attractive prices and selling of power through short term contracts.

B. Renewables

Operational Projects	Solar		Wind	
	FY 19	FY 18	FY 19	FY 18
Capacity (MW)	138	138	472.5	430.5
PLF (%)	17.57	17.27	30.08	27.33
Net Generation (MUs)	212	209	1,140	673

Solar PLF was higher than previous year on account of better solar irradiation. Wind PLF was better on account of first year of full operation of projects commissioned last year and better wind speeds.

C. Licensed Distribution

Particulars	Ahmedabad & Gandhinagar		Surat		Dahej	
	FY 19	FY 18	FY 19	FY 18	FY 19	FY 18
Area (sq. km.)	~356	~356	~52	~52	~17	~17
Sales (MUs)	7,835	7,461	3,276	3,301	426	312
Growth (%) over PY	5.02		(0.75)		36.64	
T&D Loss (%)	5.61	6.31	4.21	4.35	0.35	0.40
Open Access (MUs)	27	130	-	-	-	-
Consumer Base (lakhs, except Dahej)	19.41	18.99	6.11	6.06	106 *	101 *
Peak Demand (MW)	1,906	1,832	687	671	66	58

*represents number of industrial consumers; Dahej license area comprises the Dahej SEZ area, which is made up of export oriented manufacturing units.

The sales growth in Ahmedabad was 5.02% representing normal load growth and reduction in open access availment. The sales in Surat were marginally lower mainly on account of slowdown in textile and diamond industries. The sales in Dahej were higher by 36.64% in FY 19 mainly due to addition of new consumers and increase in industrial demand.

The Company was able to reduce T&D losses further as compared to last year and they continue to remain the lowest in the country.

GERC passed Tariff Order dated 24th April, 2019 for Ahmedabad and Surat license area, truing-up the Aggregate Revenue Requirement (ARR) of FY 18 and fixing tariff for FY 20. For the third year in succession, the Commission has kept the tariff at the same level. The Company's profit is not negatively impacted by the tariff order, considering the fact that its returns in licensed distribution business are determined by 14% post-tax ROE prescribed in the regulations.

The aggregate amount of revenue gap of past periods approved and expected to be approved by GERC as on 31st March, 2019 is ₹940 Crore and the same is appropriately accrued in the financial statements. In addition, aggregate amount of revenue gap of ₹670 Crore is under dispute at various forums (primarily comprising of claims on account of carrying costs) and not accrued in the financial statements; the same will be accrued in the financial statements of the period in which such disputes are determined by the appropriate statutory authorities.

During the year, the Company was awarded distribution licence for supply of electricity in DSIR for 25 years. DSIR license area is about 920 sq. km. and is a part of ambitious Delhi Mumbai Industrial Corridor in the state of Gujarat. The Company has started developing the distribution network in DSIR.

D. Franchised Distribution

Particulars	Bhiwandi		Agra	
	FY 19	FY 18	FY 19	FY 18
Area (sq. km.)	~721	~721	~221	~221
Sales (MUs)	3,074	3,084	1,731	1,720
Growth (%) over PY	(0.31)		0.65	
AT&C Loss (%)	14.90	17.28	16.11	20.89
Consumer Base (lakhs)	3.14	2.90	4.52	4.31
Peak Demand (MVA)	555	576	458	443

Note : SMK has yet not been taken over.

Bhiwandi sales were marginally affected on account of strike by power loom industry during the year, substantially offset by reduction in AT&C losses and increase in residential and commercial consumer sales. Agra sales growth was marginal, driven by increase in consumer base and considerable reduction in AT&C losses.

The Company achieved substantial reduction in AT&C losses in Bhiwandi and Agra due to a combination of several loss reduction efforts like focused surveillance and vigilance; theft deterrent systems, equipment and activities; undergrounding of network; distribution transformer cleaning; law enforcement against detected illegal connections; etc.

2. Consolidated Financial Performance

The key financial data from the Statement of Profit and Loss is set out below:

(₹ in Crore)

Particulars	FY 19	FY 18	Change in %
Revenue from Operations	13,151	11,512	14%
Fuel / Power Purchase / Material Cost	8,605	7,057	22%
Contribution	4,546	4,455	2%
Other Income	190	264	(28%)
G & A Expenses	1,346	1,338	1%
PBDIT	3,390	3,381	0%
Finance Cost	899	848	6%
Depreciation and Amortization Exp.	1,227	1,132	8%
Other Comprehensive Income / (Exp.)	(10)	21	(148%)
Profit Before Tax	1,254	1,421	(12%)
Tax Expenses	356	456	(22%)
Profit After Tax	898	965	(7%)

During the year most of the key operating drivers in the Company's businesses showed a positive trend – ROEs of regulated businesses increased, sales volume increased, contribution margin improved, T&D losses decreased & key efficiency parameters improved. The reported profit is however lower on account of change in accounting policy effected during the year consequent to adoption of Ind AS 115 "Revenue from contracts with customers". Reported profit before tax for FY 19 is higher than proforma profit before tax of previous year (arrived by applying the same accounting policy to previous year's numbers) by about ₹285 Crore (i.e. an increase of 29% over proforma profits of previous year), a reflection of above positive trends.

Liquidity, Capex and Debt Positions

The Company's liquidity including mutual fund investments and bank / financial institution deposits was ₹1,145 Crore at the start of the year. Liquidity as at the end of the year was ₹1,253 Crore, an increase of ₹108 Crore. For the year, net cash inflow from (a) operating activities was ₹1,784 Crore & (b) net borrowing was ₹418 Crore; and net cash utilised during the year was (a) capital expenditure ₹1,722 Crore, (b) dividends distributed ₹292 Crore & (c) non-current investments ₹80 Crore, leaving a closing liquidity of ₹1,253 Crore.

During the year, the Company incurred capital expenditure (i.e. capitalisation, capital work-in-progress and capital advances) of ₹1,692 Crore as under:

Particulars	Amount (₹ in Crore)
Licensed Distribution	896
Franchised Distribution	229
Thermal Generation	35
Renewable Generation	503
Others	29
Total	**1,692**

The long term debt of the Company at the year-end was ₹9,455 Crore, net increase of ₹118 Crore over the previous year (new debt raised ₹860 Crore less repayment of past debt ₹742 Crore). The weighted average rate of interest at the year-end was 9.08% with repayment profile as under:

Financial Year	**Repayment Amount (₹ in Crore)**
2019-20	844
2020-21 to 2023-24	3,209
2024-25 to 2027-28	2,656
2028-29 to 2031-32	2,323
2032-33 to 2034-35	423
Total	**9,455**

The Company's credit rating was unchanged during the year and was as follows at end of the year:

Long term rating : CRISIL AA- / Stable

Short term rating : CRISIL A1+

The following table sets forth key financial ratios with brief explanation on changes, where relevant.

Particulars	**FY 19**	**FY 18**	**Reason for Significant Change, if any**
Debtors Turnover	10.29 (~35 days)	10.28 (~35 days)	
Interest Coverage	3.89	4.16	Not comparable due to change in accounting policy during the year. If the same accounting policy is applied to FY 18, the pro-forma Interest coverage ratio for FY 18 is 3.59.
Current Ratio	1.46	1.23	
Long Term Debt to Equity Ratio	0.90	1.01	Reduced due to increase in equity from current year profits and recognition of non-disputed regulatory claims in opening equity.
Net Debt to EBITDA	2.61	2.49	Not comparable due to change in accounting policy during the year. If the same accounting policy is applied to FY 18, the pro-forma Net Debt to EBITDA ratio for FY 18 is 2.89.
EBITDA Margin	24.74%	28.53%	Not comparable due to change in accounting policy during the year. If the same accounting policy is applied to FY 18, the pro-forma EBITDA margin for FY 18 is 25.61%. Adjusted for one-time gains, pro-forma EBITDA margin for FY 18 is 24.74% versus 24.67% for FY 19.
Net Profit Margin	7.41%	9.59%	Not comparable due to change in accounting policy during the year. If the same accounting policy is applied to FY 18, the pro-forma Net Profit margin for FY 18 is 6.82%.
Return on Net Worth	9.54%	12.62%	Not comparable due to change in accounting policy during the year. If the same accounting policy is applied to FY 18, the pro-forma Return on Net Worth for FY 18 is 7.88%.

RISKS AND CONCERNS

Key risks and concerns in the businesses of the Company are briefly explained below:

- The Company has operational gas-based power generation capacity of 2,730 MW, out of which 910 MW is tied up under long term PPAs and balance 1,820 MW untied capacity is dependent on short term power contracts for their operation. During the year, substantial portion of such capacity remained unutilised for want of short term power contracts or unviability of prices in the short term power market.

  The Company has built capabilities to import LNG from international markets at efficient prices to operate its power plants. However, such prices are subject to fluctuations and associated foreign exchange risks, consequent to which there would be periods during which power from these plants would be uncompetitive.

  The Company is making efforts to get long term power purchase arrangements for its unutilised gas power capacity. However, Government's thrust to increase renewable generation capacity in the country coupled with falling tariffs of renewable power poses a risk to the Company's uncontracted generation capacity.

- The Company's 362 MW AMGEN coal-based power plant is required to comply with stricter emission norms by December 2022. Such compliance is expected to involve significant capital expenditure, which will significantly increase the cost of electricity from this plant in view of limited remaining useful life of the plant. In absence of compliance, the Company may be required to phase out AMGEN on or before December 2022.

- The Company has 851 MW of under construction renewable projects, of which projects of 625 MW are facing project execution challenges causing a delay in completion.

- The Company's licensed distribution business faces the risk of a delay in recovery of some part of cost of supply due to regulatory conditions. The unrecovered & undisputed regulatory claim as at year end was ₹940 Crore, recognised in the financial statements for the year. While such recoveries are permitted with carrying costs for delayed recovery, the same may delay the cash flows of the Company.

  In addition, regulatory disputes also cause a delay in recovery of some part of the cost of supply. Such disputed regulatory claims as at the end of the year was ₹670 Crore, not recognised in the financial statements for the year.

- Increasing digitization and digital inter-connections in the power system of the country have made the stakeholders (generators, transmission entities, distribution entities and load dispatch centres) exposed to increased cyberattacks and vulnerable to widespread and prolonged service disruptions and data leakage, fraud, etc. The Company has set in place multi–layered firewalls to restrict unauthorised access along with security controls. Periodic audit and risk assessment is carried out and vulnerabilities, if any, are addressed.

BUSINESS OUTLOOK

1. Thermal Generation

SUGEN plant is expected to operate at reasonable PLF levels on back of long term PPAs for 82% capacity; however due to tightening of norms in the tariff regulations for control period 2019 to 2024, it will experience a reduction in profits due to reduction in efficiency gains. SUGEN will continue to harvest opportunities in short term power market by operating its untied capacity.

UNOSUGEN and DGEN plants remained stranded due to lack of demand. UNOSUGEN plant has a long term power selling arrangement with Company's distribution business, which is under the process of approval by the regulator. DGEN plant is expected to operate for supply in short term power market. In the longer term, the prospects for DGEN plant have improved due to various favourable developments for gas-based plants such as, (i) increased availability of domestic gas; (ii) expected surge in power demand, including peak demand due to several governmental initiatives; (iii) need for balancing power to manage the intermittency of renewable power; (iv) expected increase in pollution tax / costs on coal based plants, thus creating a level playing field; and (v) ability to service peak load and provide ancillary services in the power system.

2. **Renewables**

The wind projects under development in Gujarat are facing significant delays on account of land acquisition. However the associated project costs will also get delayed. Due to force majeure nature of the delays, the Company expects to get suitable extension of project completion dates from the power procurers and does not expect to incur any significant financial cost. The Company will focus on completion of these projects and build in-house O&M capabilities.

3. **Distribution**

In Licensed Distribution business, the Company will focus on developing the new licensed area of DSIR and expanding and upgrading its network in existing areas of Ahmedabad, Gandhinagar, Surat and Dahej SEZ to cater to the growth in demand and further reduce T&D losses.

In Franchised Distribution business, the Company will focus on developing the new franchised area of SMK and expanding and upgrading its network in existing areas of Bhiwandi and Agra to cater to the growth in demand and further reduce AT&C losses.

The Company will continue to look out for new opportunities in distribution sector in form of privatisation or franchise of existing areas.

4. **Transmission**

Currently, the Company has limited investments in the Transmission segment; however, given the huge investment opportunity available in this segment, robust regulatory mechanisms, limited counter-party risks and the Company's strengths in financing and executing large projects, this is an area earmarked for future growth. The Company intends to selectively participate in tariff based competitive bidding for transmission projects (inter-state and intra-state) at attractive returns.

INTERNAL CONTROL SYSTEMS

The Company's Internal Control System is commensurate with the size and nature of its operations aimed at achieving efficiency in operations, optimum utilisation of resources, reliable reporting and compliance with all applicable laws and regulations. Deloitte Haskins and Sells LLP is the Internal Auditor of the Company. The key observations and recommendations from such internal audit and follow up actions for improvement of the business processes and control are periodically reviewed and monitored by the Audit and Risk Management Committee.

CAUTIONARY STATEMENT

Certain statements in the Management Discussion and Analysis Report may be forward-looking. Actual outcomes may vary from those expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Company	L31200GJ2004PLC044068
2.	Name of the Company	Torrent Power Limited
3.	Registered Address	"Samanvay", 600, Tapovan, Ambawadi, Ahmedabad – 380015.
4.	Website	www.torrentpower.com
5.	E-mail id	cs@torrentpower.com
6.	Financial Year reported	FY 19
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	NIC Code: 351 - Electric power generation, transmission and distribution. NIC code: 2732 - Manufacturing of wires and cables for electricity transmission.
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Generation, transmission & distribution of electricity and manufacturing & sale of electric cables.
9.	Total number of locations where business activity is undertaken by the Company	15
10.	Number of international locations	NA
11.	Number of national locations	15
12.	Markets served by the Company – Local /State / National /International	National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sr. No.	Particulars	Details
1.	Paid up Capital	₹480.62 Crore
2.	Total Turnover	₹12,977.52 Crore
3.	Total profit after taxes (TCI)	₹883.03 Crore
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.22% of Total Comprehensive Income (TCI) of FY 19.
5.	List of activities in which expenditure in 4 above has been incurred:-	The list of activities in which CSR expenditure in 4 above has been incurred is part of the Board's Report included in this Annual Report.

SECTION C: OTHER DETAILS

Sr. No.	Particulars	Details
1.	Does the Company have any Subsidiary Company/ Companies?	Yes, the Company has the following Subsidiary Companies: (a) Torrent Solargen Limited (b) Torrent Power Grid Limited (c) Torrent Pipavav Generation Limited (d) Latur Renewable Private Limited (e) Jodhpur Wind Farms Private Limited
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the Parent Company? If yes, then indicate the number of such Subsidiary Company(s)	The BR Initiatives of the Company are driven at Group level. Hence, all Subsidiary Companies participate in BR Initiatives of the Company.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	Yes, the Company's contractors and suppliers are required to participate in some of the BR initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director responsible for implementation of the BR policy/policies

Sr. No.	Particulars	Details
1.	DIN	02685284
2.	Name	Shri Jinal Mehta
3.	Designation	Managing Director

(b) Details of the BR head

Sr. No.	Particulars	Details
1.	DIN (if applicable)	Same as above
2.	Name	Same as above
3.	Designation	Same as above
4.	Telephone number	079- 26628000
5.	E-mail Id	cs@torrentpower.com

2. **Principle-wise (as per NVGs) BR Policy/policies**

(a) **Details of compliance (Reply in Y/N)**

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for...	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy been formulated in consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes, all the policies have been approved by the Board, except the HR policies and IMS policies, which have been approved by MD or WTD.								
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	Indicate the link for the policy to be viewed online.	All policies can be accessed at http://www.torrentpower.com/index.php/investors/policies								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8	Does the Company have in-house structure to implement the policy/ policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

(b) **If answer to the question at serial number 1 against any principle is 'No', please explain why:**

Not applicable

3. **Governance related to BR**

(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.	The Board of Directors/ its Committees / Chairman or any authorised officials of the Company, as the case may be, assess the BR Performance on annual or half yearly basis depending upon the type of BR activities.
(b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes, the Company publishes Business Responsibility Report and the same can be accessed at www.torrentpower.com The same is published annually.

SECTION E: PRINCIPLE WISE PERFORMANCE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1.1 Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

No. Besides covering the Company, it also extends to various stakeholders including Group companies, Suppliers, Contractors, etc.

1.2 **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

Shareholder Complaints:

The Company received 13 shareholder complaints during FY 19. 100% of such complaints were satisfactorily resolved.

Other Stakeholder Complaints:

The Company received 9 complaints from stakeholders (i.e. Employees, Vendors and Society) during FY 19 via the Whistle Blowing Mechanism. 89% of such complaints were satisfactorily resolved.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

2.1 **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

The Company's business activities comprise of Generation, Transmission & Distribution of Electricity and Cables manufacturing. It has incorporated measures covering social as well as environmental concerns, risks and/or opportunities in each of these as under:

- Most of the units of the Company are IMS certified covering ISO 9001 (Quality Management System), ISO 14001 (Environment Management System) and BS OHSAS 18001 (Occupational Health and Safety Assessment Series). Some of the units have also additionally obtained ISO 50001 (Energy Management System), ISO 55001 (Asset Management System) and ISO 27001:2013 (Information Security Management System). Gas based plants are also 5S certified.
- State-of-the-art technologies in its gas based plants, viz., installation of advanced class Gas Turbines with lower carbon footprint, dry low NOx burners (with emissions surpassing Indian standards and meeting European norms), Combined Cycle Power Plants (CCPP) in single shaft configuration thereby reducing the land and carbon footprint etc. Such CCPPs are also registered under Clean Development Mechanism (CDM).
- The effluent water generated from the generating plants is utilised in horticulture thus avoiding/ minimizing discharge of the same outside plant premises.
- The Company has established systems and procedures through Standard Operating Procedures (SOPs) for safe and effective operation and maintenance of its plants as well as its transmission and distribution network duly mitigating risks and health hazards. Vendors & suppliers are also made parties to our systems and procedures.
- The Company regularly undertakes network revamping and uprating including undergrounding of network, revamping of consumer end installations, MSPs, etc. with a primary objective of improving the reliability of the network and safety of employees and general public. The Company uses high efficiency energy meters and star rated distribution transformers. Accordingly, the Company's Transmission and Distribution (T&D) losses have been reduced to one of the lowest in the country in the Company's licensed areas thus saving on energy. The Company has undertaken implementation of smart grid technology including automatic meter reading and distribution automation to remotely monitor the assets and reading of meters, reducing travel and thereby reducing use of fossil fuel.
- The Company's Distribution units have installed more than 7,000 state-of-the-art technology SF6 gas insulated switchgears for protection and operation of 11kV distribution network. Such units undertake activity of earthing reactivation of DSS equipment and MSP for safety of public and other stake holders.
- Other initiatives include continuous improvement in safety standards, regular safety and environmental audits, mock drills, Demand Side Management (DSM) and energy conservation awareness programmes amongst employees and customers in Distribution segment.
- Safety of employees and general public is given high importance in the organization. Safety Committees are

formed and headed by senior officers with participation from supervisors and experienced workers who effectively contribute to improve the safety performance of the organization.

- Occupational health of the employees is given equal priority. Various measures including installation of adequate number and appropriate type of fire extinguishers, besides Automated External Defibrillators, Self-contained Breathing Apparatus, Stretchers, First aid boxes and Ambubags (for artificial respiration), are made available. Organization has also trained suitable number of employees for first aid treatment. Quarterly monitoring of environmental parameters including quality of air (workplace and ambient), noise (ambient and workplace), drinking water, food and DG stack emission etc. is carried out.
- Further, the Company is engaged with its neighbourhood by providing employment opportunities, skill development and health care.

2.2 For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The following are some of the initiatives taken in respect of conservation of natural resources:

- Various initiatives have been taken and accordingly procedures have been put in place to improve heat rate, reduce auxiliary power consumption and water consumption in its generating stations.
- Large scale replacement of conventional luminaires with LED devices, installation of rooftop solar panels and solar water heaters, recycling waste water, segregation of lighting circuits for reducing power consumption, rainwater harvesting, use of recycled paper and packaging material, etc. Even a self-sustaining township with biogas generation and solar power is fully functional at one of the generating units.
- The Company has also facilitated the implementation of national level Domestic Efficient Lighting Program (DELP) UJALA at all Distribution locations.
- As a part of DSM Schemes, Energy Audits as well as Peak Load shifting programs have been carried out for benefit of the consumers. In addition, the Company took all necessary steps to operationalize the Net Metering arrangement for Rooftop Solar PV system at the premises of the consumers.
- Further, the Company has carried out energy audit of all offices and substations in all Distribution license areas to identify the opportunities of energy conservation. As a part of its outcome, various energy conservation initiatives including replacement of air-conditioners by star-rated air conditioners, conventional lights by LED, etc. have been taken.

2.3 Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company has procedures in place for sustainable sourcing (including transportation). Further, sustainability is extended to suppliers / vendors. All requirements on various aspects such as Health & Safety and Environment protection, Ethics and Compliance, Prevention of Bribery & Corruption are part of our sourcing procedures. Counselling and monitoring of suppliers / vendors is being done regularly.

Procurement of power transformers with environment friendly ester instead of mineral oil, procurement of cobalt free silica gel, use of biodegradable and environment friendly packaging material, use of steel drums instead of wood drums for cables etc. are examples of sustainable sourcing. The Company has also incorporated procedures to ensure that transportation of chemicals and other materials are compliant with rules and regulations and Company's own procedures. Fuel gas lines are maintained as per Petroleum and Natural Gas Regulatory Board (PNGRB) guidelines and safety audits are carried out at regular intervals. Usage of water is optimized by optimizing the Cycle of Concentration in cooling water and recycling of waste water.

2.4 Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company has taken several steps to procure goods and services from local and small vendors (specially focusing on weaker sections of the society, wherever possible) in order to promote entrepreneurship among them. Continuous engagement takes place with such suppliers to improve their capacity & capability. Some of these initiatives include:

- While sourcing its consumables and spares, priority is given to local vendors.
- Employment of differently abled people for jobs that are deemed safe for them.
- Engagement of destitute women for managing the canteen services at one of the units.
- Local people have been trained and employed as security guards at some of the plants.
- Local youths are also employed in healthcare facilities provided by the Company.
- All packing materials (steel & wooden drums) & some of the raw materials such as PVC Fillers & GI Strips for one of its unit are procured locally from small vendors.
- Direct and indirect employment opportunities are provided to local populace to the extent feasible. For fabrication, plumbing, carpentry, horticulture, housekeeping, gardening, transportation, etc., as far as possible, local skilled personnel are employed.
- Project affected personnel in gas based generation units during construction phase have been taken on Company rolls and external technical training has been imparted to them at good institutes prior to or during employment.

2.5 Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Being a responsible corporate citizen, the Company believes in "Reduce-Reuse-Recycle" principle. Some of the initiatives taken as part of this principle include:

- 100% utilization of fly ash generated as waste from the coal based plant.
- Re use of treated effluent water.
- Use of waste water for gardening, sprinkling, etc.
- Zero liquid discharge since August 2017 at SUGEN plant.
- Use of vegetation and food waste in making compost which in turn is used as manure.
- Sludge recovered from raw water is compacted through Chamber Filter Press and is used as manure/ for landfill.
- Waste generated is used for biogas generation which in turn is used for power generation and cooking in one of our self-sustaining township.
- All the PVC Scrap is recycled & reused in-house. The scrap generated is recycled to be used in inner sheath & outer sheath & fillers at Cables unit. Hazardous wastes e.g., used oils, batteries, e-wastes, bio-medical waste etc. are disposed off only to GPCB approved authorized Treatment, Storage and Disposal Facilities (TSDF) & recyclers vendors.
- The distribution units undertake oil filtration activity of its power and distribution transformers for reutilization of the oil and conservation of natural resources.

- Recycling of non-hazardous plastic waste through authorized recyclers.
- Use of recycled papers for energy bills and other stationaries.

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

3.1 Please indicate the Total number of employees.

Total number of permanent employees is 7,647 as on 31st March, 2019.

3.2 Please indicate the Total number of employees hired on temporary/contractual/casual basis.

Total number of employees hired on temporary / contractual / casual basis is 4,813 as on 31st March, 2019.

3.3 Please indicate the Number of permanent women employees.

Total number of permanent women employees is 621 as on 31st March, 2019.

3.4 Please indicate the Number of permanent employees with disabilities.

Total number of permanent employees with disabilities is 29 as on 31st March, 2019.

3.5 Do you have an employee association that is recognized by management?

Yes

3.6 What percentage of your permanent employees are members of this recognized employee association?

~51% of the total permanent employees of the Company are members of such recognized employee association.

3.7 Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment and discriminatory employment in the last financial year and pending, as on the end of the financial year.

The Company does not engage any child labour, forced labour or involuntary labour.

There were no complaints relating to child labour, forced labour, involuntary labour, sexual harassment and discriminatory employment in FY 19.

3.8 What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?

(a) Permanent Employees

(b) Permanent Women Employees

(c) Casual/Temporary/Contractual Employees

(d) Employees with Disabilities

Percentage of employees who were given safety & skill up - gradation training in the last year is as under:

(a) Permanent Employees – 91.17%

(b) Permanent Women Employees – 86.15%

(c) Casual/Temporary/Contractual Employees – 89.67%

(d) Employees with Disabilities – 79.31%

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED

4.1 Has the Company mapped its internal and external stakeholders? Yes/No

Yes, the Company has mapped its various key internal and external stakeholders.

4.2 Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes, the Company has identified the disadvantaged, vulnerable and marginalized stakeholders.

4.3 Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

Various initiatives have been taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders at locations in and around its operations in the areas of: (i) Community Health Care, Sanitation and Hygiene, (ii) Education and Knowledge Enhancement and (iii) Social Care and Concern.

The details of various CSR initiatives of the Company are part of the Board's Report included in this Annual Report.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHT

5.1 Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures / Suppliers / Contractors / NGOs/ Others?

Various Company Policies as indicated below promote Human Rights:

- Policy on Protection of Women against Sexual Harassment at Workplace
- Conviction for Safety Policy
- Policy on Financial Support in the event of Demise
- Mediclaim Policy for Employees
- Policy for Medically challenged employees
- Grievance Redressal Mechanism

Besides covering the Company, it also extends to various stakeholders including Group companies, Suppliers, Contractors, etc.

5.2 How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaints on breach of human rights were received during FY 19.

PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

6.1 Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.

The Environment Policy of the Company covers the Company currently. The subsidiary companies of the Company also carry out their operations in accordance with principles laid down in the said Policy. The Company promotes the adoption of environmental protection goals and practices by contractors and suppliers of the Company and strongly encourages improvements in contractors' and suppliers' practices to make them consistent with those of the Company.

6.2 Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

Yes, the Company recognizes the value of the environment to the community and future generations and is committed to manage its businesses as a responsible Corporate Citizen. Some of the initiatives taken by the Company to address global environmental issues such as Climate Change, Global Warming, etc. include ~4,240 MW of its generation capacity being natural gas based, which is a cleaner fuel and renewable based (operational and under construction) comprising solar and wind out of its total generation capacity of ~4,600MW.

In its efforts to contribute towards sustainability, the Company has chosen state-of-the-art technology for its CCPPs with advanced class Gas Turbines with lower carbon footprint and with very low NOx emission. The Company's CCPPs are also registered under CDM.

Further, various energy conservation initiatives taken by the Company which aid in environmental protection are part of the Board's Report included in this Annual Report and is available at the following link: www.torrentpower.com.

6.3 Does the Company identify and assess potential environmental risks? Y/N

Yes, the Company has established systems and processes for assessing the environmental risk arising out of various activities being carried out and measures to minimize the environmental impact are captured in onsite/ offsite emergency plans and in risk register.

6.4 Does the Company have any project related to Clean Development Mechanism (CDM)? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Yes, four projects of the Company are registered with United Nations Framework Convention on Climate Change (UNFCCC) under CDM. SUGEN Project was one of the largest and pioneering generation project approved under CDM globally in 2007. Environment compliance reports are being filed on a timely basis.

Annual reduction of ~8.5 Million CO_2 can be achieved by generation of power through these Projects. The Company has already achieved ~17 Million of CO_2 emission reduction (approved by UNFCCC) as per the Compliance reports filed till date.

6.5 Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

In order to promote clean technology and renewable energy, besides what is stated above, the Company has sourced about 11% of its total power requirement of licensee business from wind and solar plants. The Company has also installed Solar Rooftop system for its captive consumption. The Company strives for reduction in distribution losses by improving the network and reducing the theft of electricity. Unauthorized use of electricity has been curtailed which otherwise also invokes safety hazards.

The details of various energy conservation initiatives taken by the Company which aid in energy efficiency are part of the Board's Report included in this Annual Report and are available at the following link: www.torrentpower.com.

6.6 Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the emissions generated from the Generation stations of the Company are within the permissible limits given by CPCB and SPCB for FY 19. The data of emissions, where required, is also being shared with the CPCB and SPCB through online servers. Waste generated by the Company during FY 19 was also within the permissible limits given by CPCB and SPCB.

6.7 Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

No show cause / legal notices have been received during FY 19 either from CPCB or SPCB.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

7.1 Is your Company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:

Yes, the Company is a member of various trade associations and chambers. The major ones are as under:

- Confederation of India Industries (CII)
- Association of Power Producers (APP)
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Council of Power Utilities
- Indian Electrical and Electronics Manufacturers Association (IEEMA)
- Coal Consumers' Association of India (CCAI)
- Gujarat Safety Council
- National Safety Council

7.2 Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

As a principle, the Company does not engage in lobbying. The Company provides suggestions through the above associations for the advancement/improvement of power sector and cable industry majorly in the areas of Economic Reforms, Energy security and Sustainable Business Principles.

In the course of our regulated business, the submissions, representations, and the information provided to the concerned authorities are based on due-diligence and to the best of our knowledge true and fair; which is the policy of the Company.

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

8.1 Does the Company have specified programmes/initiatives/projects in pursuit of the Policy related to Principle 8? If yes details thereof.

Yes, the Company has identified specified programmes / projects in the pursuit of the Policy related to Principle 8. The details of such programmes /projects are part of the Board's Report included in this Annual Report.

8.2 Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The identified programmes/projects are carried out directly by the Company itself including through two of its Section 8 companies namely "Tornascent Care Institute" and "UNM Foundation" which have been promoted by the Company (together with one of its Group Company).

Besides the above, it is also supplementing the efforts of the local institutions/NGOs/local Government/implementing agencies in the field of Education, Healthcare, Sanitation and Hygiene etc. to meet priority needs of the underserved communities with the aim to help them become self-reliant.

The details of such programmes /projects undertaken either on its own or through external agencies are part of the Board's Report included in this Annual Report.

8.3 Have you done any impact assessment of your initiative?

Yes, the Company undertakes timely impact assessments of projects under implementation for ensuring their desired impact and continued sustenance. The impact assessment is also presented to the CSR committee.

8.4 What is your Company's direct contribution to community development projects? Amount in ₹ and the details of the projects undertaken.

During FY 19, the Company contributed ₹19.64 Crore to various community development programmes / projects as part of its CSR initiatives. The details of such programmes /projects are part of the CSR Report given in the Board's Report included in this Annual Report.

Besides this, the Company undertook various other CSR initiatives, details of which are given in Para 14 of Board's Report included in this Annual Report.

8.5 Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.

Please refer the CSR Report indicated above for details.

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

9.1 What percentage of customer complaints/consumer cases are pending as on the end of financial year.

In the generation and transmission business there were no complaints.

~0.5% of complaints were pending as on 31st March, 2019 for the Distribution business. However, all these complaints are within the turnaround time as prescribed by Hon'ble GERC/MERC/UPERC.

~10% (2 out of 20) of complaints were pending as on 31st March, 2019 for the cables business.

9.2 Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)

In the generation and cables business of the Company, this requirement of display of information is not applicable. However, in the case of transmission and distribution business of the Company, adequate signages and caution boards are being displayed at prominent locations. Various safety initiatives are being undertaken for the benefit of consumers.

9.3 Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No case has been filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years.

9.4 Did your Company carry out any consumer survey/ consumer satisfaction trends?

The Distribution segment of the Company's business caters to around 3 million consumers as on 31st March, 2019. The Customer Satisfaction Survey is carried out by the Distribution segment once in every three years through a third party professional market research agency. The last Consumer Satisfaction Survey was carried out in September 2016 through IMRB covering consumers at Ahmedabad, Surat and Gandhinagar. Also, on an ongoing basis, the Company does engage with its customers through regular feedback forms, SMS survey as well as a structured out-calling activity named "Sampark", where the employees directly call and capture customers' voice of concerns.

At the Cables Unit, Customer Satisfaction Index (CSI) has been defined & is monitored on ongoing basis.

REPORT ON CORPORATE GOVERNANCE

This report sets forth the disclosures for FY 19 pertaining to Corporate Governance of Torrent Power Limited ("the Company") as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Corporate Governance philosophy comprises three core principles of TRANSPARENCY, INTEGRITY and ACCOUNTABILITY in organising and managing all aspects of its activities. Based on this philosophy, the Company develops its practices on various aspects and elements of governance, ensuring that these at the minimum comply with the requirements of applicable laws and regulations. In matters not covered by applicable laws and regulations, the governance practices are developed in consonance with the core principles and keeping in balance the interests of all stakeholders.

For the FY 19 the Company is in compliance with the Corporate Governance norms stipulated in Listing Regulations.

2. BOARD OF DIRECTORS

a) Composition and Category of the Board

The Board as of the date of this report had an optimum combination of Executive and Non-Executive Directors with two woman Directors. More than 75% of the Board members are Non-Executive and Independent Directors.

As at the year end, the Board composition consisted of 9 Directors with following composition:

Executive Director	2 (both Promoter Directors)
Independent Director	5 (include 2 Woman Directors)
Non-Executive Non-Independent Director	2 (includes 1 Promoter Director)
Total	**9**

Composition of the Board is in conformity with the applicable law and regulations.

b) Details of memberships / chairpersonships of the Directors in other Boards and in committees of the Board

The table below sets forth the above particulars for each Director as on 31^{st} March, 2019:

Name of the Director	Category	No. of Directorships	Board Committee Memberships	Board Committees in which Chairperson	Directorship in other listed entities	
					Name of Entity	Category
Shri Sudhir Mehta, Chairman Emeritus	Non-Executive Director (Promoter)	1	-	-	Torrent Pharmaceuticals Ltd.	Non-Executive Director (Promoter)
Shri Samir Mehta	Chairman & Managing Director (Promoter)	2	1	-	Torrent Pharmaceuticals Ltd. Arvind Ltd.	Chairman & Managing Director (Promoter) Independent Director
Shri Pankaj Patel	Independent Director (Re-appointed wef 1^{st} April, 2019)	4	1	-	Bayer Cropscience Ltd. Cadila Healthcare Ltd. Gruh Finance Ltd.	Independent Director, Chairman Non-Executive Non-Independent Chairman Independent Director
Shri Samir Barua	Independent Director (Re-appointed wef 1^{st} April, 2019)	5	4	3	Axis Bank Ltd.	Independent Director
Shri Kiran Karnik	Independent Director (Ceased wef 31^{st} March, 2019)	-	-	-	-	-
Shri Keki Mistry	Independent Director (Re-appointed wef 1^{st} April, 2019)	8	6	2	Tata Consultancy Services Ltd. HDFC Life Insurance Company Ltd. HDFC Bank Ltd. Gruh Finance Ltd. HDFC Asset Management Company Ltd. Housing Development Finance Corporation Ltd.	Independent Director Non-Executive (Nominee Director) Non-Executive Non-Independent Director Non-Executive Non-Independent Chairman Non-Executive Non-Independent Director Executive Director

Name of the Director	Category	No. of Directorships	Board Committee Memberships	Board Committees in which Chairperson	Directorship in other listed entities	
					Name of Entity	Category
Smt. Bhavna Doshi	Independent Director (Re-appointed wef 4th August, 2018)	8	7	4	Gruh Finance Ltd.	Independent Director
					Sun Pharma Advanced Research Company Ltd.	Independent Director
					Walchandnagar Industries Ltd.	Independent Director
					Everest Industries Ltd.	Independent Director
Ms. Dharmishta Raval	Independent Director (Re-appointed wef 16th October, 2018)	7	1	-	Zydus Wellness Ltd.	Independent Director
					Cadila Healthcare Ltd.	Independent Director
					Nocil Ltd.	Independent Director
Shri Pankaj Joshi, IAS	Non-Executive Director, Nominee of Govt. of Gujarat (a shareholder)	9	-	-	Gujarat Industries Power Company Ltd.	Non-Executive Non- Independent - Nominee Director
Shri Markand Bhatt	Whole-time Director (Ceased wef 30th September, 2018)	-	-	-	-	-
Shri Jinal Mehta	Managing Director (Promoter)	1	1	-	-	-

Note: For the purpose of considering the above numbers : (a) all public companies excluding the Company, are considered and all other companies including private companies, foreign companies and companies registered under section 8 of the Companies Act, 2013 ("Act") are excluded. (b) Only Audit and Stakeholder Committee memberships are reckoned;

Shri Sudhir Mehta and Shri Samir Mehta are brothers. Shri Jinal Mehta is son of Shri Sudhir Mehta. All other Directors are not related inter-se.

All the Directors have periodically and regularly disclosed to the Company information on their directorship and membership on the Boards / Committees of other companies. Based on the disclosures received, none of the Directors of the Company hold directorships / memberships / chairmanships more than the prescribed limits across all companies in which he / she is a Director.

c) **Board Meetings**

The Board of Directors met four times during FY 19 on 29th May, 2018, 1st August, 2018, 30th October, 2018 and 5th February, 2019.

The calendar of Board meetings for FY 19 was communicated to all the Directors well in advance. The Board meetings were held at the Registered Office in Ahmedabad. The Board met at least once in a quarter and time gap between two consecutive meetings did not exceed 120 days.

The agenda for the Board meeting was circulated to all the Directors at least 7 days prior to the date of the meeting, except for table agenda items that were placed before the Board with the approval of Independent Directors. The agenda for the Board meetings included detailed notes on the matters to be considered at the meeting to facilitate the Directors to take informed decisions. Minimum information to be placed before the Board under Regulation 17(7) read with Schedule II of the Listing Regulations was placed before the Board for its consideration. The requisite quorum was present for all the meetings.

The attendance of each of the Directors at the Board meetings and Annual General Meeting held during the year under review, are as under:

Name of the Director	Board Meetings held during the tenure	Board Meetings attended	Attendance at the last AGM
Shri Sudhir Mehta	4	4	Yes
Shri Samir Mehta	4	4	Yes
Shri Pankaj Patel	4	3	No
Shri Samir Barua	4	4	Yes
Shri Kiran Karnik (ceased wef 31st March, 2019)	4	4	Yes
Shri Keki Mistry	4	3	Yes
Smt. Bhavna Doshi	4	4	Yes
Ms. Dharmishta Raval	4	4	Yes
Shri Pankaj Joshi, IAS	4	2	No
Shri Markand Bhatt (ceased wef 30th September, 2018)	4	2	Yes
Shri Jinal Mehta	4	4	Yes

d) **Independent Directors**

Based on the declaration of independence and other disclosures made by Independent Directors, the Board has noted that they fulfil the conditions of independence specified in the Companies Act, 2013 and Listing Regulations.

Based on the disclosures made by them, no Independent Director served as an Independent Director in more than 7 listed companies and where the Independent Director was a Whole-time Director / Managing Director in any listed company, they were not Independent Director in more than 3 listed companies.

A separate meeting of Independent Directors was held on 5th February, 2019 under the Chairpersonship of Smt. Bhavna Doshi to review the matters as required by Schedule IV of the Companies Act, 2013 and Listing Regulations.

e) **Criteria for selection of new Directors and Committee Membership**

The Company has in place a policy which provides criteria as well as process for the identification / appointment of Directors of the Company. The Policy on Directors' appointment forms part of the Board's Report.

Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills, knowledge and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience. The table below sets forth the core skills / expertise / competencies identified by the Board for it to function effectively and those actually available in the Board:

Skills / Expertise / Competencies	Detail for such Skills / Expertise / Competencies	Directors having such Skills
Strategic Leadership	Significant leadership experience to think strategically and develop effective strategies to drive change and growth in context of the Company's overall objectives.	9
Industry Experience	Experience and/or knowledge of the industry in which the Company operates.	4
Financial Expertise	Qualification and/or experience in accounting and/or finance coupled with ability to analyze key financial statements; critically assess financial viability and performance; contribute to financial planning; assess financial controls and oversee capital management and funding arrangements.	5
Governance, Risk and Compliance	Knowledge and experience of best practices in governance structures, policies and processes including establishing risk and compliance frameworks, identifying and monitoring key risks.	9
Diversity	Representation of gender, cultural or other such diversity that expand the Board's understanding and perspective.	2

f) Familiarisation Programme

The Company and business familiarisation process for Independent Directors was an ongoing process during the Financial Year and largely carried out by way of special discussions and presentations at Board / Committee meetings on important matters such as key regulatory changes, material legal matters, changing industry trends, periodic operations review, annual budget review (including capex plan), strategy discussions and exceptional developments, if any, in the Company.

The details of such familiarization program have been disclosed on the Company's website at https://www.torrentpower.com/pdf/investors/20190326_fwgq_familiarisation_programe.pdf

g) Shareholding of Non-Executive Directors as on 31st March, 2019

- Shri Sudhir Mehta, Chairman Emeritus — 6882 equity shares
- Smt. Bhavna Doshi, Independent Director (Jointly with spouse) — 1900 equity shares

Apart from above, none of the other Non-Executive Directors hold any shares of the Company.

3. AUDIT AND RISK MANAGEMENT COMMITTEE

a) Terms of Reference of the Committee

During the year, the Board revised the Terms of Reference of the Committee to give effect to the new requirements under the Listing Regulations. The Terms of Reference were in compliance with the requirements of the Listing Regulations and the Companies Act, 2013.

Major Terms of Reference of the Committee include:

- Overseeing the financial reporting process and review of the financial statements of the Company and its unlisted subsidiaries;
- Review functioning of the whistle blower mechanism;
- Review and approve related party transactions;

- Scrutiny of inter-corporate loans and investments, review of utilization of loans and/ or advances from/ investment by the Company in the subsidiary;
- Review of internal audit function and reports;
- Review risk management function;
- Recommending to the Board appointment and remuneration of the independent auditors and review performance of audit and internal control systems.

b) Composition and Committee Meetings

The particulars of the Committee as on 31st March, 2019 are set forth below.

Name of the Director	Category of Directorship	Qualification	No. of Meetings attended
Shri Keki Mistry, Chairperson	Independent Director	C.A., C.P.A. (USA)	3
Shri Samir Barua	Independent Director	M. Tech (IIT, Kanpur) in Industrial Engineering and Operations Research, Ph. D in Management from IIM, Ahmedabad	4
Shri Kiran Karnik (Ceased wef 31st March, 2019)	Independent Director	Honours degree in Physics, Post Graduate from IIM, Ahmedabad	4
Smt. Bhavna Doshi	Independent Director	M. Com, C.A.	4
Ms. Dharmishta Raval	Independent Director	B. Sc., LL.M	4

Composition of the Committee was in compliance with the provisions of the Listing Regulations and section 177 of the Companies Act, 2013. During the year, the Committee was re-constituted due to completion of term of Shri Kiran Karnik as Independent Director, with remaining members constituting the new Committee wef 1st April, 2019.

The Committee met once in a quarter and time elapsed between two meetings did not exceed 120 days. During the year under review, four meetings of the Committee were held on 29th May, 2018, 1st August, 2018, 30th October, 2018 and 5th February, 2019. Senior Management of the Company and representatives of Statutory and Internal Auditors were invited to the meetings. All the recommendations / submissions made by the Committee during the year were accepted by the Board.

4. NOMINATION AND REMUNERATION COMMITTEE

a) Terms of Reference of the Committee

During the year, the Board revised the Terms of Reference of the Committee to give effect to the new requirements under the Companies Act, 2013 and the Listing Regulations. The Terms of Reference were in compliance with the requirements of the Listing Regulations and the Companies Act, 2013.

Major Terms of Reference of the Committee include:

- Evaluation and recommendation of the composition of the Board and its sub-committees;
- Formulation of the criteria for determining qualification, positive attributes and independence of a Director;
- Identification of persons who are qualified to become Directors and who may be appointed in Senior Management of the Company in accordance with criteria laid down and recommend the same to the Board for their appointment and removal;

- Recommendation to the Board, remuneration proposed to be paid to Directors / KMPs / Senior Management;
- Recommendation of Remuneration Policy to the Board;
- Formulation of policy on Board Diversity of the Company;
- Formulation of criteria for performance evaluation of Board, Committees, Individual Directors.

b) Composition and Committee Meetings

The particulars of the Committee as on 31st March, 2019 are set forth below.

Name of the Director	Category of Directorship	Chairperson/ Member	No. of Meetings attended
Shri Kiran Karnik (Ceased wef 31st March, 2019)	Independent Director	Chairperson	3
Shri Sudhir Mehta	Non-Executive Director (Promoter)	Member	3
Shri Pankaj Patel	Independent Director	Member	2
Ms. Dharmishta Raval	Independent Director	Member	3

Composition of the Committee was in compliance with the provisions of the Listing Regulations and section 178 of the Companies Act, 2013. During the year, the Committee was re-constituted due to completion of term of Shri Kiran Karnik as Independent Director, with remaining members constituting the new Committee wef 1st April, 2019.

During the year under review, three meetings of the Committee were held on 29th May, 2018, 1st August, 2018 and 5th February, 2019. All the recommendations / submissions made by the Committee during the year were accepted by the Board.

c) Performance Evaluation Criteria for Independent Directors

The criteria as well as process for evaluation of Independent Directors are given below:

Criteria

i. Fulfillment of functions

ii. Participation in Board in terms of adequacy (time & content)

iii. Contribution at meetings

iv. Guidance / support to management outside Board / Committee meetings

v. Independent views and judgement (only for Independent Directors)

Process

i. The Chairman/Vice Chairman of the Board to discuss self and peer evaluation on a One-on-One basis with each Director.

ii. The Chairman/Vice Chairman to consolidate the comments and give the feedback to individual Directors.

5. REMUNERATION OF DIRECTORS

a) Remuneration Policy

The Company has in place the policy relating to the remuneration of the Directors, KMP and other employees of the Company. As required by the Companies Act, 2013 the Remuneration Policy has been uploaded on the website of the Company at: https://www.torrentpower.com/pdf/investors/Remuneration_Policy.pdf

- **Executive Directors**

  The remuneration of the Executive Directors was recommended by the Nomination and Remuneration Committee and approved by the Board and members, as required. Remuneration to the Executive Directors was paid by way of salary, perquisites, other benefits and annual commission.

- **Non-Executive Directors**

  Non-Executive Directors are compensated by way of sitting fees and annual commission for meetings attended. Members have approved payment of sitting fees and annual commission to Non-Executive Directors, within the limits laid down under the provisions of the Companies Act, 2013. The Board of Directors as authorized by the General Meeting decided the commission to be paid to each Non-Executive Director. The commission was determined on the basis of participation in the Board and Committee meetings. The criteria for remuneration of Non-Executive Directors is available on the website of the Company, i.e. www.torrentpower.com.

b) Particulars of remuneration paid to the Directors for FY 19

(₹ in Crore)

Name of the Director$	Sitting Fees	Salary & Perquisites#	Commission	Total
Shri Sudhir Mehta*	-	-	5.00	5.00
Shri Samir Mehta	-	-	10.00	10.00
Shri Pankaj Patel	0.10	-	0.09	0.19
Shri Samir Barua	0.12	-	0.16	0.28
Shri Kiran Karnik	0.12	-	0.16	0.28
Shri Keki Mistry	0.06	-	0.12	0.18
Smt. Bhavna Doshi	0.12	-	0.16	0.28
Ms. Dharmishta Raval	0.12	-	0.16	0.28
Shri Pankaj Joshi, IAS@	0.02	-	0.06	0.08
Shri Markand Bhatt	-	8.84^	13.00	21.84
Shri Jinal Mehta	-	7.27	2.50	9.77
Total	**0.66**	**16.11**	**31.41**	**48.18**

$ None of the Directors are entitled to severance pay.

Includes Salary, House Rent Allowance, contribution to Provident / Superannuation Funds and approved Allowances / Perquisites (excluding premium for Group Personal Accident and Group Mediclaim Insurance). Directors have not been granted any stock options during the year.

* Subject to approval of members by way of Special Resolution to be passed at the 15th AGM.

@ Sitting fees and commission of Shri Pankaj Joshi, IAS (nominee of the Government of Gujarat) is paid / payable to the Government of Gujarat.

^ Includes payment of leave encashment of ₹2.83 Crore.

Apart from payment of sitting fees, annual commission and shareholding of Non-Executive Directors disclosed in part 2(g) above, there was no other pecuniary relationship or transactions between the Company and Non-Executive Directors.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

a) Terms of Reference of the Committee

During the year, the Board revised the Terms of Reference of the Committee to give effect to the new requirements under the Listing Regulations. The Terms of Reference were in compliance with the requirements of the Listing Regulations and the Companies Act, 2013.

Major Terms of Reference of the Committee include:

- Resolution of the grievances of all the stakeholders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings;
- Review of transfer/ transmission requests and issuance of duplicate share certificate;
- Overseeing the performance of the Registrar and Share Transfer Agent in respect of adherence to the service standards adopted by the Company;
- Finalisation of Book Closure period and Record Date in respect of shares, debentures and other securities of the Company;

Powers to approve share transfers/ transmission and related requests have been delegated by the Committee to Senior Officials of the Company for expeditious disposal of the members requests and complaints.

b) Composition and Committee Meetings

The particulars of the Committee as on 31st March, 2019 are set forth below:

Name of the Director	Category of Directorship	Chairperson/ Member	No. of Meetings attended
Shri Pankaj Patel	Independent Director	Chairperson	9
Shri Samir Mehta	Chairman & Managing Director (Promoter)	Member	10
Shri Markand Bhatt (Ceased wef 30th September, 2018)	Whole-time Director	Member	4
Shri Jinal Mehta (Appointed wef 1st October, 2018)	Managing Director (Promoter)	Member	6

Composition of the Committee was in compliance with the provisions of the Listing Regulations and the Companies Act, 2013. During the year under review, ten meetings of the Committee were held on 18th April, 2018, 29th May, 2018, 3rd July, 2018, 18th September, 2018, 30th October, 2018, 3rd December, 2018, 2nd January, 2019, 5th February, 2019, 25th February, 2019 and 14th March, 2019. All the recommendations / submissions made by the Committee during the year were accepted by the Board. As at end of the year, Shri Samir Shah, Company Secretary was the Compliance Officer of the Company.

c) Investor Grievance Redressal

The Company received 13 complaints during the year under review and the same have been resolved to the satisfaction of the complainants within a reasonable period. No valid requests for share transfer, transmission etc. were pending beyond 15 days for processing as on 31st March, 2019.

7. GENERAL BODY MEETINGS

Last 3 Annual General Meetings of the Company

Meeting	Date	Time	Venue	No. of Special Resolutions passed
12th AGM	2nd August, 2016	9:30 am	J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015	1
13th AGM	1st August, 2017	2:30 pm	J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015	0
14th AGM	1st August, 2018	09:30 am	J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015	7

No Postal Ballot was conducted during the year under review and as of the date of this report there is no proposal to pass any special resolution through Postal Ballot.

8. MEANS OF COMMUNICATION

During the year, quarterly Unaudited Financial Results with Limited Review Report and annual Audited Financial Results of the Company with Auditors' Report thereon were submitted to the stock exchanges upon their approval by the Board. The Company published its quarterly Financial Results in two english daily newspapers having nationwide circulation i.e. Indian Express and Financial Express and in one regional newspaper i.e. Financial Express (Gujarati Edition). The Company also submitted to the stock exchanges the schedule of analysts or institutional investors meets and presentations made to them. The Company's website: www.torrentpower.com also displays the official news releases of relevance, schedule and presentations for investors, in addition to the Financial Results.

.The Company will send soft copies of Annual Report for FY 19 to those members whose email IDs are registered with the Depository Participants (DPs) and / or with the Company's Registrar and Share Transfer Agent, unless they have opted for a physical copy, to support the "Green Initiative in Corporate Governance", an initiative taken by the Ministry of Corporate Affairs.

9. GENERAL SHAREHOLDER INFORMATION

a) 15th Annual General Meeting

Date	:	Monday, 5th August, 2019
Time	:	9:30 am
Venue	:	J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015
Remote E-voting Period	:	From 9:00 am on 1st August, 2019 to 5:00 pm on 4th August, 2019
Cut-off date for Remote E-voting	:	29th July, 2019

b) Tentative financial calendar for the FY 20

Financial year	:	1st April, 2019 – 31st March, 2020
First quarter results	:	First week of August, 2019
Second quarter results	:	Second week of November, 2019
Third quarter results	:	Third week of February, 2020
Results for the year end	:	Third week of May, 2020

c) Record Date

Friday, 14th June, 2019 (subject to approval of dividend by members).

d) Dividend Payment date

The process for distribution of proposed dividend, if approved at the ensuing AGM, will start on or after Tuesday, 6th August, 2019.

e) Listing on Stock Exchanges and Security Codes

- Equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited in India:

Stock Exchange	ISIN	Security Code
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001	INE813H01021	532779
National Stock Exchange of India Limited (NSE) "Exchange Plaza", C – 1, Block G, Bandra - Kurla Complex, Bandra (East), Mumbai 400 051	INE813H01021	TORNTPOWER

- Secured Redeemable NCDs of the Company are listed on the Wholesale Debt Market segment of NSE:

Series	Coupon Rate	ISIN	Security Code
Series 1	10.35% p.a.	INE813H07010	TOPO22
Series 2A	10.35% p.a.	INE813H07051	TOPO21
Series 2B	10.35% p.a.	INE813H07069	TOPO22A
Series 2C	10.35% p.a.	INE813H07077	TOPO23
Series 3A	8.95% p.a.	INE813H07085	TOPO21
Series 3B	8.95% p.a.	INE813H07093	TOPO22
Series 3C	8.95% p.a.	INE813H07101	TOPO23

- Annual listing fees for both, Equity and Debt securities, for FY 19 have been paid to the Stock Exchanges, where the securities of the Company are listed.

f) Market price data

Closing market price of equity shares on 29th March, 2019 was ₹257.20 on BSE and ₹257.50 on NSE.

Monthly movement of equity share prices during the year at BSE and NSE:

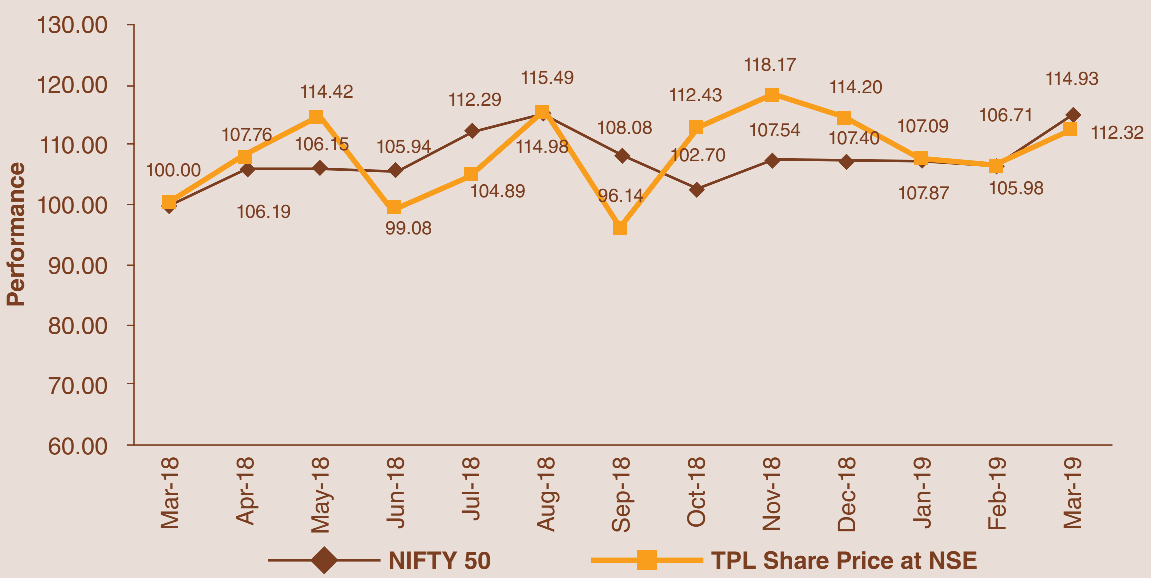
Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April, 2018	252.40	227.30	1109512	252.75	227.00	16922749
May, 2018	268.00	212.20	1281659	276.40	211.90	18457522
June, 2018	270.00	216.15	2048963	271.00	215.60	22917080
July, 2018	247.00	215.75	1140306	247.15	215.10	15300572
August, 2018	270.20	222.75	1788420	270.55	222.50	26294187
September, 2018	275.40	214.50	2086978	276.05	214.00	25938428
October, 2018	259.65	212.10	2976521	260.70	211.50	31201594
November, 2018	274.80	249.45	1905051	275.30	249.20	23446455
December, 2018	276.60	238.70	2529101	276.95	238.70	32214430
January, 2019	270.55	242.90	1773253	272.00	242.80	29390832
February, 2019	252.40	230.45	1390537	253.50	230.20	26611896
March, 2019	272.10	244.00	49164592	269.40	242.95	16670103

g) Performance of Equity Share Price vis-à-vis Nifty 50 is as under:

Month	TPL Share Price at NSE (₹)*	NIFTY 50 during the Month* (₹)	Relative Index for comparison purpose	
			TPL share price	NIFTY 50
March, 2018	229.25	10113.70	100.00	100.00
April, 2018	247.05	10739.35	107.76	106.19
May, 2018	262.30	10736.15	114.42	106.15
June, 2018	227.15	10714.30	99.08	105.94
July, 2018	240.45	11356.50	104.89	112.29
August, 2018	263.60	11680.50	114.98	115.49
September, 2018	220.40	10930.45	96.14	108.08
October, 2018	257.75	10386.60	112.43	102.70
November, 2018	270.90	10876.75	118.17	107.54
December, 2018	261.80	10862.55	114.20	107.40
January, 2019	247.30	10830.95	107.87	107.09
February, 2019	242.95	10792.50	105.98	106.71
March, 2019	257.50	11623.90	112.32	114.93

*Closing data on the last trading day of the month. Closing share price at NSE and NIFTY 50 of 28th March, 2018 have been taken as the base for calculating relative index for comparison purpose.

Relative Performance of TPL Share Price v/s Nifty 50



h) Registrar and Share Transfer Agent

Members are requested to send all documents pertaining to transmission/ demat requests and other communications in relation thereto directly to the Registrar and Share Transfer Agent at the following address:

Link Intime India Pvt. Ltd,
5th Floor, 506 to 508,
Amarnath Business Centre - I (ABC - I),
Beside Gala Business Centre,
Nr. St. Xavier's College Corner, Off C G Road,
Ellisbridge, Ahmedabad-380006 (Gujarat)
Phone: +91 79 26465179/86/87
E-mail: ahmedabad@linkintime.co.in

i) Share Transfer System

Powers to approve share transfers and related requests have been delegated by the Stakeholders Relationship Committee to Senior Officials of the Company for expeditious disposal of members' requests and complaints.

During the year, share transfers were taken up for approval atleast once in a fortnight and the transferred securities were dispatched to the transferees within the stipulated time. Details of transfers / transmission approved by the delegates were noted by the Stakeholders Relationship Committee at its meeting once in a quarter. Also, the same were noted by the Board of Directors on quarterly basis.

j) Distribution of shareholding as on 31st March, 2019

- **By size of shareholding**

No. of Shares	No. of Members	% Members	No. of Shares	% of Members
001 to 500	1,06,062	88.71	71,28,163	1.48
501 to 1000	6,995	5.85	47,78,756	0.99
1001 to 2000	2,840	2.38	40,75,516	0.85
2001 to 3000	1,199	1.00	30,24,771	0.63
3001 to 4000	534	0.45	18,79,735	0.39
4001 to 5000	428	0.36	19,54,301	0.41
5001 to 10000	762	0.64	54,08,519	1.13
10001 & above	735	0.61	45,23,67,023	94.12
Total	**1,19,555**	**100.00**	**48,06,16,784**	**100.00**

- **By category of Members**

Sr. No.	Category	No. of Shares	% of Shareholding
1	Promoters	25,74,43,318	53.57
2	Governor of Gujarat with Gujarat State Financial Services Limited	5,39,28,671	11.22
3	Life Insurance Corporation of India & its funds	1,49,68,387	3.11
4	General Insurance Corporation of India and its subsidiaries	78,91,029	1.64
5	Mutual Funds	5,31,61,122	11.06
6	Foreign Portfolio Investors	3,75,33,395	7.81
7	Banks	5,49,721	0.11
8	Others	5,51,41,141	11.48
	Total	**48,06,16,784**	**100.00**

k) Dematerialisation and Liquidity of shares

Equity shares of the Company can be traded only in dematerialised form by the investors. The Company has established connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Demat security code (ISIN) for the equity shares is INE813H01021. As on 31st March, 2019, 97.14% of the equity shares have been dematerialised. The shares of the Company are frequently traded on both the stock exchanges and hence the shares of the Company are liquid.

l) Outstanding GDRs / ADRs / Warrants / any other convertible instruments

The Company has not issued any GDRs / ADRs / warrants or any convertible instruments as on date.

m) Disclosure of Commodity Price / Foreign Exchange Risk and Hedging Activities

The Company has exposure to US$ / INR exchange rate arising principally on account of import of LNG and import of coal. The extant tariff regulations do not permit the cost of hedging such exposure as a cost to be passed through to the off-takers / beneficiaries. As a result, the Company does not follow a policy of hedging such exposures and actual rupee costs of import of fuel are substantially passed on to the off-takers / consumers, because of which such exposures are not likely to have material financial impact on the Company.

The following were the material commodity exposures of the Company during FY 19:

Commodity	Exposure in ₹ Crore	Exposure in Quantity	% of such Exposure hedged through Commodity Derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Imported & Domestic Coal	516	16,32,210 MT	-	-	-	-	-
Liquefied Natural Gas & Domestic Natural Gas	2893	4,83,88,588 MMBTU	-	-	-	-	-

The commodity exposure is mainly on account of fuel, a substantial part of which is a pass through cost and hence the commodity price exposure is not likely to have a material financial impact on the Company.

n) Registered Office and Plant/ Unit Locations

Registered Office:

"Samanvay",
600 Tapovan,
Ambawadi,
Ahmedabad-380015 (Gujarat)

Generation

i. SUGEN, UNOSUGEN and GENSU, Off National Highway No. 8, Taluka: Kamrej, District: Surat-394155 (Gujarat)

ii. AMGEN, Ahmedabad-380005 (Gujarat)

iii. DGEN, Plot no Z-9, Dahej SEZ, Taluka Vagra, Dist. Bharuch - 392130 (Gujarat)

Cables

Yoginagar,
Mission Road,
Nadiad - 387002 (Gujarat)

Distribution

i. Torrent House, Station Road, Surat-395003 (Gujarat)

ii. Old Agra Road, Anjur Phata, Bhiwandi-421302 (Maharashtra)

iii. 6, Raghunath Nagar, Suresh Plaza Market, M. G. Road, Agra - 282002 (Uttar Pradesh).

o) Address for Correspondence

Company Secretary
Torrent Power Limited
"Samanvay",
600 Tapovan,
Ambawadi, Ahmedabad-380015 (Gujarat)
CIN: L31200GJ2004PLC044068
Phone : + 91 79 26628300
Fax : +91 79 26764159
E-mail : cs@torrentpower.com
Website : www.torrentpower.com

p) Debenture Trustee

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg,
Ballard Estate,
Mumbai- 400001 (Maharashtra)
Telephone : +91 22 4080 7005

q) Credit Rating

Credit Rating of the Company's long term loans, cash credit and NCDs has been reaffirmed by CRISIL at AA-/ Stable and that of Letters of Credit / Bank Guarantees of the Company has been reaffirmed at A1+ on 29th September, 2018.

10. OTHER DISCLOSURES

a) Related Party Transactions

The Company has formulated Related Party Transaction Policy, which is in compliance with the provisions of the Companies Act, 2013 and Listing Regulations. Policy was revised during the year to incorporate amendments in Listing Regulations. The policy can be accessed on the website of the Company at the web link: https://www.torrentpower.com/pdf/investors/Policy_on_Materiality_of_Related_Party_Transactions.pdf

During the year, the Company did not enter into any transaction with related parties which were material in nature as defined in Listing Regulations. All the related party contracts / arrangements and transactions entered into by the Company were put forth for the prior approval of the Audit and Risk Management Committee, Board and members, as applicable, in compliance with the said policy.

Statement of related party transactions was presented to the Audit and Risk Management Committee for its review on quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The particulars of contracts/arrangements and transactions entered into by the Company with related parties are set out in Notes to the Financial Statements forming part of this Annual Report.

b) Legal Compliances

The Company has formalised a system to track, monitor and document legal compliances applicable to the Company. The Board periodically reviews compliance reports (of all laws applicable to the Company), prepared by the management. There were no instances of material non-compliances during the year under review. No strictures were passed or penalties imposed on the Company by SEBI, Stock Exchanges or any statutory authority on any matter related to capital markets during the last three years.

c) Whistle Blower Policy

The Board has adopted a Whistle Blower Policy for the Company, under which the Company has institutionalised a mechanism for the stakeholders to disclose their concerns and grievances on unethical behaviour and improper/ illegal practices and wrongful conduct taking place in the Company for appropriate action. The policy is available on the website of the Company at https://www.torrentpower.com/pdf/investors/13-11-2018_6mbme_whistle_blower_policy_3.pdf

During the year, functioning of the Whistle Blower mechanism was reviewed by the Audit and Risk Management Committee on a quarterly basis. No employee intending to report under Whistle Blower mechanism was denied access to the Audit Committee.

d) Compliance with all the mandatory requirements of Corporate Governance

The Company has complied with all the mandatory requirements of Corporate Governance applicable to the Company.

e) Material Subsidiary Policy

The Company has formulated a Policy for determining "Material Subsidiary" and the same was revised during the year to give effect to the amendments in Listing Regulations. The revised policy is available on the Company's website at :https://www.torrentpower.com/pdf/investors/19-01-2019_2vueh_policy_materialsubsidiaries2.pdf

f) Utilization of funds raised through Preferential Allotment or Qualified Institutions Placement

The Company has not raised any funds through preferential allotment or qualified institutions placement during the year under review.

g) Certificate of Practicing Company Secretary

The Company has obtained a certificate from M/s Rajesh Parekh & Co., Practicing Company Secretary, Ahmedabad stating that none of the Directors on the Board of the Company have been debarred/ disqualified from being appointed / continuing as Directors of any company, by the SEBI and Ministry of Corporate Affairs or any such Statutory authority.

h) Fees paid to Statutory Auditors

During the year, total fees, for all services (including out of pocket expenses and taxes), paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors - Price Waterhouse Chartered Accountants LLP (012754N/N500016) and to all entities in the network of which Auditor is a part is as under:

(₹ in Crore)

Audit Fees	1.15
Other Services certificates etc.	0.30
Reimbursement of expenses	0.25
Total	**1.70**

i) **Protection of Women against Sexual Harassment at Work Place**

Pursuant to the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder, the Company has adopted a “Policy on Protection of Women against Sexual Harassment at Work Place”. Pursuant to the Policy, the Company has formed Internal Complaints Committee, with majority women members, at each of the Unit / Administrative Office. During the year, no complaints were filed with the Internal Complaints Committee.

j) **Compliance with Corporate Governance**

The Company has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

For and on behalf of the Board

Jinal Mehta
Managing Director
DIN: 02685284

Ahmedabad
15th May, 2019

CERTIFICATE OF COMPLIANCE WITH THE CODE OF BUSINESS CONDUCT

To,

The Members,

Torrent Power Limited

Torrent Power Limited has in place a Code of Business Conduct (the "Code") for its Board of Directors, Senior Management Personnel and other employees of the Company. I report that the Board of Directors have received affirmation on compliance with the Code from the members of the Board and Senior Management of the Company for the year under review.

For and on behalf of the Board

Jinal Mehta
Managing Director
DIN: 02685284

Ahmedabad
15th May, 2019

Standalone Financial Statements 2018-19

TO THE MEMBERS OF
TORRENT POWER LIMITED

Report on the audit of the Standalone Indian Accounting Standards (Ind AS) Financial Statements

Opinion

1. We have audited the accompanying standalone Ind AS financial statements of Torrent Power Limited ("the Company"), which comprise the balance sheet as at 31st March, 2019, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, total comprehensive income (comprising profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

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

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matter
i) Impairment assessment for Power Plant located at Dahej (Refer to note 41(1) of the standalone Ind AS financial statements) :	
Property, Plant & Equipment ("PPE") includes carrying amount of ₹4,365 Crore pertaining to 1,200 MW DGEN Mega Power Project located at Dahej, India ("DGEN"). DGEN started its commercial operations in November 2014 ("COD") and thereafter due to various factors such as unavailability of domestic gas, high prices of imported gas and non-availability of power purchase agreements it was not operated after COD, except for intermittent periods during FY 2015-16. During the periods of non-operation, DGEN was maintained in cold standby mode for immediate start-up, as and when required. As a result of above, there are indicators of potential impairment of carrying value of DGEN. The management carried out an impairment assessment of DGEN in accordance with Ind AS 36 'Impairment of Assets' and measured the recoverable amount based on value in use which requires estimating the discounted cash flow projections over the estimated useful life of the DGEN with the help of an external valuer ("expert"). The expert estimated the value in use under two scenarios i.e. management case and alternate case by taking varied sets of assumptions reflective of likely future operating scenarios. The assessment of value in use involved several key assumptions including expected demand, future price of fuel, exchange rate, expected tariff rates, discount rate and current electricity market scenario which the management considered reasonable based on past trends and current and likely future state of the industry. The value in use arrived at by the expert under both the scenarios is higher than the carrying amount of PPE pertaining to DGEN and accordingly no impairment provision is considered necessary as at 31st March, 2019 by management. We considered this to be a key audit matter as the carrying value of DGEN at 31st March, 2019 is significant to the Company's balance sheet and there is significant judgement and uncertainty involved in estimating future cash flows in the discounted cash flow (DCF) model used by the management to support the carrying value of DGEN. Further, the assumptions used in the DCF model are subject to inherent uncertainties.	Our procedures in relation to management's impairment assessment of DGEN include the following: Assessed and tested the design and operating effectiveness of the Company's controls over impairment assessment. Perused the report issued by the external valuer ("expert") engaged by the management. Evaluated competence, capability and objectivity of the expert. Evaluated the reasonableness of cash flow projections used by the Company and the key assumptions in respect of expected demand, future price of fuel, exchange rate, expected tariff rates and discount rate. Involved auditors experts to review the external expert's report and the reasonableness of the assumptions considered in the report. Discussed with senior management personnel, the justification for the key assumptions underlying the cashflow projections and performed sensitivity analysis on the same to assess their reasonableness. Checked the arithmetic accuracy of the computation of projections. Based on the above procedures performed, we considered management's assessment of impairment of the carrying value of DGEN as at 31st March, 2019 to be reasonable.

Key audit matters	How our audit addressed the key audit matter
ii) Assessment of recoverability of Deferred tax asset on unutilised tax credits (Refer to note 42 to the standalone Ind AS financial statements)	
The Company has recognised deferred tax asset on unutilised tax credits, representing Minimum Alternate Tax (MAT) paid on accounting profit in the current year and earlier years in which the Company did not have normal taxable profit due to availment of tax holiday incentives and set off of carried forward unabsorbed depreciation. The asset has been recognised on the basis of Company's assessment of availability of future taxable profits to offset the MAT credit. The future taxable profit projections involve several key assumptions including expected demand, future prices of fuel, expected tariff rates of electricity, exchange rate and current electricity market scenario covering the period over which MAT Credit can be claimed as per the Income tax Act, 1961. In preparing the profit projections, management has considered, past trends, applicable tariff regulations/ agreement and current and likely future state of the industry. We considered this a key audit matter as the amount of deferred tax asset is material to the financial statements and significant management judgement is required in assessing the recoverability of MAT credit based on significant assumptions underlying the forecast of taxable profits. Further, recoverability of deferred tax assets depends on the achievement of Company's business plans.	Our audit procedures included the following: Evaluated and tested the design and operating effectiveness of the Company's controls over recognition and assessment of recoverability of deferred tax asset. Reviewed the Company's accounting policy in respect of recognizing deferred tax asset on unutilised tax credits. Assessed the reasonableness of the assumptions underlying profit projections made by management, in particular, the assumptions in respect of expected demand, future price of gas, expected tariff rates and exchange rate by reviewing the past trends and available tariff orders. Assessed the reasonableness of management's business plans considering the relevant economic and industry indicators. Evaluated whether the tax credit entitlements are legally available to the Company for the forecast recoupment period, considering the provisions of Income tax Act, 1961. Checked the mathematical accuracy of the underlying calculations of the projections. Performed sensitivity analysis on the projected taxable profits by varying key assumptions, within reasonably foreseeable range. Reviewed the adequacy of disclosures made in the financial statements with regards to deferred taxes. Based on the above procedures performed by us, we considered the management's assessment of recoverability of deferred tax asset to be reasonable.

Key audit matters	How our audit addressed the key audit matter
iii) Appropriateness of additional revenue recognised on adoption of Ind AS 115 (Refer to notes 2.12 and 57 to the standalone Ind AS financial statements)	
During the year the Company has adopted Ind AS 115 'Revenue from Contracts with Customers' retrospectively with the cumulative effect of initial application recognized in the Opening Retained Earnings on 1st April, 2018. The adoption has resulted changes in accounting policies and adjustment to the amounts recognized in the financial statements. Prior to adoption of Ind AS 115, the Company had been recognising the Fuel and Power Purchase Price Adjustment ("FPPPA") claims as and when approved by the regulatory authorities and the truing up adjustment claims as and when these were billed to consumers subsequent to approval by the regulatory authorities. The Company has in the current year recognized revenue in respect of FPPPA claims and other true up adjustments, as per the applicable tariff regulations, management's probability estimate and the past trends of approval, by applying the guidance on variable consideration under Ind AS 115. We considered this as a key audit matter in view of this being a material change in the accounting policy for revenue recognition, exercise of management judgement and estimates and significance of the amount involved as described in notes 2.12 and 57 to the standalone Ind AS financial statements.	Our audit procedures included the following: Assessed and tested the design and operating effectiveness of the Company's controls over the revenue recognition. Read the relevant multi-year tariff regulations (MYT), tariff orders and other communication between the Company with various regulatory authorities to determine the quantum of Company's entitlement to recover costs from consumers. Evaluated management workings that set out all the outstanding claims for approval placed by the Company with regulatory authorities and the basis adopted by management in determining undisputed and disputed claims. Assessed the reasonableness of management's assessment of recoverability of claims by comparing earlier years' assessment with actual approvals by the regulatory authorities. Checked mathematical accuracy of management workings for use of correct tariffs, and for the impact of Ind AS 115 on the opening reserves and on the current year's revenue arising from outstanding claims with regulatory authorities. Evaluated the impact of first time adoption of Ind AS 115 and the appropriateness of the related disclosures in respect of the additional revenue recognized in opening reserves and that recognized in the current year statement of Profit and Loss. Based on the procedures performed as described above, we assessed that the recognition of additional revenue under Ind AS 115 was adequately supported by the available evidence.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the board report (including shareholders information), management discussion and analysis, business responsibility report, report on corporate governance, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

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

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the Standalone Ind AS Financial Statements

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

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

Auditor's responsibilities for the audit of the Standalone Ind AS Financial Statements

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

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

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

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

14. As required by Section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash flow Statement dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"

    g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company has disclosed the impact of pending litigations as at 31st March, 2019 on its financial position in its standalone Ind AS financial statements – Refer Notes 31 and 44;

        ii. The Company has long-term contracts as at 31st March, 2019 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at 31st March, 2019;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2019;

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended 31st March, 2019.

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

Pradip Kanakia
Partner
Membership No.: 039985

Place: Ahmedabad
Date: 15th May, 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Torrent Power Limited on the standalone Ind AS financial statements for the year ended 31st March, 2019

Report on the Internal Financial Controls with reference to Ind AS financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Torrent Power Limited ("the Company") as of 31st March, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to financial statements

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

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Torrent Power Limited on the standalone Ind AS financial statements for the year ended 31st March, 2019

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Pradip Kanakia
Partner
Membership No.: 039985

Place: Ahmedabad
Date: 15th May, 2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Torrent Power Limited on the standalone Ind AS financial statements as of and for the year ended 31st March, 2019

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. As regards underground distribution systems, we have been informed that the same are not physically verifiable.

(c) The title deeds of immovable properties, as disclosed in Note 4 on Property, plant and Equipment and Note 11 on other non-current assets to the standalone Ind AS financial statements, are held in the name of the Company or in the names of the companies which got amalgamated into the Company through various schemes approved by the courts in earlier years.

ii. The physical verification of inventory [excluding stocks with third parties] has been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, duty of customs, value added tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 44 to the standalone Ind AS financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service-tax which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, duty of customs, duty of excise and value added tax as at 31st March, 2019 which have not been deposited on account of a dispute, are as follows:

Name of Statute	Nature of dues	Amount involved (₹ in Crore)	Amount Unpaid (₹ in Crore)	Period to which the amount relates (Financial Year)	Forum where the dispute is pending
Customs Act, 1962	Custom duty	37.00	18.50	2012-13	Central Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise duty	0.17	0.17	1989-90	Central Excise and Service Tax Appellate Tribunal
Kerala General Sales Tax Act, 1963	Sales Tax on Works Contracts	0.20	0.20	2001-02	Sales Tax Appellate Tribunal, Calicut
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax on Works Contracts	0.29	0.29	1993-94 & 1994-95	Andhra Pradesh High Court, Hyderabad
Tamil Nadu General Sales Tax Act, 1959	Sales Tax on Works Contracts	0.47	0.47	1989-90 & 1990-91	Asst. Commissioner of Commercial Tax, Tuticorin
Gujarat Value Added Tax Act, 2003	Value Added Tax	0.21	0.17	2013-14 & 2014-15	Joint Commissioner of Commercial Tax (Appeal)
		0.17	0.14	2011-12	GVAT Tribunal
		4.26	1.63	2009-10 & 2010-11	GVAT Tribunal
		1.73	0.51	2008-09	GVAT Tribunal
		1.00	0.27	2007-08	GVAT Tribunal
Gujarat Sales Tax Act, 1969	Sales tax	4.29	4.29	2002-03 & 2003-04	Joint Commissioner of Commercial Tax (Appeal)
Central Sales Tax Act, 1956	Central Sales Tax	3.15	2.51	2008-09, 2009-10, 2010-11, 2011-12 & 2012-13	GVAT Tribunal
		0.65	0.52	2013-14 & 2014-15	Joint Commissioner of Commercial Tax (Appeal)
Income tax Act, 1961	Income Tax	0.14	0.14	2016-17	CIT Appeals
		14.28	5.32	2015-16	CIT Appeals

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Torrent Power Limited on the standalone Ind AS financial statements as of and for the year ended 31st March, 2019

ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied for the purposes for which they were obtained. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments).

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone Ind AS financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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

Pradip Kanakia
Partner
Membership No.: 039985

Place: Ahmedabad
Date: 15th May, 2019

BALANCE SHEET

AS AT 31ST MARCH, 2019

(₹ in Crore)

	Note	As at 31st March, 2019	As at 31st March, 2018
Assets			
Non-current assets			
Property, plant and equipment	4	16,995.13	16,792.56
Capital work-in-progress		358.77	390.47
Investment property	5	-	-
Intangible assets	6	17.31	13.23
Intangible assets under development		-	2.04
Financial assets			
Investments	7	689.93	375.01
Loans	8	145.15	16.73
Other financial assets	9	230.61	0.76
Non-current tax assets (net)	10	26.69	26.85
Other non-current assets	11	848.13	658.70
		19,311.72	18,276.35
Current assets			
Inventories	12	626.67	454.38
Financial assets			
Investments	13	472.46	614.12
Trade receivables	14	1,170.53	1,124.48
Cash and cash equivalents	15	114.33	134.23
Bank balances other than cash and cash equivalents	16	211.92	135.50
Loans	17	204.02	634.49
Other financial assets	18	1,581.30	650.29
Other current assets	19	131.71	78.57
		4,512.94	3,826.06
		23,824.66	22,102.41
Equity and liabilities			
Equity			
Equity share capital	20	480.62	480.62
Other equity	21	8,456.18	7,212.07
		8,936.80	7,692.69
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	22	8,033.38	8,502.40
Trade payables	23		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues other than micro and small enterprises		109.34	94.64
Other financial liabilities	24	1,055.03	956.44
Provisions	25	83.15	78.96
Deferred tax liabilities (net)	42	1,556.26	1,469.74
Other non-current liabilities	26	971.62	878.15
		11,808.78	11,980.33
Current liabilities			
Financial liabilities			
Borrowings	27	300.05	-
Trade payables	28		
Total outstanding dues of micro and small enterprises		27.10	18.34
Total outstanding dues other than micro and small enterprises		758.03	638.94
Other financial liabilities	29	1,273.96	1,156.25
Other current liabilities	30	661.29	557.74
Provisions	31	42.29	31.81
Current tax liabilities (net)	32	16.36	26.31
		3,079.08	2,429.39
		23,824.66	22,102.41

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 039985

Ahmedabad, 15th May, 2019

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN:00061903

Sanjay Dalal
Chief Financial Officer

Samir Shah
Company Secretary

Ahmedabad, 15th May, 2019

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crore)

	Note	Year ended 31st March, 2019	Year ended 31st March, 2018
Income			
Revenue from operations	33	12,977.52	11,448.86
Other income	34	261.55	267.92
Total income		13,239.07	11,716.78
Expenses			
Electrical energy purchased		4,116.50	3,584.78
Fuel cost		4,019.46	3,200.18
Cost of materials consumed	35	259.86	233.44
Purchase of stock-in-trade		229.46	37.18
Changes in inventories of finished goods and work-in-progress	36	(19.58)	1.25
Employee benefits expense	37	484.21	465.32
Finance costs	38	892.15	839.69
Depreciation and amortization expense and impairment loss	39	1,163.05	1,111.14
Other expenses	40	845.60	868.27
Total expenses		11,990.71	10,341.25
Profit before tax		1,248.36	1,375.53
Tax expense			
Current tax	42	269.26	303.60
Deferred tax	42	89.86	150.19
		359.12	453.79
Profit for the year		889.24	921.74
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans	48	(9.55)	20.49
Tax relating to remeasurement of the defined benefit plans	42	(3.34)	7.16
Other comprehensive income for the year (net of tax)		(6.21)	13.33
Total comprehensive income for the year		883.03	935.07
Basic and diluted earnings per share of face value of ₹10 each (in ₹)	52	18.50	19.18
See accompanying notes forming part of the standalone financial statements			

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 039985

Ahmedabad, 15th May, 2019

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN:00061903

Sanjay Dalal
Chief Financial Officer

Samir Shah
Company Secretary

Ahmedabad, 15th May, 2019

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crore)

	Note	Year ended 31st March, 2019	Year ended 31st March, 2018
Cash flow from operating activities			
Net profit before tax		1,248.36	1,375.53
Adjustments for :			
Depreciation and amortization expense and impairment loss	39	1,163.05	1,111.14
Amortisation of deferred revenue	33	(63.66)	(56.55)
Provision of earlier years written back	33	(26.98)	(8.04)
Loss on sale / discarding of property, plant and equipment	40	17.97	21.96
Gain on disposal of property, plant and equipment	34	(8.40)	(54.97)
Bad debts written off (net)	40	3.96	3.32
Allowance for doubtful debts (net)	40	15.88	6.45
Finance costs	38	892.15	839.69
Interest income	34	(147.91)	(73.45)
Dividend income	34	(6.66)	(6.66)
Rent income from investment property	34	-	(1.05)
Allowance / impairment for non-current investments	40	1.35	11.47
Gain on sale of current investments in mutual funds	34	(40.33)	(42.19)
Net (gain) / loss arising on current investments in mutual funds measured at fair value through profit or loss	34	6.16	(5.57)
Net gain arising on financial assets / liabilities measured at amortised cost	34	(24.45)	(14.39)
Net unrealised loss / (gain) on foreign currency transactions		(4.70)	11.87
Operating profit before working capital changes		3,025.79	3,118.56
Movement in working capital:			
Adjustments for decrease / (increase) in operating assets:			
Inventories		(172.29)	(85.50)
Trade receivables		(65.89)	(165.34)
Non-current loans		0.02	(1.74)
Current loans		1.25	(12.31)
Other current financial assets		(278.50)	13.04
Other non-current financial assets		(229.98)	(0.10)
Other current assets		(53.14)	(15.10)
Other non-current assets		15.28	33.44
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		127.85	(76.94)
Non-current trade payables		26.98	43.46
Other current financial liabilities		16.91	99.97
Other non-current financial liabilities		98.77	92.48
Long-term provisions		4.19	(16.95)
Short-term provisions		0.93	8.15
Other current liabilities		94.68	79.26
Cash generated from operations		2,612.85	3,114.38
Taxes paid		(279.04)	(311.49)
Net cash flow from operating activities		2,333.81	2,802.89
Cash flow from investing activities			
Payments for property, plant and equipment & capital work-in-progress		(1,370.09)	(1,714.87)
Payments for intangible assets and intangible asset under development		(8.39)	(8.70)
Non-current advances for capital assets		(204.71)	(191.54)
Proceeds from sale of property, plant and equipment / investment property		100.80	60.79
Non-current Investment in subsidiaries		(221.00)	(0.02)

STATEMENT OF CASH FLOW (Contd.)

FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Non-current Investment in debentures	(78.30)	(182.40)
Purchase of non-current investments	(1.93)	(1.69)
(Loans to) / repayment of loans from subsidiaries (net)	324.49	(557.42)
(Investments) / redemption in bank deposits (net) (maturity more than three months)	(76.95)	31.35
Interest received	122.94	77.54
(Purchase of) / proceeds from current investments (net)	175.83	(13.44)
Dividend received from non-current investments	6.66	6.66
Rent income from investment property	-	1.05
Bank balances not considered as cash and cash equivalents	(0.02)	-
Net cash generated from / (used in) investing activities	(1,230.67)	(2,492.69)
Cash flow from financing activities		
Proceeds from long-term borrowings	317.03	987.74
Proceeds from short-term borrowings	1,200.05	-
Repayment of long-term borrowings	(427.19)	(339.97)
Prepayment of long-term borrowings	(290.75)	(19.33)
Repayment of short-term borrowings	(900.00)	(76.62)
Repayment of Accelerated Power Development and Reform Programme (APDRP) loan	(3.82)	(3.82)
Receipt of contribution from consumers	166.00	120.52
Dividend paid	(240.31)	(105.74)
Dividend distribution tax paid	(48.03)	(21.12)
Finance costs paid	(896.02)	(820.04)
Net cash generated from / (used in) financing activities	(1,123.04)	(278.38)
Net (decrease) / increase in cash and cash equivalents	(19.90)	31.82
Cash and cash equivalents as at beginning of the year	134.23	102.41
Cash and cash equivalents as at end of the year	114.33	134.23
See accompanying notes forming part of the standalone financial statements		
Footnotes:		
1 Cash and cash equivalents as at end of the year:		
Balances with banks		
Balance in current accounts	106.86	132.00
Balance in fixed deposit accounts (original maturity for less than three months)	0.03	0.03
Cheques, drafts on hand	6.02	1.61
Cash on hand	1.42	0.59
	114.33	134.23

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

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 039985

Ahmedabad, 15th May, 2019

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN:00061903

Sanjay Dalal
Chief Financial Officer

Samir Shah
Company Secretary

Ahmedabad, 15th May, 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

A. Equity share capital [Refer note 20]

(₹ in Crore)

Balance as at 1st April, 2017	480.62
Changes in equity share capital during the year	-
Balance as at 31st March, 2018	480.62
Changes in equity share capital during the year	-
Balance as at 31st March, 2019	480.62

B. Other equity [Refer note 21]

(₹ in Crore)

	Reserves and surplus						Total
	Securities premium	Debenture redemption reserve	Contingency reserve	Special reserve	General reserve	Retained earnings	
Balance as at 1st April, 2017	0.03	129.46	6.24	78.07	3,583.89	2,606.17	6,403.86
Profit for the year	-	-	-	-	-	921.74	921.74
Other comprehensive income for the year, net of income tax	-	-	-	-	-	13.33	13.33
Total comprehensive income for the year	-	-	-	-	-	935.07	935.07
Transfer to debenture redemption reserve	-	34.22	-	-	-	(34.22)	-
Transfer to contingency reserve	-	-	1.71	-	-	(1.71)	-
Dividend paid	-	-	-	-	-	(105.74)	(105.74)
Dividend distribution tax paid	-	-	-	-	-	(21.12)	(21.12)
Balance as at 31st March, 2018	0.03	163.68	7.95	78.07	3,583.89	3,378.45	7,212.07
Balance as at 1st April, 2018	0.03	163.68	7.95	78.07	3,583.89	3,378.45	7,212.07
Impact on adoption of Ind AS 115 [Refer note 57]	-	-	-	-	-	649.42	649.42
Restated balance as at 1st April, 2018	0.03	163.68	7.95	78.07	3,583.89	4,027.87	7,861.49
Profit for the year	-	-	-	-	-	889.24	889.24
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(6.21)	(6.21)
Total comprehensive income for the year	-	-	-	-	-	883.03	883.03
Transfer to debenture redemption reserve	-	34.22	-	-	-	(34.22)	-
Transfer to contingency reserve	-	-	1.81	-	-	(1.81)	-
Dividend paid	-	-	-	-	-	(240.31)	(240.31)
Dividend distribution tax paid	-	-	-	-	-	(48.03)	(48.03)
Balance as at 31st March, 2019	0.03	197.90	9.76	78.07	3,583.89	4,586.53	8,456.18

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 039985

Ahmedabad, 15th May, 2019

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN:00061903

Sanjay Dalal
Chief Financial Officer

Samir Shah
Company Secretary

Ahmedabad, 15th May, 2019

NOTE 1A: GENERAL INFORMATION

Torrent Power Limited ("the Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. Its equity shares are listed on BSE Ltd. and National Stock Exchange Ltd. in India. The registered office of the Company is located at "Samanvay", 600, Tapovan, Ambawadi, Ahmedabad – 380 015.

The Company is engaged in the business of generation, transmission and distribution of Power and of manufacture and sale of Cables.

NOTE 1B: NEW STANDARDS OR INTERPRETATIONS ADOPTED BY THE COMPANY

The Company has applied the following Ind AS for the first time for its annual reporting period commencing 1st April, 2018:

Change due to transition to Ind AS - 115 "Revenue from Contracts with Customers"

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 on 28th March, 2018 which include Indian Accounting Standard (Ind AS) 115 in respect of 'Revenue from Contracts with Customers' which has replaced inter alia, the existing Ind AS 18 'Revenue' and is mandatory for reporting periods beginning on or after 1st April, 2018.

Refer note 2.12 for the accounting policy and note 57 for the impact on change in policy and related disclosures.

NOTE 1C: NEW STANDARDS OR INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The Company will apply the following standard for the first time for its annual reporting period commencing 1st April, 2019:

Ind AS - 116 "Leases"

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards), 2019 on 30th March, 2019 which includes Ind AS - 116 "Leases". This will replace Ind AS 17 on leases.

Ind AS - 116 will result in almost all leases being recognized on the balance sheet by the lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognized. The only exceptions are short term and low value leases.

In order to identify the potential impact of the standard on the Company's financial statements, the Company is analysing leasing contracts. The Company has begun the analysis on the key areas identified, in order to estimate the effect of the application of the new standard for which the work is ongoing and impact areas may be identified as the Company progresses further in the implementation process. As a result, at this stage the Company is not able to estimate the impact of the new standard on the Company's financial statements. The Company will make a more detailed assessment of the impact over the future periods.

Other amendments

On 30th March, 2019, the Ministry of Corporate Affairs (MCA) notified certain other amendments to Indian Accounting Standards (Ind AS), as below, as part of the Companies (Indian Accounting Standards) Second Amendment Rules, 2019. These other amendments come into force on 1st April, 2019.

Ind AS - 12 "Income taxes", Appendix C - Uncertainty over income tax treatments

The appendix explains how to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

Ind AS - 12 "Income taxes"

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Ind AS – 19 "Employee benefits", Plan amendment, curtailment or settlement

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Ind AS - 23 "Borrowing costs"

The amendments clarify that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

The effective date for adoption of amendments as per Companies (Indian Accounting Standards) Second Amendment Rules, 2019 is annual periods beginning on or after 1st April, 2019. The Company will adopt the standard on 1st April, 2019 and is in the process of evaluating the impact on account of above amendment on its financial statements and will accordingly consider the same from period beginning 1st April, 2019.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation:

Compliance with Ind AS

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

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

Historical cost convention

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

- Derivative instruments
- Defined benefit plan assets

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

2.2 Business combinations and Goodwill:

Business combination - acquisition

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred, liabilities incurred to the former owners of the acquiree and the equity interests issued by the Company in exchange for control of the acquiree.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Business combination – common control transaction

Business combinations involving entities that are controlled by the Company are accounted for using the pooling of interests method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.
- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

Business combination-related costs are generally recognised in statement of profit and loss as incurred.

Goodwill

Goodwill on acquisitions of subsidiaries, associates and joint ventures is included in intangible assets. Goodwill is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to such entity.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

2.3 Investments in subsidiaries, joint ventures and associates:

Investments in associates, joint ventures and subsidiaries are measured at cost less provision for impairment, if any.

2.4 Government grants:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grants relating to income are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants relating to purchase of property, plant and equipment whose primary condition is that the Company should purchase, construct or otherwise acquire property, plant and equipment are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

2.5 Property, plant and equipment:

Tangible fixed assets

Freehold land is carried at historical cost. All other items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, except that on adoption of Ind AS, property, plant and equipment had been measured at deemed cost, using the net carrying value as per previous GAAP as at 1st April, 2015.

Capital work in progress in the course of construction for production, supply or administrative purposes is carried at cost, less any recognised impairment loss. Cost includes purchase price, taxes and duties, labour cost and other directly attributable costs incurred upto the date the asset is ready for its intended use. Such property, plant and equipment are classified to the appropriate categories when completed and ready for intended use.

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

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

Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are ready for their intended use. Depreciation for the year is provided on additions / deductions of the assets during the period from / up to the month in which the asset is added / deducted. Depreciation on tangible assets which are governed as per the provisions of Part B of Schedule II of the Companies Act, 2013 is provided on straight line basis (other than Agra Franchisee Business for which it is provided on written down value basis) using the depreciation rates, the methodology and residual value as notified by the respective regulatory bodies in accordance with the Electricity Act, 2003. For other tangible assets in non-regulated business, depreciation is provided on a straight line basis over the estimated useful lives.

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period in respect of tangible assets of non-regulated business. The effect of any such change in estimate in this regard is accounted for on a prospective basis.

The range of depreciation rates of property, plant and equipment are as follows:

Class of assets	Rate of depreciation		
	Regulated business	Franchisee business@	Other business
Buildings	1.80% to 6.00%	3.02% to 7.84%	1.18% to 31.67%
Railway siding	1.80% to 5.28%	-	-
Plant and machinery	1.80% to 18.00%	5.27% to 33.40%	12.66%
Electrical fittings and apparatus	3.60% to 6.33%	6.33% to 12.77%	9.50%
Furniture and fixtures	5.28% to 6.33%	6.33% to 12.77%	9.50%
Vehicles	6.00% to 18.00%	9.50% to 33.40%	9.50% to 11.88%
Office equipment	5.28% to 15.00%	6.33% to 33.40%	6.33% to 31.67%

@ governed by the applicable regulations of U. P. Electricity Regulatory Commission (UPERC)/ Maharashtra Electricity Regulatory Commission (MERC) for this purpose.

2.6 Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from its current use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Investment properties, other than free hold land, are depreciated using straight line method over their estimated useful lives.

2.7 Intangible assets – acquired:

Computer software is carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over its estimated useful life of 3 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period and the effect of any changes in such estimate being accounted for on a prospective basis.

Expenditure incurred on acquisition of intangible assets which are not ready to use at the reporting date is disclosed under "Intangible assets under development".

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

2.8 Impairment of tangible and intangible assets other than goodwill:

Tangible and intangible assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's fair value less costs of disposal and value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. An impairment loss is recognised immediately in profit or loss.

2.9 Borrowing costs:

Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, such as new projects and / or specific assets created in the existing business, are capitalized up to the date of completion and ready for their intended use.

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

Other borrowing costs are charged to the statement of profit and loss in the period of their accrual.

2.10 Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, cheques / drafts on hand, current account balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.11 Inventories:

Raw materials, fuel, stores and spares, packing materials, loose tools, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of inventories includes purchase price and all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the weighted average basis except inventory of Regasified Liquefied Natural Gas (RLNG) which is valued on FIFO basis and using specific identification method considering its procurement for beneficiary usage or others. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.12 Revenue recognition:

Revenue is recognized, when the control of the goods or services has been transferred to consumers. Revenue is measured at the fair value of the consideration received or receivable, net of discounts and other similar allowances.

(i) Revenue from power supply is accounted for in accordance with the principles laid down under the relevant Tariff Regulations / Tariff Orders notified by the Electricity Regulator. Revenue recognised includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff and adjustments in respect of unbilled amounts towards revenue gaps / unapproved FPPPA which are recognised considering applicable tariff regulations / tariff orders, past trends of approval, management's probability estimate and when no significant uncertainty exists in such determination.

These adjustments / accruals are carried forward as 'Unbilled revenue' under "Other current financial assets" in Note 18, which would be adjusted through future billing based on tariff determination by the regulator in accordance with the electricity regulations.

(ii) Sales of cables and trading of RLNG are recognised, net of returns and rebates, on transfer of control of ownership to the buyer. Sales exclude Goods and service tax.

(iii) Gross proceeds from sale of Certified Emission Reduction certificates (CERs) are recognized when all the control of CERs have been passed to the buyer, usually on delivery of the CERs.

(iv) Income from Generation Based Incentive is accounted on accrual basis considering eligibility of project for availing incentive.

(v) Contributions by consumers towards items of property, plant and equipment, which require an obligation to provide electricity connectivity to the consumers, are recognised as a credit to deferred revenue. Such revenue is recognised over the useful life of the property, plant and equipment.

2.13 Foreign currency translation:

Functional and presentation currency

The financial statements are prepared in Indian rupee (INR) which is functional as well as presentation currency of the Company.

Transactions and balances

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of profit and loss, within finance costs. All other foreign exchange differences arising on settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the financial year are recognized as income or expense in the financial year in which they arise.

The exchange differences relating to long term foreign currency monetary items, recognised in the financial statement upto 31st March, 2016, in so far as they relate to acquisition of depreciable capital assets is adjusted to the cost of such capital asset and depreciated over the balance useful life of such asset.

2.14 Employee benefits:

Defined contribution plans

Contributions to retirement benefit plans in the form of provident fund, employee state insurance scheme, pension scheme and superannuation schemes as per regulations are charged as an expense on an accrual basis when employees have rendered the service. The Company has no further payment obligations once the contributions have been paid.

Defined benefits plans

The liability or asset recognised in the balance sheet in respect of the retirement benefit plan i.e. gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by an actuary using projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

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

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

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

Other long-term employee benefit obligations

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

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

2.15 Taxation:

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

Current tax

The tax currently payable is based on estimated taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in the tax returns with respect to situations for which applicable tax regulations are subject to interpretation and revises the provisions, if so required where consider necessary.

Advance taxes and provisions for current income taxes are offset with each other when there is a legally enforceable right to offset and balances arise with the same tax authority.

Deferred tax

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

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

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

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

2.16 Earnings per share:

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

Diluted earnings per share is computed by adjusting the figures used in the determination of basic EPS to take into account:

- After tax effect of interest and other financing costs associated with dilutive potential equity shares.
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.17 Provisions, contingent liabilities and contingent assets:

Provisions

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

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

Contingent liability

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

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

2.18 Financial instruments:

Financial assets

i) Classification of financial assets (including debt instruments)

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

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

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

ii) Initial measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

iii) Subsequent measurement

There are three measurement categories into which the debt instruments can be classified:

- **Amortised cost**

  Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI)**

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

- **Fair value through profit or loss (FVTPL)**

  Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains / (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

iv) Impairment of financial assets

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

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

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

v) Derecognition of financial assets

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

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

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

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

vi) Income recognition

Dividend is accounted when the right to receive payment is established.

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest on overdue receivables of energy bills and claims including insurance claims, coal cost variation and other claims etc. are accounted as and when recovered.

Financial liabilities

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

i) Classification

All the Company's financial liabilities, except for financial liabilities at fair value through profit or loss, are measured at amortized cost.

ii) Initial measurement

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate Method.

The Effective Interest Rate Method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

iv) Derecognition of financial liabilities

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

2.19 Contributed equity:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Transaction costs of an equity transaction shall be accounted for in other equity.

2.20 Leases:

Leases (including lease arrangements for land) are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating Lease (The Company as Lessee): Lease payments under an operating lease are recognized as expense in the statement of profit and loss, on a straight-line or other systematic basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Lessor's expected inflationary cost increases, such increases are recognised in the year in which such liability accrues.

2.21 Amount presented and rounding off:

All amounts in the financial statements and notes have been presented in ₹ Crore (except for share data) rounded to two decimals as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated. Figures below ₹50,000 are denoted by '*'.

NOTE 3: CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the course of applying the policies outlined in all notes under note 2 above, the management of the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Such estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

3.1 Revenue recognition:

The Company has recognised revenue (including the adjustment in respect of unapproved FPPPA claims and other true up adjustment claims) as per the applicable tariff regulations / tariff orders, management's probability estimate and the past trends of approval. The company has not recognized those truing up adjustment claims which are subject of dispute and for which the company is in appeal with regulatory authorities.

3.2 Property, plant and equipment:

(i) Service concession arrangements

The Company has assessed applicability of Appendix D of Ind AS – 115 "Service Concession Arrangements" with respect to its distribution and transmission assets portfolio. In assessing the applicability, the Company has exercised judgment in relation to the provisions of the Electricity Act, 2003, transmission / distribution license and / or agreements. Based on such assessment, it has concluded that Appendix D of Ind AS 115 is not applicable.

(ii) Impairment of property, plant and equipment

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount of property, plant and equipment is the higher of its fair value less costs of disposal and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated PLF, fuel availability at economical rates, economic and regulatory environment, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets. [Refer note 41(1)]

3.3 Impairment of financial assets:

(i) Trade receivables

The Company estimates the credit allowance as per practical expedient based on historical credit loss experience as enumerated in note 56.

(ii) Impairment of investments

At the end of each reporting period, the Company reviews the carrying amounts of its investments when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for. [Refer note 41(2)]

3.4 Taxation:

(i) Current tax

The Company has treated certain expenditure as being deductible for tax purposes. However, the tax legislation in relation to such expenditure is not clear and the Company has applied their judgement and interpretation for the purpose of taking their tax position.

(ii) Deferred tax assets

Deferred tax assets are recognised for unused tax losses / credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. [Refer note 42]

3.5 Contingencies:

Contingent liabilities

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management decides whether the matters needs to be classified as 'remote', 'possible' or 'probable' based on expert advice, past judgements, experiences etc.

3.6 Employee benefit plans:

Defined benefit plans and other long-term employee benefits

The present value of obligations under defined benefit plan and other long term employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, these obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

NOTE 4 : PROPERTY, PLANT AND EQUIPMENT

As at 31st March, 2019

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation and impairment loss				Net carrying amount
	As at 1st April, 2018	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2019	As at 1st April, 2018	For the year	Deductions during the year	As at 31st March, 2019	As at 31st March, 2019
Freehold land	380.99	110.76	88.65	-	403.10	-	-	-	-	403.10
Buildings	1,426.22	79.13	0.37	0.70	1,505.68	135.82	51.68	0.04	187.46	1,318.22
Railway siding	1.86	-	-	-	1.86	0.15	0.05	-	0.20	1.66
Plant and machinery	17,776.99	1,229.67	31.74	6.13	18,981.05	2,796.24	1,088.72	11.32	3,873.64	15,107.41
Electrical fittings and apparatus	37.93	2.29	0.01	0.05	40.26	9.02	3.26	0.01	12.27	27.99
Furniture and fixtures	41.32	3.74	0.03	0.08	45.11	7.78	3.14	-	10.92	34.19
Vehicles	22.30	1.70	0.73	0.15	23.42	5.64	2.48	0.26	7.86	15.56
Office equipment	84.68	36.69	0.70	0.39	121.06	25.08	9.21	0.23	34.06	87.00
Total	19,772.29	1,463.98	122.23	7.50	21,121.54	2,979.73	1,158.54	11.86	4,126.41	16,995.13

As at 31st March, 2018

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation and impairment loss				Net carrying amount
	As at 1st April, 2017	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2018	As at 1st April, 2017	For the year^	Deductions during the year	As at 31st March, 2018	As at 31st March, 2018
Freehold land	368.95	12.04	-	-	380.99	-	-	-	-	380.99
Buildings	1,357.56	67.92	0.24	0.98	1,426.22	86.50	49.32	*	135.82	1,290.40
Railway siding	1.86	-	-	-	1.86	0.10	0.05	-	0.15	1.71
Plant and machinery	16,579.90	1,247.82	34.96	(15.77)	17,776.99	1,760.93	1,044.78	9.47	2,796.24	14,980.75
Electrical fittings and apparatus	34.16	3.85	0.10	0.02	37.93	6.02	3.05	0.05	9.02	28.91
Furniture and fixtures	37.33	4.28	0.29	-	41.32	4.84	3.09	0.15	7.78	33.54
Vehicles	19.33	4.31	1.35	0.01	22.30	3.82	2.23	0.41	5.64	16.66
Office equipment	71.79	13.45	0.61	0.05	84.68	17.60	7.70	0.22	25.08	59.60
Total	18,470.88	1,353.67	37.55	(14.71)	19,772.29	1,879.81	1,110.22	10.30	2,979.73	16,792.56

^ Includes impairement loss amounting to ₹ 14.07 Crore

NOTE 4 : PROPERTY, PLANT AND EQUIPMENT (Contd.)

Footnotes:

1 Assets pledged as security:

Entire movable and immovable properties (including capital work-in-progress) with the net carrying amount of ₹17,353.90 Crore (31st March, 2018 - ₹17,183.03 Crore) have been mortgaged and hypothecated to secure borrowings of the Company [Refer note 22].

2 Capital commitment:

Refer note 44(c) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

3 Adjustments during the year include capitalisation of borrowing costs of ₹7.28 Crore (Previous year - ₹5.77 Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 "Borrowing Costs".

4 Capital work-in-progress include borrowing costs of ₹2.67 Crore (31st March, 2018 - ₹0.71 Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 "Borrowing Costs".

5 The weighted average rate for capitalisation of borrowing cost relating to general borrowing is 8.68% (Previous year 8.55%).

6 Additions to plant and machinery includes capitalisation of directly attributable costs incurred by the Company under various headings.

7 Refer note 41(1) for impairment assessment of DGEN power plant.

8 Pro-rata cost of assets owned jointly with Torrent Pharmaceuticals Limited, a fellow subsidiary are as under:

(₹ in Crore)

Particulars	Proportion of holding	As at 31st March, 2019	As at 31st March, 2018
Freehold land	50%	23.78	23.78
Freehold land	70%	83.16	83.16
Building	70%	2.52	1.36

NOTE 5 : INVESTMENT PROPERTY

As at 31st March, 2019 (₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation				Net carrying amount
	As at 1st April, 2018	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2019	As at 1st April, 2018	For the year	Deductions during the year	As at 31st March, 2019	As at 31st March, 2019
Freehold land	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

As at 31st March, 2018 (₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation				Net carrying amount
	As at 1st April, 2017	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2018	As at 1st April, 2017	For the year	Deductions during the year	As at 31st March, 2018	As at 31st March, 2018
Freehold land	0.53	-	0.53	-	-	-	-	-	-	-
Total	0.53	-	0.53	-	-	-	-	-	-	-

Footnote:

1. Amount recognised in statement of profit and loss for investment property [Refer note 34] :

(₹ in Crore)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Rental income derived from investment property	-	1.05
Direct operating expenses arising from investment property	-	-

NOTE 6 : INTANGIBLE ASSETS

As at 31st March, 2019

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated amortization				Net carrying amount
	As at 1st April, 2018	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2019	As at 1st April, 2018	For the year	Deductions during the year	As at 31st March, 2019	As at 31st March, 2019
Computer software	26.53	10.43	-	-	36.96	13.30	6.35	-	19.65	17.31
Total	26.53	10.43	-	-	36.96	13.30	6.35	-	19.65	17.31

As at 31st March, 2018

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated amortization				Net carrying amount
	As at 1st April, 2017	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2018	As at 1st April, 2017	For the year	Deductions during the year	As at 31st March, 2018	As at 31st March, 2018
Computer software	17.26	9.27	-	-	26.53	9.86	3.44	-	13.30	13.23
Total	17.26	9.27	-	-	26.53	9.86	3.44	-	13.30	13.23

Footnote:

1. The above computer software has been mortgaged and hypothecated to secure borrowings of the Company [Refer note 22].

NOTE 7 : NON-CURRENT INVESTMENTS

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Investment in equity instruments (unquoted)		
Subsidiaries (at cost)		
Torrent Power Grid Limited		
Equity shares of ₹10 each fully paid up	66.60	66.60
(No. of shares - 31st March, 2019: 6,66,00,000, 31st March, 2018: 6,66,00,000)		
[2,70,00,000 (31st March, 2018 - 2,70,00,000) equity shares pledged as security in respect of the term loan provided to Torrent Power Grid Limited]		
Torrent Pipavav Generation Limited [Refer note 41(2)]		
Equity shares of ₹10 each fully paid up	47.50	47.50
(No. of shares - 31st March, 2019: 4,75,00,000, 31st March, 2018: 4,75,00,000)		
Less: Impairment in value of investment	(12.80)	(11.45)
Torrent Solargen Limited		
Equity shares of ₹10 each fully paid up	80.07	80.07
(No. of shares - 31st March, 2019: 8,00,50,000, 31st March, 2018: 8,00,50,000)		
Jodhpur Wind Farms Private Limited		
Equity shares of ₹10 each fully paid up	111.00	*
(No. of shares - 31st March, 2019: 11,10,00,000, 31st March, 2018: 1,000)		
[5,66,10,000 (31st March, 2018 - Nil) equity shares pledged as security in respect of the term loan and working capital facility provided to Jodhpur Wind Farms Private Limited]		
Latur Renewable Private Limited		
Equity shares of ₹10 each fully paid up	110.00	*
(No. of shares - 31st March, 2019: 11,00,00,000, 31st March, 2018: 1,000)		
[5,61,00,000 (31st March, 2018 - Nil) equity shares pledged as security in respect of the term loan and working capital facility provided to Latur Renewable Private Limited]		
	402.37	182.72
Others (at fair value through profit or loss)		
AEC Cements & Constructions Limited		
Equity shares of ₹10 each fully paid up	0.61	0.61
(No. of shares - 31st March, 2019: 9,61,500, 31st March, 2018: 9,61,500)		
Less: Impairment in value of investment	(0.61)	(0.61)
Tidong Hydro Power Limited		
Equity shares of ₹10 each fully paid up	0.02	0.02
(No. of shares - 31st March, 2019: 24,500, 31st March, 2018: 24,500)		
Less: Impairment in value of investment	(0.02)	(0.02)
Tornascent Care Institute @		
Equity shares of ₹10 each fully paid up	0.03	0.03
(No. of shares - 31st March, 2019: 25,000, 31st March, 2018: 25,000)		
UNM Foundation @		
Equity shares of ₹10 each fully paid up	0.03	0.03
(No. of shares - 31st March, 2019: 25,000, 31st March, 2018: 25,000)		
	0.06	0.06
	402.43	182.78

@ The Company has, jointly with Torrent Pharmaceuticals Limited, promoted section 8 companies, i.e Tornascent Care Institute and UNM Foundation, under the Companies Act, 2013 for the purpose of carrying out charitable activities.

NOTE 7 : NON-CURRENT INVESTMENTS (Contd.)

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Investment in non-convertible debentures (unquoted) (at amortised cost)		
Wind Two Renergy Private Limited		
Zero coupon secured, redeemable with premium non-convertible debentures of ₹1,00,000 each	97.21	73.29
(No. of debentures - 31st March, 2019: 9,070, 31st March, 2018: 7,276)		
Wind Four Renergy Private Limited		
Zero coupon secured, redeemable with premium non-convertible debentures of ₹1,00,000 each	91.23	55.35
(No. of debentures - 31st March, 2019: 8,600, 31st March, 2018: 5,482)		
Wind Five Renergy Private Limited		
Zero coupon secured, redeemable with premium non-convertible debentures of ₹1,00,000 each	88.87	55.33
(No. of debentures - 31st March, 2019: 8,400, 31st March, 2018: 5,482)		
	277.31	183.97
Contingency reserve investments - statutory (quoted) (at amortised cost) $		
8.28% GOI Bond - 2032	0.99	0.99
8.32% GOI Bond - 2032	0.32	0.32
8.97% GOI Bond - 2030	1.01	1.01
8.28% GOI Bond - 2027	1.30	1.30
7.35% GOI Bond - 2024	1.32	1.32
8.40% GOI Bond - 2024	1.63	1.63
6.68% GOI Bond - 2031	1.69	1.69
7.37% GOI Bond - 2023	1.93	-
	10.19	8.26
	689.93	375.01
Aggregate amount of quoted investments	10.19	8.26
Aggregate amount of unquoted investments	679.74	366.75
	689.93	375.01
Aggregate amount of impairment in value of investments	13.43	12.08
Aggregate amount of market value of quoted investments	10.54	8.42

$ Investment in Government of India bonds have been made in terms of Gujarat Electricity Regulatory Commission (GERC) Multi-Year Tariff (MYT) Regulations, which can be utilised only for the purposes mentioned therein. [Refer note 21- Contingency reserve]

NOTE 8 : NON-CURRENT LOANS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Loans to related parties (including interest accrued) [Refer note 55(d)]	128.44	-
Security deposits	16.71	16.73
	145.15	16.73

NOTE 9 : OTHER NON-CURRENT FINANCIAL ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Inter-corporate deposits #	230.00	-
Bank fixed deposits	0.48	0.61
Other advances	0.13	0.15
	230.61	0.76

include ₹80.00 Crore (31st March, 2018 - ₹ Nil) on which a lien has been created in favour of lenders

NOTE 10 : NON- CURRENT TAX ASSETS

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Advance income tax (net)	26.69	26.85
	26.69	26.85

NOTE 11 : OTHER NON-CURRENT ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Capital advances	474.20	269.49
Advances for goods and services	213.02	230.29
Balances with government authorities	2.94	2.94
Prepaid expenses	2.13	2.41
Unamortised premium for leasehold land	155.84	153.57
	848.13	658.70

NOTE 12 : INVENTORIES

(valued at lower of cost and net realizable value)

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Stores and spares	279.20	284.87
Fuel	292.47	135.35
Raw materials	21.21	19.74
Work-in-progress	8.75	5.93
Finished goods	23.31	6.44
Packing materials	0.49	0.54
Loose tools	1.24	1.51
	626.67	454.38

Footnotes:

1. The cost of stores and spares inventories recognised as an expense includes ₹1.97 Crore (Previous year - ₹5.65 Crore) in respect of write-downs of inventory to net realisable value determined based on evaluation of slow and non-moving inventories.
2. The above carrying amount of inventories has been mortgaged and hypothecated to secure borrowings of the Company.
3. The above carrying amount of fuel includes goods in transit of ₹4.48 Crore (31st March, 2018 - ₹6.05 Crore).

NOTE 13 : CURRENT INVESTMENTS

(Investments carried at fair value through profit or loss)

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Investment in mutual funds (unquoted)		
Axis Liquid Fund- Growth (No. of units - 31st March, 2019: 4,46,035, 31st March, 2018: Nil)	92.11	-
Baroda Pioneer Liquid Fund-Growth (No. of units - 31st March, 2019: Nil, 31st March, 2018: 4,28,694)	-	85.28
DSPBR Liquidity Fund (No. of units - 31st March, 2019: Nil, 31st March, 2018: 1,36,631)	-	33.80
ICICI Liquid Plan - Regular - Growth (No. of units - 31st March, 2019: 69,05,766, 31st March, 2018: Nil)	190.20	-
Invesco India Liquid Fund - Growth (No. of units - 31st March, 2019: Nil, 31st March, 2018: 4,59,617)	-	109.56
SBI PLF - Regular Plan Growth # (No. of units - 31st March, 2019: Nil, 31st March, 2018: 7,80,363)	-	211.92
Tata Money Market Fund (No. of units - 31st March, 2019: 6,48,844, 31st March, 2018: 4,86,299)	190.15	132.61
UTI Liquid Cash Plan - Growth (No. of units - 31st March, 2019: Nil, 31st March, 2018: 1,44,348)	-	40.95
	472.46	614.12
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	472.46	614.12
	472.46	614.12
Aggregate amount of impairment in value of investments	-	-
Aggregate amount of market value of quoted investments	-	-
	-	-

include ₹ Nil (31st March, 2018 - ₹89.14 Crore) on which a lien has been created in favour of lenders

NOTE 14 : TRADE RECEIVABLES

(₹ in Crore)

			As at 31st March, 2019	As at 31st March, 2018
Trade receivables				
Secured	-	Considered good	488.34	453.95
Unsecured	-	Considered good	682.19	670.53
	-	Credit impaired	151.81	135.93
			1,322.34	1,260.41
Less: Allowance for bad and doubtful debts			151.81	135.93
			1,170.53	1,124.48

Footnotes:

1. Refer note 56 for credit risk related disclosures.
2. Refer note 22 for charge on current assets including trade receivables.

NOTE 15 : CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Balances with banks		
Balance in current accounts	106.86	132.00
Balance in fixed deposit accounts (original maturity of less than three months)	0.03	0.03
	106.89	132.03
Cheques, drafts on hand	6.02	1.61
Cash on hand	1.42	0.59
	114.33	134.23

NOTE 16 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Unpaid dividend accounts	7.44	8.11
Unpaid fractional coupon accounts	0.35	0.34
Balance in fixed deposit accounts # (maturity of more than three months but less than twelve months)	204.13	127.05
	211.92	135.50
# include ₹69.00 Crore (31st March, 2018 - ₹ Nil) on which a lien has been created in favour of lenders		

NOTE 17 : CURRENT LOANS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Loans to related parties (including interest accrued) [Refer note 55(d)]	188.97	618.19
Security deposits	15.05	16.30
	204.02	634.49

NOTE 18 : OTHER CURRENT FINANCIAL ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Inter-corporate deposits #	75.00	155.00
Interest accrued on non-current investments	0.17	0.10
Interest accrued on deposits	12.27	9.25
Unbilled revenue (including revenue gap / surplus) [Refer note 57]	1,490.44	480.63
	1,577.88	644.98
Other advances / receivables		
Considered good	3.42	5.31
Considered credit impaired	6.06	6.06
	9.48	11.37
Less : Allowance for doubtful advances	6.06	6.06
	3.42	5.31
	1,581.30	650.29

on which a lien has been created in favour of lenders

NOTE 19 : OTHER CURRENT ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Advances for goods and services	52.84	63.05
Balances with government authorities	53.82	0.12
Prepaid expenses	19.20	9.67
Unamortised premium for leasehold land	5.85	5.73
	131.71	78.57

NOTE 20 : EQUITY SHARE CAPITAL

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Authorised		
4,37,00,00,000 (4,37,00,00,000 as at 31st March, 2018) equity shares of ₹10 each	4,370.00	4,370.00
	4,370.00	4,370.00
Issued, subscribed and paid up		
48,06,16,784 (48,06,16,784 as at 31st March, 2018) equity shares of ₹10 each	480.62	480.62
	480.62	480.62

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

	No. of shares As at 31st March, 2019	No. of shares As at 31st March, 2018
At the beginning of the year	48,06,16,784	48,06,16,784
Issued during the year	-	-
Outstanding at the end of the year	48,06,16,784	48,06,16,784

2. 25,74,22,311 equity shares (25,74,22,311 equity shares as at 31st March, 2018) of ₹10 each fully paid up are held by the Parent Company - Torrent Private Limited.

3. Terms / Rights attached to equity shares :

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

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

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

Name of the Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No. of shares	% holding	No. of shares	% holding
Torrent Private Limited	25,74,22,311	53.56%	25,74,22,311	53.56%
Gujarat State Financial Services Limited	4,68,71,621	9.75%	-	-
Axis Mutual Fund Trustee Limited	3,07,44,585	6.40%	2,26,39,291	@
Gujarat State Investment Limited	-	-	4,68,71,621	9.75%
Life Insurance Corporation of India	1,49,68,387	@	2,83,83,394	5.91%

@ less than 5%

5. Aggregate number of equity shares allotted as fully paid up pursuant to contract(s) without payment being received in cash :

   During financial year 2015-16, the Company allotted 81,68,476 equity shares of ₹10 each at par to the shareholders of Torrent Cables Limited pursuant to the scheme of amalgamation of Torrent Energy Limited and Torrent Cables Limited with Torrent Power Limited as approved by the Hon'ble Gujarat High Court vide its order dated 13th August, 2015.

6. Distributions made and proposed:

   The amount of per share dividend distributed to equity shareholders during the year ended 31st March, 2019 was ₹5.00 (Previous year- ₹2.20) per equity share, being the final dividend declared for the year ended 31st March, 2018.

   The Board of Directors at its meeting held on 15th May, 2019 has recommended a dividend of 50.00% (₹5.00 per equity share of par value ₹10 each).The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting and if approved, would result in a cash outflow of approximately ₹289.71 Crore (inclusive of dividend distribution tax of ₹49.40 Crore).

NOTE 21 : OTHER EQUITY

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Reserves and surplus		
Securities premium	0.03	0.03
Debenture redemption reserve	197.90	163.68
Contingency reserve	9.76	7.95
Special reserve	78.07	78.07
General reserve	3,583.89	3,583.89
Retained earnings	4,586.53	3,378.45
	8,456.18	7,212.07

Footnotes:

1. Securities premium:

   Securities premium reflects issuance of the shares by the Company at a premium, whether for cash or otherwise i.e. a sum equal to the aggregate amount of the premium received on shares is transferred to a “securities premium account” as per the provisions of the Companies Act, 2013. The reserve can be utilised in accordance with the provisions of the Act.

2. Debenture redemption reserve:

   The Company has issued redeemable non-convertible debentures. Consequently, the Company is required under the Companies (Share capital and Debentures) Rules, 2014 (as amended), to create Debenture redemption reserve (DRR), equal to 25% of the value of debentures, out of profits of the Company available for payment of dividend. The Company creates DRR, for the required amount, over the tenure of the debentures, before redemption begins.

3. Contingency reserve:

   As per the provisions of GERC MYT Regulations read with Tariff orders passed by GERC, the Company being a Distribution Licensee makes an appropriation to the contingency reserve to meet with certain exigencies. Investments in Bonds issued by Government of India have been made against such reserve.

4. Special reserve:

   As per MYT Regulations (2007), the Company has created a reserve in FY 2011-12 and FY 2012-13, which represents one third amount of controllable gain shall be retained in a special reserve by the Generating Company or Licensee for the purpose of absorbing the impact of any future losses on account of controllable factors.

5. General reserve:

   General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. The general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

6. Retained earnings:

   The retained earnings reflect the profit of the company earned till date net of appropriations. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve, after considering the requirements of the Companies Act, 2013.

NOTE 22 : NON-CURRENT BORROWINGS

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Non-current borrowings		
Secured loans - at amortised cost		
Non convertible debentures		
10.35% Series 1	550.00	550.00
10.35% Series 2A, 2B & 2C	300.00	300.00
8.95% Series 3A, 3B & 3C	245.00	245.00
	1,095.00	1,095.00
Term loans @		
From banks	6,917.74	7,382.94
	6,917.74	7,382.94
	8,012.74	8,477.94
Unsecured loans - at amortised cost		
Term loans		
From Government of India under Accelerated Power Development and Reform Programme (APDRP)	20.64	24.46
	20.64	24.46
	8,033.38	8,502.40
@ After considering unamortised expense of ₹30.13 Crore as at 31st March, 2019 and ₹34.31 Crore as at 31st March, 2018.		
Current maturities		
Secured loans - at amortised cost		
Term loans $		
From banks	778.78	710.21
	778.78	710.21
Unsecured loans - at amortised cost		
Term loans		
From Government of India under Accelerated Power Development and Reform Programme (APDRP)	3.82	3.82
	3.82	3.82
	782.60	714.03
Amount disclosed under the head 'Other current financial liabilities' [Refer note 29]	(782.60)	(714.03)
	-	-

$ After considering unamortised expense of ₹4.68 Crore as at 31st March, 2019 and ₹4.78 Crore as at 31st March, 2018.

NOTE 22 : NON-CURRENT BORROWINGS (Contd.)

Footnotes:

1. Nature of security

   The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for term loans of ₹7,731.33 Crore and non convertible debentures of ₹1,095.00 Crore.

2. The future annual repayment obligations on principal amount for the above long-term borrowings are as under :-

(₹ in Crore)

Financial year	Term loans	Non convertible debentures	Financial year	Term loans	Non convertible debentures
2019-2020	787.28	-	2026-2027	653.98	-
2020-2021	517.32	283.32	2027-2028	634.66	-
2021-2022	607.30	363.32	2028-2029	562.15	-
2022-2023	375.22	368.36	2029-2030	562.15	-
2023-2024	427.92	80.00	2030-2031	562.15	-
2024-2025	568.45	-	2031-2032	491.88	-
2025-2026	654.01	-	2032-2033	351.32	-

3. Undrawn term loans from banks, based on approved facilities, were ₹1,720.41 Crore.

NOTE 23 : NON-CURRENT TRADE PAYABLES

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Trade payables for goods and services		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues other than micro and small enterprises	109.34	94.64
	109.34	94.64

NOTE 24 : OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Security deposits from consumers	1,054.79	955.95
Payables for purchase of property, plant and equipment	0.24	0.42
Sundry payables	-	0.07
	1,055.03	956.44

NOTE 25 : NON-CURRENT PROVISIONS

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Provision for employee benefits		
Provision for compensated absences	83.15	78.96
	83.15	78.96

NOTE 26 : OTHER NON-CURRENT LIABILITIES

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Deferred revenue [Refer note 43]		
Contribution received from consumers	950.04	853.84
Capital grant from government	21.58	24.31
	971.62	878.15

NOTE 27 : CURRENT BORROWINGS

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Secured loans		
Cash credit from banks	300.05	-
	300.05	-

Footnotes:

1 The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for working capital facilities and by way of second pari passu charge in favour of lenders for hedge facility.

2 Undrawn cash credit from banks, based on approved facilities, were ₹550.00 Crore.

Net debt reconciliation :

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Cash and cash equivalents	114.33	134.23
Current investments	472.46	614.12
Current borrowings	(300.05)	-
Non-current borrowings (including current maturities and interest accrued but not due)	(8,875.42)	(9,279.08)
	(8,588.68)	(8,530.73)

	Other assets		Liabilities from financing activities		Total
	Cash and cash equivalents	Current investments	Current borrowings	Non-current borrowings	
Net balance as at 1st April, 2017	102.41	552.92	(76.62)	(8,633.04)	(8,054.33)
Cash flows	31.82	13.44	76.62	(624.62)	(502.74)
Interest expense	-	-	(0.06)	(768.02)	(768.08)
Interest paid	-	-	0.06	746.60	746.66
Gain on sale of current investments	-	42.19	-	-	42.19
Fair value adjustment	-	5.57	-	-	5.57
Net balance as at 31st March, 2018	134.23	614.12	-	(9,279.08)	(8,530.73)
Cash flows	(19.90)	(175.83)	(300.05)	404.73	(91.05)
Interest expense	-	-	(12.23)	(809.46)	(821.69)
Interest paid	-	-	12.23	808.39	820.62
Gain on sale of current investments	-	40.33	-	-	40.33
Fair value adjustment	-	(6.16)	-	-	(6.16)
Net balance as at 31st March, 2019	114.33	472.46	(300.05)	(8,875.42)	(8,588.68)

NOTE 28 : CURRENT TRADE PAYABLES

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Trade payables for goods and services		
Total outstanding dues of micro and small enterprises [Refer note 46]	27.10	18.34
Total outstanding dues other than micro and small enterprises	758.03	638.94
	785.13	657.28

NOTE 29 : OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Current maturities of long-term debt [Refer note 22]	782.60	714.03
Interest accrued but not due on loans and security deposits	24.63	23.56
Investor education and protection fund #		
Unpaid / Unclaimed dividend	7.44	8.11
Unclaimed fractional coupons	0.35	0.34
Book overdraft	25.32	34.01
Security deposits from consumers	26.45	25.39
Other deposits	3.97	3.69
Payables for purchase of property, plant and equipment^	248.82	189.91
Sundry payables (including for employees related payables)	154.38	157.21
	1,273.96	1,156.25

There is no amount due and outstanding to be credited to investor education and protection fund as at 31st March, 2019.
^ including dues to micro and small enterprises for ₹2.29 Crore (31st March, 2018 - ₹Nil) [Refer note 46].

NOTE 30 : OTHER CURRENT LIABILITIES

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Credit balances of consumers	66.82	59.46
Service line deposits from consumers	258.73	239.88
Deferred revenue [Refer note 43]		
Contribution received from consumers	67.20	58.34
Capital grant from government	2.72	2.71
Statutory dues	32.88	26.36
Sundry payables (including for electricity duty payable)	232.94	170.99
	661.29	557.74

NOTE 31 : CURRENT PROVISIONS

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Provision for employee benefits		
Provision for gratuity [Refer note 48.2(d)]	18.34	11.04
Provision for compensated absences	23.88	20.59
	42.22	31.63
Other provisions		
Provision for indirect taxes	0.07	0.18
	42.29	31.81
Movement in provision for indirect taxes :		
Opening balance as on 1st April	0.18	0.23
Additional provision recognised	0.06	-
Reduction arising from payments	(0.17)	(0.05)
Closing balance as on 31st March	0.07	0.18

NOTE 32 : CURRENT TAX LIABILITIES

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Provision for taxation (net of advance tax and tax deducted at source)	16.36	26.31
	16.36	26.31

NOTE 33 : REVENUE FROM OPERATIONS

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Revenue from contracts with customers		
Revenue from power supply [Refer note 57]	12,266.97	10,899.23
Revenue from sale of cable products (including excise duty)		
Manufactured goods	297.22	286.82
Traded goods	-	0.07
Revenue from trading of RLNG	237.22	55.99
	12,801.41	11,242.11
Less: Discount for prompt payment of bills	17.89	15.35
	12,783.52	11,226.76
Other operating income		
Hire of meters	1.41	52.26
Provisions of earlier years written back	26.98	8.04
Insurance claim receipt	0.07	1.35
Amortisation of deferred revenue		
Contribution received from consumers [Refer note 43(a)(2)]	60.94	53.84
Capital grant from government [Refer note 43(b)(2)]	2.72	2.71
Income from Certified Emission Reduction (CERs)	6.62	3.40
Income from Generation Based Incentive	32.10	31.73
Miscellaneous income	63.16	68.77
	194.00	222.10
	12,977.52	11,448.86

NOTE 34 : OTHER INCOME

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest income from financial assets at amortised cost		
Deposits	24.09	25.49
Consumers	28.23	21.21
Contingency reserve investments	0.73	0.60
Loans to related parties [Refer note 55(b)]	73.96	6.53
Others	20.90	19.62
	147.91	73.45
Dividend income from non-current investments carried at cost	6.66	6.66
Rent income from investment property [Refer note 5]	-	1.05
Gain on disposal of property, plant and equipment / investment property	8.40	54.97
Gain on sale of current investments in mutual funds	40.33	42.19
Net gain arising on financial assets / liabilities measured at amortised cost	24.45	14.39
Net gain / (loss) arising on current investments in mutual funds measured at fair value through profit or loss	(6.16)	5.57
Net gain on foreign currency transactions	4.70	0.76
Miscellaneous income	35.26	68.88
	261.55	267.92

NOTE 35 : COST OF MATERIALS CONSUMED

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Cost of materials consumed	311.02	323.79
Less: Allocated to capital works	51.16	90.35
	259.86	233.44

NOTE 36 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Inventory of finished goods		
Opening stock	6.44	7.44
Less: Closing stock	23.31	6.44
	(16.87)	1.00
Less: Increase / (decrease) in excise duty on movement of finished goods inventory	-	0.32
	(16.87)	0.68
Inventory of work-in-progress		
Opening stock	5.93	6.50
Less: Closing stock	8.75	5.93
	(2.82)	0.57
Less: Allocated to capital works	(0.11)	-
	(19.58)	1.25

NOTE 37 : EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Salaries, wages and bonus	586.28	554.68
Contribution to provident and other funds [Refer note 48.1]	35.77	33.48
Employees welfare expenses	22.05	20.83
Compensated absences	20.62	4.91
Gratuity [Refer note 48.2(e)(3)]	12.35	32.20
	677.07	646.10
Less: Allocated to capital works, repairs and other relevant revenue accounts	192.86	180.78
	484.21	465.32

NOTE 38 : FINANCE COSTS

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest expense for financial liabilities not classified as fair value through profit or loss		
Term loans	699.56	658.12
Non convertible debentures	109.90	109.90
Working capital loans	12.23	0.06
Security deposits from consumers	61.49	59.51
Others	3.58	3.04
Other borrowing costs	9.75	8.47
Amortisation of borrowing costs	4.87	4.65
	901.38	843.75
Less: Allocated to capital works	9.23	4.06
	892.15	839.69

NOTE 39 : DEPRECIATION AND AMORTIZATION EXPENSE AND IMPAIRMENT LOSS

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Depreciation expense and impairment loss on property, plant and equipment	1,158.54	1,110.22
Amortization expense on intangible assets	6.35	3.44
	1,164.89	1,113.66
Less: Transfer from others	0.10	0.09
Less: Allocated to capital works	1.74	2.43
	1,163.05	1,111.14

NOTE 40 : OTHER EXPENSES

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Consumption of stores and spares	165.03	171.50
Rent and hire charges	25.01	19.23
Repairs to		
Buildings	11.53	12.28
Plant and machinery	313.69	312.94
Others	14.47	16.40
	339.69	341.62
Insurance	17.21	19.81
Rates and taxes	10.92	9.78
Excise duty	-	9.92
Vehicle running expenses	29.53	30.53
Electricity expenses	26.38	27.13
Security expenses	35.01	37.64
Water charges	16.41	16.66
Corporate social responsibility expenses [Refer note 50]	19.64	14.95
Loss on sale / discarding of property, plant and equipment	17.97	21.96
Commission to non-executive directors [Refer note 55(b)]	6.11	1.29
Directors sitting fees [Refer note 55(b)]	0.78	0.82
Auditors remuneration [Refer note 49]	1.61	0.89
Legal, professional and consultancy fees	39.65	35.00
Donations [Refer note 51]	34.20	17.68
Net loss on foreign currency transactions	-	31.99
Allowance / impairment for non-current investments	1.35	11.47
Bad debts written off (net of recovery)	3.96	3.32
Allowance for doubtful debts (net)	15.88	6.45
Miscellaneous expenses	103.97	117.37
	910.31	947.01
Less: Allocated to capital works, repairs and other relevant revenue accounts	64.71	78.74
	845.60	868.27

NOTE 41: IMPAIRMENT ASSESSMENT

1) DGEN Power Plant

Property, Plant & Equipment ("PPE") includes carrying amount of ₹4,365 Crore pertaining to 1,200 MW DGEN Mega Power Project located at Dahej, India ("DGEN"). DGEN started commercial operations from November 2014 ("COD"). Due to various factors such as unavailability of domestic gas, high prices of imported gas and non-availability of power purchase agreements DGEN was not operated after COD, except for intermittent periods during FY 2015-16. During the periods of non-operation, DGEN was maintained in cold standby mode for immediate start-up, as and when required.

In view of above conditions, the Company carried out an assessment to test whether the carrying amount as at 31st March, 2019 of PPE of ₹4,365 Crore in respect of DGEN was required to be impaired in accordance with Indian Accounting Standard 36 ("Ind AS 36"). The assessment was carried out with the help of an external valuer ("expert"). The expert estimated value-in-use by adopting discounted cash flow method for the balance useful life of the DGEN project as at 31st March, 2019 under two scenarios i.e the management case and an alternate case by taking varied sets of assumptions reflective of likely future operating scenarios. The value in use in both the scenarios is higher than the carrying amount of the PPE pertaining to DGEN and accordingly no impairment provision is considered necessary as at 31st March, 2019.

The assessment of value-in-use involved several key assumptions including expected demand, future price of fuel, expected tariff rates for electricity, discount rate, exchange rate and current electricity market scenario which the management considered reasonable based on past trends and the current and likely future state of the industry. Management intends to review such assumptions periodically to factor updated information based on events or changes in circumstances in order to make fresh assessment of impairment, if any. Changes in such key assumptions in future may have a material adverse impact on the value-in-use.

2) Investment in Torrent Pipavav Generation Limited

Torrent Pipavav Generation Limited ("TPGL"), a subsidiary of the Company, had paid for acquisition of land in Amreli, Gujarat for the purpose of developing a coal based power plant of 1,000+ MW. Due to non-availability of fuel linkage, the Government of Gujarat vide its letter dated 6th December, 2017, has communicated that the said project may not be developed and accordingly, the joint venture between Torrent Power Limited and Gujarat Power Corporation Limited (GPCL) is intended to be dissolved. The cost of land would be reimbursed through disposal by state government. With reference to this, in the month of March 2019, GPCL has written a letter to Collector, Amreli stating that land is surrendered to the Government and requested Energy and Petroleum Department, Government of Gujarat to take further action in the matter. The management has made an impairment assessment of the land valuation by comparing the carrying value of such land in the books with the stamp value as prescribed by the Superintendent of Stamps, Gandhinagar, Gujarat, on the basis of which it has been concluded that there is no impairment. The recovery of the amount invested as equity and loan aggregating ₹105.12 Crore is dependent on the ability of the Government to find a buyer for the land.

NOTE 42: INCOME TAX EXPENSES

(a) Income tax expense recognised in statement of profit and loss

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Current tax		
Current tax on profits for the year	272.64	308.42
Adjustment for current tax of prior periods	(3.38)	(4.82)
	269.26	303.60
Deferred tax (other than that disclosed under OCI)		
Decrease / (increase) in deferred tax assets	(43.53)	(110.87)
(Decrease) / increase in deferred tax liabilities	133.39	261.06
	89.86	150.19
Income tax expense	359.12	453.79

(b) Reconciliation of income tax expense

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Profit before tax	1,248.36	1,375.53
Expected income tax expense calculated using tax rate at 34.944% (Previous year - 34.608%)	436.23	476.04
Adjustment to reconcile expected income tax expense to reported income tax expense:		
Effect of:		
Expenditure not deductible under Income Tax Act	24.60	22.30
Income not taxable under Income Tax Act	(2.33)	(2.30)
Tax incentives	(376.56)	0.47
Transition to Ind AS 115	63.53	-
Unabsorbed depreciation / tax credits and other items	217.03	(57.23)
Impact of enacted income tax rate on deferred tax balance	-	19.33
Total	362.50	458.61
Adjustment for current tax of prior periods	(3.38)	(4.82)
Total expense as per statement of profit and loss	359.12	453.79

The tax rate used for the reconciliations given above is the actual / enacted corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.

(c) Income tax recognised in other comprehensive income

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Deferred tax		
Re-measurement of defined benefit obligation (Items that will not be reclassified to profit or loss)	(9.55)	20.49
Income tax expense / (income) recognised in other comprehensive income	(3.34)	7.16

NOTE 42: INCOME TAX EXPENSES (Contd.)

(d) Deferred tax balances

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

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Deferred tax assets	653.27	606.40
Deferred tax liabilities	(2,209.53)	(2,076.14)
	(1,556.26)	(1,469.74)

(2) Movement of deferred tax assets / (liabilities)

Deferred tax assets / (liabilities) in relation to the year ended 31st March, 2019

(₹ in Crore)

	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, plant and equipment	(2,064.59)	(139.82)	-	(2,204.41)
Expense allowable for tax purposes when paid	58.29	(4.71)	3.34	56.92
Tax effect on fair value change in financial instruments and unamortised cost	(11.55)	6.43	-	(5.12)
Unabsorbed depreciation / Minimum Alternate Tax (MAT) credit entitlement and other items	548.11	48.24	-	596.35
	(1,469.74)	(89.86)	3.34	(1,556.26)

Deferred tax assets / (liabilities) in relation to the year ended 31st March, 2018

(₹ in Crore)

	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, plant and equipment	(1,810.58)	(254.01)	-	(2,064.59)
Expense allowable for tax purposes when paid	58.27	7.18	(7.16)	58.29
Tax effect on fair value change in financial instruments and unamortised cost	(4.50)	(7.05)	-	(11.55)
Unabsorbed depreciation / Minimum Alternate Tax (MAT) credit entitlement and other items	444.42	103.69	-	548.11
	(1,312.39)	(150.19)	(7.16)	(1,469.74)

(3) Unrecognised deferred tax assets

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Unused tax losses	-	146.01
Unused tax credits	973.65	807.99
	973.65	954.00

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

The assessment of taxable income involved several key assumptions including expected demand, future price of fuel, expected tariff rate for electricity, exchange rate and electricity market scenario, which the management considered reasonable based on past trends, applicable tariff regulations / agreements and current and likely future state of the industry.

NOTE 43: DEFERRED REVENUE

(a) Contribution received from consumers

(1) Nature of contribution received from consumers

Contributions received from consumers towards property, plant and equipment has been recognised as deferred revenue.

(2) Movement of contribution received from consumers

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Opening balance	912.18	845.50
Add: Contribution received during the year	166.00	120.52
Less: Amortisation of contribution transferred to statement of profit and loss [Refer note 33]	(60.94)	(53.84)
Closing balance	1,017.24	912.18
Non-current portion [Refer note 26]	950.04	853.84
Current portion [Refer note 30]	67.20	58.34
	1,017.24	912.18

(b) Government grant

(1) Nature of government grant

Ministry of Power, Government of India (GoI), had introduced the Accelerated Power Development & Reforms Programme (APDRP) to achieve reduction in AT&C losses, to strengthen the T&D network and to ensure reliable and quality power supply with adequate consumer satisfaction. The projects approved for financing under the programme are eligible for a grant and soft loan each equivalent to 25% of the project cost from the GoI. The Balance 50% was required to be funded by the Company. There are no unfulfilled conditions or other contingencies attached to these grants.

(2) Movement of government grant

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Opening balance	27.02	29.73
Add: Grants during the year	-	-
Less: Amortisation of grant transferred to statement of profit and loss [Refer note 33]	(2.72)	(2.71)
Closing balance	24.30	27.02
Non-current portion [Refer note 26]	21.58	24.31
Current portion [Refer note 30]	2.72	2.71
	24.30	27.02

NOTE 44: CONTINGENT LIABILITIES, CONTINGENT ASSETS AND CAPITAL COMMITMENTS

(a) Contingent liabilities

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Disputed income tax matters	31.52	29.22
Disputed sales tax matters	4.29	4.29
Disputed custom duty matters	18.50	18.50
Disputed excise duty matters	2.45	2.45
Disputed stamp duty matters	0.35	0.35
Disputed value added tax matters	3.26	3.11
Disputed central sales tax matters	3.20	2.55
Claims against the Company not acknowledged as debt	34.51	28.30
Guarantees given to lenders of subsidiaries	274.13	-

The Company is in the process of evaluating the impact of the Supreme Court ("SC") judgement dated 28th February, 2019 in the case of Regional Provident Fund Commissioner (II) West Bengal v/s Vivekananda Vidyamandir and Others, in relation to non-inclusion of certain allowances within the definition of "basic wages" of the relevant employees for the purposes of determining contribution to Provident Fund ("PF") under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. There are interpretation issues relating to the said SC judgement and review petitions are pending before the SC in this matter. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in the financial statements.

Footnote:
In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute / matters. No reimbursement is expected.

(b) Contingent assets

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Coal grade slippage claim	31.49	16.02
	31.49	16.02

(c) Capital commitments

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
Property, plant and equipment	3,280.51	2,219.98
ii) Other commitments		
Equity investment in subsidiaries	275.00	-
Investment in associates	-	350.10

iii) Novation agreement with lender for short term finance facilities obtained by associates :

During the year, the Company has entered into an agreement to novate with a lender in respect of two short term finance facilities obtained by two of its associates against which an aggregate amounts of ₹98.00 Crore is outstanding as on 31st March, 2019. As per the terms of the said agreement, in certain circumstances, the Company will be obligated to purchase the outstanding loan balances if the right is so exercised by the lender, as per the terms of the agreement.

NOTE 45: THE COMPANY HAS GIVEN LOANS TO ITS SUBSIDIARY COMPANIES AS UNDER:

Disclosure under Regulation 34(3) read with para A of Schedule V of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015

(₹ in Crore)

	Maximum amount outstanding during the year		Amount outstanding	
	Year ended 31st March, 2019	Year ended 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Subsidiary Companies				
Torrent Pipavav Generation Limited	57.62	56.12	57.62	56.12
Torrent Solargen Limited	131.35	-	131.35	-
Jodhpur Wind Farms Private Limited	443.44	283.43	72.87	283.43
Latur Renewables Private Limited	433.81	278.64	55.57	278.64
			317.41	618.19

1. Other than above, the Company has not given any loans or advances in the nature of loan to any of its subsidiaries and associates or firms / companies, in which Directors are interested.
2. The above loans were given to the subsidiaries for their normal business activities.

The Company is engaged in the business of providing infrastructural facilities as per Section 186 (11) of the Act. Accordingly, disclosure under Section 186 (4) of the Act, is not applicable to the Company.

NOTE 46: MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

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

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
(a) Principal amount remaining unpaid [Refer notes 28 and 29]	29.01	18.34
(b) Interest due thereon	0.02	0.03
(c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
(i) Principal amounts paid to the suppliers beyond the appointed day during the year	5.24	2.78
(ii) Interest paid under section 16 of the MSMED Act, to the suppliers, beyond the appointed day during the year	0.04	0.03
(d) The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	0.36	*
(e) The amount of interest accrued and remaining unpaid [b+d]	0.38	0.03
(f) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

NOTE 47: OPERATING LEASE

The Company's significant leasing arrangements, other than land, are in respect of residential flats, office premises, plant and machinery and equipment taken on lease. The arrangements range between 11 months and 10 years generally and are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally refundable interest free deposits have been given. The Company has not entered into any material financial lease. The Company does not have any non-cancellable lease.

Leasing arrangements with respect to land range between 25 years to 99 years.

NOTE 48: EMLOYEE BENEFIT PLANS

48.1 Defined contribution plan:

The Company has defined contribution retirement benefit plans for its employees.

The Company's contributions to provident fund, pension scheme and employee state insurance scheme are made to the relevant government authorities as per the prescribed rules and regulations. The Company's superannuation scheme for qualifying employees is administered through its various superannuation trust funds. The Company's contributions to the above defined contribution plans are recognised as employee benefit expenses in the statement of profit and loss for the year in which they are due. The Company has no further obligation in respect of such plans beyond the contributions made.

The Company's contribution to provident, pension and superannuation funds aggregating to ₹35.77 Crore and to employees state insurance scheme of ₹1.29 Crore (Previous year - ₹33.48 Crore & ₹1.33 Crore respectively) has been recognised in the statement of profit and loss under the head employee benefits expense [Refer note 37].

48.2 Defined benefit plans:

(a) **Gratuity**

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

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

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

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

Asset volatility

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

Interest risk

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

NOTE 48: EMLOYEE BENEFIT PLANS (Contd.)

Longevity risk

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

Salary risk

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

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out at 31st March, 2019. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(c) **Significant assumptions**

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

	As at 31st March, 2019	As at 31st March, 2018
Discount rate	7.92%	7.78%
Salary escalation rate	8.50%	8.50%

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

Balances of defined benefit plan

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Present value of funded defined benefit obligation	243.64	239.17
Fair value of plan assets	225.30	228.13
Net (asset) / liability [Refer note 31]	18.34	11.04

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

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

(₹ in Crore)

	Funded plan - Gratuity	
	As at 31st March, 2019	As at 31st March, 2018
(1) Movements in the present value of the defined benefit obligation:		
Obligation at the beginning of the year	239.17	236.58
Current service cost	11.48	12.22
Interest cost	18.61	17.02
Past service cost	-	17.81
Actuarial (gains) / losses from changes in demographic assumptions	-	(4.33)
Actuarial (gains) / losses arising changes in financial assumptions	(2.00)	(8.07)
Actuarial (gains) / losses from experience adjustments	9.70	(5.73)
Liability transferred in	-	0.01
Liability transferred out	(0.84)	(0.08)
Benefits paid directly by employer	(2.80)	(1.42)
Benefits paid	(29.68)	(24.84)
Obligation at the end of the year	243.64	239.17

NOTE 48: EMLOYEE BENEFIT PLANS (Contd.)

(₹ in Crore)

		Funded plan - Gratuity	
		As at 31st March, 2019	As at 31st March, 2018
(2)	**Movements in the fair value of the plan assets:**		
	Plan assets at the beginning of the year, at fair value	228.13	206.31
	Interest income	17.74	14.85
	Return on plan assets (excluding interest income)	(1.85)	2.36
	Contributions received	10.96	29.45
	Benefits paid	(29.68)	(24.84)
	Plan assets at the end of the year, at fair value	225.30	228.13
(3)	**Gratuity cost recognized in the statement of profit and loss**		
	Current service cost	11.48	12.22
	Interest cost, net	0.87	2.17
	Past service cost	-	17.81
	Net gratuity cost recognized in the statement of profit and loss [Refer note 37]	12.35	32.20
(4)	**Gratuity cost recognized in the other comprehensive income (OCI)**		
	Return on plan assets (excluding interest income)	1.85	(2.36)
	Actuarial (gains) / losses	7.70	(18.13)
	Net (income) / expense for the period recognized in OCI	9.55	(20.49)

(f) **Category wise plan assets**

Contributions to fund the obligations under the gratuity plan are made to the Life Insurance Corporation of India.

(g) **Sensitivity analysis**

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

(₹ in Crore)

Change in assumptions	As at 31st March, 2019	As at 31st March, 2018
Increase / (decrease) in defined benefit obligation of gratuity		
50 basis points increase in discount rate	(6.86)	(6.62)
50 basis points decrease in discount rate	7.33	7.09
50 basis points increase in salary escalation rate	2.51	6.42
50 basis points decrease in salary escalation rate	(11.45)	(7.16)

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

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

(h) The weighted average duration of the gratuity plan based on average future service is 13 years (Previous year - 13 years).

NOTE 48: EMLOYEE BENEFIT PLANS (Contd.)

(i) Expected contribution to the plan for the next annual reporting period is ₹18.34 Crore (Previous year - ₹11.04 Crore).

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

Projected benefits payable in future years from the date of reporting

(₹ in Crore)

	Funded Plan - Gratuity	
	As at 31st March, 2019	As at 31st March, 2018
1st following year	35.92	37.72
2nd following year	20.64	21.57
3rd following year	36.12	30.24
4th following year	31.75	32.74
5th following year	26.96	28.69
sum of years 6 to 10th	94.96	96.37

48.3 Other long-term employee benefit obligations :

The leave obligation covers the Company's liability for sick and earned leave. Under these compensated absences plans, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement or resignation; at the rate of daily last drawn salary, multiplied by leave days accumulated as at the end of relevant period. Refer notes 25, 31 and 37 for the leave encashment provision / change in the balance sheet and statement of profit and loss.

NOTE 49: AUDITORS REMUNERATION (INCLUDING TAXES)

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
As auditor		
Audit fees	1.07	0.73
Other services- certificates etc.	0.29	0.07
Reimbursement of expenses	0.25	0.09
	1.61	0.89

NOTE 50: CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
(a) Gross amount required to be spent by the Company	19.51	15.02
(b) Amount spent during the year on		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above [Refer note 40]	19.64	15.11
	19.64	15.11
(c) Contribution to section 8 related companies, included in (b) above, in relation to CSR expenditure		
(i) Tornascent Care Institute	1.86	7.92
(ii) UNM Foundation	4.75	2.87
	6.61	10.79

NOTE 51: DONATIONS INCLUDE POLITICAL CONTRIBUTIONS AS UNDER

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Electoral Bonds	25.00	-
Prudent Electoral Trust	-	10.00
	25.00	10.00

NOTE 52: EARNINGS PER SHARE

	Year ended 31st March, 2019	Year ended 31st March, 2018
Basic earnings per share (₹)	18.50	19.18
Diluted earnings per share (₹)	18.50	19.18

Basic and diluted earnings per share

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

	Year ended 31st March, 2019	Year ended 31st March, 2018
Profit for the year attributable to the Company used in calculation of basic earning per share (₹ in Crore)	889.24	921.74
Weighted average number of equity shares	48,06,16,784	48,06,16,784

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

NOTE 53: OPERATING SEGMENT

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company's business viz. "Generation, Transmission and Distribution of Power" as an integrated utility. Further, the Company's cable business is not a reportable segment in terms of revenue, profit, assets and liabilities. Hence the Company does not have any reportable segment as per Ind AS - 108 "Operating Segments".

NOTE 54: CERTIFIED EMISSION REDUCTION (CERs)

	As at 31st March, 2019	As at 31st March, 2018
No. of CERs inventory	9,93,052	-
No. of CERs under certification	-	42,78,624
Inventories of CERs are valued at cost or market price whichever is lower.		

NOTE 55: RELATED PARTY DISCLOSURES

(a) Names of related parties and description of relationship

1.	Parent Company	Torrent Private Limited
2.	Subsidiaries	Torrent Power Grid Limited, Torrent Pipavav Generation Limited, Torrent Solargen Limited, Jodhpur Wind Farms Private Limited (w.e.f. 29th January, 2018), Latur Renewables Private Limited (w.e.f. 29th January, 2018)
3.	Associates	Wind Two Renergy Private Limited (w.e.f. 12th December, 2017), Wind Four Renergy Private Limited (w.e.f. 12th December, 2017), Wind Five Renergy Private Limited (w.e.f. 12th December, 2017), Nani Virani Wind Energy Private Limited (w.e.f. 9th March, 2018 to 15th December, 2018), Ravapar Wind Energy Private Limited (w.e.f. 9th March, 2018 to 15th December, 2018), Khatiyu Wind Energy Private Limited (w.e.f. 9th March, 2018 to 15th December, 2018)
4.	Employee benefits plans*	TPL (Ahmedabad) Gratuity Trust, TPL (Ahmedabad) Superannuation Fund, TPL (Surat) Gratuity Trust, TPL (Surat) Superannuation Fund, TPL (SUGEN) Gratuity Trust, TPL (SUGEN) Superannuation Fund, TPL (DGEN) Gratuity Trust, TPL (DGEN) Superannuation Fund
5.	Key management personnel	Sudhir Mehta (upto 31st March, 2018) Samir Mehta Markand Bhatt (upto 30th September, 2018) Jinal Mehta
6.	Non-executive directors	Sudhir Mehta (w.e.f 1st April, 2018) Pankaj Patel Samir Barua Kiran Karnik (upto 31st March, 2019) Keki Mistry R. Ravichandran (upto 1st August, 2017) Bhavna Doshi Dharmishta Raval P. K. Taneja (upto 23rd May, 2017) Pankaj Joshi (w.e.f. 23rd May, 2017)
7.	Relatives of key management personnel*	Varun Mehta, Aman Mehta
8.	Enterprise controlled by relatives of key management personnel*	Munjal Bhatt Architects (upto 30th September, 2018)
9.	Other entities where the Company has 50% voting right / enterprises controlled by the Parent Company*	Tornascent Care Institute, UNM Foundation, Torrent Pharmaceuticals Limited, Torrent Power Services Private Limited, Mahesh Gas Limited, Torrent Gas Private Limited

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

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)

(b) Related party transactions

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / Non-executive directors		Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right / enterprises controlled by the Parent Company / Parent Company		Total	
	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18
Nature of transactions												
Sale of cables	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.46**	**0.14**	**2.46**	**0.14**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	2.43	0.14	2.43	0.14
Tornascent Care Institute	-	-	-	-	-	-	-	-	0.03	-	0.03	-
Sale of land	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**91.00**	**-**	**91.00**	**-**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	91.00	-	91.00	-
Sale of investment property	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**45.00**	**-**	**45.00**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	-	45.00	-	45.00
Sale of electricity	**-**	**-**	**-**	**-**	**-**	**-**	**0.28**	**0.20**	**9.97**	**9.07**	**10.25**	**9.27**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	9.93	9.05	9.93	9.05
Executive and non-executive directors	-	-	-	-	-	-	0.28	0.20	-	-	0.28	0.20
UNM Foundation	-	-	-	-	-	-	-	-	0.04	0.01	0.04	0.01
Munjal Bhatt Architects	-	-	-	-	-	-	-	-	*	0.01	*	0.01
Dividend income	**6.66**	**6.66**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6.66**	**6.66**
Torrent Power Grid Ltd.	6.66	6.66	-	-	-	-	-	-	-	-	6.66	6.66
Interest income	**73.96**	**6.53**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**73.96**	**6.53**
Torrent Solargen Ltd.	3.72	-	-	-	-	-	-	-	-	-	3.72	-
Latur Renewable Private Ltd.	34.69	3.19	-	-	-	-	-	-	-	-	34.69	3.19
Jodhpur Wind Farms Private Ltd.	35.55	3.34	-	-	-	-	-	-	-	-	35.55	3.34
Services provided (rent income including tax)	**0.03**	**0.03**	**-**	**-**	**-**	**-**	**-**	**-**	**0.07**	**1.26**	**0.10**	**1.29**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	-	1.23	-	1.23
UNM Foundation	-	-	-	-	-	-	-	-	0.01	0.01	0.01	0.01
Tornascent Care Institute	-	-	-	-	-	-	-	-	0.01	0.01	0.01	0.01
Torrent Power Grid Ltd.	0.01	0.01	-	-	-	-	-	-	-	-	0.01	0.01
Torrent Pipavav Generation Ltd.	0.01	0.01	-	-	-	-	-	-	-	-	0.01	0.01
Torrent Solargen Ltd.	0.01	0.01	-	-	-	-	-	-	-	-	0.01	0.01
Torrent Power Services Private Ltd.	-	-	-	-	-	-	-	-	0.01	0.01	0.01	0.01
Torrent Gas Private Ltd.	-	-	-	-	-	-	-	-	0.04	-	0.04	-
Services received / remuneration paid	**-**	**1.01**	**-**	**-**	**-**	**-**	**-**	**-**	**0.94**	**1.09**	**0.94**	**2.10**
Munjal Bhatt Architects	-	-	-	-	-	-	-	-	0.47	0.62	0.47	0.62
Torrent Power Grid Ltd.	-	1.01	-	-	-	-	-	-	-	-	-	1.01
Aman Mehta	-	-	-	-	-	-	-	-	-	*	-	*
Varun Mehta	-	-	-	-	-	-	-	-	0.47	0.47	0.47	0.47
Shared expenditure charged to	**0.56**	**0.37**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.56**	**0.37**
Torrent Pipavav Generation Ltd.	0.22	0.18	-	-	-	-	-	-	-	-	0.22	0.18
Torrent Solargen Ltd.	0.24	0.19	-	-	-	-	-	-	-	-	0.24	0.19
Latur Renewable Private Ltd.	0.05	-	-	-	-	-	-	-	-	-	0.05	-
Jodhpur Wind Farms Private Ltd.	0.05	-	-	-	-	-	-	-	-	-	0.05	-

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / Non-executive directors		Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right / enterprises controlled by the Parent Company / Parent Company		Total	
	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18
Transfer of gratuity/leave liability to / (from)	**0.40**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.68**	**0.13**	**1.08**	**0.13**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	-	0.05	-	0.05
Torrent Power Grid Ltd.	0.40	-	-	-	-	-	-	-	-	-	0.40	-
UNM Foundation	-	-	-	-	-	-	-	-	-	*	-	*
Tornascent Care Institute	-	-	-	-	-	-	-	-	0.10	0.08	0.10	0.08
Mahesh Gas Ltd.	-	-	-	-	-	-	-	-	0.25	-	0.25	-
Torrent Gas Private Ltd.	-	-	-	-	-	-	-	-	0.33	-	0.33	-
Managerial remuneration@	**-**	**-**	**-**	**-**	**-**	**-**	**41.61**	**66.59**	**-**	**-**	**41.61**	**66.59**
Sudhir Mehta	-	-	-	-	-	-	-	10.00	-	-	-	10.00
Samir Mehta	-	-	-	-	-	-	10.00	10.00	-	-	10.00	10.00
Markand Bhatt	-	-	-	-	-	-	21.84	39.00	-	-	21.84	39.00
Jinal Mehta	-	-	-	-	-	-	9.77	7.59	-	-	9.77	7.59
Commission to non-executive directors^	**-**	**-**	**-**	**-**	**-**	**-**	**5.91**	**1.11**	**-**	**-**	**5.91**	**1.11**
Sudhir Mehta	-	-	-	-	-	-	5.00	-	-	-	5.00	-
Samir Barua	-	-	-	-	-	-	0.16	0.19	-	-	0.16	0.19
Kiran Karnik	-	-	-	-	-	-	0.16	0.16	-	-	0.16	0.16
Keki Mistry	-	-	-	-	-	-	0.12	0.12	-	-	0.12	0.12
R. Ravichandran	-	-	-	-	-	-	-	0.06	-	-	-	0.06
Pankaj Patel	-	-	-	-	-	-	0.09	0.15	-	-	0.09	0.15
Bhavna Doshi	-	-	-	-	-	-	0.16	0.16	-	-	0.16	0.16
Pankaj Joshi#	-	-	-	-	-	-	0.06	0.12	-	-	0.06	0.12
Dharmishta Raval	-	-	-	-	-	-	0.16	0.15	-	-	0.16	0.15
Sitting Fees to non-executive directors^	**-**	**-**	**-**	**-**	**-**	**-**	**0.66**	**0.70**	**-**	**-**	**0.66**	**0.70**
Samir Barua	-	-	-	-	-	-	0.12	0.13	-	-	0.12	0.13
Kiran Karnik	-	-	-	-	-	-	0.12	0.11	-	-	0.12	0.11
Keki Mistry	-	-	-	-	-	-	0.06	0.07	-	-	0.06	0.07
R. Ravichandran	-	-	-	-	-	-	-	0.02	-	-	-	0.02
Pankaj Patel	-	-	-	-	-	-	0.10	0.12	-	-	0.10	0.12
Bhavna Doshi	-	-	-	-	-	-	0.12	0.12	-	-	0.12	0.12
Dharmishta Raval	-	-	-	-	-	-	0.12	0.09	-	-	0.12	0.09
Pankaj Joshi#	-	-	-	-	-	-	0.02	0.04	-	-	0.02	0.04
Contribution towards CSR	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6.61**	**10.79**	**6.61**	**10.79**
Tornascent Care Institute	-	-	-	-	-	-	-	-	1.86	7.92	1.86	7.92
UNM Foundation	-	-	-	-	-	-	-	-	4.75	2.87	4.75	2.87
Contribution to employee benefit plans (net)	**-**	**-**	**-**	**-**	**18.12**	**34.41**	**-**	**-**	**-**	**-**	**18.12**	**34.41**
TPL (Ahmedabad) Gratuity Trust	-	-	-	-	10.27	21.48	-	-	-	-	10.27	21.48
TPL (Ahmedabad) Superannuation Fund	-	-	-	-	5.28	4.29	-	-	-	-	5.28	4.29
TPL (Surat) Gratuity Trust	-	-	-	-	0.34	4.70	-	-	-	-	0.34	4.70
TPL (Surat) Superannuation Fund	-	-	-	-	1.11	0.97	-	-	-	-	1.11	0.97
TPL (SUGEN) Gratuity Trust	-	-	-	-	0.21	1.40	-	-	-	-	0.21	1.40

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / Non-executive directors		Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right / enterprises controlled by the Parent Company / Parent Company		Total	
	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18
TPL (SUGEN) Superannuation Fund	-	-	-	-	0.47	0.38	-	-	-	-	0.47	0.38
TPL (DGEN) Gratutity Trust	-	-	-	-	0.04	0.86	-	-	-	-	0.04	0.86
TPL (DGEN) Superannuation Fund	-	-	-	-	0.40	0.33	-	-	-	-	0.40	0.33
Equity contribution	**221.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**221.00**	**-**
Jodhpur Wind Farms Private Ltd.	111.00	-	-	-	-	-	-	-	-	-	111.00	-
Latur Renewable Private Ltd.	110.00	-	-	-	-	-	-	-	-	-	110.00	-
Investment in non-convertible debentures	**-**	**-**	**78.30**	**182.40**	**-**	**-**	**-**	**-**	**-**	**-**	**78.30**	**182.40**
Wind Two Renergy Private Ltd.	-	-	17.94	72.76	-	-	-	-	-	-	17.94	72.76
Wind Four Renergy Private Ltd.	-	-	31.18	54.82	-	-	-	-	-	-	31.18	54.82
Wind Five Renergy Private Ltd.	-	-	29.18	54.82	-	-	-	-	-	-	29.18	54.82
Loans given	**532.00**	**557.24**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**532.00**	**557.24**
Latur Renewable Private Ltd.	194.80	275.77	-	-	-	-	-	-	-	-	194.80	275.77
Jodhpur Wind Farms Private Ltd.	207.70	280.42	-	-	-	-	-	-	-	-	207.70	280.42
Torrent Pipavav Generation Ltd.	1.50	1.05	-	-	-	-	-	-	-	-	1.50	1.05
Torrent Solargen Ltd.	128.00	-	-	-	-	-	-	-	-	-	128.00	-
Loans received back	**856.59**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**856.59**	**-**
Latur Renewable Private Ltd.	427.46	-	-	-	-	-	-	-	-	-	427.46	-
Jodhpur Wind Farms Private Ltd.	429.13	-	-	-	-	-	-	-	-	-	429.13	-
Deposits given for nomination of directors	**-**	**0.01**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.01**
Torrent Power Grid Ltd.	-	0.01	-	-	-	-	-	-	-	-	-	0.01
Deposits received back on appointment of directors	**-**	**0.01**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.01**
Torrent Power Grid Ltd.	-	0.01	-	-	-	-	-	-	-	-	-	0.01
Guarantees given to lenders of subsidiaries	**274.13**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**274.13**	**-**
Jodhpur Wind Farms Private Ltd.	274.13	-	-	-	-	-	-	-	-	-	274.13	-

@ excluding provision for gratuity and leave encashment, insurance premium for group personal accident and group mediclaim.

Sitting fees and Commission of Shri Pankaj Joshi (nominee of the Government of Gujarat) is paid / payable to the Government of Gujarat.

^ Excluding service tax / Goods and Service Tax.

Footnote:

Refer note 44 (c) (iii) for novation agreement with lender for short term finance facilities obtained by associates.

(c) Key management personnel compensation

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Short-term employee benefits	38.78	63.59
Long-term employee benefits	2.83	3.00
	41.61	66.59

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)

(d) Related party balances

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / Non-executive directors		Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right / enterprises controlled by the Parent Company / Parent Company		Total	
	As at 31.03.19	As at 31.03.18	As at 31.03.19	As at 31.03.18	As at 31.03.19	As at 31.03.18	As at 31.03.19	As at 31.03.18	As at 31.03.19	As at 31.03.18	As at 31.03.19	As at 31.03.18
Balances at the end of the year												
Current liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**31.41**	**47.61**	**-**	**0.13**	**31.41**	**47.74**
Torrent Power Grid Ltd.	*	*	-	-	-	-	-	-	-	-	*	*
Torrent Solargen Ltd.	*	*	-	-	-	-	-	-	-	-	*	*
Torrent Pipavav Generation Ltd.	*	*	-	-	-	-	-	-	-	-	*	*
Torrent Power Services Private Ltd.	-	-	-	-		-	-	-	*	*	*	*
UNM Foundation	-	-	-	-	-	-	-	-	*	*	*	*
Tornascent Care Institute	-	-	-	-	-	-	-	-	-	0.08	-	0.08
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	-	0.05	-	0.05
Torrent Gas Private Ltd.	-	-	-	-	-	-	-	-	*	-	*	-
Sudhir Mehta	-	-	-	-	-	-	5.00	10.00	-	-	5.00	10.00
Samir Mehta	-	-	-	-	-	-	10.00	10.00	-	-	10.00	10.00
Markand Bhatt	-	-	-	-	-	-	13.00	24.00	-	-	13.00	24.00
Jinal Mehta	-	-	-	-	-	-	2.50	2.50	-	-	2.50	2.50
Samir Barua	-	-	-	-	-	-	0.16	0.19	-	-	0.16	0.19
Kiran Karnik	-	-	-	-	-	-	0.16	0.16	-	-	0.16	0.16
Keki Mistry	-	-	-	-	-	-	0.12	0.12	-	-	0.12	0.12
R. Ravichandran	-	-	-	-	-	-	-	0.06	-	-	-	0.06
Pankaj Patel	-	-	-	-	-	-	0.09	0.15	-	-	0.09	0.15
Bhavna Doshi	-	-	-	-	-	-	0.16	0.16	-	-	0.16	0.16
Pankaj Joshi#	-	-	-	-	-	-	0.06	0.12	-	-	0.06	0.12
Dharmishta Raval	-	-	-	-	-	-	0.16	0.15	-	-	0.16	0.15
Investment in equities	**415.17**	**194.17**	**-**	**-**	**-**	**-**	**-**	**-**	**0.06**	**0.06**	**415.23**	**194.23**
Torrent Power Grid Ltd.	66.60	66.60	-	-	-	-	-	-	-	-	66.60	66.60
Torrent Pipavav Generation Ltd.	47.50	47.50	-	-	-	-	-	-	-	-	47.50	47.50
Torrent Solargen Ltd.	80.07	80.07	-	-	-	-	-	-	-	-	80.07	80.07
Tornascent Care Institute	-	-	-	-	-	-	-	-	0.03	0.03	0.03	0.03
UNM Foundation	-	-	-	-	-	-	-	-	0.03	0.03	0.03	0.03
Latur Renewable Private Ltd.	110.00	*	-	-	-	-	-	-	-	-	110.00	*
Jodhpur Wind Farms Private Ltd.	111.00	*	-	-	-	-	-	-	-	-	111.00	*
Investment in non-convertible debentures	**-**	**-**	**277.31**	**183.97**	**-**	**-**	**-**	**-**	**-**	**-**	**277.31**	**183.97**
Wind Two Renergy Private Ltd.	-	-	97.21	73.29	-	-	-	-	-	-	97.21	73.29
Wind Four Renergy Private Ltd.	-	-	91.23	55.35	-	-	-	-	-	-	91.23	55.35

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / Non-executive directors		Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right / enterprises controlled by the Parent Company / Parent Company		Total	
	As at 31.03.19	As at 31.03.18	As at 31.03.19	As at 31.03.18	As at 31.03.19	As at 31.03.18	As at 31.03.19	As at 31.03.18	As at 31.03.19	As at 31.03.18	As at 31.03.19	As at 31.03.18
Wind Five Renergy Private Ltd.	-	-	88.87	55.33	-	-	-	-	-	-	88.87	55.33
Loans (current)	**188.97**	**618.19**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**188.97**	**618.19**
Torrent Pipavav Generation Ltd.	57.62	56.12	-	-	-	-	-	-	-	-	57.62	56.12
Torrent Solargen Ltd.	131.35	-	-	-	-	-	-	-	-	-	131.35	-
Latur Renewable Private Ltd.	-	278.64	-	-	-	-	-	-	-	-	-	278.64
Jodhpur Wind Farms Private Ltd.	-	283.43	-	-	-	-	-	-	-	-	-	283.43
Loans (non-current)	**128.44**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**128.44**	**-**
Latur Renewable Private Ltd.	55.57	-	-	-	-	-	-	-	-	-	55.57	-
Jodhpur Wind Farms Private Ltd.	72.87	-	-	-	-	-	-	-	-	-	72.87	-
Trade receivables	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.77**	**0.90**	**0.77**	**0.90**
Tornascent Care Institute	-	-	-	-	-	-	-	-	0.03	-	0.03	-
Torrent Pharmacueticals Ltd.	-	-	-	-	-	-	-	-	0.74	0.90	0.74	0.90
Guarantees given to lenders of subsidiaries	**274.13**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**274.13**	**-**
Jodhpur Wind Farms Private Ltd.	274.13	-	-	-	-	-	-	-	-	-	274.13	-

Sitting fees and Commission of Shri Pankaj Joshi (nominee of the Government of Gujarat) is payable to the Government of Gujarat.

(e) Terms and conditions of outstanding balances

The transactions with related parties are made in the normal course of business on terms equivalent to those that prevail in arm's length transactions.

Outstanding balances at the year-end are unsecured.

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW

(a) Capital management

The Company manages its capital structure in a manner to ensure that it will be able to continue as a going concern while optimising the return to stakeholders through the appropriate debt and equity balance.

The Company's capital structure is represented by equity (comprising issued capital, retained earnings and other reserves as detailed in notes 20, 21) and debt (borrowings as detailed in note 22).

The Company's management reviews the capital structure of the Company on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Company's plan is to ensure that the gearing ratio (debt equity ratio) is well within the limit of 2:1.

Gearing ratio

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

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Debt	9,124.92	9,255.52
Total equity	10,475.75	9,147.16
Debt to equity ratio	0.87	1.01

Footnotes :

1. Debt is defined as all long term debt outstanding (including unamortised expense) + contingent liability pertaining to corporate / financial guarantee given + short term debt outstanding in lieu of long term debt.
2. Total equity is defined as Equity share capital + all reserve (excluding revaluation reserve) + deferred tax liabilities – deferred tax assets – intangible assets – Intangible assets under development.

Loan covenants

The company has complied with financial covenants specified as per the terms of borrowing facilities.

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

(b) Categories of financial instruments

(₹ in Crore)

	As at 31st March, 2019		As at 31st March, 2018	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	114.33	114.33	134.23	134.23
Bank balance other than cash and cash equivalents	211.92	211.92	135.50	135.50
Investment in bonds and debentures	287.50	287.50	192.23	192.23
Trade receivables	1,170.53	1,170.53	1,124.48	1,124.48
Loans	349.17	349.17	651.22	651.22
Other financial assets	1,811.91	1,811.91	651.05	651.05
	3,945.36	3,945.36	2,888.71	2,888.71
Measured at fair value through profit and loss (FVTPL)				
Investment in mutual funds	472.46	472.46	614.12	614.12
Investment in equity instruments#	0.06	0.06	0.06	0.06
	472.52	472.52	614.18	614.18
Financial liabilities				
Measured at amortised cost				
Borrowings	8,333.43	8,364.42	8,502.40	8,555.39
Trade payables	894.47	894.47	751.92	751.92
Other financial liabilities	2,328.99	2,328.99	2,112.69	2,112.69
	11,556.89	11,587.88	11,367.01	11,420.00

Other than equity instruments in subsidiaries & associates recognised at cost.

(c) Fair value measurement

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

Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

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

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

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets and liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

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

(₹ in Crore)

	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31st March, 2019	As at 31st March, 2018		
Investment in mutual fund units	472.46	614.12	Level 1	Quoted bid prices in an active market
	472.46	614.12		

(2) Financial liabilities at amortised cost

(₹ in Crore)

	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31st March, 2019	As at 31st March, 2018		
Fixed rate borrowings (Non-convertible debentures)	1,125.99	1,147.99	Level 2	Inputs other than quoted prices that are observable
	1,125.99	1,147.99		

(d) Financial risk management objectives

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

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

Foreign currency risk

The Company is exposed to foreign currency risks arising from various currency exposures, primarily with respect to the USD and EURO. Foreign currency risks arise from future commercial transactions and recognized assets and liabilities, when they are denominated in a currency other than Indian Rupee.

The Company's exposure with regards to foreign currency risk which are not hedged are given below. However, these risks are not significant to the company's operation and accordingly sensitivity analysis is not given.

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

Unhedged foreign currency exposures

(in Crore)

Nature of transactions	Currency	As at 31st March, 2019	As at 31st March, 2018
Financial liabilities			
Trade payable	USD	0.93	-
Capital liability	USD	-	*
Trade payable	EURO	1.71	1.11
Capital liability	EURO	0.01	0.01
Trade payable	CHF	0.02	-

Commodity price risk

The commodity exposure is mainly on account of fuel, a substantial part of which is a pass through cost and hence the commodity price exposure is not likely to have a material financial impact on the Company.

The Company has exposure to USD / INR exchange rate arising principally on account of import of LNG and import of coal. The extant tariff regulations do not permit the cost of hedging such exposure as a cost to be passed through to the off-takers / beneficiaries. As a result, the Company does not follow a policy of hedging such exposures and actual rupee costs of import of fuel are substantially passed on to the off-takers / consumers, because of which such commodity price exposure is not likely to have a material financial impact on the Company.

Interest rate risk

Most of the Company's borrowings are on a floating rate of interest. The Company has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR). The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible debentures and short term credit lines besides internal accruals.

The following table provides a break-up of the Company's fixed and floating rate borrowings:

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Fixed rate borrowings	1,119.46	1,123.28
Floating rate borrowings^	8,031.38	8,132.24
	9,150.84	9,255.52

^ Gross amount including unamortised expense.

Interest rate risk sensitivity:

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rates had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit before tax .

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Impact on profit before tax - increase in 50 basis points	(40.16)	(40.66)
Impact on profit before tax - decrease in 50 basis points	40.16	40.66

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

Credit risk

Trade receivables

(1) Exposures to credit risk:

The Company is exposed to the counterparty credit risk arising from the possibility that counterparties (primarily trade receivables, suppliers, contractors etc.) might fail to comply with contractual obligations. This exposure may arise with regard to unsettled amounts and the cost of substituting products and services that are not provided.

(2) Credit risk management:

Credit risk is managed and limited in accordance with the type of transaction and the creditworthiness of the counterparty. The Company has established criteria for admission, approval systems, authorisation levels, exposure measurement methodologies, etc. The concentration of credit risk is limited due to the fact that the customer base is large. None of the customers accounted for more than 10% of the receivables and revenue for the year ended 31st March, 2019 and 31st March, 2018. However, the Company is dependent on the domestic market for its business and revenues.

The Company's credit policies and practices with respect to distribution areas are designed to limit credit exposure by collecting security deposits prior to providing utility services or after utility service has commenced according to applicable regulatory requirements. In respect to generation business, Company generally has letter of credits / bank guarantees to limit its credit exposure.

(3) Other credit enhancements

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

(4) Age of receivables and expected credit loss

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

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

As at 31st March, 2019

(₹ in Crore)

	Gross trade receivables	Allowance for doubtful debt
Less than or equal to 6 months	1,135.77	28.56
More than 6 months but less than or equal to 1 year	83.11	25.82
More than one year	103.46	97.43
	1,322.34	151.81

As at 31st March, 2018

(₹ in Crore)

	Gross trade receivables	Allowance for doubtful debt
Less than or equal to 6 months	1,106.32	33.63
More than 6 months but less than or equal to 1 year	52.90	22.01
More than one year	101.19	80.29
	1,260.41	135.93

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

(5) Movement in the expected credit loss allowance

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Opening balance	135.93	129.48
Movement in expected credit loss allowance on trade receivable, net	15.88	6.45
Closing balance [Refer note 14]	151.81	135.93

Other financial assets

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

Liquidity risk

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

Maturities of financial liabilities

The Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest (accrued upto 31st March, 2019) and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

As at 31st March, 2019

(₹ in Crore)

	Less than 1 year	Between 1 year and 5 years	5 years and above	Total
Financial liabilities				
Non current financial liabilities				
Borrowings^	-	3,022.76	5,040.75	8,063.51
Trade payables^	-	64.99	76.68	141.67
Other financial liabilities	-	46.44	1,008.59	1,055.03
	-	3,134.19	6,126.02	9,260.21
Current financial liabilities				
Borrowings	300.05	-	-	300.05
Trade payables	785.13	-	-	785.13
Other financial liabilities^	1,278.64	-	-	1,278.64
	2,363.82	-	-	2,363.82
Total financial liabilities	2,363.82	3,134.19	6,126.02	11,624.03

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

As at 31st March, 2018

(₹ in Crore)

	Less than 1 year	Between 1 year and 5 years	5 years and above	Total
Financial liabilities				
Non current financial liabilities				
Borrowings^	-	3,039.02	5,497.69	8,536.71
Trade payables^	-	114.99	4.40	119.39
Other financial liabilities	-	42.37	914.07	956.44
	-	3,196.38	6,416.16	9,612.54
Current financial liabilities				
Trade payables	657.28	-	-	657.28
Other financial liabilities^	1,161.03	-	-	1,161.03
	1,818.31	-	-	1,818.31
Total financial liabilities	1,818.31	3,196.38	6,416.16	11,430.85

^ Gross amount including unamortised expense.

NOTE 57: CHANGE DUE TO TRANSITION TO IND AS - 115 "REVENUE FROM CONTRACTS WITH CUSTOMERS"

The Company has adopted Ind AS 115, Revenue from Contracts with Customers, from 1st April, 2018. The adoption has resulted changes in accounting policies and adjustment to the amounts recognized in the financial statements. Prior to adoption of Ind AS 115, the company had been recognising the Fuel and Power Purchase Price Adjustment ("FPPPA") claims as and when approved by the regulatory authorities and the truing up adjustment claims as and when these were billed to consumers subsequent to approval by the regulatory authorities.

The Company has adopted Ind AS 115 retrospectively with the cumulative effect of initial application recognized in the opening retained earnings on 1st April, 2018. The Company has in the current year recognized revenue on FPPPA claims and other true up adjustments, as per the applicable tariff regulations, management's probability estimate and the past trends of approval, by applying the guidance on variable consideration under Ind AS 115.

The Company has not recognized those truing up adjustment claims which are subject of dispute and for which the company is in appeal with regulatory authorities.

Due to the application of Ind AS 115, as at 1st April, 2018, retained earnings are higher by ₹649.42 Crore, unbilled revenue higher by ₹637.15 Crore and sundry payables lower by ₹12.27 Crore.

Consequent to adoption of Ind AS 115, revenue from operations and profit for the year ended 31st March, 2019, are higher by ₹320.00 Crore. Accordingly, as at 31st March, 2019, retained earnings are higher by ₹969.42 Crore, unbilled revenue higher by ₹955.71 Crore and sundry payables lower by ₹13.71 Crore.

NOTE 58:

The figures for the previous year have been regrouped / recast, wherever necessary, to make them comparable with the figures for the current year.

NOTE 59: APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the board of directors on 15th May, 2019.

Signature to Note 1 to 59

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 039985

Ahmedabad, 15th May, 2019

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN:00061903

Sanjay Dalal
Chief Financial Officer

Samir Shah
Company Secretary

Ahmedabad, 15th May, 2019

Consolidated Financial Statements 2018-19

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF

TORRENT POWER LIMITED

Report on the audit of the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

Opinion

1. We have audited the accompanying consolidated Ind AS financial statements of Torrent Power Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates (refer Note 41 to the attached consolidated Ind AS financial statements), which comprise the consolidated Balance Sheet as at 31st March, 2019, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records. (hereinafter referred to as "the consolidated Ind AS financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31st March, 2019, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 14 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matter
i) Impairment assessment for Power Plant located at Dahej (Refer to note 42(1) of the consolidated Ind AS financial statements) :	
Property, Plant & Equipment ("PPE") includes carrying amount of ₹4,365 Crore pertaining to 1,200 MW DGEN Mega Power Project located at Dahej, India ("DGEN"). DGEN started its commercial operations in November 2014 ("COD") and thereafter due to various factors such as unavailability of domestic gas, high prices of imported gas and non-availability of power purchase agreements it was not operated after COD, except for intermittent periods during FY 2015-16. During the periods of non-operation, DGEN was maintained in cold standby mode for immediate start-up, as and when required. As a result of above, there are indicators of potential impairment of carrying value of DGEN. The management carried out an impairment assessment of DGEN in accordance with Ind AS 36 'Impairment of Assets' and measured the recoverable amount based on value in use which requires estimating the discounted cash flow projections over the estimated useful life of the DGEN with the help of an external valuer ("expert"). The expert estimated the value in use under two scenarios i.e. management case and alternate case by taking varied sets of assumptions reflective of likely future operating scenarios. The assessment of value in use involved several key assumptions including expected demand, future price of fuel, exchange rate, expected tariff rates, discount rate and current electricity market scenario which the management considered reasonable based on past trends and current and likely future state of the industry. The value in use arrived at by the expert under both the scenarios is higher than the carrying amount of PPE pertaining to DGEN and accordingly no impairment provision is considered necessary as at 31st March, 2019 by management. We considered this to be a key audit matter as the carrying value of DGEN at 31st March, 2019 is significant to the Group's balance sheet and there is significant judgement and uncertainty involved in estimating future cash flows in the discounted cash flow (DCF) model used by the management to support the carrying value of DGEN. Further, the assumptions used in the DCF model are subject to inherent uncertainties.	Our procedures in relation to management's impairment assessment of DGEN include the following: Assessed and tested the design and operating effectiveness of the Group's controls over impairment assessment. Perused the report issued by the external valuer ("expert") engaged by the management. Evaluated competence, capability and objectivity of the expert. Evaluated the reasonableness of cash flow projections used by the Group and the key assumptions in respect of expected demand, future price of fuel, exchange rate, expected tariff rates and discount rate. Involved auditors experts to review the external expert's report and the reasonableness of the assumptions considered in the report. Discussed with senior management personnel, the justification for the key assumptions underlying the cashflow projections and performed sensitivity analysis on the same to assess their reasonableness. Checked the arithmetic accuracy of the computation of projections. Based on the above procedures performed, we considered management's assessment of impairment of the carrying value of DGEN as at 31st March, 2019 to be reasonable.

Key audit matters	How our audit addressed the key audit matter
ii) Assessment of recoverability of Deferred tax asset on unutilised tax credits (Refer to note 43 to the consolidated Ind AS financial statements)	
The Group has recognised deferred tax asset on unutilised tax credits, representing Minimum Alternate Tax (MAT) paid on accounting profit in the current year and earlier years in which the Group did not have normal taxable profit due to availment of tax holiday incentives and set off of carried forward unabsorbed depreciation. The asset has been recognised on the basis of Group's assessment of availability of future taxable profits to offset the MAT credit. The future taxable profit projections involve several key assumptions including expected demand, future prices of fuel, expected tariff rates of electricity, exchange rate and current electricity market scenario covering the period over which MAT Credit can be claimed as per the Income tax Act, 1961. In preparing the profit projections, management has considered, past trends, applicable tariff regulations/ agreement and current and likely future state of the industry. We considered this a key audit matter as the amount of deferred tax asset is material to the financial statements and significant management judgement is required in assessing the recoverability of MAT credit based on significant assumptions underlying the forecast of taxable profits. Further, recoverability of deferred tax assets depends on the achievement of Group's business plans.	Our audit procedures included the following: Evaluated and tested the design and operating effectiveness of the Group's controls over recognition and assessment of recoverability of deferred tax asset. Reviewed the Group's accounting policy in respect of recognizing deferred tax asset on unutilised tax credits. Assessed the reasonableness of the assumptions underlying profit projections made by management, in particular, the assumptions in respect of expected demand, future price of gas, expected tariff rates and exchange rate by reviewing the past trends and available tariff orders. Assessed the reasonableness of management's business plans considering the relevant economic and industry indicators. Evaluated whether the tax credit entitlements are legally available to the Group for the forecast recoupment period, considering the provisions of Income tax Act, 1961. Checked the mathematical accuracy of the underlying calculations of the projections. Performed sensitivity analysis on the projected taxable profits by varying key assumptions, within reasonably foreseeable range. Reviewed the adequacy of disclosures made in the financial statements with regards to deferred taxes. Based on the above procedures performed by us, we considered the management's assessment of recoverability of deferred tax asset to be reasonable.

Key audit matters	How our audit addressed the key audit matter
iii) Appropriateness of additional revenue recognised on adoption of Ind AS 115 (Refer to notes 2.12 and 54 to the consolidated Ind AS financial statements)	
During the year the Group has adopted Ind AS 115 'Revenue from Contracts with Customers' retrospectively with the cumulative effect of initial application recognized in the Opening Retained Earnings on 1st April, 2018. The adoption has resulted changes in accounting policies and adjustment to the amounts recognized in the financial statements. Prior to adoption of Ind AS 115, the Group had been recognising the Fuel and Power Purchase Price Adjustment ("FPPPA") claims as and when approved by the regulatory authorities and the truing up adjustment claims as and when these were billed to consumers subsequent to approval by the regulatory authorities. The Group has in the current year recognized revenue in respect of FPPPA claims and other true up adjustments, as per the applicable tariff regulations, management's probability estimate and the past trends of approval, by applying the guidance on variable consideration under Ind AS 115. We considered this as a key audit matter in view of this being a material change in the accounting policy for revenue recognition, exercise of management judgement and estimates and significance of the amount involved as described in notes 2.12 and 54 to the consolidated Ind AS financial statements.	Our audit procedures included the following: Assessed and tested the design and operating effectiveness of the Group's controls over the revenue recognition. Read the relevant multi-year tariff regulations (MYT), tariff orders and other communication between the Group with various regulatory authorities to determine the quantum of Group's entitlement to recover costs from consumers. Evaluated management workings that set out all the outstanding claims for approval placed by the Group with regulatory authorities and the basis adopted by management in determining undisputed and disputed claims. Assessed the reasonableness of management's assessment of recoverability of claims by comparing earlier years' assessment with actual approvals by the regulatory authorities. Checked mathematical accuracy of management workings for use of correct tariffs, and for the impact of Ind AS 115 on the opening reserves and on the current year's revenue arising from outstanding claims with regulatory authorities. Evaluated the impact of first time adoption of Ind AS 115 and the appropriateness of the related disclosures in respect of the additional revenue recognized in opening reserves and that recognized in the current year statement of Profit and Loss. Based on the procedures performed as described above, we assessed that the recognition of additional revenue under Ind AS 115 was adequately supported by the available evidence.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the board report (including shareholders information), management discussion and analysis, business responsibility report, report on corporate governance, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

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

   In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 14 below), we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

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

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

14. The consolidated Ind AS financial statements also include the Group's share of total comprehensive income (comprising of profit/ loss and other comprehensive income) of ₹ Nil for the year ended 31st March, 2019 as considered in the consolidated Ind AS financial statements, in respect of three associate companies, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these associate companies and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid associates, is based solely on the reports of the other auditors.

    Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements.

Report on Other Legal and Regulatory Requirements

15. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated Ind AS financial statements.

    d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies, none of the directors of the Group companies and its associate companies is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

    f) With respect to the adequacy of internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

    g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        i. The consolidated Ind AS financial statements disclose the impact, if any, of pending litigations on the consolidated Ind AS financial position of the Group and its associates – Refer Note 31 and 44 to the consolidated Ind AS financial statements.

        ii. The Group and its associates have long-term contracts as at 31st March, 2019 for which there were no material foreseeable losses. The Group and its associates did not have any derivative contracts as at 31st March, 2019.

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and associate companies during the year ended 31st March, 2019.

        iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended 31st March, 2019.

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

Pradip Kanakia
Partner
Membership No.: 039985

Place: Ahmedabad
Date: 15th May, 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 15 (f) of the Independent Auditor's Report of even date to the members of Torrent Power Limited on the consolidated Ind AS financial statements for the year ended 31st March, 2019

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2019, we have audited the internal financial controls with reference to financial statements of Torrent Power Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and its associate companies, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Referred to in paragraph 15 (f) of the Independent Auditor's Report of even date to the members of Torrent Power Limited on the consolidated Ind AS financial statements for the year ended 31st March, 2019

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Holding Company, its subsidiary companies and its associate companies, have, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to three associate companies, is based on the corresponding reports of the auditors of such companies. Our opinion is not qualified in respect of this matter.

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

Pradip Kanakia
Partner
Membership No.: 039985

Place: Ahmedabad
Date: 15th May, 2019

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2019

(₹ in Crore)

	Note	As at 31st March, 2019	As at 31st March, 2018
Assets			
Non-current assets			
Property, plant and equipment	4	17,996.58	17,857.49
Capital work-in-progress		359.27	390.47
Investment property	5	-	-
Intangible assets	6	17.31	13.23
Intangible assets under development		-	2.04
Financial assets			
Investments	7	287.56	192.29
Loans	8	16.74	16.73
Other financial assets	9	230.61	0.77
Deferred tax assets (net)	43	3.56	3.06
Non-current tax assets (net)	10	28.36	27.07
Other non-current assets	11	975.56	658.82
		19,915.55	19,161.97
Current assets			
Inventories	12	627.03	454.88
Financial assets			
Investments	13	626.86	680.66
Trade receivables	14	1,229.69	1,130.45
Cash and cash equivalents	15	116.07	136.50
Bank balances other than cash and cash equivalents above	16	211.93	181.05
Loans	17	15.07	16.31
Other financial assets	18	1,679.38	751.05
Other current assets	19	132.45	79.22
		4,638.48	3,430.12
		24,554.03	22,592.09
Equity and liabilities			
Equity			
Equity share capital	20	480.62	480.62
Other equity	21	8,489.61	7,238.91
		8,970.23	7,719.53
Non-controlling interests		37.39	35.92
		9,007.62	7,755.45
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	22	8,576.45	8,563.70
Trade payables	23		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues other than micro and small enterprises		109.34	94.64
Other financial liabilities	24	1,055.03	956.44
Provisions	25	83.24	79.05
Deferred tax liabilities (net)	43	1,565.38	1,482.94
Other non-current liabilities	26	975.40	882.34
		12,364.84	12,059.11
Current liabilities			
Financial liabilities			
Borrowings	27	300.05	-
Trade payables	28		
Total outstanding dues of micro and small enterprises		27.17	18.34
Total outstanding dues other than micro and small enterprises		763.32	640.37
Other financial liabilities	29	1,362.90	1,482.92
Other current liabilities	30	669.27	577.52
Provisions	31	42.44	31.83
Current tax liabilities (net)	32	16.42	26.55
		3,181.57	2,777.53
		24,554.03	22,592.09

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 039985

Ahmedabad, 15th May, 2019

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN:00061903

Sanjay Dalal
Chief Financial Officer

Samir Shah
Company Secretary

Ahmedabad, 15th May, 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crore)

	Note	Year ended 31st March, 2019	Year ended 31st March, 2018
Income			
Revenue from operations	33	13,150.97	11,512.09
Other income	34	189.59	263.55
Total income		13,340.56	11,775.64
Expenses			
Electrical energy purchased		4,116.50	3,584.78
Fuel cost		4,019.46	3,200.18
Cost of materials consumed	35	259.86	233.44
Purchase of stock-in-trade		229.46	37.18
Changes in inventories of finished goods and work-in-progress	36	(19.58)	1.25
Employee benefits expense	37	486.42	467.03
Finance costs	38	898.93	848.19
Depreciation and amortization expense and impairment loss	39	1,226.53	1,131.50
Other expenses	40	859.37	871.10
Total expenses		12,076.95	10,374.65
Profit before tax		1,263.61	1,400.99
Tax expense			
Current tax	43	275.51	312.48
Deferred tax	43	84.27	136.39
		359.78	448.87
Profit for the year		903.83	952.12
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans	46	(9.60)	20.50
Tax relating to remeasurement of the defined benefit plans	43	(3.35)	7.16
Other comprehensive income for the year (net of tax)		(6.25)	13.34
Total comprehensive income for the year		897.58	965.46
Profit for the year attributable to:			
Owners of the Company		898.94	942.31
Non-controlling interests		4.89	9.81
		903.83	952.12
Other comprehensive income for the year attributable to:			
Owners of the Company		(6.25)	13.34
Non-controlling interests		-	-
		(6.25)	13.34
Total comprehensive income for the year attributable to:			
Owners of the Company		892.69	955.65
Non-controlling interests		4.89	9.81
		897.58	965.46
Basic and diluted earnings per share of face value of ₹10 each (in ₹)	50	18.70	19.61
See accompanying notes forming part of the consolidated financial statements			

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 039985

Ahmedabad, 15th May, 2019

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN:00061903

Sanjay Dalal
Chief Financial Officer

Samir Shah
Company Secretary

Ahmedabad, 15th May, 2019

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crore)

	Note	Year ended 31st March, 2019	Year ended 31st March, 2018
Cash flow from operating activities			
Net profit before tax		1,263.61	1,400.99
Adjustments for :			
Depreciation and amortization expense and impairment loss	39	1,226.53	1,131.50
Amortisation of deferred revenue	33	(64.07)	(56.96)
Provision of earlier years written back	33	(26.98)	(8.04)
Loss on sale / discarding of property, plant and equipment	40	17.97	31.07
Gain on disposal of property, plant and equipment	34	(8.40)	(54.97)
Bad debts written off (net)	40	3.96	3.32
Allowance for doubtful debts (net)	40	17.44	6.45
Finance costs	38	898.93	848.19
Interest income	34	(75.94)	(69.25)
Rent income from investment property	34	-	(1.05)
Goodwill / non-current investment written off	40	-	0.02
Gain on sale of current investments in mutual funds	34	(49.56)	(44.57)
Net (gain) / loss arising on current investments in mutual funds measured at fair value through profit or loss	34	9.09	(8.48)
Net gain arising on financial assets / liabilities measured at amortised cost	34	(24.45)	(14.39)
Net unrealised loss / (gain) on foreign currency transactions		(4.70)	11.87
Operating profit before working capital changes		3,183.43	3,175.70
Movement in working capital:			
Adjustments for decrease / (increase) in operating assets:			
Inventories		(172.15)	(85.51)
Trade receivables		(120.64)	(165.17)
Non-current loans		(0.01)	(1.73)
Current loans		1.24	(12.32)
Other current financial asset		(280.22)	(85.81)
Other non-current financial asset		(229.98)	(0.10)
Other current assets		(53.23)	(15.73)
Other non-current assets		15.39	33.34
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		131.80	(76.31)
Non-current trade payables		26.98	43.46
Other current financial liabilities		21.05	91.46
Other non-current financial liabilities		98.77	92.48
Long-term provisions		4.19	(16.93)
Short-term provisions		1.01	8.18
Other current liabilities		82.89	98.52
Cash generated from operations		2,710.52	3,083.53
Taxes paid		(285.92)	(320.03)
Net cash flow from operating activities		2,424.60	2,763.50
Cash flow from investing activities			
Payments for property, plant and equipment & capital work-in-progress		(1,648.15)	(2,280.67)
Payments for intangible assets & intangible asset under development		(8.39)	(8.70)
Non-current advances for capital assets		(332.13)	(97.26)
Proceeds from sale of property, plant and equipment / investment property		100.80	51.68
Non-current Investment in subsidiaries		-	(0.02)
Non-current Investment in debentures		(78.30)	(182.40)
Purchase of non-current investments		(1.93)	(1.69)

CONSOLIDATED STATEMENT OF CASH FLOW (Contd.)

FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
(Investments) / redemption in bank deposits (net) (maturity more than three months)	(31.40)	(14.21)
Interest received	76.79	77.12
(Purchase of) / proceeds from current investments (net)	94.27	36.66
Rent income from investment property	-	1.05
Bank balances not considered as cash and cash equivalents	(0.02)	-
Net cash generated from / (used in) investing activities	(1,828.46)	(2,418.44)
Cash flow from financing activities		
Proceeds from long-term borrowings	859.61	987.74
Proceeds from short-term borrowings	1,200.05	-
Repayment of long-term borrowings	(447.55)	(360.33)
Prepayment of long-term borrowings	(290.75)	(19.33)
Repayment of short-term borrowings	(900.00)	(76.62)
Repayment of Accelerated Power Development and Reform Programme (APDRP) loan	(3.82)	(3.82)
Receipt of contribution from consumers	166.00	120.52
Dividend paid	(242.65)	(108.08)
Dividend distribution tax paid	(49.88)	(22.95)
Finance costs paid	(907.58)	(828.54)
Net cash generated from / (used) in financing activities	(616.57)	(311.41)
Net (decrease) / increase in cash and cash equivalents	(20.43)	33.65
Cash and cash equivalents as at beginning of the year	136.50	102.85
Cash and cash equivalents as at end of the year	116.07	136.50
See accompanying notes forming part of the consolidated financial statements		
Footnotes:		
1 Cash and cash equivalents as at end of the year:		
Balances with banks		
Balance in current accounts	107.85	133.26
Balance in fixed deposit accounts (original maturity for less than three months)	0.78	1.03
Cheques, drafts on hand	6.02	1.61
Cash on hand	1.42	0.60
	116.07	136.50

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

In terms of our report attached

For and on behalf of the Board of Directors

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

Samir Mehta
Chairman
DIN:00061903

Pradip Kanakia
Partner
Membership No.: 039985

Sanjay Dalal
Chief Financial Officer

Samir Shah
Company Secretary

Ahmedabad, 15th May, 2019

Ahmedabad, 15th May, 2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

A. Equity share capital [Refer note 20]

(₹ in Crore)

Balance as at 1st April, 2017	480.62
Changes in equity share capital during the year	-
Balance as at 31st March, 2018	480.62
Changes in equity share capital during the year	-
Balance as at 31st March, 2019	480.62

B. Other equity [Refer note 21]

(₹ in Crore)

	Reserves and surplus						Other equity attributable to equity holders of the Company	Non-controlling interests	Total
	Securities premium	Debenture redemption reserve	Contingency reserve	Special reserve	General reserve	Retained earnings			
Balance as at 1st April, 2017	0.03	129.46	6.24	78.07	3,583.89	2,613.78	6,411.47	28.93	6,440.40
Profit for the year	-	-	-	-	-	942.31	942.31	9.81	952.12
Other comprehensive income for the year, net of income tax	-	-	-	-	-	13.34	13.34	-	13.34
Total comprehensive income for the year	-	-	-	-	-	955.65	955.65	9.81	965.46
Transfer to debenture redemption reserve	-	34.22	-	-	-	(34.22)	-	-	-
Transfer to contingency reserve	-	-	1.71	-	-	(1.71)	-	-	-
Dividend (including interim dividend) paid	-	-	-	-	-	(105.74)	(105.74)	(2.34)	(108.08)
Dividend distribution tax paid	-	-	-	-	-	(22.47)	(22.47)	(0.48)	(22.95)
Balance as at 31st March, 2018	0.03	163.68	7.95	78.07	3,583.89	3,405.29	7,238.91	35.92	7,274.83
Balance as at 1st April, 2018	0.03	163.68	7.95	78.07	3,583.89	3,405.29	7,238.91	35.92	7,274.83
Impact on adoption of Ind AS 115 [Refer note 54]	-	-	-	-	-	647.72	647.72	(0.60)	647.12
Restated balance as at 1st April, 2018	0.03	163.68	7.95	78.07	3,583.89	4,053.01	7,886.63	35.32	7,921.95
Profit for the year	-	-	-	-	-	898.94	898.94	4.89	903.83
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(6.25)	(6.25)	-	(6.25)
Total comprehensive income for the year	-	-	-	-	-	892.69	892.69	4.89	897.58
Transfer to debenture redemption reserve	-	34.22	-	-	-	(34.22)	-	-	-
Transfer to contingency reserve	-	-	1.81	-	-	(1.81)	-	-	-
Dividend (including interim dividend) paid	-	-	-	-	-	(240.31)	(240.31)	(2.34)	(242.65)
Dividend distribution tax paid	-	-	-	-	-	(49.40)	(49.40)	(0.48)	(49.88)
Balance as at 31st March, 2019	0.03	197.90	9.76	78.07	3,583.89	4,619.96	8,489.61	37.39	8,527.00

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 039985

Ahmedabad, 15th May, 2019

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN:00061903

Sanjay Dalal
Chief Financial Officer

Samir Shah
Company Secretary

Ahmedabad, 15th May, 2019

NOTE 1A: GENERAL INFORMATION

These financial statements comprise financial statements of Torrent Power Limited ("the Company") and its subsidiaries (hereinafter referred to as "the Group") and associates for the year ended 31st March, 2019.

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. Its equity shares are listed on BSE Ltd. and National Stock Exchange Ltd. in India. The registered office of the Company is located at "Samanvay", 600, Tapovan, Ambawadi, Ahmedabad – 380 015.

The Group is engaged in the business of generation, transmission and distribution of Power and of manufacture and sale of Cable. Information on the Group's structure is provided in note 41.

NOTE 1B: NEW STANDARDS OR INTERPRETATIONS ADOPTED BY THE GROUP

The Group has applied the following Ind AS for the first time for its annual reporting period commencing 1st April, 2018:

Change due to transition to Ind AS – 115 "Revenue from Contracts with Customers"

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 on 28th March, 2018 which include Indian Accounting Standard (Ind AS) 115 in respect of 'Revenue from Contracts with Customers' which has replaced inter alia, the existing Ind AS 18 'Revenue' and is mandatory for reporting periods beginning on or after 1st April, 2018

Refer note 2.12 for the accounting policy and note 54 for the impact on change in policy and related disclosures.

NOTE 1C: NEW STANDARDS OR INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The Group will apply the following standard for the first time for its annual reporting period commencing 1st April, 2019:

Ind AS 116 "Leases"

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) 2018 on 30th March, 2019 which includes Ind AS – 116 "Lease". This will replace Ind AS 17 on leases.

Ind AS 116 will result in almost all leases being recognized on the balance sheet by the lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognized. The only exceptions are short term and low value leases.

In order to identify the potential impact of the standard on the Group's financial statements, the Group is analysing leasing contracts . The Group has begun the analysis on the key areas identified, in order to estimate the effect of the application of the new standard for which the work is ongoing and impact areas may be identified as the Group progresses further in the implementation process. As a result, at this stage the Group is not able to estimate the impact of the new standard on the Group's financial statements. The Group will make a more detailed assessment of the impact over the future periods.

Other amendments

On 30th March, 2019, the Ministry of Corporate Affairs (MCA) notified certain other amendments to Indian Accounting Standards (Ind AS), as below, as part of the Companies (Indian Accounting Standards) Second Amendment Rules, 2019. These other amendments come into force on 1st April, 2019.

Ind AS - 12 "Income taxes", Appendix C - Uncertainty over income tax treatments

The appendix explains how to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

Ind AS - 12 "Income taxes"

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Ind AS - 19 "Employee benefits", Plan amendment, curtailment or settlement

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Ind AS - 23 "Borrowing costs"

The amendments clarify that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

The effective date for adoption of amendments as per Companies (Indian Accounting Standards) Second Amendment Rules, 2019 is annual periods beginning on or after 1st April, 2019. The Group will adopt the standard on 1st April, 2019 and is in the process of evaluating the impact on account of above amendment on its financial statements and will accordingly consider the same from period beginning 1st April, 2019.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation:

Compliance with Ind AS

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

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

Historical cost convention

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

- Derivative instruments
- Defined benefit plan assets

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

2.2 Principles of consolidation:

Subsidiaries

The consolidated financial statements comprise the financial statements of Torrent Power Limited and its subsidiaries. Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Consolidation of an entity begins when the Company obtains control over the entity and ceases when the Company loses control of the entity. Specifically, income and expenses of an entity acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control or until the date when the Company ceases to control the entity, respectively.

The Group combines the financial statements of the Parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Ind AS - 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent company, i.e., year ended on 31st March.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

Associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties, that have joint control of the arrangement, have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in the consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognized to the extent that the Group has incurred legal or constructive obligation or made payment on behalf of the associate or joint venture.

2.3 Business combinations and Goodwill:

Business combination - acquisition

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred, liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Business combination – common control transaction

Business combinations involving entities that are controlled by the Group are accounted for using the pooling of interests method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.
- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

Business combination-related costs are generally recognised in consolidated statement of profit and loss as incurred.

Goodwill

Goodwill on acquisitions of subsidiaries, associates and joint ventures is included in intangible assets. Goodwill is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to such entity.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

2.4 Government grants:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants relating to income are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants relating to purchase of property, plant and equipment whose primary condition is that the Group should purchase, construct or otherwise acquire property, plant and equipment are recognised as deferred revenue in the consolidated balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

2.5 Property, plant and equipment:

Tangible fixed assets

Freehold land is carried at historical cost. All other items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses, except that on adoption of Ind AS, property, plant and equipment had been measured at deemed cost, using the net carrying value as per previous GAAP as at 1st April, 2015.

Capital work in progress in the course of construction for production, supply or administrative purposes is carried at cost, less any recognised impairment loss. Cost includes purchase price, taxes and duties, labour cost and other directly attributable costs incurred upto the date the asset is ready for its intended use. Such property, plant and equipment are classified to the appropriate categories when completed and ready for intended use.

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

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

Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are ready for their intended use. Depreciation for the year is provided on additions / deductions of the assets during the period from / up to the month in which the asset is added / deducted. Depreciation on tangible assets which are governed as per the provisions of Part B of Schedule II of the Companies Act, 2013 is provided on straight line basis (other than Agra Franchisee Business for which it is provided on written down value basis) using the depreciation rates, the methodology and residual value as notified by the respective regulatory bodies in accordance with the Electricity Act, 2003. For other tangible assets in non-regulated business, depreciation is provided on a straight line basis over the estimated useful lives.

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period in respect of tangible assets of non-regulated business. The effect of any such change in estimate in this regard is accounted for on a prospective basis.

The range of depreciation rates of property, plant and equipment are as follows:

Class of assets	Rate of depreciation		
	Regulated business	Franchisee business@	Other business
Buildings	1.80% to 6.00%	3.02% to 7.84%	1.18% to 31.67%
Railway siding	1.80% to 5.28%	-	-
Plant and machinery	1.80% to 18.00%	5.27% to 33.40%	12.66%
Electrical fittings and apparatus	3.60% to 6.33%	6.33% to 12.77%	9.50%
Furniture and fixtures	5.28% to 6.33%	6.33% to 12.77%	9.50%
Vehicles	6.00% to 18.00%	9.50% to 33.40%	9.50% to 11.88%
Office equipment	5.28% to 15.00%	6.33% to 33.40%	6.33% to 31.67%

@ governed by the applicable regulations of U. P. Electricity Regulatory Commission (UPERC)/ Maharashtra Electricity Regulatory Commission (MERC) for this purpose.

2.6 Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from its current use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Investment properties, other than free hold land, are depreciated using straight line method over their estimated useful lives.

2.7 Intangible assets – acquired

Computer software is carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over its estimated useful life of 3 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period and the effect of any changes in such estimate being accounted for on a prospective basis.

Expenditure incurred on acquisition of intangible assets which are not ready to use at the reporting date is disclosed under "Intangible assets under development".

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

2.8 Impairment of tangible and intangible assets other than goodwill:

Tangible and intangible assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's fair value less costs of disposal and value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. An impairment loss is recognised immediately in profit or loss.

2.9 Borrowing costs:

Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, such as new projects and / or specific assets created in the existing business, are capitalized up to the date of completion and ready for their intended use.

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

Other borrowing costs are charged to the consolidated statement of profit and loss in the period of their accrual.

2.10 Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques / drafts on hand, current account balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the consolidated balance sheet.

2.11 Inventories:

Raw materials, fuel, stores and spares, packing materials, loose tools, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of inventories includes purchase price and all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the weighted average basis except inventory of Regasified Liquefied Natural Gas (RLNG) which is valued on FIFO basis and using specific identification method considering its procurement for beneficiary usage or others. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.12 Revenue recognition:

Revenue is recognized, when the control of the goods or services has been transferred to consumers. Revenue is measured at the fair value of the consideration received or receivable, net of discounts and other similar allowances.

(i) Revenue from power supply and transmission charges is accounted for in accordance with the principles laid down under the relevant Tariff Regulations / Tariff Orders notified by the Electricity Regulator. Revenue recognized includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff and adjustments in respect of unbilled amounts towards revenue gaps / unapproved FPPPA which are recognised considering applicable tariff regulations/ tariff orders, past trends of approval, management's probability estimate and, when no significant uncertainty exists in such determination.

These adjustments / accruals are carried forward as 'Unbilled revenue' under "Other current financial assets" in Note 18, which would be adjusted through future billing based on tariff determination by the regulator in accordance with the electricity regulations.

(ii) Sales of cables and trading of RLNG are recognised, net of returns and rebates, on transfer of control of ownership to the buyer. Sales exclude Goods and service tax.

(iii) Gross proceeds from sale of Certified Emission Reduction certificates (CERs) are recognized when all the control of CERs have been passed to the buyer, usually on delivery of the CERs.

(iv) Income from Generation Based Incentive is accounted on accrual basis considering eligibility of project for availing incentive.

(v) Contributions by consumers towards items of property, plant and equipment, which require an obligation to provide electricity connectivity to the consumers, are recognised as a credit to deferred revenue. Similarly contribution by third party towards construction of overhead transmission lines are recognized as a credit to deferred revenue. Such revenue is recognised over the useful life of the property, plant and equipment.

2.13 Foreign currency translation:

Functional and presentation currency

The consolidated financial statements are prepared in Indian rupee (INR) which is functional as well as presentation currency of the Group.

Transactions and balances

In preparing the financial statements of each individual Group entity transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign exchange differences regarded as an adjustments to borrowing costs are presented in the consolidated statement of profit and loss, within finance costs. All other foreign exchange differences arising on settlement of monetary items or on reporting the Group's monetary items at rates different from those at which they were initially recorded during the financial year are recognized as income or expense in the financial year in which they arise.

The exchange differences relating to long term foreign currency monetary items, recognised in the financial statement upto 31st March, 2016, in so far as they relate to acquisition of depreciable capital assets is adjusted to the cost of such capital asset and depreciated over the balance useful life of such asset.

2.14 Employee benefits:

Defined contribution plans

Contributions retirement benefit plans in the form of provident fund, employee state insurance scheme, pension scheme and superannuation schemes as per regulations are charged as an expense on an accrual basis when employees have rendered the service. The Group has no further payment obligations once the contributions have been paid.

Defined benefits plans

The liability or asset recognised in the consolidated balance sheet in respect of the retirement benefit plan i.e. gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by an actuary using projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

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

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

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

Other long-term employee benefit obligations

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

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

2.15 Taxation:

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

Current tax

The tax currently payable is based on estimated taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in the tax returns with respect to situations for which applicable tax regulations are subject to interpretation and revises the provisions, if so required where consider necessary.

Advance taxes and provisions for current income taxes are offset with each other when there is a legally enforceable right to offset and balances arise with the same tax authority.

Deferred tax

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

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

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

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

2.16 Earnings per share:

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

Diluted earnings per share is computed by adjusting the figures used in the determination of basic EPS to take into account:

- After tax effect of interest and other financing costs associated with dilutive potential equity shares.
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.17 Provisions, contingent liabilities and contingent assets:

Provisions

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

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

Contingent liability

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

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

2.18 Financial instruments:

Financial assets

i) Classification of financial assets (including debt instruments)

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

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

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

ii) Initial measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

iii) Subsequent measurement

There are three measurement categories into which the debt instruments can be classified:

- **Amortised cost**

  Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI)**

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

- **Fair value through profit or loss (FVTPL)**

  Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the consolidated statement of profit and loss within other gains / (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

iv) Impairment of financial assets

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

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

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

v) Derecognition of financial assets

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

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

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

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

vi) Income recognition

Dividend is accounted when the right to receive payment is established.

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Interest on overdue receivables of energy bills and claims including insurance claims, coal cost variation and other claims etc. are accounted as and when recovered.

Financial liabilities

The Group's financial liabilities include trade and other payables, loans and borrowings.

i) Classification

All the Group's financial liabilities, except for financial liabilities at fair value through profit or loss, are measured at amortized cost.

ii) Initial measurement

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate Method.

The Effective Interest Rate Method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

iv) Derecognition of financial liabilities

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

2.19 Contributed equity:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Transaction costs of an equity transaction shall be accounted for in other equity.

2.20 Leases:

Leases (including lease arrangements for land) are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating Lease (The Group as Lessee): Lease payments under an operating lease are recognized as expense in the consolidated statement of profit and loss, on a straight-line or other systematic basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Lessor's expected inflationary cost increases, such increases are recognised in the year in which such liability accrues.

2.21 Amount presented and rounding off:

All amounts in the financial statements and notes have been presented in ₹ Crore (except for share data) rounded to two decimals as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated. Figures below ₹50,000 are denoted by '*'.

NOTE 3: CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the course of applying the policies outlined in all notes under note 2 above, the management of the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Such estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

3.1 Revenue recognition:

The Group has recognised revenue (including the adjustment in respect of unapproved FPPPA claims and other true up adjustment claims) as per the applicable tariff regulations / tariff orders, management's probability estimate and the past trends of approval. The Group has not recognized those truing up adjustment claims which are subject of dispute and for which the group is in appeal with regulatory authorities.

3.2 Property, plant and equipment:

(i) Service concession arrangements

The Group has assessed applicability of Appendix D of Ind AS – 115 "Service Concession Arrangements" with respect to its distribution and transmission assets portfolio. In assessing the applicability, the Group has exercised judgment in relation to the provisions of the Electricity Act, 2003, transmission / distribution license and / or agreements. Based on such assessment, it has concluded that Appendix D of Ind AS 115 is not applicable.

(ii) Impairment of property, plant and equipment

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount of property, plant and equipment is the higher of its fair value less costs of disposal and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated PLF, fuel availability at economical rates, economic and regulatory environment, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets. [Refer note 42(1)]

3.3 Impairment of financial assets:

(i) Trade receivables

The Group estimates the credit allowance as per practical expedient based on historical credit loss experience as enumerated in note 53.

3.4 Taxation:

(i) Current tax

The Group has treated certain expenditure as being deductible for tax purposes. However, the tax legislation in relation to such expenditure is not clear and the Group has applied their judgement and interpretation for the purpose of taking their tax position.

(ii) Deferred tax assets

Deferred tax assets are recognised for unused tax losses / credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. [Refer note 43]

3.5 Contingencies:

Contingent liabilities

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management decides whether the matters needs to be classified as 'remote', 'possible' or 'probable' based on expert advice, past judgements, experiences etc.

3.6 Employee benefit plans:

Defined benefit plans and other long-term employee benefits

The present value of obligations under defined benefit plan and other long term employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, these obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

NOTE 4 : PROPERTY, PLANT AND EQUIPMENT

As at 31st March, 2019

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation and impairment loss				Net carrying amount
	As at 1st April, 2018	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2019	As at 1st April, 2018	For the year	Deductions during the year	As at 31st March, 2019	As at 31st March, 2019
Freehold land	386.99	110.76	88.65	-	409.10	-	-	-	-	409.10
Buildings	1,426.22	79.13	0.37	0.70	1,505.68	135.83	51.68	0.04	187.47	1,318.21
Railway siding	1.86	-	-	-	1.86	0.15	0.05	-	0.20	1.66
Plant and machinery	18,889.09	1,229.67	31.74	6.13	20,093.15	2,849.48	1,152.19	11.32	3,990.35	16,102.80
Electrical fittings and apparatus	37.93	2.29	0.01	0.05	40.26	9.02	3.26	0.01	12.27	27.99
Furniture and fixtures	41.32	3.74	0.03	0.08	45.11	7.78	3.14	-	10.92	34.19
Vehicles	22.38	1.70	0.73	0.15	23.50	5.64	2.49	0.26	7.87	15.63
Office equipment	84.69	36.69	0.70	0.39	121.07	25.09	9.21	0.23	34.07	87.00
Total	20,890.48	1,463.98	122.23	7.50	22,239.73	3,032.99	1,222.02	11.86	4,243.15	17,996.58

As at 31st March, 2018

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation and impairment loss				Net carrying amount
	As at 1st April, 2017	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2018	As at 1st April, 2017	For the year^	Deductions during the year	As at 31st March, 2018	As at 31st March, 2018
Freehold land	368.95	18.04	-	-	386.99	-	-	-	-	386.99
Buildings	1,357.56	67.92	0.24	0.98	1,426.22	86.51	49.32	*	135.83	1,290.39
Railway siding	1.86	-	-	-	1.86	0.10	0.05	-	0.15	1.71
Plant and machinery	16,817.70	2,122.12	34.96	(15.77)	18,889.09	1,793.81	1,065.14	9.47	2,849.48	16,039.61
Electrical fittings and apparatus	34.16	3.85	0.10	0.02	37.93	6.02	3.05	0.05	9.02	28.91
Furniture and fixtures	37.33	4.28	0.29	-	41.32	4.84	3.09	0.15	7.78	33.54
Vehicles	19.41	4.31	1.35	0.01	22.38	3.82	2.23	0.41	5.64	16.74
Office equipment	71.80	13.45	0.61	0.05	84.69	17.61	7.70	0.22	25.09	59.60
Total	18,708.77	2,233.97	37.55	(14.71)	20,890.48	1,912.71	1,130.58	10.30	3,032.99	17,857.49

^ includes impairment loss amounting to ₹14.07 Crore

NOTE 4 : PROPERTY, PLANT AND EQUIPMENT (Contd.)

Footnotes:

1 Assets mortgaged as security:

Entire movable and immovable properties (including capital work-in-progress) with the net carrying amount of ₹18,355.85 Crore (31st March, 2018 - ₹18,247.96 Crore) have been mortgaged and hypothecated to secure borrowings of the Company and certain subsidiaries [Refer note 22].

2 Capital commitment:

Refer note 44 (c) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

3 Adjustments during the year include capitalisation of borrowing costs of ₹7.28 Crore (Previous year - ₹5.77 Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 “Borrowing Costs”.

4 Capital work-in-progress include borrowing costs of ₹2.67 Crore (31st March, 2018 - ₹0.71 Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 “Borrowing Costs”.

5 The weighted average rate for capitalisation of borrowing cost relating to general borrowing is 8.68% (Previous year 8.55%).

6 Additions to plant and machinery includes capitalisation of directly attributable costs incurred by the Group under various headings.

7 Refer note 42(1) for impairment assessment of DGEN power plant.

8 Pro-rata cost of assets owned jointly with Torrent Pharmaceuticals Limited, a fellow subsidiary are as under:

(₹ in Crore)

Particulars	Proportion of holding	As at 31st March, 2019	As at 31st March, 2018
Freehold land	50%	23.78	23.78
Freehold land	70%	83.16	83.16
Building	70%	2.52	1.36

NOTE 5 : INVESTMENT PROPERTY

As at 31st March, 2019

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation				Net carrying amount
	As at 1st April, 2018	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2019	As at 1st April, 2018	For the year	Deductions during the year	As at 31st March, 2019	As at 31st March, 2019
Freehold land	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

As at 31st March, 2018

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation				Net carrying amount
	As at 1st April, 2017	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2018	As at 1st April, 2017	For the year	Deductions during the year	As at 31st March, 2018	As at 31st March, 2018
Freehold land	0.53	-	0.53	-	-	-	-	-	-	-
Total	0.53	-	0.53	-	-	-	-	-	-	-

Footnote:

1. Amount recognised in statement of profit and loss for investment property [Refer note 34] :

(₹ in Crore)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Rental income derived from investment property	-	1.05
Direct operating expenses arising from investment property	-	-

NOTE 6 : INTANGIBLE ASSETS

As at 31st March, 2019

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated amortization				Net carrying amount
	As at 1st April, 2018	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2019	As at 1st April, 2018	For the year	Deductions during the year	As at 31st March, 2019	As at 31st March, 2019
Computer software	26.53	10.43	-	-	36.96	13.30	6.35	-	19.65	17.31
Total	26.53	10.43	-	-	36.96	13.30	6.35	-	19.65	17.31

As at 31st March, 2018

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated amortization				Net carrying amount
	As at 1st April, 2017	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2018	As at 1st April, 2017	For the year	Deductions during the year	As at 31st March, 2018	As at 31st March, 2018
Computer software	17.26	9.27	-	-	26.53	9.86	3.44	-	13.30	13.23
Total	17.26	9.27	-	-	26.53	9.86	3.44	-	13.30	13.23

Footnote:

1. The above computer software has been mortgaged and hypothecated to secure borrowings of the Company and certain subsidiaries [Refer note 22].

NOTE 7 : NON-CURRENT INVESTMENTS

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Investment in equity instruments (unquoted)		
Others (at fair value through profit or loss)		
AEC Cements & Constructions Limited		
Equity shares of ₹10 each fully paid up	0.61	0.61
(No. of shares - 31st March, 2019: 9,61,500, 31st March, 2018: 9,61,500)		
Less: Impairment in value of investment	(0.61)	(0.61)
Tidong Hydro Power Limited		
Equity shares of ₹10 each fully paid up	0.02	0.02
(No. of shares - 31st March, 2019: 24,500, 31st March, 2018: 24,500)		
Less: Impairment in value of investment	(0.02)	(0.02)
Tornascent Care Institute @		
Equity shares of ₹10 each fully paid up	0.03	0.03
(No. of shares - 31st March, 2019: 25,000, 31st March, 2018: 25,000)		
UNM Foundation @		
Equity shares of ₹10 each fully paid up	0.03	0.03
(No. of shares - 31st March, 2019: 25,000, 31st March, 2018: 25,000)		
	0.06	0.06
Investment in non-convertible debentures (unquoted) (at amortised cost)		
Wind Two Renergy Private Limited		
Zero coupon secured, redeemable with premium non-convertible debentures of ₹1,00,000 each	97.21	73.29
(No. of debentures - 31st March, 2019: 9,070, 31st March, 2018: 7,276)		
Wind Four Renergy Private Limited		
Zero coupon secured, redeemable with premium non-convertible debentures of ₹1,00,000 each	91.23	55.35
(No. of debentures - 31st March, 2019: 8,600, 31st March, 2018: 5,482)		
Wind Five Renergy Private Limited		
Zero coupon secured, redeemable with premium non-convertible debentures of ₹1,00,000 each	88.87	55.33
(No. of debentures - 31st March, 2019: 8,400, 31st March, 2018: 5,482)		
	277.31	183.97

NOTE 7 : NON-CURRENT INVESTMENTS (Contd.)

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Contingency reserve investments - statutory (quoted) (at amortised cost) $		
8.28% GOI Bond - 2032	0.99	0.99
8.32% GOI Bond - 2032	0.32	0.32
8.97% GOI Bond - 2030	1.01	1.01
8.28% GOI Bond - 2027	1.30	1.30
7.35% GOI Bond - 2024	1.32	1.32
8.40% GOI Bond - 2024	1.63	1.63
6.68% GOI Bond - 2031	1.69	1.69
7.37% GOI Bond - 2023	1.93	-
	10.19	8.26
	287.56	192.29
Aggregate amount of quoted investments	10.19	8.26
Aggregate amount of unquoted investments	277.37	184.03
	287.56	192.29
Aggregate amount of provision for impairment in value of investments	0.63	0.63
Aggregate amount of market value of quoted investments	10.54	8.42

@ The Company has, jointly with Torrent Pharmaceuticals Limited, promoted section 8 companies, i.e Tornascent Care Institute and UNM Foundation, under the Companies Act, 2013 for the purpose of carrying out charitable activities.

$ Investment in Government of India bonds have been made in terms of Gujarat Electricity Regulatory Commission (GERC) Multi-Year Tariff (MYT) Regulations, which can be utilised only for the purposes mentioned therein. [Refer note 21 - Contingency reserve].

NOTE 8 : NON-CURRENT LOANS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Security deposits	16.74	16.73
	16.74	16.73

NOTE 9 : OTHER NON-CURRENT FINANCIAL ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Inter-corporate deposits #	230.00	-
Bank fixed deposits	0.48	0.62
Other advances	0.13	0.15
	230.61	0.77

include ₹80.00 Crore (31st March, 2018 - ₹ Nil) on which a lien has been created in favour of lenders

NOTE 10 : NON-CURRENT TAX ASSETS

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Advance income tax (net)	28.36	27.07
	28.36	27.07

NOTE 11 : OTHER NON-CURRENT ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Capital advances	601.62	269.49
Advances for goods and services	213.02	230.29
Balances with government authorities	2.94	2.94
Prepaid expenses	2.14	2.53
Unamortised premium for leasehold land	155.84	153.57
	975.56	658.82

NOTE 12 : INVENTORIES

(valued at lower of cost and net realizable value)

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Stores and spares	279.56	285.37
Fuel	292.47	135.35
Raw materials	21.21	19.74
Work-in-progress	8.75	5.93
Finished goods	23.31	6.44
Packing materials	0.49	0.54
Loose tools	1.24	1.51
	627.03	454.88

Footnotes:

1. The cost of stores and spares inventories recognised as an expense includes ₹1.97 Crore (Previous year - ₹5.65 Crore) in respect of write-downs of inventory to net realisable value determined based on evaluation of slow and non-moving inventories.
2. The above carrying amount of inventories has been mortgaged and hypothecated to secure borrowings of the Company and certain subsidiaries.
3. The above carrying amount of fuel includes goods in transit of ₹4.48 Crore (31st March, 2018 - ₹6.05 Crore).

NOTE 13 : CURRENT INVESTMENTS

(Investments carried at fair value through profit or loss)

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Investment in mutual funds (unquoted)		
Axis Liquid Fund- Growth (No. of units - 31st March, 2019: 4,46,035, 31st March, 2018: Nil)	92.11	-
Baroda Pioneer Liquid Fund-Growth (No. of units - 31st March, 2019: Nil, 31st March, 2018: 4,28,694)	-	85.28
DSPBR Liquidity Fund (No. of units - 31st March, 2019: Nil, 31st March, 2018: 1,82,845)	-	45.24
ICICI Liquid Plan - Regular - Growth^ (No. of units - 31st March, 2019: 98,64,058, 31st March, 2018: Nil)	271.68	-
Invesco India Liquid Fund - Growth (No. of units - 31st March, 2019: Nil, 31st March, 2018: 4,59,617)	-	109.56
LIC MF Liquid Fund (No. of units - 31st March, 2019: Nil, 31st March, 2018: 17,065)	-	5.35
SBI PLF - Regular Plan Growth # (No. of units - 31st March, 2019: Nil, 31st March, 2018: 7,80,363)	-	211.91
Tata Money Market Fund (No. of units - 31st March, 2019: 8,97,692, 31st March, 2018: 6,68,769)	263.07	182.37
UTI Liquid Cash Plan - Growth (No. of units - 31st March, 2019: Nil, 31st March, 2018: 1,44,348)	-	40.95
	626.86	680.66
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	626.86	680.66
	626.86	680.66
Aggregate amount of impairment in value of investments	-	-
Aggregate amount of market value of quoted investments	-	-
	-	-

^ include ₹22.30 Crore (31st March, 2018 - ₹ Nil) on which a lien has been created in favour of lenders

include ₹ Nil (31st March, 2018 - ₹89.14 Crore) on which a lien has been created in favour of lenders

NOTE 14 : TRADE RECEIVABLES

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Trade receivables		
Secured - Considered good	488.35	453.94
Unsecured - Considered good	741.34	676.51
- Credit impaired	153.37	135.93
	1,383.06	1,266.38
Less: Allowance for bad and doubtful debts	153.37	135.93
	1,229.69	1,130.45

Footnotes:

1. Refer note 53 for credit risk related disclosures.
2. Refer note 22 for charge on current assets including trade receivables.

NOTE 15 : CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Balances with banks		
Balance in current accounts	107.85	133.26
Balance in fixed deposit accounts (original maturity of less than three months)	0.78	1.03
	108.63	134.29
Cheques, drafts on hand	6.02	1.61
Cash on hand	1.42	0.60
	116.07	136.50

NOTE 16 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Unpaid dividend accounts	7.44	8.11
Unpaid fractional coupon accounts	0.35	0.34
Balance in fixed deposit accounts# (maturity of more than three months but less than twelve months)	204.14	172.60
	211.93	181.05

include ₹69.00 Crore (31st March, 2018 - ₹ Nil) on which a lien has been created in favour of lenders

NOTE 17 : CURRENT LOANS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Security deposits	15.07	16.31
	15.07	16.31

NOTE 18 : OTHER CURRENT FINANCIAL ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Inter-corporate deposits #	75.00	155.00
Interest accrued on non-current investments	0.17	0.10
Interest accrued on deposits	12.27	11.35
Unbilled revenue (including revenue gap / surplus) [Refer note 54]	1,494.17	484.97
	1,581.61	651.42
Other advances / receivables		
Considered good	97.77	99.63
Considered credit impaired	6.06	6.06
	103.83	105.69
Less : Allowance for doubtful advances	6.06	6.06
	97.77	99.63
	1,679.38	751.05
# on which a lien has been created in favour of lenders		

NOTE 19 : OTHER CURRENT ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Advances for goods and services	52.86	63.05
Balances with government authorities	53.82	0.12
Prepaid expenses	19.92	10.32
Unamortised premium for leasehold land	5.85	5.73
	132.45	79.22

NOTE 20 : EQUITY SHARE CAPITAL

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Authorised		
4,37,00,00,000 (4,37,00,00,000 as at 31st March, 2018) equity shares of ₹10 each	4,370.00	4,370.00
	4,370.00	4,370.00
Issued, subscribed and paid up		
48,06,16,784 (48,06,16,784 as at 31st March, 2018) equity shares of ₹10 each	480.62	480.62
	480.62	480.62

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

	No. of shares As at 31st March, 2019	No. of shares As at 31st March, 2018
At the beginning of the year	48,06,16,784	48,06,16,784
Issued during the year	-	-
Outstanding at the end of the year	48,06,16,784	48,06,16,784

2. 25,74,22,311 equity shares (25,74,22,311 equity shares as at 31st March, 2018) of ₹10 each fully paid up are held by the Parent Company - Torrent Private Limited.

3. Terms / Rights attached to equity shares :

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

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

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

Name of the Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No. of shares	% holding	No. of shares	% holding
Torrent Private Limited	25,74,22,311	53.56%	25,74,22,311	53.56%
Gujarat State Financial Services Limited	4,68,71,621	9.75%	-	-
Axis Mutual Fund Trustee Limited	3,07,44,585	6.40%	2,26,39,291	@
Gujarat State Investment Limited	-	-	4,68,71,621	9.75%
Life Insurance Corporation of India	1,49,68,387	@	2,83,83,394	5.91%

@ less than 5%

5. Aggregate number of equity shares allotted as fully paid up pursuant to contract(s) without payment being received in cash:

   During financial year 2015-16, the Company allotted 81,68,476 equity shares of ₹10 each at par to the shareholders of Torrent Cables Limited pursuant to the scheme of amalgamation of Torrent Energy Limited and Torrent Cables Limited with Torrent Power Limited as approved by the Hon'ble Gujarat High Court vide its order dated 13th August, 2015.

6. Distributions made and proposed:

   The amount of per share dividend distributed to equity shareholders during the year ended 31st March, 2019 was ₹5.00 (Previous year - ₹2.20) per equity share, being the final dividend declared for the year ended 31st March, 2018.

   The Board of Directors at its meeting held on 15th May, 2019 has recommended a dividend of 50.00% (₹5.00 per equity share of par value ₹10 each).The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting and if approved, would result in a cash outflow of approximately ₹289.71 Crore (inclusive of dividend distribution tax of ₹49.40 Crore).

NOTE 21 : OTHER EQUITY

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Reserves and surplus		
Securities premium	0.03	0.03
Debenture redemption reserve	197.90	163.68
Contingency reserve	9.76	7.95
Special reserve	78.07	78.07
General reserve	3,583.89	3,583.89
Retained earnings	4,619.96	3,405.29
	8,489.61	7,238.91

Footnotes:

1. Securities premium :

   Securities premium reflects issuance of the shares by the Company at a premium, whether for cash or otherwise i.e. a sum equal to the aggregate amount of the premium received on shares is transferred to a "securities premium account" as per the provisions of the Companies Act, 2013. The reserve can be utilised in accordance with the provisions of the Act.

2. Debenture redemption reserve:

   The Company has issued redeemable non-convertible debentures. Consequently, the Company is required under the Companies (Share capital and Debentures) Rules, 2014 (as amended), to create Debenture redemption reserve (DRR), equal to 25% of the value of debentures, out of profits of the Company available for payment of dividend. The Company creates DRR, for the required amount, over the tenure of the debentures, before redemption begins.

3. Contingency reserve:

   As per the provisions of GERC MYT Regulations read with Tariff orders passed by GERC, the Company being a Distribution Licensee makes an appropriation to the contingency reserve to meet with certain exigencies. Investments in Bonds issued by Government of India have been made against such reserve.

4. Special reserve:

   As per MYT Regulations (2007), the Company has created a reserve in FY 2011-12 and FY 2012-13, which represents one third amount of controllable gain shall be retained in a special reserve by the Generating Company or Licensee for the purpose of absorbing the impact of any future losses on account of controllable factors.

5. General reserve:

   General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. The general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

6. Retained earnings:

   The retained earnings reflect the profit of the Group earned till date net of appropriations. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve, after considering the requirements of the Companies Act, 2013.

NOTE 22 : NON-CURRENT BORROWINGS

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Non-current borrowings		
Secured loans - at amortised cost		
Non convertible debentures		
10.35% Series 1	550.00	550.00
10.35% Series 2A, 2B & 2C	300.00	300.00
8.95% Series 3A, 3B & 3C	245.00	245.00
	1,095.00	1,095.00
Term loans@		
From banks	7,460.81	7,444.24
	7,460.81	7,444.24
	8,555.81	8,539.24
Unsecured loans - at amortised cost		
Term loans		
From Government of India under Accelerated Power Development and Reform Programme (APDRP)	20.64	24.46
	20.64	24.46
	8,576.45	8,563.70
@ After considering unamortised expense of ₹34.33 Crore as at 31st March, 2019 and ₹34.31 Crore as at 31st March, 2018.		
Current maturities		
Secured loans - at amortised cost		
Term loans $		
From banks	834.83	730.57
	834.83	730.57
Unsecured loans - at amortised cost		
Term loans		
From Government of India under Accelerated Power Development and Reform Programme (APDRP)	3.82	3.82
	3.82	3.82
	838.65	734.39
Amount disclosed under the head 'Other current financial liabilities' [Refer note 29]	(838.65)	(734.39)
	-	-
$ After considering unamortised expense of ₹5.24 Crore as at 31st March, 2019 and ₹4.78 Crore as at 31st March, 2018.		

NOTE 22 : NON-CURRENT BORROWINGS (Contd.)

Footnote:

1 Nature of security

The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for term loans of ₹7,731.33 Crore and non convertible debentures of ₹1,095.00 Crore.

Amount of term loan of ₹61.30 Crore from bank is secured by way of first pari passu charge created on the entire movable properties including transmission towers, insulators and other movable assets, book debts, operating cash flows, revenues, intangibles, trust and retention account of subsidiary Company, Torrent Power Grid Limited.

Amount of term loan of ₹274.13 Crore from bank is secured by way of first pari passu charge created on entire immovable (in the process of creation) and movable assets (whether tangible or intangible) including current assets, both present and future, all bank accounts of the project including trust and retention account of subsidiary Company, Jodhpur Wind Farms Private Limited.

Amount of term loan of ₹268.45 Crore from bank is secured by way of first pari passu charge created on entire immovable (in the process of creation) and movable assets (whether tangible or intangible) including current assets, both present and future, all bank accounts of the project including trust and retention account of subsidiary Company, Latur Renewables Private Limited.

NOTE 23 : NON-CURRENT TRADE PAYABLES

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Trade payables for goods and services		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues other than micro and small enterprises	109.34	94.64
	109.34	94.64

NOTE 24 : OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Security deposits from consumers	1,054.79	955.95
Payables for purchase of property, plant and equipment	0.24	0.42
Sundry payables	-	0.07
	1,055.03	956.44

NOTE 25 : NON-CURRENT PROVISIONS

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Provision for employee benefits		
Provision for compensated absences	83.24	79.05
	83.24	79.05

NOTE 26 : OTHER NON-CURRENT LIABILITIES

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Deferred revenue		
Contribution received from consumers	953.83	858.03
Capital grant from government	21.57	24.31
	975.40	882.34

NOTE 27 : CURRENT BORROWINGS

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Secured loans		
Cash credit from banks	300.05	-
	300.05	-

Footnote:

1. The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for working capital facilities and by way of second pari passu charge in favour of lenders for hedge facility.

Net debt reconciliation :

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Cash and cash equivalents	116.07	136.50
Current investments	626.86	680.66
Current borrowings	(300.05)	-
Non-current borrowings (including current maturities and interest accrued but not due)	(9,479.31)	(9,360.74)
	(9,036.43)	(8,543.58)

	Other assets		Liabilities from financing activities		Total
	Cash and cash equivalents	Current investments	Current borrowings	Non-current borrowings	
Net balance as at 1st April, 2017	102.85	664.27	(76.62)	(8,735.06)	(8,044.56)
Cash flows	33.65	(36.66)	76.62	(604.26)	(530.65)
Interest expense	-	-	(0.06)	(776.52)	(776.58)
Interest paid	-	-	0.06	755.10	755.16
Gain on sale of current investments	-	44.57	-	-	44.57
Fair value adjustment	-	8.48	-	-	8.48
Net balance as at 31st March, 2018	136.50	680.66	-	(9,360.74)	(8,543.58)
Cash flows	(20.43)	(94.27)	(300.05)	(117.49)	(532.24)
Interest expense	-	-	(12.23)	(816.24)	(828.47)
Interest paid	-	-	12.23	815.16	827.39
Gain on sale of current investments	-	49.56	-	-	49.56
Fair value adjustment	-	(9.09)	-	-	(9.09)
Net balance as at 31st March, 2019	116.07	626.86	(300.05)	(9,479.31)	(9,036.43)

NOTE 28 : CURRENT TRADE PAYABLES

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Trade payables for goods and services		
Total outstanding dues of micro and small enterprises#	27.17	18.34
Total outstanding dues other than micro and small enterprises	763.32	640.37
	790.49	658.71

Amount due to micro and small enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) have been determined based on the information available with the Group.

NOTE 29 : OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Current maturities of long-term debt [Refer note 22]	838.65	734.39
Interest accrued but not due on loans and security deposits	24.64	23.56
Investor education and protection fund #		
Unpaid / Unclaimed dividend	7.44	8.11
Unclaimed fractional coupons	0.35	0.34
Book overdraft	25.32	34.06
Security deposits from consumers	26.45	25.39
Other deposits	3.97	3.69
Payables for purchase of property, plant and equipment	277.51	496.17
Sundry payables (including for employees related payables)	158.57	157.21
	1,362.90	1,482.92

There is no amount due and outstanding to be credited to investor education and protection fund as at 31st March, 2019.

NOTE 30 : OTHER CURRENT LIABILITIES

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Credit balances of consumers	71.89	59.46
Service line deposits from consumers	258.73	239.88
Deferred revenue		
Contribution received from consumers	67.61	58.76
Capital grant from government	2.72	2.71
Statutory dues	35.32	45.67
Sundry payables (including for electricity duty payable)	233.00	171.04
	669.27	577.52

NOTE 31 : CURRENT PROVISIONS

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Provision for employee benefits		
Provision for gratuity [Refer note 46.2(d)]	18.39	11.05
Provision for compensated absences	23.98	20.60
	42.37	31.65
Other provisions		
Provision for indirect taxes	0.07	0.18
	42.44	31.83
Movement in provision for indirect taxes		
Opening balance as on 1st April	0.18	0.23
Additional provision recognised	0.06	-
Reduction arising from payments	(0.17)	(0.05)
Closing balance as on 31st March	0.07	0.18

NOTE 32 : CURRENT TAX LIABILITIES

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Provision for taxation (net of advance tax and tax deducted at source)	16.42	26.55
	16.42	26.55

NOTE 33 : REVENUE FROM OPERATIONS

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Revenue from contracts with customers		
Revenue from power supply [Refer note 54]	12,440.30	10,962.38
Revenue from sale of cable products (including excise duty)		
Manufactured goods	297.22	286.82
Traded goods	-	0.07
Revenue from trading of RLNG	237.22	55.99
	12,974.74	11,305.26
Less: Discount for prompt payment of bills	18.23	15.68
	12,956.51	11,289.58
Other operating income		
Hire of meters	1.41	52.26
Provisions of earlier years written back	26.98	8.04
Insurance claim receipt	0.07	1.35
Amortisation of deferred revenue		
Contribution received from consumers	61.35	54.25
Capital grant from government	2.72	2.71
Income from Certified Emission Reduction (CERs)	6.62	3.40
Income from Generation Based Incentive	32.10	31.73
Miscellaneous income	63.21	68.77
	194.46	222.51
	13,150.97	11,512.09

NOTE 34 : OTHER INCOME

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest income from financial assets at amortised cost		
Deposits	26.08	27.82
Consumers	28.23	21.21
Contingency reserve investments	0.73	0.60
Others	20.90	19.62
	75.94	69.25
Rent income from investment property [Refer note 5]	-	1.05
Gain on disposal of property, plant and equipment / investment property	8.40	54.97
Gain on sale of current investments in mutual funds	49.56	44.57
Net gain arising on financial assets / liabilities measured at amortised cost	24.45	14.39
Net gain / (loss) arising on current investments in mutual funds measured at fair value through profit or loss	(9.09)	8.48
Net gain on foreign currency transactions	4.70	0.76
Miscellaneous income	35.63	70.08
	189.59	263.55

NOTE 35 : COST OF MATERIALS CONSUMED

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Cost of materials consumed	311.02	323.79
Less: Allocated to capital works	51.16	90.35
	259.86	233.44

NOTE 36 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Inventory of finished goods		
Opening stock	6.44	7.44
Less: Closing stock	23.31	6.44
	(16.87)	1.00
Less: Increase / (decrease) in excise duty on movement of finished goods inventory	-	0.32
	(16.87)	0.68
Inventory of work-in-progress		
Opening stock	5.93	6.50
Less: Closing stock	8.75	5.93
	(2.82)	0.57
Less: Allocated to capital works	(0.11)	-
	(19.58)	1.25

NOTE 37 : EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Salaries, wages and bonus	588.34	556.28
Contribution to provident and other funds [Refer note 46.1]	35.86	33.54
Employees welfare expenses	22.05	20.83
Compensated absences	20.67	4.94
Gratuity [Refer note 46.2(e)(3)]	12.35	32.22
	679.27	647.81
Less: Allocated to capital works, repairs and other relevant revenue accounts	192.85	180.78
	486.42	467.03

NOTE 38 : FINANCE COSTS

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest expense for financial liabilities not classified as fair value through profit or loss		
Term loans	706.34	666.62
Non convertible debentures	109.90	109.90
Working capital loans	12.23	0.06
Security deposits from consumers	61.49	59.51
Others	3.58	3.04
Other borrowing costs	9.75	8.47
Amotisation of borrowing costs	4.87	4.65
	908.16	852.25
Less: Allocated to capital works	9.23	4.06
	898.93	848.19

NOTE 39 : DEPRECIATION, AMORTIZATION EXPENSE AND IMPAIRMENT LOSS

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Depreciation expense and impairment loss on property, plant and equipment	1,222.02	1,130.58
Amortization expense on intangible assets	6.35	3.44
	1,228.37	1,134.02
Less: Transfer from others	0.10	0.09
Less: Allocated to capital works	1.74	2.43
	1,226.53	1,131.50

NOTE 40 : OTHER EXPENSES

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Consumption of stores and spares	165.17	171.57
Rent and hire charges	25.04	19.26
Repairs to		
Buildings	11.53	12.28
Plant and machinery	321.07	315.54
Others	14.47	16.41
	347.07	344.23
Insurance	17.88	19.85
Rates and taxes	10.97	9.83
Excise duty	-	9.92
Corporate social responsibility expenses [Refer note 48]	20.49	15.69
Vehicle running expenses	29.84	30.64
Electricity expenses	26.39	27.13
Security expenses	36.03	38.63
Water charges	16.41	16.66
Loss on sale / discarding of property, plant and equipment	17.97	31.07
Commission to non-executive directors [Refer note 52(b)]	6.11	1.29
Directors sitting fees	0.84	0.90
Auditors remuneration [Refer note 47]	1.70	0.97
Legal, professional and consultancy fees	42.46	35.66
Donations [Refer note 49]	34.20	17.68
Net loss on foreign currency transactions	-	31.99
Non-current investment written off	-	0.02
Bad debts written off (net)	3.96	3.32
Allowance for doubtful debts (net of recovery)	17.44	6.45
Miscellaneous expenses	104.11	117.48
	924.08	950.24
Less: Allocated to capital works, repairs and other relevant revenue accounts	64.71	79.14
	859.37	871.10

NOTE 41: COMPOSITION OF THE GROUP

(a) Subsidiaries

(1) Details of the Company's subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Company	
			As at 31st March, 2019	As at 31st March, 2018
Torrent Solargen Limited	Power Generation	India	100%	100%
Torrent Pipavav Generation Limited	Power Generation	India	95%	95%
Torrent Power Grid Limited	Transmission of Power	India	74%	74%
Latur Renewable Private Limited (w.e.f. 29th January, 2018)	Power Generation	India	100%	100%
Jodhpur Wind Farms Private Limited (w.e.f. 29th January, 2018)	Power Generation	India	100%	100%

(2) Disclosure of additional information pertaining to the Parent Company and its Subsidiaries as per Schedule III of Companies Act, 2013 as at and year ended 31st March, 2019 :

Name of the entity in the Group	Consolidated net assets i.e total assets minus total liabilities		Consolidated share in profit or loss		Consolidated share in other comprehensive income		Consolidated share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Crore)	As % of consolidated profit	Amount (₹ in Crore)	As % of consolidated other comprehensive income	Amount (₹ in Crore)	As % of consolidated total comprehensive income	Amount (₹ in Crore)
Torrent Power Limited - Parent Company	99.21%	8,936.80	98.39%	889.24	99.32%	(6.21)	98.38%	883.03
Torrent Solargen Limited	0.96%	86.30	0.23%	2.08	-	-	0.23%	2.08
Torrent Pipavav Generation Limited	0.38%	34.65	(0.15)%	(1.37)	-	-	(0.15)%	(1.37)
Torrent Power Grid Limited	1.12%	101.17	1.57%	14.16	0.68%	(0.04)	1.57%	14.12
Latur Renewable Private Limited	1.16%	104.70	(0.07)%	(0.65)	-	-	(0.07)%	(0.65)
Jodhpur Wind Farms Private Limited	1.21%	108.98	0.30%	2.74	-	-	0.31%	2.74
Non-controlling interests	0.42%	37.39	0.54%	4.89	-	-	0.54%	4.89
Consolidation adjustments	(4.46)%	(402.37)	(0.80)%	(7.26)	-	-	(0.81)%	(7.26)
Total	100.00%	9,007.62	100.00%	903.83	100.00%	(6.25)	100.00%	897.58

NOTE 41: COMPOSITION OF THE GROUP (Contd.)

(b) Associates

Details of the Company's associates at the end of the reporting period are as follows:

Name of associate	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Company		Quoted fair value	Carrying amount as at 31st March, 2019
			As at 31st March, 2019	As at 31st March, 2018		
Wind Two Renergy Private Limited (w.e.f. 12th December, 2017)	Power Generation	India	0%	0%	Unlisted	#
Wind Four Renergy Private Limited (w.e.f. 12th December, 2017)	Power Generation	India	0%	0%	Unlisted	#
Wind Five Renergy Private Limited (w.e.f. 12th December, 2017)	Power Generation	India	0%	0%	Unlisted	#
Nani Virani Wind Energy Private Limited (w.e.f. 9th March, 2018 to 15th December, 2018)	Power Generation	India	NA	0%	Unlisted	$
Ravapar Wind Energy Private Limited (w.e.f. 9th March, 2018 to 15th December, 2018)	Power Generation	India	NA	0%	Unlisted	$
Khatiyu Wind Energy Private Limited (w.e.f. 9th March, 2018 to 15th December, 2018)	Power Generation	India	NA	0%	Unlisted	$

The Company has made investments in the above three entities in the form of secured redeemable (with premium) non-convertible debentures and does not hold any equity investments. To protect the investment aggregating to ₹260.70 Crore made by the Company, the Company has acquired certain rights which include the right to nominate directors on the board. Considering the above facts and based on the requirements of Ind AS, the investments in aforesaid entities have been classified as Investments in associates. As the Company does not have any equity interest, the Company does not have any share in the profit, loss or comprehensive income of the entities and accordingly, there is no impact on the consolidated statement of profit and loss and the aforesaid investments in redeemable debentures of ₹260.70 Crore have been carried at amortized cost.

$ During the year, Nani Virani Wind Energy Private Limited, Ravapar Wind Energy Private Limited and Khatiyu Wind Energy Private Limited have ceased to be associates of the Company. There is no impact of this development on the consolidated financial results for the year.

Refer note 44(C) for capital and other commitments in the above associates.

NOTE 42: IMPAIRMENT ASSESSMENT

1) DGEN POWER PLANT

Property, Plant & Equipment ("PPE") includes carrying amount of ₹4,365 Crore pertaining to 1,200 MW DGEN Mega Power Project located at Dahej, India ("DGEN"). DGEN started commercial operations from November 2014 ("COD"). Due to various factors such as unavailability of domestic gas, high prices of imported gas and non-availability of power purchase agreements DGEN was not operated after COD, except for intermittent periods during FY 2015-16. During the periods of non-operation, DGEN was maintained in cold standby mode for immediate start-up, as and when required.

In view of above conditions, the Company carried out an assessment to test whether the carrying amount as at 31st March, 2019 of PPE of ₹4,365 Crore in respect of DGEN was required to be impaired in accordance with Indian Accounting Standard 36 ("Ind AS 36"). The assessment was carried out with the help of an external valuer ("expert"). The expert estimated value-in-use by adopting discounted cash flow method for the balance useful life of the DGEN project as at 31st March, 2019 under two scenarios i.e the management case and an alternate case by taking varied sets of assumptions reflective of likely future operating scenarios. The value in use in both the scenarios is higher than the carrying amount of the PPE pertaining to DGEN and accordingly no impairment provision is considered necessary as at 31st March, 2019.

The assessment of value-in-use involved several key assumptions including expected demand, future price of fuel, expected tariff rates for electricity, discount rate, exchange rate and current electricity market scenario which the management considered reasonable based on past trends and the current and likely future state of the industry. Management intends to review such assumptions periodically to factor updated information based on events or changes in circumstances in order to make fresh assessment of impairment, if any. Changes in such key assumptions in future may have a material adverse impact on the value-in-use.

2) Investment in Torrent Pipavav Generation Limited

Torrent Pipavav Generation Limited ("TPGL"), a subsidiary of the Company, had paid for acquisition of land in Amreli, Gujarat for the purpose of developing a coal based power plant of 1,000+ MW. Due to non-availability of fuel linkage, the Government of Gujarat vide its letter dated 6th December, 2017, has communicated that the said project may not be developed and accordingly, the joint venture between Torrent Power Limited and Gujarat Power Corporation Limited (GPCL) is intended to be dissolved. The cost of land would be reimbursed through disposal by state government. With reference to this, in the month of March 2019, GPCL has written a letter to Collector, Amreli stating that land is surrendered to the Government and requested Energy and Petroleum Department, Government of Gujarat to take further action in the matter. The management has made an impairment assessment of the land valuation by comparing the carrying value of such land in the books with the stamp value as prescribed by the Superintendent of Stamps, Gandhinagar, Gujarat, on the basis of which it has been concluded that there is no impairment. The recovery of the amount invested as equity and loan aggregating ₹105.12 Crore is dependent on the ability of the Government to find a buyer for the land.

NOTE 43: INCOME TAX EXPENSE

(a) Income tax expense recognised in statement of profit and loss

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Current tax		
Current tax on profits for the year	278.89	317.30
Adjustment for current tax of prior periods	(3.38)	(4.82)
	275.51	312.48
Deferred tax (other than that disclosed under OCI)		
Decrease / (increase) in deferred tax assets	(54.02)	(129.90)
(Decrease) / increase in deferred tax liabilities	138.29	266.29
	84.27	136.39
Income tax expense	359.78	448.87

(b) **Reconciliation of income tax expense**

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Profit before tax	1,263.61	1,400.99
Expected income tax expense calculated using tax rate at 34.944% (Previous year - 34.608%)	441.56	484.85
Adjustment to reconcile expected income tax expense to reported income tax expense:		
Effect of:		
Expenditure not deductible under Income Tax Act	25.23	21.02
Tax incentives	(377.85)	(11.41)
Transition to Ind AS 115	63.53	-
Unabsorbed depreciation / tax credits and other items	212.12	(59.38)
Different tax rates of subsidiaries	(1.57)	1.57
Impact of enacted income tax rate on deferred tax balance	0.14	17.04
Total	363.16	453.69
Adjustment for current tax of prior periods	(3.38)	(4.82)
Total expense as per statement of profit and loss	359.78	448.87

The tax rate used for the reconciliations given above is the actual / enacted corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.

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

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Deferred tax		
Re-measurement of defined benefit obligation (Items that will not be reclassified to profit or loss)	(9.60)	20.50
Income tax expense / (income) recognised in other comprehensive income	(3.35)	7.16

(d) **Deferred tax balances**

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

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Deferred tax assets	682.93	626.58
Deferred tax liabilities	(2,244.75)	(2,106.46)
	(1,561.82)	(1,479.88)
Disclosed as deferred tax assets (net)	3.56	3.06
Disclosed as deferred tax liabilities (net)	(1,565.38)	(1,482.94)
	(1,561.82)	(1,479.88)

NOTE 43: INCOME TAX EXPENSE (Contd.)

(2) Movement of deferred tax assets / (liabilities)

Deferred tax assets / (liabilities) in relation to the year ended 31st March, 2019

(₹ in Crore)

	Opening balance	Recognised in profit or loss	Utilisation	Recognised in OCI	Closing balance
Property, plant and equipment	(2,093.58)	(144.26)	-	-	(2,237.84)
Expense allowable for tax purposes when paid	58.33	(4.71)	-	3.35	56.97
Tax effect on fair value change in financial instruments and unamortised cost	(12.88)	5.97	-	-	(6.91)
Unabsorbed depreciation / Minimum Alternate Tax (MAT) credit entitlement and other items	568.25	58.73	(1.02)	-	625.96
	(1,479.88)	(84.27)	(1.02)	3.35	(1,561.82)

Deferred tax assets / (liabilities) in relation to the year ended 31st March, 2018

(₹ in Crore)

	Opening balance	Recognised in profit or loss	Utilisation	Recognised in OCI	Closing balance
Property, plant and equipment	(1,835.11)	(258.47)	-	-	(2,093.58)
Expense allowable for tax purposes when paid	58.30	7.19	-	(7.16)	58.33
Tax effect on fair value change in financial instruments and unamortised cost	(5.05)	(7.83)	-	-	(12.88)
Unabsorbed depreciation / Minimum Alternate Tax (MAT) credit entitlement and other items	445.53	122.72	-	-	568.25
	(1,336.33)	(136.39)	-	(7.16)	(1,479.88)

(3) Unrecognised deferred tax assets

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Unused tax losses	-	146.09
Unused tax credits	992.37	827.64
	992.37	973.73

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

The assessment of taxable income involved several key assumptions including expected demand, future price of fuel, expected tariff rate for electricity, exchange rate and electricity market scenario, which the management considered reasonable based on past trends, applicable tariff regulations / agreements and current and likely future state of the industry.

NOTE 44: CONTINGENT LIABILITIES, CONTINGENT ASSETS AND CAPITAL COMMITMENTS

(a) Contingent liabilities

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Disputed income tax matters	31.64	29.32
Disputed sales tax matters	4.29	4.29
Disputed custom duty matters	18.50	18.50
Disputed excise duty matters	2.45	2.45
Disputed stamp duty matters	0.35	0.35
Disputed value added tax matters	3.26	3.11
Disputed central sales tax matters	3.20	2.55
Claims against the Group not acknowledged as debt	34.51	28.30
Guarantees given to lenders of subsidiaries	274.13	-

The Group is in the process of evaluating the impact of the Supreme Court ("SC") judgement dated 28th February, 2019 in the case of Regional Provident Fund Commissioner (II) West Bengal v/s Vivekananda Vidyamandir and Others, in relation to non-inclusion of certain allowances within the definition of "basic wages" of the relevant employees for the purposes of determining contribution to Provident Fund ("PF") under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. There are interpretation issues relating to the said SC judgement and review petitions are pending before the SC in this matter. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in the financial statements.

Footnote:
In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute / matters. No reimbursement is expected.

(b) Contingent assets

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Coal grade slippage claim	31.49	16.02
	31.49	16.02

(c) Capital and other commitments

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
Property, plant and equipment	4,002.56	2,219.98
ii) Other commitments		
Investment in associates	-	350.10

iii) Novation agreement with lender for short term finance facilities obtained by associates :

During the year, the Company has entered into an agreement to novate with a lender in respect of two short term finance facilities obtained by two of its associates against which an aggregate amounts of ₹98.00 Crore is outstanding as on 31st March, 2019. As per the terms of the said agreement, in certain circumstances, the Company will be obligated to purchase the outstanding loan balances if the right is so exercised by the lender, as per the terms of the agreement.

NOTE 45 : OPERATING LEASE

The Group's significant leasing arrangements, other than land, are in respect of residential flats, office premises, plant and machinery and equipment taken on lease. The arrangements range between 11 months and 10 years generally and are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally refundable interest free deposits have been given. The Group has not entered into any material financial lease. The Group does not have any non-cancellable lease.

Leasing arrangements with respect to land range between 25 years to 99 years.

NOTE 46: EMLOYEE BENEFIT PLANS

46.1 Defined contribution plan:

The Group has defined contribution retirement benefit plans for its employees.

The Group's contributions to provident fund, pension scheme and employee state insurance scheme are made to the relevant government authorities as per the prescribed rules and regulations. The Group's superannuation scheme for qualifying employees is administered through its various superannuation trust funds. The Group's contributions to the above defined contribution plans are recognised as employee benefit expenses in the statement of profit and loss for the year in which they are due. The Group has no further obligation in respect of such plans beyond the contributions made.

The Group's contribution to provident, pension and superannuation funds aggregating to ₹35.86 Crore and to employees state insurance scheme of ₹1.29 Crore (Previous year - ₹33.54 Crore & ₹1.33 Crore respectively) has been recognised in the statement of profit and loss under the head employee benefits expense [Refer note 37].

46.2 Defined benefit plans:

(a) **Gratuity**

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

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

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

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

Asset volatility

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

Interest risk

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

NOTE 46: EMPLOYEE BENEFIT PLANS (Contd.)

Longevity risk

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

Salary risk

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

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out at 31st March, 2019. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(c) **Significant assumptions**

The principal assumptions used for the purpose of the actuarial valuation were as follows.

	As at 31st March, 2019	As at 31st March, 2018
Discount rate	7.92%	7.78%
Salary escalation rate	8.50%	8.50%

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

Balances of defined benefit plan

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Present value of funded defined benefit obligation	244.20	239.34
Fair value of plan assets	225.81	228.29
Net (asset) / liability [Refer note 31]	18.39	11.05

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

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

(₹ in Crore)

	Funded plan - Gratuity	
	As at 31st March, 2019	As at 31st March, 2018
(1) Movements in the present value of the defined benefit obligation:		
Obligation at the beginning of the year	239.34	236.73
Current service cost	11.49	12.23
Past service cost	-	17.81
Interest cost	18.62	17.04
Actuarial (gains) / losses from changes in demographic assumptions	-	(4.33)
Actuarial (gains) / losses arising changes in financial assumptions	(2.00)	(8.08)
Actuarial (gains) / losses from experience adjustments	9.75	(5.73)
Liability transferred in	-	0.01
Liability transferred out	(0.52)	(0.08)
Benefits paid directly by employer	(2.80)	(1.42)
Benefits paid	(29.68)	(24.84)
Obligation at the end of the year	244.20	239.34

NOTE 46: EMPLOYEE BENEFIT PLANS (Contd.)

(₹ in Crore)

		Funded plan - Gratuity	
		As at 31st March, 2019	As at 31st March, 2018
(2)	**Movements in the fair value of the plan assets:**		
	Plan assets at the beginning of the year, at fair value	228.29	206.46
	Interest income	17.76	14.86
	Return on plan assets (excluding interest income)	(1.85)	2.36
	Contributions received	11.29	29.45
	Benefits paid	(29.68)	(24.84)
	Plan assets at the end of the year, at fair value	225.81	228.29
(3)	**Gratuity cost recognized in the statement of profit and loss**		
	Current service cost	11.49	12.23
	Interest cost, net	0.86	2.18
	Past service cost	-	17.81
	Net gratuity cost recognized in the statement of profit and loss [Refer note 37]	12.35	32.22
(4)	**Gratuity cost recognized in the other comprehensive income (OCI)**		
	Return on plan assets (excluding interest income)	1.85	(2.36)
	Actuarial (gains) / losses	7.75	(18.14)
	Net (income) / expense for the year recognized in OCI	9.60	(20.50)

(f) **Category wise plan assets**

Contributions to fund the obligations under the gratuity plan are made to the Life Insurance Corporation of India.

(g) **Sensitivity analysis**

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

(₹ in Crore)

Change in assumptions	As at 31st March, 2019	As at 31st March, 2018
Increase / (decrease) in defined benefit obligation of gratuity		
50 basis points increase in discount rate	(6.86)	(6.62)
50 basis points decrease in discount rate	7.34	7.09
50 basis points increase in salary escalation rate	2.52	6.43
50 basis points decrease in salary escalation rate	(11.46)	(7.17)

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

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

(h) The weighted average duration of the gratuity plan based on average future service is 13 years (Previous year - 13 years).

(i) Expected contribution to the plan for the next annual reporting period is ₹18.39 Crore (Previous year - ₹11.05 Crore).

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

Projected benefits payable in future years from the date of reporting

(₹ in Crore)

	Funded Plan - Gratuity	
	As at 31st March, 2019	As at 31st March, 2018
1st following year	36.29	37.72
2nd following year	20.65	21.58
3rd following year	36.13	30.24
4th following year	31.76	32.75
5th following year	26.97	28.70
sum of years 6 to 10th	95.14	96.54

46.3 Other long-term employee benefit obligations:

The leave obligation covers the Group's liability for sick and earned leave. Under these compensated absences plans, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement or resignation; at the rate of daily last drawn salary, multiplied by leave days accumulated as at the end of relevant period. Refer notes 25, 31 and 37, for the leave encashment provision / change in the balance sheet and statement of profit and loss.

NOTE 47: AUDITORS REMUNERATION (INCLUDING TAXES)

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
As auditor		
Audit fees	1.15	0.81
Other services - certificates etc.	0.30	0.07
Reimbursement of expenses	0.25	0.09
	1.70	0.97

NOTE 48: CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

(₹ in Crore)

		Year ended 31st March, 2019	Year ended 31st March, 2018
(a)	Gross amount required to be spent by the Group	20.35	15.76
(b)	Amount spent during the year on		
	(i) Construction / acquisition of any asset	-	-
	(ii) On purposes other than (i) above [Refer note 40]	20.49	15.85
		20.49	15.85
(c)	Contribution to section 8 related companies, included in (b) above, in relation to CSR expenditure		
	(i) Tornascent Care Institute	2.70	8.66
	(ii) UNM Foundation	4.75	2.87
		7.45	11.53

NOTE 49: DONATIONS INCLUDE POLITICAL CONTRIBUTIONS AS UNDER

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Electoral Bonds	25.00	-
Prudent Electoral Trust	-	10.00
	25.00	10.00

NOTE 50: EARNINGS PER SHARE

	Year ended 31st March, 2019	Year ended 31st March, 2018
Basic earnings per share (₹)	18.70	19.61
Diluted earnings per share (₹)	18.70	19.61

Basic and diluted earnings per share

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

	Year ended 31st March, 2019	Year ended 31st March, 2018
Profit for the year attributable to the Company used in calculation of basic earnings per share (₹ in Crore)	898.94	942.31
Weighted average number of equity shares	48,06,16,784	48,06,16,784

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

NOTE 51: OPERATING SEGMENT

The Chief Operating Decision Maker (CODM) evaluates the Group's performance and applies the resources to whole of the Group's business viz. "Generation, Transmission and Distribution of Power" as an integrated utility. Further, the Group's cable business is not a reportable segment in terms of revenue, profit, assets and liabilities. Hence the Group does not have any reportable segment as per Ind AS - 108 "Operating Segments".

NOTE 52: RELATED PARTY DISCLOSURES

(a) Names of related parties and description of relationship

1.	Parent Company	Torrent Private Limited
2.	Associates	Power Grid Corporation of India Limited, Wind Two Renergy Private Limited (w.e.f. 12th December, 2017), Wind Four Renergy Private Limited (w.e.f. 12th December, 2017), Wind Five Renergy Private Limited (w.e.f. 12th December, 2017), Nani Virani Wind Energy Private Limited (w.e.f. 9th March, 2018 to 15th December, 2018), Ravapar Wind Energy Private Limited (w.e.f. 9th March, 2018 to 15th December, 2018), Khatiyu Wind Energy Private Limited(w.e.f. 9th March, 2018 to 15th December, 2018)
3.	Employee benefits plans*	TPL (Ahmedabad) Gratuity Trust, TPL (Ahmedabad) Superannuation Fund, TPL (Surat) Gratuity Trust, TPL (Surat) Superannuation Fund, TPL (SUGEN) Gratuity Trust, TPL (SUGEN) Superannuation Fund, TPG Gratuity Trust, TPG Superannuation Fund, TPL (DGEN) Gratuity Trust, TPL (DGEN) Superannuation Fund
4.	Key management personnel	Sudhir Mehta (upto 31st March, 2018) Samir Mehta Markand Bhatt (upto 30th September, 2018) Jinal Mehta
5.	Non-executive directors	Sudhir Mehta (w.e.f 1st April, 2018) Pankaj Patel Samir Barua Kiran Karnik (upto 31st March, 2019) Keki Mistry R. Ravichandran (upto 1st August, 2017) Bhavna Doshi Dharmishta Raval P. K. Taneja (upto 23rd May, 2017) Pankaj Joshi (w.e.f. 23rd May, 2017)
6.	Relatives of key management personnel*	Varun Mehta, Aman Mehta
7.	Enterprise controlled by relatives of key management personnel*	Munjal Bhatt Architects (upto 30th September, 2018)
8.	Other entities where the Company has 50% voting right / enterprises controlled by the Parent Company*	Tornascent Care Institute, UNM Foundation, Torrent Pharmaceuticals Limited, Torrent Power Services Private Limited, Mahesh Gas Limited, Torrent Gas Private Limited

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

NOTE 52: RELATED PARTY DISCLOSURES (Contd.)

(b) Related party transactions

(₹ in Crore)

	Associates		Employee benefits plans		Key management personnel / non-executive directors		Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right / enterprises controlled by the Parent Company / Parent Company		Total	
	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18
Nature of transactions										
Sale of cables	**-**	**-**	**-**	**-**	**-**	**-**	**2.46**	**0.14**	**2.46**	**0.14**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	2.43	0.14	2.43	0.14
Tornascent Care Institute	-	-	-	-	-	-	0.03	-	0.03	-
Sale of land	**-**	**-**	**-**	**-**	**-**	**-**	**91.00**	**-**	**91.00**	**-**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	91.00	-	91.00	-
Sale of investment property	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**45.00**	**-**	**45.00**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	45.00	-	45.00
Sale of electricity	**-**	**-**	**-**	**-**	**0.28**	**0.20**	**9.97**	**9.07**	**10.25**	**9.27**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	9.93	9.05	9.93	9.05
Executive and non-executive directors	-	-	-	-	0.28	0.20	-	-	0.28	0.20
UNM Foundation	-	-	-	-	-	-	0.04	0.01	0.04	0.01
Munjal Bhatt Architects	-	-	-	-	-	-	*	0.01	*	0.01
Services provided (rent income including tax)	**-**	**-**	**-**	**-**	**-**	**-**	**0.07**	**1.26**	**0.07**	**1.26**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	1.23	-	1.23
UNM Foundation	-	-	-	-	-	-	0.01	0.01	0.01	0.01
Tornascent Care Institute	-	-	-	-	-	-	0.01	0.01	0.01	0.01
Torrent Power Services Private Ltd.	-	-	-	-	-	-	0.01	0.01	0.01	0.01
Torrent Gas Private Ltd.	-	-	-	-	-	-	0.04	-	0.04	-
Services received / remuneration paid	**1.62**	**1.56**	**-**	**-**	**-**	**-**	**0.94**	**1.09**	**2.56**	**2.65**
Munjal Bhatt Architects	-	-	-	-	-	-	0.47	0.62	0.47	0.62
Power Grid Corporation of India Ltd.	1.62	1.56	-	-	-	-	-	-	1.62	1.56
Aman Mehta	-	-	-	-	-	-	-	*	-	*
Varun Mehta	-	-	-	-	-	-	0.47	0.47	0.47	0.47
Transmission income	**46.41**	**62.14**	**-**	**-**	**-**	**-**	**-**	**-**	**46.41**	**62.14**
Power Grid Corporation of India Ltd.	46.41	62.14	-	-	-	-	-	-	46.41	62.14
Shared expenditure charged to	**0.03**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.03**	**-**
Power Grid Corporation of India Ltd.	0.03	-	-	-	-	-	-	-	0.03	-
Transfer of gratuity / leave liability to / (from)	**-**	**-**	**-**	**-**	**-**	**-**	**0.68**	**0.13**	**0.68**	**0.13**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	0.05	-	0.05
UNM Foundation	-	-	-	-	-	-	-	*	-	*
Tornascent Care Institute	-	-	-	-	-	-	0.10	0.08	0.10	0.08
Mahesh Gas Ltd.	-	-	-	-	-	-	0.25	-	0.25	-
Torrent Gas Private Ltd.	-	-	-	-	-	-	0.33	-	0.33	-

NOTE 52: RELATED PARTY DISCLOSURES (Contd.)

(₹ in Crore)

	Associates		Employee benefits plans		Key management personnel / non-executive directors		Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right / enterprises controlled by the Parent Company / Parent Company		Total	
	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18
Managerial remuneration@	**-**	**-**	**-**	**-**	**41.61**	**66.59**	**-**	**-**	**41.61**	**66.59**
Sudhir Mehta	-	-	-	-	-	10.00	-	-	-	10.00
Samir Mehta	-	-	-	-	10.00	10.00	-	-	10.00	10.00
Markand Bhatt	-	-	-	-	21.84	39.00	-	-	21.84	39.00
Jinal Mehta	-	-	-	-	9.77	7.59	-	-	9.77	7.59
Commission to non-executive directors^	**-**	**-**	**-**	**-**	**5.91**	**1.11**	**-**	**-**	**5.91**	**1.11**
Sudhir Mehta	-	-	-	-	5.00	-	-	-	5.00	-
Samir Barua	-	-	-	-	0.16	0.19	-	-	0.16	0.19
Kiran Karnik	-	-	-	-	0.16	0.16	-	-	0.16	0.16
Keki Mistry	-	-	-	-	0.12	0.12	-	-	0.12	0.12
R. Ravichandran	-	-	-	-	-	0.06	-	-	-	0.06
Pankaj Patel	-	-	-	-	0.09	0.15	-	-	0.09	0.15
Bhavna Doshi	-	-	-	-	0.16	0.16	-	-	0.16	0.16
Pankaj Joshi#	-	-	-	-	0.06	0.12	-	-	0.06	0.12
Dharmishta Raval	-	-	-	-	0.16	0.15	-	-	0.16	0.15
Sitting Fees to non-executive directors^	**-**	**-**	**-**	**-**	**0.68**	**0.72**	**-**	**-**	**0.68**	**0.72**
Samir Barua	-	-	-	-	0.14	0.15	-	-	0.14	0.15
Kiran Karnik	-	-	-	-	0.12	0.11	-	-	0.12	0.11
Keki Mistry	-	-	-	-	0.06	0.07	-	-	0.06	0.07
R. Ravichandran	-	-	-	-	-	0.02	-	-	-	0.02
Pankaj Patel	-	-	-	-	0.10	0.12	-	-	0.10	0.12
Bhavna Doshi	-	-	-	-	0.12	0.12	-	-	0.12	0.12
Dharmishta Raval	-	-	-	-	0.12	0.09	-	-	0.12	0.09
Pankaj Joshi#	-	-	-	-	0.02	0.04	-	-	0.02	0.04
Contribution towards CSR	**-**	**-**	**-**	**-**	**-**	**-**	**7.45**	**11.53**	**7.45**	**11.53**
Tornascent Care Institute	-	-	-	-	-	-	2.70	8.66	2.70	8.66
UNM Foundation	-	-	-	-	-	-	4.75	2.87	4.75	2.87
Contribution to employee benefit plans (net)	**-**	**-**	**18.46**	**34.42**	**-**	**-**	**-**	**-**	**18.46**	**34.42**
TPL (Ahmedabad) Gratuity Trust	-	-	10.27	21.48	-	-	-	-	10.27	21.48
TPL (Ahmedabad) Superannuation Fund	-	-	5.28	4.29	-	-	-	-	5.28	4.29
TPL (Surat) Gratuity Trust	-	-	0.34	4.70	-	-	-	-	0.34	4.70
TPL (Surat) Superannuation Fund	-	-	1.11	0.97	-	-	-	-	1.11	0.97
TPL (SUGEN) Gratuity Trust	-	-	0.21	1.40	-	-	-	-	0.21	1.40
TPL (SUGEN) Superannuation Fund	-	-	0.47	0.38	-	-	-	-	0.47	0.38
TPL (DGEN) Gratuity Trust	-	-	0.04	0.86	-	-	-	-	0.04	0.86
TPL (DGEN) Superannuation Fund	-	-	0.40	0.33	-	-	-	-	0.40	0.33
TPG Gratuity Trust	-	-	0.32	-	-	-	-	-	0.32	-
TPG Superannuation Fund	-	-	0.02	0.01	-	-	-	-	0.02	0.01

NOTE 52: RELATED PARTY DISCLOSURES (Contd.)

(₹ in Crore)

	Associates		Employee benefits plans		Key management personnel / non-executive directors		Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right / enterprises controlled by the Parent Company / Parent Company		Total	
	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18	Year ended 31.03.19	Year ended 31.03.18
Investment in non-convertible debentures	**78.30**	**182.40**	**-**	**-**	**-**	**-**	**-**	**-**	**78.30**	**182.40**
Wind Two Renergy Private Ltd.	17.94	72.76	-	-	-	-	-	-	17.94	72.76
Wind Four Renergy Private Ltd.	31.18	54.82	-	-	-	-	-	-	31.18	54.82
Wind Five Renergy Private Ltd.	29.18	54.82	-	-	-	-	-	-	29.18	54.82

^ Excluding service tax / Goods and Service Tax.

@ Excluding provision for gratuity and leave encashment, insurance premium for group personal accident and group mediclaim.

Sitting fees and Commission of Shri Pankaj Joshi (nominee of the Government of Gujarat) is paid / payable to the Government of Gujarat.

Footnote:

Refer note 44 (c) (iii) for novation agreement with lender for short term finance facilities obtained by associates.

(c) Key management personnel compensation

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Short-term employee benefits	38.78	63.59
Long-term employee benefits	2.83	3.00
	41.61	66.59

NOTE 52: RELATED PARTY DISCLOSURES (Contd.)

(d) Related party balances

(₹ in Crore)

	Associates		Employee benefits plans		Key management personnel / non-executive directors		Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right / enterprises controlled by the Parent Company / Parent Company		Total	
	As at 31.03.19	As at 31.03.18	As at 31.03.19	As at 31.03.18	As at 31.03.19	As at 31.03.18	As at 31.03.19	As at 31.03.18	As at 31.03.19	As at 31.03.18
Balances at the end of the year										
Current liabilities	**-**	**-**	**-**	**-**	**31.41**	**47.61**	**-**	**0.13**	**31.41**	**47.74**
Torrent Power Services Private Ltd.	-	-	-	-	-	-	*	*	*	*
UNM Foundation	-	-	-	-	-	-	*	*	*	*
Tornascent Care Institute	-	-	-	-	-	-	-	0.08	-	0.08
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	0.05	-	0.05
Torrent Gas Private Ltd.	-	-	-	-	-	-	*	-	*	-
Sudhir Mehta	-	-	-	-	5.00	10.00	-	-	5.00	10.00
Samir Mehta	-	-	-	-	10.00	10.00	-	-	10.00	10.00
Markand Bhatt	-	-	-	-	13.00	24.00	-	-	13.00	24.00
Jinal Mehta	-	-	-	-	2.50	2.50	-	-	2.50	2.50
Samir Barua	-	-	-	-	0.16	0.19	-	-	0.16	0.19
Kiran Karnik	-	-	-	-	0.16	0.16	-	-	0.16	0.16
Keki Mistry	-	-	-	-	0.12	0.12	-	-	0.12	0.12
R. Ravichandran	-	-	-	-	-	0.06	-	-	-	0.06
Pankaj Patel	-	-	-	-	0.09	0.15	-	-	0.09	0.15
Bhavna Doshi	-	-	-	-	0.16	0.16	-	-	0.16	0.16
Pankaj Joshi#	-	-	-	-	0.06	0.12	-	-	0.06	0.12
Dharmishta Raval	-	-	-	-	0.16	0.15	-	-	0.16	0.15
Investment in equities	**-**	**-**	**-**	**-**	**-**	**-**	**0.06**	**0.06**	**0.06**	**0.06**
Tornascent Care Institute	-	-	-	-	-	-	0.03	0.03	0.03	0.03
UNM Foundation	-	-	-	-	-	-	0.03	0.03	0.03	0.03
Investment in non-convertible debentures	**277.31**	**183.97**	**-**	**-**	**-**	**-**	**-**	**-**	**277.31**	**183.97**
Wind Two Renergy Private Ltd.	97.21	73.29	-	-	-	-	-	-	97.21	73.29
Wind Four Renergy Private Ltd.	91.23	55.35	-	-	-	-	-	-	91.23	55.35
Wind Five Renergy Private Ltd.	88.87	55.33	-	-	-	-	-	-	88.87	55.33
Trade receivables	**11.71**	**5.98**	**-**	**-**	**-**	**-**	**0.77**	**0.90**	**12.48**	**6.88**
Tornascent Care Institute	-	-	-	-	-	-	0.03	-	0.03	-
Torrent Pharmacueticals Ltd.	-	-	-	-	-	-	0.74	0.90	0.74	0.90
Power Grid Corporation of India Ltd.	11.71	5.98	-	-	-	-	-	-	11.71	5.98

Sitting fees and Commission of Shri Pankaj Joshi (nominee of the Government of Gujarat) is payable to the Government of Gujarat.

(e) Terms and conditions of outstanding balances

The transactions with related parties are made in the normal course of business on terms equivalent to those that prevail in arm's length transactions.

Outstanding balances at the year-end are unsecured.

NOTE 53: FINANCIAL INSTRUMENTS AND RISK REVIEW

(a) Capital management

The Group manages its capital structure in a manner to ensure that it will be able to continue as a going concern while optimising the return to stakeholders through the appropriate debt and equity balance.

The Group's capital structure is represented by equity (comprising issued capital, retained earnings and other reserves as detailed in notes 20,21) and debt (borrowings as detailed in note 22).

The Group's management reviews the capital structure of the Group on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Group's plan is to ensure that the gearing ratio (debt equity ratio) is well within the limit of 2:1.

Gearing ratio

The gearing ratio at end of the reporting year is as follows.

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Debt	9,454.67	9,337.18
Total equity	10,552.13	9,220.06
Debt to equity ratio	0.90	1.01

Footnotes:

1. Debt is defined as all long term debt outstanding (including unamortised expense) + contingent liability pertaining to corporate / financial guarantee given + short term debt outstanding in lieu of long term debt.
2. Total equity is defined as equity share capital + all reserve (excluding revaluation reserve) + deferred tax liabilities – deferred tax assets – intangible assets – Intangible assets under development

Loan covenants

The group has complied with financial covenants specified as per the terms of borrowing facilities.

NOTE 53: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

(b) Categories of financial instruments

(₹ in Crore)

	As at 31st March, 2019		As at 31st March, 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Measured at amortised cost				
Cash and cash equivalent	116.07	116.07	136.50	136.50
Bank balance other than cash and cash equivalents	211.93	211.93	181.05	181.05
Investment in bonds and debentures	287.50	287.50	192.23	192.23
Trade receivables	1,229.69	1,229.69	1,130.45	1,130.45
Loans	31.81	31.81	33.04	33.04
Other financial assets	1,909.99	1,909.99	751.82	751.82
	3,786.99	3,786.99	2,425.09	2,425.09
Measured at fair value through profit and loss (FVTPL)				
Investment in mutual funds	626.86	626.86	680.66	680.66
Investment in equity instruments#	0.06	0.06	0.06	0.06
	626.92	626.92	680.72	680.72
Financial liabilities				
Measured at amortised cost				
Borrowings	8,876.50	8,907.49	8,563.70	8,616.69
Trade payables	899.83	899.83	753.35	753.35
Other financial liabilities	2,417.93	2,417.93	2,439.36	2,439.36
	12,194.26	12,225.25	11,756.41	11,809.40

Other than equity instruments in associates recognised at cost.

(c) Fair value measurement

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

Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities

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

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

NOTE 53: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets and liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

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

(₹ in Crore)

	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31st March, 2019	As at 31st March, 2018		
Investment in mutual fund units	626.86	680.66	Level 1	Quoted bid prices in an active market
	626.86	680.66		

(2) Financial liabilities at amortised cost

(₹ in Crore)

	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31st March, 2019	As at 31st March, 2018		
Fixed rate borrowings (Non-convertible debentures)	1,125.99	1,147.99	Level 2	Inputs other than quoted prices that are observable
	1,125.99	1,147.99		

(d) Financial risk management objectives

The Group's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations, routine and projects capital expenditure. The Group's principal financial assets include loans, advances, trade and other receivables and cash and cash equivalents that derive directly from its operations.

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

Foreign currency risk

The Group is exposed to foreign currency risks arising from various currency exposures, primarily with respect to the USD and EURO. foreign currency risks arise from future commercial transactions and recognized assets and liabilities, when they are denominated in a currency other than Indian Rupee.

The Group's exposure with regards to foreign exchange risk which are not hedged are given below. However, these risks are not significant to the group's operation and accordingly sensitivity analysis is not given.

Unhedged foreign currency exposures

Foreign currency exposures not hedged by derivative instruments are as under:

(in Crore)

Nature of transactions	Currency	As at 31st March, 2019	As at 31st March, 2018
Financial liabilities			
Trade payable	USD	0.93	-
Capital liability	USD	-	*
Trade payable	EURO	1.71	1.11
Capital liability	EURO	0.01	0.01
Trade payable	CHF	0.02	-

NOTE 53: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

Commodity price risk

The commodity exposure is mainly on account of fuel, a substantial part of which is a pass through cost and hence the commodity price exposure is not likely to have a material financial impact on the Company.

The Company has exposure to USD / INR exchange rate arising principally on account of import of LNG and import of coal. The extant tariff regulations do not permit the cost of hedging such exposure as a cost to be passed through to the off-takers / beneficiaries. As a result, the Company does not follow a policy of hedging such exposures and actual rupee costs of import of fuel are substantially passed on to the off-takers / consumers, because of which such commodity price exposure is not likely to have a material financial impact on the Company.

Interest rate risk

Most of the Group's borrowings are on a floating rate of interest. The Group has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR). The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible debentures and short term credit lines besides internal accruals.

The following table provides a break-up of the Group's fixed and floating rate borrowings:

(₹ in Crore)

	As at 31st March, 2019	As at 31st March, 2018
Fixed rate borrowings	1,119.46	1,123.28
Floating rate borrowings^	8,635.26	8,213.90
	9,754.72	9,337.18

^ Gross amount including unamortised expense.

Interest rate risk sensitivity:

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rates had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit.

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Impact on profit before tax - increase in 50 basis points	(43.18)	(41.07)
Impact on profit before tax - decrease in 50 basis points	43.18	41.07

Credit risk

Trade receivables

(1) Exposures to credit risk:

The Group is exposed to the counterparty credit risk arising from the possibility that counterparties (primarily trade receivables, suppliers, contractors etc.) might fail to comply with contractual obligations. This exposure may arise with regard to unsettled amounts and the cost of substituting products and services that are not provided.

NOTE 53: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

(2) Credit risk management:

Credit risk is managed and limited in accordance with the type of transaction and the creditworthiness of the counterparty. The Group has established criteria for admission, approval systems, authorisation levels, exposure measurement methodologies, etc. The concentration of credit risk is limited due to the fact that the customer base is large. None of the customers accounted for more than 10% of the receivables and revenue for the year ended 31st March, 2019 and 31st March, 2018. However, the Group is dependent on the domestic market for its business and revenues.

The Group's credit policies and practices with respect to distribution areas are designed to limit credit exposure by collecting security deposits prior to providing utility services or after utility service has commenced according to applicable regulatory requirements. In respect to generation business, Group generally has letter of credits / bank guarantees to limit its credit exposure.

(3) Other credit enhancements

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

(4) Age of receivables and expected credit loss

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

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

As at 31st March, 2019

(₹ in Crore)

	Gross trade receivables	Allowance for doubtful debt
Less than or equal to 6 months	1,194.93	28.56
More than 6 months but less than or equal to 1 year	83.47	26.18
More than one year	104.66	98.63
	1,383.06	153.37

As at 31st March, 2018

(₹ in Crore)

	Gross trade receivables	Allowance for doubtful debt
Less than or equal to 6 months	1,110.93	33.63
More than 6 months but less than or equal to 1 year	53.70	22.01
More than one year	101.75	80.29
	1,266.38	135.93

(5) Movement in the expected credit loss allowance

(₹ in Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Opening balance	135.93	129.48
Movement in expected credit loss allowance on trade receivable calculated, net	17.44	6.45
Closing balance [Refer note 14]	153.37	135.93

NOTE 53: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

Other financial assets

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

Liquidity risk

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

Maturities of financial liabilities

The Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest (accrued upto 31st March, 2019) and principal cash flows. The contractual maturity is based on the earliest date on which the Group may be required to pay.

As at 31st March, 2019

(₹ in Crore)

	Less than 1 year	Between 1 year and 5 years	5 years and above	Total
Financial liabilities				
Non current financial liabilities				
Borrowings^	-	3,208.70	5,402.08	8,610.78
Trade payables^	-	64.99	76.68	141.67
Other financial liabilities	-	46.44	1,008.59	1,055.03
	-	3,320.13	6,487.35	9,807.48
Current financial liabilities				
Borrowings	300.05	-	-	300.05
Trade payables	790.49	-	-	790.49
Other financial liabilities^	1,368.14	-	-	1,368.14
	2,458.68	-	-	2,458.68
Total financial liabilities	2,458.68	3,320.13	6,487.35	12,266.16

NOTE 53: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

As at 31st March, 2018

(₹ in Crore)

	Less than 1 year	Between 1year and 5 years	5 years and above	Total
Financial liabilities				
Non current financial liabilities				
Borrowings^	-	3,100.32	5,497.69	8,598.01
Trade payables^	-	114.99	4.40	119.39
Other financial liabilities	-	42.37	914.07	956.44
	-	3,257.68	6,416.16	9,673.84
Current financial liabilities				
Trade payables	658.71	-	-	658.71
Other financial liabilities^	1,487.70	-	-	1,487.70
	2,146.41	-	-	2,146.41
Total financial liabilities	2,146.41	3,257.68	6,416.16	11,820.25

^ Gross amount including unamortised expense.

NOTE 54: CHANGE DUE TO TRANSITION TO IND AS - 115 "REVENUE FROM CONTRACTS WITH CUSTOMERS"

The Group has adopted Ind AS 115, Revenue from Contracts with Customers, from 1st April, 2018. The adoption has resulted changes in accounting policies and adjustment to the amounts recognized in the financial statements. Prior to adoption of Ind AS 115, the Group had been recognising the Fuel and Power Purchase Price Adjustment ("FPPPA") claims as and when approved by the regulatory authorities and the truing up adjustment claims as and when these were billed to consumers subsequent to approval by the regulatory authorities.

The Group has adopted Ind AS 115 retrospectively with the cumulative effect of initial application recognized in the opening retained earnings on 1st April, 2018. The Group has in the current year recognized revenue on FPPPA claims and other true up adjustments, as per the applicable tariff regulations, management's probability estimate and the past trends of approval, by applying the guidance on variable consideration under Ind AS 115.

The Group has not recognized those truing up adjustment claims which are subject of dispute and for which the company is in appeal with regulatory authorities.

Due to the application of Ind AS 115, as at 1st April, 2018, retained earnings are higher by ₹647.12 Crore, unbilled revenue higher by ₹637.15 Crore and sundry payables lower by ₹9.97 Crore.

Consequent to adoption of Ind AS 115, revenue from operations and profit for the year ended 31st March, 2019, are higher by and ₹318.26 Crore. Accordingly, as at 31st March, 2019, retained earnings are higher by ₹965.38 Crore, unbilled revenue higher by ₹955.71 Crore and sundry payables lower by ₹9.67 Crore.

NOTE 55:

The figures for the previous year have been regrouped / recast, wherever necessary, to make them comparable with the figures for the current year.

NOTE 56: APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the board of directors on 15th May, 2019.

Signature to Note 1 to 56

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 039985

Ahmedabad, 15th May, 2019

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN:00061903

Sanjay Dalal
Chief Financial Officer

Samir Shah
Company Secretary

Ahmedabad, 15th May, 2019

FORM AOC-1

Statement pursuant to first proviso to sub section (3) of section 129 of Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014:

(a) Statement containing salient features of the financial statement of subsidiaries

(₹ in Crore)

1.	Name of Subsidiary Company	Torrent Power Grid Limited	Torrent Pipavav Generation Limited	Torrent Solargen Limited	Jodhpur Wind Farms Private Limited	Latur Renewable Private Limited
2.	Financial year ended on	31^{st} March, 2019	31^{st} March, 2019	31^{st} March, 2019	31^{st} March, 2019	31^{st} March, 2019
3.	Share capital	90.00	50.00	80.05	111.00	110.00
4.	Reserves and surplus	46.72	(13.49)	6.25	(2.02)	(5.30)
5.	Total assets	221.69	94.30	217.94	471.54	443.69
6.	Total liabilities (excluding share capital and reserves and surplus)	84.97	57.79	131.64	362.56	338.99
7.	Investments	37.51	-	88.82	23.03	5.04
8.	Turnover	46.52	-	-	66.55	60.37
9.	Profit / (loss) before taxation	19.82	(1.44)	1.06	3.89	(0.81)
10.	Provision for taxation (including deferred tax)	0.68	*	(1.02)	1.15	(0.16)
11.	Profit / (loss) after taxation	19.14	(1.44)	2.08	2.74	(0.65)
12.	Other comprehensive income (net of tax)	(0.04)	-	-	-	-
13.	Total comprehensive income	19.10	(1.44)	2.08	2.74	(0.65)
14.	Proposed dividend (including dividend distribution tax)	18.45	-	-	-	-
15.	Extent of shareholding (in percentage)	74.00%	95.00%	100.00%	100.00%	100.00%

Footnote :

1 Torrent Pipavav Generation Limited & Torrent Solargen Limited is yet to commence its operations.

* Figures below ₹50,000

FORM AOC-1 (Contd.)

(b) Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to associate Companies

(₹ in Crore)

	Name of Associates	Wind Two Renergy Private Limited	Wind Four Renergy Private Limited	Wind Five Renergy Private Limited
1.	Latest audited balance sheet date	31st March, 2019	31st March, 2019	31st March, 2019
2.	Date on which the associate was associated or acquired	12th December, 2017	12th December, 2017	12th December, 2017
3.	Shares of associate held by the company on the year end			
	(i) Numbers	-	-	-
	(ii) Amount of investment in associates	-	-	-
	(iii) Extend of holding (in percentage)	0%	0%	0%
4.	Description of how there is significant influence	The Company has acquired certain rights which include the right to nominate directors on the board. Considering the said facts and based on the requirements of Ind AS, Company has significant influence in the above companies.		
5.	Reason why the associate is not consolidated	As the Company does not have equity interest in the companies, the Company does not have any share in the profit, loss or comprehensive income of the entities and accordingly, there is no impact on the Consolidated Statement of Profit and Loss.		
6.	Networth attributable to shareholding as per latest audited balance sheet	-	-	-
7.	Profit / (loss) for the year			
	(i) Considered in consolidation	-	-	-
	(ii) Not considered in consolidation	0.01	0.02	0.02

Footnotes :

1 All associates are yet to commence its operations.

2 During the year, Nani Virani Wind Energy Private Limited, Ravapar Wind Energy Private Limited and Khatiyu Wind Energy Private Limited have ceased to be associates of the Company. There is no impact of this development on the consolidated financial results for the year ended 31st March, 2019.

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN:00061903

Sanjay Dalal
Chief Financial Officer

Samir Shah
Company Secretary

Ahmedabad, 15th May, 2019

5 YEARS' HIGHLIGHTS - CONSOLIDATED

Particulars	UoM	2018-19 (Ind AS)	2017-18 (Ind AS)	2016-17 (Ind AS)	2015-16 (Ind AS)	2014-15 (IGAAP)
TECHNICAL DATA						
Generation Capacity	MW	3,703	3,721	3,556	3,334	3,253
Units Dispatched by Generating Stations	MUs	10,004	9,671	7,543	9,362	5,327
Units Purchased	MUs	8,125	8,046	8,986	7,504	11,314
Units Sold	MUs	16,678	15,957	14,454	14,673	14,155
No. of Consumers	Mn	3.32	3.23	3.12	3.03	2.95
KEY FINANCIALS						
Total Income	₹ in Crore	13,341	11,776	10,191	11,998	10,762
EBITDA	₹ in Crore	3,389	3,381	2,651	3,336	2,423
Profit Before Tax	₹ in Crore	1,264	1,401	587	1,290	740
Total Comprehensive Income (after Non-controlling interests)	₹ in Crore	893	956	423	893	360
Equity Share Capital	₹ in Crore	481	481	481	481	472
Other Equity (Reserves and Surplus)	₹ in Crore	8,490	7,239	6,411	5,990	6,083
Loan Funds (Gross)	₹ in Crore	9,755	9,337	8,810	8,565	9,355
Fixed Assets	₹ in Crore	18,373	18,263	17,136	15,343	15,311
KEY FINANCIAL RATIOS						
EBITDA / Total Income	%	25.40	28.71	26.01	27.80	22.51
Net Profit Margin	%	7.41	9.59	4.47	8.65	5.67
Return on Net Worth*	%	9.54	12.62	5.57	13.22	8.14
Return on Capital Employed*	%	8.23	9.62	7.31	11.21	7.86
Long Term Debt Equity Ratio*		0.90	1.01	1.06	1.10	1.23
Earnings Per Share	₹	18.70	19.61	8.93	18.73	7.61

* Deferred Tax Liability is included as a part of Equity

FY 2018-19 numbers are not comparable due to change in accounting policy on account of implementation of Ind AS 115 during the year.

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ROUTE MAP TO THE AGM VENUE

TORRENT POWER LIMITED

CIN: L31200GJ2004PLC044068

15th Annual General Meeting
Date: Monday, 5th August, 2019
Time: 9:30 am

Venue: J. B. Auditorium, Torrent-AMA Centre,
Ahmedabad Management Association,
Vastrapur, Ahmedabad-380015

TORRENT POWER LIMITED

CIN: L31200GJ2004PLC044068
Regd. Office: "Samanvay", 600 Tapovan, Ambawadi, Ahmedabad-380015, Gujarat, India.
Phone: +91 79 26628300; Fax: +91 79 26764159
Website: www.torrentpower.com; Email: cs@torrentpower.com

15th Annual General Meeting – 5th August, 2019

ATTENDANCE SLIP

This attendance slip duly filled in is to be handed over at the entrance of the meeting hall.

For demat shares	For physical shares
DP ID:	**REGD. FOLIO NO.:**
CLIENT ID:	**NO. OF SHARES HELD:**

Full name of the member attending: ______________________________

Name of Proxy: ______________________________

(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the **15th Annual General Meeting** of the Company at J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015 on Monday, 5th August, 2019 at 9:30 am.

____

Member's / Proxy's Signature

(To be signed at the time of handing over this slip)

Note : Persons attending the Annual General Meeting are requested to bring their copies of Annual Report.

TORRENT POWER LIMITED

CIN: L31200GJ2004PLC044068
Regd. Office: "Samanvay", 600 Tapovan, Ambawadi, Ahmedabad-380015, Gujarat, India.
Phone: +91 79 26628300; Fax: +91 79 26764159
Website: www.torrentpower.com; Email: cs@torrentpower.com

15th Annual General Meeting – 5th August, 2019

PROXY FORM

[Pursuant to section 105 (6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s) : ______________________________

Registered address : ______________________________

Email ID : ______________________________

Folio No. / Client ID : ______________________________

DP ID : ______________________________

I/ We being the member(s) of ______________ equity shares of the Torrent Power Limited, hereby appoint;

1	Name :	E-mail Id :
	Address :	Signature :

or failing him/her

2	Name :	E-mail Id :
	Address :	Signature :

or failing him/her

3	Name :	E-mail Id :
	Address :	Signature :

as my/ our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **15th Annual General Meeting** of the Company, to be held on Monday, 5th August, 2019 at 9:30 am at J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

Resolution	Vote - Refer Note 4		
	For	Against	Abstain
ORDINARY BUSINESSES			
1. Adoption of the Financial Statements.			
2. Declaration of dividend.			
3. Re-appointment of Director retiring by rotation.			
SPECIAL BUSINESSES			
4. Commission to Non-Executive Directors.			
5. Ratification of Remuneration of Cost Auditors.			
6. Commission to Shri Sudhir Mehta, Non-Executive Director and Chairman Emeritus, for FY 19.			
7. Issuance of Non-Convertible Debentures on a private placement basis.			

Signed this __________day of ____________, 2019.

____

Signature of member(s)

____

Signature of proxy holder(s)

Affix Revenue Stamp of not less than 1/-

Notes:

1. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 15th Annual General Meeting.
2. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
3. A Proxy need not be a member of the Company.
4. It is optional to indicate your preference. If you leave 'For,' 'Against' or 'Abstain' column blank against any or all of the resolutions, your Proxy will be entitled to vote in any manner as he/she may deem appropriate.

Human Capital Builds Our Brand

Enhancing Knowledge Capital. Enriching Capabilities.

The Company places as much emphasis on human capital as on financial capital. The latter's productivity is inextricably linked with the former's capability, efficiency, motivation and sense of belonging.

Company's core values bind all the employees into an organisation with cohesive culture. Providing a work culture that provides a path to personal development of all, silently builds the human capital and provides future generation of leaders.

The Company's human capital is its most important off-balance sheet asset.

Founders' Day 2019–Fostering the Spirit of Parivaar

Child Health – Investing for Future

Serving Communities. Spreading Smiles.

"Think of others also, when you think about yourself" - With this guiding philosophy, Torrent's CSR endeavours are undertaken in key focus areas of healthcare , education and community welfare.

The flagship REACH programme aims to alleviate anaemia and mal-nutrition among under-privileged children whilst providing basic healthcare facilities. It has screened more than 58,000 children by organising medical check-up camps and over 2,00,000+ children have been treated at Torrent's 4 Paediatric Health Centres and through Mobile OPDs.

On the education front, through "Siksha Setu" 8000+ children from economically disadvantaged sections of rural communities and urban slums, 250+ teachers and 3500+ parents are being covered through 26 schools for improvement in teaching and learning outcomes.

"Pratiti" is an initiative to develop beautifully landscaped gardens in the city of Ahmedabad for the general benefit of citizens and increasing the green cover of the city.

Siksha Setu – Improving Quality of Education

Printed on 100% recycled paper

TORRENT POWER LIMITED

CIN : L31200GJ2004PLC044068

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