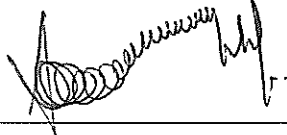
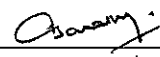
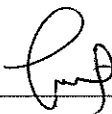


FORM A

(COVERING LETTER OF THE ANNUAL REPORT TO BE FILED WITH STOCK EXCHANGE)

- 1 Name of the Company : Torrent Power Limited
- 2 Annual Stand-alone Financial : 31<sup>st</sup> March, 2015  
Statements for the year ended
- 3 Type of Audit observation : Un-qualified
- 4 Frequency of observation : Not Applicable
- CEO / Managing Director : 
  - CFO : 
  - Audit Committee Chairman : 

Refer our Audit Report dated May 12, 2015 on the Stand-alone financial statements of the Company

- 5 Auditor of the Company : For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm Registration No. 117365W)



Hemendra L. Shah  
(Partner)  
Membership No. 33590  
Ahmedabad

May 12, 2015

FORM A

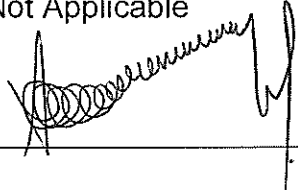
(COVERING LETTER OF THE ANNUAL REPORT TO BE FILED WITH STOCK EXCHANGE)

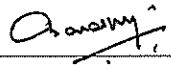
1 Name of the Company : Torrent Power Limited


2 Annual Consolidated Financial : 31<sup>st</sup> March, 2015  
Statements for the year ended

3 Type of Audit observation : Un-qualified

4 Frequency of observation : Not Applicable

• CEO / Managing Director : 

• CFO : 

• Audit Committee Chairman : 

Refer our Audit Report dated May 12, 2015 on the Consolidated financial statements of the Company

5 Auditor of the Company : For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm Registration No. 117365W)



Hemendra L. Shah  
(Partner)  
Membership No. 33590  
Ahmedabad

May 12, 2015



The New  
Destination of  
Possibilities

**DAHEJ**

DGEN - the 1200 MW  
Greenfield gas based  
power generation Plant  
has in-built  
**efficiency enhancing  
design features and state  
of the art technology.**





**D**GEN- the 1200 MW Greenfield gas based power generation Plant has in-built efficiency enhancing design features and state of the art technology. The single shaft configuration saves on the length of steam cycle piping and requirement of major operating equipments; thus enhancing the throughput. Special metallurgy of vanes and blades, matching triple pressure heat recovery steam generator, special hydraulically controlled axial positioning device and advanced design fuel burners

with high combustion stability further improve the Plant's efficiency and assure higher availability too. Alongside, usage of environmentally safe and sound technology makes the Plant have greater environmental value which also reflects Torrent's concern for society and environment; one of its core values.


Located strategically at Dahej SEZ, District Bharuch, Gujarat, DGEN has close proximity to all the required infrastructure, fuel supply sources and power off-take markets.

The New  
Destination of  
Opportunities



Annual Report 2014-15





With the successful  
commissioning of  
DGEN, the total power  
generation capacity of  
**Torrent stands at  
3250 MW.**



**W**ith its successful commissioning in December, 2014, DGEN is set to contribute to the economic development of the nation. The total power generation capacity of Torrent thus stands at 3250 MW.

DGEN has been implemented by Torrent Energy Limited (TEL), the wholly owned subsidiary of Torrent Power Limited. Ministry of Commerce and Industry granted TEL, the status of Co-Developer of Dahej SEZ. TEL, as a Transmission Licensee, has also developed the 400 kV Double Circuit line for transmitting power from DGEN to Power Grid's Navsari sub-station and as a Distribution Licensee, it is operating in Dahej SEZ since April, 2010.

Dahej, in its true sense, is much more than just an SEZ for us; it's our New Destination of Possibilities.

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The New  
Destination of  
Possibilities  
Dahej



Annual Report 2014-15



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# CORPORATE INFORMATION

## Board of Directors

Sudhir Mehta  
*Executive Chairman*  
Pankaj Patel  
Samir Barua  
Kiran Karnik  
Keki Mistry  
R. Ravichandran  
Renu Challu#  
Samir Mehta  
*Executive Vice Chairman*  
Markand Bhatt  
*Whole-time Director*  
Jinal Mehta  
*Whole-time Director*

## Audit and Risk Management Committee

Keki Mistry  
*Chairman*  
Samir Barua  
Kiran Karnik  
Renu Challu#

## Stakeholders Relationship Committee

Pankaj Patel  
*Chairman*  
Samir Mehta  
Markand Bhatt

## Nomination and Remuneration Committee

Kiran Karnik  
*Chairman*  
Sudhir Mehta  
Pankaj Patel  
Renu Challu#

## Corporate Social Responsibility Committee

Renu Challu#  
*Chairperson*  
Samir Barua  
Jinal Mehta

## Committee of Directors

Samir Mehta  
*Chairman*  
Markand Bhatt  
Jinal Mehta

## Executive Director-Corporate Affairs & Chief Financial Officer

T. P. Vijayasathy

## Statutory Auditors

Deloitte Haskins & Sells, Ahmedabad  
*Chartered Accountants*

## Power Generation Plants

- SUGEN & UNOSUGEN**  
Off National Highway No. 8, Taluka Kamrej,  
District Surat-394155 (Gujarat)
- AMGEN**  
Ahmedabad-380005 (Gujarat)
- DGEN\***  
Plot no Z-9, Dahej SEZ, Taluka Vagra,  
Dist. Bharuch – 392130 (Gujarat)

## Power Distribution Divisions

- Electricity House, Lal Darwaja,  
Ahmedabad-380001 (Gujarat)
- Torrent House, Station Road,  
Surat-395003 (Gujarat)
- Old Agra Road, Anjur Phata,  
Bhiwandi-421302 (Maharashtra)
- 6, Raghunath Nagar, Suresh  
Plaza Market, M. G. Road,  
Agra-282002 (Uttar Pradesh)

## Registered Office

Torrent House,  
Off Ashram Road,  
Ahmedabad-380009,  
Gujarat, India.  
Phone: +91 79 2658 5090 / 2658 3060  
Fax: +91 79 2658 2326

## Website

[www.torrentpower.com](http://www.torrentpower.com)

## Registrar and Share Transfer Agent

Sharepro Services (India) Private Limited  
13 A-B, Samhita Warehousing Complex,  
2<sup>nd</sup> Floor, Sakinaka Telephone Exchange Lane,  
Off Andheri-Kurla Road, Sakinaka,  
Andheri (East), Mumbai-400072

## Investor Services Email Id

[cs@torrentpower.com](mailto:cs@torrentpower.com)

## Corporate Identification Number

L31200GJ2004PLC044068

# ceased to be an Independent Director w.e.f. the closing hours of 12<sup>th</sup> May, 2015

\* through wholly owned subsidiary

## NOTICE

**NOTICE** is hereby given that the Eleventh Annual General Meeting of the Members of **TORRENT POWER LIMITED** will be held on Tuesday, 4<sup>th</sup> August, 2015 at 9.30 a.m. at **J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015** to transact the following business:

### ORDINARY BUSINESS

#### 1. Adoption of the Financial Statements

To receive, consider and adopt the Financial Statements (including Consolidated Financial Statements) of the Company for the financial year ended 31<sup>st</sup> March, 2015, including Audited Balance Sheet as at 31<sup>st</sup> March, 2015 and the Statement of Profit and Loss for the year ended on that date and reports of the Auditors and the Directors thereon.

#### 2. Declaration of dividend

To declare dividend of ₹1.50 per share on equity shares of the Company for the financial year ended 31<sup>st</sup> March, 2015.

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

To appoint a Director in place of Shri Markand Bhatt (holding DIN: 00061955), whose period of office is not liable to determination by retirement of Directors by rotation and who, pursuant to the applicable provisions of the Companies Act, 2013, retires by rotation and being eligible offers himself for re-appointment.

#### 4. Re-appointment of Statutory Auditors

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, M/s. Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad (ICAI Registration No. 117365W) be and are hereby re-appointed as Statutory Auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Board of Directors of the Company.”

### SPECIAL BUSINESS

#### 5. Re-appointment of Shri Sudhir Mehta as the Chairman of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force (hereinafter referred to as “Act”) and subject to such other approvals as may be necessary, Shri Sudhir Mehta (holding DIN: 00061871) be and is hereby re-appointed as the Chairman of the Company, not liable to retire by rotation on the following terms and conditions:

Sr. No.	Particulars	Details
1.	Period of Appointment	: 5 years effective from 1 <sup>st</sup> August, 2015.
2.	Commission	: At a rate such that the total remuneration does not exceed percentage limit of net profits of the Company as specified in the Act, calculated in accordance with Section 198, subject to the overall ceiling prescribed under Section 197 read with Schedule V to the Act.
3.	Perquisites	: Will be allowed as under:
A.		(i) The Company shall reimburse annual fees for two clubs.
		(ii) The Company shall pay the premium on Personal Accident Insurance Policy as per the rules of the Company.
		(iii) The Company shall pay the premium on medical insurance for self and family as per the rules of the Company.

Sr. No.	Particulars	Details
B.		(i) The Company shall provide a car with driver for official and personal use.
		(ii) The Company shall provide telephones at his residence, the cost of which will be borne by the Company.
4.	Other Terms	(i) His entitlement for leave and its accumulation shall be as per the prevailing rules of the Company.
		(ii) Such appointment shall not be considered as a break in his service as managerial personnel of the Company.
		(iii) Total remuneration for any year shall not exceed the percentage limit of net profits of the Company as specified in the Act, calculated in accordance with Section 198, subject to the overall ceiling prescribed under Section 197 read with Schedule V to the Act.
		(iv) He shall not be entitled to receive sitting fees for attending the meetings of the Board of Directors or a Committee thereof.

RESOLVED FURTHER THAT Shri Sudhir Mehta shall exercise substantial powers of management subject to superintendence, control and direction of the Board of Directors of the Company.

RESOLVED FURTHER THAT the actual amount of commission to be paid to Shri Sudhir Mehta for each year and periodicity of such payment shall be decided by the Board of Directors, which shall include any Committee of the Board specifically authorised for this purpose from time to time (hereinafter referred to as “the Board”).

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year, the Company shall pay Shri Sudhir Mehta, in respect of such financial year, remuneration by way of salary, allowances, perquisites and other benefits as the Board may deem fit, subject to the limits and conditions prescribed in Section II of Part II of Schedule V to the Act, for the time being in force.”

#### 6. Re-appointment of Shri Samir Mehta as the Vice Chairman of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force (hereinafter referred to as “Act”) and subject to such other approvals as may be necessary, Shri Samir Mehta (holding DIN: 00061903) be and is hereby re-appointed as the Vice Chairman of the Company, liable to retire by rotation, for a period of five years effective from 1<sup>st</sup> August, 2015.

RESOLVED FURTHER THAT Shri Samir Mehta shall exercise substantial powers of management subject to superintendence, control and direction of the Chairman and the Board of Directors of the Company.

RESOLVED FURTHER THAT Shri Samir Mehta shall be paid commission at a rate not exceeding the percentage limit of net profits of the Company as specified in the Act, calculated in accordance with Section 198, subject to the overall ceiling prescribed under Section 197 read with Schedule V to the Act.

RESOLVED FURTHER THAT the actual amount of commission to be paid to Shri Samir Mehta for each year and periodicity of such payment shall be decided by the Board of Directors, which shall include any Committee of the Board specifically authorised for this purpose from time to time (hereinafter referred to as “the Board”).

RESOLVED FURTHER THAT Shri Samir Mehta shall not be entitled to any perquisite and shall not be paid sitting fees for attending the meetings of the Board of Directors or a Committee thereof.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year, the Company shall pay Shri Samir Mehta, in respect of such financial year, remuneration by way of salary, allowances, perquisites and other

benefits as the Board may deem fit, subject to the limits and conditions prescribed in Section II of Part II of Schedule V to the Act, for the time being in force.”

#### **7. Ratification of Remuneration of Cost Auditors**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force (“Act”), M/s. Kirit Mehta & Co., Cost Accountants, Mumbai, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2016 be paid the remuneration of ₹9,25,000/- plus applicable taxes and out of pocket expenses incurred by them during the course of 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.”

#### **8. Appointment of Smt. Bhavna Doshi as an Independent Director**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force, and Clause 49 of the Listing Agreement, Smt. Bhavna Doshi (holding DIN: 00400508), being eligible to be appointed as an Independent Director of the Company, and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of three consecutive years effective from the conclusion of this Annual General Meeting.”

#### **9. Adoption of new set of Articles of Association**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 including any statutory modification(s) or re-enactment thereof, for the time being in force, the draft regulations as contained in the Articles of Association, submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board  
For Torrent Power Limited

Ahmedabad  
16<sup>th</sup> May, 2015

#### **Registered Office:**

Torrent House,  
Off Ashram Road,  
Ahmedabad-380009 (Gujarat)  
CIN: L31200GJ2004PLC044068  
Tel. No. +91 79 2658 5090, 2658 3060  
Website: www.torrentpower.com  
Email: cs@torrentpower.com

**T. P. Vijayarathy**  
Executive Director (Corporate Affairs) & CFO

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 11<sup>TH</sup> 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 (fifty) and holding in aggregate not more than 10% (ten percent) of the total share capital of the Company. However, a member holding more than 10% (ten percent) 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, 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 Register of Members and Share Transfer Books of the Company will remain closed from Monday, 15<sup>th</sup> June, 2015 to Wednesday, 17<sup>th</sup> June, 2015 (both days inclusive) for determining the name of members eligible for dividend on Equity Shares, if declared, for FY 2014-15 and for the purpose of the AGM.
7. The Statement pursuant to Section 102 of the Companies Act, 2013 and/ or Clause 49 of the Listing Agreement is annexed hereto and forms part of this Notice.
8. In terms of the provisions of Section 205A of the Companies Act, 1956 (corresponding Section 124 of the Companies Act, 2013 which is yet to be notified), the amount of dividend not encashed or claimed within 7 (seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund established by the Government. Accordingly, the unclaimed dividend in respect of FY 2007-08 will be due for transfer to the said Fund in October 2015. The shareholders who have not encashed their dividend warrants for FY 2007-08 are requested to approach the Company for payment.
9. The Companies Act 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 M/s. Sharepro Services (India) Pvt. Ltd.
11. Trading in equity shares of the Company is compulsorily in dematerialised mode by all the investors. Members are therefore advised to convert their shareholding in dematerialised form in case they wish to trade their equity shares.
12. 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 said meeting.

13. Annual Report for the FY 2014-15 of the Company has been uploaded on website of the Company i.e. [www.torrentpower.com](http://www.torrentpower.com).
14. All documents referred to in the accompanying notice and the explanatory statement shall be open for inspection at the registered office of the Company during normal business hours (9.30 AM to 6.30 PM) on all working days, except Saturday upto the date of the Annual General Meeting of the Company and also will be available for inspection by the members at the AGM.
15. Electronic copy of the Notice of the 11<sup>th</sup> Annual General Meeting of the Company 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 copy of the Notice of the 11<sup>th</sup> Annual General Meeting of the Company alongwith Annual Report, *inter-alia*, including the Remote e-voting instructions, Attendance Slip and Proxy Form is being sent by the permitted mode.
16. 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.
17. 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 M/s. Sharepro Services (India) Pvt. Ltd., for consolidation of such multiple folios into a single folio.
18. **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. Tuesday, 28<sup>th</sup> July, 2015.**
19. In terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, 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 entitled to vote, amongst members present in person at the meeting, but 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 (4) (xi) of the said Rules for the business 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 with respect to Voting Process and other instructions regarding Remote e-voting are detailed in Note No. 24.

20. 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 Scrutinizer shall within a period not exceeding 3 (three) working days from the conclusion of the AGM make a Consolidated Scrutinizer’s Report of the votes cast in favour or against, if any, and submit the same to the Chairman of the meeting or a person so authorised by him in writing, who shall countersign the same.
22. The results shall be declared forthwith by the Chairman or a person so authorised by him in writing on receipt of consolidated report from the Scrutinizer. The Results declared along with Scrutinizer’s Report shall be placed on the Company’s website [www.torrentpower.com](http://www.torrentpower.com) and on the website of CDSL and shall also be communicated to the BSE Limited and National Stock Exchange of India Limited.

**23. The resolutions shall be deemed to be passed on the date of the Annual General Meeting, 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](http://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](http://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 demat 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 or have incorrect 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 or have incorrect PAN with depository shall be provided with an Alphanumerical Value as an alternate to PAN, separately, along with the notice of the Annual General Meeting.
  - 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 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 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.
  - 6.2 After entering these details appropriately, click on “SUBMIT” tab.

6.3 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.**

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. 150627004 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.

**Section B: Other instructions regarding Remote e-voting**

- i. The Remote e-voting period shall commence on Saturday, 1<sup>st</sup> August, 2015 at 9.30 A.M. and end on Monday, 3<sup>rd</sup> August, 2015 at 5:00 P.M. 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.
- ii. Institutional Shareholders (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 Shareholders and Custodians are required to log on to [www.evotingindia.com](http://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](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which user wishes to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- iii. Institutional Shareholders (i.e. members other than Individuals, HUF, NRI, etc.) 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.



- iv. **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.**
- v. Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- vi. 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com).

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND CLAUSE-49 OF THE LISTING AGREEMENT

### **Item No. 3**

Shri Markand Bhatt (holding DIN: 00061955) is a Whole-time Director of the Company since 1<sup>st</sup> October, 2006. He was re-appointed as Whole-time Director of the Company at the Seventh Annual General Meeting held on 29<sup>th</sup> July, 2011 for a period of five years effective from 1<sup>st</sup> April, 2011 and was not liable to retire by rotation. By virtue of Section 152 of the Companies Act, 2013, he retires by rotation and being eligible, offers himself for re-appointment. His re-appointment is proposed under Section 152 and other applicable provisions of the Companies Act, 2013 and under such proposed re-appointment, he shall be liable to retire by rotation.

Shri Markand Bhatt, 68, is a Post Graduate of IIM, Ahmedabad. He has more than 46 years of professional managerial experience in multi-disciplinary areas dominated by more than two decades of principal involvement in power sector projects.

Shri Markand Bhatt has played a pivotal role in the entire journey of the SUGEN Mega Power Project - from concept to commissioning of the project, which is unique in many respects. The project was completed within the budgeted cost resulting in the lowest per MW cost due to his sustained efforts. Shri Bhatt has played a vital role in the implementation of 382.5 MW UNOSUGEN project. Shri Bhatt spearheaded the implementation of the 1200 MW DGEN Project which was completed in December, 2014; within the budgeted cost despite delays.

He was also the Managing Director of erstwhile Gujarat Torrent Energy Corporation Limited (GTEC) which had set up the 655 MW Gas based dual fuel Combined Cycle Power project within budgeted cost and timelines. He spearheaded the divestment of GTEC by Torrent Group, which was the biggest ever M & A deal in the country at that point of time. Earlier, he practiced as a Management Consultant.

Shri Markand Bhatt is also a Director on the Board of Torrent Pharmaceuticals Limited. Details of his Committee membership in both the Companies are as follows:

Sr. No.	Directorship in Companies	Names of Committees
1.	Torrent Power Limited	<ul style="list-style-type: none"><li>Committee of Directors - Member</li><li>Stakeholders Relationship Committee – Member</li></ul>
2.	Torrent Pharmaceuticals Limited	<ul style="list-style-type: none"><li>Committee of Directors - Chairman</li><li>Securities Transfer and Stakeholders Relationship Committee - Member</li><li>Nomination and Remuneration Committee - Member</li></ul>

Shri Markand Bhatt holds 13,059 equity shares in the Company. Shri Markand Bhatt is deemed to be interested in the resolution. None of the other Directors or Key Managerial Personnel (KMP) of the Company or their relatives is in any way concerned or interested in the resolution.

The Board recommends the resolution at Item No.3, in relation to the re-appointment of Shri Markand Bhatt as Director, for your approval, as an ordinary resolution.

### **Item No. 5**

Shri Sudhir Mehta (holding DIN: 00061871) is currently the Executive Chairman of the Company and has been associated with the Company since its inception, as a Promoter. The shareholders had, at the Seventh Annual General Meeting of the Company held on 29<sup>th</sup> July, 2011, appointed him as Executive Chairman of the Company for a period of five years effective from 1<sup>st</sup> August, 2010 on the terms and conditions of appointment mentioned in the notice convening the said Annual General Meeting.

Shri Sudhir Mehta's aforesaid term will conclude on the close of the working hours of 31<sup>st</sup> July, 2015. In this context, the Nomination and Remuneration Committee of the Company had considered and recommended the proposal at Item No. 5 of the Notice, to the Board of Directors of the Company. Based on the recommendations of the Nomination and Remuneration

Committee, the Board had, at its meeting held on 12<sup>th</sup> May, 2015, approved the re-appointment of Shri Sudhir Mehta as the Chairman of the Company for another term of 5 years with effect from 1<sup>st</sup> August, 2015 on the terms and conditions as mentioned in the resolution at Item No. 5 of the Notice convening AGM. Shri Sudhir Mehta has consented to the said arrangement. The said appointment is subject to approval of members of the Company. Shri Sudhir Mehta shall not be liable to retire by rotation while he holds the office of the Chairman. As the Chairman, he will exercise substantial powers of the management, subject to superintendence, control and direction of the Board of Directors of the Company. Also, such appointment will not be considered as a break in his service as managerial personnel of the Company.

Shri Sudhir Mehta, 60, is the driving force behind the strong presence of 'Torrent' in Pharmaceuticals and Power sectors. Shri Mehta was instrumental in the diversification of the Torrent Group into the power sector. The foray into Power was marked by the acquisition of the ailing Mahendra Cables, now known as Torrent Cables Limited in late 80's. This was followed by acquisition of The Ahmedabad Electricity Company and The Surat Electricity Company in the early 90's; now part of Torrent Power Limited. Shri Mehta took over as the Chairman of the Torrent Group in 1998, after the demise of his father, late Shri U. N. Mehta. Under the able leadership of Shri Sudhir Mehta, Torrent Group grew from its humble roots into a leading business Group.

Under his able guidance, Torrent Pharmaceuticals Limited ("Torrent Pharma") today has a strong presence in various therapeutic segments with three world-class operational manufacturing plants and a state-of-the-art research centre. Torrent Pharma's global operations are spread across substantially in 28 countries with wholly owned subsidiaries in most major markets. The acquisition of the Indian branded generic formulation business of Elder Pharmaceuticals Limited is expected to strengthen Torrent Pharma's position in the nutraceuticals and women healthcare segments in India. Alongside, Torrent Power today has a strong foothold in generation, distribution and transmission segments. The Company has a generation capacity of ~3252 MW. It distributes power to nearly 23 lacs customers in Ahmedabad, Gandhinagar, Surat and Dahej SEZ area in Gujarat as a "distribution licensee" and to nearly 6 lacs customers in the cities of Agra and Bhiwandi as a "distribution franchisee". It has also set up power transmission infrastructure in Gujarat.

Shri Sudhir Mehta is a member of the Nomination and Remuneration Committee of the Company. Details of his Directorship in other companies and membership in committees of these companies are given below:

Sr. No.	Directorship in Companies	Names of Committees
1.	Torrent Pharmaceuticals Limited	• Securities Transfer and Stakeholders Relationship Committee - Chairman
2.	Torrent Pipavav Generation Limited	• Committee of Directors – Chairman
3.	Torrent Private Limited	-
4.	Diamond Infrastructure Private Limited	-
5.	Tornascent Care Institute	-

Shri Sudhir Mehta holds 6,882 equity shares of the Company and is related to Shri Samir Mehta, Executive Vice Chairman and Shri Jinal Mehta, Whole-time Director. Shri Sudhir Mehta, Shri Samir Mehta and Shri Jinal Mehta are, therefore, deemed to be interested in the resolution. None of the other Directors or Key Managerial Personnel (KMP) of the Company or their relatives is in any way concerned or interested in the resolution.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Shri Sudhir Mehta as Chairman of the Company. Accordingly, the Board recommends the resolution at Item No. 5, in relation to the re-appointment of Shri Sudhir Mehta as the Chairman of the Company, for your approval as an ordinary resolution.

## Item No. 6

Shri Samir Mehta (holding DIN: 00061903) is the Executive Vice Chairman of the Company and has been associated with the Company since its inception as a Promoter. He is also the Executive Chairman of Torrent Pharmaceuticals Limited. The Shareholders had, at the seventh Annual General Meeting of the Company held on 29<sup>th</sup> July, 2011, appointed Shri Samir Mehta as the Executive Vice Chairman of the Company for a period of 5 years effective from 1<sup>st</sup> August, 2010 on the terms and conditions of appointment as mentioned in the notice convening the said Annual General Meeting.

Shri Samir Mehta's aforesaid term would conclude on the close of the working hours of 31<sup>st</sup> July, 2015. In this context, the Nomination and Remuneration Committee of the Company had considered and recommended the proposal at Item No. 6 of the Notice, to the Board of Directors of the Company. Based on the recommendations of the Nomination and Remuneration Committee, the Board had, at its meeting held on 12<sup>th</sup> May, 2015, approved the re-appointment of Shri Samir Mehta as the Vice Chairman of the Company for another term of 5 years with effect from 1<sup>st</sup> August, 2015 on the terms and conditions as mentioned in the resolution at Item No. 6 of the Notice convening AGM. Shri Samir Mehta has consented to the said arrangement. The said appointment is subject to approval of Members of the Company. Shri Samir Mehta is also the Executive Chairman of Torrent Pharmaceuticals Limited, a Group company. He would therefore, draw remuneration from one or both companies, provided that the total remuneration drawn from the companies does not exceed the higher maximum limit admissible from any one of the companies of which he is a managerial person, in accordance with the provisions of Schedule V to the Companies Act, 2013. Shri Samir Mehta shall be liable to retire by rotation while he holds the office of the Vice Chairman. As the Vice Chairman, he will exercise substantial powers of the management, subject to superintendence, control and direction of the Chairman and the Board of Directors of the Company.

Shri Samir Mehta, 51, has been the anchor in the steady march of Torrent Group to become one of the leading business houses in Gujarat. A B-School grad, Shri Mehta has hands-on exposure and experience in the nuances of business and management which supplemented and validated his academic knowledge. He has introduced analytical and professional approach in the Torrent Group.

It was Shri Samir Mehta who had shaped Torrent Pharmaceuticals Limited ("Torrent Pharma") into a company with pan-global presence. Under his able leadership and with focus on value added generics and strategic alliances, today, Torrent Pharma has set up wholly owned international subsidiaries in 11 countries that spearhead actively and substantially the company's operations in 28 countries.

Under Shri Mehta's guidance Torrent Power Limited has under its belt ~3252 MW generation, the distribution licences for Ahmedabad, Gandhinagar, Surat and Dahej SEZ area and the distribution franchise rights for Bhiwandi in Maharashtra (first in India) and Agra in Uttar Pradesh. His characteristic zeal to focus on the key intricacies of business operations ensured that Torrent Power Limited constantly improved its performance in all efficiency parameters – strong project management, high plant availability, reduction in T&D losses, better reliability indices, etc. Today it is ranked amongst the best run power utilities in the country and has won accolades from all quarters for its excellent operational capabilities and high customer orientation.

Shri Mehta is the Chairman of the Committee of Directors and a member of the Stakeholders Relationship Committee of the Company. Details of his Directorship in other companies and membership in committees of these companies are given below:

Sr. No.	Directorship in Companies	Names of Committees
1.	Torrent Pharmaceuticals Limited	<ul style="list-style-type: none"><li>Securities Transfer and Stakeholders Relationship Committee - Member</li><li>Committee of Directors - Member</li></ul>
2.	Torrent Private Limited	-
3.	Diamond Infrastructure Private Limited	-
4.	Arvind Limited	-
5.	Tornascent Care Institute	-

Shri Samir Mehta holds 6,125 equity shares of the Company and is related to Shri Sudhir Mehta, Executive Chairman and Shri Jinal Mehta, Whole-time Director. Shri Sudhir Mehta, Shri Samir Mehta and Shri Jinal Mehta are, therefore, deemed to be interested in the resolution. None of the other Directors or Key Managerial Personnel (KMP) of the Company or their relatives is in any way concerned or interested in the resolution.

The Board considers that Shri Samir Mehta's continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Shri Samir Mehta as the Vice Chairman of the Company. Accordingly, the Board recommends the resolution at Item No. 6, in relation to re-appointment of Shri Samir Mehta as the Vice Chairman of the Company, for your approval as an ordinary resolution.

#### **Item No. 7**

The shareholders had, at the 10<sup>th</sup> Annual General Meeting of the Company held on 28<sup>th</sup> July, 2014, ratified the remuneration of M/s. Kirit Mehta & Co., Cost Accountants, Mumbai as Cost Auditors of the Company at ₹8,40,000/- plus applicable taxes and reimbursements of out of pocket expenses incurred by them during the course of audit for the FY 2014-15.

In order to continue availing their services, the Audit and Risk Management Committee of the Company had, at its meeting held on 12<sup>th</sup> May, 2015 recommended and the Board of Directors had approved the re-appointment of M/s. Kirit Mehta & Co., Cost Accountants, Mumbai as Cost Auditors to conduct the audit of the Cost Records of the Company for the FY 2015-16 at a remuneration of ₹9,25,000/- plus applicable taxes and reimbursements of out of pocket expenses incurred by them during the course of audit.

In accordance with the provisions of Section 148 of the Act 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, the members are requested to ratify the remuneration of ₹9,25,000/- plus applicable taxes and reimbursements of out of pocket expenses payable to M/s. Kirit Mehta & Co., Cost Auditors of the Company for the FY 2015-16 by passing the resolution at Item No. 7, as an ordinary resolution.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives is in any way concerned or interested in the resolution.

#### **Item No. 8**

Smt. Bhavna Doshi (holding DIN: 00400508) is a fellow member of the Institute of Chartered Accountants of India (ICAI) and holds a Master Degree in Commerce from Mumbai University. She has had an exemplary academic career and was ranked second, at both, intermediate and final examinations conducted by the ICAI. She is currently providing advisory services in the fields of taxation, accounting, corporate and regulatory matters. She has rich experience of over 3 decades as partner in renowned firms of chartered accountants, B S Mehta & Co, RSM & Co and Bharat S Raut & Co (member firm of KPMG in India). She is an elected member of the Council of ICAI for four terms. Besides serving on various committees of ICAI, she contributed actively in the formulation of accounting standards in India, research publications, taxation, Vision Exercise for ICAI and various other areas. She was elected to the Western India Regional Council of the ICAI and held positions of Secretary and Chairperson. She was the President of the Indian Merchants' Chamber (IMC), a leading Chamber of Commerce headquartered at Mumbai and besides various innovative projects, she was instrumental in establishing IMC Inclusive Innovation Awards for recognition of work of grass root innovators and mentoring and supporting them in taking their innovative products and services to the market and scaling up their ventures.

She was a member of the Compliance Advisory Panel of International Federation of Accountants, New York as also of Government Accounting Standards Advisory Board constituted by Comptroller and Auditor General of India. During her tenure in the Compliance Advisory Panel, a program for evaluation of compliance with the global standards was launched and very successfully implemented at global level. She has addressed many conferences and seminars organised by various trade and professional organisations on a variety of subjects. She is also involved in social sector projects.

Details of her Directorship in other companies and membership in committees of these companies are given below:

Sr. No.	Directorship in Companies	Name of the Committees
1	Connect Capital Private Limited	-
2	Indian Merchants' Chamber	-
3	Peninsula Land Limited	<ul style="list-style-type: none"> <li>• Audit Committee - Chairperson</li> <li>• CSR Committee - Member</li> </ul>
4	LIC Pension Fund Limited	<ul style="list-style-type: none"> <li>• Risk Management Committee - Chairperson</li> <li>• Nomination and Remuneration Committee - Member</li> </ul>
5	Connect Infotain Private Limited	-
6	Everest Industries Limited	<ul style="list-style-type: none"> <li>• Audit Committee - Member</li> </ul>
7	Walchandnagar Industries Limited	<ul style="list-style-type: none"> <li>• CSR Committee - Chairperson</li> </ul>
8	Sun Pharma Advanced Research Company Limited	<ul style="list-style-type: none"> <li>• Audit Committee - Chairperson</li> <li>• CSR Committee - Member</li> <li>• Nomination and Remuneration Committee - Member</li> </ul>
9	Gujarat Guardian Limited	<ul style="list-style-type: none"> <li>• Audit Committee - Member</li> <li>• CSR Committee - Member</li> <li>• Nomination and Remuneration Committee - Member</li> </ul>
10	Future Generali India Life Insurance Company Limited	<ul style="list-style-type: none"> <li>• Audit Committee - Chairperson</li> <li>• Nomination and Remuneration Committee - Chairperson</li> </ul>
11	Future Generali India Insurance Company Limited	<ul style="list-style-type: none"> <li>• Audit Committee - Chairperson</li> <li>• Nomination and Remuneration Committee - Chairperson</li> </ul>

Smt. Bhavna Doshi does not hold any shares in the Company. She is not related to any Director of the Company. None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives is in any way concerned or interested in the resolution.

A notice has been received from a member proposing her candidature for the office of Independent Director of the Company. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, if any, Smt. Bhavna Doshi, is proposed to be appointed, pursuant to the recommendations of Nomination and Remuneration Committee to the Board, as an Independent Director of the Company to hold office for a term of three consecutive years effective from the conclusion of the 11<sup>th</sup> Annual General Meeting.

In the opinion of the Board, Smt. Bhavna Doshi fulfils the conditions as specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Smt. Bhavna Doshi as an Independent Director setting out the terms and conditions would be available for inspection without any fees by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail the services of Smt. Bhavna Doshi as an Independent Director of the Company. Accordingly, the Board recommends the resolution at Item No. 8, in relation to appointment of Smt. Bhavna Doshi as an Independent Director of the Company, for your approval as an ordinary resolution.

**Item No. 9**

The Articles of Association of the Company as currently in force were originally adopted when the Company was incorporated under the Companies Act, 1956 (“1956 Act”) in 2004 and further amendments were adopted pursuant to the provisions under the 1956 Act, from time to time, over the past several years. The references to specific sections of the 1956 Act in the existing Articles of Association may no longer be in conformity with the Companies Act, 2013.

It is proposed to amend the existing Articles of Association to align it with the provisions of the Companies Act, 2013 including the Rules framed thereunder (“Act”) and adoption of specific sections from Table “F” to Schedule I to the Act which sets out the model Articles of Association for a company limited by shares. Also, the statutory provisions of the Act which permit a company to do some acts “if so authorized by its articles” or provisions which require a company to do acts in a prescribed manner “unless the articles otherwise provide” have been specifically included. Further, certain provisions of existing Articles of Association which are already part of the statute in the Act, are proposed not to be reproduced in the new Articles of Association, so as to avoid duplication. Their non-inclusion would make the new Articles of Association crisp, concise and clear and would aid ease of reading and understanding.

While some of the Articles of the existing Articles of Association of the Company require alteration or deletions, material changes that are proposed in the new draft Articles of Association are given below for ease of reference to the members.

<b>Chapter Name under Existing Articles of Association</b>	<b>Summary of Change</b>
Interpretation	- Definitions appropriately modified to align with the provisions of the Act.
Capital	- Further issue of shares to include issue of shares under employees’ stock option plan. - Insertion of new article relating to issue of Global Depository Receipts. - Insertion of new provision relating to Share Warrants.
Shares	- Deletion of Article No. 24 - Issue of Shares at a Discount to align with the provisions of the Act.
Interest out of Capital	- Deletion of Article No. 45 to align with the provisions of the Act.
Meetings	- Amended to align with the provisions of the Act relating to quorum, notice calling the meeting, proxy, etc. including the operational parts.
Voting Rights	- Insertion of new article relating to Voting through electronic means.
Directors	- Substitution of Article No. 180 i.e. Retirement of Directors by rotation to enable the Board of Directors to determine the Directors whose period of office is / is not liable to retire by rotation, subject to provisions of the Act. - Insertion of new Article to enable the Company have same individual as Chairperson and Managing Director/ Chief Executive Officer. - Insertion of new Article relating to appointment of Key Managerial Personnel including Chief Executive Officer, Chief Financial Officer and Company Secretary, in addition to manager to align with the provisions of the Act .
Powers of Directors	- Powers of Directors amended to include the following powers: o To sell or remove any property belonging to the Company. o To make advances and loans. o To carry out CSR activities that are specified in Schedule VII of the Act. o To authorise the issue of securities.
Documents and Notices	- Amended to align with the provisions of the Companies Act, 2013.

In view of the above, it is considered expedient to replace the whole set of the Articles of Association of the Company with a new set of Articles of Association. The proposed new draft of Articles of Association is being uploaded shortly on the Company's website: [www.torrentpower.com](http://www.torrentpower.com) for perusal by the members.

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

The Board recommends the resolution set out at Item No. 9 of the Notice for your approval, as special resolution.

By Order of the Board  
For Torrent Power Limited

Ahmedabad  
16<sup>th</sup> May, 2015

**T. P. Vijayasarathy**  
Executive Director (Corporate Affairs) & CFO

**Registered Office:**

Torrent House,  
Off Ashram Road,  
Ahmedabad-380009 (Gujarat)  
CIN: L31200GJ2004PLC044068  
Tel. No. +91 79 2658 5090, 2658 3060  
Website: [www.torrentpower.com](http://www.torrentpower.com)  
Email: [cs@torrentpower.com](mailto:cs@torrentpower.com)



# BOARD'S REPORT

Dear Members,

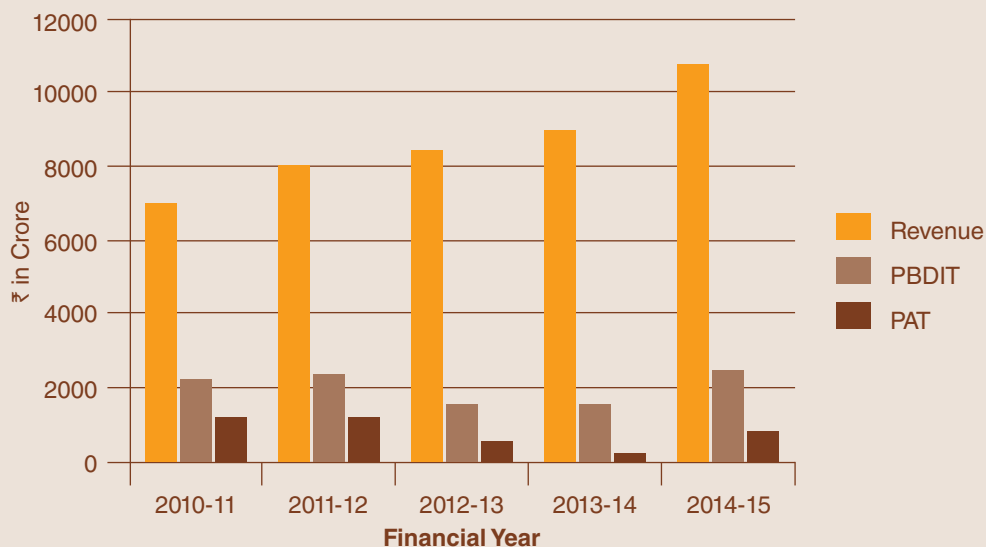
Your Directors are pleased to present the Eleventh Annual Report of the Company together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2015.

## 1. STATE OF THE AFFAIRS

### HIGHLIGHTS

The key highlights for the Financial Year 2014-15 are:

- Financial performance of the Company on standalone basis:
  - Increase in Revenue by 20.18% to ₹10,596.92 Crore
  - Increase in PBDIT by 63.65% to ₹2,386.18 Crore
  - Increase in PAT by 682.43% to ₹742.06 Crore



- Financial performance of the Company on consolidated basis:
  - Increase in Revenue by 20.50% to ₹10,762.27 Crore
  - Increase in PBDIT by 59.48% to ₹2,446.14 Crore
  - Increase in PAT (after minority interest) by 241.72% to ₹359.69 Crore
- 1,200 MW combined cycle gas based DGEN Power Project at Dahej SEZ, District Bharuch, Gujarat, has been successfully commissioned during the year by Torrent Energy Limited, a wholly owned subsidiary of the Company. The plant is yet to be allocated domestic gas.
- SUGEN, UNOSUGEN and DGEN have participated in the “Scheme for utilization of Gas based power generation capacity” by submitting the bids for allotment of Re-gasified Liquefied Natural Gas (RLNG) up to the target PLF and related Power System Development Fund support from the Government.
- Hon’ble Central Electricity Regulatory Commission (CERC) has issued interim true-up tariff order for SUGEN on 1<sup>st</sup> October, 2014; final true-up tariff order of which is awaited.
- Hon’ble Gujarat Electricity Regulatory Commission (GERC) vide its orders dated 31<sup>st</sup> March, 2015 on the petitions of the Company for true-up of FY 2013-14 and tariff determination for FY 2015-16 has allowed an average increase

of 15 paise per kWh (2.36%) in tariff for Ahmedabad and Surat Distribution. The increase is effective from 1<sup>st</sup> April, 2015 and is not applicable to BPL consumers, Agricultural consumers and Residential consumers using electricity up to 200 units per month.

- Open access availment by consumers has adversely impacted the sales of the Company's Ahmedabad license area to the tune of ~431 MUs in FY 2014-15.
- Hon'ble CERC and Hon'ble GERC have accorded their approval for composite scheme of amalgamation of Torrent Energy Limited (TEL) and Torrent Cables Limited (TCL) with Torrent Power Limited (Company) ("Scheme") subject to conditions contained in their respective orders and pursuant to the Hon'ble Gujarat High Court's (High Court) order, meetings of Equity shareholders of the Company & TCL and meetings of secured as well as unsecured creditors of TEL & TCL have been concluded.

## FINANCIAL RESULTS

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

(₹ in Crore)

Particulars	Standalone		Consolidated	
	For the year ended on 31 <sup>st</sup> March, 2015	For the year ended on 31 <sup>st</sup> March, 2014	For the year ended on 31 <sup>st</sup> March, 2015	For the year ended on 31 <sup>st</sup> March, 2014
<b>Total Revenue</b>	<b>10,596.92</b>	<b>8,817.46</b>	<b>10,762.27</b>	<b>8,931.70</b>
<b>Profit Before Depreciation, Interest and Tax</b>	<b>2,386.18</b>	<b>1,458.14</b>	<b>2,446.14</b>	<b>1,533.85</b>
Depreciation	547.98	534.52	720.50	554.37
Finance Costs	706.16	677.18	962.29	704.62
<b>Profit Before Tax and Exceptional Items</b>	<b>1,132.04</b>	<b>246.44</b>	<b>763.35</b>	<b>274.86</b>
Exceptional Items	22.99	-	22.99	-
<b>Profit Before Tax</b>	<b>1,109.05</b>	<b>246.44</b>	<b>740.36</b>	<b>274.86</b>
Current Tax	227.91	33.50	232.85	40.21
Deferred Tax	139.13	124.62	144.89	133.36
(Excess) / Shortfall in provision for current tax for earlier years	(0.05)	(6.52)	(0.05)	(6.61)
Minority Interest	-	-	2.98	2.64
<b>Profit After Tax &amp; Minority Interest</b>	<b>742.06</b>	<b>94.84</b>	<b>359.69</b>	<b>105.26</b>
Add: Balance brought forward	1,504.80	1,462.41	1,516.16	1,465.50
Add: Transfer from Contingency Reserve pertaining to previous year	-	-	0.29	-
<b>Balance available for Appropriation</b>	<b>2,246.86</b>	<b>1,557.25</b>	<b>1,876.14</b>	<b>1,570.76</b>
<b>Appropriations</b>				
Transfer to Contingency Reserve	1.00	1.00	1.62	1.62
Transfer to Debenture Redemption Reserve	23.81	23.81	23.81	23.81
Transfer to General Reserve	-	-	-	-
<b>Dividends</b>				
Interim Dividend	-	-	-	-
Dividend Distribution Tax on Interim Dividend	-	-	1.26	1.53
Proposed Dividend	70.87	23.62	70.87	23.62
Dividend Distribution Tax on Proposed Dividend	14.43	4.02	15.42	4.02
<b>Balance carried to Balance Sheet</b>	<b>2,136.75</b>	<b>1,504.80</b>	<b>1,763.16</b>	<b>1,516.16</b>

\* Pending requisite approvals including from the High Court of Gujarat / National Law Tribunal as applicable, fulfillment of conditions precedent as mentioned in the Composite Scheme of Amalgamation and further actions, the effect of the Scheme has not been considered in the said financial results.

## COMPOSITE SCHEME OF AMALGAMATION

The draft Scheme, with 1<sup>st</sup> April, 2014 as the Appointed Date, under the provisions of Sections 391-394 of the Companies Act, 1956 was approved by the Board of Directors of the Company, TEL and TCL at their respective meetings held on 12<sup>th</sup> May, 2014. The Scheme is conditional upon, inter alia, various regulatory and other necessary approvals and sanctions from the lenders on re-organisation of consolidated long term financing arrangements and fulfillment of all pre-disbursement conditions for such arrangements.

In this regards, the Company has received, in terms of Clause 24(g) of the Listing Agreement, Observation Letters from National Stock Exchange of India Limited and BSE Limited, the Designated Stock Exchange dated 26<sup>th</sup> August, 2014 and 27<sup>th</sup> August, 2014 respectively conveying their "No objection" to the draft Scheme. Hon'ble CERC, vide its order dated 7<sup>th</sup> January, 2015, has granted its approval to TEL under Section 17(1)(b) of the Electricity Act, 2003 for the amalgamation with the Company subject to the restriction on Electricity Trading with third party; maintaining separate accounts for Transmission business; valuing at book value the assets and liabilities of TEL after merger and reporting of relevant information upon approval of merger by the High Court for assignment of License to TPL.

Hon'ble GERC, vide its order dated 1<sup>st</sup> April, 2015, has approved amalgamation of TEL with the Company under section 17(1)(b) of Electricity Act, 2003 subject to the High Court's approval.

Pursuant to the Hon'ble Gujarat High Court's order dated 24<sup>th</sup> February, 2015, separate meetings as under were held for considering and approving the draft Scheme:

- Equity Shareholders of the Company and TCL on 30<sup>th</sup> April, 2015
- Unsecured creditors of TEL and TCL on 30<sup>th</sup> April, 2015
- Secured creditors of TEL and TCL on 1<sup>st</sup> May, 2015

The results of the aforesaid meetings shall be declared by the Chairman within the prescribed time limit of 40 days of the meeting.

Simultaneously, the Company has also obtained approval of Public Shareholders by way of Postal Ballot and E-voting as required under SEBI circulars. The results of the same have been posted on the Company's website.

The Company is in advanced stage of discussions with lenders for finalizing the proposal for re-organization of consolidated long term financing arrangements.

## 2. DIVIDEND

The Company, as a policy, endeavours to distribute approx. 30% of its annual profits after tax as dividend in one or more tranches.

Following the said policy, the Board of Directors has, on 12<sup>th</sup> May, 2015, recommended dividend of ₹1.50 per equity share having face value of ₹10/- (Previous Year - ₹0.50 per equity share in aggregate) on 47,24,48,308 equity shares for FY 2014-15, amounting to ₹70.87 Crore (Previous Year - ₹23.62 Crore). With Dividend Distribution Tax of ₹14.43 Crore (Previous Year - ₹4.02 Crore), the total outflow on account of dividend works out to 23.71% (Previous Year - 26.26%) of consolidated annual profits after tax and minority interest.

## 3. FINANCE

### LONG TERM LOANS

Details of long term loans of the Company for the year under review are provided in Note 4 to the Financial Statements.

### DEPOSITS

During the year under review, the Company has neither accepted nor renewed any deposits.

## **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 A** and in the section on Related Party Transactions in the Report on Corporate Governance.

### **4. SUBSIDIARIES AND JOINT VENTURES**

#### **SUBSIDIARIES**

The Company has four subsidiary companies viz. Torrent Energy Limited, Torrent Solargen Limited, Torrent Power Grid Limited and Torrent Pipavav Generation Limited.

##### **Torrent Energy Limited**

Torrent Energy Limited, a wholly owned subsidiary of the Company, besides commissioning the 1,200 MW gas based DGEN Power Project at Dahej SEZ, District Bharuch, Gujarat also distributed 144.84 MUs to Dahej SEZ units during FY 2014-15 (Previous Year - 85.07 MUs) as a distribution licensee.

##### **Torrent Solargen Limited (formerly known as Torrent Power Bhiwandi Limited)**

Torrent Solargen Limited has developed and commissioned the 51 MW Solar Power Project at Charanka Solar Park, District Patan, Gujarat.

##### **Torrent Power Grid Limited**

Torrent Power Grid Limited, in which the Company has 74% stake, has received final tariff order for Phase III of the system strengthening scheme associated with the evacuation of power from the SUGEN Plant.

##### **Torrent Pipavav Generation Limited**

Coal based Project being developed by Torrent Pipavav Generation Limited in phases at Pipavav village in Amreli District of Gujarat has been stalled since last one year due to non-co-operation from erstwhile land owners.

#### **JOINT VENTURES**

##### **Tornascent Care Institute**

During the year, Tornascent Care Institute, a Section 8 Company, under the Companies Act, 2013, was promoted and incorporated jointly with Torrent Pharmaceuticals Limited, for the purpose of carrying out charitable activities.

#### **CONSOLIDATED FINANCIAL STATEMENTS**

The Board reviewed the affairs of the Company's subsidiaries during the year at regular intervals. In accordance with section 129(3) of the Companies Act, 2013, the Company has prepared Consolidated Financial Statements of the Company and all its subsidiaries, which form part of this Annual Report. Further a statement containing salient features of the Financial Statements of each subsidiary in Form AOC-1 forms part of the Consolidated Financial Statements. The statement also provides the details of performance and financial position of each subsidiary. Associates have not been considered for consolidation being insignificant to the Company. Tornascent Care Institute has also not been considered for the purpose of consolidation as no economic benefit is expected.

In accordance with section 136 of the Companies Act, 2013, the audited Financial Statements, including the Consolidated Financial Statements and related information of the Company and audited accounts of each of its subsidiaries, are available on our website. These Documents will also be available for inspection at our registered office during normal business hours (9.30 AM to 6.30 PM) on working days, except Saturday, up to and including the date of Annual General Meeting of the Company.

## 5. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(3) of the Companies Act, 2013, in relation to the Financial Statements for FY 2014-15, the Board of Directors states that:

- a) in preparation of the annual accounts, 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 31<sup>st</sup> March, 2015 and of the profits for the year ended 31<sup>st</sup> March, 2015;
- 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 annual accounts 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.

## 6. INTERNAL FINANCIAL CONTROLS

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

## 7. AUDITORS

### STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment. They have furnished a certificate regarding their eligibility for re-appointment as Statutory Auditors of the Company, pursuant to Section 139(1) of the Companies Act, 2013 read with Rules. The Board of Directors recommends their re-appointment for one year.

The Auditors' Report for FY 2014-15 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 have been appointed as the Cost Auditors of the Company for FY 2014-15 by the Board of Directors and their remuneration has been ratified by members at the 10<sup>th</sup> Annual General Meeting of the Company. The Cost Audit Report for FY 2013-14 was filed on 6<sup>th</sup> September, 2014 with the Central Government (within the prescribed time limit) pursuant to section 233B of the Companies Act, 1956.

### SECRETARIAL AUDITORS

Pursuant to Section 204 of the Companies Act, 2013 read with Rules thereof, the Board of Directors has appointed M/s. M. C. Gupta & Co., Company Secretaries, Ahmedabad, as Secretarial Auditors of the Company for FY 2014-15. A Secretarial Audit Report for FY 2014-15 is annexed herewith as **Annexure B**.

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

The Board has appointed M/s. M. C. Gupta & Co., Company Secretaries, Ahmedabad, as Secretarial Auditors of the Company for FY 2015-16.

## **8. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### **APPOINTMENT AND RESIGNATION**

Subsequent to the notification of Section 149 and other applicable provisions of the Companies Act, 2013, the members of the Company had at the 10<sup>th</sup> Annual General Meeting, held on 28<sup>th</sup> July, 2014, appointed the existing Independent Directors - Shri Pankaj Patel, Shri Samir Barua, Shri Kiran Karnik and Shri Keki Mistry for a term of five consecutive years ending 31<sup>st</sup> March, 2019. Further, Smt. Renu Challu was appointed as an Independent Director for a term of three consecutive years effective from 28<sup>th</sup> July, 2014. The members had, in the same meeting, also approved the appointment of Shri Jinal Mehta as Whole-time Director of the Company w.e.f 5<sup>th</sup> April, 2014 for a term of five consecutive years.

Shri D. J. Pandian, IAS resigned from the Board w.e.f. 30<sup>th</sup> August, 2014 upon his transfer from Energy & Petrochemicals Department, Government of Gujarat. The Board places on record its appreciation for the valuable services rendered by Shri D. J. Pandian, IAS during his tenure as Director of the Company.

Smt. Bhavna Doshi is proposed to be appointed as Independent Director of the Company to hold office for a term of three consecutive years effective from the conclusion of the ensuing Annual General Meeting. The Board recommends her appointment for the approval of the members at the ensuing Annual General Meeting.

The Board had, at its meeting held on 12<sup>th</sup> May, 2014, appointed the following persons as Whole-time Key Managerial Personnel:

- Shri Sudhir Mehta, Executive Chairman
- Shri T. P. Vijayasathy, Chief Financial Officer
- Shri Srinivas Kotra, Company Secretary

Shri Srinivas Kotra, has resigned from the post of Company Secretary w.e.f. 27<sup>th</sup> February, 2015.

### **RE-APPOINTMENT OF DIRECTORS**

The term of Shri Sudhir Mehta as Executive Chairman and of Shri Samir Mehta as Executive Vice-Chairman, comes to an end on the closing hours of 31<sup>st</sup> July, 2015. The Board, therefore, recommends their re-appointment as Chairman and Vice-Chairman, respectively, for the approval of the members at the ensuing Annual General Meeting.

### **DIRECTOR RETIRING BY ROTATION**

As per the provisions of the Companies Act, 2013, Shri Markand Bhatt, Whole-time Director, retires by rotation and being eligible, has offered himself for re-appointment.

A brief resume and other relevant details of the Directors proposed to be appointed / re-appointed are given in the Explanatory Statement to the Notice convening the 11<sup>th</sup> Annual General Meeting.

### **DECLARATION BY INDEPENDENT DIRECTORS**

Pursuant to Section 149(7) of the Companies Act, 2013, the Company has received necessary declaration from each Independent Director for FY 2014-15 confirming that they meet the criteria of independence as prescribed under the Act and Clause 49 of the Listing Agreement.

### **NUMBER OF MEETINGS OF THE BOARD**

The Board meets at regular interval with gap between two meetings not exceeding 120 days. Additional meetings are held as and when necessary. During the year under review, the Board met five times.

## POLICY ON DIRECTORS' APPOINTMENT

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

### 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 high level of leadership and vision, and the ability to articulate a clear direction for an organisation
  - have relevant experience (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 involved in 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.

## CRITERIA FOR PERFORMANCE EVALUATION

The Board considered and approved the criteria for performance evaluation of itself, that of its Committees and Individual Directors as follows:

### Criteria for Board Evaluation

- Focus on strategic and policy issues
- Effectiveness of Board process and information sharing
- Nature of discussions
- Quality of decisions

### Criteria for Committee Evaluation

- Adequacy of terms of reference of the Committee
- Fulfilment of key responsibilities
- Frequency and effectiveness of meetings
- Quality / relevance and timeliness of information made available
- Committee dynamics, especially openness of discussions

### **Criteria for Evaluation of Independent Directors**

- Participation in terms of adequacy (time & content)
- Contribution through expertise and perspective
- Guidance / support to Management outside Board / Committee meetings

### **Criteria for Evaluation of Non-Independent Directors**

- Participation in terms of adequacy
- Transparency

### **MANNER OF EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

The Evaluation of Board, its Committees and Individual Directors was carried out as per process and criteria laid down by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee.

The obtaining and consolidation of feedback from all Directors in this regards, was co-ordinated by the Chairman of Independent Directors' meeting for Board and Non-Independent Directors while the process of evaluation of the Independent Directors was co-ordinated by the Chairman of the Company. Based on this, Chairman of the Company briefed the Board and each of the Individual Directors, as applicable.

With respect to the Committees, the Chairperson of each of the Board Committees evaluated the performance of their respective Committee and reported the same to the Board for discussion; from which the final result emerged.

### **FAMILIARISATION PROGRAMME**

The Company undertook various steps to make the Independent Directors have full understanding about the Company. The details of such familiarisation programmes have been disclosed on the Company's website at - [http://www.torrentpower.com/investors/2015/familiarisation\\_programme.pdf](http://www.torrentpower.com/investors/2015/familiarisation_programme.pdf)

## **9. REMUNERATION**

### **REMUNERATION POLICY**

The Company has formulated the policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees of the Company which is as under:

#### **Components of Remuneration**

- i. Fixed Pay comprising Basic Salary, HRA, Car Allowance (applicable to General Managers & above employees), Conveyance Allowances / Reimbursement, Company's contribution to Provident Fund, Superannuation Fund, Gratuity, etc.
- ii. Variable Pay, which is either in the form of:
  - Commission to Managing Directors
  - Commission to Whole-time Directors
  - Performance Based Pay to General Managers & above (up to 20% of CTC), based on unit performance grades
  - One-time reward for identified employees in exceptional cases who undertake tasks which go beyond their normal call of duty and play a crucial role in the success of an event.
- iii. Retention Pay: In the case where stability is an issue, part of the CTC is kept as retention pay which is being paid after 3 years or more.

Such remuneration is determined at the time of recruitment based on various factors such as Educational Qualification, Experience, Competence, Current CTC, Internal Equity and / or External Market comparison, etc.



### Annual Appraisal Process

- i. Annual Appraisals are conducted, following which annual increments and promotions in deserving cases are decided once in a year based on:
  - Employees self-assessment
  - Assessment by Immediate Superior and
  - Assessment by Head of Department
- ii. Annual Increment leading to an increase in Fixed Pay consists of
  - Economic Rise based on All India Consumer Price Index published by the Government of India or Internal Survey wherein inflation on commonly used items is calculated.
  - Performance Rise based on industry and overall business scenario and factoring the following aspects:
    - o Company's performance vis-à-vis the industry
    - o Unit performance (Grades ranging from A+ to C-. Higher the grades, higher the rating) is carried out based on various financial and non-financial parameters and grades assigned are used for working out the overall ceiling for remuneration and performance based pay at Unit level.
    - o Individual Performance / track record including care for health / balance between quality of work and family life.
  - Promotion Rise
- iii. Also Performance Based Pay i.e. Variable Pay (to General Manager & above employees) is based on annual appraisal process.
- iv. The increments as decided for a particular financial year are paid during the subsequent financial year. For example the performance appraisal of an employee for FY 2013-14 is conducted in FY 2014-15 and his salary rise in FY 2014-15 reflects his performance for FY 2013-14.

### Remuneration of Independent Directors:

The Company has formulated a policy for the remuneration of Independent Directors as follows:

- i. Sitting Fees of ₹1 lac for each meeting of the Board or any Committee thereof, attended by them;
- ii. Commission on the basis of participation in the meetings of Board and Audit and Risk Management Committee subject to the condition that total commission paid to all Directors (other than Managing Director or Whole-time Director) including service tax thereon shall not exceed the limit of 1% of net profits in a financial year as laid down under the provisions of Section 197(1) of the Companies Act, 2013 read with Section 198 of the Act.
- iii. Independent Directors will be reimbursed for all the expenses incurred for attending any meeting of the Board or Committees thereof, and which may arise from performance of any special assignments given by the Board.

### PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures pertaining to remuneration and other details are provided in the **Annexure C** to this Report.

## 10. AUDIT AND RISK MANAGEMENT

During the year, the Board decided that the Audit Committee shall also carry out the role of Risk Management and hence renamed it as Audit and Risk Management Committee and also changed its terms of reference in this context.

## COMPOSITION OF THE COMMITTEE

Name of the Director	Category of Directorship
Shri Keki Mistry, Chairman	Independent Director
Shri Samir Barua	Independent Director
Shri Kiran Karnik	Independent Director
Smt. Renu Challu <sup>(^^)</sup>	Independent Director
Shri Jinal Mehta <sup>(\$\$)</sup>	Whole-time Director

<sup>(^^)</sup> Appointed as a member of the Audit and Risk Management Committee w.e.f. 28<sup>th</sup> July, 2014

<sup>(\$\$)</sup> Ceased to be a member of the Committee effective from 28<sup>th</sup> July, 2014.

During the year, the Board has accepted all the recommendations made by the Audit and Risk Management Committee.

## VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy since 2011. The same was amended during the year pursuant to the requirements of the Companies Act, 2013 and the Listing Agreement. The revised Policy empowers all the Stakeholders to raise concerns by making Protected Disclosures as defined in the Policy. The Policy also provides for adequate safeguards against victimization of Whistle Blower who avail of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of the Whistle Blower mechanism is reviewed by the Audit Committee on a quarterly basis. The details of the Whistle Blower Policy are explained in the Report on Corporate Governance and the Policy is available on the website of the Company at [http://www.torrentpower.com/investors/pdfs/2015/whistle\\_blower\\_policy.pdf](http://www.torrentpower.com/investors/pdfs/2015/whistle_blower_policy.pdf)

## RISK MANAGEMENT POLICY

The Board of Directors has developed and implemented Risk Management Policy for the Company. It has identified and assessed internal and external risks, with potential impact and likelihood, that may impact the Company in achieving its strategic objectives or may threaten its existence. The Policy 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 Co-ordinators.

## 11. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Concern for Society and Environment is a deeply rooted core value of the Company. As part of its CSR, the Company makes concentrated efforts in the fields of Community Healthcare, Sanitation & Hygiene, Education & Knowledge Enhancement and Social Care & Concern.

In line with the provisions of the Companies Act, 2013 and Rules made thereunder, a Corporate Social Responsibility Committee has been formed by the Board of Directors. The Composition of the CSR Committee is as under:

Name of Director	Category of Directorship
Smt. Renu Challu, Chairperson <sup>(^^)</sup>	Independent Director
Shri Samir Mehta <sup>(\$\$)</sup>	Executive Vice-Chairman
Shri Samir Barua	Independent Director
Shri Jinal Mehta	Whole-time Director

<sup>(^^)</sup> Appointed as a member of the Committee w.e.f 28<sup>th</sup> July, 2014.

<sup>(\$\$)</sup> Ceased to be a member of the Committee effective from 28<sup>th</sup> July, 2014.

The CSR Policy formulated by the CSR Committee may be accessed at the below web-link:  
[http://www.torrentpower.com/investors/pdfs/2014/csr\\_policy.pdf](http://www.torrentpower.com/investors/pdfs/2014/csr_policy.pdf)

During FY 2014-15, the following CSR initiatives were undertaken at the Group level:

- The Group, having decided to establish a landmark healthcare institute in the area of paediatric care, has formed Tornascent Care Institute (a company formed under Section 8 of the Companies Act, 2013) and contributed alongwith Torrent Pharmaceuticals Limited ₹12.00 Crore towards its initial corpus.
- Based on the survey conducted during previous year, the Group initiated a Health Care, Sanitation and Hygiene related programme in urban slum areas of Sabarmati ward near AMGEN.
- Shiksha Setu - teaching and learning enhancement programme, in its fourth year, included more than 6,500 students and 230 teachers as direct beneficiaries. Emphasis on capacity building and sustainability resulted into teachers taking lead as advanced trainers.
- The construction of new High School building with state of the art facility for higher studies at Chhapi village in Gujarat is nearing completion. The students from nearby villages will also be benefitted.

The Annual Report on CSR Activities is given as **Annexure D** to this Report which indicates that the Company has spent ₹16.30 Crore (more than 2% of the average net profits of last three financial years) in this regard.

Additionally, the following also form part of the CSR initiatives undertaken by the Company during FY 2014-15:

- SWADHAR – the Medical and Health Care Centre at SUGEN continued to cater to the healthcare needs of locals. It also provided medicinal support and supplementary food to children through a School Health Care programme. Various health awareness sessions and camps were also conducted by SWADHAR for nearby residents and contract workers of SUGEN.
- Paved shoulder along with the internal roads were constructed at Akhakhhol village near SUGEN to prevent water spreading on the roads.
- The Company had also made donations to various organizations involved in education, healthcare, providing relief to disaster victims and promotion of social welfare, harmony and nationalism.

## 12. ENVIRONMENT, HEALTH AND SAFETY

The Company accords the highest priority to Environment, Health and Safety. The developments during FY 2014-15 in this context include completion of Lost Time Accident free 1.98 million working hours (812 calendar days) as on 31<sup>st</sup> March, 2015 at SUGEN.

## 13. HUMAN RESOURCES

Our underlying belief is that Human Resource Development today is about nurturing human resources and leveraging human capital towards the achievement of business goals. The Company is committed towards creation of opportunities for its employees that help attract, retain and develop a diverse workforce.

During the year, our focus was on strengthening the conducive work culture for our employees. To re-inforce our core values and the belief in the concept of “Family First”, various policies for employees’ empowerment were re-defined so as to enrich their professional, personal & social life. As part of our gender diversity initiatives, we continue to encourage employment of women as well as create a positive and safe working environment for them.

Enhancing awareness and reinforcement of the “Whistle Blower Policy” were focus areas to reiterate to employees, that the organization encourages reporting of unethical / wrong practices and is committed to creating a constructive and open work environment.

During the year under review, one case was filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the disposition of which is under process.

On the industrial front, the Company continued to foster cordial industrial relations with its workforce during the year.

The Company has a diverse workforce of 6,835 employees as on 31<sup>st</sup> March, 2015 vis-à-vis 6,800 employees as on 31<sup>st</sup> March, 2014.

#### **14. CUSTOMER INITIATIVES**

Aligned to the exponential growth in internet penetration, the Company has recently launched a user-friendly Customer Self Service Portal “connect.torrentpower.com” where customers can directly transact with the Company through an online portal. This portal virtually eliminates the need for the customers to visit a service centre or a payment outlet for any service need. The Company has also implemented the Interactive Voice Response (IVR) system, eBill for power consumption, SMS alert system and introduction of Self Service Kiosks for improved customer satisfaction. With a view to further enhance customer experience, all zonal service centres are being upgraded to offer best in class service with well trained staff, climate controlled environment & comfortable infrastructure.

#### **15. CORPORATE GOVERNANCE**

The Corporate Governance philosophy of the Company rests on five basic principles viz. protection of rights & interests of members, equality in treatment of all members, disclosure of timely & accurate information, strategic guidance & effective monitoring by the Board and accountability of the Board to the Company & its members. As stipulated by Clause 49 of the Listing Agreement, Report on Corporate Governance forms part of this Annual Report. Certificate of the Auditors regarding compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement is also annexed to the Board's Report.

#### **16. MANAGEMENT DISCUSSION AND ANALYSIS**

As stipulated by Clause 49 of the Listing Agreement, the Management Discussion and Analysis Report forms part of this Annual Report.

#### **17. 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 E** and form part of this Report.

#### **18. 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.

#### **19. APPRECIATION AND ACKNOWLEDGEMENTS**

The Board of Directors is pleased to place on record its appreciation for the continued guidance and support received from the Government of India, the State Governments, the Central and State Electricity Regulatory Commissions / Authorities, the National, Regional and State Load Dispatch Centres, Regional Power Committees, Chief Electrical Inspectors of Gujarat, Uttar Pradesh and Maharashtra, State Energy Developers, State Discoms, National and State Transmission Companies, the Corporation and Municipal Authorities of the areas of Company's operation, Contractors, Fuel Suppliers and Transporters, Power Exchanges, Banks, Financial Institutions and Security Trustees. The Board is thankful to the Members, Auditors, Consultants, Vendors, Service Providers, Insurers and all its Employees for their unstinted support and contribution. The Board also recognizes the contribution of the esteemed Consumers to the growth of the Company and takes this opportunity to pledge the Company's commitment to serve them better.

For and on behalf of the Board of Directors

Ahmedabad  
12<sup>th</sup> May, 2015

**Sudhir Mehta**  
Executive Chairman

**ANNEXURE-A**

**FORM NO. 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		Salient terms of the contracts or arrangements or transactions including the value, if any		Justification for entering into such contracts or arrangements or transactions		Amount paid as advances, if any:		Date on which special resolution was passed in general meeting as required under first proviso to section 188			
Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
<p><b>2. Details of material contracts or arrangement or transactions at arm's length basis</b></p> <p>Sr. No. Name(s) of the related party and nature of relationship</p> <p>(a) Shri Varun Mehta Director's Relative</p> <p>(b) Assistant General Manager or such designation as is appropriate for the functions assigned from time to time.</p> <p>(c) Effective From 1<sup>st</sup> August, 2014</p> <p>(d) Salary : Within the range of ₹1.30 lacs – ₹2.90 lacs per month as may be determined by the Board or Committee thereof, from time to time Performance Pay: not exceeding 40% of the salary upon his being designated as General Manager or above 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</p> <p>(e) 12<sup>th</sup> May, 2014</p> <p>(f) Nil</p> <p>(g) 28<sup>th</sup> July, 2014</p>											
2	Shri Aman Mehta Director's Relative	Assistant Manager or such designation as is appropriate for the functions assigned from time to time	Effective From 1 <sup>st</sup> August, 2014	Salary : Within the range of ₹0.23 lacs - ₹1.20 lacs per month 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	Assistant Manager or such designation as is appropriate for the functions assigned from time to time	Effective From 1 <sup>st</sup> August, 2014	Salary : Within the range of ₹0.23 lacs - ₹1.20 lacs per month 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	12 <sup>th</sup> May, 2014	Nil	28 <sup>th</sup> July, 2014	

For and on behalf of the Board of Directors

Ahmedabad  
12<sup>th</sup> May, 2015

**Sudhir Mehta**  
Executive Chairman

**Board's Report**

## **ANNEXURE – B**

Mahesh C. Gupta  
B. Com (Hons), LL. M. MBA, ACMA, FCS

M. C. GUPTA & CO.  
COMPANY SECRETARIES

A-201, FAIRDEAL HOUSE, SWASTIK CHAR RASTA, NAVRANGPURA, AHMEDABAD - 380 009.  
PHONE: (O) 2644 1072 (R) 2929 6990 e-mail: mcguptacs@gmail.com

**Form No. MR-3**

### **SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
Torrent Power Limited,  
Torrent House,  
Off Ashram Road,  
Ahmedabad – 380 009

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

Based on our verification of 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 31<sup>st</sup> March, 2015 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 Torrent Power Limited (CIN: L31200GJ2004PLC044068) having its Registered Office at Torrent House, Off Ashram Road, Ahmedabad - 380 009 for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - (Not Applicable to the Company during Audit Period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - (Not Applicable to the Company during Audit Period);
- (vi) The following specifically other applicable laws to the Company:
1. Electricity Act, 2003
  2. Gujarat Electricity Duty Act, 1958
  3. Gujarat Electricity Industry (Reorganisation and Regulation) Act, 2003
  4. Gujarat Electricity Grid Code, 2013

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified hence not applicable to the Company during Audit Period).
- (ii) Listing Agreement clauses.

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 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

Place : Ahmedabad  
Date : 12<sup>th</sup> May, 2015

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

## ANNEXURE - C

### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) 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 2014-15, the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during FY 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name & Designation	Ratio of Remuneration of Director to Median <sup>\$</sup> Remuneration of employees	% increase in Remuneration in FY 2014-15	Comparison of the Remuneration of the KMP against the performance of the Company
		(Sub-clause (i) of Rule 5(1))	(Sub-clause (ii) of Rule 5(1))	(Sub-clause (ix) of Rule 5(1))
1.	Shri Sudhir Mehta, Executive Chairman	*	*	No remuneration was paid except normal perquisites in FY 2014-15 as well as in FY 2013-14. Hence, comparison is not done.
2.	Shri Pankaj Patel, Independent Director	5.21	48.72%	Not Applicable
3.	Shri Samir Barua, Independent Director	6.11	54.55%	Not Applicable
4.	Shri Kiran Karnik, Independent Director	5.57	31.91%	Not Applicable
5.	Shri Keki Mistry, Independent Director	2.51	-15.15%	Not Applicable
6.	Shri D. J. Pandian, IAS, Non-executive Director	**	**	Not Applicable
7.	Shri R. Ravichandran, Non-executive Director	3.59	***	Not Applicable
8.	Smt. Renu Challu, Independent Director	+	++	Not Applicable
9.	Shri Samir Mehta, Executive Vice-Chairman	^^	^^	No remuneration has been paid for FY 2014-15 as well as FY 2013-14. Hence, comparison is not done.
10.	Shri Markand Bhatt, Whole-time Director	*	*	No remuneration was paid except normal perquisites in FY 2014-15 as well as for FY 2013-14. Hence, comparison is not done.
11.	Shri Jinal Mehta, Whole-time Director	#	##	Shri Jinal Mehta was appointed as Whole-time Director in FY 2014-15 w.e.f. 5 <sup>th</sup> April, 2014. Further, refer point 5 below.
12.	Shri T. P. Vijayasathy, Chief Financial Officer	Not Applicable	25.21% @	The increase, excluding leave encashment of earlier years, is 13.98% which is in line with the general increase for all employees of the Company.
13.	Shri Srinivas Kotra, Company Secretary	Not Applicable	Details not given	as Shri Srinivas Kotra resigned w.e.f. 27 <sup>th</sup> February, 2015



- \$ Refer point 2 below.
- \* Details not given as no remuneration has been paid except normal perquisites.
- \*\* Details not given as Shri D. J. Pandian, IAS resigned w.e.f. 30<sup>th</sup> August, 2014.
- \*\*\* Details not given as Shri R. Ravichandran was a Director only for the part of the financial year 2013-14 i.e. w.e.f. 29<sup>th</sup> October, 2013.
- + Details not given as Smt. Renu Challu was a Director only for the part of the financial year 2014-15 i.e. w.e.f. 28<sup>th</sup> July, 2014.
- ++ Details not given as Smt. Renu Challu was not a Director in the financial year 2013-14.
- ^^ Details not given as no remuneration has been paid.
- # Details not given as Shri Jinal Mehta was a Whole-time Director only for the part of the financial year 2014-15 i.e. w.e.f. 5<sup>th</sup> April, 2014.
- ## Details not given as Shri Jinal Mehta was not a Whole-time Director in the financial year 2013-14.
- @ The percentage increase in the remuneration of Shri T. P. Vijayasathy excluding leave encashment of earlier years is 13.98%.
2. Sub-clause (iii) of Rule 5(1): The median remuneration of the employees in FY 2014-15 increased by 13.59%. The calculation of % increase in Median Remuneration is done based on comparable employees. Also, the unionised employees 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 31<sup>st</sup> March, 2015 was 6,835.
  4. Sub-clause (v) of Rule 5(1): The Standalone and Consolidated Profit Before Tax of the Company increased by 350.03% and 169.36% respectively for FY 2014-15. For the same period, the average increase in the remuneration was 13.57% (excluding one-time rewards). However, it may please be noted that the increase in remuneration is related to the performance of the Company with one year lag i.e. remuneration of FY 2014-15 is based on the performance of FY 2013-14. Also, any increase has to be calibrated based on economic factor (for the year under review at around 10%) mainly on account of inflation, performance rise (for the year under review at a maintenance level ~3-4%), availability of the required talent, the status of the relevant industry etc.
  5. Sub-clause (vi) of Rule 5(1): Although the performance of the Company during FY 2014-15 has improved, as mentioned in the above point, the increase in the remuneration is related to the performance of the Company with one year lag, economic factor on account of inflation, individual performance, availability of the required talent, the status of the relevant industry, etc. The total remuneration of Key Managerial Personnel decreased by 14.39% (excluding leave encashment of earlier years) in FY 2014-15.
  6. Sub-clause (vii) of Rule 5(1):
    - (a) Variations in the market capitalisation of the Company and the price earnings ratio is as under:
 

Market Capitalization		BSE	NSE
31 <sup>st</sup> March, 2015	₹7,701 Crore (@ ₹163 per share)	₹7,727 Crore (@ ₹163.55 per share)	
31 <sup>st</sup> March, 2014	₹4,424 Crore (@ ₹93.65 per share)	₹4,441 Crore (@ ₹94 per share)	
P/E Ratio		BSE	NSE
31 <sup>st</sup> March, 2015	10.37 times (163/15.72)	10.40 times (163.55/15.72)	
31 <sup>st</sup> March, 2014	46.59 times (93.65/2.01)	46.77 times (94/2.01)	
    - (b) The Company has not come out with any public offer hence percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer is not applicable.
  7. Sub-clause (viii) of Rule 5(1): The average percentage increase already made in the salaries of employees other than the managerial personnel in FY 2014-15 was 13.57% (excluding one-time rewards) whereas the total managerial remuneration for the same financial year has decreased by 52.63%. Shri Sudhir Mehta (Executive Chairman) and Shri Markand Bhatt (Whole-time Director) have not been paid any remuneration during FY 2014-15 except normal perquisites. Similar was the case in FY 2013-14 also. Further, Shri Samir Mehta (Executive Vice-Chairman) has not been paid any remuneration in both FY 2014-15 and FY 2013-14. Shri Jinal Mehta has been appointed as Whole-time Director w.e.f. 5<sup>th</sup> April, 2014 and remuneration was paid for the first time in FY 2014-15.

8. Sub-clause (x) of Rule 5(1): The variable component of remuneration is Commission which is paid to Whole-time Directors (WTD) / Managing Directors (MD). Such commission is paid in lieu of full or part of their annual remuneration. For MDs, the amount of commission is generally based on the performance of the Company whereas for the WTDs, who are generally entitled to salary and perquisites, the amount of commission is determined based on any specific recognizable contribution / event / happening in the relevant financial year for which the concerned WTD is principally responsible as well as instrumental.
9. Sub-clause (xi) of Rule 5(1): The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year was 2.05x.
10. Sub-clause (xii) of Rule 5(1): It is hereby affirmed that the remuneration paid is as per the Remuneration policy of the Company.

**STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) AND (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Sr. No	NAME	DESIGNATION	GROSS REMUNERATION (₹ in Lacs)	QUALIFICATION	EXP. YEARS	DATE OF COMMENCEMENT	AGE	PARTICULARS FOR LAST EMPLOYMENT
<b>EMPLOYED THROUGHOUT THE YEAR</b>								
1	Shri Amar Nath Singh	Vice President	95.01	B.Sc. (Engg.) PGDBM	34	08 <sup>th</sup> April, 2009	57	COO, BILT Power Ltd
2	Shri Asis Ghosh*	Vice President	165.81	M.Com., CA, ICWA	32	09 <sup>th</sup> February, 2004	57	Sr. Finance Professional, Price Water House Associates
3	Shri Deepak Dalal*	Executive Director	755.78	B.E. (Elec), MBA	46	01 <sup>st</sup> November, 2003	70	ED, The Ahmedabad Electricity Co. Ltd.
4	Shri Hamish Patel	Vice President	69.60	B.Com., FCA	29	01 <sup>st</sup> November, 2013	59	Consultant
5	Shri Jayesh Desai*	Vice President	108.38	B.Com., FCA	33	01 <sup>st</sup> September, 2009	59	VP, Torrent Pharmaceuticals Ltd.
6	Shri L. N. Lalwani*	Executive Director	492.46	B.E. (Mech.), ME (Turbo Mach)	34	03 <sup>rd</sup> January, 2007	56	Engg & Maint. Mgr, Emirates CMS Power Co., Abu Dhabi
7	Shri Pradeep Mehta	Vice President	79.43	B.Com. LL.B., CA	34	06 <sup>th</sup> December, 1985	60	GM, Torrent Pharmaceuticals Ltd.
8	Shri Prakash Patel	Vice President	67.87	B.E. (Elect)	38	01 <sup>st</sup> October, 1977	62	-
9	Shri Prakash Sajjani	Vice President	64.44	M.Sc, LLB, PGDPM	27	30 <sup>th</sup> April, 2001	50	AGM, Torrent Gujarat Biotech Ltd
10	Shri Pranav Shah*	Vice President	88.12	B.E., PGDMM, CPM	27	29 <sup>th</sup> May, 2006	49	CCO, Sterite Group-SOTL, Silvassa
11	Shri R. Hari	Vice President	72.48	M.Sc., PGDPM	39	01 <sup>st</sup> June, 2002	63	CGM, Minerals & Metal Trading Corporation, Delhi
12	Shri Samir Shah*	Vice President	86.78	AICWA, ACS	32	16 <sup>th</sup> February, 2004	54	VP, Torrent Pharmaceuticals Ltd.
13	Shri Saurabh Mashruwala*	General Manager	60.38	CA	23	01 <sup>st</sup> January, 2009	49	GM, Adani Power Ltd
14	Shri Sudhir Shah*	Executive Director	316.33	FCA, ACS, FICWA	43	01 <sup>st</sup> March, 2005	65	ED, Torrent Power Generation Limited
15	Shri T. P. Vijayasaraty**	Executive Director & CFO	621.34	B.Com., ICWA, MBA, AIRM	38	01 <sup>st</sup> November, 2003	59	ED, The Surat Electricity Co. Ltd.
16	Shri Vinod Khanna	Vice President	64.67	B.Sc.	33	01 <sup>st</sup> September 2010	55	VP, Torrent Pharmaceuticals Ltd
<b>EMPLOYED FOR PART OF THE PERIOD</b>								
1	Shri Jagrut Vyas	Executive Director	10.02	MBA, MS IIT Delhi	35	05 <sup>th</sup> July, 2006	60	COO, Tata Teleservices Ltd.
2	Shri Jimal Mehta	Whole-time Director	368.20	MBA	7	05 <sup>th</sup> April, 2014	32	Director & CEO, Torrent Energy Ltd
3	Shri P. C. Gandhi	Executive Director	64.17	M.A, M.M.S	29	30 <sup>th</sup> November, 2012	54	VP, Torrent Pharmaceuticals Ltd.
4	Shri R. K. Nair	Vice President	14.16	B.Sc. (Engg.)	32	01 <sup>st</sup> February, 2015	55	VP, Torrent Energy Ltd
5	Shri Raghu Parakh	Vice President	13.42	B.Com., CA, PGDBM	36	01 <sup>st</sup> February, 2010	61	VP, Torrent Pharmaceuticals Ltd.
6	Shri Sanjay Dalal*	Executive Director	239.51	LLB, CA	29	01 <sup>st</sup> August, 2011	54	Mumbai International Airport Pvt Ltd
7	Shri Shiv Shanker Sharma	Vice President	63.18	B.Sc. Engg. (Elect), MBA	40	02 <sup>nd</sup> July, 2014	63	Advisor, Jindal India Thermal

Notes :

- Gross Remuneration as mentioned above includes Salary, allowances, cash incentive, Leave Encashment (if any) monetary value of perquisites as per Income Tax Act and Company's contribution to PF and Superannuation Fund. In addition to the Gross Remuneration, employees are also entitled to gratuity, Group medical benefits / insurance, Group personal accident policy, etc. in accordance with the applicable laws and rules of the Company.
- The nature of employment is contractual in all the above cases.
- Out of the above employees, Shri Jimal Mehta is relative of Shri Sudhir Mehta (Executive Chairman) and Shri Samir Mehta (Executive Vice-Chairman). None of the other employees as stated above are relatives of any of the Director of the Company.
- The sub-clause (iii) of clause 2 and sub clause (viii) of clause 3 of RULE 5 of THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 are not applicable.
- \*\* Includes ₹245.17 lacs pertaining to FY 2013-14 paid in FY 2014-15.
- \* Includes one time reward paid on account of a specific recognisable contribution made by the employees during FY 2014-15.

Ahmedabad  
12<sup>th</sup> May, 2015

For and on behalf of the Board of Directors

**Sudhir Mehta**  
Executive Chairman

**Board's Report**

## ANNEXURE - D

### ANNUAL REPORT FOR FY 2014-15 ON CSR ACTIVITIES:

Torrent strongly believes that the sustainability of any business is directly related to the well-being and development of the society in which it is embedded. Thus, even prior to statutory requirements regarding CSR, Torrent has been involved in CSR activities to give back to the society, for all the care, support and nurturance being bestowed upon it by the society. It has undertaken socially useful programs for the welfare & sustainable development of the society.

Torrent has consciously decided as a matter of policy:

1. to concentrate its efforts diligently in the following Thrust Areas: (i) Community Health Care, Sanitation and Hygiene, (ii) Education and Knowledge Enhancement and (iii) Social Care and Concern; and
2. to focus, as far as possible, its activities where Torrent headquarters is situated and locations in and around its operations so that the twin objectives of service to neighbourhood and community and participation of employees along with necessary admin set up can be achieved.

In line with the provisions of the Companies Act, 2013 and Rules made thereunder, the CSR Committee has been formed by the Board of Directors. Composition of CSR Committee is in accordance with section 135 of the Companies Act, 2013 as shown below:

Name of Director	Category of Directorship
Smt. Renu Challu, Chairperson <sup>(^^)</sup>	Independent Director
Shri Samir Mehta <sup>(\$\$)</sup>	Executive Vice-Chairman
Shri Samir Barua	Independent Director
Shri Jinal Mehta	Whole-time Director

<sup>(^^)</sup> Appointed as a member of the Committee w.e.f 28<sup>th</sup> July, 2014.

<sup>(\$\$)</sup> Ceased to be a member of the Committee effective from 28<sup>th</sup> July, 2014.

The Board of Directors at their meeting held on 12<sup>th</sup> May, 2014 also approved the CSR Policy. Brief outline of the Policy is as under:

While the Company is eligible to undertake any suitable / rightful activity as specified in Schedule VII of the Companies Act, 2013, however, at present, it proposes to undertake its Projects (Direct Method) on priority basis in its Thrust Areas.

The Company, in every financial year shall endeavour to spend the feasible amount for its CSR Projects and shall not be restricted by the statutory limit, the minimum spend being 2% of the Company's average Net Profits for three immediately preceding financial years.

The Policy provides for identification of the CSR Projects and approval by the CSR Committee, with estimated expenditure and phase wise implementation schedules in the form of CSR Plan. The total expenditure in the CSR Annual Plan shall be approved by the Board upon recommendation by the CSR Committee.

The CSR Projects may be implemented as under:

1. Direct Method whereby the Company may implement the CSR Projects on its own or through its Trust / Society / Section 8 Company or Group Company Trust / Society / Section 8 Company and
2. Indirect Method whereby the Company may implement the CSR Projects through an external Trust / Society / Section 8 Company fulfilling the criteria under the Act.

The Policy also provides for monitoring of the CSR Projects and Plan by the CSR Officer and half-yearly monitoring of the implementation of the CSR Policy and Plan by the CSR Committee as per the monitoring mechanism stated in the Policy.

The CSR Policy further lists the duties and responsibilities of the Board, the CSR Committee and the CSR Officer; details about allocation of funds for CSR activities; and the review periodicity / amendment of the CSR Policy and CSR Plan.

#### Overview of projects or programs undertaken

In line with the Thrust Areas, the Company has undertaken the following CSR Projects / Programs:

1. Paediatric Care including Community Health Care Programme for Women & Child
2. Construction of New High School building
3. Shiksha Setu – A quality education programme
4. Contribution towards construction of a Planning and Designing College
5. Supporting Primary and Secondary school for urban slum children

The CSR Policy and the CSR Plan can be accessed at -

[http://www.torrentpower.com/investors/pdfs/2014/csr\\_policy.pdf](http://www.torrentpower.com/investors/pdfs/2014/csr_policy.pdf) &

[http://www.torrentpower.com/investors/pdfs/2014/csr\\_plan\\_14-15.docx](http://www.torrentpower.com/investors/pdfs/2014/csr_plan_14-15.docx) respectively.

#### CSR Expenditure

(₹ in Crore)

Average net profit of the Company for last three financial years	790
Prescribed CSR Expenditure (2% of the above Amount)	15.79
Total amount spent for the Financial Year 2014-15	16.30
Amount unspent, if any	Not Applicable

**Manner in which the CSR amount was spent during the financial year is detailed below:-**

1	2	3	4	5	6	7	8
Sr. No.	CSR Project or Activity Identified	Sector in which the Project is covered	Projects or programs: (1) Local area or other; (2) Specify the State and district where projects or programs were undertaken	Amount Outlay (Budget) Project or Program wise FY 2014-15	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs, (2) Overheads FY 2014-15	Cumulative expenditure upto the reporting period	Amount Spent : Direct or through implementing agency
1	Paediatric Care including Community Health Care Programme for Women & Child	Community Healthcare, Sanitation and Hygiene (Promoting healthcare including preventive healthcare)	Sabarmati Urban Slum, Sabarmati, Dist. Ahmedabad, Gujarat	6.65	7.57	7.57	Directly through: (1) Tornascent Care Institute (Section 8 Company of the Group) Regi. No. U85100GJ2015NPL082291 dated 16-02-2015  (2) U. N. Mehta Charitable Trust (Group Company Trust) Trust Regi. No. E-5437 dated 16-02-1984
2	New building for High School (Rural Area)*	Education and Knowledge Enhancement (Promoting education)	At village: Chhapi (Rural Area), Ta. Vadgam, Dist. Banaskantha, Gujarat	4.85	4.25	4.25	Indirectly through Implementing Agency (1) Shree Vadgam Mahal Kelvani Mandal, Chhapi, Ta. Vadgam, Dist. Banaskantha, Gujarat Trust Reg. No. E-54 Banaskantha dated 03-09-1956
3	Shiksha Setu (Quality Education Programme) (Rural and Urban Slum Area)\$	Education and Knowledge Enhancement (Promoting education)	(1) Sabarmati Urban Slum, Sabarmati, Dist. Ahmedabad, Gujarat (2) At Villages: Akhakhol, Karjan, Navi Pardi, Dhoran Pardi (Tribal Area), Ta. Kamrej, Dist. Surat, Gujarat (3) At Villages: Chhapi, Memadpur (Rural Area) Ta. Vadgam, Dist. Banaskantha, Gujarat (4) At Village: Indrad (Rural Area) Ta. Kadi, Dist. Mehsana, Gujarat (18 Govt. schools and 3 Grant in Aid schools)	0.90	1.00	1.00	Directly through: (1) U. N. Mehta Charitable Trust (Group Company Trust) Trust Regi. No. E-5437 dated 16-02-1984

(₹ in Crore)

(₹ 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	5 Amount Outlay (Budget) Project or Program wise FY 2014-15	6 Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs, (2) Overheads FY 2014-15	7 Cumulative expenditure upto the reporting period	8 Amount Spent : Direct or through implementing agency
4	Primary & Secondary School (For urban slum children)	Education and Knowledge Enhancement (Promoting education)	Sabarmati Urban Slum, Sabarmati, Dist. Ahmedabad, Gujarat	0.20	0.17	0.17	Indirectly through Implementing Agency: (1) Amdavad Vidyut Kelavani Samaj Trust Regi. No. F-710 Ahmedabad dated 16-11-1979
5	Higher Education Institute (Planning and Designing College)	Education and Knowledge Enhancement (Promoting education including special education and employment enhancing vocation skills)	At Village: Godhavi (Rural Area) Ta. Sanand, Dist. Ahmedabad, Gujarat	2.50	2.50	2.50	Indirectly through Implementing Agency: (1) Sanskardham Education Trust Trust Regi. No. F-962 Ahmedabad
6	Others						
	CSR capacity building cost including Administrative overhead			0.80	0.80	0.80	Directly
	Miscellaneous			0.10	0.01	0.01	Directly
	<b>Total</b>			<b>16.00</b>	<b>16.30</b>	<b>16.30</b>	
	* Amount of ₹4.15 Crore (Land ₹0.70 Crore + Building ₹3.45 Crore) was contributed till 31 <sup>st</sup> March, 2014.						
	\$ Amount of ₹2.70 Crore was contributed till 31 <sup>st</sup> March, 2014.						

In terms of Section 134(1)(o) of the Companies Act, 2013, in relation to the CSR Policy for FY 2014-15, the CSR Committee states that:

- (a) the identification of the CSR Projects, with estimated expenditure and phase wise implementation schedules, has been done as per the approved CSR Policy;
- (b) the CSR Projects were undertaken and monitored in compliance with the CSR Policy;
- (c) the major portion of the CSR expenditure as identified in the CSR Annual Plan was incurred for the Projects in the Thrust Areas of the Company; and
- (d) the implementation and monitoring of the CSR Policy were in compliance with CSR objectives and Policy of the Company.

Ahmedabad  
12<sup>th</sup> May, 2015

**Jinal Mehta**  
Whole-time Director

**Renu Challu**  
Chairperson, CSR Committee



**ANNEXURE - E****A. CONSERVATION OF ENERGY -****i) The steps taken or impact on conservation of energy:****A. SUGEN AND UNOSUGEN:**

- Energy conservation initiatives implemented had resulted in annual energy saving to the tune of 390000 kWh.
- Installation of Photo Cells for streetlights on TEJPATH and Shardashish.
- Timer control for indoor lighting of UNOSUGEN and Nitrogen Plant Area.
- Conversion of common centralised Air-conditioning in Laboratory Building to split air conditioning for need based use.
- Ongoing installation of Nitrogen Generating Plant for preservation of systems while Units are in standby.

**B. AMGEN:**

- Renovation of D station second pass resulting into lower air ingress which ultimately reduces the auxiliary consumption.
- Phase wise replacement of aged and conventional HPSV fixtures with LED fixtures in plant area lighting system.
- Installation of energy meters on 6.6 kV auxiliary system, capable of real time communication facility with performance monitoring system which provides better control on auxiliary power consumption.

**C. AHMEDABAD AND SURAT DISTRIBUTION AREAS:**

- Establishment of separate DSM cell undertaking various initiatives including shifting of load from peak time to off-peak time.
- Ongoing installation of LED lights at various EHV sub-stations and new offices to help reduce day time power demand.

**ii) The steps taken by the company for utilizing alternate sources of energy:**

None

**iii) the capital investment on energy conservation equipments:**

Approx. ₹17 Crore

**B. TECHNOLOGY ABSORPTION -****i) the efforts made towards technology absorption:****A. UNOSUGEN:**

- Conversion of 60 Nos. of Empty SF6 Gas Cylinders for re-filling by Nitrogen with approval of Chief Controller of Explosives.

**B. AMGEN:**

- Commissioning of PLC based islanding scheme for 132 kV and 66 kV electrical systems in co-ordination with T & D department.

**C. AHMEDABAD AND SURAT DISTRIBUTION AREAS:**

- Usage of super conductor technology for transmission line up-gradation.

- Up-gradation of existing 66 kV Air Insulated sub-station to 132 kV GIS sub-station and establishment of 66 kV cable connectivity between B&F GIS Receiving Stations.

**ii) the benefits derived:**

**A. UNOSUGEN:**

- Cost reduction and redeployment of assets.

**B. AMGEN:**

- Better availability, reliability and safety.

**C. AHMEDABAD AND SURAT DISTRIBUTION AREAS:**

- Conservation of Energy.
- Enhancement of sub-station capacity.

**iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -**

**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**

Not Applicable.

**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
<b>Foreign Exchange Earned (Actual Inflow)</b>	
(a) Miscellaneous Income	14.77
(b) Sale of CERs	1.76
<b>Foreign Exchange Used (Actual Outflow)</b>	
(a) Import of Capital Goods	6.97
(b) Import of Fuel, Components, Stores and Spare Parts	293.69
(c) Travelling, Subscription and Others	19.00

For and on behalf of the Board of Directors

Ahmedabad  
12<sup>th</sup> May, 2015

**Sudhir Mehta**  
Executive Chairman

## ANNEXURE - F

Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended 31<sup>st</sup> March, 2015

[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:	29 <sup>th</sup> April, 2004
iii) Name of the Company:	TORRENT POWER LIMITED
iv) Category / Sub-Category of the Company:	Public Company / Limited by Shares
v) Address of the Registered office and contact details:	Torrent House, Off Ashram Road, Ahmedabad - 380 009 (Gujarat) Tel: +91 79 2658 3060 / 2658 5090 Fax: +91 79 2658 4581 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:	Sharepro Services (India) Private Limited, Unit-Torrent Power Limited, 13 A-B, Samhita Warehousing Complex, 2 <sup>nd</sup> Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri (East), Mumbai - 400 072 (Maharashtra) Telephone : +91 22 6772 0300 / 6772 0347 Fax : +91 22 2859 1568 / 2850 8927 E-mail : sharepro@shareproservices.com

## 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:

Sl. 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	100%

### 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	53.43%	2(46)
2	Torrent Power Grid Limited	Torrent House, Off Ashram Road, Ahmedabad-380009	U40104GJ2005PLC046660	Subsidiary	74.00%	2(87)
3	Torrent Energy Limited	Torrent House, Off Ashram Road, Ahmedabad-380009	U40102GJ2008PLC052898	Subsidiary	100.00%	2(87)
4	Torrent Pipavav Generation Limited	Torrent House, Off Ashram Road, Ahmedabad-380009	U40108GJ2007PLC051822	Subsidiary	95.00%	2(87)
5	Torrent Solargen Limited	Torrent House, Off Ashram Road, Ahmedabad-380009	U40102GJ2008PLC055000	Subsidiary	100.00%	2(87)
6	AEC Cements & Constructions Limited	AEC Tower, Fifth Floor, Shahpur, Ahmedabad-380001	U45201GJ1988PLC010752	Associate	43.88%	2(6)
7	Tidong Hydro Power Limited	Katoch House, Brow, Post Rampur, Himachal Pradesh-172201	U40101HP2007PLC030774	Associate	49.00%	2(6)
8	Tornascent Care Institute (Section 8 Company)	Torrent House, Off Ashram Road, Ahmedabad-380009	U85100GJ2015NPL082291	Associate	50.00%	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 01/04/2014				No. of shares held at the end of the year 31/03/2015				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. PROMOTER AND PROMOTER GROUP</b>									
<b>(1) INDIAN</b>									
(a) Individual / HUF	21007	-	21007	-	21007	-	21007	-	-
(b) Central Government	-	-	-	-	-	-	-	-	-
(c) State Government(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	252438986	-	252438986	53.43	252438986	-	252438986	53.43	-
(e) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub -Total A(1)</b>	<b>252459993</b>	<b>-</b>	<b>252459993</b>	<b>53.44</b>	<b>252459993</b>	<b>-</b>	<b>252459993</b>	<b>53.44</b>	<b>-</b>

CATEGORY OF SHAREHOLDER	No. of the shares held at the beginning of the year 01/04/2014				No. of shares held at the end of the year 31/03/2015				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>(2) FOREIGN</b>									
(a) Individuals (NRIs / Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b) Other Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Banks / FIs	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total A(2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoter(A)=A(1)+A(2)</b>	<b>252459993</b>	<b>-</b>	<b>252459993</b>	<b>53.44</b>	<b>252459993</b>	<b>-</b>	<b>252459993</b>	<b>53.44</b>	<b>-</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) INSTITUTIONS</b>									
(a) Mutual Funds	16033784	115	16033899	3.39	21940182	115	21940297	4.64	1.25
(b) Banks / Financial Institutions	1664309	121235	1785544	0.38	638387	100720	739107	0.16	-0.22
(c) Central Government	-	-	-	-	-	-	-	-	-
(d) State Government(s)	-	7057896	7057896	1.49	-	7057896	7057896	1.49	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	82582589	-	82582589	17.48	70801909	-	70801909	14.99	-2.49
(g) Foreign Institutional Investors	8225728	-	8225728	1.74	17084592	-	17084592	3.62	1.88
(h) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(i) Others	-	-	-	-	-	-	-	-	-
<b>Sub -Total B(1)</b>	<b>108506410</b>	<b>7179246</b>	<b>115685656</b>	<b>24.49</b>	<b>110465070</b>	<b>7158731</b>	<b>117623801</b>	<b>24.90</b>	<b>0.41</b>
<b>(2) NON-INSTITUTIONS</b>									
(a) Bodies Corporate	51872602	43424	51916026	10.99	51002961	138381	51141342	10.82	-0.16
<b>(b) Individuals</b>									
(i) Individual shareholders holding nominal share capital upto ₹1 lac	24728913	8094133	32823046	6.95	23668831	7655295	31324126	6.63	-0.32
(ii) Individual shareholders holding nominal share capital in excess of ₹1 lac	11695385	2724801	14420186	3.05	10768827	2528419	13297246	2.81	-0.24

CATEGORY OF SHAREHOLDER	No. of the shares held at the beginning of the year 01/04/2014				No. of shares held at the end of the year 31/03/2015				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(c) Others									
- Foreign Bodies	3860000	-	3860000	0.82	3860000	-	3860000	0.82	-
- NRI	773320	315516	1088836	0.23	832341	298601	1130942	0.24	0.01
- Foreign Portfolio - Corp	-	-	-	-	1442679	-	1442679	0.31	0.31
- Trusts	118160	76405	194565	0.04	168179	-	168179	0.04	-0.01
<b>Sub -Total B(2)</b>	<b>93048380</b>	<b>11254279</b>	<b>104302659</b>	<b>22.08</b>	<b>91743818</b>	<b>10620696</b>	<b>102364514</b>	<b>21.67</b>	<b>-0.41</b>
<b>Total Public Shareholding (B)=B(1)+B(2)</b>	<b>201554790</b>	<b>18433525</b>	<b>219988315</b>	<b>46.56</b>	<b>202208888</b>	<b>17779427</b>	<b>219988315</b>	<b>46.56</b>	<b>0.00</b>
<b>C. SHARES HELD BY CUSTODIANS FOR GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL (A+B+C)</b>	<b>454014783</b>	<b>18433525</b>	<b>472448308</b>	<b>100.00</b>	<b>454668881</b>	<b>17779427</b>	<b>472448308</b>	<b>100.00</b>	<b>-</b>

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2014			Shareholding at the end of the year 31/03/2015			% 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	252438986	53.43	0.00	252438986	53.43	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

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

SI. No.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year		No change	
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):		No change	
	At the end of the year		No change	

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

Sl. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01/04/2014 to 31/03/2015)	
		No. of shares at the beginning (01/04/2014) /end of the year (31/03/2015)	% of shares of the Company				No. of Shares	% of total shares of the Company
1	GUJARAT STATE INVESTMENTS LIMITED	46871621	9.9210	01-04-14	NIL	-		
		46871621	9.9210	31-03-15			46871621	9.9210
2	LIFE INSURANCE CORPORATION OF INDIA	43209655	9.1459	01-04-14				
				28-11-14	-716991	Transfer	42492664	8.9941
				05-12-14	-491577	Transfer	42001087	8.8901
				12-12-14	-292659	Transfer	41708428	8.8281
				31-12-14	-763323	Transfer	40945105	8.6666
				02-01-15	-393889	Transfer	40551216	8.5832
				09-01-15	-798621	Transfer	39752595	8.4142
				16-01-15	-845930	Transfer	38906665	8.2351
				30-01-15	-600000	Transfer	38306665	8.1081
				27-02-15	-86306	Transfer	38220359	8.0898
				06-03-15	-245797	Transfer	37974562	8.0378
		37974562	8.0378	31-03-15			37974562	8.0378
3	THE NEW INDIA ASSURANCE COMPANY LIMITED	10906169	2.3084	01-04-14				
				23-05-14	-42000	Transfer	10864169	2.2995
				30-05-14	-50000	Transfer	10814169	2.2890
				06-06-14	-35000	Transfer	10779169	2.2816
				13-06-14	-100588	Transfer	10678581	2.2603
				20-06-14	-40013	Transfer	10638568	2.2518
				30-06-14	-32908	Transfer	10605660	2.2448
				10-07-14	-50000	Transfer	10555660	2.2342
				28-11-14	-12249	Transfer	10543411	2.2317
				05-12-14	-20237	Transfer	10523174	2.2274
				12-12-14	-56730	Transfer	10466444	2.2154
		10466444	2.2154	31-03-15			10466444	2.2154
4	GENERAL INSURANCE CORPORATION OF INDIA	10381479	2.1974	01-04-14				
				30-05-14	-241000	Transfer	10140479	2.1464
				06-06-14	-140479	Transfer	10000000	2.1166
				27-02-15	-1215	Transfer	9998785	2.1164
				06-03-15	-198785	Transfer	9800000	2.0743
		9800000	2.0743	31-03-15			9800000	2.0743
5	THE GOVERNOR OF GUJARAT	7057050	1.4937	01-04-14	Nil	-		
		7057050	1.4937	31-03-15			7057050	1.4937

Sl. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01/04/2014 to 31/03/2015)	
		No. of shares at the beginning (01/04/2014) /end of the year (31/03/2015)	% of shares of the Company				No. of Shares	% of total shares of the Company
6	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	6188580	1.3099	01-04-14				
				04-04-14	133487	Transfer	6322067	1.3381
				25-04-14	14464	Transfer	6336531	1.3412
				16-05-14	-322321	Transfer	6014210	1.2730
				23-05-14	-100000	Transfer	5914210	1.2518
				30-05-14	-93442	Transfer	5820768	1.2320
				20-06-14	-9018	Transfer	5811750	1.2301
				10-07-14	-14298	Transfer	5797452	1.2271
				18-07-14	10721	Transfer	5808173	1.2294
				01-08-14	46550	Transfer	5854723	1.2392
				22-08-14	293442	Transfer	6148165	1.3013
				12-09-14	-206000	Transfer	5942165	1.2577
				10-10-14	62408	Transfer	6004573	1.2709
				17-10-14	44092	Transfer	6048665	1.2803
				24-10-14	47872	Transfer	6096537	1.2904
				28-11-14	-15291	Transfer	6081246	1.2872
				05-12-14	23	Transfer	6081269	1.2872
				19-12-14	4	Transfer	6081273	1.2872
				31-12-14	-354980	Transfer	5726293	1.2120
				02-01-15	1612	Transfer	5727905	1.2124
				23-01-15	5	Transfer	5727910	1.2124
				30-01-15	2555	Transfer	5730465	1.2129
				06-02-15	27752	Transfer	5758217	1.2188
				20-02-15	74357	Transfer	5832574	1.2345
				27-02-15	1258	Transfer	5833832	1.2348
				13-03-15	33	Transfer	5833865	1.2348
				27-03-15	-1453411	Transfer	4380454	0.9272
		4380454	0.9272	31-03-15			4380454	0.9272
7*	NATIONAL INSURANCE COMPANY LTD	6010000	1.2721	01-04-14				
				30-05-14	-200000	Transfer	5810000	1.2298
				20-06-14	-50000	Transfer	5760000	1.2192
				30-06-14	-50000	Transfer	5710000	1.2086
				25-07-14	-97579	Transfer	5612421	1.1879
				29-08-14	-150000	Transfer	5462421	1.1562
				05-09-14	-50000	Transfer	5412421	1.1456
				12-09-14	-202421	Transfer	5210000	1.1028
				24-10-14	-100000	Transfer	5110000	1.0816



Sl. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01/04/2014 to 31/03/2015)	
		No. of shares at the beginning (01/04/2014) /end of the year (31/03/2015)	% of shares of the Company				No. of Shares	% of total shares of the Company
				31-10-14	-200000	Transfer	4910000	1.0393
				28-11-14	-50000	Transfer	4860000	1.0287
				05-12-14	-100000	Transfer	4760000	1.0075
				31-12-14	-189823	Transfer	4570177	0.9673
				09-01-15	-360177	Transfer	4210000	0.8911
				16-01-15	-183760	Transfer	4026240	0.8522
				23-01-15	-109420	Transfer	3916820	0.8290
				30-01-15	-150000	Transfer	3766820	0.7973
				06-02-15	-92336	Transfer	3674484	0.7778
				27-02-15	-57664	Transfer	3616820	0.7655
		3616820	0.7655	31-03-15			3616820	0.7655
8	RELIANCE CAPITAL TRUSTEE CO. LTD.	4904029	1.0380	01-04-14				
				23-05-14	-600000	Transfer	4304029	0.9110
		4209729	0.8910	31-03-15	-94300	Transfer	4209729	0.8910
9*	FRANKLIN TEMPLETON MUTUAL FUND	4580972	0.9696	01-04-14				
				04-04-14	-1580972	Transfer	3000000	0.6350
				13-06-14	-200000	Transfer	2800000	0.5927
				30-06-14	-136003	Transfer	2663997	0.5639
				04-07-14	-163997	Transfer	2500000	0.5292
				11-07-14	-2315	Transfer	2497685	0.5287
				18-07-14	-32417	Transfer	2465268	0.5218
				25-07-14	-165268	Transfer	2300000	0.4868
		2300000	0.4868	31-03-15			2300000	0.4868
10	THE ORIENTAL INSURANCE COMPANY LIMITED	4107084	0.8693	01-04-14				
				20-06-14	-45000	Transfer	4062084	0.8598
				27-03-15	-20000	Transfer	4042084	0.8556
		4042084	0.8556	31-03-15			4042084	0.8556
11**	GPC MAURITIUS II LLC	3860000	0.8170	01-04-14	Nil	-		
		3860000	0.8170	31-03-15			3860000	0.8170
12**	AXIS MUTUAL FUND TRUSTEE LIMITED	955845	0.2023	01-04-14				
				11-04-14	499950	Transfer	1455795	0.3081
				18-04-14	310050	Transfer	1765845	0.3738
				25-04-14	110000	Transfer	1875845	0.3970
				09-05-14	200000	Transfer	2075845	0.4394
				16-05-14	200000	Transfer	2275845	0.4817
				30-05-14	225000	Transfer	2500845	0.5293

Sl. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01/04/2014 to 31/03/2015)	
		No. of shares at the beginning (01/04/2014) /end of the year (31/03/2015)	% of shares of the Company				No. of Shares	% of total shares of the Company
				06-06-14	100000	Transfer	2600845	0.5505
				30-06-14	30000	Transfer	2630845	0.5569
				11-07-14	-30000	Transfer	2600845	0.5505
				18-07-14	100000	Transfer	2700845	0.5717
				25-07-14	27595	Transfer	2728440	0.5775
				22-08-14	400000	Transfer	3128440	0.6622
				29-08-14	100000	Transfer	3228440	0.6833
				12-09-14	268000	Transfer	3496440	0.7401
				19-09-14	200000	Transfer	3696440	0.7824
				24-10-14	200000	Transfer	3896440	0.8247
				31-10-14	75000	Transfer	3971440	0.8406
				28-11-14	200000	Transfer	4171440	0.8829
				05-12-14	200000	Transfer	4371440	0.9253
				31-12-14	200000	Transfer	4571440	0.9676
				09-01-15	200000	Transfer	4771440	1.0099
				16-01-15	900000	Transfer	5671440	1.2004
				27-03-15	400000	Transfer	6071440	1.2851
		6671440	1.4121	31-03-15	600000	Transfer	6671440	1.4121
* During the year ceased to be in the list of top ten shareholders.								
** Not in the list of top ten shareholders as on 01/04/2014. The same has been reflected above since the shareholder was one of the top ten shareholders as on 31/03/2015.								

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year - 01/04/2014		Shareholding at the end of the year - 31/03/2015	
		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	Shri Markand Bhatt <sup>#</sup>	13059	0.00	13059	0.00
5	Shri T. P. Vijayasathya (CFO)	25	0.00	25	0.00
6	Shri Srinivas Kotra (CS)*	0	0.00	0	0.00
	<sup>#</sup> Holding jointly.				
	* Resigned as Company Secretary and KMP effective from close of business hours of 27 <sup>th</sup> February, 2015.				

## 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
<b>Indebtedness as on 01/04/2014</b>				
(i) Principal Amount	6105.40	43.56	-	6148.96
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	27.29	-	-	27.29
<b>Total (i+ii+iii)</b>	<b>6132.69</b>	<b>43.56</b>	<b>-</b>	<b>6176.25</b>
<b>Change in Indebtedness during the financial year 2014-15</b>				
Addition	47.52*	-	-	47.52
Reduction	(563.33)	(3.82)	-	(567.15)
<b>Net Change</b>	<b>(515.81)</b>	<b>(3.82)</b>	<b>-</b>	<b>(519.63)</b>
<b>Indebtedness as on 31/03/2015</b>				
(i) Principal Amount	5589.59	39.74	-	5629.33
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	22.11	-	-	22.11
<b>Total (i+ii+iii)</b>	<b>5611.70</b>	<b>39.74</b>	<b>-</b>	<b>5651.44</b>
* The amount includes ₹10.18 Crore towards revalorisation of foreign currency loan.				

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Name of MD / WTD				Total Amount
		Shri Sudhir Mehta	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	-	-	-	167.81*	167.81
(b)	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	1.44	-	0.43	0.39	2.26
(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	-	-	-	200.00	200.00
5	Others, please specify	-	-	-	-	-
	<b>Total (A)</b>	<b>1.44</b>	<b>-</b>	<b>0.43</b>	<b>368.20</b>	<b>370.07</b>
	Ceiling as per the Act	10% of the Net Profit of the Company				

\* Excluding gratuity provision

## B. Remuneration to other Directors

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Shri Pankaj Patel	Shri Samir Barua	Shri Kiran Karnik	Shri Keki Mistry	Shri D. J. Pandian, IAS	Shri R. Ravichandran	Smt. Renu Challu	
<b>1</b>	<b>Independent Directors</b>								
	Fee for attending Board / Committee meetings	14.00	14.00	14.00	5.00	-	-	9.00	56.00
	Commission	15.00	20.00	17.00	9.00	-	-	11.00	72.00
	Others, please specify	-	-	-	-	-	-	-	-
	<b>Total (1)</b>	<b>29.00</b>	<b>34.00</b>	<b>31.00</b>	<b>14.00</b>	<b>-</b>	<b>-</b>	<b>20.00</b>	<b>128.00</b>
<b>2</b>	<b>Other Non-Executive Directors</b>								
	Fee for attending Board / Committee meetings	-	-	-	-	1.00	5.00	-	6.00
	Commission	-	-	-	-	3.00	15.00	-	18.00
	Others, please specify	-	-	-	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.00</b>	<b>20.00</b>	<b>-</b>	<b>24.00</b>
	<b>Total (B)=(1+2)</b>	<b>29.00</b>	<b>34.00</b>	<b>31.00</b>	<b>14.00</b>	<b>4.00</b>	<b>20.00</b>	<b>20.00</b>	<b>152.00</b>
	<b>Total Managerial Remuneration</b>								<b>522.07</b>
	Overall Ceiling as per the Act								11% of the Net Profit of the Company

Note: Excluding service tax

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

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Shri T. P. Vijayasathy	Shri Srinivas Kotra*	Total
1	Gross salary			
	(a) Salary as per provisions contained u/s 17(1) of the Income Tax Act, 1961	375.73 <sup>^^</sup>	31.40 <sup>^^</sup>	407.13
	(b) Value of perquisites u/s 17(2) of the Income Tax, Act 1961	0.44	-	0.44
	(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	-	-	-
	<b>Total</b>	<b>376.17</b>	<b>31.40</b>	<b>407.57</b>
	* Resigned as Company Secretary and KMP effective from close of business hours of 27 <sup>th</sup> February, 2015			
	<sup>^^</sup> Excluding gratuity provision and including leave encashment			

## 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
<b>A. COMPANY</b>					
Penalty			Nil		
Punishment			Nil		
Compounding			Nil		
<b>B. DIRECTORS</b>					
Penalty			Nil		
Punishment			Nil		
Compounding			Nil		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			Nil		
Punishment			Nil		
Compounding			Nil		

# MANAGEMENT DISCUSSION AND ANALYSIS

## 1. ECONOMY

Indian economy appears to have now gone past the economic slowdown which was caused due to persistent inflation, oscillating value of the rupee, external account imbalances and elevated fiscal deficit. Gross Domestic Product (GDP) growth rate has shown signs of recovery by increasing from 6.9% in FY 2013-14 to 7.4% (advanced estimates) in FY 2014-15. Many factors as described herein below have been in play for the economic pendulum to swing from gloom doom to hope scenario.

Persistent correction in crude oil prices together with softening of the global prices of tradeables and softening of food prices eased the inflationary pressure during FY 2014-15. Greater inflow of Foreign Direct Investment (FDI) and Foreign Institutional Investment in the equity and bond markets during the last one year kept the rupee relatively stable vis-à-vis the currency of peer emerging countries which too had sobering influence on inflation. Current Account Deficit is expected to come down to 0.9% of GDP in FY 2014-15 from 1.7% in FY 2013-14 owing to lower trade deficit. Reaffirming its commitment to fiscal consolidation, Government managed to restrict fiscal deficit for FY 2014-15 at 4.0% of GDP as against 4.5% in FY 2013-14 mainly on account of cut in expenditure.

These favourable factors can also become adverse many a times for reasons beyond our control. It remains to be seen whether the Indian economy has fortified itself in such good times so as not to be affected by an adverse change in any of these factors which are pre-eminently volatile. Possibly, this caution led RBI to being circumspect in its steps on monetary easing.

Standard & Poor's upgradation of India's outlook from negative to stable and that of Moody's from stable to positive create expectations that actions by policy makers will enhance the country's economic strength and, in turn, financial strength over the coming years.

## 2. INFRASTRUCTURE

The overall growth in the eight core industries has dropped to 3.5% during FY 2014-15 as compared to 4.2% in FY 2013-14. The Government has recognised the need to revive infrastructure and has been enthusiastic to reverse the declining growth trend. It has rightfully attempted to (a) provide thrust in planning; (b) streamline procedures such as transparent auction of coal and minerals, formation of Expert Committee for preparing draft legislation to replace the need for multiple clearances with a pre-existing regulatory mechanism, proposed revision & revitalization of Public Private Partnership mode for infrastructure development and (c) initiate the reforms such as decontrolled diesel prices, 100% FDI in railways, slated introduction of Goods & Service Tax, proposed auctioning of coal blocks for commercial mining, issuance of tax-free bonds for specific infrastructure projects, creation of a National Investment and Infrastructure Fund, etc. Though the efforts are in the right direction, realisation of gains is dependent upon speed and efficiency of action.

## 3. POWER SECTOR

Power sector, a part of Infrastructure segment, is the fulcrum of economic development in any country. As evident from the existing power sector situation which has been adversely affected by domestic fuel shortages, the moot point is that supply side (coal / gas) needs to remain affordable i.e. what the market (consumer) can absorb as a cost. The power sector's identification as a key sector of focus to promote sustained industrial growth with emphasis on 'Make in India' coupled with the Government's focus to attain 'Power For All' is expected to accelerate the power demand in the country which is currently subdued. When this happens, the deficiency in power supply due to the current lull in launching new power projects and non-availability of affordable fuel will be felt with a much greater pinch.

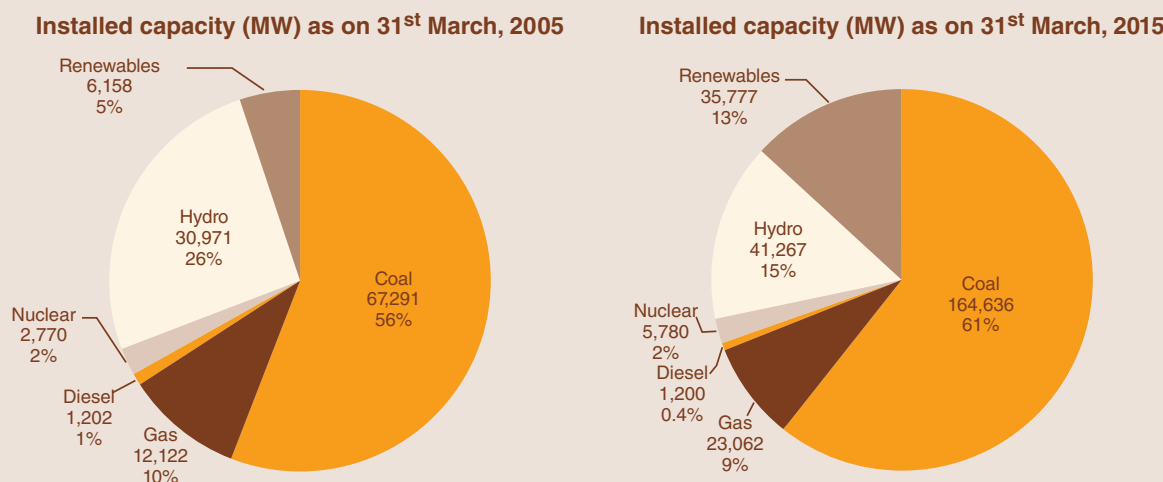
### A) DEMAND – SUPPLY GAP

The energy deficit for the year has reduced to 3.6% against 4.2% in the previous year mainly due to steady rise in power availability.

However, the peak deficit for FY 2014-15 has marginally increased to 4.7% as against 4.5% in FY 2013-14. The total short-term transactions, which form only ~10% of total electricity generated, play an essential role in meeting seasonal or peaking demand. These short-term transactions have shown a decrease of 5.4% from 1,04,636 MUs in FY 2013-14 to 98,987 MUs in FY 2014-15 mainly due to weak demand and fragile health of State discoms.

## B) GENERATION

As depicted in the chart below, the installed power generation capacity of India in the last decade has more than doubled from 121 GW to 272 GW as on 31<sup>st</sup> March, 2015 with coal continuing to remain central in the fuel mix. Additionally, renewable sources gradually displaced hydro in the energy basket.



Against the target installation of 88 GW (excluding renewables) around 61 GW capacity has been added in the first three years of the 12<sup>th</sup> Five Year Plan. Private sector has contributed a major share of 36 GW whereas the Central and State sectors could add only 12 GW each.

While the capacity additions are positive, the sector has been continuing to face fuel shortages. The Plant Load Factor (PLF) of thermal power plants has decreased marginally from 63% in FY 2013-14 to 62% in FY 2014-15. However, the overall generation (excluding renewables) at 1,089 BUs in FY 2014-15 has shown an increase of 78 BUs over FY 2013-14, a growth of ~8%.

During the year, out of 218 coal blocks allocated by the Government to various entities between 1993 and 2011, allocation of 214 coal blocks was scrapped by the Supreme Court in a landmark judgement citing the allocation as arbitrary and illegal. 204 of these cancelled coal blocks are to be e-auctioned by the Government, of which 33 blocks have been auctioned in two tranches. However, the Mines and Minerals (Development Regulations) Amendment Act, 2015 and the Coal Mines (Special Provisions) Act, 2015 will enable allocation and auction of coal blocks that have been cancelled by the Supreme Court.

In the Union Budget 2015, effective rate of clean energy cess has been increased from ₹100/tonne to ₹200/tonne which will have a bearing on the prices of coal.

The Government approved New Gas Pricing formula on 18<sup>th</sup> October, 2014 and released New Gas Pricing Guidelines, 2014. The increase in price of domestic gas strikes a fine balance between the expectations of investors and interests of consumers. Also, the Government has finally come out with a scheme to pull the stranded gas based power plants out of the woods. Under the scheme that would function through a reverse e-bidding process, target PLF and target purchase price for discoms would be indicated by the Empowered Pool Management Committee for FY 2015-16 & FY 2016-17. The stranded gas based plants and the plants receiving limited domestic gas would be supplied imported Re-gasified Liquefied Natural Gas (RLNG) upto the target PLF.

However, the success of this new scheme would depend a lot on the ability of discoms to buy such power at the target purchase price.

Action has been taken to remove critical constraints holding up land use by passing ordinances to streamline land acquisition. Further, accessing capital is becoming difficult for the power sector mainly due to the increasing quantum of Non Performing Assets in the power sector, sometimes due to factors beyond the control of the developers. However, the easing of norms by RBI for structuring of existing long-term project loans of over ₹500 Crore to infrastructure and core industries, by aligning the debt repayment obligations with cash flows generated during their economic life, would ensure long-term viability of the projects. Likewise, the build-own-operate model for UMPP, if re-introduced, and pass-through of fuel cost escalations, if considered favourably, would help the power developers.

### **C) TRANSMISSION**

The Transmission segment plays a key role in transmitting power continuously to various distribution entities across the country. The 12<sup>th</sup> Five Year Plan envisages an addition of about 1,07,440 ckm of transmission lines and 2,70,000 MVA of transformer capacity. Out of this, 55,956 ckm transmission lines and 1,86,549 MVA of transformer capacity were added upto FY 2014-15. The total length of transmission lines and transformer capacity in the country is 3,13,437 ckm and 5,96,100 MVA respectively as on 31<sup>st</sup> March, 2015.

The second 765 kV Raichur-Solapur transmission line has been implemented during the year resulting in a pan-India synchronous grid of 272 GW, one of the largest in the world.

However, transmission segment which is still dominated by public sector could soon see an influx of private sector participation with the Centre planning to award projects worth ₹26,251 Crore under the tariff-based competitive bidding route. Moreover, operationalization of Power System Development Fund of around ₹7,500 Crore, for creating necessary transmission systems of strategic importance, for relieving congestion, is expected to improve the transmission segment in India. However, the environmental & land clearance and RoW issues are still the major impediments hampering its augmentation. Nevertheless, the modification of compensatory afforestation guidelines and provision of equal status to private and public sector developers for laying transmission lines is a welcome step.

### **D) DISTRIBUTION**

The Distribution segment continues to be the weakest link in the entire power value chain even after a decade of power sector reforms. Poorly maintained & overburdened distribution networks, inadequate metering and theft of electricity have kept Aggregate Technical & Commercial (AT&C) losses at a high level of around 25%. Huge Regulatory Gaps have resulted into accumulated losses of ~₹2.52 trillion. The Financial Restructuring Plan, which was introduced to bailout State discoms, has so far attracted only eight States, which also have failed to meet the requisite performance criteria.

High AT&C losses are expected to reduce through the following reform initiatives undertaken during the year:

- Launch of Deen Dayal Upadhyaya Gram Jyoti Yojana of ₹43,033 Crore for rural areas involving separation of agriculture & non-agriculture feeders for judicious rostering of supply and augmenting the sub-transmission & distribution infrastructure including metering of power supply;
- Approval of Integrated Power Development Scheme of ₹32,612 Crore for urban areas, for strengthening the sub-transmission & distribution network and metering of power supply; and
- Increase in budget allocation to the transmission & distribution segment by 26% to ₹6,350 Crore for FY 2015-16 as compared to FY 2014-15.

Further, the proposed amendment to Electricity Act, 2003 under which timely tariff revisions are must by SERCs and the proposal to make the provisions of Tariff Policy mandatory for the determination of tariff would rationalize



the tariff structure on sound financial principles for the viability of the distribution sector and recovery of revenue requirement of licencees without any gap.

#### 4. RENEWABLE ENERGY

The Government is keen on making electricity from clean sources like sun, wind, water and biomass, a substantial part of the country's energy mix. With this commitment to keep the environment clean, various incentives offered and promotive measures taken in the Renewable energy segment include generation-based incentives, capital & interest subsidies, viability gap funding, concessional finance, fiscal incentives, Renewable Purchase Obligation (RPO), proposed Renewable Generation Obligation of at least 10% on new thermal generation plants, etc. As on 31<sup>st</sup> March, 2015, India's total renewable power capacity reached 35.78 GW with wind energy continuing to lead the fleet with 66% share. During FY 2014-15, capacity of 2.3 GW and 1.1 GW were added in wind energy and solar energy respectively.

To harness the huge amount of untapped wind and solar potential, the Government has revised the target of renewable energy capacity addition to 175 GW till 2022, comprising majorly 100 GW solar and 60 GW wind. The Union Cabinet has approved several projects including the setting up of 25 solar parks each of 500 MW & above and solar UMPP, with a target of over 20,000 MW of solar power installed capacity within a period of 5 years.

The wind and solar energy equipment prices have been falling dramatically due to technological innovation, increasing manufacturing scale and experience curve gains. It is hoped that such renewable energy will be sustainable in the long run on its own economic merit as compared to the current scenario where the renewable energy is highly incentivised through various measures. Needless to state, that despite the welcome developments in the renewable segment, the thermal energy will continue to have a prime place in sustaining the economic development of the country.

#### OVERVIEW OF COMPANY'S BUSINESS DURING THE YEAR

The Company is an integrated utility engaged in the business of power generation, transmission and distribution with operations in the States of Gujarat, Maharashtra and Uttar Pradesh.

##### 1. GENERATION:

###### A) SUGEN Mega Power Plant near Surat

The 1,147.5 MW gas based SUGEN Mega Power Plant achieved a Plant Availability Factor (PAF) of 98.12% (Previous Year - 98.89%). PLF increased to 25.70% (Previous Year - 22.87%) due to higher gas supply under its long term contracts and judicious usage of spot LNG. Non-availability of domestic gas and unwillingness of long term buyers to off-take power based on expensive imported LNG resulted in non-operation of two units during the year. Consequently, it dispatched 2,518 MUs (Previous Year - 2,230 MUs).

SUGEN has participated in the "Scheme for utilization of Gas based power generation capacity" by submitting bid for allotment of RLNG up to the target PLF and related Power System Development Fund support from the Government.

SUGEN has received the interim true-up order covering the tariff period 2009-14 and is awaiting the final true-up order.

The Company has filed writ petition before Hon'ble Gujarat High Court against PNGRB's order dated 11<sup>th</sup> July, 2014 revising the GSPL's gas pipeline tariff and the High Court in its interim order stayed the retrospective portion of liability pursuant to which the Company has deposited ₹20 Crore in addition to the payment made of ₹7 Crore.

###### B) UNOSUGEN Power Plant near Surat

The 382.5 MW gas based UNOSUGEN Power Plant achieved PAF of 90.30% (Previous Year – 99.99%) due to forced outage. The capacity of the unit remained unutilised throughout the year owing to non-availability of domestic gas and reluctance of beneficiaries to off-take power based on expensive imported LNG.

UNOSUGEN has participated in the “Scheme for utilization of Gas based power generation capacity” by submitting bid for allotment of RLNG up to the target PLF and related Power System Development Fund support from the Government.

**C) DGEN Power Plant at Dahej SEZ near Bharuch**

The 1,200 MW combined cycle gas based DGEN Power Project has been commissioned during the year. The Project has been developed by Torrent Energy Limited (TEL), a wholly owned subsidiary of the Company. TEL holds the status of Co-Developer of Dahej SEZ area granted by the Ministry of Commerce and Industry. The Project is registered with UNFCCC under Clean Development Mechanism.

The final Project cost is ₹5,318 Crore against the original Project cost of ₹5,325 Crore reflecting savings of ₹7 Crore. Additional works not envisaged during Project conception viz. augmenting water supply system, dedicated gas pipeline, gas receiving station, reactor bay in the switchyard and dedicated effluent disposal line amounting to ₹109 Crore were undertaken (not included in the above Project cost). As per the EPC Contract, the Company has received ₹708 Crore towards the recovery of Liquidated Damages for the time delay and other Project related claims, from Siemens India and Siemens AG which has helped in reducing the Project Cost. On considering the cost of ₹272 Crore of DGEN – Navsari 400 kV transmission line developed by TEL alongwith the above mentioned additional works, the total Project cost stands at ₹5,699 Crore. The Plant is awaiting gas allocation and is currently under preservation mode.

DGEN has participated in the “Scheme for utilization of Gas based power generation capacity” by submitting bid for allotment of RLNG up to the target PLF and related Power System Development Fund support from the Government.

**D) AMGEN Power Plant at Ahmedabad**

The 422 MW coal based AMGEN Power Plant achieved a higher PAF of 90.05% (Previous Year - 81.69%), PLF of 80.69% (Previous Year - 74.90%) and dispatched 2,718 MUs (Previous Year - 2,463 MUs). The improvement in PAF was due to uprating activities of E & F stations carried out in the previous year which also led to improved PLF and dispatch of units.

100 MW Vatva CCPP has been retired and sale order for the Plant has been placed.

**E) Wind Power Plant at Lalpur, Jamnagar**

The 49.6 MW Wind Power Plant achieved PAF of 97.60% (Previous Year - 97.39%) and dispatched 87 MUs (Previous Year - 89 MUs) during the year.

**F) Solar Power Plant at Charanka, Patan**

51 MW Solar Power Project has been commissioned during the year in a cost effective manner. The Project has been developed by Torrent Solargen Limited (formerly known as Torrent Power Bhiwandi Ltd.), a wholly owned subsidiary of the Company. Power generated from the Plant has been tied up for supplying to Company's Distribution business in Ahmedabad and Surat for fulfilment of solar RPO.

**2. DISTRIBUTION:**

**A) Ahmedabad and Surat**

The sales were higher at 9,759 MUs in FY 2014-15 as against 9,235 MUs during the previous year. The growth of 5.68% was mainly on account of higher sales owing to prolonged summer and shorter monsoon as compared to the previous year. However, the sales have been negatively impacted due to increasing consumption through open access which was higher at 431 MUs for FY 2014-15 as against 323 MUs during the previous year. Transmission and Distribution (T&D) loss marginally reduced to 6.52% in FY 2014-15 from 6.54% during the previous year and

is one of the lowest in the country. The consumer base for both the areas as on 31<sup>st</sup> March, 2015 was 23.28 lacs (Previous Year – 22.76 lacs). The overall peak system demand of Ahmedabad was higher at 1,567 MW in FY 2014-15 as compared to 1,409 MW in the previous year and that of Surat was higher at 624 MW in FY 2014-15 as compared to 589 MW in the previous year. The unceasing shortage of domestic gas and expensive imported LNG continued to hamper adequate supply of power from Company's gas based plants compelling the Company to procure power from short-term sources and power exchanges.

Hon'ble GERC has vide its orders dated 31<sup>st</sup> March, 2015, for true-up of FY 2013-14 and tariff determination for FY 2015-16, allowed an average increase of 15 paise per kWh for both Ahmedabad and Surat License area.

In recognition of the sincere efforts made by the Company to meet its Renewable Purchase Obligation, Hon'ble GERC during the year revised the RPO targets for FY 2013-14 as per actuals. For FY 2014-15, though the Company has been successful to meet its Non-Solar Renewable Purchase Obligation, majorly through purchase of Renewable Energy Certificates (REC), the Solar Renewable Purchase Obligation has been partially fulfilled owing to delay in commissioning of 50 MW solar power project by M/s. Kindle Engineering Infrastructure Pvt. Ltd. The Company has entered into PPA with Torrent Solargen Limited, wholly owned subsidiary, for purchasing power generated from the 51 MW Solar Power Plant.

#### B) Bhiwandi

The sales were higher at 2,955 MUs in FY 2014-15 as against 2,760 MUs during the previous year; a growth of 7.06%. This growth was mainly due to lower sales in the previous year on account of 15 days strike, by Powerloom Industry, against levy of additional charges. The AT&C loss was marginally lower at 22.36% in FY 2014-15 as against 22.68% during the previous year. The consumer base as on 31<sup>st</sup> March, 2015 was 2.70 lacs (Previous Year - 2.58 lacs). The peak system demand of Bhiwandi was 651 MVA during FY 2014-15, which was higher than 571 MVA in the previous year.

#### C) Agra

The sales were higher at 1,358 MUs in FY 2014-15 as against 1,283 MUs during the previous year; a growth of 5.86% mainly due to increase in consumer base and reduction in T&D loss. The AT&C loss reduced considerably to 35.90% in FY 2014-15 as against 43.47% during the previous year on account of various loss reduction drives viz. undergrounding of the network, greater vigilance, illegal connection removal, etc. The consumer base as on 31<sup>st</sup> March, 2015 was 3.55 lacs (Previous Year – 3.36 lacs). The peak system demand of Agra was 453 MVA during FY 2014-15, which was higher than 409 MVA in the previous year.

### 3. OVERALL RESULTS:

The overall sales in FY 2014-15 were at 14,012 MUs as against 13,246 MUs during the previous year; a growth of 5.79%. Category-wise sales are as under:

Category of Consumers	2014-15		2013-14		Growth %
	MUs	%	MUs	%	
Residential	3,899	28%	3,485	26%	11.88%
Commercial	2,408	17%	2,323	18%	3.64%
LTP / LTMD	4,655	33%	4,355	33%	6.91%
HT	2,878	21%	2,892	22%	-0.50%
Others	172	1%	191	1%	-9.77%
<b>Total</b>	<b>14,012</b>	<b>100%</b>	<b>13,246</b>	<b>100%</b>	<b>5.79%</b>

Growth of 11.88% was registered in residential category due to increase in sales at Ahmedabad, Surat and Agra. The growth of 6.91% in LTP / LTMD category was witnessed mainly due to increase in sales at Bhiwandi.

Loss of incentive and sharing of savings in controllable parameters due to applicability of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 impacted adversely SUGEN's performance to that extent.

During the year, Ahmedabad and Surat Distribution have shown much improved performance mainly on account of Tariff orders of Hon'ble GERC enabling recovery of costs which are more aligned to actual costs in FY 2014-15 than in FY 2013-14, though not necessarily resulting in full recovery of such costs. Also, pending adoption of the Hon'ble CERC determined tariff of UNOSUGEN by Hon'ble GERC, recovery of its cost is in abeyance.

The overall performance in Bhiwandi and Agra improved due to higher sales and reduction in AT&C losses.

The other operating income increased, *inter alia*, on account of savings consequent to renegotiation of certain terms of long term contracts.

In this context the overall;

- PBDIT increased by 63.65% from ₹1,458.14 Crore to ₹2,386.18 Crore
- Depreciation increased by 2.52% from ₹534.52 Crore to ₹547.98 Crore
- Finance costs increased by 4.28% from ₹677.18 Crore to ₹706.16 Crore
- PBT increased by 350.03% from ₹246.44 Crore to ₹1,109.05 Crore
- PAT increased by 682.43% from ₹94.84 Crore to ₹742.06 Crore

#### 4. RISKS AND CONCERNS

Significant risks and concerns of the Company are enumerated below:

- Unavailability of domestic gas has been adversely affecting the gas based generation plants of the Company since 2012. Although imported LNG can be used for generation, long term buyers have been unwilling to off-take such power due to its high cost. As the gas based units are being operated at lower capacity for prolonged period, there is a risk of degradation in its high performing and sensitive turbines. Lower priority to power sector in the proposed Gas Allocation Policy also poses risk to the Company.
- The Company is facing problems of inferior quality of coal and shortages in coal receipt from South Eastern Coalfields Limited. Also, partial dependency on imported coal exposes the Company to price volatility and source risks.
- Further, Public Policy interventions could impact the traditional ways of doing business and may lead to changes in supply & demand sources.
- The Company operates in a regulatory environment and is subject to regulatory interventions, introduction of new laws and regulations including changes in competitive framework. The rapidly changing regulatory landscape poses a risk to the Company. Also, in particular, the distribution segment lacks due recognition or incentives for its efficient operations in the current regulatory framework. Although, the Regulator has approved correction in the Fuel and Power Purchase Price Adjustment (FPPPA) mechanism to address the issue of power purchase mix, the full recovery of the increased costs is getting delayed. Further, the issue of non-pass through of Renewable Energy Certificate costs (to fulfil RPO) through the FPPPA mechanism continue to burden the distribution business. All these issues lead to postponement of recovery of said costs up to true-up stage, resulting into deferred recovery and accrual of carrying cost.
- Macro economic risks such as growth slowdown & uncertainty in demand may impact the performance of the Company.

- Non-availability of skilled manpower and absence of proactive succession planning may result in disruptions in business operations or incorrect / delayed decision making.

#### **5. INTERNAL CONTROL SYSTEM**

The Company has an adequate system of Internal Controls aimed at achieving efficiency in operations, optimum utilization of resources and compliance with all applicable laws and regulations. Independent firms of Chartered Accountants are appointed as Auditors for conduct of the Internal Audit function. The observations and recommendations following such audit, for improvement of the business operations and their implementation are reviewed by the Audit Committee.

#### **6. CAUTIONARY STATEMENT**

Certain statements in the Management Discussion and Analysis describing the Company's analysis and interpretations are forward-looking. Actual results 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.

# REPORT ON CORPORATE GOVERNANCE

Corporate Governance is globally recognised as a key component for superior long term performance of every corporate entity.

Adaptation to changing times is the key to corporate growth and long term survival. Continuous improvement is necessary in the governance practices as well. Better governance practices enable companies to introduce more effective internal controls suitable to the changing nature of business operations, improve performance and also provide an opportunity to increase stakeholders' understanding of the key activities and policies of the organisation. Indian corporates have adopted better governance practices and are opting for increased transparency and disclosures. According to "CG Watch 2014 – Market Rankings" by Asian Corporate Governance Association, India has been ranked in the seventh place in terms of Corporate Governance score in Asian Markets in view of a landmark reforms in Companies Act. Endeavour on the part of the government to improve the same is discernible. This has been augmented by regulatory authorities introducing and improving governance practices for Indian corporates over the last decade.

The Securities and Exchange Board of India (SEBI), vide its circular dated 17<sup>th</sup> April, 2014, had amended Clause 49 of the Equity Listing Agreement. These amendments followed the overhaul in the Corporate Governance norms under the Companies Act, 2013 ("the Act") and the related rules notified by Ministry of Corporate Affairs. These amendments in Clause 49 are aimed at aligning the Listing Agreement requirements with the provisions of the Act and adopting best practices on Corporate Governance. The SEBI, subsequently, to address the concerns and practical difficulties raised by market participants and to facilitate the listed companies to ensure compliance with the provisions of revised Clause 49 issued further amendments to revised Clause 49, vide its circular dated 15<sup>th</sup> September, 2014, which alongwith circular dated 17<sup>th</sup> April, 2014, came in to effect from 1<sup>st</sup> October, 2014. These new requirements rest on a principle based framework and is a quantum leap from more of a rule based framework that existed earlier. This will enable Corporate Governance requirements being complied with not just in letter but also in spirit.

The disclosure requirements of Corporate Governance under Clause 49 of the Listing Agreement with the Stock Exchanges are given below:

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

While SEBI ushered in a formal code of Corporate Governance (hereinafter "the Code") through Clause 49 of the Listing Agreement with the stock exchanges, the Company has built its Corporate Governance practices on three inviolable principles of TRANSPARENCY, INTEGRITY (comprehensive all round disclosure + financial controls) and ACCOUNTABILITY. The Company's philosophy is to develop the desired framework and institutionalise the spirit it entails. The Company is in full compliance with the Corporate Governance norms as stipulated in Clause 49. The Company believes that while implementation of the minimum framework is a prerequisite, superior governance practices are vital for growing a sustainable and successful business. This report sets out the governance systems and processes of the Company, as set out in Clause 49 for the financial year ended 31<sup>st</sup> March, 2015.

## 2. BOARD OF DIRECTORS

Board Diversity is necessary to encourage the full, frank and comprehensive discussions and is the guiding principle in selecting the DNA of the Board. During the year under review, the Board of your Company comprised of an accomplished academician, a well-known business leader, two illustrious bankers and a well revered professional as its Independent Directors. The sharp entrepreneurial ability, hard core managerial capabilities and years of relevant experience are represented in the rest of the Board.

The Board of Directors as of the date of this report comprised ten Directors, of which five Directors are Independent Non-Executive Directors including one Woman Director (½ of Board Strength) and the remaining five Directors are Executive and other Non-Executive Directors (½ of Board Strength). Composition of the Board is in conformity with the provisions of the Code.

The Board of Directors met five times during the FY 2014-15 on 4<sup>th</sup> April, 2014, 12<sup>th</sup> May, 2014, 28<sup>th</sup> July, 2014, 4<sup>th</sup> November, 2014 and 31<sup>st</sup> January, 2015.

The Board meetings are normally held in Ahmedabad. The Board meets atleast once in a quarter and time elapsed between two meetings does not exceed 120 days. The Board agenda and other explanatory notes are circulated to the Directors in advance. Senior executives are invited to attend the Board meetings as and when required.

Composition of the Board and other related details as declared to the Company are given below:

Name of the Director	Category	No. of Directorship Held*	No. of Board Committees in which Member / Chairperson*	Board Meetings held during the tenure	Board Meetings attended	Attendance at the last AGM
Shri Sudhir Mehta, Executive Chairman	Managing Director	2	1 (Chairperson)	5	4	Yes
Shri Pankaj Patel <sup>^</sup>	Independent Director	2	1 (Chairperson) 1 (Member)	5	5	Yes
Shri Samir Barua <sup>^</sup>	Independent Director	5	2 (Chairperson) 2 (Member)	5	5 <sup>#</sup>	Yes
Shri Kiran Karnik <sup>^</sup>	Independent Director	1	-	5	4	Yes
Shri Keki M. Mistry <sup>^</sup>	Independent Director	9	3 (Chairperson) 5 (Member)	5	2	No
Shri D. J. Pandian, IAS <sup>\$</sup>	Non-Executive Director, Nominee of Govt. of Gujarat (a shareholder)	7	-	3	1	No
Shri R. Ravichandran	Non-Executive Director, Nominee of LIC (a shareholder)	-	-	5	5	Yes
Smt. Renu Challu <sup>@</sup>	Independent Director	9	2 (Chairperson) 2 (Member)	3	3	No
Shri Samir Mehta, Executive Vice-Chairman	Managing Director	2	1 (Member)	5	4	Yes
Shri Markand Bhatt	Whole-time Director	1	1 (Member)	5	5	Yes
Shri Jinal Mehta <sup>##</sup>	Whole-time Director	2	-	5	4	Yes

# One meeting attended through Video Conferencing.

@ Appointed as an Independent Director w.e.f. 28<sup>th</sup> July, 2014 for a term of three consecutive years.

\$ Resigned from the Board of Directors effective from 30<sup>th</sup> August, 2014.

<sup>^</sup> Appointed as an Independent Director at 10<sup>th</sup> AGM of the Company for a term of five consecutive years ending on 31<sup>st</sup> March, 2019.

<sup>##</sup> Appointed as Whole-time Director w.e.f. 5<sup>th</sup> April, 2014.

\* For the purpose of considering the number of Directorships and committee membership, all public limited companies other than the Company, whether listed or not, are included and all other companies including private limited companies, foreign companies and companies registered under Section 25 of the Companies Act, 1956 (Corresponding Section 8 of the Companies Act, 2013) are excluded. Details of committee membership comprise only membership / chairpersonship of Audit Committee and Stakeholders Relationship Committee.

Shri Markand Bhatt retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. The Board had, at its meeting held on 12<sup>th</sup> May, 2015 recommended to the members the appointment of Smt. Bhavna Doshi as an Independent Director of the Company at the ensuing AGM for a term of three consecutive years effective from the conclusion of the said AGM.

The Board had, at its meeting held on 12<sup>th</sup> May, 2015, re-appointed Shri Sudhir Mehta as the Chairman of the Company for a period of 5 years effective from 1<sup>st</sup> August, 2015. At the said meeting, the Board had also re-appointed Shri Samir Mehta as the Vice Chairman for a period of 5 years effective from 1<sup>st</sup> August, 2015; such re-appointments are subject to approval of members at the ensuing AGM of the Company.

Brief resume and other relevant details of the Directors proposed to be appointed / re-appointed are given in the Explanatory Statement annexed to the Notice of the AGM. Shri Sudhir Mehta and Shri Samir Mehta are Brothers. Shri Jinal Mehta is son of Shri Sudhir Mehta. Otherwise, none of the Directors are related inter-se.

### 3. AUDIT AND RISK MANAGEMENT COMMITTEE

Major Terms of Reference of the Committee include overseeing the financial reporting process, review of the financial statements, ensuring compliance with the regulatory guidelines, review functioning of the Whistle Blower (Vigil) Mechanism, review and approve related party transactions or any subsequent modification of transactions with related parties, scrutiny of inter-corporate loans and investments, review of internal audit reports, recommending appointment / re-appointment and remuneration of the auditors to the Board of Directors and review of adequacy and performance of auditors, internal control systems and internal audit function apart from the other mandatory requirements specified under Clause 49 of the Listing Agreement. Composition and Terms of Reference of the Committee are in compliance with the provisions of revised Clause 49 of the Listing Agreement and Section 177 of the Act.

The Board had at it's meeting held on 28<sup>th</sup> July, 2014 expanded the role of the Committee to cover enterprise risk management and accordingly re-designated the Audit Committee as "Audit and Risk Management Committee".

The Committee meets atleast once in a quarter and time elapsed between two meetings does not exceed 4 Months. During the year under review, five meetings of the Committee were held on 12<sup>th</sup> May, 2014 (two meetings were held on 12<sup>th</sup> May, 2014 at 11.00 a.m. and 4.00 p.m.), 28<sup>th</sup> July, 2014, 4<sup>th</sup> November, 2014 and 31<sup>st</sup> January, 2015. Composition of the Committee as on 31<sup>st</sup> March, 2015 and details of attendance of the members at the Committee meetings during the year are given below:

Name of the Director	Category of Directorship	Qualification	No. of meetings attended as a Member
Shri Keki M. 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 (IIM, Ahmedabad)	5
Shri Kiran Karnik	Independent Director	Honours degree in Physics, Post Graduate from Indian Institute of Management, Ahmedabad	5
Smt. Renu Challu <sup>(^)</sup>	Independent Director	M.A. Economics, Associate of the Indian Institute of Bankers	2
Shri Jinal Mehta <sup>(\$)</sup>	Whole-time Director	MBA from University of Technology Sydney (UTS), Australia	3

(^) Appointed as a member of the Committee w.e.f. 28<sup>th</sup> July, 2014.

(\$) Ceased to be a member of the Committee effective from 28<sup>th</sup> July, 2014.



During the Committee meetings, the Committee discussed the matters relating to Internal Audit, the status of existing internal financial controls in the Company, the management response on observations raised by the Auditors and their satisfaction on the same.

The Code provides that the Company Secretary of the Company shall act as Secretary to the Committee. The Committee meetings were also attended by the representatives of the Statutory Auditors, Internal Auditors and Senior Executives of the Company as appropriate on invitation.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

Major Terms of Reference of the Committee include, *inter-alia*, evaluating and recommending the composition of the Board of Directors and sub-committees thereof, formulating the criteria for determining qualification, positive attributes and independence of a Director, formulating criteria for appointment of KMPs, identifying persons who are qualified to become Directors and who may be appointed in Senior Management of the Company in accordance with criteria laid down, considering and recommending to the Board the appointment of Directors and KMPs in accordance with the criteria formulated, recommending a Policy to the Board relating to Remuneration for the Directors, KMPs and other employees and formulating a policy on Board Diversity of the Company. Composition and Terms of Reference of the Committee are in compliance with the provisions of revised Clause 49 of the Listing Agreement and Section 178 of the Act.

During FY 2014-15, four meetings of the Committee were held on 12<sup>th</sup> May, 2014, 28<sup>th</sup> July, 2014, 4<sup>th</sup> November, 2014 and 31<sup>st</sup> January, 2015. Composition of the Committee as on 31<sup>st</sup> March, 2015 and details of attendance of the members at the Committee meetings during the year are given below:

Name of the Director	Category of Directorship	Chairperson / Member	No. of meetings attended as a Member
Shri Kiran Karnik	Independent Director	Chairperson	4
Shri Pankaj Patel	Independent Director	Member	4
Smt. Renu Challu@@	Independent Director	Member	2
Shri D. J. Pandian, IAS**	Non-Executive Director, Nominee of Govt. of Gujarat (a shareholder)	Member	-
Shri Sudhir Mehta	Managing Director	Member	4

@@ Appointed as member of the Committee w.e.f. 28<sup>th</sup> October, 2014.

\*\* Ceased to be the member of the Committee effective from 30<sup>th</sup> August, 2014 on his resignation as Director of the Company effective from 30<sup>th</sup> August, 2014.

The Committee has formulated the Board Diversity Policy and also formulated the criteria for appointment of Directors, criteria for evaluation of Board and individual Directors as per the requirements of Clause 49 of the Listing Agreement.

#### A. REMUNERATION OF DIRECTORS

##### Remuneration Policy

The remuneration of Directors is approved by the shareholders at the General Meetings of the Company. The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee and the same is ratified by the Board within the limits approved by the Shareholders. Remuneration to the Executive Directors is paid by way of salary, perquisites and other benefits and performance incentives including commission.

Non-Executive Directors are compensated for their services to the Company by way of commission and sitting fees. Shareholders have approved payment of commission to the Directors (other than Managing Director, Whole-time Director or Manager) within the limits laid down under the provisions of the Act. The Board of Directors or the

Committee thereof has been authorized in General Meeting to decide the commission to be paid to each such Director within such limits as may be applicable. The commission is determined on the basis of participation in the Board and Committee meetings. The Board of Directors have also approved the payment of sitting fees to the Directors (other than Managing Director, Whole-time Director or Manager) pursuant to Section 197 (5) of the Act.

The Company has revised the remuneration policy to align it with the requirements of the Act and Listing Agreement. The Salient features of the Policy form part of Board's Report.

**B. DETAILS OF REMUNERATION PAID TO THE DIRECTORS FOR FY 2014-15 ARE AS UNDER:**

(₹ in Lacs)

Name of the Director	Sitting Fees	Salary & Perquisites #	Commission	Total
Shri Sudhir Mehta \$, @	Nil	1.44	Nil	1.44
Shri Pankaj Patel	14.00	Nil	15.00	29.00
Shri Samir Barua	14.00	Nil	20.00	34.00
Shri Kiran Karnik	14.00	Nil	17.00	31.00
Shri Keki M. Mistry	5.00	Nil	9.00	14.00
Shri D. J. Pandian, IAS*	1.00	Nil	3.00	4.00
Shri R. Ravichandran*	5.00	Nil	15.00	20.00
Smt. Renu Challu	9.00	Nil	11.00	20.00
Shri Samir Mehta \$, @@	Nil	Nil	Nil	Nil
Shri Markand Bhatt \$, @	Nil	0.43	Nil	0.43
Shri Jinal Mehta \$	Nil	173.49	200.00	373.49
<b>Total</b>	<b>62.00</b>	<b>175.36</b>	<b>290.00</b>	<b>527.36</b>

\$ The terms of appointment of Executive Chairman, Executive Vice Chairman and Whole-time Directors are governed by the shareholders' resolutions and applicable rules of the Company. None of the Directors are entitled to severance pay.

@ No remuneration has been paid except normal perquisites.

@@ No remuneration has been paid.

# Includes salary, house rent allowance, contribution to Provident / Gratuity / Superannuation Funds and approved allowances / perquisites (excluding premium for Group Personal Accident and Group Medclaim Insurance). Directors have not been granted any stock options during the year.

\* Commission of Shri R. Ravichandran (nominee of LIC) was paid to Life Insurance Corporation of India. Commission of Shri D. J. Pandian, IAS (nominee of the Government of Gujarat) was paid to the Government of Gujarat.

Apart from payment of commission and sitting fees, there were no other pecuniary relationship or transactions with the Non-Executive Directors vis-a-vis the Company.

**C. SHAREHOLDING OF NON-EXECUTIVE DIRECTORS**

None of the Non-Executive Directors hold any shares of the Company.

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee considers and oversees resolution of the grievances of all the stakeholders and related requests received from them. During the year under review, four meetings of the Committee were held on 4<sup>th</sup> April, 2014, 15<sup>th</sup> July, 2014, 15<sup>th</sup> October, 2014 and 16<sup>th</sup> January, 2015. Composition of the Committee as on

31<sup>st</sup> March, 2015 and details of attendance of the members at the Committee meetings during the year are given below:

Name of the Director	Category of Directorship	Chairperson / Member	No. of meetings attended as a Member
Shri Pankaj Patel	Independent Director	Chairperson	4
Shri Samir Mehta	Managing Director	Member	4
Shri Markand Bhatt	Whole-time Director	Member	3

The Code provides that the Company Secretary of the Company shall act as Secretary to the Committee. Shri Srinivas Kotra, Assistant General Manager (Legal) & Company Secretary, provided secretarial support to the Committee during his tenure (until his resignation w.e.f. 27<sup>th</sup> February, 2015) and was also designated as the Compliance Officer for such tenure.

Powers to approve share transfers and related requests have been delegated by the Committee to senior officials of the Company for expeditious disposal of the shareholders' requests and complaints.

The Company had received 21 complaints during the year under review and they were attended to within a reasonable period. No complaint was pending as on 31<sup>st</sup> March, 2015. No valid requests for share transfer, issue of duplicate share certificates, etc. were pending beyond 15 days for processing as on 31<sup>st</sup> March, 2015.

## 6. INDEPENDENT DIRECTORS' MEETING

A separate meeting of Independent Directors was held on 31<sup>st</sup> January, 2015 under the Chairmanship of Shri Samir Barua to review the performance of non-independent Directors, the Board and its Chairperson and assess the quality, quantity and timeliness of flow of information between the Company Management and the Board. Details of attendance of the members at the said meeting are given below:

Name of the Director	Chairperson / Member	No. of meetings attended
Shri Samir Barua	Chairperson	1
Shri Pankaj Patel	Member	1
Shri Kiran Karnik	Member	1
Shri Keki M. Mistry	Member	-
Smt. Renu Challu	Member	1

## 7. GENERAL BODY MEETINGS

Details of AGMs of the Company held during the last three years are given below:

Meeting	Date	Time	Venue	No. of Special Resolutions passed
8 <sup>th</sup> AGM	24 <sup>th</sup> July, 2012	9:30 a.m.	J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015	2
9 <sup>th</sup> AGM	25 <sup>th</sup> July, 2013	9:30 a.m.	J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015	1
10 <sup>th</sup> AGM	28 <sup>th</sup> July, 2014	9.30 a.m.	J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015	2

Special Resolutions at 8<sup>th</sup> and 9<sup>th</sup> AGM were passed by show of hands. At 10<sup>th</sup> AGM Special Resolutions were passed by poll and by E-voting in accordance with the applicable provisions of Section 108 of the Act and rules made thereunder. During the year, shareholders have approved the increase in borrowing limits from ₹12,000 Crore (including non-fund based facilities) to ₹13,500 Crore (excluding working capital facilities) and creation of charge on the Company's properties for securing the borrowings within the said limits and working capital facilities, respectively

by passing Special Resolutions through Postal Ballot in accordance with the applicable provisions of the Act and rules made thereunder. Shri Rajesh Parekh, Practicing Company Secretary conducted the Postal Ballot.

Details of voting pattern are given below:

Sr. No.	Particulars	Special Resolution No. 1 for enhancement of borrowing limits from existing ₹12,000 Crore (including non-fund based facilities) to ₹13,500 Crore (excluding Working Capital Facilities)		Special Resolution No. 2 for creating charge on the Company's properties for securing the borrowings availed or to be availed within the said limits and Working Capital Facilities	
		No. of Postal Ballot forms	No. of Equity Shares (votes)	No. of Postal Ballot forms	No. of Equity Shares (votes)
1.	Total postal ballot forms / votes (including e-voting) received	1,145	39,73,55,411	1,111	39,73,03,606
2.	Less : Invalid postal ballot forms / votes received (as per register)	87	35,771	87	35,771
3.	Net valid postal ballot forms / votes (including e-voting) received (as per register)	1,058	39,73,19,640	1,024	39,72,67,835
4.	Valid votes cast in favour of the resolution and it's %	976 (92.250%)	39,70,26,823 (99.926%)	927 (90.527%)	39,69,65,182 (99.924%)
5.	Valid votes cast against the resolution and it's %	82 (7.750%)	2,92,817 (0.074%)	97 (9.473%)	3,02,653 (0.076%)

The shareholders have also approved the proposed Composite Scheme of Amalgamation of Torrent Energy Limited and Torrent Cables Limited with Torrent Power Limited and their respective shareholders and creditors ("Scheme of Amalgamation") by passing resolution through Postal Ballot, result of which was declared on 8<sup>th</sup> May, 2015 in accordance with the applicable provisions of the Act. Shri Rajesh Parekh, Practicing Company Secretary conducted the Postal Ballot. Details of voting pattern are given below:

Sr. No.	Particulars	Resolution at Item No. 1 of the Notice* To approve the proposed Composite Scheme of Amalgamation of Torrent Energy Limited ("TEL" or "Transferor Company-1") and Torrent Cables Limited ("TCL" or "Transferor Company-2") with Torrent Power Limited ("TPL" or "Company" or "Transferee Company") and their respective shareholders and creditors ("Scheme of Amalgamation")	
		No. of Postal Ballot forms / votes (including e-voting)	No. of Equity Shares (votes)
1.	Total postal ballot forms / votes (including e-voting) received	1,598	36,12,82,677
2.	Less : Invalid postal ballot forms / votes (including e-voting) received (as per register)	121	60,019
3.	Less: Postal Ballot forms / votes (including e-voting) Abstain from / not participated in voting #	13 <sup>#</sup>	25,24,41,143 <sup>#</sup>
4.	Net valid postal ballot forms / votes (including e-voting) received (as per register)	1,464	10,87,79,675
5.	Valid votes (including e-voting) cast in favour of the resolution and it's %	1,407	10,87,44,023 (99.967%)
6.	Valid votes cast (including e-voting) against the resolution and it's %	57	35,652 (0.033%)

**Note:** Some shareholders have voted partially i.e. voted for lesser number of shares than their holding.

# includes Non-Public Shareholding.

\* In terms of SEBI Circular CIR/CFD/DIL/5/2013 dated 4<sup>th</sup> February, 2013 read with SEBI Circular CIR/CFD/DIL/8/2013 dated 21<sup>st</sup> May, 2013, the Scheme of Amalgamation shall be acted upon only if the votes cast by the Public Shareholders of Company in favour (Assent) of the proposal are more than the number of votes cast by the Public Shareholders against (Dissent) it.

The procedures prescribed under Section 110 of the Act read with the Companies (Management and Administration) Rules, 2014 and other applicable provisions were duly followed for conducting the Postal Ballot process for approving the resolution mentioned above.

At present there is no proposal to pass any Special Resolution through Postal Ballot.

## 8. DISCLOSURES

### Legal Compliances

The Company has formalised a system for legal compliances applicable to the Company. Status of legal compliances and steps taken to rectify non-compliances, if any, are placed before the Board of Directors at its meetings.

There were no instances of material non-compliances during the year under review. No strictures or penalties were imposed on the Company by SEBI, stock exchanges or any statutory authority on any matter related to capital markets during the last three years.

### CEO / CFO Certification

Shri Samir Mehta, Executive Vice Chairman and Shri T. P. Vijayasarathy, Executive Director (Corporate Affairs) & CFO of the Company give annual certificate on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. They also give quarterly certificate on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.

### Code of Business Conduct

The Company has adopted a Code of Business Conduct based on the business principles of the Company. The Company has revised its Code of Business Conduct *inter-alia* to include the Independent Directors under the purview of the Code of Business Conduct in accordance with the provisions of the Act and Listing Agreement. The Code of Business Conduct has also been posted on the official website of the Company: [www.torrentpower.com](http://www.torrentpower.com). In compliance with the Code, Directors and Senior Management of the Company have affirmed their compliance with the Code for the year under review. A declaration to this effect signed by the Executive Vice Chairman forms part of this annual report.

### Whistle Blower Policy

The Company believes in the conduct of its affairs in a fair and transparent manner to foster professionalism, honesty, integrity and ethical behaviour. The Company is committed to developing a culture where it is safe for all the stakeholders to raise concerns about any misconduct or unacceptable practice.

The Company has adopted a Whistle Blower Policy through 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.

Protected Disclosures relating to financial matters are to be reported to the Chief Financial Officer (CFO) of the Company while those relating to the non-financial matters are to be reported to the Chief Executive Officer (CEO) of the Company and where the Protected Disclosure involves a CFO or CEO or Director of the Company, such Protected Disclosure may be made by any Stakeholder directly to the Chairman of the Audit Committee.

Such Protected Disclosures can be made through a phone call, email or in writing.

Through this Policy, the Company provides necessary safeguards to all Whistle Blowers for making Protected Disclosures in Good Faith and any Stakeholder assisting the investigation.

This was also the subject matter of the 'Founder's Day' attended by every employee of the Company. Awareness was created about the tone at the top.

During the year under review, no employee was denied access to the Audit Committee.

#### **Policy on protection of women against Sexual Harassment at Work Place**

The Company is committed to creating a healthy & conducive working environment that enables women employees to work without fear of prejudice, gender bias and sexual harassment and / or any such orientation in implicit or explicit form. The Company considers sexual harassment as a gross misconduct. 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" with effect from 1<sup>st</sup> February, 2014 by replacing the policy earlier adopted by the Company. Through this Policy, the Company seeks to provide protection to it's women employees against sexual harassment at work place and thereby provide mechanism for redressal of complaints relating to matters connected therewith or incidental thereto.

Pursuant to the Policy, the Company has formed Internal Complaints Committee, with majority women members, at each administrative unit / office of the Company. During the year, one case was reported under the Policy which is under disposal.

#### **Related Party Transactions**

A Related Party Transaction Policy has been devised by the Board of Directors at it's meeting held on 28<sup>th</sup> July, 2014 which was subsequently revised by the Board on 4<sup>th</sup> November, 2014. The said Policy, complying with the requirements of the Act and the Listing Agreement, may be referred to, at the Company's official website at the web link: [http://www.torrentpower.com/investors/pdfs/2015/rpt\\_policy.pdf](http://www.torrentpower.com/investors/pdfs/2015/rpt_policy.pdf)

During the year, the Company has not entered into any transaction with the related parties which are material in nature. Adequate care was taken to ensure that there is no potential conflict of interest in related party transactions. All the related party contracts and arrangements (transactions) are entered into by the Company on arm's length basis and are put forth for the approval of the Audit and Risk Management Committee, Board and Shareholders, as applicable, in compliance with the said policy. Omnibus approval from the Audit and Risk Management Committee is obtained for the transactions which are foreseen, repetitive in nature and within the prescribed limit. A statement of all related party transactions is presented before 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 entered into by the Company with related parties are set out in Notes to the Financial Statements forming part of this Annual Report.

#### **Material Subsidiary Policy**

The Company has formulated Policy for determining 'Material Subsidiary' which is uploaded on the official website of the Company at [http://www.torrentpower.com/investors/pdfs/2014/policy\\_material\\_subsidaries.pdf](http://www.torrentpower.com/investors/pdfs/2014/policy_material_subsidaries.pdf).

#### **Audit Qualification**

Company's financial statements are unqualified.

#### **Reporting of Internal Auditors**

The Internal Auditors give quarterly presentation on their audit observations to the Audit and Risk Management Committee.

### Compliance with the Corporate Governance Code

The Company has complied with all the mandatory requirements laid down by the Corporate Governance Code. The non-mandatory requirements complied with has been disclosed at the relevant places. Additionally, the Company has formed a Risk Management Committee, by assigning the role of Risk Management to the existing Audit Committee of the Company.

### 9. 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 of Directors. The Company publishes its 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's official website, [www.torrentpower.com](http://www.torrentpower.com) also displays the official news releases of relevance and presentations for investors, in addition to the financial results.

The Company will be sending soft copies of Annual Report for the FY 2014-15 to those shareholders 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.

### 10. GENERAL SHAREHOLDER INFORMATION

#### 11<sup>th</sup> Annual General Meeting

<b>Date</b>	Tuesday, 4 <sup>th</sup> August, 2015
<b>Time</b>	9.30 a.m.
<b>Venue</b>	J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015
<b>Remote E-voting Period</b>	From 9.30 a.m. on 1 <sup>st</sup> August, 2015 to 5.00 p.m. on 3 <sup>rd</sup> August, 2015
<b>Cut-off date for Remote E-voting</b>	Tuesday, 28 <sup>th</sup> July, 2015

#### Tentative financial calendar for the year 2015-16

<b>Financial year</b>	1 <sup>st</sup> April, 2015 - 31 <sup>st</sup> March, 2016
<b>First quarter results</b>	First week of August, 2015
<b>Second quarter results</b>	Last week of October, 2015
<b>Third quarter results</b>	Last week of January, 2016
<b>Results for the year end</b>	Second week of May, 2016

#### Date of Book Closure

Monday, 15<sup>th</sup> June, 2015 to Wednesday, 17<sup>th</sup> June, 2015 (both days inclusive).

#### Dividend payment date

The proposed dividend, if approved at the ensuing AGM, will be distributed on or after 8<sup>th</sup> August, 2015, within the statutory time limit.

#### Listing on stock exchanges and security codes

Stock Exchange	Security Code
BSE Limited (BSE)	532779
National Stock Exchange of India Limited (NSE)	TORNTPOWER

Annual listing fees for the financial year 2015-16 have been paid to the stock exchanges.

## Market price data

Closing market price of equity shares on 31<sup>st</sup> March, 2015 was ₹163.00 on BSE and ₹163.55 on NSE. Monthly movement of equity share price during the year at BSE and NSE is summarized below:

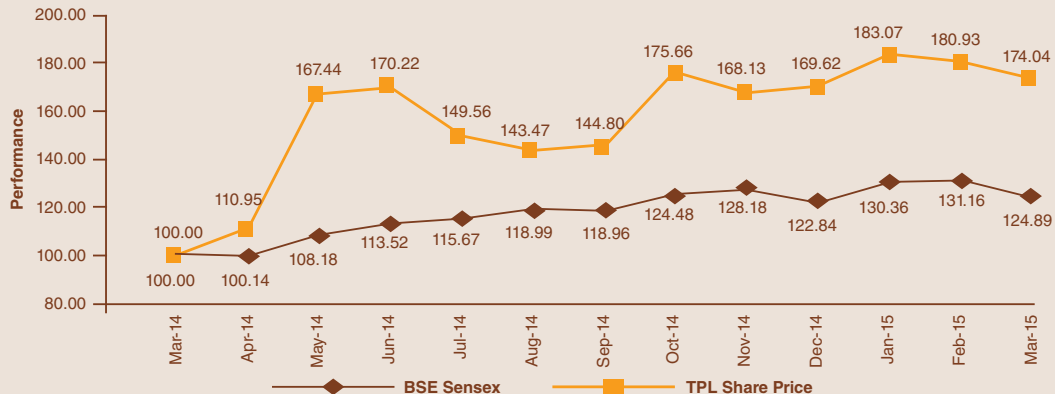
Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April, 2014	110.60	92.35	8714439	109.75	92.25	26237545
May, 2014	168.40	101.00	21758551	168.50	101.40	60338824
June, 2014	172.00	151.45	6964963	172.40	151.10	17133559
July, 2014	167.35	137.10	5071372	167.65	136.75	15517282
August, 2014	139.25	121.00	5280451	139.00	120.55	14875151
September, 2014	173.45	132.10	9116723	173.25	132.05	25661054
October, 2014	168.00	130.50	5147952	168.20	130.05	13532607
November, 2014	168.90	147.20	3572263	168.75	146.70	9877844
December, 2014	186.50	152.50	6337589	186.15	153.10	18657623
January, 2015	178.50	157.00	5759134	178.50	157.00	16716731
February, 2015	181.70	160.45	2473131	181.85	160.40	6665164
March, 2015	176.40	155.80	3310158	176.25	157.25	9441109

Performance of equity share price of the Company vis-à-vis BSE Sensex is as under:

Month	TPL Share Price at BSE (₹)*	BSE Sensex *	Relative Index for comparison purpose	
			TPL share price	BSE Sensex
March, 2014	93.65	22386.27	100.00	100.00
April, 2014	103.90	22417.80	110.95	100.14
May, 2014	156.80	24217.34	167.44	108.18
June, 2014	159.40	25413.78	170.22	113.52
July, 2014	140.05	25894.97	149.56	115.67
August, 2014	134.35	26638.11	143.47	118.99
September, 2014	135.60	26630.51	144.80	118.96
October, 2014	164.50	27865.83	175.66	124.48
November, 2014	157.45	28693.99	168.13	128.18
December, 2014	158.85	27499.42	169.62	122.84
January, 2015	171.45	29182.95	183.07	130.36
February, 2015	169.45	29361.50	180.93	131.16
March, 2015	163.00	27957.49	174.04	124.89

\* Closing data on the last day of the month. Closing share price and BSE Sensex of 31<sup>st</sup> March, 2014 have been taken as the basis for calculating relative index for comparison purpose.

## Relative Performance of TPL Share Price v/s BSE Sensex





**Distribution of shareholding as on 31<sup>st</sup> March, 2015**By size of shareholding

No. of Shares	No. of Shareholders	% Shareholders	No. of Shares	% of Shareholding
001 to 500	53,055	76.34	70,94,929	1.50
501 to 1000	8,512	12.25	57,71,175	1.22
1001 to 2000	3,519	5.06	50,75,606	1.07
2001 to 3000	1,447	2.08	36,71,311	0.78
3001 to 4000	660	0.95	23,17,378	0.49
4001 to 5000	545	0.78	25,02,726	0.53
5001 & above	1,761	2.54	44,60,15,183	94.41
<b>Total</b>	<b>69,499</b>	<b>100.00</b>	<b>47,24,48,308</b>	<b>100.00</b>

By category of shareholders

Sr. No.	Category	No. of Shares	% of Shareholding
1.	Promoters	25,24,59,993	53.44
2.	Governor of Gujarat with Gujarat State Investments Limited	5,39,28,671	11.41
3.	Life Insurance Corporation of India	3,80,29,637	8.05
4.	GIC and subsidiaries	2,79,25,348	5.91
5.	Mutual Funds	2,19,40,297	4.64
6.	FII's	1,70,84,592	3.62
7.	Nationalised Banks	4,16,163	0.09
8.	Others	6,06,63,607	12.84
	<b>Total</b>	<b>47,24,48,308</b>	<b>100.00</b>

**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 (ISIN) code for the equity shares is INE813H01021.

As on 31<sup>st</sup> March, 2015, 96.23% of the equity shares have been dematerialised.

**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 shareholders' requests and complaints.

Share transfers are taken up for approval atleast once in a fortnight and the transferred securities are dispatched to the transferees within the stipulated time. Details of transfers / transmission approved by the delegates are noted by the Stakeholders Relationship Committee at its next meeting.

**Outstanding GDRs / ADRs / Warrants / any other convertible instruments**

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

**Registered Office**

Torrent House, Off Ashram Road, Ahmedabad-380009 (Gujarat)

**Plant locations**

- 1) SUGEN and UNOSUGEN, Off National Highway No. 8, Taluka Kamrej, District Surat-394155 (Gujarat)
- 2) AMGEN, Ahmedabad-380005 (Gujarat)

### **Distribution Divisions**

- 1) Electricity House, Lal Darwaja, Ahmedabad-380001 (Gujarat)
- 2) Torrent House, Station Road, Surat-395003 (Gujarat)
- 3) Old Agra Road, Anjur Phata, Bhiwandi-421302 (Maharashtra)
- 4) 6, Raghunath Nagar, Suresh Plaza Market, Opp. Sanjay Place, M. G. Road, Agra-282002 (Uttar Pradesh)

### **Compliance Officer**

T. P. Vijayasathy  
Chief Financial Officer  
Torrent Power Limited,  
Torrent House,  
Off Ashram Road,  
Ahmedabad-380009 (Gujarat)  
CIN: L31200GJ2004PLC044068  
Telephone : +91 79 2658 3060 / 2658 5090  
Fax : +91 79 2658 2326  
E-mail : cs@torrentpower.com  
Website : www.torrentpower.com

### **Registrar & Share Transfer Agent**

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

Sharepro Services (India) Private Limited,  
Unit-Torrent Power Limited,  
13 A-B, Samhita Warehousing Complex,  
2<sup>nd</sup> Floor, Sakinaka Telephone Exchange Lane,  
Off Andheri-Kurla Road,  
Sakinaka, Andheri (East),  
Mumbai-400072 (Maharashtra)  
Telephone : +91 22 6772 0300 / 6772 0347  
Fax : +91 22 2859 1568 / 2850 8927  
E-mail : sharepro@shareproservices.com

For and on behalf of the Board

Ahmedabad  
12<sup>th</sup> May, 2015

**T. P. Vijayasathy**  
Executive Director (Corporate Affairs) & CFO

### 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 has received affirmation on compliance with the Code from the members of the Board and Senior Management of the Company for the year under review.

Ahmedabad  
12<sup>th</sup> May, 2015

**Samir Mehta**  
Executive Vice Chairman

## AUDITORS' CERTIFICATE ON 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 on 31<sup>st</sup> March, 2015, as stipulated in Clause 49 of the Listing Agreements of the Company entered into with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of an 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, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

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

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Registration No. 117365W)

**Hemendra L. Shah**  
Partner  
(Membership No. 33590)

Ahmedabad  
12<sup>th</sup> May, 2015

# **Standalone Financial Statements 2014-15**

# INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS

TO THE MEMBERS OF  
TORRENT POWER LIMITED

## Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **TORRENT POWER LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by 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 31<sup>st</sup> March, 2015, and its profits and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, 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 financial statements comply with the Accounting Standards notified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) 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 on its financial position in its standalone financial statements – Refer Note 25 to the standalone financial statements;
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm Registration No. 117365W)

**Hemendra L. Shah**  
Partner  
(Membership No. 33590)

Ahmedabad  
12<sup>th</sup> May, 2015

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner 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 program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification. As regards underground distribution systems, we have been informed that the same are not physically verifiable.
2. In respect of its inventory:
  - (a) As explained to us, inventories were physically verified during the year by the management at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of inventory and no discrepancies were noticed on such physical verification.
3. The Company has not granted any loans, secured or unsecured, to Companies, firms or other parties covered in the Register maintained under section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in such internal control system.
5. According to the information and explanations given to us, the Company has not accepted any deposits during the year from public within the meaning of provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (cost records and audit) (Cost Accounting Records) Rules, 2015 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 and are of the opinion that *prima facie* the prescribed cost records have been maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
7. According to the information and explanations given to us in respect of statutory dues :
  - (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears, as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they became payable.



- (c) Details of dues of Income-tax, Sales Tax, Value Added Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31<sup>st</sup> March, 2015 on account of disputes are given below:

Name of Statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount (₹ in Crore)
Customs Act, 1962	Custom Duty on Higher Assessment Value	Supreme Court of India, New Delhi	2005-06	0.28
	Differential Custom duty on Imported coal	CESTAT	2012-13	18.50
Kerala General Sales Tax Act, 1963	Sales Tax on Works Contracts	Sales Tax Appellate Tribunal, Calicut	2001-02	0.20
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax on Works Contracts	Andhra Pradesh High Court, Hyderabad	1993-94 & 1994-95	0.20
Tamil Nadu General Sales Tax Act, 1959	Sales Tax on Works Contracts	Asst. Commissioner of Commercial Tax, Tuticorin	1989-90 & 1990-91	0.47
Central Excise Act, 1944	Excise duty	CESTAT	1989-90	0.17
Gujarat Value Added Tax Act, 2004	Value Added Tax on Fly Ash	Joint Commissioner of Commercial Tax, Ahmedabad*	2009-10 & 2010-11	2.15
Income Tax Act, 1961	Demand of Tax	Income Tax Appellate Tribunal	A.Y. 2005-06	9.91
		CIT Appeals	A.Y. 2010-11, A.Y. 2011-12 & A.Y. 2012-13	8.88

\* Appeal to be filed

- (d) There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
8. The Company does not have accumulated losses as at 31<sup>st</sup> March 2015 and has not incurred cash losses during the financial year ended as on that date or in the immediately preceding financial year.
  9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions and debenture holders.
  10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
  11. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained, other than temporary deployment pending application.
  12. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year except in case of theft of electricity reported by the vigilance department of the Company, the amount for which is not ascertainable.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm Registration No. 117365W)

**Hemendra L. Shah**  
Partner  
(Membership No. 33590)

Ahmedabad  
12<sup>th</sup> May, 2015

# BALANCE SHEET

AS AT 31<sup>ST</sup> MARCH, 2015

(₹ in Crore)

	Note	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	2	472.45	472.45
Reserves and surplus	3	6,436.21	5,704.11
		6,908.66	6,176.56
<b>Non-current liabilities</b>			
Long-term borrowings	4	5,018.94	5,593.71
Deferred tax liabilities (net)	39	838.47	699.34
Other long-term liabilities	5	1,058.98	1,060.52
Long-term provisions	6	71.28	64.90
		6,987.67	7,418.47
<b>Current liabilities</b>			
Short-term borrowings	7	-	-
Trade payables	8	621.08	633.09
Other current liabilities	9	1,109.47	1,021.83
Short-term provisions	6	228.84	44.32
		1,959.39	1,699.24
		15,855.72	15,294.27
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets			
	10		
Tangible assets		9,093.01	9,283.98
Intangible assets		7.49	13.93
Capital work-in-progress		165.99	118.15
		9,266.49	9,416.06
Non-current investments	11	2,195.44	2,114.34
Long-term loans and advances	12	14.18	22.15
Other non-current assets	13	1.89	0.76
		11,478.00	11,553.31
<b>Current assets</b>			
Current investments	14	462.17	497.54
Inventories	15	253.10	283.40
Trade receivables	16	874.31	783.59
Cash and bank balances	17	1,580.34	1,527.04
Short-term loans and advances	12	774.12	204.65
Other current assets	18	433.68	444.74
		4,377.72	3,740.96
		15,855.72	15,294.27

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Sudhir Mehta**  
Executive Chairman  
DIN: 00061871

**Hemendra L. Shah**  
Partner

**T P Vijayarathy**  
Executive Director - Corporate Affairs & CFO

Ahmedabad, 12<sup>th</sup> May, 2015

Ahmedabad, 12<sup>th</sup> May, 2015

# STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

(₹ in Crore)

	Note	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
<b>Income</b>			
Revenue from operations	19	10,273.90	8,575.62
Other income	20	323.02	241.84
<b>Total revenue</b>		<u>10,596.92</u>	<u>8,817.46</u>
<b>Expenses</b>			
Electrical energy purchased		4,649.66	4,186.12
Employee benefits expense	21	338.15	270.33
Operation and other expenses	22	3,222.93	2,902.87
Finance costs	23	706.16	677.18
Depreciation and amortization expense		583.62	563.92
Transfer from service line contribution, APDRP grant and others		(35.64)	(29.40)
Depreciation and amortization expense (net)		547.98	534.52
<b>Total expenses</b>		<u>9,464.88</u>	<u>8,571.02</u>
<b>Profit before exceptional items and tax</b>		1,132.04	246.44
Exceptional items	43	22.99	-
<b>Profit before tax</b>		1,109.05	246.44
<b>Tax expenses</b>			
Current tax		227.91	33.50
Deferred tax		139.13	124.62
Short / (excess) provision of current tax for earlier years		(0.05)	(6.52)
		366.99	151.60
<b>Profit after tax</b>		<u>742.06</u>	<u>94.84</u>
Basic and diluted earnings per share of face value of ₹10 each (in ₹)	40	15.71	2.01
<b>See accompanying notes forming part of the standalone financial statements</b>			

In terms of our report attached

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Hemendra L. Shah**  
Partner

Ahmedabad, 12<sup>th</sup> May, 2015

For and on behalf of the Board of Directors

**Sudhir Mehta**  
Executive Chairman  
DIN: 00061871

**T P Vijayasathy**  
Executive Director - Corporate Affairs & CFO

Ahmedabad, 12<sup>th</sup> May, 2015

Standalone Financial Statements

# CASH FLOW STATEMENT

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

(₹ in Crore)

	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
<b>Cash flow from operating activities</b>		
Net profit before tax	1,109.05	246.44
<b>Adjustments for:</b>		
Depreciation and amortization	547.98	534.52
Amount utilised from reserves	-	(73.25)
Provision of earlier years written back	(237.46)	(20.47)
Provisions for doubtful debts no longer required	(16.93)	-
Provisions for doubtful advances no longer required	(0.40)	-
Loss on sale / discarding of fixed assets	20.23	17.44
Profit on sale of fixed assets	(1.93)	(1.07)
Provision for doubtful debts and advances	0.28	17.99
Exceptional items	22.99	-
Finance costs	706.16	677.18
Interest income	(160.90)	(133.44)
Dividend Income	(4.66)	(13.32)
Unrealised gain on foreign currency transactions	(53.88)	-
<b>Operating profit before working capital changes</b>	<b>1,930.53</b>	<b>1,252.02</b>
<b>Movement in working capital:</b>		
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(12.01)	45.14
Long-term provisions	6.38	(0.74)
Short-term provisions	13.99	(13.29)
Other current liabilities	175.07	(16.53)
Other long-term liabilities	207.85	343.07
Adjustments for decrease / (increase) in operating assets:		
Trade receivables	(74.05)	(68.39)
Inventories	30.30	(39.12)
Long-term loans and advances	0.18	0.50
Short-term loans and advances	(569.10)	6.67
Other current assets	30.58	(218.71)
<b>Cash generated from operations</b>	<b>1,739.72</b>	<b>1,290.61</b>
Taxes paid	(114.99)	(18.51)
<b>Net cash flow from operating activities</b>	<b>1,624.73</b>	<b>1,272.10</b>
<b>Cash flow from investing activities</b>		
Purchase of fixed assets including capital work-in-progress	(548.74)	(709.71)
Long-term loans and advances for capital assets	7.79	84.18
Sale of fixed assets	11.93	4.12
Investment in subsidiaries	(80.07)	(724.20)
Investment in joint ventures	(0.03)	-
Purchase of non-current investments	(1.00)	(1.01)
Sale of current investments	-	1.65
Investments in bank deposits (having maturity more than three months)	(1.13)	(26.85)
Redemption in bank deposits (having maturity more than three months)	103.58	-

## CASH FLOW STATEMENT (Contd.)

(₹ in Crore)

	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Interest received	160.89	133.72
Dividend received	4.66	13.32
Bank balance not considered as cash and cash equivalents	(0.01)	(0.19)
<b>Net cash used in investing activities</b>	<b>(342.13)</b>	<b>(1,224.97)</b>
<b>Cash flow from financing activities</b>		
Proceeds from long-term borrowings	37.34	1,665.93
Repayment of long-term borrowings	(563.33)	(465.42)
Repayment of APDRP loan	(3.82)	(3.82)
Service line contribution	110.85	121.68
Dividend paid	(23.61)	(94.31)
Corporate dividend tax paid	(4.02)	(16.06)
Finance costs paid	(714.51)	(675.72)
<b>Net cash generated from / (used) in financing activities</b>	<b>(1,161.10)</b>	<b>532.28</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>121.50</b>	<b>579.41</b>
<b>Cash and cash equivalents as at beginning of the year</b>	<b>1,291.18</b>	<b>711.77</b>
<b>Cash and cash equivalents as at end of the year</b>	<b>1,412.68</b>	<b>1,291.18</b>
<b>See accompanying notes forming part of the standalone financial statements</b>		
<b>Notes:</b>		
1. Cash and cash equivalents as at end of the year:		
Cash on hand	1.21	1.70
Cheques, drafts on hand	3.26	3.48
With banks		
In current accounts	113.03	107.46
In deposit accounts	833.01	681.00
Cash and cash equivalents (note 17)	950.51	793.64
Current investments (investments in mutual funds) (note 14)	462.17	497.54
	<u>1,412.68</u>	<u>1,291.18</u>
2. The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Accounting Standard - 3 "Cash Flow Statement".		
3. "Proceeds from long-term borrowings" and "Purchase of fixed assets including capital work-in-progress" is excluding unrealised foreign exchange loss of ₹10.18 Crore (Previous year - ₹32.81 Crore).		

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Sudhir Mehta**  
Executive Chairman  
DIN: 00061871

**Hemendra L. Shah**  
Partner

**T P Vijayasarathy**  
Executive Director - Corporate Affairs & CFO

Ahmedabad, 12<sup>th</sup> May, 2015

Ahmedabad, 12<sup>th</sup> May, 2015

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

## NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Basis for preparation of financial statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year, unless otherwise stated.

### 1.2 Use of estimates:

The preparation of financial statements requires certain estimates and assumptions. These estimates and assumptions affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known / materialized.

### 1.3 Capital receipts:

- (i) Grant received under the Accelerated Power Development and Reforms Programme (APDRP) of the Ministry of Power, Government of India, is treated as capital receipt and accounted as capital reserve.
- (ii) Service line contributions received from consumers are treated as capital receipt and accounted as capital reserve.

### 1.4 Fixed assets:

#### Tangible fixed assets:-

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. Cost includes purchase price, taxes and duties, labour cost and other direct costs incurred up to the date the asset is ready for its intended use. Allocation of indirect expenses to capital account is done on the basis of technical evaluation by the Management.

#### Intangible assets :-

Certain computer software costs are capitalized and recognised as Intangible assets based on materiality, accounting prudence and significant benefits expected to flow therefrom for a period longer than one year.

### 1.5 Impairment of fixed assets:

Fixed 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 recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use.

### 1.6 Borrowing costs:

Borrowing costs comprising interest, finance charges etc. to the extent related / attributed to the qualifying assets, 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. Other borrowing costs are charged to the statement of profit and loss in the period of their accrual.

### 1.7 Depreciation and amortization:

- (i) 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.
- (ii) Depreciation for the year has been shown after reducing the proportion of the amount of depreciation provided on assets created against the service line contribution, APDRP grant received and others.
- (iii) In respect of fixed assets pertaining to AMGEN, Ahmedabad Distribution and Surat Distribution, depreciation is provided on straight line method at the rates as per CERC regulations as applicable in the year of addition.
- (iv) In respect of assets pertaining to Agra and Bhiwandi Distribution Circles, depreciation is provided on straight line method at the rates mentioned below, as provided in the Distribution Franchise Agreement which are higher than the effective rates prescribed under Schedule II to the Companies Act, 2013:

Transformers, Switchgears & Equipments	7.84%
Meters	12.77%
Distribution Systems - Overhead	7.84%
- Underground	5.27%
Others	7.84%
Vehicles	33.40%
Electrical fittings, Apparatus, Furniture & fixtures, Communication equipments and Office equipments	12.77%

- (v) In respect of assets pertaining to SUGEN and UNOSUGEN, depreciation is provided on straight line method considering the rates and the methodology provided in CERC (Terms and Conditions of Tariff) Regulations, 2014.
- (vi) In respect of assets pertaining to Windmill (Jamnagar), depreciation is provided on straight line method at the rates mentioned in CERC Order issued on 'Determination of the tariff for Procurement of Power by Distribution Licensees from Wind Energy Generators and other commercial issues'.
- (vii) Leasehold land is amortized over the lease period.
- (viii) Computer software costs are amortized over its useful life which is estimated at 3 years.

### 1.8 Investments:

Investments are classified into current and long term investments. Current investments are stated at the lower of cost and fair value. Long term investments are stated at cost less provision for diminution other than temporary, if any, in the value of such investments.

### 1.9 Cash and cash equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### 1.10 Inventories:

Inventories of stores, spare parts, coal, fuel and loose tools are valued at weighted average cost and net realizable value, whichever is lower. Cost of inventories includes cost of purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

### 1.11 Revenue recognition:

- (i) Revenue (income) is recognised when no significant uncertainty as to the measurability or collectability exists. Revenue recognised in excess of billing has been reflected under “Other Current Assets” as unbilled revenue. Further, in view of the uncertainties involved in the recoverability, the Company accounts for the quarterly fuel and power purchase price adjustment claims as and when allowed by the regulatory authorities and truing-up adjustment claims as and when realized.
- (ii) Gross proceeds from CERs is recognised when all the significant risks and rewards of ownership of CERs have been passed to the buyer, usually on delivery of the CERs.
- (iii) Dividend is accounted when the right to receive payment is established.
- (iv) Interest on overdue receivables of energy bills, insurance, coal and other claims, casual income etc. are accounted on grounds of prudence, as and when recovered.

### 1.12 Transactions in foreign currency:

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- (ii) Monetary items denominated in foreign currencies at the period end are restated at period end rates.
- (iii) Non-monetary foreign currency items are carried at cost.
- (iv) 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 recognised as income or expense in the financial year in which they arise except for such adjustment of exchange difference arising on long term foreign currency monetary items in so far they related to the acquisition of a depreciable capital assets which are adjusted to the cost of the assets and depreciated over the remaining useful life of such assets.
- (v) Forward exchange contracts are not intended for trading purposes. In case of forward exchange contracts, difference between the forward rate and the exchange rate on the date of transaction is recognised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

### 1.13 Retirement and other employee benefits:

Retirement benefits in the form of provident fund, family pension fund and superannuation schemes, which are defined contribution schemes, are charged to the statement of profit and loss of the period in which the contributions to the respective funds accrue.

The Company has created employees group gratuity fund which has taken a group gratuity insurance policy from Life Insurance Corporation of India (LIC). Premium on the above policy as intimated by LIC is charged to the statement of profit and loss. The adequacy of balances available is compared with actuarial valuation obtained at the period-end and shortfall, if any, is provided for in the statement of profit and loss.

Provision for leave encashment is determined and accrued on the basis of actuarial valuation.

Actuarial gains and losses are immediately recognised in the statement of profit and loss and are not deferred.



#### 1.14 Taxation:

Provision for current tax is made on the basis of estimated taxable income for the current accounting period and in accordance with the provisions of the Income Tax Act, 1961. Deferred tax resulting from “timing differences” between accounting and taxable profit for the period is accounted for using the tax rates and laws that have been enacted or substantively enacted as at the balance sheet date. Deferred tax asset, on account of unabsorbed depreciation and carry forward losses are recognised only if there is virtual certainty supported by convincing evidences that there will be sufficient future taxable income available to realize the assets and on account of other asset is recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such assets can be realized.

#### 1.15 Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

#### 1.16 Provisions, contingent liabilities and contingent assets:

A provision is recognised 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. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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 are neither recognised nor disclosed in the financial statements.

#### 1.17 Leases :

- (i) Operating: Lease of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognised as expense in the statement of profit and loss, on a straight-line or other systematic basis over the lease term.
- (ii) Finance: Leased assets acquired on which significant risks and rewards of ownership are effectively transferred to the Company are capitalized at lower of fair value and the present value of minimum lease payments. Such assets are depreciated / amortized over the period of lease or estimated life of such assets, whichever is less.

**NOTE - 2 : SHARE CAPITAL**

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014		
<b>Authorised</b>				
2,00,00,00,000 Equity shares of ₹10 each	2,000.00	2,000.00		
	<u>2,000.00</u>	<u>2,000.00</u>		
<b>Issued, subscribed and paid up</b>				
47,24,48,308 Equity shares of ₹10 each	472.45	472.45		
	<u>472.45</u>	<u>472.45</u>		
1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year :				
	No. of shares As at 31 <sup>st</sup> March, 2015	No. of shares As at 31 <sup>st</sup> March, 2014		
At the beginning of the year	47,24,48,308	47,24,48,308		
Issued during the year	-	-		
Outstanding at the end of the year	<u>47,24,48,308</u>	<u>47,24,48,308</u>		
2 25,24,38,986 equity shares (25,24,38,986 equity shares as at 31 <sup>st</sup> March, 2014) of ₹10 each fully paid up are held by holding company - Torrent Private Limited.				
3 Terms / Rights attached to equity shares :				
<p>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 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.</p> <p>Dividend amount per share recognised as distributions to equity shareholders is ₹1.50 per equity share during the year ended 31<sup>st</sup> March, 2015 (Previous year : ₹0.50 per equity share).</p> <p>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.</p>				
4 Details of shareholders holding more than 5% shares in the Company :				
Name of the Shareholder	As at 31 <sup>st</sup> March, 2015		As at 31 <sup>st</sup> March, 2014	
	No. of shares	% holding	No. of shares	% holding
Torrent Private Limited	25,24,38,986	53.43%	25,24,38,986	53.43%
Gujarat State Investment Limited	4,68,71,621	9.92%	4,68,71,621	9.92%
Life Insurance Corporation of India	3,80,29,637	8.05%	4,33,38,349	9.17%

## NOTE - 3 : RESERVES AND SURPLUS

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Capital reserves</b>		
Service line contributions		
As per last balance sheet	555.00	459.93
Add: Received during the year	110.85	121.68
	665.85	581.61
Less: Transfer to statement of profit and loss	32.80	26.61
	633.05	555.00
Grant in Aid under Accelerated Power Development and Reform Programme (APDRP)		
As per last balance sheet	37.86	40.57
Less: Transfer to statement of profit and loss	2.71	2.71
	35.15	37.86
<b>Debenture redemption reserve</b>		
As per last balance sheet	47.62	23.81
Add: Transfer from statement of profit and loss	23.81	23.81
	71.43	47.62
<b>Statutory reserves</b>		
Contingency reserve		
As per last balance sheet	0.96	61.66
Add: Transfer from statement of profit and loss	1.00	1.00
	1.96	62.66
Less: Loss on sale of investments	-	0.04
Less: Utilisation during the year	-	61.66
	1.96	0.96
Tariff and dividend control reserve		
As per last balance sheet	-	11.59
Less: Utilisation during the year	-	11.59
	-	-
Special reserve		
As per last balance sheet	78.07	78.07
<b>Other reserves</b>		
General reserve		
As per last balance sheet	3,479.80	3,479.80
Add: Transfer from statement of profit and loss	-	-
	3,479.80	3,479.80
Surplus in the statement of profit and loss		
As per last balance sheet	1,504.80	1,462.41
Add: Profit after tax for the year	742.06	94.84
	2,246.86	1,557.25
Less : Appropriations		
Transfer to contingency reserve	1.00	1.00
Transfer to general reserve	-	-
Transfer to debenture redemption reserve	23.81	23.81
Proposed dividend	70.87	23.62
Corporate dividend tax on proposed dividend	14.43	4.02
Total appropriations	110.11	52.45
Net surplus in the statement of profit and loss	2,136.75	1,504.80
	6,436.21	5,704.11

**NOTE - 4 : LONG-TERM BORROWINGS**

(₹ in Crore)

	Non-current		Current maturities	
	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Secured loans</b>				
Non convertible debentures				
10.35% Series 1	550.00	550.00	-	-
10.10% Series 2A, 2B & 2C	300.00	300.00	-	-
	850.00	850.00	-	-
Term loans				
From banks	2,917.64	3,313.29	441.43	404.86
From financial institutions	1,215.38	1,390.68	165.15	146.57
	4,133.02	4,703.97	606.58	551.43
	4,983.02	5,553.97	606.58	551.43
<b>Unsecured loans</b>				
Term loans				
From Government of India under Accelerated Power Development and Reform Programme (APDRP)	35.92	39.74	3.82	3.82
	35.92	39.74	3.82	3.82
	5,018.94	5,593.71	610.40	555.25
Amount disclosed under the head "Other current liabilities" (note 9)	-	-	(610.40)	(555.25)
	5,018.94	5,593.71	-	-

Of the above:

- Amount of term loans of ₹4,739.60 Crore (31<sup>st</sup> March, 2014 - ₹5,255.40 Crore) from financial institutions and banks and non convertible debenture of ₹850.00 Crore (31<sup>st</sup> March, 2014 - ₹850.00 Crore) are secured / to be secured by way of first pari passu charge by way of mortgage and hypothecation over the entire fixed assets, both present and future, of the Company and second pari passu charge by way of hypothecation over entire current assets, both present and future, of the Company.
- The future annual repayment obligations on principal amount for the above long-term borrowings are as under:-

Financial year	Term loans	Non convertible debentures	Financial year	Term loans	Non convertible debentures
2015-2016	610.40	-	2021-2022	329.76	283.33
2016-2017	635.26	-	2022-2023	323.99	283.34
2017-2018	635.26	-	2023-2024	318.22	-
2018-2019	630.26	-	2024-2025	266.24	-
2019-2020	535.91	-	2025-2026	148.59	-
2020-2021	334.76	283.33	2026-2027	10.69	-

**NOTE - 5 : OTHER LONG-TERM LIABILITIES**

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Trade payables	380.57	460.10
Other payables		
Security deposits from consumers	677.65	599.26
Payables on purchase of fixed assets	0.14	0.41
Sundry payables	0.62	0.75
	<u>1,058.98</u>	<u>1,060.52</u>

**NOTE - 6 : PROVISIONS**

(₹ in Crore)

	Long-term		Short-term	
	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Provision for employee benefits (note 31)</b>				
Provision for gratuity	0.39	-	7.20	-
Provision for leave encashment	70.89	64.90	16.21	9.42
	<u>71.28</u>	<u>64.90</u>	<u>23.41</u>	<u>9.42</u>
<b>Other provisions</b>				
Provision for taxation (net of advance tax and TDS)	-	-	120.13	7.26
Proposed dividend	-	-	70.87	23.62
Provision for corporate dividend tax	-	-	14.43	4.02
	-	-	205.43	34.90
	<u>71.28</u>	<u>64.90</u>	<u>228.84</u>	<u>44.32</u>

**NOTE - 7 : SHORT-TERM BORROWINGS**

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Secured loans</b>		
Cash credit from banks	-	-
	<u>-</u>	<u>-</u>

Of the above:

Working capital facilities from banks are secured by way of first pari passu charge by way of hypothecation over the entire current assets, both present and future, of the Company and second pari passu charge by way of mortgage created / to be created and hypothecation over entire fixed assets, both present and future, of the Company.

**NOTE - 8 : TRADE PAYABLES**

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Trade payables for goods and services (note 29)	621.08	633.09
	<u>621.08</u>	<u>633.09</u>

**NOTE - 9 : OTHER CURRENT LIABILITIES**

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Current maturities of long-term debt (note 4)	610.40	555.25
Interest accrued but not due on loans and security deposits	22.11	27.29
Investor education and protection fund* Unpaid / Unclaimed dividend	6.30	6.29
Book overdraft	25.76	13.45
Other payables		
Credit balances of consumers	71.78	58.21
Service line and security deposits from consumers	148.53	105.06
Deposits	3.78	3.44
Statutory dues	20.06	16.94
Payables on purchase of fixed assets	88.51	143.55
Sundry payables	112.24	92.35
	<u>1,109.47</u>	<u>1,021.83</u>

\* The investor education and protection fund is credited by the amount unclaimed and outstanding on the relevant due date.

## NOTE - 10 : FIXED ASSETS

(₹ in Crore)

PARTICULARS	GROSS BLOCK					DEPRECIATION AND AMORTIZATION				NET BLOCK	
	As at 1 <sup>st</sup> April, 2014	Additions during the year	Deductions during the year	Adjustments	As at 31 <sup>st</sup> March, 2015	As at 1 <sup>st</sup> April, 2014	For the year	Deductions during the year	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>I. Tangible assets</b>											
Land											
(a) Freehold	233.52	0.08	-	-	233.60	-	-	-	-	233.60	233.52
(b) Leasehold	47.18	-	-	-	47.18	4.11	0.55	-	4.66	42.52	43.07
Buildings	1,183.16	29.43	9.00	0.01	1,203.60	165.94	46.30	0.72	211.52	992.08	1,017.22
Railway siding	2.46	-	-	-	2.46	0.53	0.05	-	0.58	1.88	1.93
Plant and machinery											
(a) Steam station	4,600.63	40.54	51.93	5.54	4,594.78	901.72	234.28	23.16	1,112.84	3,481.94	3,698.91
(b) Others including switchgears and transformers	2,820.02	147.10	56.06	1.09	2,912.15	845.32	152.96	24.03	974.25	1,937.90	1,974.70
Transmission and distribution systems											
(a) Overhead	514.44	25.43	0.06	0.57	540.38	178.75	30.56	-	209.31	331.07	335.69
(b) Underground	2,413.52	200.61	2.26	1.36	2,613.23	588.41	94.76	0.87	682.30	1,930.93	1,825.11
Electrical fittings and apparatus	61.38	1.55	0.47	-	62.46	21.75	3.92	0.33	25.34	37.12	39.63
Furniture and fixtures	29.38	0.31	0.36	-	29.33	11.45	2.03	0.09	13.39	15.94	17.93
Office equipments	128.38	3.55	1.69	-	130.24	42.23	8.81	0.57	50.47	79.77	86.15
Vehicles	20.18	0.55	1.47	-	19.26	10.06	1.74	0.80	11.00	8.26	10.12
<b>Total (I)</b>	12,054.25	449.15	123.30	8.57	12,388.67	2,770.27	575.96	50.57	3,295.66	9,093.01	9,283.98
<b>II. Intangible assets</b>											
Software (Acquired)	46.29	1.22	0.08	-	47.43	32.36	7.66	0.08	39.94	7.49	13.93
<b>Total (II)</b>	46.29	1.22	0.08	-	47.43	32.36	7.66	0.08	39.94	7.49	13.93
<b>Total (I+II)</b>	12,100.54	450.37	123.38	8.57	12,436.10	2,802.63	583.62	50.65	3,335.60	9,100.50	
Previous year	9,535.77	2,343.49	39.92	261.20	12,100.54	2,258.15	563.92	19.44	2,802.63		9,297.91
<b>III. Capital work-in-progress</b>										165.99	118.15
										9,266.49	9,416.06
<b>Notes:</b>											
1. Adjustments during the year includes borrowing costs of ₹3.03 Crore (Previous year - ₹204.60 Crore) and Capital work-in-progress includes borrowing costs of ₹0.56 Crore (31 <sup>st</sup> March, 2014 - ₹0.55 Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Accounting Standard - 16 "Borrowing Costs".											
2. Adjustments during the year includes ₹5.54 Crore (Previous year - ₹56.60 Crore) on account of foreign currency exchange difference.											
3. Capital work-in-progress includes pre-operative expenditure of ₹2.43 Crore (31 <sup>st</sup> March, 2014 - ₹4.97 Crore) (note 27).											
4. The Company has leased a portion of its land to Torrent Pharmaceuticals Limited.											
5. Land includes freehold land amounting to ₹0.04 Crore (31 <sup>st</sup> March, 2014 - ₹0.04 Crore) and leasehold land amounting to ₹13.89 Crore (31 <sup>st</sup> March, 2014 - ₹13.89 Crore) for which documentations are in progress.											
6. Pro-rata cost of assets owned jointly with Torrent Pharmaceuticals Limited, a company under same management are as under:											
Particulars	Proportion of holding				As at 31 <sup>st</sup> March, 2015				As at 31 <sup>st</sup> March, 2014		
Freehold land	50%				23.78				23.78		
Freehold land	70%				83.16				83.16		
Buildings	70%				1.36				1.36		

**NOTE - 11 : NON-CURRENT INVESTMENTS**

(₹ in Crore)

	No. of shares As at 31 <sup>st</sup> March, 2015	No. of shares As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Trade investments</b> (valued at cost unless stated otherwise)				
<b>Investment in equity instruments (unquoted)</b>				
<b>Associates</b>				
Tidong Hydro Power Limited				
Equity shares of ₹10 each fully paid up	24,500	24,500	0.02	0.02
AEC Cements & Constructions Limited				
Equity shares of ₹10 each fully paid up	6,11,500	6,11,500	0.61	0.61
Less: Provision for diminution in value of investment			0.61	0.61
			0.02	0.02
<b>Subsidiaries</b>				
Torrent Power Grid Limited				
Equity shares of ₹10 each fully paid up (2,70,00,000 (31 <sup>st</sup> March, 2014 - 2,70,00,000) equity shares pledged as security in respect of the term loan provided to Torrent Power Grid Limited)	6,66,00,000	6,66,00,000	66.60	66.60
Torrent Energy Limited				
Equity shares of ₹10 each fully paid up (1,01,39,92,200 (31 <sup>st</sup> March, 2014 - 1,01,39,92,200) equity shares pledged as security in respect of the term loan provided to Torrent Energy Limited)	1,98,82,20,000	1,98,82,20,000	1,988.22	1,988.22
Torrent Pipavav Generation Limited				
Equity shares of ₹10 each fully paid up	4,75,00,000	4,75,00,000	57.50	57.50
Torrent Solargen Limited				
Equity shares of ₹10 each fully paid up	8,00,50,000	-	80.07	-
			2,192.39	2,112.32
			2,192.41	2,112.34
<b>Non trade investments</b> (valued at cost unless stated otherwise)				
<b>Investment in equity instruments (unquoted)</b>				
Tornascent care institute (see note below)				
Equity shares of ₹10 each fully paid up	25,000	-	0.03	-
			0.03	-
<b>Contingency reserve investments - statutory (quoted)</b>				
8.28% GOI Bond - 2032			0.99	0.99
8.97% GOI Bond - 2030			1.01	1.01
8.28% GOI Bond - 2027			1.00	-
			3.00	2.00
			3.03	2.00
			2,195.44	2,114.34
Aggregate amount of quoted investments			3.00	2.00
Aggregate amount of unquoted investments			2,192.44	2,112.34
			2,195.44	2,114.34
Aggregate provision for diminution in value of investments			0.61	0.61
Aggregate amount of market value of quoted investments			3.23	1.93
<b>Note:</b>				
The Company has, jointly with Torrent Pharmaceuticals Limited, promoted section 8 company, i.e. Tornascent Care Institute, under the Companies Act, 2013 for the purpose of carrying out charitable activities.				



**NOTE 12 : LOANS AND ADVANCES**

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	Long-term		Short-term	
	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Capital advances	7.56	15.35	-	-
Deposits	1.71	1.88	26.97	26.93
Loans and advances to related parties				
Considered good	-	-	608.86	66.20
Considered doubtful	-	-	2.70	3.10
	-	-	611.56	69.30
Less : Provision for doubtful advances to related parties	-	-	2.70	3.10
	-	-	608.86	66.20
Other loans and advances				
Balances with government authority	0.50	0.50	0.55	0.55
Prepaid expenses	-	-	3.95	5.67
Others*	4.41	4.42	136.11	107.60
	4.91	4.92	140.61	113.82
Less : Provision for doubtful advances	-	-	2.32	2.30
	4.91	4.92	138.29	111.52
	14.18	22.15	774.12	204.65

\* mainly includes interest receivable and advances for goods and services

**NOTE 13 : OTHER NON-CURRENT ASSETS**

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Bank fixed deposits balance (note 17)	1.89	0.76
	1.89	0.76

**NOTE - 14 : CURRENT INVESTMENTS**

(₹ in Crore)

	No. of units As at 31 <sup>st</sup> March, 2015	No. of units As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Investment in mutual funds (unquoted)</b>				
Birla Sun Life Cash Plus - Growth (of ₹100 each)	-	60,15,895	-	123.32
HDFC Liquid Fund- Growth (of ₹10 each)	1,16,36,716	-	31.80	-
IDFC Cash Fund - Growth - (Regular Plan) (of ₹1,000 each)	4,69,574	6,038	78.93	0.94
ICICI Liquid Plan - Regular - Growth (of ₹100 each)	38,54,061	53,52,136	79.53	101.39
Kotak Liquid Scheme Plan A - Growth (of ₹1,000 each)	4,30,728	3,13,099	97.59	81.24
SBI PLF - Regular Plan Growth (of ₹1,000 each)	2,94,780	4,43,363	64.09	88.99
Tata Liquid Fund Plan A - Growth (of ₹1,000 each)	4,29,291	4,30,621	110.23	101.66
			<u>462.17</u>	<u>497.54</u>
[Aggregate NAV of investments in mutual funds ₹465.76 Crore (31 <sup>st</sup> March, 2014 - ₹499.12 Crore)]				
Aggregate amount of quoted investments			-	-
Aggregate amount of unquoted investments			<u>462.17</u>	<u>497.54</u>
			<u>462.17</u>	<u>497.54</u>
Aggregate provision for diminution in value of investments			-	-
Aggregate amount of market value of quoted investments			-	-

**NOTE - 15 : INVENTORIES**

(valued at lower of cost and net realizable value)

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Coal, oil, stores and spares	252.63	282.97
Loose tools	0.47	0.43
	<u>253.10</u>	<u>283.40</u>

**NOTE - 16 : TRADE RECEIVABLES**

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Debts outstanding for a period exceeding six months from due date		
Secured - Considered good	6.12	5.65
Unsecured - Considered good	51.73	29.91
- Considered doubtful	67.99	62.01
	125.84	97.57
Other debts		
Secured - Considered good	353.37	295.52
Unsecured - Considered good	463.09	452.51
- Considered doubtful	61.64	84.29
	878.10	832.32
Less: Provision for doubtful debts	129.63	146.30
	<u>874.31</u>	<u>783.59</u>

**NOTE - 17 : CASH AND BANK BALANCES**

(₹ in Crore)

	Non-current		Current	
	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Cash and cash equivalents</b>				
Balances with banks				
Balance in current accounts	-	-	113.03	107.46
Balance in fixed deposit accounts (remaining maturity of less than three months)	-	-	833.01	681.00
	-	-	946.04	788.46
Cheques, drafts on hand	-	-	3.26	3.48
Cash on hand	-	-	1.21	1.70
	-	-	950.51	793.64
<b>Other bank balances</b>				
Unpaid dividend accounts	-	-	6.30	6.29
Balance in fixed deposit accounts (remaining maturity for more than three months but less than twelve months)	-	-	623.53	727.11
Balance in fixed deposit accounts (remaining maturity for more than twelve months)	1.89	0.76	-	-
	1.89	0.76	629.83	733.40
Amount disclosed under other non-current assets (note 13)	(1.89)	(0.76)	-	-
	-	-	<u>1,580.34</u>	<u>1,527.04</u>

**NOTE - 18 : OTHER CURRENT ASSETS**

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Interest accrued on investments	0.05	0.04
Unbilled revenue	414.12	444.70
Receivable on sale of fixed assets	19.51	-
	<u>433.68</u>	<u>444.74</u>

**NOTE - 19 : REVENUE FROM OPERATIONS**

(₹ in Crore)

	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Revenue from power supply	9,839.22	8,415.55
Other operating income		
Street lighting maintenance contracts	2.17	6.35
Hire of meters	48.23	46.74
Provision of earlier years written back*	237.46	20.47
Provision for doubtful debts no longer required	16.93	-
Provision for doubtful advances no longer required	0.40	-
Recovery of bad debts	32.75	19.67
Insurance claim receipt	0.49	0.02
Income from Certified Emission Reduction (CERs)	1.76	-
Income from Renewable Energy Certificate & Generation Based Incentive	10.28	13.01
Miscellaneous income	84.21	53.81
	434.68	160.07
	<u>10,273.90</u>	<u>8,575.62</u>

\* includes ₹149.43 Crore of savings consequent to change in the basis arising from renegotiation of certain terms of long term contracts.

**NOTE - 20 : OTHER INCOME**

(₹ in Crore)

	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Interest income from		
Deposits	139.43	118.20
Consumers	21.25	14.52
Contingency reserve investments	0.22	0.19
Others	*	0.53
	160.90	133.44
Dividend income	4.66	13.32
Miscellaneous income	51.14	48.03
Profit on sale of fixed assets	1.93	1.07
Profit on sale of current investments	50.51	45.98
Net gain on foreign currency transactions	53.88	-
	<u>323.02</u>	<u>241.84</u>

**NOTE - 21 : EMPLOYEE BENEFITS EXPENSE**

	(₹ in Crore)	
	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Salaries, wages and bonus	366.90	335.23
Contribution to provident and other funds	20.50	16.63
Employees welfare expenses	18.45	12.22
Gratuity and leave encashment	41.51	7.17
	<u>447.36</u>	<u>371.25</u>
Less: Allocated to capital works, repairs and other relevant revenue accounts	109.21	100.92
	<u>338.15</u>	<u>270.33</u>

**NOTE - 22 : OPERATION AND OTHER EXPENSES**

	(₹ in Crore)	
	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Fuel	2,488.76	2,088.46
Consumption of stores and spares	194.24	315.76
Rent and hire charges	7.72	6.87
Repairs to		
Buildings	9.79	7.42
Plant and machinery	250.66	207.19
Others	7.82	7.08
	<u>268.27</u>	<u>221.69</u>
Insurance	14.97	16.02
Rates and taxes	7.78	11.47
Miscellaneous expenses	140.85	137.98
Discount for prompt payment of bills	47.38	39.87
Loss on sale / discarding of fixed assets	20.23	17.44
Commission to non-executive directors	0.90	1.10
Directors sitting fees	0.70	-
Statutory auditors remuneration (note 32)	1.11	0.89
Legal, professional and consultancy fees	13.40	10.09
Donations	24.61	6.77
Bad debts written off	45.45	54.89
Provision for doubtful debts and advances	0.28	17.99
	<u>3,276.65</u>	<u>2,947.29</u>
Less: Allocated to capital works, repairs and other relevant revenue accounts	53.72	44.42
	<u>3,222.93</u>	<u>2,902.87</u>

**NOTE - 23 : FINANCE COSTS**

	(₹ in Crore)	
	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Interest expense		
Term loans	565.72	541.93
Non convertible debentures	87.23	87.22
Working capital loan	0.03	0.04
Security deposits from consumers	54.95	45.68
Others	0.04	3.41
Other borrowing cost	1.36	6.79
	<u>709.33</u>	<u>685.07</u>
Less: Allocated to capital works	3.17	7.89
	<u>706.16</u>	<u>677.18</u>

## OTHER NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
24. Estimated amount of contracts remaining to be executed on capital accounts (net of advances)	198.36	77.38
Other commitments :		
Financial commitment by way of equity contribution in subsidiary companies		
(i) Torrent Energy Limited	-	203.10
(ii) Torrent Solargen Limited	205.00	-

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
25. Contingent liabilities not provided for in respect of:		
(i) Letters of credit established and guarantees given by banks on behalf of the Company	37.78	103.21
(ii) Disputed income-tax matters	30.79	22.77
(iii) Disputed custom duty matters	18.78	18.78
(iv) Disputed excise duty matters	0.18	0.18
(v) Disputed stamp duty matters	0.35	0.35
(vi) Disputed VAT liability matters	2.15	-
(vii) Claims not acknowledged as debt	10.74	14.83
In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute. No reimbursement is expected.		

### 26. The Company has given loans and advances to its subsidiary companies and associate company as under:

(₹ in Crore)

Name of Company	Maximum amount outstanding during the year	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Subsidiary Companies</b>			
Torrent Energy Limited	352.48	352.48	16.22
Torrent Pipavav Generation Limited	51.46	51.46	49.98
Torrent Solargen Limited	204.92	204.92	-
		<u>608.86</u>	<u>66.20</u>
<b>Associate Company</b>			
AEC Cements & Constructions Limited	3.10	2.70	3.10
		<u>2.70</u>	<u>3.10</u>
(a) 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.			
(b) There are no loans where either repayment schedule is not prescribed or repayment is scheduled beyond seven years. Loans given to above companies are interest free.			

## 27. Capitalization of expenditure incurred during the year is as under

	(₹ in Crore)	
	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Pre-operative expenditure</b>		
Opening balance	4.97	165.12
<b>Expenditure incurred during the year</b>		
Employee benefits expense	-	0.01
Operation and other expenses	1.31	4.27
<b>Total expenditure incurred during the year</b>	1.31	4.28
Less : Capitalized during the year	-	161.60
Less : Sale of infirm power	-	0.79
Less : Written off during the year	3.85	2.04
<b>Closing balance</b>	<b>2.43</b>	<b>4.97</b>

28. (i) The Company uses forward contracts to hedge its certain risk associated with foreign currency fluctuation relating to firm commitments. The Company does not use forward contracts for speculative purposes. Outstanding foreign exchange forward contract as at 31<sup>st</sup> March, 2015 is ₹ Nil (31<sup>st</sup> March, 2014 - ₹ Nil).

- (ii) Foreign currency exposure not hedged by derivative instruments as at 31<sup>st</sup> March, 2015 is as under :

		(in Crore)	
Nature of transactions	Currency	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Loan	USD	5.23	5.73
Interest payable	USD	0.13	0.14
Trade payable	USD	0.12	0.64
Capital liability	USD	0.11	0.23
Trade payable	EURO	3.82	4.56
Trade receivable (*7,350 EURO)	EURO	*	-

29. 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 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
(a)	Principal amount remaining unpaid	2.05	1.60
(b)	Interest due thereon	*	-
(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	*	0.01
(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)	0.01	-
(e)	The amount of interest accrued and remaining unpaid	0.01	-
(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.	-	-

30. The Company's significant leasing arrangements are in respect of residential flats, office premises, plant and machinery and equipment's 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.

### 31. Employee benefits

The liability on account of gratuity and leave encashment is accounted as per AS 15 (revised) dealing with employee benefits.

The Company operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and tenure of employment.

On account of defined contribution plans, a sum of ₹20.50 Crore (Previous year - ₹16.63 Crore) has been charged to the statement of profit and loss.

#### Status of gratuity plan and leave encashment as required under AS 15 (revised):

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March, 2015		As at 31 <sup>st</sup> March, 2014	
	Leave encashment	Gratuity	Leave encashment	Gratuity
<b>a. Reconciliation of opening and closing balances of the present value of the defined benefit obligation:</b>				
Obligations at the beginning of the year	73.48	180.75	73.86	183.31
Current service cost	5.80	9.24	6.22	9.78
Interest cost	6.45	16.72	5.40	14.67
Actuarial (gain) / loss	7.97	10.16	(5.06)	(7.35)
Liability transferred in	0.17	0.59	-	*
Liability transferred out	(0.25)	(0.38)	-	(0.42)
Benefits paid directly by employer	(8.39)	(1.91)	(6.94)	(10.95)
Benefits paid	-	(16.70)	-	(8.29)
<b>Obligations at the end of the year</b>	<b>85.23</b>	<b>198.47</b>	<b>73.48</b>	<b>180.75</b>
<b>b. Reconciliation of opening and closing balances of the fair value of plan assets:</b>				
Plan assets at the beginning of the year, at fair value	-	191.38	-	169.55
Expected return on plan assets	-	18.18	-	14.75
Actuarial gain / (loss)	-	(2.40)	-	1.82
Contributions	-	0.60	-	13.55
Benefits paid	-	(16.70)	-	(8.29)
<b>Plan assets at the end of the year, at fair value</b>	<b>-</b>	<b>191.06</b>	<b>-</b>	<b>191.38</b>
<b>c. Reconciliation of the present value of the defined benefit obligation and fair value of plan assets:</b>				
Obligations at the end of the year	85.23	198.47	73.48	180.75
Plan assets at the end of the year, at fair value	-	191.06	-	191.38
<b>Liability / (asset) recognised in balance sheet</b>	<b>85.23</b>	<b>7.41</b>	<b>73.48</b>	<b>(10.63)</b>
<b>d. Cost for the year:</b>				
Current service cost	5.80	9.24	6.22	9.78
Interest cost	6.45	16.72	5.40	14.67
Expected return on plan assets	-	(18.18)	-	(14.75)
Net actuarial (gain) / loss	7.97	12.56	(5.06)	(9.17)
<b>Net cost – included in note 21 of the statement of profit and loss</b>	<b>20.22</b>	<b>20.34</b>	<b>6.56</b>	<b>0.53</b>



## 31. Employee benefits (Contd.)

Particulars	(₹ in Crore)				
	As at 31 <sup>st</sup> March, 2015		As at 31 <sup>st</sup> March, 2014		
	Leave encashment	Gratuity	Leave encashment	Gratuity	
<b>e. Assumptions:</b>					
Discount rate	8.00%	8.00%	9.25%	9.25%	
Expected rate of return on plan assets (Yield on long term bonds of Central Government prevailing on 31 <sup>st</sup> March, 2015)	-	9.00%	-	9.50%	
Salary escalation rate	8.50%	8.50%	9.00%	9.00%	
<b>f. Experience adjustment</b>					
On plan liability (gain) / loss	7.48	1.00	3.53	7.37	
On plan asset (loss) / gain	-	(2.40)	-	1.82	
<b>g. Actual return on plan assets</b>	-	15.78	-	16.57	
<b>h. Expected Contribution for next year</b>	-	7.41	-	-	
<b>i. Note:</b>	The estimates of future salary increases considered in the actuarial valuation take account of inflation, promotion and other relevant factors, such as supply and demand in the employment market. Future separation and mortality rates are obtained from relevant data of Life Insurance Corporation of India.				
<b>j. Current year and past four years data for defined benefit obligation and fair value of plan</b>					
	2010-11	2011-12	2012-13	2013-14	2014-15
Present value of defined benefit obligations at the end of the year (independent actuary)	236.29	247.30	257.17	254.23	283.70
Fair value of plan assets at the end of the year	115.52	140.40	169.55	191.38	191.06
Net asset / (liability) at the end of year	(120.77)	(106.90)	(87.62)	(62.85)	(92.64)
<b>k. Investment details of plan assets:</b>	Contributions to fund the obligations under the gratuity plan are made to Life Insurance Corporation of India, who has invested the funds substantially as under:				
		Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014		
Government securities		46.60%	41.21%		
Debentures and bonds		34.61%	39.32%		
Equity shares		4.56%	4.67%		
Fixed deposits		14.22%	14.20%		
Others		0.01%	0.60%		
<b>Total</b>		<b>100.00%</b>	<b>100.00%</b>		

### 32. Statutory auditors remuneration

	(₹ in Crore)	
	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Audit fees	0.53	0.45
Tax audit fees	0.05	0.05
Other services – certificates etc.	0.34	0.25
Reimbursement of expenses	0.07	0.04
For service tax	0.12	0.10
	<u>1.11</u>	<u>0.89</u>

The remuneration disclosed above excludes fees of ₹ Nil (Previous year - ₹0.06 Crore) [exclusive of service tax of ₹ Nil (Previous year - ₹0.01 Crore)] for attest and other professional services rendered by firm of accountants in which some partners of the firm of statutory auditors are partners.

### 33. C.I.F. value of imports

	(₹ in Crore)	
	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Components, stores, fuel and spare parts	293.69	138.81
Capital goods	6.97	155.28

### 34. Expenditure in foreign currency

	(₹ in Crore)	
	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Subscription	0.03	0.04
Traveling	0.03	0.11
Professional and consultation fees	-	0.17
Others	18.94	19.19
	<u>19.00</u>	<u>19.51</u>

### 35. Earnings in foreign currency

	(₹ in Crore)	
	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Gross proceeds from Certified Emission Reduction (CERs)	1.76	-
Refund of premium	-	0.32
Other income	14.77	-
	<u>16.53</u>	<u>0.32</u>

### 36. Certified Emission Reduction (CERs)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
No. of CERs inventory	14,49,972	27,65,014
No. of CERs under certification	-	89,536
Depreciation and operating & maintenance costs @	-	-

@ Depreciation and other maintenance cost is not ascertainable.

Inventories of CERs are valued at cost or market price whichever is lower.

**37. Value of stores and spare parts consumed (including fuel)**

	Year ended 31 <sup>st</sup> March, 2015		Year ended 31 <sup>st</sup> March, 2014	
	₹ in Crore	%	₹ in Crore	%
Imported	527.86	19.67	492.62	20.49
Indigenous	2,155.14	80.33	1,911.60	79.51
	<u>2,683.00</u>	<u>100.00</u>	<u>2,404.22</u>	<u>100.00</u>

**38. Quantitative information**

	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Units supplied (million kWh)	14,012	13,246
Units procured (million kWh)	11,166	10,933

**39. Deferred tax**

	As at 31 <sup>st</sup> March, 2015		As at 31 <sup>st</sup> March, 2014	
	Asset	Liability	Asset	Liability
Depreciation		864.38		719.31
Leave encashment	25.91		19.97	
	<u>25.91</u>	<u>864.38</u>	<u>19.97</u>	<u>719.31</u>
Net deferred tax (asset) / liability		<u>838.47</u>		<u>699.34</u>

**40. Earnings per share**

	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Profit after tax (₹ in Crore)	742.06	94.84
No. of equity shares	47,24,48,308	47,24,48,308
Basic and diluted earnings per share (₹)	15.71	2.01

41. The Company's primary business segment is Generation and Distribution of Electricity. Based on the guiding principles given in Accounting Standard on "Segment Reporting" (AS-17), this activity falls within a single primary business segment and accordingly the disclosure requirements of AS-17 in this regard are not applicable.

#### 42. Amalgamation

The Board of Directors has approved on 12<sup>th</sup> May, 2014, the draft Composite Scheme of Amalgamation of Torrent Energy Limited (TEL) and Torrent Cables Limited (TCL) with Torrent Power Limited (TPL) and their respective shareholders and creditors (“the Scheme”) under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956. The Appointed Date of the scheme is 1<sup>st</sup> April, 2014.

TPL has already obtained necessary approval of the Scheme from National Stock Exchange of India Limited and BSE Limited vide their letters dated 26<sup>th</sup> & 27<sup>th</sup> August, 2014 respectively. Hon’ble Central Electricity Regulatory Commission (CERC) has also granted its approval to TEL under Section 17 (1) (b) of the Electricity Act, 2003 for its amalgamation with TPL subject to certain procedural conditions vide its order dated 7<sup>th</sup> January, 2015. TEL has also received the approval from Hon’ble Gujarat Electricity Regulatory Commission (GERC) under section 17 of Electricity Act, 2003 for amalgamation with TPL vide its order dated 1<sup>st</sup> April, 2015. Such approval is subject to the decision of Hon’ble High Court of Gujarat. As per the directions of the Hon’ble High Court of Gujarat, the meeting of the equity shareholders of TPL & TCL and unsecured creditors of TCL & TEL were held on 30<sup>th</sup> April, 2015. Further, court convened meeting of the secured creditors of TCL & TEL were held on 1<sup>st</sup> May, 2015. In accordance with SEBI circular CIR/CFD/DIL/5/2013 dated 4<sup>th</sup> February, 2013 and CIR/CFD/DIL/8/2013 dated 21<sup>st</sup> May, 2013, the public shareholders has approved the said amalgamation.

Pending other requisite approvals, including approval of High Court of Gujarat / National Company Law Tribunal as applicable, fulfilment of conditions precedent as mentioned in the Scheme and further actions, the effect of the Scheme has not been considered in the financial statements.

43. During the year, the Company has issued a sale order for the retired 100 MW Gas-based Combined Cycle Power Plant located at Vatva, Ahmedabad and consequently the difference of ₹22.99 Crore between net book value of fixed assets and the sale value of the same has been disclosed as an ‘Exceptional items’.

#### 44. Capitalization of exchange differences

The Ministry of Corporate Affairs (MCA) has issued the amendment dated 29<sup>th</sup> December, 2011, to AS-11 “The Effects of Changes in Foreign Exchange Rates”, to allow companies deferral / capitalization of exchange differences arising on long-term foreign currency monetary items.

In accordance with the amendment to AS 11, the company has capitalized exchange loss, arising on long-term foreign currency loan / capital liability, amounting to ₹5.54 Crore (Previous year ₹56.60 Crore) to the cost of capital work in progress / plant and equipments.

#### 45. Related party disclosures

	Associates / Joint Ventures		Enterprises controlled by the Company		Holding company / enterprises controlled by the holding company		Subsidiaries		Key management personnel		Enterprises controlled by key management personnel / relatives of key management personnel		Total	
	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended
	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14
<b>A) Nature of transactions</b>														
<b>Purchase of materials</b>	-	0.05	108.92	101.47	-	-	-	-	-	-	-	108.92	101.52	
AEC Cements & Constructions Ltd.	-	0.05	-	-	-	-	-	-	-	-	-	-	0.05	
Torrent Cables Ltd.	-	-	108.66	101.20	-	-	-	-	-	-	-	108.66	101.20	
Torrent Pharmaceuticals Ltd.	-	-	0.26	0.27	-	-	-	-	-	-	-	0.26	0.27	
<b>Purchase of power</b>	-	-	-	-	2.89	2.89	-	-	-	-	-	2.89	-	
Torrent Solargen Ltd.	-	-	-	-	2.89	2.89	-	-	-	-	-	2.89	-	
<b>Dividend Income</b>	-	-	-	-	4.66	13.32	-	-	-	-	-	4.66	13.32	
Torrent Power Grid Ltd.	-	-	-	-	4.66	13.32	-	-	-	-	-	4.66	13.32	
<b>Services provided</b>	-	-	0.17	-	-	-	-	-	-	-	-	0.17	-	
Torrent Pharmaceuticals Ltd.	-	-	0.17	-	-	-	-	-	-	-	-	0.17	-	
<b>Services received</b>	-	-	3.89	1.70	0.33	0.33	-	-	-	1.41	1.45	5.63	3.15	
Torrent Power Grid Ltd.	-	-	3.89	1.70	0.33	0.33	-	-	-	-	-	0.33	-	
Torrent Cables Ltd.	-	-	-	-	-	-	-	-	-	-	-	3.89	1.70	
Tsunami Tours & Travels Pvt. Ltd.	-	-	-	-	-	-	-	-	-	0.65	1.29	0.65	1.29	
Munjial Bhatt Architects	-	-	-	-	-	-	-	-	-	0.56	0.09	0.56	0.09	
Aman Mehta	-	-	-	-	-	-	-	-	-	0.03	-	0.03	-	
Varun Mehta	-	-	-	-	-	-	-	-	-	0.17	0.07	0.17	0.07	
<b>Shared expenditure</b>	0.01	-	-	0.07	4.02	2.09	-	-	-	-	-	4.03	2.16	
Torrent Energy Ltd.	-	-	-	-	3.54	1.96	-	-	-	-	-	3.54	1.96	
Torrent Pipavay Generation Ltd.	-	-	-	-	0.01	0.13	-	-	-	-	-	0.01	0.13	
Torrent Pharmaceuticals Ltd.	-	-	-	0.07	-	-	-	-	-	-	-	-	0.07	
Torrent Solargen Ltd.	-	-	-	-	0.47	-	-	-	-	-	-	0.47	-	
Tornascent Care Institute	0.01	-	-	-	-	-	-	-	-	-	-	0.01	-	
<b>Managerial remuneration<sup>a</sup></b>	-	-	-	-	3.75	7.86	-	-	3.75	7.86	-	3.75	7.86	
Sudhir Mehta (Executive Chairman)	-	-	-	-	0.01	0.01	-	-	0.01	0.01	-	0.01	0.01	
Markand Bhatt (Whole-time Director)	-	-	-	-	-	-	-	-	*	-	-	*	-	
Jinal Mehta (Whole-time Director)	-	-	-	-	3.74	-	-	-	3.74	-	-	3.74	-	
Murli Ranganathan (Whole-time Director) <sup>@</sup>	-	-	-	-	-	-	-	-	-	5.35	-	-	5.35	
T P Vijayasathya (Whole-time Director) <sup>#</sup>	-	-	-	-	-	-	-	-	-	2.50	-	-	2.50	
<b>Donation</b>	7.00	-	-	-	-	-	-	-	-	5.50	-	12.50	-	
U. N. Mehta Charitable Trust	-	-	-	-	-	-	-	-	-	1.25	-	1.25	-	
Shri Vадgam Mahal Kelavani Mandal	-	-	-	-	-	-	-	-	-	4.25	-	4.25	-	
Tornascent Care Institute	7.00	-	-	-	-	-	-	-	-	-	-	7.00	-	
<b>Contribution to funds (net)</b>	-	-	-	4.01	17.58	-	-	-	-	-	-	4.01	17.58	
TPL (Ahmedabad) Gratuity Trust	-	-	-	0.43	11.49	-	-	-	-	-	-	0.43	11.49	
TPL (Ahmedabad) Superannuation Fund	-	-	-	2.52	2.98	-	-	-	-	-	-	2.52	2.98	

#### 45. Related party disclosures (Contd.)

	Associates / Joint Ventures		Enterprises controlled by the Company		Holding company / enterprises controlled by the holding company		Subsidiaries		Key management personnel		Enterprises controlled by key management personnel / relatives of key management personnel		Total	
	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended
	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14
TPL (Surat) Gratuity Trust	-	-	0.02	1.85	-	-	-	-	-	-	-	-	0.02	1.85
TPL (Surat) Superannuation Fund	-	-	0.68	0.63	-	-	-	-	-	-	-	-	0.68	0.63
TPL (SUGEN) Gratuity Trust	-	-	0.04	0.23	-	-	-	-	-	-	-	-	0.04	0.23
TPL (SUGEN) Superannuation Fund	-	-	0.32	0.40	-	-	-	-	-	-	-	-	0.32	0.40
<b>Equity contribution</b>	<b>0.03</b>	-	-	-	-	-	<b>80.00</b>	<b>724.20</b>	-	-	-	-	<b>80.03</b>	<b>724.20</b>
Torrent Energy Ltd.	-	-	-	-	-	-	-	724.20	-	-	-	-	-	724.20
Torrent Solargen Ltd.	-	-	-	-	-	-	80.00	80.00	-	-	-	-	80.00	-
Tornascent Care Institute	0.03	-	-	-	-	-	-	-	-	-	-	-	0.03	-
<b>Purchase of shares</b>	-	-	-	-	<b>0.07</b>	-	-	-	-	-	-	-	<b>0.07</b>	-
Torrent Private Ltd.	-	-	-	-	0.07	-	-	-	-	-	-	-	0.07	-
<b>Advance received / recovered</b>	<b>0.40</b>	-	-	-	-	-	-	<b>3.23</b>	-	-	-	-	<b>0.40</b>	<b>3.23</b>
AEC Cements & Constructions Ltd.	0.40	-	-	-	-	-	-	-	-	-	-	-	0.40	-
Torrent Energy Ltd.	-	-	-	-	-	-	-	3.23	-	-	-	-	-	3.23
<b>Loan given</b>	-	-	-	-	-	-	<b>638.10</b>	<b>1.28</b>	-	-	-	-	<b>638.10</b>	<b>1.28</b>
Torrent Solargen Ltd.	-	-	-	-	-	-	274.29	274.29	-	-	-	-	274.29	-
Torrent Pipavav Generation Ltd.	-	-	-	-	-	-	1.48	1.28	-	-	-	-	1.48	1.28
Torrent Energy Ltd.	-	-	-	-	-	-	362.33	362.33	-	-	-	-	362.33	-
<b>Loan received back</b>	-	-	-	-	-	-	<b>98.37</b>	<b>5.68</b>	-	-	-	-	<b>98.37</b>	<b>5.68</b>
Torrent Solargen Ltd.	-	-	-	-	-	-	69.37	69.37	-	-	-	-	69.37	-
Torrent Energy Ltd.	-	-	-	-	-	-	29.00	5.68	-	-	-	-	29.00	5.68
<b>Deposit given for nomination of directors</b>	-	-	-	-	-	-	<b>0.13</b>	-	-	-	-	-	<b>0.13</b>	-
Torrent Power Grid Ltd.	-	-	-	-	-	-	0.06	-	-	-	-	-	0.06	-
Torrent Pipavav Generation Ltd.	-	-	-	-	-	-	0.02	0.02	-	-	-	-	0.02	-
Torrent Energy Ltd.	-	-	-	-	-	-	0.05	-	-	-	-	-	0.05	-
<b>Deposit received back on appointment of directors</b>	-	-	-	-	-	-	<b>0.10</b>	-	-	-	-	-	<b>0.10</b>	-
Torrent Power Grid Ltd.	-	-	-	-	-	-	0.04	-	-	-	-	-	0.04	-
Torrent Pipavav Generation Ltd.	-	-	-	-	-	-	0.01	0.01	-	-	-	-	0.01	-
Torrent Energy Ltd.	-	-	-	-	-	-	0.05	-	-	-	-	-	0.05	-
<b>Sale of fixed assets</b>	-	-	-	-	-	-	<b>0.04</b>	-	-	-	-	-	<b>0.04</b>	-
Torrent Energy Ltd.	-	-	-	-	-	-	0.04	-	-	-	-	-	0.04	-

(₹ in Crore)

#### 45. Related party disclosures (Contd.)

	Associates / Joint Ventures		Enterprises controlled by the Company		Holding company / enterprises controlled by the holding company		Subsidiaries		Key management personnel		Enterprises controlled by key management personnel / relatives of key management personnel		Total	
	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended
	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14
<b>B) Balance at the end of the year</b>														
<b>Current liability</b>	-	<b>0.40</b>	*	*	<b>15.37</b>	<b>20.63</b>	<b>2.94</b>	-	-	-	-	-	<b>18.31</b>	<b>21.03</b>
AEC Cements & Constructions Ltd.	-	0.40	-	-	-	-	-	-	-	-	-	-	-	0.40
Torrent Cables Ltd.	-	-	-	-	15.34	20.63	-	-	-	-	-	-	15.34	20.63
Torrent Pharmaceuticals Ltd	-	-	-	-	0.03	*	-	-	-	-	-	-	0.03	*
Torrent Power Grid Ltd.	-	-	-	-	-	-	0.29	-	-	-	-	-	0.29	-
Torrent Solargen Ltd.	-	-	-	-	-	-	2.65	-	-	-	-	-	2.65	-
TPL (SUGEN) Superannuation Fund	-	-	*	*	-	-	-	-	-	-	-	-	*	*
<b>Investment in equities</b>	<b>0.66</b>	<b>0.63</b>	-	-	-	-	<b>2,182.37</b>	<b>2,102.32</b>	-	-	-	-	<b>2,183.03</b>	<b>2,102.95</b>
Torrent Power Grid Ltd	-	-	-	-	-	-	66.60	66.60	-	-	-	-	66.60	66.60
Torrent Pipavav Generation Ltd.	-	-	-	-	-	-	4750	4750	-	-	-	-	4750	4750
Torrent Energy Ltd.	-	-	-	-	-	-	1,988.22	1,988.22	-	-	-	-	1,988.22	1,988.22
Torrent Solargen Ltd.	-	-	-	-	-	-	80.05	-	-	-	-	-	80.05	-
AEC Cements & Constructions Ltd.	0.61	0.61	-	-	-	-	-	-	-	-	-	-	0.61	0.61
Tidong Hydro Power Ltd.	0.02	0.02	-	-	-	-	-	-	-	-	-	-	0.02	0.02
Tomascent Care Institute	0.03	-	-	-	-	-	-	-	-	-	-	-	0.03	-
<b>Loans and advances</b>	<b>2.70</b>	<b>3.10</b>	-	-	-	-	<b>608.86</b>	<b>66.20</b>	-	-	-	-	<b>611.56</b>	<b>69.30</b>
Torrent Pipavav Generation Ltd.	-	-	-	-	-	-	51.46	49.98	-	-	-	-	51.46	49.98
Torrent Energy Ltd.	-	-	-	-	-	-	352.48	16.22	-	-	-	-	352.48	16.22
Torrent Solargen Ltd.	-	-	-	-	-	-	204.92	-	-	-	-	-	204.92	-
AEC Cements & Constructions Ltd.	2.70	3.10	-	-	-	-	-	-	-	-	-	-	2.70	3.10
<b>Deposit given for nomination of directors</b>	-	-	-	-	-	-	<b>0.03</b>	-	-	-	-	-	<b>0.03</b>	-
Torrent Power Grid Ltd	-	-	-	-	-	-	0.02	-	-	-	-	-	0.02	-
Torrent Pipavav Generation Ltd.	-	-	-	-	-	-	0.01	-	-	-	-	-	0.01	-

^ amount excluding insurance premium for group personal accident and group medical claim.

@ resigned from the Board of Directors effective from 31<sup>st</sup> March, 2014.

# resigned from the Board of Directors effective from 25<sup>th</sup> January, 2014.

#### 45. Related party disclosures (Contd.)

##### Names of related parties and description of relationship:

1.	Associates / Joint Ventures	AEC Cements & Constructions Limited (Associate), Tidong Hydro Power Limited (Associate), Tornascent Care Institute (Joint Venture)
2.	Subsidiaries	Torrent Power Grid Limited, Torrent Pipavav Generation Limited, Torrent Energy Limited, Torrent Solargen Limited (Formerly known as Torrent Power Bhiwandi Limited)
3.	Enterprises controlled by the Company	TPL (Ahmedabad) Gratuity Trust, TPL (Ahmedabad) Superannuation Fund, TPL (Surat) Gratuity Trust, TPL (Surat) Superannuation Fund, TPL (SUGEN) Gratuity Trust, TPL (SUGEN) Superannuation Fund
4.	Holding company / enterprises controlled by the holding company	Torrent Private Limited (Holding Company), Torrent Pharmaceuticals Limited, Torrent Cables Limited, Gujarat Lease Financing Limited, Torrent Power Services Private Limited, Heumann Pharma GmbH & Co. Generica KG, Torrent Do Brasil Ltda., Zao Torrent Pharma, Torrent Pharma GmbH., Torrent Pharma Inc., Torrent Pharma Philippines Inc., Torrent Australasia Pty Ltd., Laboratorios Torrent, S.A. De C.V., Torrent Pharma Canada Inc., Torrent Pharma (Thailand) Co. Ltd., Norispharm GmbH, Heunet Pharma GmbH., Torrent Pharma (UK) Ltd., Torrent Pharma S.R.L., Laboratories Torrent (Malaysia) Sdn.Bhd., Torrent Financiers, Torrent Pharmaceuticals (Sikkim), Torrent Fincorp Private Limited, Torrent Pharma France S.A.S., Aptil Pharma Limited
5.	Key management personnel	Sudhir Mehta Executive Chairman Samir Mehta Executive Vice Chairman Markand Bhatt Whole-time Director Jinal Mehta Whole-time Director
6.	Relatives of key management personnel	Anita Mehta, Wife Shardaben Mehta, Mother Samir Mehta, Brother Meena Modi, Sister Nayna Shah, Sister Jinal Mehta, Son Varun Mehta, Son Sapna Mehta, Wife Shardaben Mehta, Mother Sudhir Mehta, Brother Meena Modi, Sister Nayna Shah, Sister Aman Mehta, Son Shaan Mehta, Son Nandini Bhatt, Wife Arvindbhai Bhatt, Brother Anjuben Trivedi, Sister Vasudhaben Pandya, Sister Munjai Bhatt, Son Gunjan Bhatt, Son Nirja Mehta, Wife Sudhir Mehta, Father Anita Mehta, Mother Varun Mehta, Brother Saira Mehta, Daughter Rishaan Mehta, Son
7.	Enterprises controlled by key management personnel / relatives of key management personnel	U. N. Mehta Charitable Trust, Shardaben Mehta Charitable Trust, Dushyant Shah Charitable Trust, D N Modi Charitable Trust, Tsunami Tours & Travels Private Limited, Torrel Cosmetics Private Limited, Zeal Pharmachem India Private Limited, Diamond Infrastructure Private Limited, U.N.Mehta Institute of Cardiology & Research Centre, Munjai Bhatt Architects, Shri Vадgam Mahal Kelavani Mandal, Memadpur Kelavani Mandal



**46. Donations include political contributions as under**

	(₹ in Crore)	
	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Bhartiya Janata Party	3.00	4.00
Indian National Congress	1.00	1.00
Nationalist Congress Party	1.00	-

- 47.** Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof : ₹16.30 Crore.
- 48.** Details of loans given, investments made and guarantee given covered u/s 186 (4) of the Companies Act, 2013 are given under the respective heads.
- 49.** Previous year's figures have been restated / recast, wherever necessary, to conform to this year's classification. Figures are rounded off to nearest lakh. Figures below ₹50,000 are denoted by '\*\*'.

**Signature to Note 1 to 49**

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Sudhir Mehta**  
Executive Chairman  
DIN: 00061871

**Hemendra L. Shah**  
Partner

**T P Vijayasarathy**  
Executive Director - Corporate Affairs & CFO

Ahmedabad, 12<sup>th</sup> May, 2015Ahmedabad, 12<sup>th</sup> May, 2015



# **Consolidated Financial Statements 2014-15**



# INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF  
TORRENT POWER LIMITED

## Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **TORRENT POWER LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

## Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

## Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by 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, as at 31<sup>st</sup> March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary companies we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, 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 financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) 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 financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 27 to the consolidated financial statements;
    - (ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm Registration No. 117365W)

**Hemendra L. Shah**  
Partner  
(Membership No. 33590)

Ahmedabad  
12<sup>th</sup> May, 2015

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In respect of four subsidiary companies which have been audited by us, in our opinion, and according to the information and explanations given to us, reporting under the Order is applicable in respect of these entities.

1. In respect of the fixed assets of the Holding Company and subsidiary companies:
  - (a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management of the respective entities in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us and the other auditors, no material discrepancies were noticed on such verification. As regards underground distribution systems, we have been informed that the same are not physically verifiable.
2. In respect of the inventories of the Holding Company and subsidiary companies:
  - (a) As explained to us, the inventories were physically verified during the year by the Management of the respective entities at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management of the respective entities were reasonable and adequate in relation to the size of the respective entities and the nature of their business.
  - (c) In our opinion and according to the information and explanations given to us, the respective entities have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.
3. The Holding Company and subsidiary companies have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 by the respective entities.
4. In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system in the Holding Company and subsidiary companies commensurate with the size of the respective entities and the nature of their business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, no major weakness in such internal control system has been observed.
5. According to the information and explanations given to us, the Holding Company and subsidiary companies have not accepted any deposit during the year from public within the meaning of provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
6. According to the information and explanations given to us, in our opinion, the Holding Company and subsidiary companies have, *prima facie*, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under subsection (1) of Section 148 of the Companies Act, 2013. We have, however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. According to the information and explanations given to us, in respect of statutory dues of the Holding Company and subsidiary companies:
  - (a) The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to the respective entities with the appropriate authorities.

- (b) There were no undisputed amounts payable by the respective entities in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Value Added Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on March 31, 2015 on account of disputes by the aforesaid entities are given below:

Name of Statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount (₹ in Crore)
Customs Act, 1962	Custom Duty on Higher Assessment Value	Supreme Court of India, New Delhi	2005-06	0.28
	Differential Custom duty on Imported coal	CESTAT	2012-13	18.50
Kerala General Sales Tax Act, 1963	Sales Tax on Works Contracts	Sales Tax Appellate Tribunal, Calicut	2001-02	0.20
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax on Works Contracts	Andhra Pradesh High Court, Hyderabad	1993-94 & 1994-95	0.20
Tamil Nadu General Sales Tax Act, 1959	Sales Tax on Works Contracts	Asst. Commissioner of Commercial Tax, Tuticorin	1989-90 & 1990-91	0.47
Central Excise Act, 1944	Excise duty	CESTAT	1989-90	0.17
Gujarat Value Added Tax Act, 2004	Value Added Tax on Fly Ash	Joint Commissioner of Commercial Tax, Ahmedabad*	2009-10 & 2010-11	2.15
Income Tax Act, 1961	Demand of Tax	Income Tax Appellate Tribunal	A.Y. 2005-06	9.91
		CIT Appeals	A.Y. 2010-11, A.Y. 2011-12 & A.Y. 2012-13	8.88
		CIT Appeals	A.Y. 2012-13	0.08
		CIT Appeals	A.Y. 2011-12	0.10
		CIT Appeals	A.Y. 2010-11	0.10

\* Appeal to be filed

- (d) There are no amounts that are due to be transferred by the aforesaid entities to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
8. The Group does not have consolidated accumulated losses at the end of the financial year and the Group have not incurred cash losses on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.
9. In our opinion and according to the information and explanations given to us, the Holding Company and subsidiary companies have not defaulted in the repayment of dues to financial institutions, banks and debenture holders.



10. According to the information and explanations given to us, the Holding Company and subsidiary companies have not given guarantees for loans taken by others from banks and financial institutions.
11. In our opinion and the opinion of the other auditors and according to the information and explanations given to us, the term loans have been applied by the Holding Company and subsidiary companies during the year for the purposes for which they were obtained, other than temporary deployment pending application.
12. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Holding Company and its subsidiary companies and no material fraud on the Holding Company and its subsidiary companies has been noticed or reported during the year except in case of theft of electricity reported by the vigilance department of the holding company and its subsidiary company, the amount for which is not ascertainable.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm Registration No. 117365W)

**Hemendra L. Shah**  
Partner  
(Membership No. 33590)

Ahmedabad  
12<sup>th</sup> May, 2015

# CONSOLIDATED BALANCE SHEET

AS AT 31<sup>ST</sup> MARCH, 2015

(₹ in Crore)

	Note	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	2	472.45	472.45
Reserves and surplus	3	6,083.21	5,732.86
		6,555.66	6,205.31
<b>Minority interest</b>		30.83	29.60
<b>Non-current liabilities</b>			
Long-term borrowings	4	8,255.89	8,744.59
Deferred tax liabilities (net)	34	857.58	712.68
Other long-term liabilities	5	1,085.88	1,085.41
Long-term provisions	6	72.60	66.07
		10,271.95	10,608.75
<b>Current liabilities</b>			
Short-term borrowings	7	109.57	-
Trade payables	8	633.88	635.42
Other current liabilities	9	1,802.21	1,602.06
Short-term provisions	6	228.39	44.40
		2,774.05	2,281.88
		19,632.49	19,125.54
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	10	15,070.22	10,159.98
Intangible assets		8.02	14.69
Capital work-in-progress		233.03	4,549.61
		15,311.27	14,724.28
Goodwill on consolidation	28	10.00	10.00
Non-current investments	11	3.67	2.34
Long-term loans and advances	12	159.24	281.64
Other non-current assets	13	1.90	1.02
		15,486.08	15,019.28
<b>Current assets</b>			
Current investments	14	602.90	863.54
Inventories	15	259.71	290.18
Trade receivables	16	892.38	803.57
Cash and bank balances	17	1,770.28	1,558.23
Short-term loans and advances	12	181.86	140.11
Other current assets	18	439.28	450.63
		4,146.41	4,106.26
		19,632.49	19,125.54

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Sudhir Mehta**  
Executive Chairman  
DIN: 00061871

**Hemendra L. Shah**  
Partner

**T P Vijayasathy**  
Executive Director - Corporate Affairs & CFO

Ahmedabad, 12<sup>th</sup> May, 2015

Ahmedabad, 12<sup>th</sup> May, 2015

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

(₹ in Crore)

	Note	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
<b>Income</b>			
Revenue from operations	19	10,422.51	8,681.12
Other income	20	339.76	250.58
<b>Total revenue</b>		<b>10,762.27</b>	<b>8,931.70</b>
<b>Expenses</b>			
Electrical energy purchased		4,704.03	4,217.76
Employee benefits expense	21	348.38	271.47
Operation and other expenses	22	3,263.72	2,908.62
Finance costs	23	962.29	704.62
Depreciation and amortization expense	24	757.41	584.56
Transfer from service line contribution, APDRP grant and others		(36.91)	(30.19)
Depreciation and amortization expense (net)		720.50	554.37
<b>Total expenses</b>		<b>9,998.92</b>	<b>8,656.84</b>
<b>Profit before exceptional items and tax</b>		<b>763.35</b>	<b>274.86</b>
Exceptional items	38	22.99	-
<b>Profit before tax</b>		<b>740.36</b>	<b>274.86</b>
<b>Tax expenses</b>			
Current tax		232.85	40.21
Deferred tax		144.89	133.36
Short / (excess) provision of current tax for earlier years		(0.05)	(6.61)
		377.69	166.96
<b>Profit after tax</b>		<b>362.67</b>	<b>107.90</b>
Minority interest		2.98	2.64
<b>Profit after tax and minority interest</b>		<b>359.69</b>	<b>105.26</b>
Basic and diluted earnings per share of face value of ₹10 each (in ₹)	35	7.61	2.23
<b>See accompanying notes forming part of the consolidated financial statements</b>			

In terms of our report attached

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Hemendra L. Shah**  
Partner

Ahmedabad, 12<sup>th</sup> May, 2015

For and on behalf of the Board of Directors

**Sudhir Mehta**  
Executive Chairman  
DIN: 00061871

**T P Vijayasarathy**  
Executive Director - Corporate Affairs & CFO

Ahmedabad, 12<sup>th</sup> May, 2015

Consolidated Financial Statements

# CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

(₹ in Crore)

	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
<b>Cash flow from operating activities</b>		
Net profit before tax	740.36	274.86
<b>Adjustments for:</b>		
Depreciation and amortization	720.50	554.37
Amount utilised from reserves	-	(73.25)
Provision of earlier years written back	(237.54)	(20.47)
Provisions for doubtful debts no longer required	(16.93)	-
Provisions for doubtful advances no longer required	(0.40)	-
Loss on sale / discarding of fixed assets	22.81	17.53
Profit on sale of fixed assets	(1.93)	(1.07)
Exceptional items	22.99	-
Provision for doubtful debts and advances	0.28	17.99
Finance costs	962.29	704.62
Interest income	(165.76)	(134.47)
Net unrealised gain on foreign currency transactions	(51.43)	-
<b>Operating profit before working capital changes</b>	<b>1,995.24</b>	<b>1,340.11</b>
<b>Movement in working capital:</b>		
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(1.54)	46.41
Long-term provisions	6.53	(0.90)
Short-term provisions	13.77	(13.23)
Other current liabilities	181.56	(17.68)
Other long-term liabilities	209.85	346.86
Adjustments for decrease / (increase) in operating assets:		
Trade receivables	(72.14)	(63.20)
Inventories	30.47	(45.60)
Long-term loans and advances	0.32	7.17
Short-term loans and advances	(41.38)	0.34
Other current assets	29.72	(219.49)
<b>Cash generated from operations</b>	<b>2,352.40</b>	<b>1,380.79</b>
Taxes paid	(119.68)	(25.33)
<b>Net cash flow from operating activities</b>	<b>2,232.72</b>	<b>1,355.46</b>
<b>Cash flow from investing activities</b>		
Purchase of fixed assets including capital work-in-progress	(1,379.60)	(1,197.26)
Long-term loans and advances for capital assets	122.08	203.57
Sale of fixed assets	17.02	4.34
Purchase of non-current investments	(1.30)	(1.33)
Investment in joint ventures	(0.03)	-
Sale of current investments	-	1.65
Investments in bank deposits (having maturity more than three months)	(0.88)	(35.67)
Redemption in bank deposits (having maturity more than three months)	108.13	5.51
Interest received	166.90	134.08
Bank balances / deposits not considered as cash and cash equivalents	(171.44)	(0.19)
<b>Net cash used in investing activities</b>	<b>(1,139.12)</b>	<b>(885.30)</b>

## CONSOLIDATED CASH FLOW STATEMENT (contd)

(₹ in Crore)

	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
<b>Cash flow from financing activities</b>		
Proceeds from long-term borrowings	538.22	3,649.18
Proceeds from short-term borrowings	109.57	-
Repayment of long-term borrowings	(762.92)	(2,103.03)
Repayment of short-term borrowings	-	(161.76)
Repayment of APDRP loan	(3.82)	(3.82)
Service line contribution	114.86	129.51
Dividend paid	(25.25)	(99.00)
Corporate dividend tax paid	(6.80)	(17.59)
Finance costs paid	(1,169.36)	(956.05)
<b>Net cash generated from / (used) in financing activities</b>	<b>(1,205.50)</b>	<b>437.44</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(111.90)</b>	<b>907.60</b>
<b>Cash and cash equivalents as at beginning of the year</b>	<b>1,679.00</b>	<b>771.40</b>
<b>Cash and cash equivalents as at end of the year</b>	<b>1,567.10</b>	<b>1,679.00</b>
<b>See accompanying notes forming part of the consolidated financial statements</b>		
<b>Notes:</b>		
1. Cash and cash equivalents as at end of the year:		
Cash on hand	1.25	1.74
Cheques, drafts on hand	3.26	3.48
With banks		
In current accounts	119.66	120.96
In deposit accounts	840.03	689.28
Cash and cash equivalents (note 17)	964.20	815.46
Current investments (investments in mutual funds) (note 14)	602.90	863.54
	<u>1,567.10</u>	<u>1,679.00</u>
2. The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Accounting Standard - 3 "Cash Flow Statement".		
3. Proceeds from and Repayment of long-term borrowings includes conversion of buyers' credit into term loan of ₹ Nil (Previous year - ₹1,365.80 Crore).		
4. "Proceeds from long-term borrowings" and "Purchase of fixed assets including capital work-in-progress" is excluding unrealised foreign exchange loss of ₹10.18 Crore (Previous year - ₹32.81 Crore).		

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Sudhir Mehta**  
Executive Chairman  
DIN: 00061871

**Hemendra L. Shah**  
Partner

**T P Vijayasarathy**  
Executive Director - Corporate Affairs & CFO

Ahmedabad, 12<sup>th</sup> May, 2015

Ahmedabad, 12<sup>th</sup> May, 2015

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

## NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Basis of preparation of consolidated financial statements:

The consolidated financial statements have been prepared by consolidating financial statements of the subsidiary Torrent Power Grid Limited, Torrent Pipavav Generation Limited, Torrent Solargen Limited and Torrent Energy Limited with Torrent Power Limited, in accordance with generally accepted accounting principles and in consonance with Accounting Standard 21 (Consolidated Financial Statements) and Accounting Standard 23 (Accounting for investments in Associates in the Consolidated Financial Statements). The consolidated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”) / Companies Act, 1956 (“the 1956 Act”), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

### 1.2 Principles of consolidation:

The consolidated financial statements comprise the financial statements of Torrent Power Limited and its subsidiaries.

The consolidated financial statements have been combined on a line-by-line basis by adding the book values of items like assets, liabilities, income and expenses after eliminating intra-group balances / transactions.

These consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The consolidated financial statements are presented, in the same format as that adopted by holding company for its separate financial statements.

The difference between the cost to the Company of its investments in subsidiaries and its proportionate share in the equity of the subsidiaries is recognised in the consolidated financial statements as Goodwill or Capital reserve, as the case may be.

Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in equity, subsequent to the date of investment.

### 1.3 Use of estimates:

The preparation of consolidated financial statements requires certain estimates and assumptions. These estimates and assumptions affect the reported amount of assets and liabilities on the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known / materialized.

### 1.4 Capital receipts:

- (i) Grant received under the Accelerated Power Development and Reforms Programme (APDRP) of the Ministry of Power, Government of India, is treated as capital receipt and accounted as capital reserve.
- (ii) Service line contributions received from consumers are treated as capital receipt and accounted as capital reserve.
- (iii) Contribution received from Gujarat Mineral Development Corporation Limited towards construction of overhead lines is treated as capital receipt and accounted as capital reserve.

## 1.5 Fixed assets:

### Tangible fixed assets:-

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. Cost includes purchase price, taxes and duties, labour cost and other direct costs incurred up to the date the asset is ready for its intended use. Allocation of indirect expenses to capital account is done on the basis of technical evaluation by the Management.

### Intangible assets :-

Certain computer software costs are capitalized and recognised as intangible assets based on materiality, accounting prudence and significant benefits expected to flow therefrom for a period longer than one year.

## 1.6 Impairment of fixed assets:

Fixed 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 recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use.

## 1.7 Borrowing costs:

Borrowing costs comprising interest, finance charges etc. to the extent related / attributed to the qualifying assets, 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. Other borrowing costs are charged to the statement of profit and loss in the period of their accrual.

## 1.8 Depreciation and amortization:

- (i) 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.
- (ii) Depreciation for the year has been shown after reducing the proportion of the amount of depreciation provided on assets created against the service line contribution, APDRP grant received and others.
- (iii) In respect of fixed assets pertaining to AMGEN, Ahmedabad Distribution and Surat Distribution, depreciation is provided on straight line method at the rates as per CERC Regulations as applicable in the year of addition.
- (iv) In respect of assets pertaining to Agra and Bhiwandi Distribution Circles, depreciation is provided on straight line method at the rates mentioned below, as provided in the Distribution Franchise Agreement which are higher than the effective rates prescribed under Schedule II to the Companies Act, 2013:

Transformers, Switchgears & Equipments	7.84%
Meters	12.77%
Distribution Systems - Overhead	7.84%
- Underground	5.27%
Others	7.84%
Vehicles	33.40%
Electrical fittings, Apparatus, Furniture & Fixtures, Communication equipments and Office equipments	12.77%

- (v) In respect of assets pertaining to SUGEN, UNOSUGEN, Torrent Energy Limited, Torrent Power Grid Limited and Torrent Pipavav Generation Limited, depreciation is provided on straight line method considering the rates and the methodology provided in CERC (Terms and Conditions of Tariff) Regulations, 2014.

- (vi) In respect of assets pertaining to Solar Park (Charanka), depreciation is provided on straight line method at the rates and as per the methodology mentioned in GERC Order issued on 'Determination of tariff for Procurement by the Distribution Licensees and others from Solar Energy Projects'
- (vii) In respect of assets pertaining to Windmill (Jamnagar), depreciation is provided on straight line method at the rates mentioned in CERC Order issued on 'Determination of the tariff for Procurement of Power by Distribution Licensees from Wind Energy Generators and other commercial issues'.
- (vii) Leasehold land is amortized over the lease period.
- (viii) Computer software costs are amortized over its useful life which is estimated at 3 years.

### **1.9 Investments:**

Investments are classified into current and long term investments. Current investments are stated at the lower of cost and fair value. Long term investments are stated at cost less provision for diminution other than temporary, if any, in the value of such investments.

### **1.10 Cash and cash equivalents:**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### **1.11 Inventories:**

Inventories of stores, spare parts, coal, fuel and loose tools are valued at weighted average cost and net realizable value whichever is lower. Cost of inventories includes cost of purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

### **1.12 Revenue recognition:**

- (i) Revenue (income) is recognised when no significant uncertainty as to the measurability or collectability exists. Revenue recognised in excess of billing has been reflected under "Other Current Assets" as unbilled revenue. Further, in view of the uncertainties involved in the recoverability, the Company accounts for the quarterly fuel and power purchase price adjustment claims as and when allowed by the regulatory authorities and truing-up adjustment claims as and when realized.
- (ii) Gross proceeds from CERs is recognised when all the significant risks and rewards of ownership of CERs have been passed to the buyer, usually on delivery of the CERs.
- (iii) Dividend is accounted when the right to receive payment is established.
- (iv) Interest on overdue receivables of energy bills, insurance, coal and other claims, casual income etc. are accounted on grounds of prudence, as and when recovered.

### **1.13 Transactions in foreign currency:**

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- (ii) Monetary items denominated in foreign currencies at the period end are restated at period end rates.
- (iii) Non-monetary foreign currency items are carried at cost.



- (iv) 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 recognised as income or expense in the financial year in which they arise except for such adjustment of exchange difference arising on long term foreign currency monetary items in so far they related to the acquisition of a depreciable capital assets which are adjusted to the cost of the assets and depreciated over the remaining useful life of such assets.
- (v) Forward exchange contracts are not intended for trading purposes. In case of forward exchange contracts, difference between the forward rate and the exchange rate on the date of transaction is recognised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

#### 1.14 Retirement and other employee benefits:

Retirement benefits in the form of provident fund, family pension fund and superannuation schemes, which are defined contribution schemes, are charged to the statement of profit and loss of the period in which the contributions to the respective funds accrue.

The Company has created employees group gratuity fund which has taken a group gratuity insurance policy from Life Insurance Corporation of India (LIC). Premium on the above policy as intimated by LIC is charged to the statement of profit and loss. The adequacy of balances available is compared with actuarial valuation obtained at the period-end and shortfall, if any, is provided for in the statement of profit and loss.

Provision for leave encashment is determined and accrued on the basis of actuarial valuation.

Actuarial gains and losses are immediately recognised in the statement of profit and loss and are not deferred.

#### 1.15 Taxation:

Provision for current tax is made on the basis of estimated taxable income for the current accounting period and in accordance with the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between accounting and taxable profit for the period is accounted for using the tax rates and laws that have been enacted or substantively enacted as at the balance sheet date. Deferred tax asset, on account of unabsorbed depreciation and carry forward losses are recognised only if there is virtual certainty supported by convincing evidences that there will be sufficient future taxable income available to realize the assets and on account of other asset is recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such assets can be realized.

#### 1.16 Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

### **1.17 Provisions, contingent liabilities and contingent assets:**

A provision is recognised 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. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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 are neither recognised nor disclosed in the consolidated financial statements.

### **1.18 Leases :**

- (i) Operating: Lease of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognised as expense in the statement of profit and loss, on a straight-line or other systematic basis over the lease term.
- (ii) Finance: Leased assets acquired on which significant risks and rewards of ownership are effectively transferred to the Company are capitalized at lower of fair value and the present value of minimum lease payments. Such assets are depreciated / amortized over the period of lease or estimated life of such assets, whichever is less.

## NOTE - 2 : SHARE CAPITAL

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014		
<b>Authorised</b>				
2,00,00,00,000 Equity shares of ₹10 each	2,000.00	2,000.00		
	<u>2,000.00</u>	<u>2,000.00</u>		
<b>Issued, subscribed and paid up</b>				
47,24,48,308 Equity shares of ₹10 each	472.45	472.45		
	<u>472.45</u>	<u>472.45</u>		
1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year :				
	No. of shares As at 31 <sup>st</sup> March, 2015	No. of shares As at 31 <sup>st</sup> March, 2014		
At the beginning of the year	47,24,48,308	47,24,48,308		
Issued during the year	-	-		
Outstanding at the end of the year	<u>47,24,48,308</u>	<u>47,24,48,308</u>		
2 25,24,38,986 equity shares (25,24,38,986 equity shares as at 31 <sup>st</sup> March, 2014) of ₹10 each fully paid up are held by holding 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 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.				
Dividend amount per share recognised as distributions to equity shareholders is ₹1.50 per equity share during the year ended 31 <sup>st</sup> March, 2015 (Previous year : ₹0.50 per equity share).				
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 :				
	As at 31 <sup>st</sup> March, 2015		As at 31 <sup>st</sup> March, 2014	
Name of the Shareholder	No. of shares	% holding	No. of shares	% holding
Torrent Private Limited	25,24,38,986	53.43%	25,24,38,986	53.43%
Gujarat State Investment Limited	4,68,71,621	9.92%	4,68,71,621	9.92%
Life Insurance Corporation of India	3,80,29,637	8.05%	4,33,38,349	9.17%

**NOTE - 3 : RESERVES AND SURPLUS**

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Capital reserves</b>		
Service line contributions		
As per last balance sheet	573.40	471.28
Add: Received during the year	114.86	129.51
	688.26	600.79
Less: Transfer to statement of profit and loss	34.05	27.39
	654.21	573.40
Less: Share of minority	1.52	1.63
	652.69	571.77
Grant in Aid under Accelerated Power Development and Reform Programme (APDRP)		
As per last balance sheet	37.86	40.57
Less: Transfer to statement of profit and loss	2.71	2.71
	35.15	37.86
<b>Debenture redemption reserve</b>		
As per last balance sheet	47.62	23.81
Add: Transfer from statement of profit and loss	23.81	23.81
	71.43	47.62
<b>Statutory reserves</b>		
Contingency reserve		
As per last balance sheet	1.58	61.66
Add: Transfer from statement of profit and loss	1.62	1.62
	3.20	63.28
Less: Loss on sale of investment	-	0.04
Less: Utilisation during the year	-	61.66
Less: Excess of earlier year transferred to appropriation account	0.29	-
	2.91	1.58
Tariff and dividend control reserve		
As per last balance sheet	-	11.59
Less: Utilisation during the year	-	11.59
	-	-
Special reserve		
As per last balance sheet	78.07	78.07
<b>Other reserves</b>		
General reserve		
As per last balance sheet	3,479.80	3,479.80
Add: Transfer from statement of profit and loss	-	-
	3,479.80	3,479.80
Surplus in the statement of profit and loss		
As per last balance sheet	1,516.16	1,465.50
Add: Profit after tax and minority interest for the year	359.69	105.26
Add: Transfer from contingency reserve pertaining to previous years	0.29	-
	1,876.14	1,570.76
Less: Appropriations		
Transfer to contingency reserve	1.62	1.62
Transfer to general reserve	-	-
Transfer to debenture redemption reserve	23.81	23.81
Corporate dividend tax on interim dividend	1.26	1.53
Proposed dividend	70.87	23.62
Corporate dividend tax on proposed dividend	15.42	4.02
Total appropriations	112.98	54.60
Net surplus in the statement of profit and loss	1,763.16	1,516.16
	6,083.21	5,732.86

## NOTE - 4 : LONG-TERM BORROWINGS

(₹ in Crore)

	Non-current		Current maturities	
	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Secured loans</b>				
Non convertible debentures				
10.35% Series 1	550.00	550.00	-	-
10.10% Series 2A, 2B & 2C	300.00	300.00	-	-
	<u>850.00</u>	<u>850.00</u>	<u>-</u>	<u>-</u>
Term loans				
From banks	5,247.76	5,588.33	715.88	526.76
From financial institutions	2,122.21	2,266.52	269.51	188.27
	<u>7,369.97</u>	<u>7,854.85</u>	<u>985.39</u>	<u>715.03</u>
	<u>8,219.97</u>	<u>8,704.85</u>	<u>985.39</u>	<u>715.03</u>
<b>Unsecured loans</b>				
Term loans				
From Government of India under Accelerated Power Development and Reform Programme (APDRP)	35.92	39.74	3.82	3.82
	<u>35.92</u>	<u>39.74</u>	<u>3.82</u>	<u>3.82</u>
	<u>8,255.89</u>	<u>8,744.59</u>	<u>989.21</u>	<u>718.85</u>
Amount disclosed under the head "Other current liabilities" (note 9)	-	-	(989.21)	(718.85)
	<u>8,255.89</u>	<u>8,744.59</u>	<u>-</u>	<u>-</u>

Of the above:

1. Amount of term loans of ₹4,739.60 Crore (31<sup>st</sup> March, 2014 - ₹5,255.40 Crore) from financial institutions and banks and non convertible debenture of ₹850.00 Crore (31<sup>st</sup> March, 2014 - ₹850.00 Crore) are secured / to be secured by way of first pari passu charge by way of mortgage and hypothecation over the entire fixed assets, both present and future, of the Company and second pari passu charge by way of hypothecation over entire current assets, both present and future of the Company.
2. Amount of term loans of ₹3,473.02 Crore (31<sup>st</sup> March, 2014 - ₹3,151.38 Crore) from financial institutions and banks are secured by first ranking charge by way of mortgage over entire freehold / leasehold immovable and movable properties, current assets including project bank accounts and charge overall project contracts, insurance policies, rights, permits, approvals, letter of credit and guarantee in respect of Generation and Distribution project of subsidiary company, Torrent Energy Limited, in Dahej SEZ.
3. Amount of term loan of ₹142.74 Crore (31<sup>st</sup> March, 2014 - ₹163.10 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.

**NOTE - 5 : OTHER LONG-TERM LIABILITIES**

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Trade payables	380.58	460.10
<b>Others</b>		
Security deposits from consumers	704.54	624.15
Payables on purchase of fixed assets	0.14	0.41
Sundry payables	0.62	0.75
	<u>1,085.88</u>	<u>1,085.41</u>

**NOTE - 6 : PROVISIONS**

(₹ in Crore)

	Long-term		Short-term	
	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Provision for employee benefits</b> (note 32)				
Provision for gratuity	0.39	-	7.43	0.47
Provision for leave encashment	72.21	66.07	16.34	9.54
	<u>72.60</u>	<u>66.07</u>	<u>23.77</u>	<u>10.01</u>
<b>Other provisions</b>				
Provision for taxation (net of advance tax and TDS)	-	-	118.33	5.22
Proposed dividend	-	-	70.87	23.62
Provision for corporate dividend tax	-	-	15.42	5.55
	-	-	204.62	34.39
	<u>72.60</u>	<u>66.07</u>	<u>228.39</u>	<u>44.40</u>

**NOTE - 7 : SHORT-TERM BORROWINGS**

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Secured loans</b>		
Cash credit from banks	-	-
Overdraft against fixed deposits from banks (secured by way of lien mark on fixed deposits)	109.57	-
	<u>109.57</u>	<u>-</u>

Of the above :

Working capital facilities from banks are secured by way of first pari passu charge by way of hypothecation over the entire current assets, both present and future, of the Company and second pari passu charge by way of mortgage created / to be created and hypothecation over entire fixed assets, both present and future, of the Company.

**NOTE - 8 : TRADE PAYABLES**

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Trade payables for goods and services	633.88	635.42
	<u>633.88</u>	<u>635.42</u>

**NOTE - 9 : OTHER CURRENT LIABILITIES**

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Current maturities of long-term debt (note 4)	989.21	718.85
Interest accrued but not due on loans and security deposits	22.22	27.29
Investor education and protection fund*		
Unpaid / Unclaimed dividend	6.30	6.29
Book overdraft	25.76	13.45
Other payables		
Credit balances of consumers	72.04	58.23
Service line and security deposits from consumers	155.63	115.13
Deposits	3.81	3.44
Statutory dues	25.02	18.43
Payables on purchase of fixed assets	380.20	544.45
Sundry payables	122.02	96.50
	<u>1,802.21</u>	<u>1,602.06</u>

\* The investor education and protection fund is credited by the amount unclaimed and outstanding on the relevant due date.

## NOTE - 10 : FIXED ASSETS

(₹ in Crore)

PARTICULARS	GROSS BLOCK					DEPRECIATION AND AMORTIZATION				NET BLOCK	
	As at 1 <sup>st</sup> April, 2014	Additions during the year	Deductions during the year	Adjustments	As at 31 <sup>st</sup> March, 2015	As at 1 <sup>st</sup> April, 2014	For the year	Deductions during the year	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>I. Tangible assets</b>											
Land											
(a) Freehold	326.40	0.08	-	-	326.48	-	-	-	-	326.48	326.40
(b) Leasehold	158.30	42.73	-	-	201.03	20.50	4.98	-	25.48	175.55	137.80
Buildings	1,355.80	572.15	9.01	100.73	2,019.67	169.18	68.06	0.72	236.52	1,783.15	1,186.62
Railway siding	2.46	-	-	-	2.46	0.53	0.05	-	0.58	1.88	1.93
Plant and machinery											
(a) Steam Station	4,600.63	40.54	51.93	5.54	4,594.78	901.74	234.28	23.16	1,112.86	3,481.92	3,698.89
(b) Others including switchgears and transformers	3,044.64	3,807.00	56.08	690.60	7,486.16	850.22	281.80	24.04	1,107.98	6,378.18	2,194.42
Transmission and distribution systems											
(a) Overhead	822.95	263.10	7.46	0.57	1,079.16	235.28	54.72	-	290.00	789.16	587.67
(b) Underground	2,452.97	202.86	2.26	1.36	2,654.93	593.14	96.91	0.87	689.18	1,965.75	1,859.83
Electrical fittings and apparatus	66.54	2.46	0.47	-	68.53	22.13	4.26	0.33	26.06	42.47	44.41
Furniture and fixtures	31.85	1.90	0.37	-	33.38	11.81	2.20	0.09	13.92	19.46	20.04
Office equipments	133.98	13.58	1.69	1.67	147.54	43.03	9.85	0.58	52.30	95.24	90.95
Vehicles	21.36	2.46	1.76	0.36	22.42	10.34	1.96	0.86	11.44	10.98	11.02
<b>Total (I)</b>	<b>13,017.88</b>	<b>4,948.86</b>	<b>131.03</b>	<b>800.83</b>	<b>18,636.54</b>	<b>2,857.90</b>	<b>759.07</b>	<b>50.65</b>	<b>3,566.32</b>	<b>15,070.22</b>	<b>10,159.98</b>
<b>II. Intangible assets</b>											
Software (Acquired)	47.07	1.25	0.08	-	48.24	32.38	7.92	0.08	40.22	8.02	14.69
<b>Total (II)</b>	<b>47.07</b>	<b>1.25</b>	<b>0.08</b>	<b>-</b>	<b>48.24</b>	<b>32.38</b>	<b>7.92</b>	<b>0.08</b>	<b>40.22</b>	<b>8.02</b>	<b>14.69</b>
<b>Total (I+II)</b>	<b>13,064.95</b>	<b>4,950.11</b>	<b>131.11</b>	<b>800.83</b>	<b>18,684.78</b>	<b>2,890.28</b>	<b>766.99</b>	<b>50.73</b>	<b>3,606.54</b>	<b>15,078.24</b>	
Previous year	10,066.65	2,772.21	40.27	266.36	13,064.95	2,318.41	591.34	19.47	2,890.28		10,174.67
<b>III. Capital work-in-progress</b>										<b>233.03</b>	<b>4,549.61</b>
										<b>15,311.27</b>	<b>14,724.28</b>
<b>Notes:</b>											
1. Adjustments during the year includes borrowing costs of ₹753.33 Crore (Previous year - ₹209.76 Crore) and Capital work-in-progress includes borrowing costs of ₹0.56 Crore (31 <sup>st</sup> March, 2014 - ₹552.01Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Accounting Standard - 16 "Borrowing Costs".											
2. Adjustments during the year includes ₹47.50 Crore (Previous year - ₹56.60 Crore) on account of foreign currency exchange difference.											
3. Capital work-in-progress includes Pre-operative expenditure of ₹10.25 Crore (31 <sup>st</sup> March, 2014 - ₹402.36 Crore) (note 29)											
4. The Company has leased a portion of its land to Torrent Pharmaceuticals Limited.											
5. Land includes freehold land amounting to ₹0.04 Crore (31 <sup>st</sup> March, 2014 - ₹0.04 Crore) and leasehold land amounting to ₹13.89 Crore (31 <sup>st</sup> March, 2014 - ₹13.89 Crore) for which documentations are in progress.											
6. Pro-rata cost of assets owned jointly with Torrent Pharmaceuticals Limited, a company under same management are as under:											
Particulars	Proportion of holding		As at 31 <sup>st</sup> March, 2015		As at 31 <sup>st</sup> March, 2014						
Freehold land	50%		23.78		23.78						
Freehold land	70%		83.16		83.16						
Buildings	70%		1.36		1.36						



## NOTE - 11 : NON-CURRENT INVESTMENTS

(₹ in Crore)

	No. of shares As at 31 <sup>st</sup> March, 2015	No. of shares As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Trade investments</b> (valued at cost unless stated otherwise)				
<b>Investment in equity instruments (unquoted)</b>				
<b>Associates</b>				
Tidong Hydro Power Limited Equity shares of ₹10 each fully paid up	24,500	24,500	0.02	0.02
AEC Cements & Constructions Limited Equity shares of ₹10 each fully paid up	6,11,500	6,11,500	0.61	0.61
Less: Provision for diminution in value of investment			0.61	0.61
			0.02	0.02
<b>Non trade investments</b> (valued at cost unless stated otherwise)				
<b>Investment in equity instruments (unquoted)</b>				
Tornascent care institute Equity shares of ₹10 each fully paid up	25,000	-	0.03	-
			0.03	-
<b>Contingency reserve investments - statutory (quoted)</b>				
8.28% GOI Bond - 2032			0.99	0.99
8.32% GOI Bond - 2032			0.32	0.32
8.97% GOI Bond - 2030			1.31	1.01
8.28% GOI Bond - 2027			1.00	-
			3.62	2.32
			3.65	2.32
			3.67	2.34
Aggregate amount of quoted investments			3.62	2.32
Aggregate amount of unquoted investments			0.05	0.02
			3.67	2.34
Aggregate provision for diminution in value of investments			0.61	0.61
Aggregate amount of market value of quoted investments			3.92	2.23

**NOTE 12 : LOANS AND ADVANCES**

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	Long-term		Short-term	
	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Capital advances	129.71	251.79	-	-
Deposits	1.89	2.06	26.99	26.93
Loans and advances to related parties				
Considered good	-	-	-	-
Considered doubtful	-	-	2.70	3.10
	-	-	2.70	3.10
Less : Provision for doubtful advances to related parties	-	-	2.70	3.10
	-	-	-	-
Other loans and advances				
Balances with government authority	0.50	0.50	0.58	0.55
Prepaid expenses	0.86	1.01	6.67	5.97
Others*	26.28	26.28	149.94	108.96
	27.64	27.79	157.19	115.48
Less : Provision for doubtful advances	-	-	2.32	2.30
	27.64	27.79	154.87	113.18
	159.24	281.64	181.86	140.11

\* mainly includes interest receivable and advances for goods and services

**NOTE 13 : OTHER NON-CURRENT ASSETS**

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Interest accrued on deposits	*	*
Bank fixed deposits balance (note 17)	1.90	1.02
	1.90	1.02

**NOTE - 14 : CURRENT INVESTMENTS**

(₹ in Crore)

	No. of units As at 31 <sup>st</sup> March, 2015	No. of units As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Investment in mutual funds (unquoted)</b>				
Birla Sun Life Cash Plus - Growth (of ₹100 each)	-	1,05,34,477	-	214.00
DSP BlackRock Liquidity Fund- Growth (of ₹1,000 each)	-	1,34,233	-	24.11
HDFC Liquid Fund - Growth (of ₹10 each)	1,16,36,716	15,75,315	31.80	3.96
IDFC Cash Fund - Growth - (Regular Plan) (of ₹1,000 each)	6,60,830	1,86,411	110.70	28.65
ICICI Liquid Plan - Regular - Growth (of ₹100 each)	38,54,061	85,83,599	79.53	161.19
Kotak Liquid Scheme Plan A - Growth (of ₹1,000 each)	4,95,192	3,13,099	111.73	81.24
SBI PLF - Regular Plan Growth (of ₹1,000 each)	5,47,996	10,84,041	117.12	215.32
Tata Liquid Fund Plan A - Growth (of ₹1,000 each)	5,99,003	5,74,916	152.02	135.07
			<u>602.90</u>	<u>863.54</u>
[Aggregate NAV of investment in mutual funds ₹612.38 Crore (31 <sup>st</sup> March, 2014 - ₹873.47 Crore)]				
Aggregate amount of quoted investments			-	-
Aggregate amount of unquoted investments			602.90	863.54
			<u>602.90</u>	<u>863.54</u>
Aggregate provision for diminution in value of investments			-	-
Aggregate amount of market value of quoted investments			-	-

**NOTE - 15 : INVENTORIES**

(valued at lower of cost and net realizable value)

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Coal, oil, stores and spares	259.24	289.75
Loose tools	0.47	0.43
	<u>259.71</u>	<u>290.18</u>

**NOTE - 16 : TRADE RECEIVABLES**

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Debts outstanding for a period exceeding six months from due date		
Secured - Considered good	6.12	5.65
Unsecured - Considered good	52.78	33.13
- Considered doubtful	67.99	62.01
	126.89	100.79
Other debts		
Secured - Considered good	362.47	306.75
Unsecured - Considered good	471.01	458.04
- Considered doubtful	61.64	84.29
	895.12	849.08
Less: Provision for doubtful debts	129.63	146.30
	892.38	803.57

**NOTE - 17 : CASH AND BANK BALANCES**

(₹ in Crore)

	Non-current		Current	
	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Cash and cash equivalents</b>				
Balances with banks				
Balance in current accounts	-	-	119.66	120.96
Balance in fixed deposit accounts (remaining maturity of less than three months)	-	-	840.03	689.28
	-	-	959.69	810.24
Cheques, drafts on hand	-	-	3.26	3.48
Cash on hand	-	-	1.25	1.74
	-	-	964.20	815.46
<b>Other bank balances</b>				
Unpaid dividend accounts	-	-	6.30	6.29
Balance in fixed deposit accounts*	-	-	171.43	-
Balance in fixed deposit accounts (remaining maturity for more than three months but less than twelve months)	-	-	628.35	736.48
Balance in fixed deposit accounts (remaining maturity for more than twelve months)	1.90	1.02	-	-
	1.90	1.02	806.08	742.77
Amount disclosed under other non-current assets (note 13)	(1.90)	(1.02)	-	-
	-	-	1,770.28	1,558.23

\* Lien mark on fixed deposits against overdraft facility

**NOTE - 18 : OTHER CURRENT ASSETS**

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Interest accrued on investments	0.26	1.40
Unbilled revenue	419.20	449.23
Receivable on sale of fixed assets	19.51	-
Forward contract receivable	0.31	-
	439.28	450.63

**NOTE - 19 : REVENUE FROM OPERATIONS**

	(₹ in Crore)	
	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Revenue from power supply	10,141.91	8,551.47
Less: Revenue capitalised for sale of infirm power	154.93	30.53
	<u>9,986.98</u>	<u>8,520.94</u>
Other operating income		
Street lighting maintenance contracts	2.17	6.35
Hire of meters	48.28	46.78
Provision of earlier years written back*	237.54	20.47
Provision for doubtful debts no longer required	16.93	-
Provision for doubtful advances no longer required	0.40	-
Recovery of bad debts	32.75	19.67
Insurance claim receipt	0.49	0.02
Income from Certified Emission Reduction (CERs)	1.76	-
Income from Renewable Energy Certificate & Generation Based Incentive	10.28	13.01
Miscellaneous income	84.93	53.88
	<u>435.53</u>	<u>160.18</u>
	<u>10,422.51</u>	<u>8,681.12</u>

\* includes ₹149.43 Crore of savings consequent to change in the basis arising from renegotiation of certain terms of long term contracts.

**NOTE - 20 : OTHER INCOME**

	(₹ in Crore)	
	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Interest income from		
Deposits	144.16	119.22
Consumers	21.27	14.53
Contingency reserve investments	0.26	0.19
Others	0.07	0.53
	<u>165.76</u>	<u>134.47</u>
Dividend on current investments	-	0.48
Miscellaneous income	53.90	48.58
Profit on sale of fixed assets	1.93	1.07
Profit on sale of current investments	64.29	65.98
Net gain on foreign currency transactions	53.88	-
	<u>339.76</u>	<u>250.58</u>

**NOTE - 21 : EMPLOYEE BENEFITS EXPENSE**

(₹ in Crore)

	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Salaries, wages and bonus	389.63	351.74
Contribution to provident and other funds	21.76	17.95
Employees welfare expenses	18.80	12.46
Gratuity and leave encashment	41.89	7.94
	472.08	390.09
Less: Allocated to capital works, repairs and other relevant revenue accounts	123.70	118.62
	<u>348.38</u>	<u>271.47</u>

**NOTE - 22 : OPERATION AND OTHER EXPENSES**

(₹ in Crore)

	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Fuel	2,841.61	2,329.96
Consumption of stores and spares	199.04	319.50
Rent and hire charges	13.12	9.82
Repairs to		
Buildings	12.29	7.89
Plant and machinery	256.08	210.00
Others	8.11	7.17
	276.48	225.06
Insurance	17.16	16.39
Rates and taxes	9.22	11.71
Miscellaneous expenses	165.31	152.99
Discount for prompt payment of bills	47.71	40.42
Loss on sale / discarding of fixed assets	22.81	17.53
Commission to non-executive directors	0.90	1.10
Directors sitting fees	0.70	-
Statutory auditors remuneration (note 33)	1.35	1.01
Legal, professional and consultancy fees	20.08	13.19
Donations	24.68	6.77
Net loss on foreign currency transactions	7.44	22.45
Bad debts written off	45.46	54.89
Provision for doubtful debts and advances	0.28	17.99
	3,693.35	3,240.78
Less: Allocated to capital works, repairs and other relevant revenue accounts	429.63	332.16
	<u>3,263.72</u>	<u>2,908.62</u>

**NOTE - 23 : FINANCE COSTS**

(₹ in Crore)

	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Interest expense		
Term loans	1,018.43	813.26
Non convertible debentures	87.23	87.23
Working capital loan	0.15	0.04
Security deposits from consumers	57.29	46.86
Others	0.04	3.41
Other borrowing cost	1.16	13.67
	<u>1,164.30</u>	<u>964.47</u>
Less: Allocated to capital works	202.01	259.85
	<u>962.29</u>	<u>704.62</u>

**NOTE - 24 : DEPRECIATION AND AMORTIZATION EXPENSE**

(₹ in Crore)

	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Depreciation and amortization expense	766.99	591.34
Less: Allocated to capital works	9.58	6.78
	<u>757.41</u>	<u>584.56</u>

## OTHER NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

25. (i) Consolidated financial statements include the financial statements of the parent Company Torrent Power Limited and subsidiaries (together referred to as Group):

Particulars	Torrent Power Limited	Torrent Energy Limited	Torrent Solargen Limited	Torrent Pipavav Generation Limited	Torrent Power Grid Limited	
	Parent	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Minority Interest
Percentage holding	-	100.00%	100.00%	95.00%	74.00%	-
As % of consolidated net assets	104.89%	24.60%	1.22%	0.77%	1.58%	0.47%
Amount (₹ in Crore)	6,908.66	1,620.02	80.63	50.86	103.74	30.83
As % of consolidated profit	204.61%	(107.03)%	0.15%	(0.29)%	3.84%	0.82%
Amount (₹ in Crore)	742.06	(388.15)	0.56	(1.05)	13.91	2.98

Amount of consolidated net assets and consolidated profit is determined based on the amounts included in the consolidated financial statement i.e. after inter-company eliminations.

- (ii) Investment in associates and joint ventures is as under:

Particulars	AEC Cements & Constructions Limited# (Unaudited)	Tidong Hydro Power Limited (Audited)^	Tornascent Care Institute
	Associate	Associate	Joint Venture
No. of equity shares	6,11,500	24,500	25,000
Cost of investment (₹ in Crore)	0.61	0.02	0.03
Percentage holding	43.88%	49.00%	50.00%
Our share of net assets (₹ in Crore)	#	0.02	-
Our share of profit / (loss) for the year (₹ in Crore)	#	*	-

# under liquidation

^ Audited Financial Statements for nine months ended on 30<sup>th</sup> September, 2014

- (i) Associates have not been considered for consolidation being insignificant to the Group.
- (ii) Tornascent Care Institute is a Section 8 Company under the Companies Act 2013, promoted jointly with Torrent Pharmaceuticals Limited, with the purpose of promoting charitable activities. As no economic benefit is expected, Tornascent Care Institute is not consolidated.

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
26. Estimated amount of contracts remaining to be executed on capital accounts (net of advances)	756.83	302.46



(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>27. Contingent liabilities not provided for in respect of:</b>		
(i) Letters of credit established and guarantees given by banks on behalf of the Company	37.78	103.21
(ii) Disputed income-tax matters	30.97	22.87
(iii) Disputed VAT liability matters	2.15	-
(iv) Disputed custom duty matters	18.78	18.78
(v) Disputed excise duty matters	0.18	0.18
(vi) Disputed stamp duty matters	0.35	0.35
(vii) Claims not acknowledged as debt	10.74	14.83
In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute. No reimbursement is expected.		

28. The goodwill has arisen on consolidation of financial statements of the Company with its subsidiaries and represents the difference between the cost to the Company of its investments in Torrent Pipavav Generation Limited and value of Company's investment in equity shares of Torrent Pipavav Generation Limited.

29. Capitalization of expenditure incurred during the year is as under:

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Pre-operative expenditure</b>		
Opening balance	402.36	310.57
<b>Expenditure incurred during the year</b>		
Employee benefits expense	12.72	17.82
Operation and other expenses	375.61	267.19
Depreciation and amortization expense	9.58	6.78
<b>Total expenditure incurred during the year</b>	397.91	291.79
Less : Sale of infirm power	154.93	31.32
Less : Capitalized during the year	631.24	166.64
Less : Written off during the year	3.85	2.04
<b>Closing balance</b>	<u>10.25</u>	<u>402.36</u>

30. (i) The Company uses forward contracts to hedge its risk associated with foreign currency fluctuation relating to firm commitments. The Company does not use forward contracts for speculative purposes.

(ii) Foreign currency exposure hedged by way of forward exchange contract as at 31<sup>st</sup> March, 2015 is as under :

(in Crore)

Nature of transactions	Currency	As at 31 <sup>st</sup> March, 2015		As at 31 <sup>st</sup> March, 2014	
		Foreign Currency	Indian Rupees	Foreign Currency	Indian Rupees
Capital liability	USD	0.70	44.05	-	-

(iii) Foreign currency exposure not hedged by derivative instruments as at 31<sup>st</sup> March, 2015 is as under :

Nature of transactions	Currency	(in Crore)	
		As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Loan	USD	5.23	5.73
Interest payable	USD	0.13	0.14
Trade payable	USD	0.12	0.64
Capital liability	USD	1.55	4.50
Trade payable	EURO	3.82	4.56
Trade receivable (*7,350 EURO)	EURO	*	-

31. The Company's significant leasing arrangements are in respect of residential flats, office premises, plant and machinery and equipments 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.

### 32. Employee benefits

The accounting liability on account of gratuity and leave encashment is accounted as per AS 15 (revised) dealing with employee benefits.

The Company operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and tenure of employment.

On account of defined contribution plans, a sum of ₹21.76 Crore (Previous year - ₹17.95 Crore) has been charged to the statement of profit and loss.

Status of gratuity plan and leave encashment as required under AS 15 (revised):

Particulars	(₹ in Crore)			
	As at 31 <sup>st</sup> March, 2015		As at 31 <sup>st</sup> March, 2014	
	Leave encashment	Gratuity	Leave encashment	Gratuity
<b>a. Reconciliation of opening and closing balances of the present value of the defined benefit obligation:</b>				
Obligations at the beginning of the year	74.76	182.90	74.79	185.03
Current service cost	5.99	9.53	6.35	10.04
Interest cost	6.57	16.92	5.46	14.80
Actuarial (gain) / loss	8.03	10.22	(4.75)	(7.20)
Liability transferred in	0.02	0.10	-	0.26
Liability transferred out	(0.02)	(0.10)	-	(0.47)
Benefits paid directly by employer	(8.70)	(1.91)	(7.09)	(10.97)
Benefits paid	-	(16.77)	-	(8.59)
<b>Obligations at the end of the year</b>	<b>86.65</b>	<b>200.89</b>	<b>74.76</b>	<b>182.90</b>
<b>b. Reconciliation of opening and closing balances of the fair value of plan assets:</b>				
Plan assets at the beginning of the year, at fair value	-	193.09	-	170.36
Expected return on plan assets	-	18.34	-	14.82
Actuarial gain / (loss)	-	(2.42)	-	1.91
Contributions	-	1.01	-	14.25
Liabilities of transferred employees	-	-	-	0.34
Benefits paid	-	(16.77)	-	(8.59)
<b>Plan assets at the end of the year, at fair value</b>	<b>-</b>	<b>193.25</b>	<b>-</b>	<b>193.09</b>

## 32. Employee benefits (Contd.)

Particulars	(₹ in Crore)				
	As at 31 <sup>st</sup> March, 2015		As at 31 <sup>st</sup> March, 2014		
	Leave encashment	Gratuity	Leave encashment	Gratuity	
<b>c. Reconciliation of the present value of the defined benefit obligation and fair value of plan assets:</b>					
Obligations at the end of the year	86.65	200.89	74.76	182.90	
Plan assets at the end of the year, at fair value	-	193.25	-	193.09	
<b>Liability / (assets) recognised in balance sheet</b>	<b>86.65</b>	<b>7.64</b>	<b>74.76</b>	<b>(10.19)</b>	
<b>d. Cost for the year:</b>					
Current service cost	5.99	9.53	6.35	10.04	
Interest cost	6.57	16.92	5.46	14.80	
Expected return on plan assets	-	(18.34)	-	(14.82)	
Net actuarial (gain) / loss	8.03	12.63	(4.75)	(9.11)	
<b>Net cost – included in note 21 of the statement of profit and loss</b>	<b>20.59</b>	<b>20.74</b>	<b>7.06</b>	<b>0.91</b>	
<b>e. Assumptions:</b>					
Discount rate	8.00%	8.00%	9.25%	9.25%	
Expected rate of return on plan assets (Yield on long term bonds of Central Government prevailing on 31 <sup>st</sup> March, 2015)	-	9.00%	-	9.50%	
Salary escalation rate	8.50%	8.50%	9.00%	9.00%	
<b>f. Experience adjustment</b>					
On plan liability (gain) / loss	7.48	0.86	4.35	7.91	
On plan asset (loss) / gain	-	(2.42)	-	1.91	
<b>g. Actual return on plan assets</b>	-	15.92	-	16.73	
<b>h. Expected contribution for next year</b>	-	7.64	-	-	
<b>i. Note:</b>	The estimates of future salary increases considered in the actuarial valuation take account of inflation, promotion and other relevant factors, such as supply and demand in the employment market. Future separation and mortality rates are obtained from relevant data of Life Insurance Corporation of India.				
<b>j. Current year and past four years data for defined benefit obligation and fair value of plan</b>					
	2010-11	2011-12	2012-13	2013-14	2014-15
Present value of defined benefit obligations at the end of the year (independent actuary)	237.60	248.77	259.82	257.66	287.54
Fair value of plan assets at the end of the year	115.97	141.01	170.36	193.09	193.25
Net assets / (liability) at the end of year	(121.63)	(107.76)	(89.46)	(64.57)	(94.29)
<b>k. Investment details of plan assets:</b>	Contributions to fund the obligations under the gratuity plan are made to Life Insurance Corporation of India, who has invested the funds substantially as under:				
		Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014		
Government securities		46.60%	41.21%		
Debentures and bonds		34.61%	39.32%		
Equity shares		4.56%	4.67%		
Fixed deposits		14.22%	14.20%		
Others		0.01%	0.60%		
<b>Total</b>		<b>100.00%</b>	<b>100.00%</b>		

### 33. Statutory auditors remuneration

(₹ in Crore)

	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Audit fees	0.73	0.54
Tax audit fees	0.07	0.06
Other services – certificates etc.	0.36	0.25
Reimbursement of expenses	0.07	0.05
For service tax	0.14	0.11
	<u>1.37</u>	<u>1.01</u>

The remuneration disclosed above excludes fees of ₹ Nil (Previous year - ₹0.06 Crore) (exclusive of service tax of ₹ Nil (Previous year - ₹0.01 Crore) for attest and other professional services rendered by firm of accountants in which some partners of the firm of statutory auditors are partners.

### 34. Deferred tax

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2015		As at 31 <sup>st</sup> March, 2014	
	Asset	Liability	Asset	Liability
Depreciation		1,331.04		732.67
Leave encashment	25.94		19.99	
Unabsorbed depreciation	447.52		-	
	<u>473.46</u>	<u>1,331.04</u>	<u>19.99</u>	<u>732.67</u>
Net deferred tax (asset) / liability		<u>857.58</u>		<u>712.68</u>

### 35. Earnings per share

	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Profit after tax and minority interest (₹ in Crore)	359.69	105.26
No. of equity shares	47,24,48,308	47,24,48,308
Basic and diluted earnings per share (₹)	7.61	2.23

36. The Company's primary business segment is Generation, Distribution & Transmission of Electricity. Based on the guiding principles given in Accounting Standard on "Segment Reporting" (AS-17), this activity falls within a single primary business segment and accordingly the disclosure requirements of AS-17 in this regard are not applicable.

### 37. Amalgamation

The Board of Directors has approved on 12<sup>th</sup> May, 2014, the draft Composite Scheme of Amalgamation of Torrent Energy Limited (TEL) and Torrent Cables Limited (TCL) with Torrent Power Limited (TPL) and their respective shareholders and creditors ("the Scheme") under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956. The Appointed Date of the scheme is 1<sup>st</sup> April, 2014.

TPL has already obtained necessary approval of the Scheme from National Stock Exchange of India Limited and BSE Limited vide their letters dated 26<sup>th</sup> & 27<sup>th</sup> August, 2014 respectively. Hon'ble Central Electricity Regulatory Commission (CERC) has also granted its approval to TEL under Section 17 (1) (b) of the Electricity Act, 2003 for its amalgamation with TPL subject to certain procedural conditions vide its order dated 7<sup>th</sup> January, 2015. TEL has also received the approval from Hon'ble Gujarat Electricity Regulatory Commission (GERC) under section 17 of Electricity Act, 2003 for amalgamations with TPL vide its order dated 1<sup>st</sup> April, 2015. Such approval is subject to the decision of Hon'ble High Court of Gujarat. As per the directions of the Hon'ble High Court of Gujarat, the meeting of the equity shareholders of TPL & TCL and unsecured creditors of TCL & TEL were held on 30<sup>th</sup> April, 2015. Further, court convened meeting of the secured creditors of TCL & TEL were held on 1<sup>st</sup> May, 2015. In accordance with SEBI circular CIR/CFD/DIL/5/2013 dated 4<sup>th</sup> February, 2013 and CIR/CFD/DIL/8/2013 dated 21<sup>st</sup> May, 2013, the public shareholders has approved the said amalgamation.

Pending other requisite approvals, including approval of High Court of Gujarat / National Company Law Tribunal as applicable, fulfilment of conditions precedent as mentioned in the Scheme and further actions, the effect of the Scheme has not been considered in the financial statements.

- 38.** During the year, the Company has issued a sale order for the retired 100 MW Gas-based Combined Cycle Power Plant located at Vatva, Ahmedabad and consequently the difference of ₹22.99 Crore between net book value of fixed assets and the sale value of the same has been disclosed as an 'Exceptional items'.

### 39. Related party disclosures

	Associates / Joint Ventures		Enterprises controlled by the Company		Holding company / enterprises controlled by the holding company		Key management personnel		Enterprises controlled by key management personnel / relatives of key management personnel		Total	
	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended
	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14
<b>A) Nature of transactions</b>												
Purchase of materials	-	0.05	-	-	109.66	103.21	-	-	-	-	109.66	103.26
AEC Cements & Constructions Ltd.	-	0.05	-	-	-	-	-	-	-	-	-	0.05
Torrent Cables Ltd.	-	-	-	-	109.40	102.94	-	-	-	-	109.40	102.94
Torrent Pharmaceuticals Ltd.	-	-	-	-	0.26	0.27	-	-	-	-	0.26	0.27
Dividend paid	1.64	4.68	-	-	-	-	-	-	-	-	1.64	4.68
Power Grid Corporation of India Ltd.	1.64	4.68	-	-	-	-	-	-	-	-	1.64	4.68
Services provided	-	-	-	-	0.17	-	-	-	-	-	0.17	-
Torrent Pharmaceuticals Ltd.	-	-	-	-	0.17	-	-	-	-	-	0.17	-
Services received	1.39	1.56	-	-	3.89	1.70	-	-	1.44	1.98	6.72	5.24
Torrent Cables Ltd.	-	-	-	-	3.89	1.70	-	-	-	-	3.89	1.70
Tsunami Tours & Travels Pvt. Ltd.	-	-	-	-	-	-	-	-	0.68	1.36	0.68	1.36
Munjali Bhatt Architects	-	-	-	-	-	-	-	-	0.56	0.54	0.56	0.54
Power Grid Corporation of India Ltd.	1.39	1.56	-	-	-	-	-	-	-	-	1.39	1.56
Aman Mehta	-	-	-	-	-	-	-	-	0.03	0.01	0.03	0.01
Varun Mehta	-	-	-	-	-	-	-	-	0.17	0.07	0.17	0.07
Bills raised	56.93	76.04	-	-	-	-	-	-	-	-	56.93	76.04
Power Grid Corporation of India Ltd.	56.93	76.04	-	-	-	-	-	-	-	-	56.93	76.04
Shared expenditure	0.01	-	-	-	-	0.07	-	-	-	-	0.01	0.07
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	0.07	-	-	-	-	-	0.07
Tornascent Care Institute	0.01	-	-	-	-	-	-	-	-	-	-	-
Managerial remuneration <sup>A</sup>	-	-	-	-	-	-	-	8.10	9.65	-	8.10	9.65
Sudhir Mehta (Executive Chairman)	-	-	-	-	-	-	-	0.01	0.01	-	0.01	0.01
Markand Bhatt (Whole-time Director)	-	-	-	-	-	-	-	*	*	-	*	*
Jinal Mehta (Whole-time Director) <sup>B</sup>	-	-	-	-	-	-	-	6.54	1.44	-	6.54	1.44
Murli Ranganathan (Whole-time Director) <sup>C</sup>	-	-	-	-	-	-	-	-	5.35	-	-	5.35
T P Vijayasathy (Whole-time Director) <sup>#</sup>	-	-	-	-	-	-	-	-	2.50	-	-	2.50
R P Rath	-	-	-	-	-	-	-	0.41	0.35	-	0.41	0.35
Sanjay Dalal	-	-	-	-	-	-	-	1.14	-	-	1.14	-
Donation	7.00	-	-	-	-	-	-	-	5.50	-	12.50	-
U. N. Mehta Charitable Trust	-	-	-	-	-	-	-	-	1.25	-	1.25	-
Shri Vaddgam Kelavani Mandal	-	-	-	-	-	-	-	-	4.25	-	4.25	-
Tornascent Care Institute	7.00	-	-	-	-	-	-	-	-	-	7.00	-
Contribution to funds (net)	-	-	4.76	18.45	-	-	-	-	-	-	4.76	18.45
TPL (Ahmedabad) Gratuity Trust	-	-	0.43	11.49	-	-	-	-	-	-	0.43	11.49
TPL (Ahmedabad) Superannuation Fund	-	-	2.52	2.98	-	-	-	-	-	-	2.52	2.98
TPL (Surat) Gratuity Trust	-	-	0.02	1.85	-	-	-	-	-	-	0.02	1.85
TPL (Surat) Superannuation Fund	-	-	0.68	0.63	-	-	-	-	-	-	0.68	0.63
TPL (SUGEN) Gratuity Trust	-	-	0.04	0.23	-	-	-	-	-	-	0.04	0.23
TPL (SUGEN) Superannuation Fund	-	-	0.32	0.40	-	-	-	-	-	-	0.32	0.40

(₹ in Crore)

### 39. Related party disclosures (Contd.)

	Associates / Joint Ventures		Enterprises controlled by the Company		Holding company / enterprises controlled by the holding company		Key management personnel		Enterprises controlled by key management personnel / relatives of key management personnel		Total	
	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended
	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14
TPG Superannuation Fund	-	-	0.01	0.01	-	-	-	-	-	-	0.01	0.01
TEL Gratuity Trust	-	-	0.41	0.71	-	-	-	-	-	-	0.41	0.71
TEL Superannuation Fund	-	-	0.33	0.15	-	-	-	-	-	-	0.33	0.15
<b>Equity contribution</b>	<b>0.03</b>	-	-	-	-	-	-	-	-	-	<b>0.03</b>	-
Tornascent Care Institute	0.03	-	-	-	-	-	-	-	-	-	0.03	-
<b>Purchase of shares</b>	-	-	-	-	<b>0.07</b>	-	-	-	-	-	<b>0.07</b>	-
Torrent Private Ltd.	-	-	-	-	0.07	-	-	-	-	-	0.07	-
<b>Advance recovered</b>	<b>0.40</b>	-	-	-	-	-	-	-	-	-	<b>0.40</b>	-
AEC Cements & Constructions Ltd.	0.40	-	-	-	-	-	-	-	-	-	0.40	-
<b>Loan received</b>	-	-	-	-	<b>1.00</b>	-	-	-	-	-	<b>1.00</b>	-
Torrent Private Ltd.	-	-	-	-	1.00	-	-	-	-	-	1.00	-
<b>Loan repaid</b>	-	-	-	-	<b>1.00</b>	-	-	-	-	-	<b>1.00</b>	-
Torrent Private Ltd.	-	-	-	-	1.00	-	-	-	-	-	1.00	-
<b>Deposit received for nomination of directors</b>	-	-	-	-	<b>0.02</b>	-	-	-	-	-	<b>0.02</b>	-
Torrent Private Ltd.	-	-	-	-	0.02	-	-	-	-	-	0.02	-
<b>Deposit refunded back on appointment of directors</b>	-	-	-	-	<b>0.02</b>	-	-	-	-	-	<b>0.02</b>	-
Torrent Private Ltd.	-	-	-	-	0.02	-	-	-	-	-	0.02	-
<b>B) Balances at the end of the year</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Current liability</b>	-	<b>0.40</b>	*	*	<b>15.43</b>	<b>20.63</b>	-	-	-	-	<b>15.43</b>	<b>21.03</b>
AEC Cements & Constructions Ltd.	-	0.40	-	-	-	-	-	-	-	-	-	0.40
Torrent Cables Ltd.	-	-	-	-	15.40	20.63	-	-	-	-	15.40	20.63
Torrent Pharmaceuticals Ltd.	-	-	-	-	0.03	*	-	-	-	-	0.03	*
TPL(SUGEN) Superannuation Fund	-	-	*	*	-	-	-	-	-	-	*	*
<b>Investment in equities</b>	<b>24.06</b>	<b>24.03</b>	-	-	-	-	-	-	-	-	<b>24.06</b>	<b>24.03</b>
AEC Cements & Constructions Ltd.	0.61	0.61	-	-	-	-	-	-	-	-	0.61	0.61
Tidong Hydro Power Ltd.	0.02	0.02	-	-	-	-	-	-	-	-	0.02	0.02
Power Grid Corporation of India Ltd.	23.40	23.40	-	-	-	-	-	-	-	-	23.40	23.40
Tornascent Care Institute	0.03	-	-	-	-	-	-	-	-	-	0.03	-
<b>Loans and advances</b>	<b>2.70</b>	<b>3.10</b>	-	-	-	-	-	-	-	-	<b>2.70</b>	<b>3.10</b>
AEC Cements & Construction Ltd.	2.70	3.10	-	-	-	-	-	-	-	-	2.70	3.10
<b>Trade receivables</b>	<b>8.97</b>	<b>7.86</b>	-	-	-	-	-	-	-	-	<b>8.97</b>	<b>7.86</b>
Power Grid Corporation of India Ltd.	8.97	7.86	-	-	-	-	-	-	-	-	8.97	7.86

^ amount excluding insurance premium for group personal accident and group medical claim

\$ includes special monetary incentive aggregating to ₹2.80 Crore from Torrent Energy Limited for his tenure as Director and CEO of Torrent Energy Limited for FY 2011-12 to FY 2013-14.

@ resigned from the Board of Directors effective from 31<sup>st</sup> March, 2014.

# resigned from the Board of Directors effective from 25<sup>th</sup> January, 2014.

### 39. Related party disclosures (Contd.)

#### Names of related parties and description of relationship:

1.	Associates / Joint Ventures	AEC Cements & Constructions Limited (Associate), Tidong Hydro Power Limited (Associate), Power Grid Corporation of India Limited (Associate), Tornascent Care Institute (Joint Venture)
2.	Enterprises controlled by the Company	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, TEL Gratuity Trust, TEL Superannuation Fund
3.	Holding Company / enterprises controlled by the holding company	Torrent Private Limited (Holding Company), Torrent Pharmaceuticals Limited, Torrent Cables Limited, Gujarat Lease Financing Limited, Torrent Power Services Private Limited, Heumann Pharma GmbH & Co. Generica KG, Torrent Do Brasil Ltda., Zao Torrent Pharma, Torrent Pharma GmbH., Torrent Pharma Inc., Torrent Pharma Philippines Inc., Torrent Australasia Pty Ltd., Laboratorios Torrent, SA De CV, Torrent Pharma Canada Inc., Torrent Pharma (Thailand) Co. Ltd., Norispharm GmbH., Heunet Pharma GmbH., Torrent Pharma (UK) Ltd., Torrent Pharma S.R.L., Laboratories Torrent (Malaysia) Sdn.Bhd., Torrent Financiers, Torrent Pharmaceuticals (Sikkim), Torrent Fincorp Private Limited, Torrent Pharma France S.A.S., Aptil Pharma Limited
4.	Key management personnel	Sudhir Mehta Executive Chairman Anita Mehta, Wife Shardaben Mehta, Mother Samir Mehta, Brother Meena Modi, Sister Nayna Shah, Sister Jinal Mehta, Son Varun Mehta, Son
5.	Relatives of key management personnel	Samir Mehta Executive Vice Chairman Sapna Mehta, Wife Shardaben Mehta, Mother Sudhir Mehta, Brother Meena Modi, Sister Nayna Shah, Sister Aman Mehta, Son Shaan Mehta, Son
6.	Enterprises controlled by key management personnel / relatives of key management personnel	Markand Bhatt Whole-time Director Nandini Bhatt, Wife Arvindbhai Bhatt, Brother Anjuben Trivedi, Sister Vasudhaben Pandya, Sister Munjai Bhatt, Son Gunjan Bhatt, Son Jinal Mehta Whole-time Director Nirja Mehta, Wife Sudhir Mehta, Father Anita Mehta, Mother Varun Mehta, Brother Saira Mehta, Daughter Rishaan Mehta, Son U. N. Mehta Charitable Trust, Shardaben Mehta Charitable Trust, Dushyant Shah Charitable Trust, D N Modi Charitable Trust, Tsunami Tours & Travels Private Limited, Torrel Cosmetics Private Limited, Zeal Pharmachem India Private Limited, Diamond Infrastructure Private Limited, U.N.Mehta Institute of Cardiology & Research Centre, Munjal Bhatt Architects, Shri Vadgam Mahal Kelavani Mandal, Memadpur Kelavani Mandal



**40. Donations include political contributions as under:**

(₹ in Crore)

	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Bhartiya Janata Party	3.05	4.00
Indian National Congress	1.03	1.00
Nationalist Congress Party	1.00	-

**41. Salient features of financial statement of subsidiaries, associates and joint ventures as prescribed under sub section 3 of section 129 of Companies Act, 2013 are as under :**

## (i) Statement containing salient features of the financial statement of subsidiaries

(₹ in Crore)

1. Name of Subsidiary Company	Torrent Energy Limited	Torrent Solargen Limited	Torrent Pipavav Generation Limited	Torrent Power Grid Limited
2. Financial year ended on	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2015
3. Capital	1,988.22	80.05	50.00	90.00
4. Reserves	(368.20)	0.58	0.86	13.74
5. Total assets	5,696.70	508.49	102.37	265.23
6. Total liabilities	5,696.70	508.49	102.37	265.23
7. Details of investment (except in case of investment in subsidiaries)	134.26	-	-	6.47
8. Turnover	90.15	2.89	-	57.61
9. Profit / (loss) before taxation	(386.58)	1.61	(1.05)	21.99
10. Provision for taxation (including deferred tax)	1.57	1.05	*	8.08
11. Profit / (loss) after taxation	(388.15)	0.56	(1.05)	13.91
12. Proposed dividend (Including Dividend Distribution Tax)	-	-	-	5.94
13. % of Shareholding	100%	100%	95%	74%

Torrent Pipavav Generation Limited is yet to commence its operations.

## (ii) Statement containing salient features of the financial statement of associates and joint ventures is given in note 25(ii).

Shareholders interested in obtaining the statement of Company's interest in the subsidiaries or stand-alone financial statements of the subsidiaries may obtain it by writing to the Company Secretary.

The annual accounts of subsidiary companies are available for inspection by any investor at the registered office of the Company and on its website [www.torrentpower.com](http://www.torrentpower.com)

42. Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof: ₹16.30 Crore.
43. Previous year's figures have been restated / recast, wherever necessary, to conform to this year's classification. Figures are rounded off to nearest lakh. Figures below ₹50,000 are denoted by '+':
- 

**Signature to Note 1 to 43**

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Sudhir Mehta**  
Executive Chairman  
DIN: 00061871

**Hemendra L. Shah**  
Partner

**T P Vijayarathy**  
Executive Director - Corporate Affairs & CFO

Ahmedabad, 12<sup>th</sup> May, 2015

Ahmedabad, 12<sup>th</sup> May, 2015

## 5 YEARS' HIGHLIGHTS - CONSOLIDATED

Particulars	UoM	2014-15	2013-14	2012-13	2011-12	2010-11
<b>TECHNICAL DATA</b>						
Generation Capacity	MW	3,250	2,102	1,697	1,697	1,648
Units dispatched by generating stations	MUs	5,326	4,782	6,822	10,561	11,397
Units Purchased	MUs	11,317	11,021	9,743	6,950	5,625
Units Sold	MUs	14,157	13,331	14,075	15,039	14,544
No. of Consumers	Mn	2.95	2.87	2.76	2.67	2.59
<b>KEY FINANCIALS</b>						
Total Revenue	₹ in Crore	10,762	8,932	8,365	8,063	6,923
EBDITA	₹ in Crore	2,423	1,534	1,494	2,418	2,158
Profit Before Tax	₹ in Crore	740	275	630	1,698	1,423
Profit After Tax (after minority interest)	₹ in Crore	360	105	387	1,253	1,055
Share Capital	₹ in Crore	472	472	472	472	472
Reserves and Surplus	₹ in Crore	6,083	5,733	5,631	5,288	4,306
Loan Funds	₹ in Crore	9,355	9,463	8,050	5,414	3,547
Fixed Assets	₹ in Crore	15,311	14,724	13,911	11,003	7,758
<b>KEY FINANCIAL RATIOS</b>						
EBDITA / Total Revenue	%	22.51	17.17	17.86	29.99	31.17
Net Profit / Total Revenue	%	3.35	1.18	4.63	15.54	15.24
Return on Net Worth*	%	5.00	1.54	5.97	21.94	22.42
Return on Capital Employed	%	7.40	4.80	5.79	14.72	16.06
Debt Equity Ratio*		1.26	1.37	1.20	0.87	0.69
Earning Per Share	₹	7.61	2.23	8.19	26.51	22.32

\* Deferred Tax Liability is included as a part of Network







**TORRENT POWER LIMITED**

CIN: L31200GJ2004PLC044068

Regd. Office: Torrent House, Off Ashram Road, Ahmedabad-380009, Gujarat, India.

Phone: +91-79-2658 5090, 2658 3060, Fax: +91-79-2658 2326

Website: www.torrentpower.com; E-mail: cs@torrentpower.com

**11<sup>th</sup> Annual General Meeting – August 4, 2015****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

<b>DP ID :</b>	<b>REGD. FOLIO NO.:</b>
<b>CLIENT ID :</b>	<b>NO. OF SHARES HELD :</b>

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 **11<sup>th</sup> Annual General Meeting** of the Company at J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad - 380015 on Tuesday, 4<sup>th</sup> August, 2015 at 9.30 a.m.\_\_\_\_\_  
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: Torrent House, Off Ashram Road, Ahmedabad-380009, Gujarat, India.

Phone: +91-79-2658 5090, 2658 3060, Fax: +91-79-2658 2326

Website: www.torrentpower.com; E-mail: cs@torrentpower.com

**11<sup>th</sup> Annual General Meeting – August 4, 2015****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 : \_\_\_\_\_

E-mail 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 **11<sup>th</sup> Annual General Meeting** of the Company, to be held on the Tuesday, 4<sup>th</sup> August, 2015 at 9.30 a.m. 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
<b>ORDINARY BUSINESS</b>			
1. Adoption of the Financial Statements (including Consolidated Financial Statements) of the Company and reports of the Auditors and the Directors thereon.			
2. Declaration of Dividend on equity shares.			
3. Re-appointment of Shri Markand Bhatt as Director, who retires by rotation			
4. Re-appointment of M/s. Deloitte Haskins and Sells, Chartered Accountants, Ahmedabad as Statutory Auditors.			
<b>SPECIAL BUSINESS</b>			
5. Re-appointment of Shri Sudhir Mehta as the Chairman			
6. Re-appointment of Shri Samir Mehta as the Vice Chairman			
7. Ratification of remuneration of Cost Auditors			
8. Appointment of Smt. Bhavna Doshi as an Independent Director			
9. Adoption of new set of Articles of Association			

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
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 Eleventh 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.







**TORRENT POWER LIMITED**

CIN: L31200GJ2004PLC044068

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Ahmedabad - 380 009, India.  
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