torrent POWER

3rd August, 2018

To,
BSE Limited
Corporate Relationship Department
14th Floor, P. J. Towers,
Dalal Street, Fort,
Mumbai – 400001

SCRIP CODE: 532779

To,
National Stock Exchange of India Limited
Corporate Relationship Department
"Exchange Plaza", C-1, Block G
Bandra- Kurla Complex,
Bandra (East),
Mumbai 400051

SYMBOL: TORNTPOWER

Dear Sirs,

Re: Annual Report for FY 2017-18

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are enclosing herewith Annual Report of the Company for the Financial Year 2017-18 duly adopted by the members at the 14th Annual General Meeting of the Company held on 1st August, 2018.

Please find the same in order.

Thanking you,

Yours faithfully,

For Torrent Power Limited

Samir Shah
Company Secretary

TORRENT POWER LIMITED AHMEDABAD

14th

Annual
Report
2017-18

torrent
POWER

Cost-efficient Practices

Innovation and excellence is a way of life at Torrent. Deviating from the generally trodden path, Torrent Power has been innovating the way gas-based power plants are operated and maintained, by implementing several improvement initiatives beyond OEM's guidelines, leading to enhanced reliability, availability and efficiency of the plants. Company's SUGEN Mega Power Plant reached 50,000 operating hours and completed major overhaul of its units during the year in a path breaking timeline of average 20 days per unit (versus 40 days prescribed by the OEM). The complex overhauling job involving around 400 people was completed by following highest safety standards and without any accidents. This was possible by meticulous planning of all resources, risk assessment and perfection in execution. Post overhaul, plant performance parameters in terms of capacity (up by average 2.7%) and station heat rate (better by average 1.3%) have improved considerably beyond the guarantee provided by the OEM, resulting in long term commercial benefits to the company.

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CORPORATE INFORMATION

Board of Directors
Sudhir Mehta, Chairman Emeritus
(w.e.f 01/04/2018)
Samir Mehta, Chairman*
(w.e.f 01/04/2018)
Pankaj Patel
Samir Barua
Kiran Karnik
Keki Mistry
Bhavna Doshi
Dharmishta Raval
Pankaj Joshi, IAS
Markand Bhatt, Whole-time Director
Jinal Mehta, Managing Director*
(w.e.f 01/04/2018)

Audit and Risk Management Committee
Keki Mistry, Chairman
Samir Barua
Kiran Karnik
Bhavna Doshi
Dharmishta Raval

Stakeholders Relationship Committee
Pankaj Patel, Chairman
Samir Mehta
Markand Bhatt

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

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

Committee of Directors
Samir Mehta, Chairman
Markand Bhatt
Jinal Mehta

Chief Financial Officer
T. P. Vijayasarathy
(upto 29/05/2018)
Sanjay Dalal
(w.e.f. 30/05/2018)

Statutory Auditors
Price Waterhouse Chartered Accountants LLP
Chartered Accountants

Registered Office
"Samanvay", 600,
Tapovan, Ambawadi,
Ahmedabad-380015,
Gujarat, India.
Phone: +91 79 2662 8300 / 2662 8000
Fax: +91 79 2676 4159

Corporate Identity Number
L31200GJ2004PLC044068

Website
www.torrentpower.com

Investor Services Email Id
cs@torrentpower.com

Registrar and Share Transfer Agent
Link Intime India Pvt. Ltd.
Unit : Torrent Power Limited
506-508, Amarnath Business Centre-1 (ABC–1),
Besides Gala Business Centre, Near St. Xavier's
College Corner, Off. C. G. Road,
Ellisbridge, Ahmedabad - 380006 (Gujarat)
Phone : +91 79 2646 5179 / 86 / 87
E-mail : ahmedabad@linkintime.co.in
Website : www.linkintime.co.in

**Subject to approval of members of the Company at this AGM.*

NOTICE

NOTICE is hereby given that the 14th Annual General Meeting of the members of **TORRENT POWER LIMITED** will be held on Wednesday, 1st August, 2018 at 9.30 a.m. **at J. B. Auditorium, Torrent - AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad - 380015*** to transact the following businesses:

ORDINARY BUSINESSES

1. **Adoption of the Financial Statements**

   To consider and adopt the Financial Statements (including Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2018, including reports of the Auditors and the Board of Directors thereon.

2. **Declaration of dividend**

   To declare dividend of ₹5.00 per share on Equity Shares of the Company for the Financial Year ended 31st March, 2018.

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

   To appoint a Director in place of Shri Samir Mehta (DIN: 00061903), who retires by rotation and being eligible offers himself for re-appointment.

4. **Modification to the resolution related to appointment of Statutory Auditors**

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

   "RESOLVED THAT pursuant to the amendment to the section 139 of the Companies Act, 2013, effective from 7th May, 2018, the consent of the members of the Company be and is hereby accorded to delete the requirement, seeking ratification of appointment of Statutory Auditors (M/s. Price Waterhouse Chartered Accountants LLP) at every Annual General Meeting, from the resolution passed at the shareholders meeting held on 1st August, 2017."

SPECIAL BUSINESSES

5. **Appointment of Shri Samir Mehta as Chairman**

   To consider and if thought fit, to pass 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 modifications or re-enactment thereof for the time being in force (hereinafter referred to as "the Act") and subject to such other approvals as may be necessary, the consent of the members of the Company be and is hereby accorded for pre-closure of the term of appointment of Shri Samir Mehta (DIN: 00061903) as Executive Vice-Chairman granted vide shareholders resolution passed at the Annual General Meeting of the Company dated 4th August, 2015 and for his appointment as Chairman of the Board of Directors and the Company for a period of 5 years w.e.f. 1st April, 2018, subject to he being liable to retire by rotation as Director.

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

   RESOLVED FURTHER THAT Shri Samir Mehta shall be paid remuneration by way of annual commission at a rate not exceeding the percentage limits 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 payment shall be decided by the Board from time to time which shall include any Committee of the Board specifically authorised for this purpose from time to time (hereinafter referred to as "the Board").

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

RESOLVED FURTHER THAT Shri Samir Mehta shall not be entitled to any other perquisites and shall not be paid sitting fees for attending 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 may 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."

6. Appointment of Shri Jinal Mehta as Managing Director

To consider and if thought fit, to pass 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 modifications or re-enactment thereof for the time being in force (hereinafter referred to as "the Act") and subject to such other approvals as may be necessary, the consent of the members of the Company be and is hereby accorded for pre-closure of the term of appointment of Shri Jinal Mehta (DIN: 02685284), as Whole-time Director granted vide shareholders resolution passed at the Annual General Meeting of the Company dated 28th July, 2014 and for his appointment as Managing Director of the Company for a period of 5 years w.e.f. 1st April, 2018 on the following terms and conditions, subject to he being liable to retire by rotation as Director:

Sr. No.	Particulars		Details
1.	Salary	:	₹45,80,000/- (Rupees Forty Five Lakhs Eighty Thousands only) per month for FY 18-19.
			₹55,00,000/- (Rupees Fifty Five Lakhs only) per month for FY 19-20.
			₹64,20,000/- (Rupees Sixty Four Lakhs Twenty Thousands only) per month for FY 20-21.
			₹73,35,000/- (Rupees Seventy Three Lakhs Thirty Five Thousands only) per month for FY 21-22.
			₹82,55,000/- (Rupees Eighty Two Lakhs Fifty Five Thousands only) per month for FY 22-23.
2.	Commission	:	At a rate such that the total remuneration does not exceed percentage limits 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 section I of Part II of Schedule V to the Act. The actual amount of commission to be paid to Shri Jinal Mehta for any Financial Year and periodicity of payment shall be decided by the Board from time to time.
3.	Perquisites and Benefits	:	Will be allowed as under:
	(I)	(i)	The Company shall provide him a fully furnished accommodation. If he is not provided accommodation by the Company, the Company shall pay House Rent Allowance at the rate of 20% of the Salary.
		(ii)	The Company shall pay the premium for personal accident insurance under Group Personal Accident Insurance Policy, as per the rules of the Company.
		(iii)	The Company shall pay premium for medical insurance for self and family under Group Mediclaim Policy, as per the rules of the Company.
		(iv)	The Company shall reimburse annual fees for two clubs.
	(II)	(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 shall be borne by the Company.

Sr. No.	Particulars		Details
	(III)	(i)	Company's contribution to the Provident Fund will be as per applicable laws and rules of the Company.
		(ii)	Company's contribution to Pension / Superannuation Fund will be as per applicable laws and rules of the Company.
		(iii)	Gratuity shall be payable as per applicable laws and rules of the Company.
4.	Other terms	(i)	His entitlement for leave, its accumulation and encashment shall be as per the prevailing rules of the Company.
		(ii)	Such appointment shall not be considered as a break in his service.
		(iii)	Total remuneration for the year shall not exceed percentage limits of net profits of the Company as specified in the Act, calculated in accordance with section 198, subject to the overall ceiling prescribed in section 197 read with section I of Part II of Schedule V to the Act.
		(iv)	He shall not be entitled to receive sitting fees for attending meetings of the Board of Directors or a Committee thereof.

RESOLVED FURTHER THAT the actual amount of commission to be paid to Shri Jinal Mehta for each year and periodicity of payment shall be decided by the Board from time to time 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 Jinal Mehta shall exercise substantial powers of management, subject to superintendence, control and direction of the Chairman and Board of Directors of the Company.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any Financial Year, the Company shall pay Shri Jinal 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 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 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment thereof, for the time being in force, M/s. Kirit Mehta & Co., Cost Accountants, Mumbai, the Cost Auditors appointed by the Board of Directors of the Company to conduct audit of cost records of the Company (excluding Dahej Distribution Unit and DGEN Power Plant, as both are located in SEZ and exempted from the provisions of Cost Audit) for the Financial Year ending 31st March, 2019 be paid remuneration of ₹12,00,000/- plus applicable taxes and reimbursement of actual out of pocket expenses incurred by them during the course of the 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. Modification in Remuneration of Shri Varun Mehta

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

"RESOLVED THAT pursuant to the provisions of section 188 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014, or any other statutory modifications or re-enactment thereof, and subject to such other approvals as may be necessary, the consent of the members of the Company be and is hereby accorded for modification in remuneration for Shri Varun Mehta, a relative of Shri Sudhir Mehta, Chairman Emeritus, Shri Samir Mehta, Executive Chairman and Shri Jinal Mehta, Managing Director, on the terms and conditions as stated below:

Sr. No.	Particulars		Details
1.	Effective Date	:	From 2nd August, 2018
2.	Designation	:	Vice President or such designation as is appropriate for the functions assigned from time to time.
3.	Remuneration:	:	Shri Varun Mehta shall be paid the following remuneration:
A	Salary	:	₹3,00,000 (Rupees Three Lakhs only) per month. Salary may be increased within the range of ₹3,00,000 per month to ₹12,00,000 per month, in such increments as may be decided from time to time.
B	Allowances, Perquisites and Benefits	:	In addition to salary, he will be allowed allowances, perquisites and benefits as under:
		(i)	HRA, conveyance, compensatory allowance, car allowance, other allowances and incentives as applicable to the employees as per the prevailing rules, policies and practices of the Company.
		(ii)	Company's contribution to the Provident Fund will be as per applicable laws and rules of the Company.
		(iii)	Company's contribution to Pension / Superannuation Fund will be as per applicable laws and rules of the Company.
		(iv)	He and his family shall be covered under the group medical insurance and group personal accident insurance policies taken by the Company in respect of all employees.
		(v)	The Company shall provide him furnished residential accommodation, if the rules of the location of his posting provides for the same.
		(vi)	Gratuity shall be payable as per applicable laws and rules of the Company.
		(vii)	Entitlement for leave, its accumulation and encashment as per the rules of the Company.
		(viii)	He shall be entitled to use of one Company maintained car as per policy of the Company.
		(ix)	He shall be entitled to membership of club as per policy of the Company.
C	Performance Pay	:	The Company shall pay, in addition to salary and applicable allowances, perquisites and benefits, an annual Performance Pay at a rate not exceeding 50% of the salary as may be decided from time to time.
D	One Time Award	:	He may be granted a special One Time Award for any special achievement / project of extraordinary nature beyond the normal responsibilities as per the policy and practices of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to determine, modify, consolidate and/or revise the terms and conditions of the appointment of Shri Varun Mehta, including designation and remuneration within the above limits, in any manner from time to time, and to delegate all or any of the powers conferred herein to any Committees of Directors or any Officer(s) of the Company."

9. Enhancement of Borrowing Limits

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

"RESOLVED THAT pursuant to section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as amended from time to time and the rules made there under, including any modifications, amendments or re-enactment thereof and subject to such other approvals as may be necessary, and in supersession of the earlier resolution passed by the Company in this regards, the consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which shall be deemed to include any Committee thereof), to borrow any sum or sums of moneys (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business), from time to time, in such form and manner and on such terms and conditions as the Board may deem fit, as may be required for the purposes of business of the Company, from one or more Banks, Financial Institutions and/ or any other lenders (including any Government(s), Government Bodies, firms, body corporate, association of persons and any individuals) by way of loans, debentures, notes, bonds, cash credits, advances, deposits, bill discounting or any other form of indebtedness, either in rupees or in such other foreign currencies as may be permitted by law from time to time, whether secured or unsecured, provided that the total amount so borrowed and outstanding at any point in time shall not exceed ₹20,000 Crore (Rupees Twenty Thousands Crore only), notwithstanding the fact that money to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may at any time exceed the aggregate of the paid-up share capital of the Company, its free reserves (i.e. reserves not set apart for any specific purpose) and securities premium.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to finalize, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the aforesaid resolution and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution and also to delegate all or any of the above powers to the Committee of Directors."

10. Creation of Charges

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

"RESOLVED THAT pursuant to the provisions of section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time and the rules made thereunder, including any modifications, amendments or re-enactment thereof and subject to such other approvals as may be necessary, and in supersession of the earlier resolution passed by the Company in this regards, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which shall be deemed to include any Committee thereof) to mortgage, hypothecate, pledge, assignment and/or charge, in addition to mortgage, hypothecation, pledge, assignment and/or charge already created, in such form, manner and ranking and on such terms as the Board may deem fit in the interest of the Company, any or all of the immovable and/or movable properties of the Company, including book debts, intellectual property rights, licences, project documents, contracts and insurance policies wheresoever situated, both present and future, and/or the whole or part of the undertaking of the Company together with or without the power to enter upon and to take possession of any such asset and to take over the business or takeover the management of the business or any undertaking of the Company in case of events of default, in favour of the lender(s), agent(s) or trustee(s), for securing the borrowing including working capital facilities availed or to be availed by the Company or any of its subsidiaries, from time to time, by way of loans, debentures, notes, bonds, cash credits, advances, deposits, bill discounting or any other form of indebtedness, in foreign currency or in Indian rupees, in one or more tranches, alongwith interest, additional interest, accumulated interest, any increase as a result of changes in the rates of exchange, liquidated damages, commitment charges or costs, expenses and all other moneys payable by the Company or any of its subsidiary in terms of respective facility agreement(s) or any other document entered / to be entered into between the Company or any of its subsidiary and the lenders/agents/investors and trustees as may be stipulated in that behalf and agreed to between the Board and the lenders, agents, investors or trustees, from time to time, upto the limits approved under section 180(1)(c) of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to finalize, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to aforesaid resolution and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution and also to delegate all or any of the above powers to the Committee of Directors."

11. Re-appointment of Smt. Bhavna Doshi as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of sections 149, 152, Schedule IV and other applicable provisions 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, Smt. Bhavna Doshi (DIN: 00400508), be and is hereby re-appointed as an Independent Director on the Board of the Company, for a second and final term from 4th August, 2018 to 30th September, 2021 (both days inclusive)."

12. Re-appointment of Ms. Dharmishta N. Raval as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of sections 149, 152, Schedule IV and other applicable provisions 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, Ms. Dharmishta N. Raval (DIN: 02792246), be and is hereby re-appointed as an Independent Director on the Board of the Company, for a second and final term from 16th October, 2018 to 30th September, 2021 (both days inclusive)."

13. Re-appointment of Shri Samir Barua as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of sections 149, 152, Schedule IV and other applicable provisions 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, Shri Samir Barua (DIN: 00211077), be and is hereby re-appointed as an Independent Director on the Board of the Company, for a second and final term from 1st April, 2019 to 30th September, 2022 (both days inclusive)."

14. Re-appointment of Shri Keki Mistry as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of sections 149, 152, Schedule IV and other applicable provisions 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, Shri Keki Mistry (DIN: 00008886), be and is hereby re-appointed as an Independent Director on the Board of the Company, for a second and final term from 1st April, 2019 to 31st March, 2024 (both days inclusive)."

15. Re-appointment of Shri Pankaj Patel as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of sections 149, 152, Schedule IV and other applicable provisions 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, Shri Pankaj Patel (DIN: 00131852), be and is hereby re-appointed as an Independent Director on the Board of the Company, for a second and final term from 1st April, 2019 to 31st March, 2024 (both inclusive)."

By Order of the Board
For Torrent Power Limited

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

Ahmedabad
29th May, 2018

Registered Office:
"Samanvay", 600, Tapovan,
Ambawadi,
Ahmedabad-380015
CIN: L31200GJ2004PLC044068
Tel. No. +91 79 26628300
Website: www.torrentpower.com
Email: cs@torrentpower.com

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 14TH 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. Pursuant to the provisions of section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 12th June, 2018 to Thursday, 14th June, 2018 (both days inclusive) for determining the names of members for the purpose of the AGM.

7. The Statement pursuant to section 102 of the Companies Act, 2013 and / or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto and forms part of this Notice.

8. In terms of the section 124 of the Companies Act, 2013, the amount of dividend not encashed or claimed within 7 (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 Financial Year 2010-11 of the erstwhile Torrent Cables Limited (since amalgamated with Torrent Power Limited) and the Company will be due for transfer to the said Fund in September, 2018. The shareholders who have not encashed their dividend warrants for Financial Year 2010-11 of the Company and erstwhile Torrent Cables Limited (since amalgamated with Torrent Power Limited) are requested to approach the Company for payment.

   Further, pursuant to the provisions of section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 ("IEPF Rules"), all shares on which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred to the Demat Account of the Authority. The Company has sent intimation to all such members who have not claimed their dividend for seven consecutive years. All such members are requested to claim their Unclaimed Dividend expeditiously failing which their shares shall be transferred to the Demat Account of IEPF Authority and no claim shall lie against the Company. The members thereafter need to claim their shares from IEPF Authority by filing E-Form-5 and by following such procedures as prescribed in the IEPF Rules (as may be amended from time to time).

9. The Companies Act, 2013, provides nomination facility to the members. As a member of the Company, you have an option to nominate any person as your nominee to whom your shares shall vest in the unfortunate event of your death. It is advisable to avail of this facility especially by the members who currently hold shares in their single name. Nomination can avoid the process of acquiring any right in shares through transmission by law. In case of nomination for the shares held by the joint holders, such nomination will be effective only on death of all the holders. In case the shares are held in dematerialised form, the nomination form needs to be forwarded to your Depository Participant.

10. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends by registering their bank account details with the Company. For further information, you are requested to approach the Registrar and Share Transfer Agent of the Company.

11. 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 Meeting.

13. Annual Report for FY 2017-18 of the Company has been uploaded on website of the Company i.e. www.torrentpower.com.

14. All documents referred to in the accompanying Notice and the Explanatory Statement alongwith the Statutory Registers maintained by the Company as per the Companies Act, 2013 shall be open for inspection at the Registered Office of the Company during normal business hours (9:30 AM to 6:30 PM) on all working days, (except Saturday) upto and including 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 14th 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 copies are 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 the Registrar and Share Transfer Agent of the Company, 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. Wednesday, 25th July, 2018.**

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

    In case of members who are present in person at the meeting and entitled to vote, and have not exercised their right to vote by electronic means, the Chairman of the Company shall allow voting by way of poll in terms of Rule 20 (4) (xi) of the said Rules for the businesses specified in the accompanying Notice. For abundant clarity, in the event of poll, please note that the members who have exercised their right to vote by electronic means shall not be eligible to vote by way of poll at the Meeting.

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

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

20. The Scrutinizer shall within a period not exceeding 3 (three) 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.

21. The results shall be declared forthwith by the Chairman or a person so authorised by him in writing on receipt of consolidated report from scrutinizer. The Results declared along with Scrutinizer's Report shall be placed on the Company's website www.torrentpower.com and on the website of CDSL and shall also be communicated to the BSE Limited and National Stock Exchange of India Limited.

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

23. The resolutions shall be deemed to have been passed on the date of the 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

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

Step 3: Please enter User ID –

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

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

c. Members holding shares in Physical Form should enter Folio number registered with the Company.

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

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

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

a. holding shares in physical form, or

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

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

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

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

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

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

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

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

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

6.2 For Demat holding:

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

6.3 For Physical holding:

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

Step 7: Click on the EVSN of the Company i.e. 180612008 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.

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

Section B: Other instructions regarding Remote e-voting

i. The Remote e-voting period shall commence on Saturday 28th July, 2018 at 9.00 A.M. and end on Tuesday 31st July, 2018 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 and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

iii. Institutional Shareholders and Custodian are required to upload the following in PDF format in the system for the scrutinizer to verify the same:

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

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

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, under help section or write an email to **helpdesk.evoting@cdslindia.com.**

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

ITEM NO. 3 & 5

The shareholders at the 11th Annual General Meeting of the Company held on 4th August, 2015, had re-appointed Shri Samir Mehta as the Executive Vice-Chairman of the Company for a period of 5 years starting from 1st August, 2015 and ending on 31st July, 2020, on the terms and conditions of appointment contained in the said resolution.

Shri Sudhir Mehta, at the meeting of the Board of Directors held on 7th February, 2018, communicated to the Board his desire to relinquish the position as the Chairman of the Board and the Company w.e.f. 1st April, 2018, with a view to spend more time on educational, social and religious activities in which he is involved and also spare more time for himself. At the request of the Board, Shri Sudhir Mehta agreed to continue as a permanent member of the Board of the Company and the Board has conferred him the position of Chairman Emeritus effective from 1st April, 2018, so that his wisdom and counsel on key business and strategic matters would continue to be available to the Board and the Company.

In view of the above and based on the recommendation of Nomination and Remuneration Committee, the Board approved the appointment of Shri Samir Mehta as Executive Chairman of the Board of Directors and the Company, subject to shareholders approval, for a period of 5 (five) years effective from 1st April, 2018, with pre-closure of his existing term as Executive Vice Chairman.

Shri Samir Mehta (DIN: 00061903), age 54, has been associated with the Company since its inception, as a Promoter. He has made invaluable contributions in the steady march of Torrent Group to become one of the leading business houses in India. A B-School graduate, Shri Mehta has 30 years of hands-on experience in business strategy and growth and brought in the much desired analytical and professional approach in Torrent Group. Apart from setting up an orderly and system oriented organization, development of prudent financial management policies and balanced human resource policies have been the hallmark of his leadership. His focus on strategy whilst continuing to emphasise excellence in execution and business operations ensured that Torrent Power not only maneuvered the difficult times in power sector but constantly improved its performance on all efficiency parameters – strong project management, high plant availability, reduction in AT&C losses, better reliability indices, efficient gas procurement, management of regulatory aspects etc. Today, Torrent Power 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 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 a Director 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.

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	Name of Committees
1.	Torrent Pharmaceuticals Limited	Committee of Directors - Member
2.	Torrent Private Limited	Corporate Social Responsibility Committee - Chairman
3.	Arvind Limited	-
4.	Tornascent Care Institute	-
5.	UNM Foundation	-

Shri Samir Mehta holds 6,125 Equity Shares of the Company and is related to Shri Sudhir Mehta, Chairman Emeritus and Shri Jinal Mehta, Managing 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 are in any way concerned or interested in the resolution.

The Board recommends the resolutions at Item No. 3 & 5 of the Notice, for re-appointment of Shri Samir Mehta as Director and Executive Chairman of the Board and the Company, for your approval as an Ordinary Resolution.

ITEM NO. 4

The shareholders had, at 13th Annual General Meeting (AGM) of the Company held on 1st August, 2017, appointed M/s. Price Waterhouse Chartered Accountants LLP (FRN: 012754N/N500016) as Statutory Auditors of the Company, to hold office from conclusion of 13th AGM of the Company till the conclusion of 18th AGM, subject to ratification of such appointment by the shareholders at every AGM.

Pursuant to amendment of section 139 of the Companies Act, 2013 effective from 7th May, 2018, the requirement related to ratification of appointment of Statutory Auditors by the members of the Company at every AGM was omitted.

In view of the above, it is proposed to delete the requirement of seeking ratification of appointment of Statutory Auditors at every AGM from resolution passed at the shareholders meeting held on 1st August, 2017.

The Board recommends the resolution at Item No. 4 of the Notice, for deleting the requirement of seeking ratification of appointment of Statutory Auditors at every AGM, for your approval, as an Ordinary Resolution.

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

ITEM NO. 6

The shareholders at the 10th Annual General Meeting of the Company held on 28th July, 2014, had appointed Shri Jinal Mehta as the Whole-time Director of the Company for a period of 5 years, starting from 5th April, 2014 and ending on 4th April, 2019, on the terms and conditions of appointment contained in the said resolution. Shri Jinal Mehta, as Whole-time Director has been handling the distribution and transmission businesses of the Company.

Pursuant to the changes in managerial personnel explained in Item no. 3 & 5 above and based on the recommendation of Nomination and Remuneration Committee, the Board approved the appointment of Shri Jinal Mehta as Managing Director, subject to shareholders approval, for a period of five (5) years effective from 1st April, 2018 with pre-closure of his existing term as Whole-time Director.

Shri Jinal Mehta (DIN: 02685284), 35, has done his Bachelor of Business Studies (BBS) and Master of Business Administration (MBA) in International Business and Finance from University of Technology Sydney (UTS), Sydney, Australia. He has more than 11 years of experience in the power sector in both generation and distribution segments. He was involved in the operations of 1,147.5 MW SUGEN Mega Power Project as its COO and in the implementation of 382.5 MW SUGEN Expansion (i.e. UNOSUGEN). He subsequently supervised the project implementation of DGEN Mega Power Project (1,200 MW) and was Director and CEO of erstwhile Torrent Energy Limited (now merged with the Company), for a period of about 3 years until 31st March, 2014.

As Whole-time Director of the Company, he improved the operations of Ahmedabad and Surat distribution units in terms of network modernisation, customer service and regulatory approvals for recovery of costs. The Bhiwandi and Agra franchise distribution operations also witnessed significant reduction in T&D losses leading to significant increase in profitability. He was instrumental in obtaining the renewal of Bhiwandi franchise operations for another 10 years and new distribution license for Dholera SIR.

Shri Jinal Mehta is also the Managing Director of Torrent Power Grid Limited, a subsidiary 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 where he is a managerial person, in accordance with the provisions of Schedule V to the Companies Act, 2013. Shri Jinal Mehta shall be liable to retire by rotation as Director while he holds the office of the Managing Director. As the Managing Director, he will exercise substantial powers of the management, subject to superintendence, control and direction of the Chairman and Board of Directors of the Company.

Shri Jinal Mehta is a Member of the Corporate Social Responsibility Committee and Committee of Directors of the Company. He is also holding the position of Director in Torrent Private Limited and is a Member of Corporate Social Responsibility Committee of that company.

Shri Jinal Mehta holds 8,000 shares in the Company. He is son of Shri Sudhir Mehta, Chairman Emeritus and a relative of Shri Samir Mehta, Chairman. 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 other Key Managerial Personnel (KMP) of the Company or their relatives are in any way concerned or interested in the resolution.

The Board recommends the resolution at Item No. 6 of the Notice, in relation to appointment of Shri Jinal Mehta as a Managing Director of the Company, for your approval as an Ordinary Resolution.

ITEM NO. 7

The shareholders had, at the 13th Annual General Meeting of the Company held on 1st August, 2017, ratified the remuneration of M/s. Kirit Mehta & Co., Cost Accountants, Mumbai as Cost Auditors of the Company at ₹12,00,000/- plus applicable taxes and reimbursements of out of pocket expenses incurred by them during the course of audit for the FY 2017-18.

The Audit and Risk Management Committee of the Company had, at its meeting held on 7th February, 2018 recommended and the Board of Directors had approved the re-appointment of M/s. Kirit Mehta & Co., Cost Accountants, Mumbai as Cost Auditors of the Company (excluding Dahej Distribution and DGEN power plant, as both are in SEZ and exempt from the provisions of Cost Audit) to conduct the audit of the Cost Records of the Company for the FY 2018-19 at a remuneration of ₹12,00,000 /- plus applicable taxes and reimbursements of actual out of pocket expenses incurred by them during the course of audit. In accordance with the provisions of section 148 of the Companies Act, 2013 read with rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit & Risk Management Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, members are requested to ratify the remuneration of ₹12,00,000 /- plus applicable taxes and reimbursements of actual out of pocket expenses payable to M/s. Kirit Mehta & Co., Cost Auditors of the Company for the FY 2018-19 by passing an Ordinary Resolution at Item No. 7 of the Notice.

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

ITEM NO. 8

Shri Varun Mehta, son of Shri Sudhir Mehta, Chairman Emeritus and a relative of Shri Samir Mehta, Chairman and Shri Jinal Mehta, Managing Director was appointed to an office or place of profit in the Company, vide shareholders resolution, passed in the 10th Annual General Meeting held on 28th July, 2014.

Subject to approval of the shareholders, the Board had, at its meeting held on 29th May, 2018, approved the modification in remuneration of Shri Varun Mehta, on the terms and conditions as mentioned in the resolution at Item No. 8 of the Notice.

Information in compliance with section 188 of the Companies Act, 2013 and rule 15 (3) of the Companies (Meetings of Board and its Powers) Rules, 2014 is as stated below:

(a) **Name of the Related Party:** Shri Varun Mehta

(b) **Name of the Director or Key Managerial Personnel who is related, if any:**

  (i) Shri Sudhir Mehta, Chairman Emeritus

  (ii) Shri Samir Mehta, Chairman

  (iii) Shri Jinal Mehta, Managing Director

(c) **Nature of Relationship:** Shri Varun Mehta is son of Shri Sudhir Mehta, Chairman Emeritus, nephew of Shri Samir Mehta, Chairman and brother of Shri Jinal Mehta, Managing Director.

(d) Nature, material terms, monetary value and particulars of the contract or arrangement:

Shri Varun Mehta's remuneration is proposed to be modified, as his current remuneration has reached near the ceiling previously approved by the shareholders. Particulars of terms and conditions for modification in his remuneration are mentioned in the resolution at Item No.8 of the Notice.

(e) Any other information relevant or important for the members to take a decision on the proposed resolution:

Shri Varun Mehta, 31, is an International Baccalaureate Diploma holder from United World College of South East Asia, Singapore and graduated with B.Sc. (Hons) in Management from University of Warwick, UK. He has done MBA from INSEAD, France. He has about 8 years work experience with the Company across multiple functions and business areas. He is currently the Vice President in charge of distribution operations of Ahmedabad license area.

The Board recommends the resolution at Item No. 8, in relation to the modification in remuneration of Shri Varun Mehta, for your approval as an Ordinary Resolution.

Shri Sudhir Mehta, Shri Samir Mehta and Shri Jinal Mehta are related to Shri Varun Mehta and are, therefore, deemed to be interested in the resolution. None of the other Directors or other Key Managerial Personnel (KMP) of the Company or their relatives are in any way concerned or interested in the resolution.

ITEM NO. 9 & 10

The shareholders had, by means of passing Special Resolution by way of Postal Ballot (results of which were declared on 10th September, 2014) accorded their consent to the Board of Directors, to borrow any sum or sums of monies (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business), from time to time, in such form and manner and on such terms and conditions as the Board may deem fit, by way of term loans, debentures, or any other securities or otherwise, such that the total amount borrowed and outstanding at any time shall not exceed ₹13,500 Crore (Rupees Thirteen Thousands Five Hundred Crore only) and to create charges on the Company's properties for securing the borrowings within the above limits and also authorised the Board for the said purpose including *inter-alia*, to delegate all or any of the above powers to the Committee of Directors.

The long term borrowings including undrawn amount as on 31st March, 2018 is approx. ₹9,839 Crore (Rupees Nine Thousands Eight Hundred and Thirty Nine Crore only).

The Company's growth plans, inter-alia, envisage investing in renewable energy generation, developing new distribution networks and modernising its existing distribution networks, investing in transmission sector and also acquisition of stressed assets in power sector at attractive valuations. These would require sufficient capital resources, part of which will come from internal accruals and balance by way of borrowings. It is therefore, desirable for the Company to have the requisite shareholders approvals in place for meeting the fund requirements, by way of borrowings and for creating security for such borrowings. The existing shareholders approval of ₹13,500 Crore will therefore need to be enhanced upto ₹20,000 Crore (Rupees Twenty Thousand Crore only).

The Board recommends the resolutions at Item No. 9 & 10 of the Notice, for your approval as a Special Resolution.

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

ITEM NO. 11

Smt. Bhavna Doshi (DIN: 00400508), 65, is a fellow member of the Institute of Chartered Accountants of India (ICAI) and holds a Master Degree in Commerce from Mumbai University. She had an exemplary academic career and was ranked second on the all-India Merit List, at both, intermediate and final examinations conducted by the ICAI. She is currently providing expert 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 has held positions of Secretary and Chairperson of the Western India Regional Council of the ICAI. She was 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 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 in 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, and 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 successfully implemented at global level. She is a regular speaker at conferences and seminars organized by various trade and professional organizations on a variety of subjects. She is also involved in many social sector projects.

Smt. Bhavna Doshi joined the Board of Directors of the Company as an Independent Director and is the Chairperson of Corporate Social Responsibility Committee and a Member of Audit and Risk Management Committee of the Board. Her term will complete on 3rd August, 2018. Details of her directorship in other companies and Membership in committees of these companies are given below:

Sr. No.	Directorship in Companies	Name of Committees
1.	Connect Capital Private Limited	-
2.	Peninsula Land Limited	Audit Committee – Chairman Corporate Social Responsibility Committee - Member
3.	LIC Pension Fund Limited	Risk Management Committee – Chairman Nomination and Remuneration Committee - Member
4.	Everest Industries Limited	Audit Committee – Member
5.	Walchandnagar Industries Limited	Corporate Social Responsibility Committee – Chairman
6.	Sun Pharma Advanced Research Company Limited	Audit Committee – Chairman Corporate Social Responsibility Committee – Member Nomination and Remuneration Committee – Member
7.	Future Generali India Life Insurance Company Limited	Audit Committee – Chairman Nomination and Remuneration Committee – Chairman
8.	Future Generali India Insurance Company Limited	Audit Committee – Chairman Nomination and Remuneration Committee – Chairman
9.	Nuvoco Vistas Corporation Limited (earlier known as Lafarge India Limited)	Audit Committee – Chairman
10.	Gruh Finance Limited	Audit Committee – Member Stakeholders Relationship Committee – Member
11.	ICAI Accounting Research Foundation	-

In terms of the provisions of section 149 of the Companies Act, 2013, an Independent Director of the Company shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment for one more term on passing of a Special Resolution by the Company and disclosure of such appointment in its Board's report.

In view of the above, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee and based on performance evaluation, has recommended re-appointment of Smt. Bhavna Doshi, as Independent Director for second and final term from 4th August, 2018 to 30th September, 2021.

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 re-appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for re-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 continued association would be of immense benefit to the Company and it is desirable to continue the services of Smt. Bhavna Doshi as an Independent Director of the Company. Accordingly, the Board recommends the resolution at Item No. 11, in relation to re-appointment of Smt. Bhavna Doshi as an Independent Director, for your approval as a Special Resolution.

Smt. Bhavna Doshi holds 1,900 Equity Shares of the Company jointly with her spouse. She is deemed to be interested in the resolution. None of the other Directors or Key Managerial Personnel (KMP) of the Company or their relatives are in any way concerned or interested in the resolution.

ITEM NO. 12

Ms. Dharmishta N. Raval (DIN: 02792246), 62, has a rich and varied legal experience of more than 35 years, in the areas of corporate, labour, banking and tax laws. Ms. Raval worked extensively with Late Shri Kirit N. Raval, former Solicitor General of India. She is a partner of Raval & Raval, a renowned law firm. She also held various senior and important positions such as Executive Director in SEBI, Senior Standing Counsel for the Central Government for the Gujarat High Court, Member of the Advisory Committee on “Fostering Fair Trade and Competition in downstream Petroleum & Natural Gas Sector” by Petroleum and Natural Gas Regulatory Board, Member of the Governing Council at BSE Ltd., Member of Advisory Committee of SEBI-Mutual Funds, Member of Advisory Board at Multi Commodity Exchange of India Ltd., Member and Vice Chairperson of the Executive Committee of the NSDL.

Ms. Dharmishta N. Raval joined the Board of Directors of the Company as an Independent Director and is a Member of Audit and Risk Management Committee and Nomination and Remuneration Committee of the Board. Her term will complete on 15th October, 2018. Details of her directorship in other companies and membership in committees of these companies are given below:

Sr. No.	Directorship in Companies	Name of Committees
1.	Cadila Healthcare Limited	Audit Committee – Member Nomination and Remuneration Committee - Member Corporate Social Responsibility Committee – Member
2.	NOCIL Limited	-
3.	NSDL e-Governance Infrastructure Limited	Remuneration Committee- Member Investment Committee- Member
4.	National Stock Exchange of India Limited	-
5.	Zydus Healthcare Limited	-

In terms of the provisions of section 149 of the Companies Act, 2013, an Independent Director of the Company shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment for one more term on passing of a Special Resolution by the Company and disclosure of such appointment in its Board’s report.

In view of the above, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee and based on performance evaluation, has recommended re-appointment of Ms. Dharmishta N. Raval, as Independent Director for second and final term from 16th October, 2018 to 30th September, 2021.

In the opinion of the Board, Ms. Dharmishta N. Raval fulfils the conditions as specified in the Companies Act, 2013 and rules made thereunder for her re-appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Ms. Dharmishta N. Raval 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 continued association would be of immense benefit to the Company and it is desirable to continue the services of Ms. Dharmishta N. Raval as an Independent Director of the Company. Accordingly, the Board recommends the resolution at Item No. 12, in relation to re-appointment of Ms. Dharmishta N. Raval as an Independent Director, for your approval as a Special Resolution.

Ms. Dharmishta N. Raval does not hold any shares of the Company. She is deemed to be interested in the resolution. None of the other Directors or Key Managerial Personnel (KMP) of the Company or their relatives are in any way concerned or interested in the resolution.

ITEM NO. 13

Shri Samir Barua (DIN: 00211077), 66, M. Tech. (IIT, Kanpur) in Industrial Engineering and Operations Research and Ph.D. in Management (IIM, Ahmedabad). Having joined as a faculty at IIM, Ahmedabad in 1980, he then served as its Director from November 2007 to March, 2013.

His academic and professional pursuit spans several disciplines and functional areas in management that include capital markets, portfolio theory, international finance, operations research and decision sciences, corporate strategy and corporate governance. He has been visiting faculty to academic institutions in several countries. He has taught extensively in national and international executive training programs. Shri Samir Barua has co-authored two books Portfolio Management; and The Great Indian Scam; story of the missing ₹4000 Crore and has authored over 200 papers/ articles, which have been published/presented in national and international publications and conferences. He has also authored over 60 case studies in management. He has served on the governing boards of several academic institutions.

In addition to academic pursuits, he has been consultant to several public and private organizations and has been associated with Indian financial sector and Indian Energy sector for over two decades. He has prepared policy papers for the Finance Ministry, HRD Ministry, I&B Ministry etc. of Government of India, the Reserve Bank of India, and Securities and Exchange Board of India in areas of banking and capital markets. He has been as a Member of the Governing Board of Bombay Stock Exchange; Derivatives Market Council and Index Committee of the Bombay Stock Exchange; Steering Committee and the Curriculum Committee on Certification for trading in Financial Markets of the National Stock Exchange.

Shri Samir Barua joined the Board of Directors of the Company as an Independent Director on 29th January, 2008 in terms of erstwhile Listing Agreement and Companies Act, 1956. Being eligible, he was appointed as Independent Director under Companies Act, 2013 and will complete his term on 31st March, 2019.

He is a Member of Audit and Risk Management Committee and Corporate Social Responsibility Committee of the Board. Details of his directorship in other companies and membership in committees of these companies are given below:

Sr. No.	Directorship in Companies	Name of Committees
1.	Axis Bank Limited	Audit Committee – Chairman
2.	Axis Capital Limited	Audit Committee – Chairman
3.	Torrent Pipavav Generation Limited	Audit Committee – Member Nomination and Remuneration Committee - Member
4.	Tata Projects Limited	Audit Committee – Chairman Nomination and Remuneration Committee - Member
5.	Jagaran Microfin Private Limited	-
6.	NSE IFSC Clearing Corporation Limited	-
7.	ICAI Registered Valuers Organisation	-

In terms of the provisions of section 149 of the Companies Act, 2013, an Independent Director of the Company shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment for one more term on passing a Special Resolution by the Company and disclosure of such appointment in its Board's Report.

In view of the above, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee and based on performance evaluation, has recommended re-appointment of Shri Samir Barua, as Independent Director for second and final term from 1st April, 2019 to 30th September, 2022.

In the opinion of the Board, Shri Samir Barua fulfils the conditions as specified in the Companies Act, 2013 and rules made thereunder for his re-appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for re-appointment of Shri Samir Barua 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 his continued association would be of immense benefit to the Company and it is desirable to continue the services of Shri Samir Barua as an Independent Director of the Company. Accordingly, the Board recommends the resolution at Item No. 13, in relation to re-appointment of Shri Samir Barua as an Independent Director, for your approval as a Special Resolution.

Shri Samir Barua does not hold any shares of the Company. He is deemed to be interested in the resolution. None of the other Directors or Key Managerial Personnel (KMP) of the Company or their relatives are in any way concerned or interested in the resolution.

ITEM NO. 14

Shri Keki Mistry (DIN: 00008886), 63, is a Member of the Michigan Association of Certified Public Accountants, USA and a Fellow Member of the Institute of Chartered Accountants of India. A renowned professional with over three decades of experience in financial services, he is currently the Vice Chairman and CEO of Housing Development Finance Corporation Limited (HDFC).

As a part of HDFC's management team, Shri Keki Mistry has played a significant role in the successful growth and transformation of HDFC into India's leading integrated financial services conglomerate with leading market positions in housing finance, banking, mutual funds and insurance.

Shri Keki Mistry has been consultant to Commonwealth Development Corporation (CDC) in Thailand, Mauritius, Caribbean Islands and Jamaica, guiding CDC to review and evaluate the operations of mortgage financial institutions in these countries. He has also been consultant to the Mauritius Housing company and Asian Development Bank.

Some of the recognitions of Shri Keki Mistry are:

- Declared as the Best CFO in the Financial Services category by the Institute of Chartered Accountants of India for 2008
- Conferred the 'Best Performing CFO in the Financial Services Sector' award for three consecutive years (2006, 2007 and 2008) and 'CFO of the Year' award for 2008 by CNBC TV18
- Selected as the 'Best Investor Relations Officer' in the Corporate Governance poll by Asia money (2008)
- Enlisted among the '25 Best Managers' in the Annual Survey by Smart Manager magazine in 2005
- Shri Keki Mistry's innovative strategy was recognized by the International Finance Review-Asia, which awarded HDFC's Floating Rate Note deal as 'India Capital Markets Deal of the Year – 2002'.

Shri Keki Mistry joined the Board of Directors of the Company as an Independent Director on 28th January, 2010 in terms of erstwhile Listing Agreement and Companies Act, 1956. Being eligible, he was appointed as Independent Director under Companies Act, 2013 and will complete his term on 31st March, 2019. He is currently, the Chairman of Audit and Risk Management Committee of the Board of Directors 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	Name of Committees
1.	Housing Development Finance Corporation Limited	Corporate Social Responsibility Committee – Member Risk Management Committee - Member
2.	HDFC Bank Limited	Credit Approval Committee – Member Customer Services Committee – Member Fraud Monitoring Committee – Member Premises Committee – Chairman

Sr. No.	Directorship in Companies	Name of Committees
3.	HDFC Asset Management Company Limited	Audit Committee - Member Investment Committee – Member Risk Management Committee – Member Indemnity Committee – Member Oversight Committee – Member Share Allotment Committee – Chairman
4.	HDFC Standard Life Insurance Company Limited	Audit Committee - Member Stakeholders Relationship Committee – Chairman Investment Committee – Member Executive Committee – Chairman Nomination and Remuneration Committee – Member
5.	HDFC ERGO General Insurance Company Limited	Audit Committee - Member Investment Committee – Chairman Policyholder Protection & Grievance Redressal Committee – Member Nomination and Remuneration Committee – Member Risk Management Committee – Member Allotment Committee – Member
6.	Gruh Finance Limited	Audit Committee - Member Remuneration Committee – Member
7.	Sun Pharmaceutical Industries Limited	Audit Committee – Chairman Remuneration Committee – Chairman
8.	Greatship (India) Limited	Audit Committee – Chairman Selection Committee – Chairman Remuneration Committee – Member
9.	HCL Technologies Limited	Audit Committee – Chairman Risk Management Committee – Chairman

In terms of the provisions of section 149 of the Companies Act, 2013, an Independent Director of the Company shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment for one more term on passing of a Special Resolution by the Company and disclosure of such appointment in its Board's report.

In view of the above, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee and based on the report of performance evaluation, has recommended re-appointment of Shri Keki Mistry, as Independent Director for second and final term from 1st April, 2019 to 31st March, 2024.

In the opinion of the Board, Shri Keki Mistry fulfils the conditions as specified in the Companies Act, 2013 and rules made thereunder for his re-appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for re-appointment of Shri Keki Mistry 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 his continued association would be of immense benefit to the Company and it is desirable to continue the services of Shri Keki Mistry as an Independent Director of the Company. Accordingly, the Board recommends the resolution at Item No. 14, in relation to re-appointment of Shri Keki Mistry as an Independent Director, for your approval as a Special Resolution.

Shri Keki Mistry does not hold any shares of the Company. He is deemed to be interested in the resolution. None of the other Directors or Key Managerial Personnel (KMP) of the Company or their relatives are in any way concerned or interested in the resolution.

ITEM NO. 15

Shri Pankaj Patel (DIN: 00131852), 65, holds a Masters in Pharmaceuticals and Pharmaceutical Technology from Gujarat University and BA in Science and Law from the University of Mumbai. Shri Pankaj Patel is the Chairman of Zydus Group, one of India's leading pharmaceutical and healthcare groups with operations in more than 50 countries worldwide. Zydus is the only Indian pharma company to launch its own patented NCE – Lipaglyn, the world's first drug to be approved for the treatment of diabetic dyslipidemia. The Zydus group was amongst the top five companies worldwide at the FT Arcelor Mittal Boldness in Business Awards 2014 in the Developing Markets category.

Shri Patel was named the "Best Pharma Man of the year 2003" by the Foundation of Indian Industry and Economists in recognition of the growth of Cadila under his leadership. He was conferred the India Innovator Award by CNBC and the Ernst & Young Entrepreneur of the Year Award in the Life Sciences category, in 2013. The World Pharmaceutical Frontiers ranked him in their First Pharma 40 list of world's most influential people in the field of healthcare.

Shri Pankaj Patel is the immediate past President of the Federation of Indian Chamber of Commerce & Industry (FICCI) and Executive Chairman of the Gujarat Cancer Society and Chairman of the Gujarat Cancer and Research Institute and GCS Medical College.

Shri Patel is also actively involved in various educational activities and is on the advisory committees and academic councils of several educational institutions. Shri Pankaj Patel is the Chairperson of the Board of Governors of the Indian Institute of Science Education and Research, IISER, Kolkata. He is a Member of the Board of Governors and also the Chairman of the Finance Committee of the Indian Institute of Management, Ahmedabad. He is also currently a Member of the Governing Board of The Ahmedabad University, Chairman of School of Life Sciences, Ahmedabad University and Member of the Board of Management of the Narsee Monjee Institute of Management Studies.

Shri Pankaj Patel joined the Board of Directors of the Company as an Independent Director on 29th September, 2006 in terms of the erstwhile Listing Agreement and Companies Act, 1956. Being eligible, he was appointed as Independent Director under Companies Act, 2013. His term will complete on 31st March, 2019. He is currently, the Chairman of Stakeholders Relationship Committee and Member of Nomination and Remuneration Committee of the Board. Details of his directorship in other companies and membership in committees of these companies are given below:

Sr. No.	Directorship in Companies	Name of Committees
1.	Cadila Healthcare Limited	Stakeholder's / Investors Relationship Committee - Member Share Transfer Committee – Chairman Corporate Social Responsibility Committee – Chairman Risk Management Committee – Chairman
2.	Nirma Limited	Corporate Social Responsibility Committee – Member
3.	Bayer Cropscience Limited	-
4.	Gruh Finance Limited	Nomination and Remuneration Committee - Member
5.	Biochem Pharmaceutical Private Limited	-
6.	Zydus Hospitals and Healthcare Research Private Limited	-
7.	Pripan Investment Private Limited	-
8.	Cadmach Machinery Company Private Limited	-
9.	Mabs Biotech Private Limited	-
10.	Cadila Laboratories Private Limited	-

Sr. No.	Directorship in Companies	Name of Committees
11.	Western Ahmedabad Effluent Conveyance Company Private Limited	-
12.	Zydus Takeda Healthcare Private Limited	-
13.	Zydus Hospitals (Vadodara) Private Limited	-
14.	Zydus Hospitals (Rajkot) Private Limited	-
15.	Bayer Zydus Pharma Private Limited	-
16.	Invest India	-

In terms of the provisions of section 149 of the Companies Act, 2013, an Independent Director of the Company shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment for one more term on passing a Special Resolution by the Company and disclosure of such appointment in its Board's report.

In view of the above, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee and based on the report of performance evaluation, has recommended re-appointment of Shri Pankaj Patel, as Independent Director for second and final term from 1st April, 2019 to 31st March, 2024.

In the opinion of the Board, Shri Pankaj Patel fulfils the conditions as specified in the Companies Act, 2013 and rules made thereunder for his re-appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for re-appointment of Shri Pankaj Patel 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 his continued association would be of immense benefit to the Company and it is desirable to continue the services of Shri Pankaj Patel as an Independent Director of the Company. Accordingly, the Board recommends the resolution at Item No. 15, in relation to re-appointment of Shri Pankaj Patel as an Independent Director, for your approval as a Special Resolution.

Shri Pankaj Patel does not hold any shares of the Company. He is deemed to be interested in the resolution. None of the other Directors or Key Managerial Personnel (KMP) of the Company or their relatives are in any way concerned or interested in the resolution.

By Order of the Board
For Torrent Power Limited

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

Ahmedabad
29th May, 2018

Registered Office:
"Samanvay", 600, Tapovan,
Ambawadi,
Ahmedabad-380015
CIN: L31200GJ2004PLC044068
Tel. No. +91 79 26628300
Website: www.torrentpower.com
Email: cs@torrentpower.com

Dear Members,

Your Directors are pleased to present the Fourteenth Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended 31st March, 2018.

1. HIGHLIGHTS

The key highlights for the Financial Year 2017-18 are:

- Financial performance of the Company on consolidated basis:
  - o Increase in Total Income by 15.55% to ₹11,775.64 Crore
  - o Increase in PBDIT by 27.52% to ₹3,380.68 Crore
  - o Increase in Total Comprehensive Income (after Non-controlling interest) by 126.15% to ₹955.65 Crore
- In the matter of tariff determination for Ahmedabad and Surat Distribution areas, Hon'ble Gujarat Electricity Regulatory Commission (GERC):
  - o for FY 2017-18 and true up of FY 2015-16 continued the tariff of FY 2016-17 for FY 2017-18 as well and also directed to discontinue the recovery of Regulatory Charge w.e.f 10th June, 2017.
  - o for FY 2018-19 and true up of FY 2016-17 has not revised the tariff for second year in succession and abolished Meter Rent w.e.f. 1st April, 2018.
- The Company continued to substantially improve the network and reduce Aggregate Technical & Commercial (AT&C) Losses in Bhiwandi and Agra. The AT&C losses reduced from 22.22% in FY 2016-17 to 17.28% in FY 2017-18 in Bhiwandi and from 26.78% in FY 2016-17 to 20.89% in FY 2017-18 in Agra.
- 400 kV Nikol-2 supply point has been commissioned with state-of-the-art Gas-insulated substation and numerical relays in the city of Ahmedabad; thus enhancing the import capacity of Eastern part of Ahmedabad.
- Geographical Information System (GIS) has been implemented at Ahmedabad, Gandhinagar and Surat distribution areas. New "Plug points", the digital customer service centres were launched in Ahmedabad & Gandhinagar. Over 125 new collection centres have been launched at various geographies across the distribution areas for greater convenience to customers.
- 9 LNG cargoes have been imported till 31st March, 2018 and another 26 LNG cargoes have been contracted, after following a competitive tender process, with international suppliers for delivery upto December 2020.
- The Company continued to grow its Renewables business and has won the following wind power projects by participating in the competitive bidding and the e-reverse auction process:
  - a) 499.8 MW held on 13th February, 2018 by Solar Energy Corporation of India Limited (SECI) (Tranche – III). This is the largest capacity ever won by any bidder in the wind auctions conducted so far in the country.
  - b) 124.4 MW held on 6th March, 2018 by Maharashtra State Electricity Distribution Company Limited.
- 164.9 MW Wind Power Projects have been successfully commissioned during the year. The total renewable power generation capacity, including operational and under-construction projects, has crossed the mark of 1,550 MW.

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 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Total Income	**11,716.78**	**10,153.43**	**11,775.64**	**10,190.98**
Profit Before Depreciation, Interest and Tax	**3,326.36**	**2,619.92**	**3,380.68**	**2,651.18**
Depreciation, Amortization & Impairment loss	1,111.14	989.42	1,131.50	1,005.86
Finance Costs	839.69	1,046.56	848.19	1,057.98
Profit Before Tax	**1,375.53**	**583.94**	**1,400.99**	**587.34**
Current Tax	303.60	121.95	312.48	123.95
Deferred Tax	150.19	29.63	136.39	33.60
Non-controlling Interest	-	-	9.81	0.84
Profit for the period	**921.74**	**432.36**	**942.31**	**428.95**
Other comprehensive income (net of tax)	13.33	(6.36)	13.34	(6.37)
Total comprehensive income for the year	**935.07**	**426.00**	**955.65**	**422.58**
Add: Balance brought forward	2,606.17	2,216.07	2,613.78	2,228.05
Balance available for Appropriation	**3,541.24**	**2,642.07**	**3,569.43**	**2,650.63**
Appropriations				
Transfer to Contingency Reserve	1.71	1.68	1.71	1.68
Transfer to Debenture Redemption Reserve	34.22	34.22	34.22	34.22
Transfer to General Reserve	-	-	-	-
Dividends				
Dividend (including interim dividend) paid	105.74	-	105.74	-
Dividend distribution tax paid	21.12	-	22.47	0.95
Balance carried to Balance Sheet	**3,378.45**	**2,606.17**	**3,405.29**	**2,613.78**
Basic and Diluted Earnings per Share (₹ per share)	**19.18**	**9.00**	**19.61**	**8.93**

Note: The figures for the previous periods have been regrouped / recast, wherever necessary, to make them comparable with the figures for the current periods.

2. DIVIDEND

The Company, as a policy, endeavours to distribute approx. 30% of its consolidated annual profits after tax as dividend in one or more tranches. Following the said policy, the Board of Directors, on 29th May, 2018, recommended dividend of ₹5.00 per equity share having face value of ₹10/- on 48,06,16,784 equity shares (PY ₹2.20 per equity share having face value of ₹10/- on 48,06,16,784 equity shares), amounting to ₹240.31 Crore (PY ₹105.74 Crore).

With Dividend Distribution Tax of ₹49.40 Crore (PY ₹21.12 Crore), the total outflow on account of dividend works out to ₹289.71 Crore (PY ₹126.86 Crore) i.e. 30.32% (PY 30.02%) of consolidated Total Comprehensive Income for FY 2017-18.

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

3. MANAGEMENT DISCUSSION AND ANALYSIS

As stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report forms part of this Annual Report.

4. CUSTOMER INITIATIVES

The Company constantly strives to adopt customer-driven strategies to provide positive customer experience. Key technology initiatives taken in this regard during FY 2017-18 include (a) Implementation of GIS at Ahmedabad, Gandhinagar and Surat distribution areas; (b) New "Plug points", the digital customer service centres, were launched in Ahmedabad & Gandhinagar; (c) Opening of 100 new collection centres in licensed areas and 25 new collection centres in franchise areas to expand service reach; (d) Implementation of Interactive Voice Response System (IVRS) system for Agra customers; and (e) Launch of upgraded mobile application for customers with more payment options like UPI, Mobikwik and request options for customer account statement.

5. ENVIRONMENT, HEALTH AND SAFETY

The Company accords utmost importance to environment, health and safety (EHS) in its various operations. The key developments concerning EHS during FY 2017-18 include:

- Zero Liquid Discharge since August 2017 at SUGEN plant.
- Accreditation of Integrated Management System of DGEN-PLL gas line by Certification Engineers International Limited as per Petroleum and Natural Gas Regulatory Boad (PNGRB) regulations.
- Samanvay (Corporate Office), GENSU plant and Meghdhanush (residential colony) have upgraded to the 2015 version of ISO standards. Other units are in the process of upgradation of their Integrated Management System to the new standards.
- Other key EHS initiatives include Rainwater harvesting system at Samanvay (Corporate Office) & Distribution units; Safety training programs for differently abled persons at GENSU, Safety awareness programs, Usage of environmentally friendly bio-degradable ester oil in place of mineral oil in Distribution transformers in densely populated and congested areas to enhance safety and to prevent land contamination, introduction of Cobalt Free Silica Gel moisture absorbent in place of normal Silica Gel for transformers at SUGEN plant, tree plantation, Celebrations of Electrical Safety / Chemical Safety / National safety / Anti-Tobacco Week, World Heart Day, National Fire Service Day, World Environment Day, Earth Day, etc.

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

6. HUMAN RESOURCES

At Torrent, we firmly believe that each milestone achieved by the Organization is an outcome of efforts, dedication and conviction demonstrated by its people. Herein, HR has a major role to play as it improves the company's bottom line with its knowledge of how human capital affects organizational success. HR participates in corporate decision-making that underlies current staffing assessments and projections for future workforce needs based on business demand. It also helps in the development of organisational culture and climate in which employees have the competency, concern and commitment to serve customers well.

Training and Development initiatives are adjacent focus areas which involve change in attitude, skills or knowledge of a person with the resultant improvement in their behaviour. For training to be effective, it is planned after a thorough need analysis and is targeted at certain competencies and skills required for upgrading to next level.

The significance of HR can be seen in three contexts: Organisational, Social and Professional in following ways:

- Good human resource practice can help in attracting and retaining the best people in the organisation.
- Developing the necessary skills and right attitude amongst the employees through training, development, performance appraisal, etc.

- Securing willing cooperation of employees through motivation, participation, grievance handling, etc.
- Promoting team-work and team-spirit amongst employees
- Providing environment and incentives for developing and utilizing creativity

On the Statutory front, during the year under review, no case was received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The year also saw reinforcement of the already existing Whistle Blower Policy in order to emphasize and encourage reporting of any wrongdoing or any unethical practice.

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 7,619 employees as on 31st March, 2018 vis-à-vis 7,414 employees as on 31st March, 2017. Going forward, the Company will continue to focus on nurturing the right talent to achieve the business goals.

7. CORPORATE SOCIAL RESPONSIBILITY

The Board has adopted a Corporate Social Responsibility (CSR) Policy for the Company based on which CSR Programs and activities were carried out during the year. The CSR Policy and CSR Plan for FY 2017-18 can be accessed through the following weblinks:

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

http://www.torrentpower.com/pdf/investors/03-01-2018_8oc69_CSR_Plan.pdf

The CSR committee comprises of Smt. Bhavna Doshi (Chairperson), Shri Samir Barua and Shri Jinal Mehta. The Committee oversees the CSR activities.

The Company, as part of its CSR activities made focused efforts in the fields of Community Healthcare, Sanitation & Hygiene, Education & Knowledge Enhancement and Social Care & Concern.

The details of key CSR programs and activities undertaken at Group level are provided in the Annual Report on CSR Activities (**Annexure A** to this Report). The Company has spent ₹15.11 Crore on CSR programs and activities as compared to the 2% of average net profit for the past three financial years of ₹15.02 Crore mandated by section 135 of the Companies Act, 2013.

In addition to above, the Company also undertook some additional CSR activities during the year, briefly described hereunder.

- **Creating livelihood:**
  - o 42 days intensive training course, developed in-house by the security team at Sugen Power Plant, covering security, basic firefighting and working knowledge of computers for unemployed youth with basic primary education has been continued in FY 2017-18 as well; these youths, numbering 72, have been absorbed in security related jobs at Sugen and Dgen power plants.
  - o Multi skill trainings were organized for the Company's security guards in the areas of CCTV operations, driving, housekeeping, etc. to make them versatile.
  - o Differently abled persons (with impaired hearing and speech) were trained for routine cleaning of solar panels at the GENSU Solar Plant, thus providing them a dignified livelihood.
  - o Employment to uneducated and destitute locals for horticulture, house keeping and canteen work.
- **Community healthcare:**

  SWADHAR – the community health care centre at SUGEN Plant, provides primary health care facilities at nominal cost to the surrounding communities. In the latter half of FY 2017-18, additional infrastructure was set up at a cost of ₹1.78 Crore to cover speciality consulting in Dental, Opthalmology, Dermatology, Gynaecology and Physiotherapy. During FY 2017-18, the Company has spent ₹0.06 Crore on Swadhar activities benefitting about 47,000 persons.

- **Donations**

  The Company also made donations amounting to ₹7.67 Crore to various organisations involved in CSR activities related to healthcare, education, arts & culture, science, relief to disaster victims; socio-economic development including de-addiction, skill development; self-help groups, youth, upliftment of women, integrated development of tribes; etc.

8. FINANCE

During FY 2017-18, the Company has tied up long term loans of ₹830 Crore for routine Capex for its existing areas of operations. Further, loan of ₹40 Crore was tied up for part funding of the Company's Wind Power Projects at Kutch and Bhavnagar districts in Gujarat.

Outstanding amount towards long term loans, Non-Convertible Debentures (NCDs) and Accelerated Power Development and Reforms Programme (APDRP) loans as on 31st March, 2018 was ₹9,337.18 Crore. Details of long term loans of the Company for the year under review are provided in Note 23 to the Consolidated Financial Statements.

The consolidated debt to equity (including deferred tax liability) ratio as at the end of FY 2017-18 was 1.01 (PY - 1.06).

Credit Rating of the Company's long term loans, cash credit and NCDs has been reaffirmed by CRISIL at AA- / Stable and that of Letters of credit / bank guarantees of the Company has been reaffirmed at A1+.

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

9. 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 B** and in the section on Related Party Transactions in the Report on Corporate Governance.

10. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(3) of the Companies Act, 2013, 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 31st March, 2018 and of the profits for the year ended 31st March, 2018;

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.

11. 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.

12. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Besides the existing subsidiaries of the Company, the Company has acquired 100% equity share capital of two Companies namely; Jodhpur Wind Farms Private Limited and Latur Renewables Private Limited during the year. The Board reviews the affairs of the Company's subsidiaries at regular intervals. In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared Consolidated Financial Statements of the Company which form part of this Annual Report. Further, a statement containing salient features of the Financial Statements of the Company's subsidiaries and associates is given in prescribed form AOC-1 which forms part of this Annual report at page no. 237.

The Company, jointly with Torrent Pharmaceuticals Limited, promoted two Section 8 Companies under the Companies Act, 2013, viz. Tornascent Care Institute and UNM Foundation for the purpose of carrying out CSR activities, which are detailed in section 7 of this report.

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

14. DIRECTORS AND KEY MANAGERIAL PERSONNEL

APPOINTMENT, RESIGNATION AND RETIREMENT

The Members of the Company had at the 13th Annual General Meeting held on 1st August, 2017, appointed Shri Pankaj Joshi, IAS (holding DIN: 01532892), then an Additional Director of the Company, as a Director with effect from 1st August, 2017, who shall be liable to retire by rotation pursuant to the applicable provisions of the Companies Act, 2013. Shri R. Ravichandran (holding DIN: 06737497) retired at the same meeting and the vacancy caused by such retirement was not filled up.

During the year under review, Shri Markand Bhatt, Whole-time Director of the Company expressed his desire to relinquish his responsibilities, both as Whole-time Director and as member of the Board. Acknowledging the possible implications, Shri Bhatt had consented to work on a transition plan over the course of next few months to install appropriate new arrangements. Considering Shri Bhatt's desire for relinquishment and offer to work on transition plan so as to ensure continuity and minimal disruption, the Board had at its meeting held on 7th February, 2018 approved that he will continue his term till 30th September, 2018.

In the same Board meeting held on 7th February, 2018, Shri Sudhir Mehta, had also expressed his desire to relinquish the position as the Chairman of the Board and the Company, w.e.f. 1st April, 2018, with a view to spend more time on social, educational and religious activities in which he is involved and also spare more time for himself. The Board has agreed to his request with great reluctance, in view of Shri Sudhir Mehta agreeing to continue as a permanent member of the Board of the Company. The Board conferred upon him the position of Chairman Emeritus w.e.f. 1st April, 2018 so that his wisdom and counsel on key business and strategic matters would continue to be available to the Board and the Company.

The Board had further at their aforesaid meeting, subject to the approval of the shareholders, appointed Shri Samir Mehta, Vice Chairman, as Executive Chairman of the Company and Shri Jinal Mehta, Whole-time Director as Managing Director of the Company effective from 1st April, 2018.

Shri T. P. Vijayasarathy, Chief Financial Officer of the Company will be taking up a new role in the Company and had thus requested for his relinquishment as the Chief Financial Officer and Whole-time Key Managerial Personnel of the Company effective from close of working hours of 29th May, 2018. To fulfill the vacancy caused due to his relinquishment of the position of Chief Financial Officer, the Board had appointed Shri Sanjay Dalal as Chief Financial Officer and Whole-time Key Managerial Personnel of the Company effective from 30th May, 2018.

Shri Darshan Soni, Company Secretary & Whole-time Key Managerial Personnel had resigned from the services of the Company effective from the close of business hours on 3rd March, 2018.

The shareholders, at various meetings appointed Smt. Bhavna Doshi (till 3rd August, 2018), Ms. Dharmishta N. Raval (till 15th October, 2018), Shri Samir Barua (till 31st March, 2019), Shri Keki Mistry (till 31st March, 2019) and Shri Pankaj Patel (till 31st March, 2019) as Independet Directors of the Company. Their above term (being first term) will end between this Annual General Meeting (AGM) and Fifteenth AGM. Therefore, the Board hereby recommends to the shareholders, for their approval, the re-appointment of Independent Directors for second term as mentioned in the Notice forming part of this Annual Report.

As per the provisions of the Companies Act, 2013, Shri Samir Mehta (holding DIN: 00061903), 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 Fourteenth AGM.

DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to section 149(7) of the Companies Act, 2013, the Company has received necessary declaration from each Independent Director confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

15. POLICY ON DIRECTORS' APPOINTMENT

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

Criteria for appointment:

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

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

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

Process for Identification / Appointment of Directors:

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

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

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

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

16. CRITERIA FOR PERFORMANCE EVALUATION

The criteria for performance evaluation of itself, that of its Committees and Individual Directors as laid down by the Board of Directors is as follows:

Evaluation of	Criteria for Evaluation
Board	• Degree of fulfilment of key responsibilities including special responsibilities as under: ✓ Focus on strategic and policy issues ✓ Governance and compliance ✓ Stakeholders' value and responsibility • Effectiveness of Board process and information sharing • Board culture and dynamics • Quality of decisions • Establishment and delineation of responsibilities to Committees • Facilitation of Independent Directors
Committees	• Degree of fulfilment of key responsibilities • Frequency and effectiveness of meetings • Committee dynamics, especially openness of discussions, including with the Board • Adequacy of Committee composition • Quality of relationship of the Committee with the Board and the Management
Individual Directors	• Fulfillment of functions • Participation in Board in terms of adequacy (time & content) • Contribution at meetings • Guidance / support to Management outside Board / Committee meetings • Independent views and judgement (only for Independent Directors)

17. MANNER OF EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

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

The obtaining and consolidation of feedback from all Directors in this regards, was co-ordinated by the Chairman. Based on this, the Chairman briefed the Board and each of the Individual Directors, as applicable.

18. MEETINGS OF THE BOARD & COMPLIANCE TO SECRETARIAL STANDARDS

The Board meets at regular intervals with gap between two meetings not exceeding 120 days. During FY 2017-18, the Board met five times.

The Company has complied with the provisions of Secretarial Standard 1 (relating to meetings of the Board of Directors) and Secretarial Standard 2 (relating to General meetings) during the year.

19. REMUNERATION

REMUNERATION POLICY

The Company has in place 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 based on individual and unit performance
- 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 cases, 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, changeover cost, 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.
- 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's performance (based on which the overall ceiling for remuneration and performance based pay at Unit level are determined).
  - o Individual Performance / track record.
- 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 2017-18 is conducted in FY 2018-19 and his salary rise in FY 2018-19 reflects his performance for FY 2017-18.

Remuneration of Non-Executive Directors:

The Company has formulated a Policy for the remuneration of Non-Executive Directors as follows:

i. Sitting Fees of ₹1 lakh 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 & Risk Management Committee subject to the condition that total commission paid to all Directors (other than Managing Director or Whole-time Director) including Goods and Services Tax (GST) 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. Non-Executive 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.

20. 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 D** to this Report.

21. AUDITORS

STATUTORY AUDITORS

The shareholders had at the Thirteenth AGM of the Company appointed M/s. Price Waterhouse Chartered Accountants LLP as Statutory Auditors of the Company to hold office from the close of the Thirteenth AGM till the conclusion of the Eighteenth AGM, subject to their appointment being ratified by the shareholders in every AGM.

The Ministry of Corporate Affairs vide Companies Amendment Act, 2017 omitted the requirement related to ratification of appointment of statutory auditors by members at every AGM w.e.f. 7th May, 2018. Pursuant to the amendment, the Board hereby recommends to the shareholders for their approval that the requirement of seeking ratification of appointment of Statutory Auditors (M/s. Price Waterhouse Chartered Accountants LLP) at every Annual General Meeting (referred in the resolution passed at the Shareholders meeting held on 1st August, 2017), be deleted.

The Auditors' Report for FY 2017-18 forms part of this Annual Report and does not contain any qualification, reservation or adverse remark.

COST AUDITORS

Pursuant to section 148(3) of the Companies Act, 2013, M/s. Kirit Mehta & Co., Cost Accountants, Mumbai had been appointed as the Cost Auditors of the Company for FY 2017-18 by the Board of Directors and their remuneration was ratified by members at the Thirteenth AGM of the Company. The Cost Audit Report for FY 2016-17 does not contain any qualification and was filed on 24th August, 2017 with the Central Government (within the prescribed time limit) pursuant to Section 148(6) of the Companies Act, 2013.

SECRETARIAL AUDITORS

Pursuant to Section 204 of the Companies Act, 2013 read with Rules thereof, the Board of Directors had appointed M/s. M. C. Gupta & Co., Company Secretaries, Ahmedabad, as Secretarial Auditors of the Company for FY 2017-18. The Secretarial Audit Report for FY 2017-18 is annexed herewith as **Annexure E**.

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

22. AUDIT AND RISK MANAGEMENT

The Composition of the Audit and Risk Management Committee is in compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. Composition of the Committee as on 31st March, 2018 is given below:

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. Bhavna Doshi	Independent Director
Ms. Dharmishta Raval	Independent Director

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

VIGIL MECHANISM

The Company has in place a Whistle Blower Policy pursuant to the applicable statutory requirements. The 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 uses such mechanism and also provides for direct access to the Chairman of the Audit and Risk Management Committee, in exceptional cases. The functioning of the Whistle Blower mechanism is reviewed by the Audit and Risk Management 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/pdf/investors/02-06-2016_6mbme_whistle_blower_policy.pdf

RISK MANAGEMENT

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

23. THE EXTRACT OF THE ANNUAL RETURN

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

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

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

25. 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, Gujarat Energy Development Agency, Karnataka Renewable Energy Development Limited, Bureau of Energy Efficiency, Chief Electrical Inspectors of Gujarat, Uttar Pradesh, Maharashtra and Karnataka, State Energy Developers, State Discoms, Central and State Transmission Companies, Solar Energy Corporation of India Limited, NABL (Quality Council of India), Petroleum and Natural Gas Regulatory Board, the Gram Panchayats, Taluka Panchayats, District Collectors, Local Authorities, 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
29th May, 2018

Samir Mehta
Chairman
DIN: 00061903

ANNEXURE – A

ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2017-18

The CSR Policy approved by the Board, *inter alia,* laying down the objectives, scope, Thrust Areas, identification of projects, monitoring and reporting, etc. along with CSR Plan for FY 2017-18 is available for reference on the website of the Company at:

http://www.torrentpower.com/pdf/investors/02-06-2016_rautx_csrpolicy.pdf &
http://www.torrentpower.com/pdf/investors/03-01-2018_8oc69_CSR_Plan.pdf respectively.

The Company sees itself as a citizen of the society and believes in conducting its business activities in a socially responsible manner to the overall benefit of the society. It is in this backdrop that the Company has drawn up its CSR Policy and conducted its programmes and activities for the FY 2017-18.

The Board has constituted a CSR Committee consisting of the following members:

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

A brief outline of the CSR Policy is given below:

- → While the Company is eligible to undertake any suitable / rightful activity as specified in Schedule VII of the Companies Act, 2013, it proposes to undertake projects in the Thrust Areas identified.
- → The Company, in every financial year shall endeavor to spend the required amount for its CSR Projects and shall not be restricted by the statutory limit, whereby the minimum spend has to be 2% of the Company's average net profit for three immediately preceding financial years.
- → The Policy specifies the mechanism for identification and implementation of the CSR Projects and approval thereof by the CSR Committee. The total expenditure in the CSR Annual Plan shall be approved by the Board upon recommendation by the CSR Committee.
- → As per the Policy, the CSR Projects may be implemented as under:
  - 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
  - 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 half-yearly monitoring of the implementation of the CSR Policy and CSR Plan by the CSR Committee.

Overview of projects or programs undertaken

The Company has undertaken various CSR Projects / Programs during FY 2017-18 in the Thrust Areas identified in the CSR Policy; details of which are given below:

1. **REACH:** Initiated in 2016 under the aegis of Tornascent Care Institute, the Child centric Health Care Program "REACH" - Reach EAch CHild has three major pillars: (a) SHAISHAV (b) JATAN and (c) MUSKAN. REACH program progressed significantly in the current year at all the four centres and across all the three pillars with increase in the scope and reach.

   - ➢ Under the first pillar of the program "**Shaishav**", so far 266 paediatric camps covering 341 villages and 51,000+ underserved children (in the age group of 6 months to 6 years) were conducted to obtain their base line health status, identify and treat anaemia and malnutrition as well as provide specialised treatment to those identified with cardiac, neurological, respiratory and the like disorders. About 83% of the children were cured of their anaemic condition, around 73% of children were pulled out of severe malnourishment and 670 cases were provided specialised treatment. Coverage of Shaishav was expanded through OPD vans and to include children upto the age of 18 years. Till 31st March, 2018, 39,000+ children were provided free of cost treatment including the operative and consultation costs at referral hospitals under this expanded coverage.

- "**Jatan**", the second pillar of the program, focuses on providing paediatric care through well equipped Paediatric centres. 4 such centres have been set up at Sugen, Dahej, Balasinor and Indrad which are supporting the basic medical needs of children in these four areas. Treatment by doctors, medicines & basic laboratory tests are provided free of cost to children in the age group of 0-18 years. 54,500+ children have benefitted till 31st March, 2018.

- Under "**Muskaan**", counselling and support is being provided to the adolescent girls near Sugen for menstrual hygiene and sanitation by giving them free health and hygiene kits which include sanitary pads, soap, shampoo, etc. About 4,000 adolescent girls of 70 villages between 11-18 years of age are being provided kits on monthly basis. This activity has also been replicated at Dahej & Indrad centres. This program has helped gradual eradication of physiological & social taboos and has increased confidence & self-esteem amongst them.

2. **Shiksha Setu** – The Teaching and Learning Program being conducted through UNM Foundation completed second year of Phase II of the program. This program covers 13 schools located at Sugen, Chhatral, Chappi, Memadpur and Ahmedabad locations and about 4,300 students and 150 teachers in such schools. In the first year i.e FY 2016-17, focus was on setting up the new technology based infrastructure and software in the schools and training the students and teachers on the same. During FY 2017-18, 3,370 (84%) students from standard 3rd to 8th started working regularly on tablets while over 90% teachers are confidently teaching their subjects through smart boards. This year, for the first time, 5,281 students from standard 3rd to 8th participated in technology based assessment on tablets. For teachers, 496 subject workshops were organised at all locations and more than 2,000 students were provided academic & behavioural inputs during school visits. About 1,000 parents attended parents' sensitization meetings at schools and were elated to see their children studying through tablets and smart boards in classrooms. School principals expressed their views that technology based classrooms have immensely helped teachers in making teaching interesting, while tablets provided to students are helpful in bringing irregular students to school.

3. **Development of Public Parks:**

The Company, along with one of India's best known landscape design firm, developed a detailed process that is an exemplar on how public projects should be undertaken and embarked upon. Six other firms in Ahmedabad have joined hands under LEAF (Landscape Environment and Advancement Foundation) to undertake this work. Over a period of 12 months, many parks in Ahmedabad were visited and studied for their usage patterns. 15 parks with differing sizes, which were equally distributed in Ahmedabad, were chosen for development. This rigorous exercise culminated in finalization of 6 parks measuring ~32,000 Sqmt. under Phase I. The development of such 6 parks is under progress. The design of the other parks of Phase II is under development.

CSR Expenditure for FY 2017-18	(₹ in Crore)
Average net profit of the Company for last three financial years	750.90
Prescribed CSR Expenditure (2% of the above amount)	15.02
Total amount spent for FY 2017-18	15.11
Amount unspent, if any	Not Applicable

Manner in which the CSR amount was spent during FY 2017-18 is detailed below:-

(₹ in Crore)

1 Sr. No.	2 CSR Project or Activity Identified	3 Sector in which the Project is covered	4 Projects or programs: (1) Local area or other; (2) Specify the State and district where projects or programs were undertaken	5 Amount Outlay (Budget) Project or Program wise FY 2017-18	6 Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs, (2) Overheads FY 2017-18	7 Cumulative expenditure upto the reporting period*	8 Amount Spent : Direct or through implementing agency
1	REACH - Paediatric Healthcare Programme	Community Healthcare, Sanitation and Hygiene (Promoting healthcare including preventive healthcare)	(1) 36 Villages in Taluka Mandvi, Dist. Surat, Gujarat (2) 25 Villages in Taluka Mangrol, Dist. Surat, Gujarat (3) 16 Villages in Taluka Balasinor, Dist. Mahisagar, Gujarat (4) 14 Villages in Taluka Jotana, Dist. Mehsana, Gujarat (5) 12 Villages in Taluka Bharuch, Dist. Bharuch, Gujarat (6) 7 Villages in Taluka Kadi, Dist. Mehsana, Gujarat (7) 6 Villages in Taluka Galteshwar, Dist. Kheda, Gujarat (8) 3 Villages in Taluka Amod, Dist. Bharuch, Gujarat (9) 2 Villages in Taluka Olpad, Dist. Surat, Gujarat (10) 1 Village in Taluka Kalol, Dist. Gandhinagar, Gujarat (11) 1 Village in Taluka Nadiad, Dist. Kheda, Gujarat	7.50	7.97	31.83	Directly: (1) Through Tornascent Care Institute (Section 8 Company of the Group) Regi. No. U85100GJ2015NPL082291 dated 16-02-2015 (2) By Company
2	Development of Public Parks	Social Care and Concern (Ensuring environmental sustainability, ecological balance and protection of flora and fauna)	6 Parks in Ahmedabad, Gujarat	2.50	2.50	2.50	Directly: (1) Through UNM Foundation (Section 8 Company of the Group) Regi. No. U85110GJ2015NPL083340 dated 27-05-2015

(₹ 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 2017-18	6 Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs, (2) Overheads FY 2017-18	7 Cumulative expenditure upto the reporting period*	8 Amount Spent : Direct or through implementing agency
3	Preventive Health Care Programme	Community Healthcare, Sanitation and Hygiene (Promoting healthcare including preventive healthcare)	Sabarmati Urban Slum, Sabarmati, Dist. Ahmedabad, Gujarat	0.20	0.04	1.52	Directly: (1) Through UNM Foundation (Section 8 Company of the Group) Regi. No. U85110GJ2015NPL083340 dated 27-05-2015 (2) By Company
4	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, Navipardi, Dhoranpardi (Tribal Area), Taluka Kamrej, Dist. Surat, Gujarat (3) At Villages: Chhapi, Memadpur, Bharkawada, Kodrali (Rural Area), Taluka Vadgam, Dist. Banaskantha, Gujarat (4) At Village: Indrad, Irana, Ankhol, Acharasan (Rural Areas), Taluka Kadi, Dist. Mehsana, Gujarat (12 Govt. schools and 1 Grant in Aid schools)	0.35	0.35	3.90	Directly: (1) Through UNM Foundation (Section 8 Company of the Group) Regi. No. U85110GJ2015NPL083340 dated 27-05-2015
5	Supporting Primary & Secondary School (For urban slum children)	Education and Knowledge Enhancement (Promoting education)	Sabarmati Urban Slum, Sabarmati, Dist. Ahmedabad, Gujarat	0.20	0.15	0.65	(1) Indirectly through Implementing Agency: Amdavad Vidyut Kelavani Samaj Trust Regi. No. F-710 Ahmedabad dated 16-11-1979 (2) Directly by Company
6	Supporting needy girls & women towards their education, food and shelter	Promoting education & healthcare	Sabarmati, Dist. Ahmedabad, Gujarat	0.25	0.25	0.75	Indirectly through Implementing Agency: Sabarmati Harijan Ashram Trust Regi. No. A/192 Ahmedabad dated 24-09-1952

(₹ 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 2017-18	6 Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs, (2) Overheads FY 2017-18	7 Cumulative expenditure upto the reporting period*	8 Amount Spent : Direct or through implementing agency
7	Supporting the establishment of a Cancer Care Centre	Community Healthcare, Sanitation and Hygiene (Promoting healthcare including preventive healthcare)	Dist. Nagpur, Maharashtra	3.00	3.00	4.00	Indirectly through Implementing Agency: Dr. Abaji Thatte Seva Aur Anusandhan Sanstha Trust Regi. No. F-13603(N) dated 12-01-1998
8	Contribution for Banaskantha Flood victims	Social Care and Concern (Disaster relief)	Banaskantha, Gujarat	0.22	0.22	0.22	Directly by Company
9	Supporting village development	Rural Development	Yoginagar, Taluka Nadiad, Dist. Kheda, Gujarat	0.10	0.00	0.15	N/A
10	Others						
	CSR capacity building cost including Administrative overhead			0.75	0.63	2.6	Directly by Company
	Miscellaneous			0.03	0.00	0.01	
	Total			**15.10**	**15.11**	**48.13**	

* Starting from 1st April, 2014.

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

Figures are rounded off to nearest lakh

In terms of Section 135 of the Companies Act, 2013, 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 Plan was incurred for the CSR Projects in the Thrust Areas of the Company; and

(d) the implementation and monitoring of the CSR Projects were in compliance with CSR objectives and CSR Policy of the Company.

Ahmedabad
29th May, 2018

Samir Barua
Director
DIN: 00211077

Bhavna Doshi
Chairperson, CSR Committee
DIN: 00400508

ANNEXURE - B

FORM AOC-2

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

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

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board and Audit Committee, if any	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Not Applicable								

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including value, if any	Date(s) of approval by the Board and Audit Committee, if any	Amount paid as advances, if any
	(a)	(b)	(c)	(d)	(e)	(f)
Not Applicable						

For and on behalf of the Board of Directors

Ahmedabad
29th May, 2018

Samir Mehta
Chairman
DIN: 00061903

ANNEXURE - C

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

TO THE MEMBERS OF
TORRENT POWER LIMITED

We have examined the compliance of conditions of Corporate Governance by Torrent Power Limited, for the year ended 31st March, 2018 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015).

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

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

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

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

Pradip Kanakia
Partner
Membership No.: 39985

Place: Ahmedabad
Date: 29th May, 2018

ANNEXURE – D

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

1. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2017-18 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during FY 2017-18 are as under:

Sr. No.	Name	Designation	Ratio of Remuneration of Director to Median$ Remuneration of employees	% increase in Remuneration in FY 2017-18
			(Sub-rule (i) of Rule 5(1))	(Sub-rule (ii) of Rule 5(1))
1.	Shri Sudhir Mehta	Chairman$$	266.60	99.92%
2.	Shri Pankaj Patel	Independent Director	7.20	12.50%
3.	Shri Samir Barua	Independent Director	8.53	10.34%
4.	Shri Kiran Karnik	Independent Director	7.20	-10.00%
5.	Shri Keki Mistry	Independent Director	5.06	-9.52%
6.	Shri R. Ravichandran	Nominee Non-Executive Director	*	*
7.	Smt. Bhavna Doshi	Independent Director	7.46	-3.45%
8.	Shri P. K. Taneja, IAS	Nominee Non-Executive Director	+	+
9.	Shri Pankaj Joshi, IAS	Nominee Non-Executive Director	++	++
10.	Ms. Dharmishta Raval	Independent Director	6.40	-20.00%
11.	Shri Samir Mehta	Vice Chairman#	266.50	100.00%
12.	Shri Markand Bhatt	Whole-time Director	959.50	71.42%@
13.	Shri Jinal Mehta	Whole-time Director##	202.38	33.64%
14.	Shri T. P. Vijayasarathy	Chief Financial Officer	Not Applicable	15.77%@@
15.	Shri Darshan Soni	Company Secretary	Not Applicable	^

$ Refer point 2 below.

$$ Designated as Chairman Emeritus w.e.f. 1st April, 2018.

Designated as Chairman w.e.f. 1st April, 2018.

Designated as Managing Director w.e.f. 1st April, 2018.

* Details not given as Shri R. Ravichandran ceased to be a Director w.e.f. 1st August, 2017.

+ Details not given as Shri P. K. Taneja, IAS ceased to be a Director w.e.f. 23rd May, 2017.

++ Details not given as Shri Pankaj Joshi, IAS was a Director only for the part of FY 2017-18 i.e. w.e.f. 23rd May, 2017.

@ Excluding Leave encashment in FY 2017-18.

@@ Excluding one-time reward in FY 2017-18.

^ Details not given as Shri Darshan Soni ceased to be the Company Secretary w.e.f. 3rd March, 2018.

2. Sub-rule (iii) of Rule 5(1): The median remuneration of the employees in FY 2017-18 increased by 12.52%. The unionised employees whose remuneration is based on periodic settlements have been excluded for this purpose.

3. Sub-rule (iv) of Rule 5(1): The number of permanent employees on the rolls of Company as on 31st March, 2018 was 7,619.

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

   - of employees (excluding Key Managerial Personnel & employees who were employed for part of the previous year) is 12.58% (excluding one-time reward) and 15.00% (including one-time reward);
   - of Key Managerial Personnel is 13.34% (excluding one-time reward and commission) and 70.86% (including one-time reward and commission).

   The average total increase in salaries of Key Managerial Personnel reflects the payment of higher commission to managing directors and whole time directors on account of 126% increase in net profits of the Company for FY 2017-18.

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

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

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN: 00061903

Ahmedabad
29th May, 2018

ANNEXURE - E

M. C. Gupta & Co.
Company Secretaries

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

703, Mauryansh Elanza, Near Parekh's Hospital, Shyamal Cross Roads, Ahmedabad - 380 015
+91 79 2676 9976, +91 79 6663 9976 e-mail: mcguptacs@gmail.com

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[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,
"Samanvay",
600, Tapovan, Ambawadi,
Ahmedabad – 380 015

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

Based on our verification of the Torrent Power Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the Financial Year ended on 31st March, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made 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, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**

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

f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

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

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

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

(vi) The Company has complied with, following other laws, specifically applicable to the Company:

a) Electricity Act, 2003

b) Gujarat Electricity Duty Act, 1958

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

d) Gujarat Electricity Grid Code, 2013

e) Energy Conservation Act, 2001

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

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

We further report that

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

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

There were no dissenting views on any matter.

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

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

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

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

Place : Ahmedabad
Date : 19th May, 2018

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

Annexure: “A”

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

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

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

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

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

Place : Ahmedabad
Date : 19th May, 2018

ANNEXURE - F

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended 31st March, 2018

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

I. REGISTRATION AND OTHER DETAILS

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Electric power generation and distribution	351	97.48%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Torrent Private Limited	Torrent House, Off Ashram Road, Ahmedabad-380009	U67120GJ1985PTC007573	Holding	53.56%	2(46)
2	Torrent Power Grid Limited	"Samanvay", 600, Tapovan, Ambawadi, Ahmedabad-380015	U40104GJ2005PLC046660	Subsidiary	74.00%	2(87)
3	Torrent Pipavav Generation Limited	"Samanvay", 600, Tapovan, Ambawadi, Ahmedabad-380015	U40108GJ2007PLC051822	Subsidiary	95.00%	2(87)
4	Torrent Solargen Limited	"Samanvay", 600, Tapovan, Ambawadi, Ahmedabad-380015	U40102GJ2008PLC055000	Subsidiary	100.00%	2(87)
5	AEC Cements & Constructions Limited	AEC Tower, Fifth Floor, Shahpur, Ahmedabad-380001	U45201GJ1988PLC010752	Subsidiary	69.00%	2(87)
6	Tidong Hydro Power Limited	177/1, Nirsu Village, Dutt Nagar Rampur Bushahr, Shimla, Himachal Pradesh-172001	U40101HP2007PLC030774	Associate	49.00%	2(6)
7	UNM Foundation (Section 8 Company)	"Samanvay", 600, Tapovan, Ambawadi, Ahmedabad-380015	U85110GJ2015NPL083340	Associate	50.00%	2(6)
8	Tornascent Care Institute (Section 8 Company)	"Samanvay", 600, Tapovan, Ambawadi, Ahmedabad-380015	U85100GJ2015NPL082291	Associate	50.00%	2(6)
9	Jodhpur Wind Farms Private Limited	The Futura, Block B, Flr-8 No. 334, Rajiv Gandhi Salai Sholinganallur, Chennai-600119	U31909TN2017PTC114487	Subsidiary	100.00%	2(87)
10	Latur Renewable Private Limited	The Futura, Block B, 8th floor, No. 334, Rajiv Gandhi Salai, Sholinganallur, Chennai-600119	U31906TN2017PTC114294	Subsidiary	100.00%	2(87)
11	Wind Two Renergy Private Limited	Survey No. 1837 & 1834, At Moje Jetalpur ABS Tower, Second Floor, Old Padra Road, Vadodara-390007	U40300GJ2017PTC096960	Associate	NIL	2(6)
12	Wind Four Renergy Private Limited	Survey No. 1837 & 1834, At Moje Jetalpur ABS Tower, Second Floor, Old Padra Road, Vadodara-390007	U40300GJ2017PTC097003	Associate	NIL	2(6)

Sr. No.	Name of the Company	Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
13	Wind Five Renergy Private Limited	Survey No. 1837 & 1834, At Moje Jetalpur ABS Tower, Second Floor, Old Padra Road, Vadodara-390007	U40100GJ2017PTC096973	Associate	NIL	2(6)
14	Khatiyu Wind Energy Private Limited	301, ABS Tower Old Padra Road, Vadodara-390007	U40300GJ2017PTC099831	Associate	NIL	2(6)
15	Nani Virani Wind Energy Private Limited	301, ABS Tower Old Padra Road, Vadodara-390007	U40300GJ2017PTC099852	Associate	NIL	2(6)
16	Ravapar Wind Energy Private Limited	301, ABS Tower Old Padra Road, Vadodara-390007	U40300GJ2017PTC099854	Associate	NIL	2(6)

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

i) Category-wise Share Holding

Category of Shareholder	No. of the shares held at the beginning of the year 01/04/2017				No. of shares held at the end of the year 31/03/2018				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. PROMOTER AND PROMOTER GROUP									
(1) INDIAN									
(a) Individual / HUF	21007	-	21007	-	21007	-	21007	-	-
(b) Central Government	-	-	-	-	-	-	-	-	-
(c) State Government(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	257422311	-	257422311	53.56	257422311	-	257422311	53.56	-
(e) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub -Total A(1)	**257443318**	**-**	**257443318**	**53.57**	**257443318**	**-**	**257443318**	**53.57**	**-**
(2) FOREIGN									
(a) Individuals (NRIs / Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b) Other Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Banks / FIs	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total A(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)=A(1)+A(2)	**257443318**	**-**	**257443318**	**53.57**	**257443318**	**-**	**257443318**	**53.57**	**-**

Category of Shareholder	No. of the shares held at the beginning of the year 01/04/2017				No. of shares held at the end of the year 31/03/2018				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
B. PUBLIC SHAREHOLDING									
(1) INSTITUTIONS									
(a) Mutual Funds	28614615	115	28614730	5.95	42925637	-	42925637	8.93	2.98
(b) Banks / Financial Institutions	49683004	98386	49781390	10.36	42979641	98111	43077752	8.96	-1.40
(c) Central Government	-	-	-	-	-	-	-	-	-
(d) State Government(s)	900	7057896	7058796	1.47	900	7057896	7058796	1.47	0.00
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) Foreign Portfolio Investors / Foreign Institutional Investors	32537806	-	32537806	6.77	28213800	-	28213800	5.87	-0.90
(h) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	
(i) Others	-	-	-	-	-	-	-	-	-
Sub-Total B(1)	**110836325**	**7156397**	**117992722**	**24.55**	**114119978**	**7156007**	**121275985**	**25.23**	**0.68**
(2) NON-INSTITUTIONS									
(a) Bodies Corporate	**59106409**	**-**	**59106409**	**12.30**	**57876277**	**-**	**57876277**	**12.04**	**-0.26**
(i) Indian	55246409	-	55246409	11.50	54016277	-	54016277	11.24	-0.26
(ii) Overseas	3860000	-	3860000	0.80	3860000	-	3860000	0.80	-
(b) Individuals									
(i) Individual shareholders holding nominal share capital Upto ₹1 lac	21500828	7387377	28888205	6.01	22195522	5866514	28062036	5.84	-0.17
(ii) Individual shareholders holding nominal share capital in excess of ₹1 lac	11361759	2304506	13666265	2.84	9665730	2186330	11852060	2.47	-0.37
(c) Others									
- NRI	774438	229732	1004170	0.21	849317	155231	1004548	0.21	0.00
- Trusts	163236	-	163236	0.03	153814	-	153814	0.03	0.00
- HUF	1276881	-	1276881	0.27	1080373	-	1080373	0.22	-0.05
- Office Bearers	-	25	25	0.00	-	25	25	0.00	0.00
- Foreign Portfolio Investor Individual	349	-	349	-	-	-	-	0.00	0.00
- Clearing Member	1075204	-	1075204	0.22	632307	-	632307	0.13	-0.09
- IEPF	-	-	-	-	1236041	-	1236041	0.26	0.26
Sub-Total B(2)	**95259104**	**9921640**	**105180744**	**21.88**	**93689381**	**8208100**	**101897481**	**21.20**	**-0.68**
Total Public Shareholding (B)=B(1)+B(2)	**206095429**	**17078037**	**223173466**	**46.43**	**207809359**	**15364107**	**223173466**	**46.43**	**0.00**
C. SHARES HELD BY CUSTODIANS FOR GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)	**463538747**	**17078037**	**480616784**	**100.00**	**465252677**	**15364107**	**480616784**	**100.00**	**-**

(ii) **Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2017			Shareholding at the end of the year 31/03/2018			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Torrent Private Limited	257422311	53.56	0.00	257422311	53.56	0.00	0.00
2	Shri Sudhir Mehta	6882	0.00	0.00	6882	0.00	0.00	0.00
3	Shri Samir Mehta	6125	0.00	0.00	6125	0.00	0.00	0.00
4	Shri Jinal Mehta	8000	0.00	0.00	8000	0.00	0.00	0.00

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

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

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

Sr. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01/04/2017 to 31/03/2018)	
		No. of shares at the beginning (01/04/2017) end of the year (31/03/2018)	% of shares of the Company				No. of Shares	% of total shares of the Company
1	Gujarat State	46871621	9.7524	01-04-17	Nil			
	Investments							
	Limited	46871621	9.7524	31-03-18			46871621	9.7524
2	Life Insurance	29886827	6.2184	01-04-17				
	Corporation			05-05-17	-528149	Transfer	29358678	6.1085
	of India			12-05-17	-812732	Transfer	28545946	5.9394
				19-05-17	-162552	Transfer	28383394	5.9056
		28383394	5.9056	31-03-18			28383394	5.9056
3	Axis Mutual Fund	13871616	2.8862	01-04-17				
	Trustee Limited A/C			07-04-17	291145	Transfer	14162761	2.9468
	Axis Mutual Fund A/C			14-04-17	127618	Transfer	14290379	2.9733
	Axis Long Term			21-04-17	-663899	Transfer	13626480	2.8352
	Equity Fund			28-04-17	1100000	Transfer	14726480	3.0641
				12-05-17	300000	Transfer	15026480	3.1265
				07-07-17	405338	Transfer	15431818	3.2108
				14-07-17	125000	Transfer	15556818	3.2368

Sr. No.	Name	Shareholding: No. of shares at the beginning (01/04/2017) end of the year (31/03/2018)	Shareholding: % of shares of the Company	Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01/04/2017 to 31/03/2018): No. of Shares	Cumulative Shareholding during the year (01/04/2017 to 31/03/2018): % of total shares of the Company
				21-07-17	-273344	Transfer	15283474	3.1800
				04-08-17	-2225000	Transfer	13058474	2.7170
				22-09-17	500000	Transfer	13558474	2.8211
				20-10-17	500000	Transfer	14058474	2.9251
				27-10-17	1376511	Transfer	15434985	3.2115
				03-11-17	500000	Transfer	15934985	3.3155
				10-11-17	500000	Transfer	16434985	3.4196
				22-12-17	100000	Transfer	16534985	3.4404
				29-12-17	500000	Transfer	17034985	3.5444
				05-01-18	700000	Transfer	17734985	3.6900
				12-01-18	500000	Transfer	18234985	3.7941
				19-01-18	499665	Transfer	18734650	3.8980
				26-01-18	1010335	Transfer	19744985	4.1083
				02-02-18	500000	Transfer	20244985	4.2123
				31-03-18	450000	Transfer	20694985	4.3059
		20694985	4.3059				20694985	4.3059
4	The Governor	7057050	1.4683	01-04-17				
	of Gujarat							
		7057050	1.4683	31-03-18			7057050	1.4683
5	General	7400000	1.5397	01-04-17				
	Insurance			07-04-17	-52963	Transfer	7347037	1.5287
	Corporation			25-08-17	-40000	Transfer	7307037	1.5203
	of India			01-09-17	-60000	Transfer	7247037	1.5079
				15-09-17	-47037	Transfer	7200000	1.4981
				22-09-17	-25000	Transfer	7175000	1.4929
				24-11-17	-175000	Transfer	7000000	1.4565
				15-12-17	-100000	Transfer	6900000	1.4357
				29-12-17	-200000	Transfer	6700000	1.3940
				05-01-18	-100000	Transfer	6600000	1.3732
				26-01-18	-70000	Transfer	6530000	1.3587
				16-02-18	-16941	Transfer	6513059	1.3551
				02-03-18	-213059	Transfer	6300000	1.3108

Sr. No.	Name	Shareholding: No. of shares at the beginning (01/04/2017) end of the year (31/03/2018)	Shareholding: % of shares of the Company	Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01/04/2017 to 31/03/2018): No. of Shares	Cumulative Shareholding during the year (01/04/2017 to 31/03/2018): % of total shares of the Company
				16-03-18	-200000	Transfer	6100000	1.2692
		6100000	1.2692	31-03-18			6100000	1.2692
6	The New India	7634164	1.5884	01-04-17				
	Assurance			26-05-17	187755	Transfer	7821919	1.6275
	Company			02-06-17	12245	Transfer	7834164	1.6300
	Limited			29-09-17	-620998	Transfer	7213166	1.5008
				06-10-17	-350480	Transfer	6862686	1.4279
				17-11-17	-104895	Transfer	6757791	1.4061
				24-11-17	-390229	Transfer	6367562	1.3249
				01-12-17	-304876	Transfer	6062686	1.2614
				08-12-17	-33442	Transfer	6029244	1.2545
				15-12-17	-104241	Transfer	5925003	1.2328
				22-12-17	-72214	Transfer	5852789	1.2178
				29-12-17	-364000	Transfer	5488789	1.1420
				05-01-18	-226103	Transfer	5262686	1.0950
				02-02-18	-175123	Transfer	5087563	1.0585
		5087563	1.0585	31-03-18			5087563	1.0585
7	UTI Mid Cap	1086453	0.2261	01-04-17				
	Fund			07-04-17	1057325	Transfer	2143778	0.4460
				23-06-17	-32486	Transfer	2111292	0.4393
				24-11-17	210000	Transfer	2321292	0.4830
				01-12-17	1071993	Transfer	3393285	0.7060
				08-12-17	1186053	Transfer	4579338	0.9528
				26-01-18	-11800	Transfer	4567538	0.9503
				02-02-18	-70620	Transfer	4496918	0.9357
				09-03-18	161770	Transfer	4658688	0.9693
				31-03-18	74620	Transfer	4733308	0.9848
		4733308	0.9848	31-03-18			4733308	0.9848
8	GPC Mauritius	3860000	0.8031	01-04-17				
	II LLC	3860000	0.8031	31-03-18			3860000	0.8031
9	HDFC Standard	3451310	0.7181	01-04-17				
	Life Insurance			07-04-17	-656800	Transfer	2794510	0.5814
	Company			21-04-17	29841	Transfer	2824351	0.5877
	Limited			28-04-17	20159	Transfer	2844510	0.5918

Sr. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01/04/2017 to 31/03/2018)	
		No. of shares at the beginning (01/04/2017) end of the year (31/03/2018)	% of shares of the Company				No. of Shares	% of total shares of the Company
				26-05-17	2919510	Transfer	5764020	1.1993
				02-06-17	100000	Transfer	5864020	1.2201
				09-06-17	75000	Transfer	5939020	1.2357
				23-06-17	-84	Transfer	5938936	1.2357
				30-06-17	50000	Transfer	5988936	1.2461
				28-07-17	50000	Transfer	6038936	1.2565
				04-08-17	50000	Transfer	6088936	1.2669
				11-08-17	-658	Transfer	6088278	1.2668
				25-08-17	-2000	Transfer	6086278	1.2663
				01-09-17	-2844510	Transfer	3241768	0.6745
				06-10-17	75000	Transfer	3316768	0.6901
				27-10-17	-176400	Transfer	3140368	0.6534
				03-11-17	-125000	Transfer	3015368	0.6274
				10-11-17	-291	Transfer	3015077	0.6273
				26-01-18	37528	Transfer	3052605	0.6351
				02-02-18	187472	Transfer	3240077	0.6741
				09-02-18	250000	Transfer	3490077	0.7262
				23-02-18	37389	Transfer	3527466	0.7339
				02-03-18	162611	Transfer	3690077	0.7678
				09-03-18	79089	Transfer	3769166	0.7842
				16-03-18	70911	Transfer	3840077	0.7990
				23-03-18	250000	Transfer	4090077	0.8510
				31-03-18	175666	Transfer	4265743	0.8876
		4265743	0.8876	31-03-18			4265743	0.8876
10	National	3178933	0.6614	01-04-17				
	Westminster			30-06-17	192648	Transfer	3371581	0.7015
	Bank PLC as			09-02-18	30270	Transfer	3401851	0.7078
	Trustee of the							
	Jupiter India Fund	3401851	0.7078	31-03-18			3401851	0.7078
11	Amansa Holdings	3370825	0.7014	01-04-17				
	Private Limited			14-04-17	-2838379	Transfer	532446	0.1108
				21-04-17	-532446	Transfer	NIL	
		NIL	0.0000	31-03-18			NIL	0.0000

(v) **Shareholding of Directors and Key Managerial Personnel**

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year - 01/04/2017		Shareholding at the end of the year - 31/03/2018	
		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#	13059	0.00	13059	0.00
5	Smt. Bhavna Doshi#	1900	0.00	1900	0.00
6	Shri T. P. Vijayasarathy (CFO)	25	0.00	25	0.00
#	Holding jointly.				

V. INDEBTEDNESS

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

(₹ in Crore)

	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness as on 01/04/2017				
(i) Principal Amount@#	8675.41	32.10	-	8707.51
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	2.15	-	-	2.15
Total (i+ii+iii)	**8677.56**	**32.10**	**-**	**8709.66**
Change in Indebtedness during the financial year 2017-18				
Addition	987.74	-	-	987.74
Reduction#	(435.91)	(3.82)	-	(439.73)
Net Change	**551.83**	**(3.82)**	**-**	**548.01**
Indebtedness as on 31/03/2018				
(i) Principal Amount@	9227.24	28.28	-	9255.52
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	23.56	-	-	23.56
Total (i+ii+iii)	**9250.80**	**28.28**	**-**	**9279.08**

@ Including unamortised Expenses of ₹39.09 Crore as at 31st March, 2018 and ₹41.39 Crore as at 1st April, 2017.

\# Including Cash Credit of ₹76.62 Crore.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lakhs)

Sr. 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	-	-	1500.00#	509.01*	2009.01
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.40	-	0.43	0.41	1.24
	(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	1000.00	1000.00	2400.00	250.00	4650.00
5	Others, please specify	-	-	-	-	-
	Total (A)	**1000.40**	**1000.00**	**3900.43**	**759.42**	**6660.25**
	Ceiling as per the Act	10% of the Net Profit of the Company				

* Excluding gratuity provision

Includes leave encashment of ₹300.00 Lakhs

B. Remuneration to other Directors

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors								Total Amount
		Shri Pankaj Patel	Shri Samir Barua	Shri Kiran Karnik	Shri Keki Mistry	Shri R Ravichandran	Smt. Bhavna Doshi	Ms. Dharmishta Raval	Shri Pankaj Joshi, IAS	
1.	**Independent Directors**									
	Fee for attending Board / Committee meetings	12.00	13.00	11.00	7.00	-	12.00	9.00	-	64.00
	Commission	15.00	19.00	16.00	12.00	-	16.00	15.00	-	93.00
	Others, please specify	-	-	-		-	-	-	-	
	Total (1)	**27.00**	**32.00**	**27.00**	**19.00**	**-**	**28.00**	**24.00**	**-**	**157.00**
2.	**Other Non-Executive Directors**									
	Fee for attending Board / Committee meetings	-	-	-	-	2.00	-	-	4.00	6.00
	Commission	-	-	-	-	6.00	-	-	12.00	18.00
	Others, please specify	-	-	-	-	-	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**	**8.00**	**-**	**-**	**16.00**	**24.00**
	Total (B)=(1+2)	**27.00**	**32.00**	**27.00**	**19.00**	**8.00**	**28.00**	**24.00**	**16.00**	**181.00**
	Total Managerial Remuneration	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6841.25**
	Overall Ceiling as per the Act	11% of the Net Profit of the Company								

Note: Excluding service tax / Goods and Service Tax

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

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration		Key Managerial Personnel		
			Shri T. P. Vijayasarathy	Shri Darshan Soni	Total
1	Gross salary				
	(a)	Salary as per provisions contained u/s 17(1) of the Income Tax Act, 1961	725.04	8.90	733.94
	(b)	Value of perquisites u/s 17(2) of the Income Tax, Act 1961	0.40	-	0.40
	(c)	Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option		-	-	-
3	Sweat Equity		-	-	-
4	Commission				
	-	as % of profit	-	-	-
	-	others specify	-	-	-
5	Others, please specify		-	-	-
	Total		**725.44**	**8.90**	**734.34**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

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

ANNEXURE – G

A. CONSERVATION OF ENERGY

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

A. SUGEN AND UNOSUGEN:

- Energy conservation initiatives implemented have resulted in annual energy savings to the tune of 91,89,760 kWh.
- For more precise on-off control of lights, photo-cells have been replaced with astronomical timers in plant indoor / outdoor lighting and non-operational areas.
- All conventional lightings are being replaced with LED in Central Control Room, Machine Halls of Units 10, 20 & 30, street lights in operational and non-operational areas, Housing colony, etc.

B. DGEN:

- Energy conservation measures have resulted in annual energy savings to the tune of 22,47,920 kWh.
- Nitrogen plant start/stop Pressure Set Point optimized.
- No load losses reduced by keeping only one Generator Transformer & one Unit auxiliary transformer in charged condition to feed auxiliary power.
- Replacement with LED lighting in progress.

C. AMGEN:

- Secondary air heater outlet to ESP inlet corroded duct replacement at F station – Saving of 13,500 kWh per day in fan power consumption.
- Primary Air fan corroded cold air duct replacement at D station – saving of 500 kWh/day
- Primary air heater repairing, primary air heater cold air duct patching and secondary air heater seal servicing at E station – saving of 3,000 kWh/day
- Replacement of old conventional lights with energy efficient LED lamps at E-station Boiler & ESP area, CHP area and in street lights.

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

- Bifurcation of overloaded feeders resulting in reduction in technical losses
- Revamping and uprating of LT networks of 81 Distribution Transformers to improve the reliability and reduce the losses
- Installation of energy efficent air conditioning system and lighting system for all new and renovated premises; saving ~1,78,560 kWh anually
- Replacement of the conventional outdoor lighting by LED lights; saving ~1,10,919 kWh annually;
- Procurement of energy efficient level 2 (Four star) Distribution transformers having lower losses
- Facilitated distribution of about 33.6 Lakhs LED bulbs, 1.65 Lakh Tube lights and 0.49 Lakh energy efficient fans and installation of energy efficient Air-conditioning system in all renovated offices of Ahmedabad under Ujala Scheme of the Ministry of Power, Government of India.
- Sharing of energy conservation information with customers through leaflets, energy bills and display at the Company's customer care centres.
- Replacement of 11 kV Over head lines (21.5 KM) by higher sized underground cables.

E. **CABLES UNIT:**

- Replaced 75 twin tubelight fixtures with LED Fixtures.
- Replaced 85 HP two old motors with DC Drive having high efficiency motor with Variable Frequency Drive.
- Installed advanced APFC system for 500 KVAR Capacitors for better control & improvement of Power Factor.

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

- 92.7 kW roof top installed on roof of the office administration building, common building at housing colony generated 1,29,336 kWh in FY 2017-18 in SUGEN.
- 51,236 kWh of Solar power generated and utilized at the housing colony of DGEN.
- Installed 45 kW solar roof top at central store, E Station, Surat and ~63,000 kWh saved annually.
- 110 kW roof top installed at Corporate Office generated 1,07,384 kWh in FY 2017-18.

iii) **The capital investment on energy conservation equipment:**

~₹62.65 Crore

B. TECHNOLOGY ABSORPTION

i) **The efforts made towards technology absorption:**

A. **SUGEN AND UNOSUGEN:**

- Inlet guide vane modification was carried out in Unit 20 and Unit 30 to improve performance and additional position feed back transmitters were installed to improve the reliability of the IGV control. Air-conditioned enclosures were provided for Excitation Equipment and Control Panels in Unit 20 and Unit 30 to increase the life of these equipment and for better reliability.
- Electronic Components of Steam Turbine Drain Valves were relocated to avoid failures and increase their life.
- Corrosion protection of NG system fastners by Denso tape.

B. **DGEN:**

- Corrosion protection of NG system fastners by Denso tape.
- Data communication system indigenized for emission parameters display at DGEN main gate.

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

- Implementation of GIS for Ahmedabad and Surat Distribution areas
- Commissioning of State of the Art 400 kV Nicol-2 Gas-insulated Substation
- Introduction of Hybrid Gas-insulated Substation for the first time at Surat
- Replaced unsafe, unreliable, old and obsolete conventional oil type RMUs by advanced SF6 Ring Main Units.
- 11 kV Distribution Automation in 91 Distribution Substations
- 66 EHV line Differential protection relays commissioned for fast fault clearance for 33 Line segments.

- Established Central Store with state of the art racking system and mechanised means of material handling for better inventory control

D. BHIWANDI AND AGRA DISTRIBUTION AREAS:

- Usage of environmentally friendly bio-degradable ester oil in place of mineral oil in Distribution transformers.
- Replacement of Blue silica Gel (Hazardous) by the Orange Silica gel (non-hazardous)
- Installation of theft proof TAPPAT Mini Section Pillars at around 698 locations with insulation of bus bar.
- Installation of theft proof joints at around 3030 locations in replacement busbar distribution box.
- Installation of Communicable RMU at 22 KV feeder for remote isolation of lines.
- Use of Thermography camera for finding hot spot.
- Installation of TRAFO connector at LT bushing of Distribution Transformers.
- Installation of FRP Channels on DO unit and Polymeric DO (Drop out fuse).

ii) The benefits derived:

A. GENERATION:

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

B. DISTRIBUTION:

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

iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

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
Foreign Exchange Earned (Actual Inflow)	**41.94**
Foreign Exchange Used (Actual Outflow)	
Import of Capital Goods	3.62
Import of Fuel, Raw materials, Components, Stores and Spare Parts	991.34
Travelling, Subscription and Others	0.46

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN: 00061903

Ahmedabad
29th May, 2018

ECONOMY:

Indian economy is now the fastest growing economy in the world despite the lower GDP growth rate of 6.7% for FY 2017-18 as compared to the past few years. This is on account of lower growth in Agriculture, Forestry & Fishing and Industry sectors which is partially offset by higher growth in the Service sector. The deceleration in industrial growth was mainly due to slowdown in credit growth with banks becoming more cautious in lending considering their Non-Performing Assets (NPA) problems coupled with high real interest rates and overvalued currency. It is noteworthy that this growth has been achieved despite the disruptions triggered by demonetisation of high-value currencies in November 2016 and the rollout of the Goods and Services Tax (GST) during FY 2017-18.

For most part of the year, India remained the Goldilocks economy, one with high economic growth and lower inflation, as the quickening growth did not add to inflationary pressure. The economy also witnessed a gradual transition from a period of high and variable inflation to more stable prices in the last four years. However, in March 2018, Consumer Price Index inflation increased to 4.28%, as compared to 3.89% in March 2017 due to sharp increase in oil prices, increasing prices of vegetables and fruits as well as implementation of the housing rent allowance for central government employees recommended by the Seventh Pay Commission.

Increasing imports primarily on account of rising gold imports coupled with rise in crude oil prices led to the widening of the trade deficit during FY 2017-18. However, the net capital inflows dominated by foreign investment and banking capital could finance the Current Account Deficit estimated at 1.9% for FY 2017-18. The fiscal deficit for FY 2017-18 was contained at 3.5% of GDP on account of robust direct and indirect tax collections & cut down in capital expenditure.

On account of host of measures such as implementation of GST, Insolvency and Bankruptcy Code, announcement of bank recapitalisation, etc., India's rank has improved to 100th in 2018 World Bank Doing Business Report from 130th in 2017. Further, expecting continued economic progress, Moody's Investor Services has raised India's credit rating from the lowest investment grade of Baa3 to Baa2 and changed the outlook from stable to positive, the first upgrade in last 14 years. Going ahead, with the world growth rate likely to witness moderate improvement, expected greater stability in GST, likely recovery in investment levels and ongoing structural reforms, one can expect improved economic performance of the country during FY 2018-19.

POWER SECTOR:

Electricity consumption is one of the important parameters which indicates the development of a nation. However, in India, about one fifth of the population is estimated to have no access to power and keeping this in mind the government introduced "Saubhagya" - the ₹16,320 Crore Pradhan Mantri Sahaj Bijli Har Ghar Yojana to ensure electricity in all households. Besides this, the ongoing initiatives of Government including the Power for All programme, Deendayal Upadhyaya Gram Jyoti Yojana, Integrated Power Development Scheme and Ujwal Bharat aim to provide 24x7 power for all. On the other hand, the Government is also working on Energy Conservation through the National LED programme and Street lighting National Programme.

India's power sector is rapidly transforming with renewable energy assuming a greater emphasis in the overall energy mix of India. However, the woes of power sector namely worsening asset quality and rising NPA continue to remain with power sector accounting for 40.6% of all stalled projects.

A. DEMAND – SUPPLY

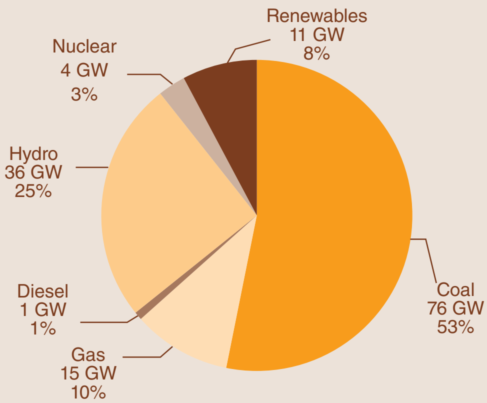
The energy deficit for the year remained at a level similar to last year of 0.7% while the peak power deficit marginally increased to 2% as against 1.6% in FY 2016-17. The low power deficits being witnessed are due to a combination of weak power demand in the commercial and industrial sector and the financial health of Distribution Companies (Discoms).

Management Discussion and Analysis

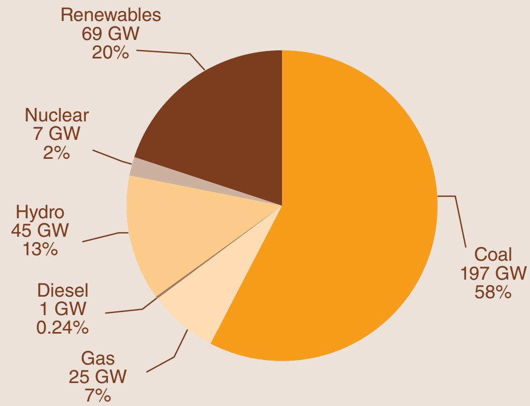
B. GENERATION

The country continued to add generation capacities in FY 2017-18 and thus reached ~344 GW as on 31st March, 2018 from ~143 GW as on 31st March, 2008. The source wise breakup of installed capacity shows a major shift in renewable capacity as on 31st March, 2018 as compared to 31st March, 2008:

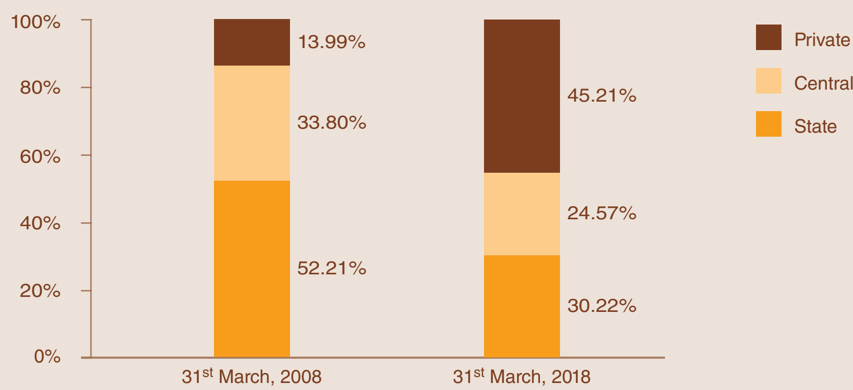
FUEL MIX (AS ON 31ST MARCH, 2008)



FUEL MIX (AS ON 31ST MARCH, 2018)



The breakup of installed capacity given below shows that there is a major shift of investment by private sector from 13.99% as on 31st March, 2008 to 45.21% as on 31st March, 2018.



Coal-powered thermal power plants account for ~73% of total electricity generated in the country and represents ~58% of the installed power capacity. According to International Energy Agency, India's power generation from coal sources will rise ~4% every year upto 2022.

Following a meagre demand growth, there was a marginal improvement in the all India thermal Plant Load Factor (PLF) to ~60.70% for coal and 22.86% for gas as against ~59.93% and 22.51% respectively in the previous year. With the increasing adoption of renewable power and growing preference for competitively bid merchant contracts, the conventional power industry is facing difficulties in signing long term Power Purchase Agreements (PPAs).

India has an ambitious plan to double its coal production to 1.5 billion tonnes a year by 2020, as part of government's push to bring power to 300 million people who lack proper access to electricity. Under the new policy 'Scheme to Harness and Allocate Koyla (coal) Transparently in India (SHAKTI)', Coal India Limited (CIL) will have to increase coal supply to meet 90% of plants' requirement. In the biggest coal sector reform in over four decades, the government allowed the private sector to mine coal and sell it for commercial use, ending state-owned CIL's monopoly in a bid to cut imports by raising domestic output. Participation of private miners would foster the much-needed competition and enhance productivity by facilitating use of latest equipment, technology and services.

Coal imports for the FY 2017-18 grew by 8.1% to ~213 MT on account of increased demand from Steel, Power and Cement sectors. This trend is likely to continue with limitations on domestic coal evacuation due to shortage of railway rakes.

Despite having stranded and under-utilised gas based capacity of ~25,000 MW, India's commitment on emission reductions under the Paris climate agreement has added a new urgency to promote usage of natural gas. Government plans to increase share of gas in the energy basket from 6.5% in 2015 to 20% by 2025. Increasing focus on expansion of gas pipeline infrastructure in the country, rising demand for natural gas from power and industrial sectors and favourable government policies would make LNG a commercially viable and suitable fuel for various end users in India. Gas-based power projects are second only to renewables and hydro power in generating clean energy. Hence, ensuring fuel supplies for such projects will go a long way in meeting India's obligations under the climate change commitments and reduce greenhouse emissions substantially.

C. TRANSMISSION

Indian grid is currently the fifth largest in the world. As on 31st March, 2018, the total length of transmission lines and transformer capacity of the country stood at 3,90,970 ckm and 8,26,958 MVA respectively. India is witnessing the world's largest renewable energy expansion program. Integration of large amount of fluctuating power from such renewable energy plants and ensuring smooth operations of such a large grid is a serious technical challenge for grid managers.

The government plans to invest billions of dollars into smart grid development over the next ten years as part of its ambitious plans to achieve low carbon economic growth.

Hon'ble Central Electricity Regulatory Commission (CERC) has come up with Draft CERC (Connectivity, General Network Access to the inter-state transmission system and other related matters) Regulations, 2017 which introduces the concept of General Network Access (GNA). This will put the onus on generators and discoms to apply for GNA on timely basis and help in planning the transmission capacity addition. It would also help in partially addressing the issue of under-utilised & stranded generation and transmission assets.

D. DISTRIBUTION

India's distribution sector is beset with legacy problems such as ageing transmission & distribution infrastructure, higher Aggregate Technical & Commercial (AT&C) losses, poor financial health of discoms, etc. All India current Transmission and Distribution (T&D) loss of 21.81% is far higher than the world average of 8.6%.

Improvement in T&D loss is one of the vital parameters required to improve the financial health of the discoms. Keeping this in mind, the government has initiated different schemes to improve the operational and financial efficiencies of power distribution companies like Ujwal Discom Assurance Yojna (UDAY) - the financial restructuring package, National Electricity Fund, Deendayal Upadhyaya Gram Jyoti Yojna and Integrated Power Development Scheme. Further, as per the Power Ministry's strategy to rollout 'advanced metering infrastructure', smart meters are to be installed in phased manner with all consumers getting smart meters by 2027, which will facilitate in reducing the overall AT&C losses and debt burden of discoms.

The financial health of state electricity distribution companies has improved since the introduction of UDAY in November 2015. UDAY has reduced the interest cost of Discoms and hence the Power Purchase cost. Timely tariff hikes in recent times and reduced power purchase cost have led to reduced gap between the average cost of supply and average revenue realised, which is further expected to reduce in the coming years. However, the discoms are not pursuing long term power purchase contracts due to sharp reduction in renewable energy tariffs and rise in industrial open access consumption leading to utilisation mismatch in generation and transmission capacities.

As consumers become more mobile, connected via social media and more conscious of their energy needs, they are beginning to expect more from their energy experience than just keeping the lights on. Increasingly, consumers expect reliable supply, clean energy, responsive service, new facilities and cost efficiency from their utilities. Giving due weightage to such consumer mindset, it is important for discoms to shift from traditional models to smart models.

E. RENEWABLE ENERGY

With a view to provide sustainable and affordable power to all consumers, the development of renewable energy sector has remained one of the top priorities for the Government. Government's intention to achieve 40% of power capacity from renewable energy sources by the year 2030 is slowly taking the renewable energy to a central role in the overall energy mix. Marching ahead towards its ambitious target of 175 GW of renewable capacity by 2022, India has already achieved 69 GW as on 31st March 2018. Moreover, India plans to complete the competitive bidding process by the end of FY 2019-20 to add a further 115 GW of renewable capacity by 2022. Also, attainment of second spot from third in Renewable energy country attractiveness index and extension of inter-state transmission charges waiver are expected to give a great fillip to the planned capacity additions in the renewable space.

Wind Power: The wind power development in the country started in 1990s and with the conducive policy environment provided at Central and State level, this segment, having installed capacity of 34 GW as on 31st March, 2018, accounts for nearly 50% of the total installed renewable capacity. FY 2017-18 proved to be a challenging year for wind power segment, with the sector adding one of the lowest annual capacities at 1.76 GW as against a target of 4 GW. The dip was mainly due to change in tariff regime from FiT (Feed-in Tariff) to competitively bid tariff. This together with technological advancements and decline in domestic interest rates resulted in historic low wind power tariff at INR 2.43 per unit. Needless to state, plans for auctioning of 20 GW in FY 2018-19 and FY 2019-20 would revive the wind power sector.

Solar Power: In terms of solar power installed capacity, India has become the third largest country in the world. Even though capacity addition in the sector during FY 2017-18 was 9.4 GW as against target of 10 GW, India achieved milestone of 20 GW installed capacity and completed the National Solar Mission four years ahead. However, the increased prices of imported solar power modules, threat of safeguard / anti-dumping duty had an impact on auction participation leading to postponement of few solar auctions. Plans for auctioning of 60 GW in FY 2018-19 & FY 2019-20, clarification regarding NIL customs duty on imported solar equipment, allowing pass thru of safeguard / anti-dumping duty and laying the foundation stone of the International Solar Alliance depict the continued conviction of the government in promoting solar power.

Renewables being intermittent energy source, grid stability is one major area requiring close attention. Moreover, actual installation of auctioned capacity is also an area of concern.

Despite such challenges, role of renewable energy in India will remain crucial for promoting sustainable development.

F. POWER & CONTROL CABLES

The Government's focus on providing Power to All and increasing growth in renewable power generation would foster the growth of the electric cable industry. Further, with focus of the discoms shifting to reducing losses and providing reliable and efficient power, the demand for power cables will continue to increase. However, availability as well as high price volatility in basic raw materials (especially metals such as aluminium, copper & steel), delay in realisation of receivables and competition from foreign markets will create pressures on margins.

OVERVIEW OF COMPANY'S BUSINESS DURING THE YEAR

The Company is an integrated utility engaged in the business of power generation, transmission & distribution with operations in the states of Gujarat, Maharashtra, Uttar Pradesh and Karnataka. It is also engaged in the business of cables manufacturing with operations in the state of Gujarat.

1. GENERATION:

A) 2730 MW Gas based Plants at Surat and Dahej

During the year, SUGEN Plant achieved a Plant Availability Factor (PAF) of 95.86% (PY 96.38%), PLF of 65.26% (PY 47.50%) and dispatched 6,396 MUs (PY 4,655 MUs). The PLF at SUGEN Plant increased during the year due to use of imported LNG and selling of power through short term contracts. However, lack of demand has resulted in NIL PLF at UNOSUGEN and DGEN.

The Company started utilization of storage-cum-regasification capacity at Petronet LNG Limited's Dahej Terminal with effect from 1st April 2017. 9 LNG cargoes have been imported till 31st March 2018 and another 26 LNG cargoes have been contracted, after following a competitive tender process, with international suppliers to be delivered up to December 2020.

B) 422 MW Coal based AMGEN Power Plant at Ahmedabad

During the year, AMGEN Plant achieved a PAF of 94.17% (PY 95.10%) due to sustained reliability, PLF of 71.38% (PY 74.64%) and dispatched 2,406 MUs (PY 2,520 MUs). 60 MW C station was in reserve shutdown for entire year and accordingly PLF without C station was 83.21% (PY 87.01%). The said station has been retired with effect from 2nd April, 2018.

Hon'ble Gujarat Electricity Regulatory Commission (GERC) has directed AMGEN to schedule generation through State Load Despatch Centre and the same is subject to the deviation settlement mechanism effective from April 2017.

C) Over 1,500 MW Renewable Power Plants

Starting with a ~50 MW Wind Power Plant in 2012, we have continued our journey into environmentally benign and sustainable renewable energy space. Till date, a total of ~430 MW Wind Power Projects and 138 MW Solar Power Projects have been commissioned. Further, ~975 MW Wind Power Projects are under various stages of construction. With the operational and under-construction projects, our total renewable power generation capacity has reached the mark of ~1,550 MW. The details of such projects are as under:

C1. Over 500 MW of capacity for fulfilment of Renewable Purchase Obligation (RPO) of the Company:

The RPO obligations of the Company are partially being met / expected to be met from 500.4 MW of renewable capacity of the Company as detailed below:

- ❖ 49.6 MW Wind Power Plant at Lalpur, Jamnagar
- ❖ 201.6 MW Wind Power Plant at Kutch
- ❖ 60.8 MW Wind Power Project at Mahidad, Rajkot
- ❖ 50.4 MW Wind Power Project at Mahuva, Bhavnagar
- ❖ 51 MW Solar Power Plant at Charanka, Patan
- ❖ 87 MW GENSU Solar Power Plant near Surat

During the year, the said Plants dispatched a total of 869 MUs (PY – 364 MUs) to the Company's distribution business in Ahmedabad, Gandhinagar, Surat and Dahej for fulfillment of RPO.

C2. Over 1,000 MW of Competitively Bid and other projects:

A total of 1,046.60 MW of capacity has been developed / is under development by the Company which includes competitively bid projects and other projects as well. Project wise details of the same are as under:

❖ **120 MW Wind Power Plant at Karnataka**

60 MW Wind Power Plant, each at Zalki and Gudadanal site, in Karnataka has been commissioned successfully during the year.

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

The Company participated in the competitive bidding and the e-reverse auction process (Tranche - III) held on 13th February, 2018 by Solar Energy Corporation of India Limited (SECI) for setting up of 2,000 MW ISTS (Inter State Transmission System) connected wind power projects and emerged as the biggest winner in the auction by winning the highest quantum of 499.8 MW. It is also the largest capacity won by any bidder in the wind auctions conducted so far in the country. The Project has a schedule of commissioning within 18 months from the effective date of the PPA.

❖ **124.4 MW Wind Power Project at Maharashtra**

The Company participated in the competitive bidding and the e-reverse auction process held on 6th March, 2018 by Maharashtra State Electricity Distribution Company Limited for procurement of power from Grid Connected Wind Power Projects and was successful in winning 124.4 MW Project. The Project shall be implemented at two locations i.e. Lohara and Koral sites at Osmanabad in Maharashtra. Project is expected to be commissioned in FY 2019-20.

❖ **302.4 MW Wind Power Project at Andhra Pradesh**

Framework Agreement for development of the Project has been entered into.

2. DISTRIBUTION:

A) Ahmedabad and Surat Distribution

The sales were higher at 10,761 MUs in FY 2017-18 (PY – 10,039 MUs) mainly on account of normal load growth and reduction in open access availment. The open access consumption reduced to 130 MUs for FY 2017-18 (PY - 422 MUs) mainly due to higher competitiveness of the regulated tariff. T&D loss has reduced to 5.72% in FY 2017-18 (PY - 6.15%) and is one of the lowest in the country. The consumer base as on 31st March, 2018 was 25.05 Lakhs (PY - 24.50 Lakhs). During the year, the peak system demand of Ahmedabad was higher at 1,832 MW (PY - 1,751 MW) and that of Surat was higher at 671 MW (PY - 648 MW).

In the matter of tariff determination for FY 2017-18 and true up of FY 2015-16, Hon'ble GERC vide Tariff Order dated 9th June, 2017 continued the tariff of FY 2016-17 for FY 2017-18 as well and had also directed to discontinue the recovery of Regulatory Charge.

In the matter of tariff determination for FY 2018-19 and true up of FY 2016-17, Hon'ble GERC vide Tariff Order dated 31st March, 2018, *inter-alia*, has not revised the tariff for second year in succession, has abolished Meter Rent w.e.f. 1st April, 2018 and stated that the issue of carrying cost is to be pursued with Hon'ble Appellate Tribunal for Electricity (APTEL).

The Company has been able to meet 95% of its RPO (10.84% met against obligation of 11.35%). Non-solar RPO has been fulfilled upto 99% (8.24% met against obligation of 8.35%) and Solar RPO has been fulfilled upto 86% (2.59% met against obligation of 3.00%). The deficit in Solar RPO compliance was mainly on account of suspension of Solar Renewable Energy Certificate (REC) trading.

Ministry of Finance (MoF), through a circular dated 1st March, 2018 has clarified that only Transmission and Distribution of Electricity are exempt from GST. However, other services relating to Transmission and Distribution of Electricity are taxable. The Company has challenged the said circular before Hon'ble High Court of Gujarat. The matter is sub-judice; but in view of MoF's circular, the Company is taking all steps to collect and pay GST under protest in respect of specific activities of transmission and distribution of electricity.

B) Dahej Distribution

The sales were higher at 312 MUs in FY 2017-18 (PY - 242 MUs) mainly due to addition of new consumers and increase in demand. T&D loss reduced to 0.40% in FY 2017-18 (PY 0.53%). The consumer base as on 31st March, 2018 was 101 (PY - 96). The peak system demand was higher at 58 MW in FY 2017-18 (PY - 44 MW).

Further Hon'ble GERC vide its order dated 31st March 2018 on tariff determination for FY 2018-19 and true-up of FY 2016-17 stated that the issue of carrying cost is to be pursued with Hon'ble APTEL.

C) Bhiwandi

The sales increased to 3,084 MUs (PY - 2,800 MUs) mainly due to recovery and consolidation trend in Power loom industry. Additionally, there was a distinct increase in Residential and Commercial sales on account of undergrounding of network, Distribution Transformer cleaning and other theft deterrent activities. Owing to the various loss reduction measures, sustained efforts on deterrent activities in reducing theft and focussed efforts on recovery resulted in reduction of AT&C losses to the level of 17.28% during the year (PY - 22.22%). The consumer base as on 31st March, 2018 is 2.90 Lakhs (PY - 2.69 Lakhs). The peak system demand was marginally lower at 576 MVA during FY 2017-18 (PY - 579 MVA).

D) Agra

The sales were higher at 1,720 MUs in FY 2017-18 (PY - 1,584 MUs) mainly due to increase in consumer base and considerable reduction in AT&C losses to 20.89% (PY - 26.78%) on account of various loss reduction drives (undergrounding of the network, focused vigilance, systematic surveillance, removal of illegal connections, etc.). The consumer base as on 31st March, 2018 was 4.31 Lakhs (PY - 3.99 Lakhs). The peak system demand was higher at 443 MVA during FY 2017-18 (PY - 425 MVA).

3. CABLES BUSINESS:

During FY 2017-18, Cables unit at Nadiad, Gujarat, achieved net sales of ₹401 Crore (PY - ₹407 Crore).

During the year, 3 Core, 150 sq mm & 85 sq mm, 11 KV Aerial Bunched Cables and 1 Core, 400 sq mm, 66 KV cable with Aluminium Corrugation were developed & supplied.

OVERALL RESULTS:

The overall power sales in FY 2017-18 were 15,957 MUs (PY - 14,454 MUs) with break-up as under:

Category of Consumers	FY 2017-18		FY 2016-17		Growth
	MUs	%	MUs	%	%
Residential	4,638	29%	4,324	30%	7.26%
Commercial	2,551	16%	2,454	17%	3.95%
LTP / LTMD	4,766	30%	4,531	31%	5.19%
HT	3,663	23%	3,115	22%	17.59%
Others	339	2%	30	0%	1030%
Total	**15,957**	**100%**	**14,454**	**100%**	**10.40%**

During FY 2017-18, the Company achieved a robust ~10% growth in sales as compared to previous year wherein there was a marginal degrowth in sales. Further, there was reduction in T&D and AT&C losses at all distribution units of the Company during the year.

Increase in sales in Residential / Commercial categories at Ahmedabad, Gandhinagar, Surat, Bhiwandi and Agra was mainly due to theft deterrent activities and higher temperature besides increased customer base and normal load growth. The growth in LTP / LTMD category is primarily attributed to recovery and consolidation trend in the Powerloom industry at Bhiwandi. Increased sales in HT category were majorly on account of reduced open access availment at Ahmedabad due to higher competitiveness of the regulated tariff and higher sales at Dahej SEZ.

The Consolidated PBT in FY 2017-18 improved mainly due to:

- Improved performance at Ahmedabad and Surat distribution areas on account of sales growth, reduction in T&D loss and timely recovery of Fuel Price and Power Purchase Adjustment (FPPPA) charges read with negative impact of discontinuance of the recovery of Regulatory Charge w.e.f. 10th June 2017;
- Significant reduction in AT&C losses at Bhiwandi & Agra.
- Higher operational capacity of renewable power plants at ~570 MW (PY – 403.6 MW).
- Reduced finance costs on account of reduction in rate of interest on term loans.

In light of the above, the Consolidated PBT for FY 2017-18 stood at ₹1,400.99 Crore (PY ₹587.34 Crore).

4. RISKS AND CONCERNS

Significant risks and concerns of the Company are enumerated below:

- Although currently LNG is available, the Company is not able to run all its gas based capacity due to lack of power demand. However, it is expected that initiatives such as Saubhagya Scheme, Make in India, UDAY, 24 x 7 Power for All, Digital India etc. would improve the electricity demand.
- Ministry of Environment, Forest and Climate Change (MoEFCC) has made the emission norms for all thermal power plants significantly stringent which may affect the operations of AMGEN Plant. Timeline to comply with new norms was December 2017. However, with passage of dead line and considering the facts that almost all the players are yet to undertake required modification, Central Electricity Authority (CEA) has prepared a phasing plan for implementation of such norms. Timeline for compliance at AMGEN Plant has been extended up to December 2022 and same shall be monitored by Central Pollution Control Board, CEA and Western Regional Power Committee.
- As per the Tariff Policy issued by Ministry of Power, thermal power plants including the existing plants located within 50 km radius of Sewage Treatment Plants (STPs) of Municipality / local bodies / similar organization shall in the order of their closeness to STP, mandatorily use treated sewage water produced by these bodies. The Company is in communication with relevant municipal authorities for getting supply of treated water of suitable quality.
- Considering the present Indian coal demand and supply scenario, it will continue to be a challenge for AMGEN to get sufficient coal as per Fuel Supply Agreement. Consequently, partial dependency on imported coal will expose the Company to price volatility and sourcing risks.
- The changing fuel mix with share of renewables increasing due to preferential policy treatment is creating pressure on thermal power plants. Although purely on economic ground, thermal power has merit but it may be unable to compete with renewables in this context.
- The Company operates in a regulatory environment and is subject to the risk of regulatory interventions including introduction of new laws and regulations including changes in competitive framework. Also, the current structure of the distribution segment lacks due recognition or incentives for its efficient operations under the regulatory framework. Although the Regulator provides mechanism for true-up and recovery of increase in fuel and power purchase costs, such recovery of costs is delayed due to in-built restrictions in the formula of fuel adjustment charges i.e. FPPPA. Further, the Order dated 31st March, 2018 of Hon'ble GERC on tariff determination for FY 2018-19, deferred the unresolved issue of carrying cost, which is pending for resolution with Hon'ble APTEL.

Also, non-pass through of REC costs (to fulfill RPO) through the FPPPA mechanism continues to burden the distribution segment. All these issues lead to postponement of recovery of said costs, resulting into deferred recovery and accrual of carrying cost.

- The proposed segregation of carriage and content in the Electricity Amendment Bill, 2014, would bring about a substantial change in the way the distribution network business and supply of electricity to consumers operate, though not impacting the Return on Equity on the investments in the distribution infrastructure.
- Cyber risk continues to be one of the major threats to Company's business as utilities are now far more vulnerable to cyber-attacks than in the past with the increasing role of information technology in integrated Power generation, transmission and distribution segments.
- Macro-economic risks such as growth slowdown & uncertainty in demand may impact the performance of the Company.
- Public Policy interventions could impact the traditional ways of doing business and may lead to changes in supply & demand sources.
- Non-availability of skilled manpower may result in disruptions in business operations or incorrect / delayed decision making.

5. INTERNAL CONTROL SYSTEM

The Company's Internal Control System is commensurate with its size and its nature of operations. It has well documented system of adequate Internal Controls aimed at achieving efficiency in operations, optimum utilisation of resources and compliance with all applicable laws and regulations. Independent firms of Chartered Accountants, out of big 4, are appointed as Internal Auditors of the Company. The key observations and recommendations following such internal audit and follow up actions for improvement of the business operations and their implementation are reviewed and monitored by the Audit and Risk Management Committee on a quarterly basis.

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.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Company	L31200GJ2004PLC044068
2.	Name of the Company	Torrent Power Limited
3.	Registered Address	"Samanvay", 600, Tapovan, Ambawadi, Ahmedabad - 380015.
4.	Website	www.torrentpower.com
5.	E-mail Id	cs@torrentpower.com
6.	Financial Year reported	2017-18
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	NIC Code: 351 - Electric power generation, transmission and distribution. NIC code: 2732 - Manufacturing of wires and cables for electricity transmission.
8.	List three key products / services that the Company manufactures / provides (as in balance sheet)	Power generation, transmission & distribution and manufacturing of cables.
9.	Total number of locations where business activity is undertaken by the Company	14
10.	Number of international locations	NA
11.	Number of national locations	14
12.	Markets served by the Company - Local / State / National / International	National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sr. No.	Particulars	Details
1.	Paid up Capital	₹480.62 Crore
2.	Total Turnover	₹11,448.86 Crore
3.	Total profit after taxes (TCI)	₹935.07 Crore
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	~1.61% of Total Comprehensive Income (TCI) of FY 2017-18 (CSR Projects) Additionally, the Company also made donations for CSR activities. Besides this, CSR initiatives are being carried out by various Generation plants of the Company as part of Ministry of Environment, Forest and Climate Change (MoEFCC) stipulations. With this expenditure, the Company's total spending on CSR is ~2.49% of TCI for FY 2017-18.
5.	List of activities in which expenditure in 4 above has been incurred:-	The list of activities in which CSR expenditure in 4 above (i.e ~1.61% of TCI) has been incurred is part of the Board's Report which forms part of this Annual Report. Further, donations were given to various organisations involved in CSR activities related to healthcare, education, arts & culture, science, relief to disaster victims; socio-economic development including de-addiction, skill development; self-help groups, youth, upliftment of women, integrated development of tribes; etc. The key activities in which CSR expenditure has been incurred as part of MoEFCC stipulations include Swadhar – Medical and Health Care Centre, sanitation projects, purchase of cow dung for biogas plant, construction of panchayat building for a leading contiguous village, security training to rural youths for employment, etc.

SECTION C: OTHER DETAILS

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

SECTION D: BR INFORMATION

1. Details of Director / Directors responsible for BR

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

Sr. No.	Particulars	(I)	(II)
1.	DIN	00061955	02685284
2.	Name	Shri Markand Bhatt	Shri Jinal Mehta
3.	Designation	Whole time Director	Managing Director

(b) Details of the BR head:

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

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

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

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

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

Not applicable

3. Governance related to BR

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

SECTION E: PRINCIPLEWISE PERFORMANCE

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

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

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

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

Shareholder Complaints:

The Company received 23 shareholder complaints during FY 2017-18. 100% of such complaints were satisfactorily resolved by the Management.

Other Stakeholder Complaints:

The Company received 4 valid complaints from other stakeholders (i.e. Employees, Vendors and Society) during FY 2017-18. 100% of such complaints were satisfactorily resolved by the Management.

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

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

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

- All the units of the Company (except Bhiwandi, Agra and some Renewable units) are IMS certified covering ISO 9001 (Quality Management System), ISO 14001 (Environment Management System) and BS OHSAS 18001 (Occupational Health and Safety Assessment Series). Some of the units have also additionally obtained ISO 50001 (Energy Management System) and ISO 55001 (Asset Management System).
- State of the art technologies in its gas based thermal plants viz., installation of advanced class Gas Turbines with lower carbon footprint, dry low NOx burners (with emissions surpassing Indian standards and meeting European norms), CCPP in single shaft configuration thereby reducing the land and carbon footprint etc. Such CCPPs are also registered under Clean Development Mechanism (CDM).
- The Company has established systems and procedures for safe and effective operation and maintenance of its transmission and distribution networks duly mitigating risks and health hazards. Transmission and Distribution (T&D) losses have been reduced to one of the lowest in the country in the Company's licensed areas by way of undergrounding, thus saving on energy. During the year, the Company's Distribution units have undertaken a major LT and HT network revamping and uprating project at Ahmedabad and Agra to replace old and dilapidated overhead / underground network with a primary objective of improving the reliability of the network and safety of employees and general public. This has also resulted in reduction in distribution losses.
- Safety of employees and general public is given high importance and priority in the organization. Safety Committees are formed and headed by senior officers with participation from supervisors and experienced workers who effectively contribute to improve the safety performance of the organization.
- Occupational health of the employees is given equal priority. Various measures including installation of Automated External Defibrillators, Self-contained Breathing Apparatus and Ambubags (for artificial respiration) have been taken for Distribution units and EHV substations.
- At the Cables unit, HDPE outersheath & Zero Halogen protect the environment from hazardous effects of PVC and ABC protects humans & birds from Electrocution in overhead lines. The Company's Distribution units have installed more than 7,000 state-of-the-art technology SF6 gas insulated switchgears for protection and operation of 11KV distribution network. This has improved safety aspects to a great extent.
- Other initiatives include continuous improvement in safety standards, regular safety and environmental audits, mock drills, Demand Side Management (DSM) and energy conservation awareness programmes amongst customers in Distribution segment.
- Further, the Company is engaged with its neighborhood by providing employment opportunities, skill development and health care.

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

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

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

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

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

2.3 Does the company have procedures in place for sustainable sourcing (including transportation)?

If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company has procedures in place for sustainable sourcing (including transportation). The Company has incorporated procedures to ensure that transportation of chemicals and other materials are totally compliant with rules and regulations and Company's own procedures. Fuel Gas lines are maintained as per Petroleum and Natural Gas Regulatory Board (PNGRB) guidelines and safety audits are carried out at regular intervals. Usage of water is optimized by optimizing the Cycle of Concentration in cooling water and recycling of waste water. Further, Sustainability is extended to suppliers / vendors. All requirements on various aspects such as Health & Safety and Environment protection, Ethics and Compliance, Prevention of Bribery & Corruption are part of our sourcing procedures. Counselling and monitoring of suppliers / vendors is being done regularly.

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

The Company has taken several steps to procure goods and services from local and small vendors (specially focusing on weaker sections of the society, wherever possible) in order to promote entrepreneurship among them. Some of these initiatives include:

- While sourcing its consumables and spares, priority is given to local vendors. Providing employment in various jobs viz., horticulture, housekeeping, vehicle operation, etc. to people in and around its operations.
- Employment of differently abled people for jobs that are deemed safe for them.
- Engagement of destitute women for managing the canteen services at one of its units.
- Local people have been trained and employed as security guards at some of the plants.
- All packing materials such as steel & wooden drums for one of its unit are sourced locally from small vendors.
- Direct and indirect employment opportunities are provided to local populace to the extent feasible. For fabrication, plumbing, carpentry, etc., as far as possible, local skilled personnel are employed.
- Project affected personnel in gas based generation units have been taken on the Company rolls and external technical training has been imparted to them at good institutes prior to or during employment.

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

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

- 100% utilization of fly ash generated from the coal based plant.
- Re-Use of treated effluent water.
- Zero liquid discharge since August 2017 at SUGEN plant.
- Use of waste water for gardening, sprinkling, etc.
- Use of vegetation and food waste in making compost which in turn is used as manure.
- Sludge recovered from raw water is compacted through Chamber Filter Press and is used as manure/ for landfill.
- Waste generated is used for biogas generation which in turn is used for power generation and cooking in one of our self-sustaining township.
- All the PVC Scrap is recycled to make PVC Fillers at Cables unit.
- Hazardous wastes e.g., used oils, batteries, e-wastes, etc. are disposed off only to authorized recyclers.

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

3.1 Please indicate the Total number of employees.

The total number of permanent employees is 7,619 as on 31st March, 2018.

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

Total number of employees hired on temporary/contractual/casual basis is 7,108 as on 31st March, 2018.

3.3 Please indicate the Number of permanent women employees.

Total number of permanent women employees is 588 as on 31st March, 2018.

3.4 Please indicate the Number of permanent employees with disabilities.

Total number of permanent employees with disabilities is 30 as on 31st March, 2018.

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

Yes.

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

~44.82% of the total permanent employees of the Company are members of such recognized employee association.

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

There were no complaints relating to child labour, forced labour, involuntary labour and sexual harassment in FY 2017-18.

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

(a) Permanent Employees

(b) Permanent Women Employees

(c) Casual/Temporary/Contractual Employees

(d) Employees with Disabilities

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

(a) Permanent Employees – 88.85%

(b) Permanent Women Employees – 92.08%

(c) Casual/Temporary/Contractual Employees – 80.93%

(d) Employees with Disabilities – 73.33%

Further,

- At most of the units of the Company, employees (regular and temporary) and visitors have to undergo safety induction process as per the Company Policy. Further, refresher programs are organized and need based training inputs are imparted to all employees from time to time. Practical sessions and mock-drills are conducted regularly to enhance the responsiveness of the employees.
- Special DAP training is imparted to the differently abled personnel employed.

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

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

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

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

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

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

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

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

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

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

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

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

No complaint on breach of human rights was received during FY 2017-18.

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

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

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

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

Yes, the Company recognizes the value of the environment to the community and future generations and is committed to manage its businesses as a responsible Corporate Citizen. Some of the initiatives taken by the Company to address Global environmental issues such as Climate Change, Global warming, etc. include ~4,280 MW of its generation capacity being natural gas based, which is a cleaner fuel and renewables based (operational and under construction) comprising solar and wind out of its total generation capacity of ~4,700 MW.

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

Further, various energy conservation initiatives taken by the Company which aid in environmental protection are part of the Board's Report which forms part of this Annual Report.

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

Yes, the Company identifies and assesses potential environmental risks.

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

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

Annual reduction of ~8.5 Million CO_2 can be achieved by generation of power through these Projects. The Company has already achieved ~13 Million of CO_2 emission reduction.

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

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

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

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

Yes, the emissions generated from the Generation stations of the Company are within the permissible limits given by CPCB and SPCB for FY 2017-18. The data of emissions, where required, is also being shared with CPCB and SPCB through online servers.

Waste generated by the Company during FY 2017-18 was also within the permissible limits given by CPCB and SPCB.

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

No show cause / legal notices have been received during FY 2017-18 either from CPCB or SPCB.

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

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

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

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

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

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

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

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

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

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

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

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

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

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

8.3 Have you done any impact assessment of your initiative?

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

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

During FY 2017-18, the Company contributed ₹15.11 Crore to various community development programmes / projects as part of its CSR initiatives. The details of such programmes /projects are part of the Board's Report which forms part of this Annual Report.

Over and above this, the Company also made donations of ₹7.67 Crore to various organisations involved in CSR activities related to healthcare, education, arts & culture, science, relief to disaster victims; socio-economic development including de-addiction, skill development; self-help groups, youth, upliftment of women, integrated development of tribes; etc.

Besides, the Company also spent ₹ 0.47 Crore on community development projects as part of MoEFCC stipulations.

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

The Company undertakes needs assessment surveys in villages and community before undertaking CSR initiatives. Community needs are understood and evaluated and their views are taken before project plans are finalized and executed. Community members are continuously consulted during implementation of initiatives. Further, the Company ensures that community members participate in the initiatives being undertaken / implemented and that they take responsibility for maintenance and sustenance of projects in future.

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

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

In the generation, transmission and cables business there were no complaints.

~0.14% of complaints were pending as on 31st March, 2018 for the Distribution business. However, all these complaints are within the turnaround time as prescribed by Hon'ble GERC/MERC/UPERC.

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

In the generation business of the Company, this requirement of display of information is not applicable.

However, in the case of transmission and distribution business of the Company, adequate signages and caution boards are being displayed at prominent locations. Various safety initiatives are being undertaken for the benefit of consumers.

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

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

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

The Distribution segment of the Company's business caters to around 3 million consumers as on 31st March, 2018. The Customer Satisfaction Survey is carried out by the Distribution segment once in every three years through a third party professional market research agency. The last Consumer Satisfaction Survey was carried out in September 2016 through IMRB covering consumers at Ahmedabad, Surat and Gandhinagar. Also, on an ongoing basis, the Company does engage with its customers through regular feedback forms, SMS survey as well as a structured out-calling activity named "Sampark", where the employees directly call and capture customers' voice of concerns.

Further, Cables unit also obtains feedback from its major customers and necessary actions are taken based on the feedback received.

REPORT ON CORPORATE GOVERNANCE

Effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Corporate Governance is the creation and enhancement of long-term sustainable value for the stakeholders through ethically driven business processes.

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. We consider it our inherent responsibility to disclose timely, adequate and accurate information regarding our financials and performance, as well as the leadership and governance of the Company. Good governance practices stem from the dynamic culture and positive mindset of the organization.

The disclosure requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") are given below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Torrent 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 Listing Regulations. 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 the Listing Regulations for the Financial Year ended 31st March, 2018.

2. BOARD OF DIRECTORS

The Board being the representative organ of members has a fiduciary relationship and a corresponding duty to all its stakeholders to ensure that their rights are protected.

a) Composition and Category of the Board:

The Board of Directors as of the date of this report had an optimum combination of Executive and Non-Executive Directors with two woman Directors. Approximately, two third of the Board Members are Non-Executive and Independent Directors.

At the year end, the Board composition consisted of 11 Directors, comprising 6 Independent Non-Executive Directors including 2 woman Directors (55% of Board Strength), 4 Executive Directors and 1 Non- Executive Director (45% of Board Strength). Composition of the Board is in conformity with the provisions of the Listing Regulations.

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, one illustrious banker, two well revered professionals and a reputed Advocate, as it's Independent Directors. The Board also has in its midst a very senior and multifaceted IAS Officer, who adds value, both, to the Company and its Corporate Governance Practices. The sharp entrepreneurial ability, hard core managerial capabilities and years of relevant experience are represented in the rest of the Board.

b) Details of memberships / chairpersonships of the Directors in other Boards and in Committees of the Board as on 31st March, 2018:

None of the Directors on the Company's Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (Committees being, Audit Committee and Stakeholders Relationship Committee) across all Public companies in which he/she is a Director. All the Directors have made necessary disclosures regarding the positions held by them in Committees of other Companies and also directorship of other Companies.

The details of each Member of the Board along with number of Directorship(s)/ Committee membership(s) held by them, along with all other requisite information are provided herein below as on 31st March, 2018:

Name of the Director	Category	No. of Directorships held*	No. of Board's Committees in which Member*	No. of Board's Committees in which Chairperson*
Shri Sudhir Mehta, Chairman	Managing Director	1	-	-
Shri Pankaj Patel	Independent Director	4	1	-
Shri Samir Barua	Independent Director	5	4	3
Shri Kiran Karnik	Independent Director	-	-	-
Shri Keki Mistry	Independent Director	9	8	4
Smt. Bhavna Doshi	Independent Director	9	7	5
Ms. Dharmishta Raval	Independent Director	5	1	-
Shri Pankaj Joshi, IAS#	Non-Executive Director, Nominee of Govt. of Gujarat (a shareholder)	9	-	-
Shri Samir Mehta, Vice Chairman	Managing Director	2	-	-
Shri Markand Bhatt	Whole-time Director	1	-	
Shri Jinal Mehta	Whole-time Director	1	-	-

appointed with effect from 23rd May, 2017.

* For the purpose of considering the number of directorships and Committee membership/ chairpersonship in Audit and Stakeholders Relationship Committee, all public limited companies other than the Company, whether listed or not, are considered and all other companies including private limited companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013 ("Act") are excluded.

Note: Shri Sudhir Mehta and Shri Samir Mehta are Brothers. Shri Jinal Mehta is son of Shri Sudhir Mehta. Remaining Directors are not related inter-se.

c) Board Meetings

The Board of Directors met five times during FY 2017-18 on 23rd May, 2017, 1st August, 2017, 6th November, 2017, 18th December, 2017 and 7th February, 2018.

The annual calendar of Board meetings is decided in consultation with the Board and the schedule of such meetings is communicated to all the Directors well in advance. Generally, the Board meetings are held in Ahmedabad where the registered office of the Company is situated. The Board meets at least once in a quarter and time elapsed between two meetings does not exceed 120 days.

The agenda for the Board Meeting is circulated to all the Directors at least 7 days prior to the date of the Meeting except for Table agenda which are placed before the Board with due approvals. The agenda for the Board meeting includes detailed notes on the items to be discussed at the meeting to enable the Directors to take informed decisions. Information's as required under Regulation 17(7) read with Schedule II of the Listing Regulations have also been placed before the Board for its consideration. Senior executives are also invited to attend the Board meetings as and when required.

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

Name of the Director	Board Meetings held during the tenure	Board Meetings attended	Attendance at the last AGM
Shri Sudhir Mehta, Chairman$	5	5	Yes
Shri Pankaj Patel	5	5	Yes
Shri Samir Barua	5	5	Yes
Shri Kiran Karnik	5	4	Yes
Shri Keki Mistry	5	3	No
Shri R. Ravichandran*	2	2	No
Smt. Bhavna Doshi	5	4	Yes
Ms. Dharmishta Raval	5	4	Yes
Shri Pankaj Joshi, IAS	5	4	No
Shri Samir Mehta, Vice Chairman#	5	5	Yes
Shri Markand Bhatt	5	5	Yes
Shri Jinal Mehta	5	5	Yes

$ Designated as Chairman Emeritus w.e.f. 1st April, 2018.

Designated as Chairman w.e.f. 1st April, 2018.

*Retired by rotation in the AGM dated 1st August, 2017.

Note: The necessary quorum was present for all the meetings.

d) Independent Directors

None of the Directors of the Company serve as an Independent Director in more than 7 listed Companies and where the Director is serving as a Whole-time Director in any listed Company, such Director is not serving as an Independent Director in more than 3 listed Companies. Independent Directors are Non-Executive Directors as defined under Listing Regulations. All Independent Directors fulfill the criteria to be independent as specified by the Listing Regulations and section 149 of the Act. The maximum tenure of the Independent Directors is in compliance with the Act. The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.

A separate meeting of Independent Directors was held on 7th February, 2018 under the Chairpersonship of Shri Pankaj Patel to review the performance of Non-Independent Directors, the Board and it's Chairperson and assess the quality, quantity and timeliness of flow of information between the Company Management and the Board.

All the independent Directors were present at the meeting.

e) Disclosures regarding appointment / re-appointment of Directors:

The members of the Company had at the 13th Annual General Meeting held on 1st August, 2017, appointed Shri Pankaj Joshi, IAS (holding DIN: 01532892), as a Director of the Company with effect from 1st August, 2017, who was appointed as an Additional Director of the Company with effect from 23rd May, 2017 and who shall be liable to retire by rotation pursuant to the applicable provisions of the Act. In the said Meeting, Shri R. Ravichandran was retired by rotation.

Appointment of Shri Samir Mehta as Chairman of the Company and Shri Jinal Mehta as Managing Director of the Company w.e.f. 1st April, 2018 is proposed for consideration in the ensuing Annual General Meeting. Further, Re-appointment of Smt. Bhavna Doshi, Ms. Dharmishta N Raval, Shri Samir Barua, Shri Keki Mistry and Shri Pankaj Patel as Independent Directors of the Company are also proposed in the ensuing Annual General Meeting.

Brief resume and other relevant details of the Director proposed to be appointed / re-appointed are given in the Explanatory Statement annexed to the Notice of the AGM.

f) Selection of new Directors and Board Membership Criteria

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

Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills, knowledge and experience for the Board as a whole and its individual Members with the objective of having a Board with diverse backgrounds and experience.

g) Shareholding of Non-Executive Directors

Smt. Bhavna Doshi, Independent Non-Executive Director holds 1900 Equity Shares of the Company jointly with her spouse. Apart from that, none of the other Non-Executive Directors hold any Shares of the Company.

h) Familiarisation Programme

The Company undertook various steps to make the Independent Directors full understanding about the Company. The Company, through presentations at regular intervals, familiarises and updates the Independent Directors with the strategy, operations and functions of the Company and the Power Industry as a whole. During the year, the Independent Directors were provided the opportunity to visit various plant sites of the Company, to enable them to have full understanding of the operations of the Company.

The details of such familiarization program have been disclosed on the Company's website at http://www.torrentpower.com/index.php/investors/policies.

3. AUDIT AND RISK MANAGEMENT COMMITTEE

a) Terms of Reference of the Committee

Major Terms of Reference of the Committee include overseeing the financial reporting process, review of the financial statements of the Company and the unlisted subsidiaries, 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, review procedures for risk assessment and minimization, criteria for omnibus approval, 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.

The above mentioned Terms of Reference of the Committee are in full compliance with the requirements of the Listing Regulations and the Act.

b) Composition and Committee Meetings

Composition of the Committee is in compliance with the provisions of the Listing Regulations and Section 177 of the Act.

The Committee meets at least once in a quarter and time elapsed between two meetings do not exceed 120 days. During the year under review, four meetings of the Committee were held on 23rd May, 2017, 1st August, 2017, 6th November, 2017 and 7th February, 2018.

Composition of the Committee as on 31st March, 2018 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 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)	4
Shri Kiran Karnik	Independent Director	Honours degree in Physics, Post Graduate from Indian Institute of Management, Ahmedabad	4
Smt. Bhavna Doshi	Independent Director	M. Com, C.A.	4
Ms. Dharmishta Raval	Independent Director	B. Sc., LL.M	3

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.

Senior Executives of the Company, representatives of Statutory and Internal Auditors are invited to the Meetings of the Audit and Risk Management Committee. The Company Secretary and Compliance Officer acts as Secretary of the Committee. Shri Darshan Soni, Company Secretary and Whole-Time Key Managerial Personnel resigned w.e.f from closing hours of 3rd March, 2018. He was the compliance officer until then.

4. NOMINATION AND REMUNERATION COMMITTEE

a) Terms of Reference of the 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, 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 and recommending the same to the Board for their appointment and removal, recommending a Policy to the Board relating to Remuneration for the Directors, Key Managerial Personnel and other employees, formulating a policy on Board Diversity of the Company, formulating criteria for performance evaluation of directors and the Board, carrying out evaluation of individual Directors and noting on recruitment and remuneration of senior officers just below the level of board.

The above mentioned Terms of Reference of the Committee are in full compliance with the requirements of Listing Regulations and the Act.

b) Composition and Committee Meetings

Composition of the Committee is in compliance with the provisions of Listing Regulations and Section 178 of the Act.

During FY 2017-18, two meetings of the Committee were held on 23rd May, 2017 and 7th February, 2018. Composition of the Committee as on 31st March, 2018 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	2
Shri Pankaj Patel	Independent Director	Member	2
Ms. Dharmishta Raval	Independent Director	Member	1
Shri Sudhir Mehta	Managing Director	Member	2

c) **Performance Evaluation Criteria for Independent Directors**

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

Criteria

i. Fulfillment of functions

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

iii. Contribution at Meetings.

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

v. Independent views and judgement (only for IDs)

Process

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

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

5. REMUNERATION OF DIRECTORS

a) Remuneration Policy

The Company has in place the policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees of the Company. The detailed Remuneration Policy of the Company forms part of the Board's Report.

- **Executive Directors**

  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, within the limits as prescribed under the Companies Act and as approved by the shareholders and the same is then ratified by the Board. Remuneration to the Executive Directors is paid by way of salary, perquisites and other benefits and performance incentives including Commission.

- **Non-Executive Directors**

  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 Directors or Whole-time Directors) within the limits laid down under the provisions of the Act. The Board of Directors 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 Directors or Whole-time Directors) pursuant to Section 197 (5) of the Act. The said criteria for remuneration of Non-Executive Directors are also available on the website of the Company, i.e. www.torrentpower.com.

b) Details of remuneration paid to the Executive and Non-Executive Directors for FY 2017-18 are as under:

(₹ in Lakhs)

Name of the Director	Sitting Fees	Salary & Perquisites#	Commission	Total
Shri Sudhir Mehta$	Nil	0.40	1000.00	1000.40
Shri Pankaj Patel	12.00	Nil	15.00	27.00
Shri Samir Barua	13.00	Nil	19.00	32.00
Shri Kiran Karnik	11.00	Nil	16.00	27.00
Shri Keki Mistry	7.00	Nil	12.00	19.00
Shri R. Ravichandran*	2.00	Nil	6.00	8.00
Smt. Bhavna Doshi	12.00	Nil	16.00	28.00
Ms. Dharmishta Raval	9.00	Nil	15.00	24.00
Shri Pankaj Joshi, IAS*^	4.00	Nil	12.00	16.00
Shri Samir Mehta$	Nil	Nil	1000.00	1000.00
Shri Markand Bhatt$	Nil	1500.43@	2400.00	3900.43
Shri Jinal Mehta$	Nil	509.42	250.00	759.42
Total	**70.00**	**2010.25**	**4761.00**	**6841.25**

$ The terms of appointment of Chairman, 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.

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

@ Includes payment of Leave encashment of ₹300.00 Lakhs.

* Commission of Shri R. Ravichandran (nominee of LIC) is payable to Life Insurance Corporation of India. Sitting fees of Shri R. Ravichandran of ₹2 lakhs was directly paid to him. Sitting fees and Commission of Shri Pankaj Joshi, IAS (nominee of the Government of Gujarat) is paid / payable to the Government of Gujarat.

^ appointed with effect from 23rd May, 2017

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

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

a) Terms of Reference of the Committee

The Stakeholders Relationship Committee considers and oversees resolution of the grievances of all the stakeholders and related requests received from them.

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 Terms of Reference of the Committee are in full compliance with the requirements of the Listing Regulations and the Act.

b) Composition and Committee Meetings

During the year under review, four Meetings of the Committee were held on 4th May, 2017, 11th July, 2017, 9th October, 2017 and 16th January, 2018. Composition of the Committee as on 31st March, 2018 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	4

Shri Darshan Soni, Company Secretary and Whole-Time Key Managerial Personnel resigned w.e.f. closing hours of 3rd March, 2018. He was the compliance officer until then. Thereafter, all further stakeholders communications were to be addressed to Shri T. P. Vijayasarathy, Executive Director (Corporate Affairs & CFO) of the Company.

c) Investor Grievance Redressal:

The Company had received 22 complaints during the year under review and the same have been resolved to the satisfaction of the complainants within a reasonable period. No valid requests for share transfer, transmission etc. were pending beyond 15 days for processing as on 31st March, 2018.

7. GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held as under:

Meeting	Date	Time	Venue	No. of Special Resolutions* passed
11th AGM	4th August, 2015	9.30 a.m.	J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015	1
12th AGM	2nd August, 2016	9.30 a.m.	J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015	1
13th AGM	1st August, 2017	2.30 p.m.	J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015	0

*At all the above AGMs, 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.

8. DISCLOSURES

a) Legal Compliances

The Company has formalised a system for legal compliances applicable to the Company. The Board periodically reviews compliance reports (of all laws applicable to the Company), prepared by 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.

b) CEO / CFO Certification

Shri Samir Mehta, Chairman and Shri T. P. Vijayasarathy, Executive Director (Corporate Affairs) & CFO of the Company have certified to the Board of Directors, *inter-alia*, the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of Listing Regulations for the year ended 31st March, 2018. They also give quarterly certificate on financial results while placing the financial results before the Board in terms of Regulation 33 of Listing Regulations.

c) Code of Business Conduct

The Company has adopted a Code of Business Conduct based on the business principles of the Company. The Code of Business Conduct has also been posted on the website of the Company i.e. www.torrentpower.com. Pursuant to the senior management re-organisation announced by the Company; the Company has amended the Code of Business conduct and authorised Chairman/ Managing Director instead of Vice Chairman to sign the Certificate of Compliance with the Code of Business Conduct. 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 accordingly signed by the Chairman forms part of the Annual Report.

d) 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)/ Managing Director 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 Chairperson 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.

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

e) Policy on protection of women against Sexual Harassment at Work Place

The Company is committed to create 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”. Through this Policy, the Company seeks to provide protection to its 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, no case was reported under the purview of the said Policy.

f) Related Party Transactions

The Company has formulated Related Party Transaction Policy, which is in compliance with the provisions of the Act and Listing Regulations. The policy can be accessed on the website of the Company at the web link: http://www.torrentpower.com/index.php/investors/policies.

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/ arrangements and 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 has been obtained for the transactions which are foreseen/unforeseen, repetitive in nature and within the prescribed limit. Statement of all Related Party Transactions is being 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 and transactions entered into by the Company with related parties are set out in Notes to the Financial Statements forming part of this Annual Report.

g) Material Subsidiary Policy

The Company has formulated a Policy for determining “Material Subsidiary” and the same is available on the Company’s website at the weblink http://www.torrentpower.com/index.php/investors/policies.

h) Code of Conduct to Regulate, Monitor and Report Trading by Insiders

In pursuance to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company had adopted the Code of Conduct to regulate, monitor, and report trading by the employees, insiders and connected person(s) ("the code") to protect the interest of investors. The said code was amended in the Board Meeting held on 7^{th} February, 2018. The amended code is available on the website of the Company at http://www.torrentpower.com/index.php/investors/policies.

i) Policy for determining Materiality for Disclosure

Pursuant to Listing Regulations, the Company had adopted the Policy for determination of Material Events or Information in order to make prompt disclosure of Material Events or information to the Stock Exchanges in the interest of investors. The criteria for determination of Materiality of Events or Information has been revised by the Company in its meeting held on 29^{th} May, 2018. The ammended policy is available on the website of the Company at http://www.torrentpower.com/index.php/investors/policies.

j) Disclosure of commodity price risk and commodity hedging activities

The Company's Cables Unit faces commodity price risk in aluminium and copper as these metals contribute approx. 52% of the total cost of production of cables. The Company's Cables Unit as a policy hedges against copper price fluctuations with regards to the large orders, if any.

k) Compliance with all the mandatory requirements of Corporate Governance

The Company has complied with all the mandatory requirements of Corporate Governance applicable to the Company. Additionally, the Company has adopted Risk Management functions for better Corporate Governance practices and has in place "Audit and Risk Management Committee". The discretionary requirements complied with are disclosed below:

- **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.

l) Disclosure of Compliance with Corporate Governance

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

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 website: 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 FY 2017-18 to those members whose email IDs are registered with the Depository Participants (DPs) and / or with the Company's Registrar and Share Transfer Agent, unless they have opted for a physical copy, to support the "Green Initiative in Corporate Governance", an initiative taken by the Ministry of Corporate Affairs.

10. GENERAL SHAREHOLDER INFORMATION

a) 14th Annual General Meeting

Date	:	Wednesday, 1st August, 2018
Time	:	09.30 a.m.
Venue	:	J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015
Remote E-voting Period	:	From 9.00 a.m. on 28th July, 2018 to 5.00 p.m. on 31st July, 2018
Cut-off date for Remote E-voting	:	Wednesday, 25th July, 2018

b) Tentative financial calendar for the year 2018-19

Financial year	:	1st April, 2018 – 31st March, 2019
First quarter results	:	First week of August, 2018
Second quarter results	:	Last week of October, 2018
Third quarter results	:	Last week of January, 2019/ First week of February, 2019
Results for the year end	:	Last week of May, 2019

c) Date of Book Closure

Tuesday, 12th June, 2018 to Thursday, 14th June, 2018 (both days inclusive).

d) Dividend Payment date

The proposed dividend, if approved at the ensuing AGM, will be distributed on or after 4th August, 2018, within the statutory time limit.

e) Listing on Stock Exchanges and Security Codes

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

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

- Secured Redeemable Non-Convertible Debentures (NCDs) of the Company are listed on the Wholesale Debt Market segment of National Stock Exchange of India Limited:

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

- Annual listing fees for both, Equity and Debt securities, for FY 2018-19 have been paid to the Stock Exchanges, where the securities of the Company are listed.

f) Market price data

Closing market price of Equity Shares on 28th March, 2018 was ₹229.10 on BSE and ₹229.25 on NSE.

Monthly movement of Equity Share prices during the year at BSE and NSE is summarized below:

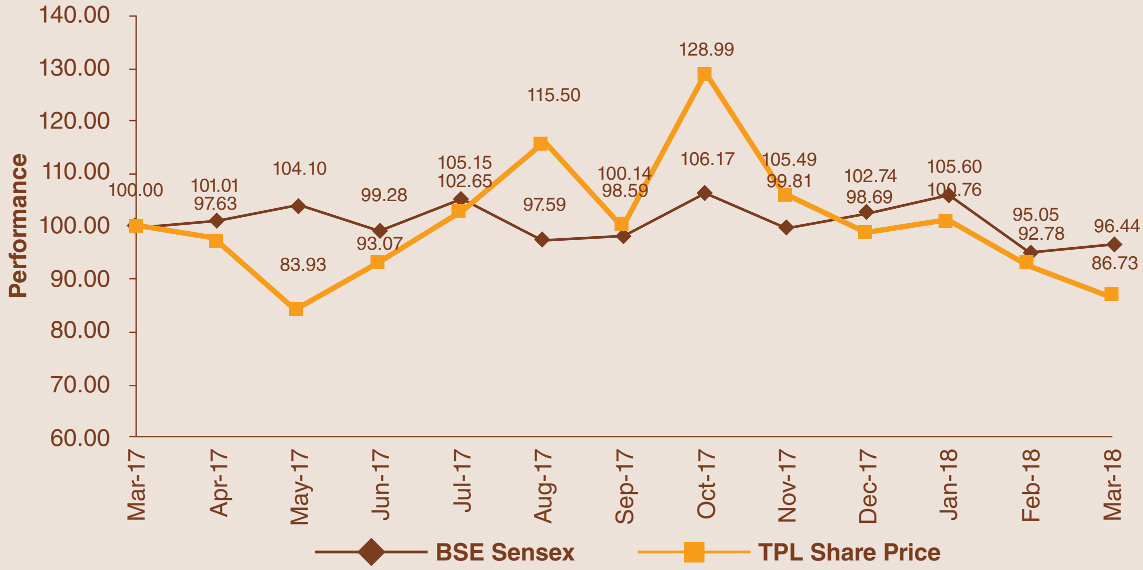
Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April, 2017	237.50	209.90	3633478	238.85	209.50	18110423
May, 2017	229.60	181.75	2239783	229.80	181.50	20581403
June, 2017	193.25	171.50	2015110	193.25	171.50	13241397
July, 2017	192.00	176.70	1673606	192.15	176.65	12155410
August, 2017	219.00	180.30	7117249	218.90	180.20	44666223
September, 2017	232.45	207.70	4563130	232.85	207.50	29108119
October, 2017	278.00	210.75	4657524	278.50	210.50	29672578
November, 2017	289.00	245.80	4765894	289.00	245.60	32656144
December, 2017	286.50	250.15	2408833	286.85	249.80	21151954
January, 2018	306.95	274.25	5133494	307.35	274.10	35388863
February, 2018	286.00	233.00	2514414	285.00	230.00	26381977
March, 2018	272.30	216.20	1462258	272.60	216.00	21228103

g) Performance of Equity Share price 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, 2017	232.35	29620.50	100.00	100.00
April, 2017	226.85	29918.40	97.63	101.01
May, 2017	190.40	31145.80	83.93	104.10
June, 2017	177.20	30921.61	93.07	99.28
July, 2017	181.90	32514.94	102.65	105.15
August, 2017	210.10	31730.49	115.50	97.59
September, 2017	210.40	31283.72	100.14	98.59
October, 2017	271.40	33213.13	128.99	106.17
November, 2017	286.30	33149.35	105.49	99.81
December, 2017	282.55	34056.83	98.69	102.74
January, 2018	284.70	35965.02	100.76	105.60
February, 2018	264.15	34184.04	92.78	95.05
March, 2018	229.10	32968.68	86.73	96.44

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

Relative Performance of TPL Share Price v/s BSE Sensex



h) Distribution of shareholding as on 31st March, 2018

➢ **By size of shareholding**

No. of Shares	No. of Shareholders	% Shareholders	No. of Shares	% of Shareholding
001 to 500	1,11,071	88.42	78,26,045	1.63
501 to 1000	7,617	6.06	52,16,877	1.09
1001 to 2000	3,025	2.41	43,80,294	0.91
2001 to 3000	1,279	1.02	32,44,657	0.68
3001 to 4000	549	0.44	19,21,738	0.40
4001 to 5000	496	0.39	22,69,776	0.47
5001 to 10000	830	0.66	58,83,403	1.22
10001 & above	750	0.60	44,98,73,994	93.60
Total	**1,25,617**	**100.00**	**48,06,16,784**	**100.00**

➢ **By category of shareholders**

Sr. No.	Category	No. of Shares	% of Shareholding
1	Promoters	25,74,43,318	53.57
2	Governor of Gujarat with Gujarat State Investments Limited	5,39,28,671	11.22
3	Life Insurance Corporation of India & its funds	2,84,38,469	5.92
4	General Insurance Corporation of India and its subsidiaries	1,41,04,105	2.93
5	Mutual Funds	4,29,25,637	8.93
6	FIIs	12,861	0.00
7	Banks	4,85,424	0.10
8	Others	8,32,78,299	17.33
	Total	**48,06,16,784**	**100.00**

i) **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 31st March, 2018, 96.80% of the Equity Shares have been dematerialised.

j) **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. Also, the same has been noted by the Board of Directors on quarterly basis.

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

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

l) **Registered office**

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

m) **Generation**

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

ii. AMGEN, Ahmedabad-380005 (Gujarat)

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

n) **Distribution**

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

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

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

o) **Cables**

Yoginagar, Mission Road, Nadiad - 387002 (Gujarat)

p) **Address for Correspondence:**

Shri Sanjay Dalal
Executive Director
Torrent Power Limited
"Samanvay", 600,
Tapovan, Ambawadi,
Ahmedabad-380015 (Gujarat)

CIN: L31200GJ2004PLC044068
Telephone : + 91 79 26628300
Fax : +91 79 26764159
E-mail : cs@torrentpower.com
Website : www.torrentpower.com

q) **Debenture Trustee**

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg,
Ballard Estate,
Mumbai- 400001 (Maharashtra)
Telephone : (022) 4080 7005

r) **Registrar & Share Transfer Agent**

Members 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:

Link Intime India Pvt. Ltd,
506 to 508,
Amarnath Business Centre - I (ABC - I),
Beside Gala Business Centre,
Nr. St. Xavier's College Corner
Off C G Road, Ellisbridge,
Ahmedabad-380006 (Gujarat)

Telephone : +91 079 26465179/86/87
Fax : +91 079 26465179
E-mail : ahmedabad@linkintime.co.in

For and on behalf of the Board

Ahmedabad
29th May, 2018

Jinal Mehta
Managing Director

CERTIFICATE OF COMPLIANCE WITH THE CODE OF BUSINESS CONDUCT

To,

The Members,

Torrent Power Limited

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

Ahmedabad
29th May, 2018

Samir Mehta
Chairman

Standalone Financial Statements 2017-18

INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS

TO THE MEMBERS OF

TORRENT POWER LIMITED

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

1. We have audited the accompanying standalone financial statements of **TORRENT POWER LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. 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 Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including 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.
5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. 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 Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The standalone Ind AS financial statements of the Company for the year ended 31st March, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated 23rd May, 2017, expressed an unmodified opinion on those standalone Ind AS financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

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

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

    e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

        i. The Company has disclosed the impact of pending litigations as at 31st March, 2018 on its financial position in its standalone Ind AS financial statements – Refer Notes 31 and 43.

        ii. The Company has long-term contracts as at 31st March, 2018 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at 31st March, 2018.

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2018.

        iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended 31st March, 2018.

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

Pradip Kanakia
Partner
Membership No.: 39985

Place: Ahmedabad
Date: 29th May, 2018

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 11 (f) of the Independent Auditors' Report of even date to the members of Torrent Power Limited on the standalone Ind AS financial statements for the year ended 31st March, 2018

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

1. We have audited the internal financial controls with reference to financial statements of **TORRENT POWER LIMITED** ("the Company") as of 31st March, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to financial statements

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

Referred to in paragraph 11 (f) of the Independent Auditors' Report of even date to the members of Torrent Power Limited on the standalone Ind AS financial statements for the year ended 31st March, 2018

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Pradip Kanakia
Partner
Membership No.: 39985

Place: Ahmedabad
Date: 29th May, 2018

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Torrent Power Limited on the standalone Ind AS financial statements as of and for the year ended 31st March, 2018

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

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

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

ii. The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

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

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

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

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

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax (with effect from 1st July, 2017) and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service-tax which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, duty of customs, duty of excise and value added tax as at 31st March, 2018 which have not been deposited on account of a dispute, are as follows:

Name of Statute	Nature of dues	Amount involved (₹ in Crore)	Amount Unpaid (₹ in Crore)	Period to which the amount relates (Financial year)	Forum where the dispute is pending
Customs Act, 1962	Differential Custom duty	37.00	18.50	2012-13	Central Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise duty	0.17	0.17	1989-90	Central Excise and Service Tax Appellate Tribunal
Kerala General Sales Tax Act, 1963	Sales Tax on Works Contracts	0.20	0.20	2001-02	Sales Tax Appellate Tribunal, Calicut
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax on Works Contracts	0.29	0.29	1993-94 & 1994-95	Andhra Pradesh High Court, Hyderabad
Tamil Nadu General Sales Tax Act, 1959	Sales Tax on Works Contracts	0.47	0.47	1989-90 & 1990-91	Asst. Commissioner of Commercial Tax, Tuticorin
Gujarat Value Added Tax Act, 2004	Value Added Tax	0.17	0.14	2011-12	Joint Commissioner of Commercial Tax (Appeal)
		2.15	1.63	2009-10 & 2010-11	GVAT Tribunal
		0.27	0.27	2007-08	GVAT Tribunal
		0.51	0.51	2008-09	GVAT Tribunal
Gujarat Sales Tax Act, 1969	Sales tax	4.29	4.29	2002-03 & 2003-04	Joint Commissioner of Commercial Tax (Appeal)
Central Sales Tax Act, 1956	Central Sales Tax	3.15	2.51	2008-09, 2009-10, 2010-11, 2011-12 & 2012-13	Sales tax Tribunal
Income Tax Act, 1961	Income Tax	0.03	0.03	2003-04	Income Tax Appellate Tribunal
		6.16	3.42	2010-11, 2013-14 & 2014-15	CIT Appeals

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

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

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT (Contd.)

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Torrent Power Limited on the standalone Ind AS financial statements as of and for the year ended 31st March, 2018

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

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

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

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

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

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

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

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

Pradip Kanakia
Partner
Membership No.: 39985

Place: Ahmedabad
Date: 29th May, 2018

BALANCE SHEET

AS AT 31ST MARCH, 2018

(₹ in Crore)

	Note	As at 31st March, 2018	As at 31st March, 2017
Assets			
Non-current assets			
Property, plant and equipment	4	16,792.56	16,591.07
Capital work-in-progress		390.47	320.37
Investment property	5	-	0.53
Intangible assets	6	13.23	7.40
Intangible assets under development		2.04	2.61
Financial assets			
Investments	7	375.01	200.80
Loans	8	16.73	14.99
Other financial assets	9	0.76	0.71
Non-current tax assets (net)	10	26.85	20.27
Other non-current assets	11	655.76	500.60
		18,273.41	17,659.35
Current assets			
Inventories	12	454.38	368.88
Financial assets			
Investments	13	614.12	552.92
Trade receivables	14	1,124.48	968.91
Cash and cash equivalents	15	134.23	102.41
Bank balances other than cash and cash equivalents	16	135.50	166.49
Loans	17	634.49	58.88
Other financial assets	18	650.29	673.31
Other current assets	19	81.51	63.47
		3,829.00	2,955.27
		22,102.41	20,614.62
Equity and liabilities			
Equity			
Equity share capital	20	480.62	480.62
Other equity	21	7,212.07	6,403.86
		7,692.69	6,884.48
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	22	8,502.40	8,111.74
Trade payables	23	94.64	53.36
Other financial liabilities	24	956.44	863.76
Provisions	25	78.96	95.91
Deferred tax liabilities (net)	41	1,469.74	1,312.39
Other non-current liabilities	26	878.15	820.70
		11,980.33	11,257.86
Current liabilities			
Financial liabilities			
Borrowings	27	-	76.62
Trade payables	28		
Due to micro and small enterprises		18.34	7.06
Due to others		638.94	725.94
Other financial liabilities	29	1,156.25	1,118.94
Other current liabilities	30	557.74	471.96
Provisions	31	31.81	44.15
Current tax liabilities (net)	32	26.31	27.61
		2,429.39	2,472.28
		22,102.41	20,614.62

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 39985

Ahmedabad, 29th May, 2018

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN: 00061903

T P Vijayasarathy
Executive Director (Corporate Affairs) &
Chief Financial Officer

Ahmedabad, 29th May, 2018

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Crore)

	Note	Year ended 31st March, 2018	Year ended 31st March, 2017
Income			
Revenue from operations	33	11,448.86	9,961.12
Other income	34	267.92	192.31
Total income		11,716.78	10,153.43
Expenses			
Electrical energy purchased		3,584.78	3,634.17
Fuel cost		3,237.36	2,525.76
Cost of materials consumed	35	233.44	196.56
Purchase of stock-in-trade		-	0.45
Changes in inventories of finished goods and work-in-progress	36	1.25	(4.30)
Employee benefits expense	37	465.32	415.72
Finance costs	38	839.69	1,046.56
Depreciation and amortization expense and impairment loss	39	1,111.14	989.42
Other expenses	40	868.27	765.15
Total expenses		10,341.25	9,569.49
Profit before tax		1,375.53	583.94
Tax expense			
Current tax	41	303.60	121.95
Deferred tax	41	150.19	29.63
		453.79	151.58
Profit for the year		921.74	432.36
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans	47	20.49	(9.73)
Tax relating to remeasurement of the defined benefit plans	41	7.16	(3.37)
Other comprehensive income for the year (net of tax)		13.33	(6.36)
Total comprehensive income for the year		935.07	426.00
Basic and diluted earnings per share of face value of ₹10 each (in ₹)	51	19.18	9.00
See accompanying notes forming part of the standalone financial statements			

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 39985

Ahmedabad, 29th May, 2018

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN: 00061903

T P Vijayasarathy
Executive Director (Corporate Affairs) &
Chief Financial Officer

Ahmedabad, 29th May, 2018

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Crore)

	Note	Year ended 31st March, 2018	Year ended 31st March, 2017
Cash flow from operating activities			
Net profit before tax		1,375.53	583.94
Adjustments for :			
Depreciation and amortization expense and impairment loss	39	1,111.14	989.42
Amortisation of deferred revenue	33	(56.55)	(51.16)
Provision of earlier years written back	33	(8.04)	(25.71)
Loss on sale / discarding of property, plant and equipment	40	21.96	12.18
Gain on disposal of property, plant and equipment	34	(54.97)	(2.67)
Bad debts written off (net)	40	3.32	14.37
Allowance for doubtful advances	40	-	3.74
Allowance for doubtful debts (net)	40	6.45	(0.26)
Finance costs	38	839.69	1,046.56
Interest income	34	(73.45)	(78.15)
Dividend income	34	(6.66)	(4.66)
Rent income from investment property	34	(1.05)	(1.32)
Allowance / impairment for non-current investments	40	11.47	10.00
Profit on sale of current investments in mutual funds	34	(42.19)	(58.85)
Net (gain) / loss arising on current investments in mutual funds measured at fair value through profit or loss	34	(5.57)	0.35
Net gain arising on financial assets / liabilities measured at amortised cost	34	(14.39)	-
Net unrealised loss / (gain) on foreign currency transactions		11.87	(18.01)
Operating profit before working capital changes		3,118.56	2,419.77
Movement in working capital:			
Adjustments for decrease / (increase) in operating assets:			
Inventories		(85.50)	50.72
Trade receivables		(165.34)	65.89
Non-current loans		(1.74)	(14.99)
Current loans		(12.31)	(3.99)
Other current financial assets		13.04	(266.08)
Other non-current financial assets		(0.10)	15.02
Other current assets		(18.04)	103.79
Other non-current assets		36.38	12.22
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		(76.94)	(1.98)
Non-current trade payables		43.46	(166.69)
Other current financial liabilities		99.97	(49.61)
Other non-current financial liabilities		92.48	83.76
Long-term provisions		(16.95)	15.86
Short-term provisions		8.15	(4.85)
Other current liabilities		79.26	156.23
Cash generated from operations		3,114.38	2,415.07
Taxes paid		(311.49)	(103.55)
Net cash flow from operating activities		2,802.89	2,311.52
Cash flow from investing activities			
Payments for property, plant and equipment & capital work-in-progress		(1,714.87)	(2,530.62)
Payments for intangible assets and intangible asset under development		(8.70)	(4.92)
Non-current advances for capital assets		(191.54)	280.42
Proceeds from sale of property, plant and equipment / investment property		60.79	9.33
Non-current investment in subsidiaries		(0.02)	-
Non-current investment in debentures		(182.40)	-

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Purchase of non-current investments	(1.69)	(1.63)
Loans to related parties	(557.42)	(1.23)
Redemption (net) of bank deposits (maturity more than three months)	31.35	67.40
Interest received	77.54	73.20
Purchase (net) of current investments	(55.63)	(67.95)
Profit on sale of current investments	42.19	58.85
Dividend received from non-current investments	6.66	4.66
Rent income from investment property	1.05	1.32
Bank balances not considered as cash and cash equivalents	-	0.08
Net cash generated from / (used in) investing activities	(2,492.69)	(2,111.09)
Cash flow from financing activities		
Proceeds from long-term borrowings	987.74	1,572.14
Proceeds from short-term borrowings	-	76.62
Repayment of long-term borrowings	(339.97)	(292.95)
Prepayment of long-term borrowings	(19.33)	(1,087.40)
Repayment of short-term borrowings	(76.62)	-
Repayment of Accelerated Power Development and Reform Programme (APDRP) loan	(3.82)	(3.82)
Receipt of contribution from consumers	120.52	117.87
Dividend paid	(105.74)	-
Dividend distribution tax paid	(21.12)	-
Finance costs paid	(820.04)	(1,021.96)
Net cash generated from / (used in) financing activities	(278.38)	(639.50)
Net (decrease) / increase in cash and cash equivalents	31.82	(439.07)
Cash and cash equivalents as at beginning of the year	102.41	541.48
Cash and cash equivalents as at end of the year	134.23	102.41
See accompanying notes forming part of the standalone financial statements		
Footnotes:		
1 Cash and cash equivalents as at end of the year:		
Balances with banks		
Balance in current accounts	132.00	98.88
Balance in fixed deposit accounts (original maturity for less than three months)	0.03	1.68
Cheques, drafts on hand	1.61	1.06
Cash on hand	0.59	0.79
	134.23	102.41

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

3 In the statement of cash flow, the Company has reclassified investment in mutual funds (money market) from cash and cash equivalents to investing activities for previous year, as it is considered a more appropriate classification and disclosure.

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 39985

Ahmedabad, 29th May, 2018

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN: 00061903

T P Vijayasarathy
Executive Director (Corporate Affairs) &
Chief Financial Officer

Ahmedabad, 29th May, 2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

A. Equity share capital [Refer note 20]

(₹ in Crore)

Balance as at 1st April, 2016	480.62
Changes in equity share capital during the year	-
Balance as at 31st March, 2017	480.62
Changes in equity share capital during the year	-
Balance as at 31st March, 2018	480.62

B. Other equity [Refer note 21]

(₹ in Crore)

	Reserves and surplus						Total
	Securities premium reserve	Debenture redemption reserve	Contingency reserve	Special reserve	General reserve	Retained earnings	
Balance as at 1st April, 2016	0.03	95.24	4.56	78.07	3,583.89	2,216.07	5,977.86
Profit for the year	-	-	-	-	-	432.36	432.36
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(6.36)	(6.36)
Total comprehensive income for the year	-	-	-	-	-	426.00	426.00
Transfer to debenture redemption reserve	-	34.22	-	-	-	(34.22)	-
Transfer to contingency reserve	-	-	1.68	-	-	(1.68)	-
Balance as at 31st March, 2017	0.03	129.46	6.24	78.07	3,583.89	2,606.17	6,403.86
Profit for the year	-	-	-	-	-	921.74	921.74
Other comprehensive income for the year, net of income tax	-	-	-	-	-	13.33	13.33
Total comprehensive income for the year	-	-	-	-	-	935.07	935.07
Transfer to debenture redemption reserve	-	34.22	-	-	-	(34.22)	-
Transfer to contingency reserve	-	-	1.71	-	-	(1.71)	-
Dividend (including interim dividend) paid	-	-	-	-	-	(105.74)	(105.74)
Dividend distribution tax paid	-	-	-	-	-	(21.12)	(21.12)
Balance as at 31st March, 2018	0.03	163.68	7.95	78.07	3,583.89	3,378.45	7,212.07

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 39985

Ahmedabad, 29th May, 2018

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN: 00061903

T P Vijayasarathy
Executive Director (Corporate Affairs) &
Chief Financial Officer

Ahmedabad, 29th May, 2018

NOTE 1A: GENERAL INFORMATION

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

The Company is an integrated power utility and is engaged in the business of generation, transmission and distribution of power and manufactures and sales of Cables.

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

The Company has applied the following amendment for the first time for its annual reporting period commencing 1st April, 2017:

Amendment to Ind AS - 7 "Statement of Cash Flows"

The amendment to Ind AS - 7 requires the entities to provide disclosures that enable users of standalone financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The adoption of these amendments did not have any impact on the amounts recognised in prior periods. When the Company first applies these amendments, it is not required to provide comparative information for preceding periods.

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

The Company will apply the following standard for the first time for its annual reporting period commencing 1st April, 2018:

Ind AS - 115 "Revenue from Contracts with Customers"

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 on 28th March 2018 which includes Ind AS - 115 "Revenue from Contracts with Customers". This will replace Ind AS 18 which covers contracts for goods and services and Ind AS - 11 which covers construction contracts.

Ind AS - 115 "Revenue from contracts with Customers" outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The standard replaces most current revenue recognition guidance. The core principle of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. The new standard also will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively including service revenues and contract modifications and improve guidance for multiple-element arrangements. The new standard will come into effect for the annual reporting periods beginning on or after 1st April, 2018. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

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

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation:

Compliance with Ind AS

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

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

Historical cost convention

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

- Derivative instruments
- Defined benefit plan assets

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

2.2 Business combinations and Goodwill:

Business combination - acquisition

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

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

Acquisition-related costs are expensed as incurred.

The excess of the

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

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

Business combination - common control transaction

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

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

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

Goodwill

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

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

2.3 Investments in subsidiaries, joint ventures and associates:

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

2.4 Government grants:

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

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

2.5 Property, plant and equipment:

Tangible fixed assets

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

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

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

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

Depreciation methods, estimated useful lives and residual value

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

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

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

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

@governed by the applicable regulations of UPERC / MERC for this purpose.

2.6 Investment properties:

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

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

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

2.7 Intangible assets - acquired:

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

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

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

2.8 Impairment of tangible and intangible assets other than goodwill:

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

2.9 Borrowing costs:

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

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

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

2.10 Cash and cash equivalents:

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

2.11 Inventories:

Raw materials, fuel, stores and spares, packing materials, loose tools, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of inventories includes all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.12 Revenue recognition:

Revenue is recognized, when the products are delivered or services are rendered to consumers and when no significant uncertainty as to the measurability or collectability exists. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for discounts and other similar allowances.

(i) Revenue from power supply and transmission charges are accounted for on the basis of billings to consumers and Central transmission utility respectively in accordance with tariff orders issued by the respective regulatory commissions. Revenue recognized in excess of billing has been reflected under "other financial assets" as unbilled revenue.

Further, in view of the uncertainties involved in the recoverability, the quarterly Fuel and Power Purchase Price Adjustment ("FPPPA") claims are accounted for as and when allowed by the regulatory authorities and truing up adjustments claims are accounted for as and when billed to the consumers. [Refer note 3.1(i)]

(ii) Sales of cables and surplus fuel (RLNG) are recognised, net of returns and rebates, on transfer of significant risks and rewards of ownership to the buyer. Sales includes excise duty but excludes sales-tax, value added tax and Goods and service tax.

(iii) Gross proceeds from sale of Certified Emission Reduction certificates (CERs) are recognized when all the significant risks and rewards of ownership of CERs have been passed to the buyer, usually on delivery of the CERs.

(iv) Income from Generation Based Incentive is accounted on accrual basis considering eligibility of project for availing incentive.

(v) Dividend is accounted when the right to receive payment is established.

(vi) Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest on overdue receivables of energy bills and claims including insurance claims, coal cost variation and other claims etc. are accounted as and when recovered.

(vii) Contributions by consumers towards items of property, plant and equipment, which require an obligation to provide electricity connectivity to the consumers, are recognised as a credit to deferred revenue. Such revenue is recognised over the useful life of the property, plant and equipment.

2.13 Foreign currency translation:

Functional and presentation currency

The financial statements are prepared in Indian rupee (INR) which is functional as well as presentation currency of the Company.

Transactions and balances

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange differences arising on settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the financial year are recognized as income or expense in the financial year in which they arise.

The exchange differences relating to long term foreign currency monetary items, recognised in the financial statement upto 31st March, 2016, in so far as they relate to acquisition of depreciable capital assets is adjusted to the cost of such capital asset and depreciated over the balance useful life of such asset.

2.14 Employee benefits:

Defined contribution plans

Contributions to retirement benefit plans in the form of provident fund, employee state insurance scheme and superannuation schemes as per regulations are charged as an expense on an accrual basis when employees have rendered the service. The Company has no further payment obligations once the contributions have been paid.

Defined benefits plans

The liability or asset recognised in the balance sheet in respect of the retirement benefit plan i.e. gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by an actuary using projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximately to the terms of the related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets. This cost is included in the employee benefit expense in the statement of profit and loss.

Remeasurements, comprising actuarial gains and losses and the effect of the changes to the asset ceiling (if applicable), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and consequently recognised in retained earnings and is not reclassified to profit or loss.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The said obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2.15 Taxation:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on estimated taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in the tax returns with respect to situations for which applicable tax regulations are subject to interpretation and revises the provisions, if so required where consider necessary.

Advance taxes and provisions for current income taxes are offset with each other when there is a legally enforceable right to offset and balances arise with the same tax authority.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

2.16 Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by adjusting the figures used in the determination of basic EPS to take into account:

- After tax effect of interest and other financing costs associated with dilutive potential equity shares.
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.17 Provisions, contingent liabilities and contingent assets:

Provisions

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

2.18 Financial instruments:

Financial assets

i) Classification of financial assets (including debt instruments)

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

ii) Initial measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

iii) Subsequent measurement

There are three measurement categories into which the debt instruments can be classified:

- **Amortised cost**

  Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI)**

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

- **Fair value through profit or loss (FVTPL)**

  Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains / (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 only, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109 i.e. expected credit loss allowance as computed based on historical credit loss experience.

v) Derecognition of financial assets

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset

When the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of financial asset, the financial asset is derecognised if the Company has not retained control over the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings.

i) **Classification**

All the Company's financial liabilities, except for financial liabilities at fair value through profit or loss, are measured at amortized cost.

ii) **Initial measurement**

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

iii) **Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate Method.

The Effective Interest Rate Method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

iv) **Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or waived off or have expired. An exchange between the Company and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.19 Contributed equity:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Transaction costs of an equity transaction shall be accounted for in other equity.

2.20 Leases:

Leases (including lease arrangements for land) are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating lease (The Company as lessee): Lease payments under an operating lease are recognized as expense in the statement of profit and loss, on a straight-line or other systematic basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Lessor's expected inflationary cost increases, such increases are recognised in the year in which such liability accrues.

2.21 Rounding of amounts:

All amounts disclosed in the financial statements and notes have been presented in crore rounded to two decimals as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated. Figures below ₹50,000 are denoted by '*'.

NOTE 3: CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the course of applying the policies outlined in all notes under note 2 above, the management of the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Such estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

3.1 Regulatory matters:

(i) Regulatory deferral accounts

Ind AS - 114 “Regulatory Deferral Accounts” permits the Company to apply the requirements of this standard in its first Ind AS financial statements if and only if it conducts rate-regulated activities and recognised amounts that qualify as regulatory deferral account balances in its financial statements in accordance with its previous GAAP(i.e. for the year ended 31st March, 2016). As the Company had consistently elected not to recognise the regulatory deferral balances in its previous GAAP, the requirement of IND AS - 114 does not apply to the Company.

3.2 Property, plant and equipment:

(i) Service concession arrangements

The Company has assessed applicability of Appendix A of Ind AS - 11 “Service Concession Arrangements” with respect to its distribution and transmission assets portfolio. In assessing the applicability, the Company has exercised judgment in relation to the provisions of the Electricity Act, 2003, transmission / distribution license and / or agreements. Based on such assessment, it has concluded that Appendix A of Ind AS - 11 is not applicable.

(ii) Impairment of property plant and equipment

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount of property plant and equipment is the higher of its fair value less costs of disposal and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated PLF, fuel availability at economical rates, economic and regulatory environment, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets.

3.3 Impairment of financial assets:

(i) Trade receivables

The Company estimates the credit allowance as per practical expedient based on historical credit loss experience as enumerated in note 56.

(ii) Impairment of investments

At the end of each reporting period, the Company reviews the carrying amounts of its investments when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

3.4 Taxation:

(i) Current tax

The Company has treated certain expenditure as being deductible for tax purposes. However, the tax legislation in relation to such expenditure is not clear and the Company has applied their judgement and interpretation for the purpose taking their tax position.

(ii) Deferred tax assets

Deferred tax assets are recognised for unused tax losses / credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

3.5 Contingencies:

Contingent liabilities

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management decides whether the matters needs to be classified as 'remote', 'possible' or 'probable' based on expert advice, past judgements, experiences etc.

3.6 Employee benefit plans:

Defined benefit plans and other long-term employee benefits

The present value of obligations under defined benefit plan and other long term employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, these obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

NOTE 4 : PROPERTY, PLANT AND EQUIPMENT

As at 31st March, 2018

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation and impairment loss				Net carrying amount
	As at 1st April, 2017	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2018	As at 1st April, 2017	For the year^	Deductions during the year	As at 31st March, 2018	As at 31st March, 2018
Property, plant and equipment										
Freehold land	368.95	12.04	-	-	380.99	-	-	-	-	380.99
Buildings	1,357.56	67.92	0.24	0.98	1,426.22	86.50	49.32	*	135.82	1,290.40
Railway siding	1.86	-	-	-	1.86	0.10	0.05	-	0.15	1.71
Plant and machinery	16,579.90	1,247.82	34.96	(15.77)	17,776.99	1,760.93	1,044.78	9.47	2,796.24	14,980.75
Electrical fittings and apparatus	34.16	3.85	0.10	0.02	37.93	6.02	3.05	0.05	9.02	28.91
Furniture and fixtures	37.33	4.28	0.29	-	41.32	4.84	3.09	0.15	7.78	33.54
Vehicles	19.33	4.31	1.35	0.01	22.30	3.82	2.23	0.41	5.64	16.66
Office equipment	71.79	13.45	0.61	0.05	84.68	17.60	7.70	0.22	25.08	59.60
Total	18,470.88	1,353.67	37.55	(14.71)	19,772.29	1,879.81	1,110.22	10.30	2,979.73	16,792.56

^ includes impairment loss amounting to ₹14.07 Crore

As at 31st March, 2017

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation				Net carrying amount
	As at 1st April, 2016	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2017	As at 1st April, 2016	For the year	Deductions during the year	As at 31st March, 2017	As at 31st March, 2017
Property, plant and equipment										
Freehold land	358.30	10.65	-	-	368.95	-	-	-	-	368.95
Buildings	1,229.74	127.51	*	0.31	1,357.56	39.27	47.23	*	86.50	1,271.06
Railway siding	1.86	-	-	-	1.86	0.05	0.05	-	0.10	1.76
Plant and machinery	14,070.61	2,526.65	20.32	2.96	16,579.90	839.98	923.49	2.54	1,760.93	14,818.97
Electrical fittings and apparatus	31.39	2.76	*	0.01	34.16	2.95	3.07	-	6.02	28.14
Furniture and fixtures	21.75	15.59	0.01	-	37.33	2.13	2.71	*	4.84	32.49
Vehicles	16.95	3.46	1.08	-	19.33	1.76	2.26	0.20	3.82	15.51
Office equipment	65.14	6.84	0.23	0.04	71.79	8.82	8.84	0.06	17.60	54.19
Total	15,795.74	2,693.46	21.64	3.32	18,470.88	894.96	987.65	2.80	1,879.81	16,591.07

NOTE 4 : PROPERTY, PLANT AND EQUIPMENT (Contd.)

Footnotes:

1. Assets pledged as security:

   Entire movable and immovable properties (including capital work-in-progress) with the net carrying amount of ₹17,183.03 Crore (31st March, 2017 - ₹16,911.44 Crore) have been mortgaged and hypothecated to secure borrowings of the Company (Refer note 22).

2. Capital commitment:

   Refer note 43 (c) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

3. Adjustments during the year include capitalisation of borrowing costs of ₹5.77 Crore (Previous year - ₹4.50 Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 "Borrowing Costs".

4. Capital work-in-progress include borrowing costs of ₹0.71 Crore (31st March, 2017- ₹2.42 Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 "Borrowing Costs".

5. The weighted average rate for capitalisation of borrowing cost relating to general borrowing is 8.55% (Previous year 11.07% to 11.13%)

6. Adjustments during the year include foreign currency exchange difference (net) of ₹ Nil (Previous year - ₹0.90 Crore net gain).

7. Additions to plant and machinery includes capitalisation of directly attributable costs incurred by the Company under various headings.

8. Pro-rata cost of assets owned jointly with Torrent Pharmaceuticals Limited, a fellow subsidiary are as under:

(₹ in Crore)

Particulars	Proportion of holding	As at 31st March, 2018	As at 31st March, 2017
Freehold land	50%	23.78	23.78
Freehold land	70%	83.16	83.16
Building	70%	1.36	1.36

NOTE 5 : INVESTMENT PROPERTY

As at 31st March, 2018 (₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation				Net carrying amount
	As at 1st April, 2017	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2018	As at 1st April, 2017	For the year	Deductions during the year	As at 31st March, 2018	As at 31st March, 2018
Freehold land	0.53	-	0.53	-	-	-	-	-	-	-
Total	0.53	-	0.53	-	-	-	-	-	-	-

As at 31st March, 2017 (₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation				Net carrying amount
	As at 1st April, 2016	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2017	As at 1st April, 2016	For the year	Deductions during the year	As at 31st March, 2017	As at 31st March, 2017
Freehold land	0.53	-	-	-	0.53	-	-	-	-	0.53
Total	0.53	-	-	-	0.53	-	-	-	-	0.53

Footnotes:

1. The Company had leased the entire freehold land as disclosed above to Torrent Pharmaceuticals Limited.
2. The fair value of the Company's investment property as at 31st March, 2017 has been arrived at on the basis of a valuation carried out by the Company. The fair value was determined based on the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data.
3. Details of the Company's investment property and information about the fair value hierarchy as at 31st March, 2017 are as follows:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Fair value of investment property (₹ in Crore)	-	45.00
Fair value hierarchy	-	Level 2 [Refer note 56]

4. The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop such investment properties or for repairs, maintenance and enhancements thereof.
5. Amount recognised in statement of profit and loss for investment property [Refer note 34] :

(₹ in Crore)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Rental income derived from investment property	1.05	1.32
Direct operating expenses arising from investment property	-	-

NOTE 6 : INTANGIBLE ASSETS

As at 31st March, 2018

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated amortization				Net carrying amount
	As at 1st April, 2017	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2018	As at 1st April, 2017	For the year	Deductions during the year	As at 31st March, 2018	As at 31st March, 2018
Computer software	17.26	9.27	-	-	26.53	9.86	3.44	-	13.30	13.23
Total	17.26	9.27	-	-	26.53	9.86	3.44	-	13.30	13.23

As at 31st March, 2017

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated amortization				Net carrying amount
	As at 1st April, 2016	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2017	As at 1st April, 2016	For the year	Deductions during the year	As at 31st March, 2017	As at 31st March, 2017
Computer software	11.87	5.41	0.02	-	17.26	5.16	4.72	0.02	9.86	7.40
Total	11.87	5.41	0.02	-	17.26	5.16	4.72	0.02	9.86	7.40

Footnote:

1. The above computer software has been mortgaged and hypothecated to secure borrowings of the Company [Refer note 22].

NOTE 7 : NON-CURRENT INVESTMENTS

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Investment in equity instruments (unquoted)		
Subsidiaries (at cost)		
Torrent Power Grid Limited		
Equity shares of ₹10 each fully paid up	66.60	66.60
(No. of shares- 31st March, 2018- 6,66,00,000, 31st March, 2017- 6,66,00,000)		
(2,70,00,000 (31st March, 2017 - 2,70,00,000) equity shares pledged as security in respect of the term loan provided to Torrent Power Grid Limited)		
Torrent Pipavav Generation Limited		
Equity shares of ₹10 each fully paid up	47.50	47.50
(No. of shares- 31st March, 2018: 4,75,00,000, 31st March, 2017: 4,75,00,000)		
Less: Impairment in value of investment	(11.45)	-
Torrent Solargen Limited		
Equity shares of ₹10 each fully paid up	80.07	80.07
(No. of shares- 31st March, 2018: 8,00,50,000, 31st March, 2017: 8,00,50,000)		
Jodhpur Wind Farms Private Limited		
Equity shares of ₹10 each fully paid up	*	-
(No. of shares- 31st March, 2018: 1,000, 31st March, 2017: Nil)		
Latur Renewables Private Limited		
Equity shares of ₹10 each fully paid up	*	-
(No. of shares- 31st March, 2018: 1,000, 31st March, 2017: Nil)		
	182.72	194.17
Others (at fair value through profit or loss)		
AEC Cements & Constructions Limited		
Equity shares of ₹10 each fully paid up	0.61	0.61
(No. of shares- 31st March, 2018: 9,61,500, 31st March, 2017: 9,61,500)		
Less: Impairment in value of investment	(0.61)	(0.61)
Tidong Hydro Power Limited		
Equity shares of ₹10 each fully paid up	0.02	0.02
(No. of shares- 31st March, 2018: 24,500, 31st March, 2017: 24,500)		
Less: Impairment in value of investment	(0.02)	(0.02)
Tornascent Care Institute @		
Equity shares of ₹10 each fully paid up	0.03	0.03
(No. of shares- 31st March, 2018: 25,000, 31st March, 2017: 25,000)		
UNM Foundation @		
Equity shares of ₹10 each fully paid up	0.03	0.03
(No. of shares- 31st March, 2018: 25,000, 31st March, 2017: 25,000)		
	0.06	0.06
	182.78	194.23

@ The Company has, jointly with Torrent Pharmaceuticals Limited, promoted section 8 companies, i.e Tornascent Care Institute and UNM Foundation, under the Companies Act, 2013 for the purpose of carrying out charitable activities.

NOTE 7 : NON-CURRENT INVESTMENTS (Contd.)

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Investment in non-convertible debentures (unquoted) (at amortised cost)		
Wind Two Renergy Private Limited Zero coupon secured, redeemable with premium non-convertible debentures of ₹1,00,000 each (No. of debentures- 31st March, 2018: 7,276, 31st March, 2017: Nil)	73.29	-
Wind Four Renergy Private Limited Zero coupon secured, redeemable with premium non-convertible debentures of ₹1,00,000 each (No. of debentures- 31st March, 2018: 5,482, 31st March, 2017: Nil)	55.35	-
Wind Five Renergy Private Limited Zero coupon secured, redeemable with premium non-convertible debentures of ₹1,00,000 each (No. of debentures- 31st March, 2018: 5,482, 31st March, 2017: Nil)	55.33	-
	183.97	-
Contingency reserve investments - statutory (quoted) (at amortised cost) $		
8.28% GOI Bond - 2032	0.99	0.99
8.32% GOI Bond - 2032	0.32	0.32
8.97% GOI Bond - 2030	1.01	1.01
8.28% GOI Bond - 2027	1.30	1.30
7.35% GOI Bond - 2024	1.32	1.32
8.40% GOI Bond - 2024	1.63	1.63
6.68% GOI Bond - 2031	1.69	-
	8.26	6.57
	375.01	200.80
Aggregate amount of quoted investments	8.26	6.57
Aggregate amount of unquoted investments	366.75	194.23
	375.01	200.80
Aggregate amount of impairment in value of investments	12.08	0.63
Aggregate amount of market value of quoted investments	8.42	7.04

$ Investment in Government of India bonds have been made in terms of Gujarat Electricity Regulatory Commission (GERC) Multi-Year Tariff (MYT) Regulations, which can be utilised only for the purposes mentioned therein. [Refer note 21- Contingency reserve]

NOTE 8 : NON-CURRENT LOANS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Security deposits	16.73	14.99
	16.73	14.99

NOTE 9 : OTHER NON-CURRENT FINANCIAL ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Bank fixed deposits	0.61	0.66
Other advances	0.15	0.05
	0.76	0.71

NOTE 10 : NON- CURRENT TAX ASSETS

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Advance income tax (net)	26.85	20.27
	26.85	20.27

NOTE 11 : OTHER NON-CURRENT ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Capital advances	269.49	77.95
Advances for goods and services	230.29	261.41
Prepaid expenses	2.41	2.15
Unamortised premium for leasehold land	153.57	159.09
	655.76	500.60

NOTE 12 : INVENTORIES

(valued at lower of cost and net realizable value)

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Stores and spares	284.87	245.58
Fuel	135.35	84.56
Raw materials	19.74	23.51
Work-in-progress	5.93	6.50
Finished goods	6.44	7.44
Packing materials	0.54	0.49
Loose tools	1.51	0.80
	454.38	368.88

Footnotes:

1. The cost of inventories recognised as an expense includes ₹5.65 Crore (Previous year - ₹10.97 Crore) in respect of write-downs of inventory to net realisable value determined based on evaluation of slow and non-moving inventories.
2. The carrying amount of inventories which has been mortgaged and hypothecated to secure borrowings of the Company was ₹454.38 Crore (31st March, 2017 - ₹368.88 Crore).
3. The above carrying amount of inventories include goods in transit as under :

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Stores and spares	-	0.28
Fuel	6.05	3.77
Raw materials	-	1.51
	6.05	5.56

NOTE 13 : CURRENT INVESTMENTS

(Investments carried at fair value through profit or loss)

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Investment in mutual funds (unquoted)		
Baroda Pioneer Liquid Fund-Growth (No. of units-31st March, 2018: 4,28,694, 31st March, 2017: Nil)	85.28	-
DSPBR Liquidity Fund (No. of units-31st March, 2018: 1,36,631, 31st March, 2017: Nil)	33.80	-
IDFC Cash Fund - Growth - (Regular Plan) (No. of units-31st March, 2018: Nil, 31st March, 2017: 2,77,569)	-	54.71
Invesco India Liquid Fund - Growth (No. of units-31st March, 2018: 4,59,617, 31st March, 2017: 4,32,853)	109.56	96.63
Kotak Liquid Scheme Plan A - Growth (No. of units-31st March, 2018: Nil, 31st March, 2017: 2,37,918)	-	78.29
L&T Liquid Fund - Growth (No. of units-31st March, 2018: Nil, 31st March, 2017: 4,08,207)	-	90.82
SBI PLF - Regular Plan Growth # (No. of units-31st March, 2018: 7,80,363, 31st March, 2017: 6,56,194)	211.92	167.05
Sundaram Money Fund - Regular - Growth (No. of units-31st March, 2018: Nil, 31st March, 2017: 11,75,902)	-	4.02
Tata Money Market Fund (No. of units-31st March, 2018: 4,86,299, 31st March, 2017: 2,33,346)	132.61	59.59
UTI Liquid Cash Plan - Growth (No. of units-31st March, 2018: 1,44,348, 31st March, 2017: 6,822)	40.95	1.81
	614.12	552.92
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	614.12	552.92
	614.12	552.92
Aggregate amount of impairment in value of investments	-	-
Aggregate amount of market value of quoted investments	-	-
	-	-

include ₹89.14 Crore (31st March, 2017- ₹66.10 Crore) on which a lien has been created in favour of lenders

NOTE 14 : TRADE RECEIVABLES

(₹ in Crore)

			As at 31st March, 2018	As at 31st March, 2017
Trade receivables				
Secured	-	Considered good	453.95	390.41
Unsecured	-	Considered good	670.53	578.50
	-	Considered doubtful	135.93	129.48
			1,260.41	1,098.39
Less: Allowance for bad and doubtful debts			135.93	129.48
			1,124.48	968.91

Footnotes:

1. Refer note 56 for credit risk related disclosures.
2. Refer note 22 for charge on current assets including trade receivables.

NOTE 15 : CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Balances with banks		
Balance in current accounts	132.00	98.88
Balance in fixed deposit accounts (original maturity for less than three months)	0.03	1.68
	132.03	100.56
Cheques, drafts on hand	1.61	1.06
Cash on hand	0.59	0.79
	134.23	102.41

NOTE 16 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Unpaid dividend accounts	8.11	7.81
Unpaid fractional coupon accounts	0.34	0.33
Balance in fixed deposit accounts (maturity of more than three months but less than twelve months)	127.05	158.35
	135.50	166.49

NOTE 17 : CURRENT LOANS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Loans to related parties (including interest accrued) [Refer note 55(d)]	618.19	54.89
Security deposits	16.30	3.99
	634.49	58.88

NOTE 18 : OTHER CURRENT FINANCIAL ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Inter-corporate deposits #	155.00	325.00
Interest accrued on non-current investments	0.10	0.10
Interest accrued on deposits	9.25	19.23
Unbilled revenue	480.63	320.13
	644.98	664.46
Other advances / receivables		
Considered good @	5.31	8.85
Considered doubtful	6.06	6.06
	11.37	14.91
Less : Allowance for doubtful advances	6.06	6.06
	5.31	8.85
	650.29	673.31

include ₹155 Crore (31st March, 2017- ₹300 Crore) on which a lien has been created in favour of lenders
@ include ₹ Nil (31st March, 2017 - ₹0.29 Crore) advance to related parties

NOTE 19 : OTHER CURRENT ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Advances for goods and services	63.05	44.53
Balances with government authorities	3.06	3.97
Prepaid expenses	9.67	9.25
Unamortised premium for leasehold land	5.73	5.72
	81.51	63.47

NOTE 20 : EQUITY SHARE CAPITAL

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Authorised		
4,37,00,00,000 (4,37,00,00,000 as at 31st March, 2017) equity shares of ₹10 each	4,370.00	4,370.00
	4,370.00	4,370.00
Issued, subscribed and paid up		
48,06,16,784 (48,06,16,784 as at 31st March, 2017) equity shares of ₹10 each	480.62	480.62
	480.62	480.62

1. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year :

	No. of shares As at 31st March, 2018	No. of shares As at 31st March, 2017
At the beginning of the year	48,06,16,784	48,06,16,784
Issued during the year	-	-
Outstanding at the end of the year	48,06,16,784	48,06,16,784

2. 25,74,22,311 equity shares (25,74,22,311 equity shares as at 31st March, 2017) of ₹10 each fully paid up are held by the Parent Company - Torrent Private Limited.

3. Terms / Rights attached to equity shares :

   The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.The dividend,if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

   In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

4. Details of shareholders holding more than 5% shares in the Company :

Name of the Shareholder	As at 31st March, 2018		As at 31st March, 2017	
	No. of shares	% holding	No. of shares	% holding
Torrent Private Limited	25,74,22,311	53.56%	25,74,22,311	53.56%
Gujarat State Investment Limited	4,68,71,621	9.75%	4,68,71,621	9.75%
Life Insurance Corporation of India	2,83,83,394	5.91%	2,98,86,827	6.22%

5. Aggregate number of equity shares allotted as fully paid up pursuant to contract(s) without payment being received in cash:

   During FY 2015-16, the Company has allotted 81,68,476 equity shares of ₹10 each at par to the shareholders of Torrent Cables Limited pursuant to the scheme of amalgamation of Torrent Energy Limited and Torrent Cables Limited with Torrent Power Limited as approved by the Hon'ble Gujarat High Court vide its order dated 13th August, 2015.

6. Distributions made and proposed:

   The amount of per share dividend distributed to equity shareholders during the year ended 31st March, 2018 is ₹2.20 (Previous year- ₹Nil) per equity share, being the final dividend declared for the year ended 31st March, 2017.

   The Board of Directors at its meeting held on 29th May, 2018 have recommended a dividend of 50.00% (₹5.00 per equity share of par value ₹10 each).The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting and if approved, would result in a cash outflow of approximately ₹289.71 Crore (inclusive of dividend distribution tax of ₹49.40 Crore).

NOTE 21 : OTHER EQUITY

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Reserves and surplus		
Securities premium reserve	0.03	0.03
Debenture redemption reserve	163.68	129.46
Contingency reserve	7.95	6.24
Special reserve	78.07	78.07
General reserve	3,583.89	3,583.89
Retained earnings	3,378.45	2,606.17
	7,212.07	6,403.86

Footnotes:

1. Securities premium reserve:

   Securities premium reserve reflects issuance of the shares by the Company at a premium, whether for cash or otherwise i.e. a sum equal to the aggregate amount of the premium received on shares is transferred to a “securities premium account” as per the provisions of the Companies Act, 2013. The reserve is utilised in accordance with the provisions of the Act.

2. Debenture redemption reserve:

   The Company has issued redeemable non-convertible debentures. Consequently, the Company is required under the Companies (Share capital and Debentures) Rules, 2014 (as amended), to create Debenture redemption reserve (DRR), equal to 25% of the value of debentures, out of profits of the Company available for payment of dividend. The Company creates DRR, for the required amount, over the tenure of the debentures, before redemption begins.

3. Contingency reserve:

   As per the provisions of GERC MYT Regulations read with Tariff orders passed by GERC, the Company being a Distribution Licensee makes an appropriation to the contingency reserve to meet with certain exigencies. Investments in Bonds issued by Government of India have been made against such reserve.

4. Special reserve:

   As per MYT Regulations (2007), the Company has created a reserve in FY 2011-12 and FY 2012-13, which represents one third amount of controllable gain shall be retained in a special reserve by the Generating Company or Licensee for the purpose of absorbing the impact of any future losses on account of controllable factors.

5. General reserve:

   General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. The general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

6. Retained earnings:

   The retained earnings reflect the profit of the Company earned till date net of appropriations. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve, after considering the requirements of the Companies Act, 2013.

NOTE 22 : NON-CURRENT BORROWINGS

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Non-current borrowings @		
Secured loans - at amortised cost		
Non convertible debentures		
10.35% Series 1	550.00	550.00
10.35% Series 2A, 2B & 2C	300.00	300.00
8.95% Series 3A, 3B & 3C	245.00	245.00
	1,095.00	1,095.00
Term loans		
From banks	7,382.94	6,988.46
	7,382.94	6,988.46
	8,477.94	8,083.46
Unsecured loans - at amortised cost		
Term loans		
From Government of India under Accelerated Power Development and Reform Programme (APDRP)	24.46	28.28
	24.46	28.28
	8,502.40	8,111.74
@ After considering unamortised expense of ₹34.31 Crore as at 31st March, 2018 and ₹36.84 Crore as at 31st March, 2017.		
Current maturities $		
Secured loans - at amortised cost		
Term loans		
From banks	710.21	473.94
	710.21	473.94
Unsecured loans - at amortised cost		
Term loans		
From Government of India under Accelerated Power Development and Reform Programme (APDRP)	3.82	3.82
	3.82	3.82
	714.03	477.76
Amount disclosed under the head 'Other current financial liabilities' [Refer note 29]	(714.03)	(477.76)
	-	-
$ After considering unamortised expense of ₹4.78 Crore as at 31st March, 2018 and ₹4.55 Crore as at 31st March, 2017.		

NOTE 22 : NON-CURRENT BORROWINGS (Contd.)

Footnotes:

1. Nature of security

   The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for term loans of ₹8,132.24 Crore and non convertible debentures of ₹1,095.00 Crore.

2. The future annual repayment obligations on principal amount for the above long-term borrowings are as under:-

(₹ in Crore)

Financial year	Term loans	Non convertible debentures	Financial year	Term loans	Non convertible debentures
2018-2019	718.81	-	2026-2027	585.31	-
2019-2020	474.29	-	2027-2028	599.52	-
2020-2021	529.74	283.32	2028-2029	591.48	-
2021-2022	631.46	363.32	2029-2030	591.48	-
2022-2023	388.53	368.36	2030-2031	591.48	-
2023-2024	443.98	80.00	2031-2032	517.54	-
2024-2025	542.11	-	2032-2033	369.67	-
2025-2026	585.12	-			

3. Undrawn borrowings from banks, based on approved facilities, were ₹580.41 Crore.

NOTE 23 : NON-CURRENT TRADE PAYABLES

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Trade payables for goods and services	94.64	53.36
	94.64	53.36

NOTE 24 : OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Security deposits from consumers	955.95	863.16
Payables on purchase of property, plant and equipment	0.42	0.22
Sundry payables	0.07	0.38
	956.44	863.76

NOTE 25 : NON-CURRENT PROVISIONS

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Provision for employee benefits		
Provision for gratuity [Refer note 47.2(d)]	-	7.35
Provision for compensated absences	78.96	88.56
	78.96	95.91

NOTE 26 : OTHER NON-CURRENT LIABILITIES

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Deferred revenue [Refer note 42]		
Contribution received from consumers	853.84	793.68
Capital grant from government	24.31	27.02
	878.15	820.70

NOTE 27 : CURRENT BORROWINGS

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Secured loans		
Cash credit from banks	-	76.62
	-	76.62

Footnotes:

1 The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for working capital facilities and by way of second pari passu charge in favour of lenders for hedge facility.

2 Undrawn cash credit facilities from banks, based on approved facilities, were ₹850 Crore.

Net debt reconciliation :

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Cash and cash equivalents	134.23	102.41
Current investments	614.12	552.92
Current borrowings	-	(76.62)
Non-current borrowings (including current maturities and interest accrued)	(9,279.08)	(8,633.04)
	(8,530.73)	(8,054.33)

	Other assets		Liabilities from financing activities		Total
	Cash and cash equivalent	Current investment	Current borrowing	Non-current borrowing	
Net balance as at 31st March, 2017	102.41	552.92	(76.62)	(8,633.04)	(8,054.33)
Cash flows	31.82	55.63	76.62	(624.62)	(460.55)
Interest expense	-	-	(0.06)	(768.02)	(768.08)
Interest paid	-	-	0.06	746.60	746.66
Fair value adjustment	-	5.57	-	-	5.57
Net balance as at 31st March, 2018	134.23	614.12	-	(9,279.08)	(8,530.73)

NOTE 28 : CURRENT TRADE PAYABLES

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Trade payables for goods and services		
Due to micro and small enterprises [Refer note 45]	18.34	7.06
Due to others	638.94	725.94
	657.28	733.00

NOTE 29 : OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Current maturities of long-term debt [Refer note 22]	714.03	477.76
Interest accrued but not due on loans and security deposits	23.56	2.15
Investor education and protection fund #		
Unpaid / Unclaimed dividend	8.11	7.81
Unclaimed fractional coupons	0.34	0.33
Book overdraft	34.01	25.17
Security deposits from consumers	25.39	16.30
Other deposits	3.69	3.20
Payables on purchase of property, plant and equipment	189.91	502.42
Sundry payables (including for employees related payables)	157.21	83.80
	1,156.25	1,118.94

There is no amount due and outstanding to be credited to investor education and protection fund as at 31st March, 2018.

NOTE 30 : OTHER CURRENT LIABILITIES

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Credit balances of consumers	59.46	62.98
Service line deposits from consumers	239.88	174.19
Deferred revenue [Refer note 42]		
Contribution received from consumers	58.34	51.82
Capital grant from government	2.71	2.71
Statutory dues	26.36	22.84
Sundry payables (including for electricity duty payable)	170.99	157.42
	557.74	471.96

NOTE 31 : CURRENT PROVISIONS

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Provision for employee benefits		
Provision for gratuity [Refer note 47.2(d)]	11.04	22.92
Provision for compensated absences	20.59	21.00
	31.63	43.92
Other provisions		
Provision for indirect taxes	0.18	0.23
	31.81	44.15
Movement in provision for indirect taxes :		
Balance as on 1st April, 2017	0.23	
Reduction arising from payments	(0.05)	
Balance as on 31st March, 2018	0.18	

NOTE 32 : CURRENT TAX LIABILITIES

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Provision for taxation (net of advance tax and tax deducted at source)	26.31	27.61
	26.31	27.61

NOTE 33 : REVENUE FROM OPERATIONS

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Revenue from power supply	10,899.23	9,510.22
Revenue from sale of cable products (including excise duty)		
Manufactured goods	286.82	260.26
Traded goods	0.07	0.49
	11,186.12	9,770.97
Less: Discount for prompt payment of bills	15.35	11.18
	11,170.77	9,759.79
Other operating income		
Street lighting maintenance contracts	-	0.49
Cable laying service	0.04	2.40
Hire of meters	52.26	51.05
Provision of earlier years written back	8.04	25.71
Insurance claim receipt	1.35	9.10
Amortisation of deferred revenue		
Contribution received from consumers [Refer note 42(a)(2)]	53.84	48.45
Capital grant from government [Refer note 42(b)(2)]	2.71	2.71
Income from Certified Emission Reduction (CERs)	3.40	-
Income from Renewable Energy Certificate and Generation Based Incentive	31.73	7.92
Revenue from sale of RLNG	55.99	-
Miscellaneous income	68.73	53.50
	278.09	201.33
	11,448.86	9,961.12

NOTE 34 : OTHER INCOME

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Interest income from financial assets at amortised cost		
Deposits	25.49	49.29
Consumers	21.21	26.14
Contingency reserve investments	0.60	0.48
Loans to related parties	6.53	-
Others	19.62	2.24
	73.45	78.15
Dividend income from non-current investments carried at cost	6.66	4.66
Rent income from investment property [Refer note 5]	1.05	1.32
Gain on disposal of property, plant and equipment / investment property	54.97	2.67
Profit on sale of current investments in mutual funds	42.19	58.85
Net gain arising on financial assets / liabilities measured at amortised cost	14.39	-
Net gain / (loss) arising on current investments in mutual funds measured at fair value through profit or loss	5.57	(0.35)
Net gain on foreign currency transactions	0.76	18.04
Miscellaneous income	68.88	28.97
	267.92	192.31

NOTE 35 : COST OF MATERIALS CONSUMED

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Cost of materials consumed	323.79	299.43
Less: Allocated to capital works	90.35	102.87
	233.44	196.56

NOTE 36 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Inventory of finished goods		
Opening stock	7.44	3.54
Less: Closing stock	6.44	7.44
	1.00	(3.90)
Less: Increase / (decrease) in excise duty on movement of finished goods inventory	0.32	0.16
	0.68	(4.06)
Inventory of work-in-progress		
Opening stock	6.50	6.26
Less: Closing stock	5.93	6.50
	0.57	(0.24)
	1.25	(4.30)

NOTE 37 : EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Salaries, wages and bonus	554.68	478.96
Contribution to provident and other funds [Refer note 47.1]	33.48	31.44
Employees welfare expenses	20.83	20.99
Compensated absences	4.91	20.46
Gratuity [Refer note 47.2(e)(3)]	32.20	14.19
	646.10	566.04
Less: Allocated to capital works, repairs and other relevant revenue accounts	180.78	150.32
	465.32	415.72

NOTE 38 : FINANCE COSTS

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Interest expense for financial liabilities not classified as fair value through profit or loss		
Term loans	658.12	858.64
Non convertible debentures	109.90	88.04
Working capital loans	0.06	0.03
Security deposits from consumers	59.51	61.61
Others	3.04	0.19
Other borrowing costs	8.47	11.14
Amotisation of borrowing costs	4.65	11.47
Unwinding of discount	-	22.16
	843.75	1,053.28
Less: Allocated to capital works	4.06	6.72
	839.69	1,046.56

NOTE 39 : DEPRECIATION AND AMORTIZATION EXPENSE AND IMPAIRMENT LOSS

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Depreciation expense and impairment loss on property, plant and equipment	1,110.22	987.65
Amortization expense on intangible assets	3.44	4.72
	1,113.66	992.37
Less: Transfer from others	0.09	0.20
Less: Allocated to capital works	2.43	2.75
	1,111.14	989.42

NOTE 40 : OTHER EXPENSES

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Consumption of stores and spares	171.50	144.61
Consumption of packing materials	-	0.38
Rent and hire charges	19.23	17.07
Repairs to		
Buildings	12.28	12.00
Plant and machinery	312.94	279.17
Others	16.40	12.62
	341.62	303.79
Insurance	19.81	19.36
Rates and taxes	9.78	9.89
Excise duty	9.92	40.50
Vehicle running expenses	30.53	28.79
Electricity expenses	27.13	28.21
Security expenses	37.64	31.80
Water charges	16.66	15.23
Corporate social responsibility expenses [Refer note 49]	14.95	13.92
Loss on sale / discarding of property, plant and equipment	21.96	12.18
Commission to non-executive directors	1.29	1.33
Directors sitting fees	0.82	0.89
Auditors remuneration [Refer note 48]	0.89	2.49
Legal, professional and consultancy fees	35.00	31.72
Donations	17.68	16.83
Net loss on foreign currency transactions	31.99	0.03
Allowance / impairment for non-current investments	11.47	10.00
Bad debts written off (net)	3.32	14.37
Allowance for doubtful advances	-	3.74
Allowance for doubtful debts (net)	6.45	(0.26)
Miscellaneous expenses	117.37	105.85
	947.01	852.72
Less: Allocated to capital works, repairs and other relevant revenue accounts	78.74	87.57
	868.27	765.15

NOTE 41: INCOME TAX EXPENSES

(a) Income tax expense recognised in statement of profit and loss

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Current tax		
Current tax on profits for the year	308.42	128.30
Adjustment for current tax of prior periods	(4.82)	(6.35)
	303.60	121.95
Deferred tax (other than disclosed under OCI)		
Decrease / (increase) in deferred tax assets	(110.87)	(158.09)
(Decrease) / increase in deferred tax liabilities	261.06	187.72
	150.19	29.63
Income tax expense attributable to continuing operations	453.79	151.58

(b) Reconciliation of current tax

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Profit before tax	1,375.53	583.94
Expected income tax expense calculated using tax rate at 34.608% (Previous year - 34.608%)	476.04	202.09
Adjustment to reconcile expected income tax expense to reported income tax expense:		
Effect of:		
Expenditure not deductible under Income Tax Act	22.30	13.85
Income not taxable under Income Tax Act	(2.30)	(1.61)
Tax incentives	0.47	(89.11)
Unabsorbed depreciation / tax credits and other items	(57.23)	32.71
Impact of enacted income tax rate on deferred tax balance	19.33	-
Total	458.61	157.93
Adjustment for current tax of prior periods	(4.82)	(6.35)
Total expense as per statement of profit and loss	453.79	151.58

The tax rate used for the reconciliations given above is the actual / enacted corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.

(c) Income tax recognised in other comprehensive income

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Deferred tax		
Re-measurement of defined benefit obligation (Items that will not be reclassified to profit or loss)	20.49	(9.73)
Income tax expense / (income) recognised in other comprehensive income	7.16	(3.37)

NOTE 41: INCOME TAX EXPENSES (Contd.)

(d) Deferred tax balances

(1) The following is the analysis of deferred tax assets / (liabilities) presented in the balance sheet

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Deferred tax assets	606.40	502.69
Deferred tax liabilities	(2,076.14)	(1,815.08)
	(1,469.74)	(1,312.39)

(2) Movement of deferred tax assets / (liabilities)

Deferred tax assets / (liabilities) in relation to the year ended 31st March, 2018

(₹ in Crore)

	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, plant and equipment	(1,810.58)	(254.01)	-	(2,064.59)
Expense allowable for tax purposes when paid	58.27	7.18	(7.16)	58.29
Tax effect on fair value change in financial instruments and unamortised cost	(4.50)	(7.05)	-	(11.55)
Unabsorbed depreciation / Minimum Alternate Tax (MAT) credit entitlement	444.42	103.69	-	548.11
	(1,312.39)	(150.19)	(7.16)	(1,469.74)

Deferred tax assets / (liabilities) in relation to the year ended 31st March, 2017

(₹ in Crore)

	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, plant and equipment	(1,620.80)	(189.78)	-	(1,810.58)
Expense allowable for tax purposes when paid	31.31	23.59	3.37	58.27
Tax effect on fair value change in financial instruments and unamortised cost	(6.56)	2.06	-	(4.50)
Unabsorbed depreciation / Minimum Alternate Tax (MAT) credit entitlement	309.92	134.50	-	444.42
	(1,286.13)	(29.63)	3.37	(1,312.39)

(3) Unrecognised deferred tax assets

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Unused tax losses	146.01	39.74
Unused tax credits	807.99	1,056.24
	954.00	1,095.98

NOTE 42: DEFERRED REVENUE

(a) Contribution received from consumers

(1) Nature of contribution received from consumers

Contributions received from consumers towards the item of property, plant and equipment (PP&E) has been recognised as deferred revenue.

(2) Movement of contribution received from consumers

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Opening balance	845.50	776.08
Add: Contribution received during the year	120.52	117.87
Less: Amortisation of contribution transferred to statement of profit and loss [Refer note 33]	(53.84)	(48.45)
Closing balance	912.18	845.50
Non-current portion [Refer note 26]	853.84	793.68
Current portion [Refer note 30]	58.34	51.82
	912.18	845.50

(b) Government grant

(1) Nature of government grant

Ministry of Power, Government of India (GoI), had introduced the Accelerated Power Development & Reforms Programme (APDRP) to achieve reduction in AT&C losses, to strengthen the T&D network and to ensure reliable and quality power supply with adequate consumer satisfaction. The projects approved for financing under the programme are eligible for a grant and soft loan each equivalent to 25% of the project cost from the GoI. The Balance 50% was required to be funded by the Company. There are no unfulfilled conditions or other contingencies attached to these grants.

(2) Movement of government grant

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Opening balance	29.73	32.44
Add: Grants during the year	-	-
Less: Amortisation of grant transferred to statement of profit and loss [Refer note 33]	(2.71)	(2.71)
Closing balance	27.02	29.73
Non-current portion [Refer note 26]	24.31	27.02
Current portion [Refer note 30]	2.71	2.71
	27.02	29.73

NOTE 43: CONTINGENT LIABILITIES, CONTINGENT ASSETS AND CAPITAL COMMITMENTS

(a) Contingent liabilities

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Disputed income tax matters	29.22	30.68
Disputed sales tax matters	4.29	4.29
Disputed custom duty matters	18.50	18.50
Disputed excise duty matters	2.45	2.45
Disputed stamp duty matters	0.35	0.35
Disputed VAT matters	3.11	3.11
Disputed CST matters	2.55	2.55
Claims against the Company not acknowledged as debt	28.30	16.42

Footnote:

In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute. No reimbursement is expected.

(b) Contingent assets

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Coal grade slippage claim	16.02	13.16
	16.02	13.16

(c) Capital commitments

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
Property, plant and equipment	2,219.98	611.80
Other commitments		
Investment in associates	350.10	-

NOTE 44: THE COMPANY HAS GIVEN LOANS TO ITS SUBSIDIARY COMPANIES AS UNDER:

Disclosure under Regulation 34(3) read with para A of Schedule V of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015

(₹ in Crore)

	Maximum amount outstanding during the year		Amount outstanding	
	Year ended 31st March, 2018	Year ended 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Subsidiary Companies				
Torrent Pipavav Generation Limited	56.12	54.89	56.12	54.89
Jodhpur Wind Farms Private Limited	283.43	-	283.43	-
Latur Renewables Private Limited	278.64	-	278.64	-
			618.19	54.89

1. Other than above, the Company has not given any loans or advances in the nature of loan to any of its subsidiaries and associates or firms / companies, in which Directors are interested.
2. The above loans were given to the subsidiaries for their normal business activities.

The Company is engaged in the business of providing infrastructural facilities as per Section 186 (11) of the Act. Accordingly, disclosure under Section 186 (4) of the Act, is not applicable to the Company.

NOTE 45: MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) have been determined based on the information available with the Company and the required disclosures are given below:

(₹ in Crore)

		As at 31st March, 2018	As at 31st March, 2017
(a)	Principal amount remaining unpaid	18.34	7.06
(b)	Interest due thereon	0.03	0.01
(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	0.04	-
(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)	*	*
(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.	-	-

NOTE 46: OPERATING LEASE

The Company's significant leasing arrangements, other than land, are in respect of residential flats, office premises, plant and machinery and equipment taken on lease. The arrangements range between 11 months and 10 years generally and are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally refundable interest free deposits have been given. The Company has not entered into any material financial lease. The Company does not have any non-cancellable lease.

Leasing arrangements with respect to land range between 25 years to 99 years.

NOTE 47: EMLOYEE BENEFIT PLANS

47.1 Defined contribution plan:

The Company operates defined contribution retirement benefit plans for all qualifying employees.

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are determined under the relevant schemes and / or statute and charged to the statement of profit or loss.

The Company's contribution to provident fund and superannuation fund aggregating to ₹33.48 Crore (Previous year - ₹31.44 Crore) has been recognised in the statement of profit and loss under the head employee benefits expense [Refer note 37].

47.2 Defined benefit plans:

(a) **Gratuity**

The Company operates a gratuity plan covering all its employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The gratuity benefits payable to the employees are based on the employee's service and drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company. In case of death while in service, the gratuity is payable irrespective of vesting.

The Company makes annual contribution to the gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund. The liability in respect of plan is determined on the basis of an actuarial valuation.

NOTE 47: EMLOYEE BENEFIT PLANS (Contd.)

(b) **Risk exposure to defined benefit plans**

The plans typically expose the Company to actuarial risks such as: asset volatility, interest rate risk, longevity risk and salary risk as described below :

Asset volatility

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31st March, 2018. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(c) **Significant assumptions**

The principal assumptions used for the purposes of the actuarial valuations were as follows.

	As at 31st March, 2018	As at 31st March, 2017
Discount rate	7.78%	7.20%
Salary escalation rate	8.50%	8.50%

(d) **The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:**

Balances of defined benefit plan

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Present value of funded defined benefit obligation	239.17	236.58
Fair value of plan assets	228.13	206.31
Net (asset) / liability [Refer note 25 and 31]	11.04	30.27

NOTE 47: EMLOYEE BENEFIT PLANS (Contd.)

(e) **Expenses recognised for defined benefit plan and movement of plan assets and liabilities**

Following is the amount recognised in statement of profit and loss, other comprehensive income, movement in defined benefit liability and movement in plan assets:

(₹ in Crore)

		Funded plan - Gratuity	
		As at 31st March, 2018	As at 31st March, 2017
(1)	**Movements in the present value of the defined benefit obligation:**		
	Obligation at the beginning of the year	236.58	220.77
	Current service cost	12.22	12.60
	Interest cost	17.02	17.65
	Past service cost	17.81	-
	Actuarial (gains) / losses from changes in demographic assumptions	(4.33)	-
	Actuarial (gains) / losses arising changes in financial assumptions	(8.07)	13.02
	Actuarial (gains) / losses from experience adjustments	(5.73)	(2.34)
	Liability transferred in	0.01	0.44
	Liability transferred out	(0.08)	(0.18)
	Benefits paid directly by employer	(1.42)	(2.23)
	Benefits paid	(24.84)	(23.15)
	Obligation at the end of the year	239.17	236.58
(2)	**Movements in the fair value of the plan assets:**		
	Plan assets at the beginning of the year, at fair value	206.31	200.87
	Interest income	14.85	16.06
	Return on plan assets (excluding interest income)	2.36	0.95
	Contributions	29.45	11.58
	Benefits paid	(24.84)	(23.15)
	Plan assets at the end of the year, at fair value	228.13	206.31
(3)	**Gratuity cost recognized in the statement of profit and loss**		
	Current service cost	12.22	12.60
	Interest cost, net	2.17	1.59
	Past service cost	17.81	-
	Net gratuity cost recognized in the statement of profit and loss [Refer note 37]	32.20	14.19
(4)	**Gratuity cost recognized in the other comprehensive income (OCI)**		
	Return on plan assets, excluding interest income	(2.36)	(0.95)
	Actuarial (gains) / losses on obligation for the period	(18.13)	10.68
	Net (income) / expense for the period recognized in OCI	(20.49)	9.73

(f) **Category wise plan assets**

Contributions to fund the obligations under the gratuity plan are made to the Life Insurance Corporation of India.

NOTE 47: EMLOYEE BENEFIT PLANS (Contd.)

(g) **Sensitivity analysis**

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis given below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ in Crore)

Change in assumptions	Year ended 31st March, 2018	Year ended 31st March, 2017
Impact on defined benefit obligation of gratuity		
50 basis points increase in discount rate	(6.62)	(8.32)
50 basis points decrease in discount rate	7.09	8.98
50 basis points increase in salary escalation rate	6.42	11.72
50 basis points decrease in salary escalation rate	(7.16)	(5.63)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

(h) The weighted average duration of the gratuity plan based on average future service is 13 years (Previous year - 16 years).

(i) Expected contributions to the plan for the next annual reporting period is ₹11.04 Crore (Previous year - ₹30.27 Crore).

(j) **Cash flow projection from the fund**

Projected benefits payable in future years from the date of reporting

(₹ in Crore)

	Funded Plan - Gratuity	
	As at 31st March, 2018	As at 31st March, 2017
1st following year	37.72	26.89
2nd following year	21.57	18.36
3rd following year	30.24	23.81
4th following year	32.74	23.36
5th following year	28.69	26.61
sum of years 6 to 10th	96.37	101.45

47.3 Other long-term employee benefit obligations :

The leave obligation covers the Company's liability for sick and earned leave. Under these compensated absences plans, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation; at the rate of daily salary, as per accumulation of leave days as at the end of relevant period. Refer notes 25, 31 and 37 with respect to item of balance sheet and profit or loss where such provision / charge has been presented.

NOTE 48: AUDITORS REMUNERATION (INCLUDING TAXES)

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
As auditor		
Audit fees	0.73	1.02
Other services- certificates etc.	0.07	1.33
Reimbursement of expenses	0.09	0.14
	0.89	2.49

NOTE 49: CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
(a) Gross amount required to be spent by the Company	15.02	13.05
(b) Amount spent during the year on		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above [Refer note 40]	15.11	13.45
	15.11	13.45
(c) Contribution to section 8 related companies, included in (b) above, in relation to CSR expenditure		
(i) Tornascent Care Institute	7.92	9.01
(ii) UNM Foundation	2.87	2.10
	10.79	11.11

NOTE 50: DONATIONS INCLUDE POLITICAL CONTRIBUTIONS AS UNDER

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Prudent Electoral Trust (earlier known as “Satya Electoral Trust”)	10.00	10.50
	10.00	10.50

NOTE 51: EARNINGS PER SHARE

	Year ended 31st March, 2018	Year ended 31st March, 2017
Basic earnings per share (₹)	19.18	9.00
Diluted earnings per share (₹)	19.18	9.00

Basic and diluted earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:

	Year ended 31st March, 2018	Year ended 31st March, 2017
Profit for the year attributable to the Company used in calculation of basic earning per share (₹ in Crore)	921.74	432.36
Weighted average number of equity shares	48,06,16,784	48,06,16,784

The Company does not have any dilutive potential ordinary shares and therefore diluted earnings per share is the same as basic earnings per share.

NOTE 52: IMPAIRMENT ASSESSMENT OF DGEN POWER PLANT

The 1200 MW gas based power plant located at Dahej, India (DGEN), started commercial operations from November 2014. During FY 2015-16, the Company operated DGEN for intermittent periods. It did not operate the plant in subsequent periods and maintained it in cold standby mode for immediate start-up, as and when required.

In the last 3 years lot of new LNG capacity has been commissioned across the world. This is also expected to continue for next couple of years as a result of which the LNG market will remain well supplied. Further, it is also expected that the domestic gas supply will also increase in the coming years and the power demand in the country would grow in view of GDP growth projections and various initiatives launched by Government of India. The combination of these factors is expected to improve the availability of LNG and the economic viability of DGEN, based on which the estimated value in use does not indicate any requirement for impairment provision in the carrying amount of the fixed assets of ₹4,439.01 Crore relating to the DGEN plant as at 31st March, 2018.

NOTE 53: OPERATING SEGMENT

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company business viz. "Generation, Transmission and Distribution of Power" as an integrated utility. Further, the Company's cable business is not a reportable segment in terms of revenue, profit, assets and liabilities. Hence the Company does not have any reportable segment as per Ind AS - 108 "Operating Segments".

NOTE 54: CERTIFIED EMISSION REDUCTION (CERs)

	As at 31st March, 2018	As at 31st March, 2017
No. of CERs inventory	-	27,57,165
No. of CERs under certification	42,78,624	-
Inventories of CERs are valued at cost or market price whichever is lower.		

NOTE 55: RELATED PARTY DISCLOSURES

(a) Names of related parties and description of relationship

1.	Parent Company	Torrent Private Limited
2.	Subsidiaries	Torrent Power Grid Limited, Torrent Pipavav Generation Limited, Torrent Solargen Limited, Jodhpur Wind Farms Private Limited (w.e.f. 29th January, 2018), Latur Renewables Private Limited (w.e.f. 29th January, 2018)
3.	Associates	Wind Two Renergy Private Limited (w.e.f. 12th December, 2017), Wind Four Renergy Private Limited (w.e.f. 12th December, 2017), Wind Five Renergy Private Limited (w.e.f. 12th December, 2017), Nani Virani Wind Energy Private Limited (w.e.f. 9th March, 2018), Ravapar Wind Energy Private Limited (w.e.f. 9th March, 2018), Khatiyu Wind Energy Private Limited(w.e.f. 9th March, 2018)
4.	Employee benefits plans*	TPL (Ahmedabad) Gratuity Trust, TPL (Ahmedabad) Superannuation Fund, TPL (Surat) Gratuity Trust, TPL (Surat) Superannuation Fund, TPL (SUGEN) Gratuity Trust, TPL (SUGEN) Superannuation Fund, TPL (DGEN) Gratuity Trust (formerly known as TEL Gratuity Trust), TPL (DGEN) Superannuation Fund (formerly known as TEL Superannuation Fund)
5.	Key management personnel	Sudhir Mehta Samir Mehta Markand Bhatt Jinal Mehta
6.	Non-executive directors	Pankaj Patel Samir Barua Kiran Karnik Keki Mistry R. Ravichandran (upto 1st August, 2017) Bhavna Doshi Dharmishta Raval P. K. Taneja (upto 23rd May, 2017) Pankaj Joshi (w.e.f. 23rd May, 2017)
7.	Relatives of key management personnel*	Varun Mehta, Aman Mehta
8.	Enterprise controlled by relatives of key management personnel*	Munjal Bhatt Architects
9.	Other entities where the Company has 50% voting right / enterprises controlled by the Parent Company*	Tornascent Care Institute, UNM Foundation, Torrent Pharmaceuticals Limited, Torrent Power Services Private Limited

* where transactions have taken place during the year and / or previous year or where balances are outstanding

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)

(b) Related party transactions

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / Non-executive directors		Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the Company has 50% voting right / enterprises controlled by the Parent Company		Total	
	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17
Nature of transactions												
Purchase / (return) of materials	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(0.08)**	**-**	**(0.08)**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	-	(0.08)	-	(0.08)
Sale of cables	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.14**	**0.03**	**0.14**	**0.03**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	0.14	0.03	0.14	0.03
Dividend income	**6.66**	**4.66**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6.66**	**4.66**
Torrent Power Grid Ltd.	6.66	4.66	-	-	-	-	-	-	-	-	6.66	4.66
Interest income	**6.53**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6.53**	**-**
Latur Renewable Private Ltd.	3.19	-	-	-	-	-	-	-	-	-	3.19	-
Jodhpur Wind Farms Private Ltd.	3.34	-	-	-	-	-	-	-	-	-	3.34	-
Sale of investment property	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**45.00**	**-**	**45.00**	**-**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	45.00	-	45.00	-
Transfer of gratuity / leave liability to / (from)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.13**	**0.37**	**0.13**	**0.37**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	0.05	0.34	0.05	0.34
UNM Foundation	-	-	-	-	-	-	-	-	-	0.03	-	0.03
Tornascent Care Institute	-	-	-	-	-	-	-	-	0.08	-	0.08	-
Services provided (rent income including tax)	**0.02**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.25**	**1.52**	**1.27**	**1.52**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	1.23	1.52	1.23	1.52
UNM Foundation	-	-	-	-	-	-	-	-	0.01	*	0.01	*
Tornascent Care Institute	-	-	-	-	-	-	-	-	0.01	*	0.01	*
Torrent Power Grid Ltd.	0.01	*	-	-	-	-	-	-	-	-	0.01	*
Torrent Pipavav Generation Ltd.	0.01	*	-	-	-	-	-	-	-	-	0.01	*
Torrent Solargen Ltd.	0.01	*	-	-	-	-	-	-	-	-	0.01	*
Torrent Power Services Private Ltd.	-	-	-	-	-	-	-	-	0.01	*	0.01	*
Services received / remuneration paid	**1.01**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.09**	**1.36**	**2.10**	**1.36**
Munjal Bhatt Architects	-	-	-	-	-	-	-	-	0.62	0.82	0.62	0.82
Torrent Power Grid Ltd.	1.01	-	-	-	-	-	-	-	-	-	1.01	-
Aman Mehta	-	-	-	-	-	-	-	-	*	0.01	*	0.01
Varun Mehta	-	-	-	-	-	-	-	-	0.47	0.53	0.47	0.53
Shared expenditure charged to	**0.37**	**0.29**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.01**	**0.37**	**0.30**
Torrent Pipavav Generation Ltd.	0.18	0.08	-	-	-	-	-	-	-	-	0.18	0.08
Torrent Solargen Ltd.	0.19	0.20	-	-	-	-	-	-	-	-	0.19	0.20
Torrent Power Grid Ltd	*	0.01	-	-	-	-	-	-	-	-	*	0.01
UNM Foundation	-	-	-	-	-	-	-	-	-	0.01	-	0.01
Managerial remuneration@	**-**	**-**	**-**	**-**	**-**	**-**	**66.59**	**36.72**	**-**	**-**	**66.59**	**36.72**
Sudhir Mehta	-	-	-	-	-	-	10.00	5.04	-	-	10.00	5.04
Samir Mehta	-	-	-	-	-	-	10.00	5.00	-	-	10.00	5.00
Markand Bhatt	-	-	-	-	-	-	39.00	21.00	-	-	39.00	21.00
Jinal Mehta	-	-	-	-	-	-	7.59	5.68	-	-	7.59	5.68

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / Non-executive directors		Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the Company has 50% voting right / enterprises controlled by the Parent Company		Total	
	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17
Commission to non-executive directors^	**-**	**-**	**-**	**-**	**-**	**-**	**1.11**	**1.17**	**-**	**-**	**1.11**	**1.17**
Samir Barua	-	-	-	-	-	-	0.19	0.17	-	-	0.19	0.17
Kiran Karnik	-	-	-	-	-	-	0.16	0.17	-	-	0.16	0.17
Keki Mistry	-	-	-	-	-	-	0.12	0.13	-	-	0.12	0.13
R. Ravichandran#	-	-	-	-	-	-	0.06	0.12	-	-	0.06	0.12
Pankaj Patel	-	-	-	-	-	-	0.15	0.12	-	-	0.15	0.12
Bhavna Doshi	-	-	-	-	-	-	0.16	0.17	-	-	0.16	0.17
Pankaj Joshi#	-	-	-	-	-	-	0.12	-	-	-	0.12	-
P. K. Taneja#	-	-	-	-	-	-	-	0.12	-	-	-	0.12
Dharmishta Raval	-	-	-	-	-	-	0.15	0.17	-	-	0.15	0.17
Sitting Fees to non-executive directors^	**-**	**-**	**-**	**-**	**-**	**-**	**0.70**	**0.78**	**-**	**-**	**0.70**	**0.78**
Samir Barua	-	-	-	-	-	-	0.13	0.12	-	-	0.13	0.12
Kiran Karnik	-	-	-	-	-	-	0.11	0.13	-	-	0.11	0.13
Keki Mistry	-	-	-	-	-	-	0.07	0.08	-	-	0.07	0.08
R. Ravichandran#	-	-	-	-	-	-	0.02	0.04	-	-	0.02	0.04
Pankaj Patel	-	-	-	-	-	-	0.12	0.12	-	-	0.12	0.12
Bhavna Doshi	-	-	-	-	-	-	0.12	0.12	-	-	0.12	0.12
P. K. Taneja#	-	-	-	-	-	-	-	0.04	-	-	-	0.04
Dharmishta Raval	-	-	-	-	-	-	0.09	0.13	-	-	0.09	0.13
Pankaj Joshi#	-	-	-	-	-	-	0.04	-	-	-	0.04	-
Contribution towards CSR	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**10.79**	**11.11**	**10.79**	**11.11**
Tornascent Care Institute	-	-	-	-	-	-	-	-	7.92	9.01	7.92	9.01
UNM Foundation	-	-	-	-	-	-	-	-	2.87	2.10	2.87	2.10
Contribution to employee benefit plans (net)	**-**	**-**	**-**	**-**	**34.41**	**15.70**	**-**	**-**	**-**	**-**	**34.41**	**15.70**
TPL (Ahmedabad) Gratuity Trust	-	-	-	-	21.48	9.52	-	-	-	-	21.48	9.52
TPL (Ahmedabad) Superannuation Fund	-	-	-	-	4.29	3.54	-	-	-	-	4.29	3.54
TPL (Surat) Gratuity Trust	-	-	-	-	4.70	0.10	-	-	-	-	4.70	0.10
TPL (Surat) Superannuation Fund	-	-	-	-	0.97	0.92	-	-	-	-	0.97	0.92
TPL (SUGEN) Gratuity Trust	-	-	-	-	1.40	0.49	-	-	-	-	1.40	0.49
TPL (SUGEN) Superannuation Fund	-	-	-	-	0.38	0.31	-	-	-	-	0.38	0.31
TPL (DGEN) Gratutity Trust (formerly known as TEL Gratuity Trust)	-	-	-	-	0.86	0.49	-	-	-	-	0.86	0.49
TPL (DGEN) Superannuation Fund (formerly known as TEL Superannuation) Fund	-	-	-	-	0.33	0.33	-	-	-	-	0.33	0.33
Investment in non-convertible debentures	**-**	**-**	**182.40**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**182.40**	**-**
Wind Two Renergy Private Ltd.	-	-	72.76	-	-	-	-	-	-	-	72.76	-
Wind Four Renergy Private Ltd.	-	-	54.82	-	-	-	-	-	-	-	54.82	-
Wind Five Renergy Private Ltd.	-	-	54.82	-	-	-	-	-	-	-	54.82	-

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / Non-executive directors		Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the Company has 50% voting right / enterprises controlled by the Parent Company		Total	
	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17
Loans given	**557.24**	**1.15**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**557.24**	**1.15**
Latur Renewable Private Ltd.	275.77	-	-	-	-	-	-	-	-	-	275.77	-
Jodhpur Wind Farms Private Ltd.	280.42	-	-	-	-	-	-	-	-	-	280.42	-
Torrent Pipavav Generation Ltd.	1.05	1.15	-	-	-	-	-	-	-	-	1.05	1.15
Deposits given for nomination of directors	**0.01**	**0.02**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.03**	**0.01**	**0.05**
Torrent Power Grid Ltd	0.01	0.02	-	-	-	-	-	-	-	-	0.01	0.02
Tornascent Care Institute	-	-	-	-	-	-	-	-	-	0.01	-	0.01
UNM Foundation	-	-	-	-	-	-	-	-	-	0.02	-	0.02
Deposits received back on appointment of directors	**0.01**	**0.03**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.03**	**0.01**	**0.06**
Torrent Power Grid Ltd	0.01	0.03	-	-	-	-	-	-	-	-	0.01	0.03
Tornascent Care Institute	-	-	-	-	-	-	-	-	-	0.01	-	0.01
UNM Foundation	-	-	-	-	-	-	-	-	-	0.02	-	0.02
Deposits received	**-**	*****	**-**	**-**	**-**	**-**	**-**	**-**	**-**	*****	**-**	*****
Torrent Power Grid Ltd	-	*	-	-	-	-	-	-	-	-	-	*
Torrent Pipavav Generation Ltd.	-	*	-	-	-	-	-	-	-	-	-	*
Torrent Solargen Limited	-	*	-	-	-	-	-	-	-	-	-	*
UNM Foundation	-	-	-	-	-	-	-	-	-	*	-	*
Tornascent Care Institute	-	-	-	-	-	-	-	-	-	*	-	*
Torrent Power Services Private Limited	-	-	-	-	-	-	-	-	-	*	-	*
Consideration paid for Scheme of Arrangement	**-**	**80.63**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**80.63**
Torrent Solargen Ltd.	-	80.63	-	-	-	-	-	-	-	-	-	80.63

@ excluding provision for gratuity and leave encashment, insurance premium for group personal accident and group mediclaim.

Commission of Shri R. Ravichandran (nominee of LIC) is paid / payable to Life Insurance Corporation of India. Sitting fees and Commission of Shri Pankaj Joshi and Shri P.K.Taneja (nominee of the Government of Gujarat) is paid / payable to the Government of Gujarat.

^ Excluding service tax / Goods and Service Tax.

Public utilities as covered under Ind AS - 24 "Related Party Disclosures", are not related parties. Hence transactions related to sale of electricity, by the Company as per GERC tariff order, have not been reported as related party transactions.

(c) Key management personnel compensation

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Short-term employee benefits	63.59	36.72
Post-employment benefits	-	-
Long-term employee benefits	3.00	-
Termination benefits	-	-
Employee share-based payment	-	-
	66.59	36.72

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)
(d) Related Party balances

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / Non-executive directors		Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the Company has 50% voting right / enterprises controlled by the Parent Company		Total	
	As at 31.03.18	As at 31.03.17	As at 31.03.18	As at 31.03.17	As at 31.03.18	As at 31.03.17	As at 31.03.18	As at 31.03.17	As at 31.03.18	As at 31.03.17	As at 31.03.18	As at 31.03.17
Balances at the end of the year												
Current liability	**-**	**-**	**-**	**-**	**-**	**-**	**47.61**	**23.91**	**0.13**	**0.03**	**47.74**	**23.94**
Torrent Power Grid Ltd.	*	*	-	-	-	-	-	-	-	-	*	*
Torrent Solargen Ltd.	*	*	-	-	-	-	-	-	-	-	*	*
Torrent Pipavav Generation Ltd.	*	*	-	-	-	-	-	-	-	-	*	*
Torrent Power Services Private Ltd.	-	-	-	-	-	-	-	-	*	*	*	*
UNM Foundation	-	-	-	-	-	-	-	-	*	0.03	*	0.03
Tornascent Care Institute	-	-	-	-	-	-	-	-	0.08	*	0.08	*
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	0.05	-	0.05	-
Sudhir Mehta	-	-	-	-	-	-	10.00	5.00	-	-	10.00	5.00
Samir Mehta	-	-	-	-	-	-	10.00	5.00	-	-	10.00	5.00
Markand Bhatt	-	-	-	-	-	-	24.00	9.00	-	-	24.00	9.00
Jinal Mehta	-	-	-	-	-	-	2.50	3.74	-	-	2.50	3.74
Samir Barua	-	-	-	-	-	-	0.19	0.17	-	-	0.19	0.17
Kiran Karnik	-	-	-	-	-	-	0.16	0.17	-	-	0.16	0.17
Keki Mistry	-	-	-	-	-	-	0.12	0.13	-	-	0.12	0.13
R. Ravichandran#	-	-	-	-	-	-	0.06	0.12	-	-	0.06	0.12
Pankaj Patel	-	-	-	-	-	-	0.15	0.12	-	-	0.15	0.12
Bhavna Doshi	-	-	-	-	-	-	0.16	0.17	-	-	0.16	0.17
Pankaj Joshi#	-	-	-	-	-	-	0.12	-	-	-	0.12	-
P. K. Taneja#	-	-	-	-	-	-	-	0.12	-	-	-	0.12
Dharmishta Raval	-	-	-	-	-	-	0.15	0.17	-	-	0.15	0.17
Investment in equities	**194.17**	**194.17**	**-**	**-**	**-**	**-**	**-**	**-**	**0.06**	**0.06**	**194.23**	**194.23**
Torrent Power Grid Ltd.	66.60	66.60	-	-	-	-	-	-	-	-	66.60	66.60
Torrent Pipavav Generation Ltd.	47.50	47.50	-	-	-	-	-	-	-	-	47.50	47.50
Torrent Solargen Ltd.	80.07	80.07	-	-	-	-	-	-	-	-	80.07	80.07
Tornascent Care Institute	-	-	-	-	-	-	-	-	0.03	0.03	0.03	0.03
UNM Foundation	-	-	-	-	-	-	-	-	0.03	0.03	0.03	0.03
Latur Renewable Private Ltd.	*	-	-	-	-	-	-	-	-	-	*	-
Jodhpur Wind Farms Private Ltd.	*	-	-	-	-	-	-	-	-	-	*	-
Investment in non-convertible debentures	**-**	**-**	**183.97**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**183.97**	**-**
Wind Two Renergy Private Ltd.	-	-	73.29	-	-	-	-	-	-	-	73.29	-
Wind Four Renergy Private Ltd.	-	-	55.35	-	-	-	-	-	-	-	55.35	-
Wind Five Renergy Private Ltd.	-	-	55.33	-	-	-	-	-	-	-	55.33	-

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / Non-executive directors		Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the Company has 50% voting right / enterprises controlled by the Parent Company		Total	
	As at 31.03.18	As at 31.03.17	As at 31.03.18	As at 31.03.17	As at 31.03.18	As at 31.03.17	As at 31.03.18	As at 31.03.17	As at 31.03.18	As at 31.03.17	As at 31.03.18	As at 31.03.17
Loans and advances	**618.19**	**55.18**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.34**	**618.19**	**55.52**
Torrent Pipavav Generation Ltd.	56.12	54.89	-	-	-	-	-	-	-	-	56.12	54.89
Torrent Power Grid Ltd.	-	0.01	-	-	-	-	-	-	-	-	-	0.01
Torrent Solargen Ltd.	-	0.28	-	-	-	-	-	-	-	-	-	0.28
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	-	0.34	-	0.34
Latur Renewable Private Ltd.	278.64	-	-	-	-	-	-	-	-	-	278.64	-
Jodhpur Wind Farms Private Ltd.	283.43	-	-	-	-	-	-	-	-	-	283.43	-
Trade receivables	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.14**	**-**	**0.14**	**-**
Torrent Pharmacueticals Ltd.	-	-	-	-	-	-	-	-	0.14	-	0.14	-

Commission of Shri R. Ravichandran (nominee of LIC) is payable to Life Insurance Corporation of India. Commission of Shri Pankaj Joshi and Shri P.K.Taneja (nominee of the Government of Gujarat) is payable to the Government of Gujarat.

(e) Terms and conditions of outstanding balances

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

Outstanding balances at the year-end are unsecured and settlement is expected to occur in cash.

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW

(a) Capital management

The Company manages its capital structure in a manner to ensure that it will be able to continue as a going concern while optimising the return to stakeholders through the appropriate debt and equity balance.

The Company's capital structure is represented by equity (comprising issued capital, retained earnings and other reserves as detailed in notes 20,21) and debt (borrowings as detailed in note 22).

The Company's management reviews the capital structure of the Company on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Company's plan is to ensure that the gearing ratio (debt equity ratio) is well within the limit of 2:1.

Gearing ratio

The gearing ratio at end of the reporting period is as follows.

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Debt	9,255.52	8,630.89
Total equity	9,147.16	8,186.86
Debt to equity ratio	1.01	1.05

Footnotes :

1. Debt is defined as all long term debt outstanding (including unamortised expense) + contingent liability pertaining to corporate / financial guarantee given + short term debt outstanding in lieu of long term debt.
2. Total equity is defined as Equity share capital + all reserve (excluding revaluation reserve) + deferred tax liabilities – deferred tax assets – intangible assets – Intangible assets under development.

Loan covenants

The Company has complied with financial covenants specified as per the terms of borrowing facilities.

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

(b) Categories of financial instruments

(₹ in Crore)

	As at 31st March, 2018		As at 31st March, 2017	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	134.23	134.23	102.41	102.41
Bank balance other than cash and cash equivalents	135.50	135.50	166.49	166.49
Investment in bonds and debentures	192.23	192.23	6.57	6.57
Trade receivables	1,124.48	1,124.48	968.91	968.91
Loans	651.22	651.22	73.87	73.87
Other financial assets	651.05	651.05	674.02	674.02
	2,888.71	2,888.71	1,992.27	1,992.27
Measured at fair value through profit and loss (FVTPL)				
Investment in mutual funds	614.12	614.12	552.92	552.92
Investment in equity instruments#	0.06	0.06	0.06	0.06
	614.18	614.18	552.98	552.98
Financial liabilities				
Measured at amortised cost				
Borrowings	8,502.40	8,555.39	8,188.36	8,230.94
Trade payables	751.92	751.92	786.36	786.36
Other financial liabilities	2,112.69	2,112.69	1,982.70	1,982.70
	11,367.01	11,420.00	10,957.42	11,000.00

Other than equity instruments in subsidiaries & associates recognised at cost.

(c) Fair value measurement

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets and liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

(1) Financial assets at fair value through profit and loss (FVTPL)

(₹ in Crore)

	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31st March, 2018	As at 31st March, 2017		
Investment in mutual fund units	614.12	552.92	Level 1	Quoted bid prices in an active market
	614.12	552.92		

(2) Financial liabilities at amortised cost

(₹ in Crore)

	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31st March, 2018	As at 31st March, 2017		
Fixed rate borrowings (Non-convertible debentures)	1,147.99	1,137.58	Level 2	Inputs other than quoted prices that are observable
	1,147.99	1,137.58		

(d) Financial risk management objectives

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations, routine and projects capital expenditure. The Company's principal financial assets include loans, advances, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks viz foreign currency risk, interest rate risk, credit risk, liquidity risk etc. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks. It advises on financial risks and the appropriate financial risk governance framework for the Company.

Foreign currency risk

The Company is exposed to foreign currency risks arising from various currency exposures, primarily with respect to the USD and EUR. Foreign currency risks arise from future commercial transactions and recognized assets and liabilities, when they are denominated in a currency other than Indian Rupee.

The Company's exposure with regards to foreign currency risk which are not hedged are given below. However, these risks are not significant to the Company's operation and accordingly sensitivity analysis is not given.

Unhedged foreign currency exposures

(in Crore)

Nature of transactions	Currency	As at 31st March, 2018	As at 31st March, 2017
Financial liabilities			
Trade payable	USD	-	0.02
Capital liability	USD	*	0.06
Trade payable	EURO	1.11	2.11
Capital liability	EURO	0.01	-

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

Interest rate risk

Most of the Company's borrowings are on a floating rate of interest. The Company has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR). The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible debentures and short term credit lines besides internal accruals.

The following table provides a break-up of the Company's fixed and floating rate borrowings:

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Fixed rate borrowings	1,123.28	1,127.10
Floating rate borrowings^	8,132.24	7,503.79
	9,255.52	8,630.89

^ Gross amount including unamortised expense.

Interest rate risk sensitivity:

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rates had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit before tax.

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Impact on profit before tax - increase in 50 basis points	(40.66)	(37.52)
Impact on profit before tax - decrease in 50 basis points	40.66	37.52

Credit risk

Trade receivables

(1) Exposures to credit risk:

The Company is exposed to the counterparty credit risk arising from the possibility that counterparties might fail to comply with contractual obligations. This exposure may arise with regard to unsettled amounts and the cost of substituting products and services that are not provided.

(2) Credit risk management:

Credit risk is managed and limited in accordance with the type of transaction and the creditworthiness of the counterparty. The Company has established criteria for admission, approval systems, authorisation levels, exposure measurement methodologies, etc. The concentration of credit risk is limited due to the fact that the customer base is large. None of the customers accounted for more than 10% of the receivables and revenue for the year ended 31st March, 2018 and 31st March, 2017. However, the Company is dependent on the domestic market for its business and revenues.

The Company's credit policies and practices with respect to distribution areas are designed to limit credit exposure by collecting security deposits prior to providing utility services or after utility service has commenced according to applicable regulatory requirements. In respect to generation business, Company generally has letter of credits / bank guarantees to limit its credit exposure.

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

(3) Other credit enhancements

The Company does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

(4) Age of receivables and expected credit loss

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experienced and adjusted for forward- looking information. The expected credit loss allowance is based on ageing of the days the receivables are due and the rates as given in the provision matrix.

The age of receivables and provision matrix at the end of the reporting period is as follows.

As at 31st March, 2018

(₹ in Crore)

	Gross trade receivables	Expected credit loss (%)	Allowance for doubtful debt
Less than or equal to 6 months	1,106.32	3.04%	33.63
More than 6 months but less than or equal to 1 year	52.90	41.61%	22.01
More than one year	101.19	79.35%	80.29
	1,260.41		135.93

As at 31st March, 2017

(₹ in Crore)

	Gross trade receivables	Expected credit loss (%)	Allowance for doubtful debt
Less than or equal to 6 months	972.11	2.73%	26.52
More than 6 months but less than or equal to 1 year	36.82	59.99%	22.09
More than one year	89.46	90.40%	80.87
	1,098.39		129.48

(5) Movement in the expected credit loss allowance

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Opening balance	129.48	129.73
Movement in expected credit loss allowance on trade receivable, net	6.45	(0.25)
Closing balance [Refer note 14]	135.93	129.48

Other financial assets

The Company is having balances in cash and cash equivalents, term deposits with banks, investments in government securities and investment in mutual funds. With respect to investments, the Company limits its exposure to credit risk by investing in liquid securities with counterparties depending on their Composite Performance Rankings (CPR) published by CRISIL. The Company's investment policy lays down guidelines with respect to exposure per counterparty, rating, processes in terms of control and continuous monitoring. The Company therefore considers credit risks on such investments to be negligible.

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are required to be settled by delivering the cash or another financial asset. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and unused borrowing facilities, by continuously monitoring projected / actual cash flows.

Maturities of financial liabilities

The Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest (accrued upto 31st March, 2018) and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

As at 31st March, 2018

(₹ in Crore)

	Less than 1 year	Between 1 and 5 year	5 years and above	Total
Financial liabilities				
Non current financial liabilities				
Borrowings^	-	3,039.02	5,497.69	8,536.71
Trade payables^	-	114.99	4.40	119.39
Other financial liabilities	-	42.37	914.07	956.44
	-	3,196.38	6,416.16	9,612.54
Current financial liabilities				
Trade payables	657.28	-	-	657.28
Other financial liabilities^	1,161.03	-	-	1,161.03
	1,818.31	-	-	1,818.31
Total financial liabilities	1,818.31	3,196.38	6,416.16	11,430.85

As at 31st March, 2017

(₹ in Crore)

	Less than 1 year	Between 1 and 5 year	5 years and above	Total
Financial liabilities				
Non current financial liabilities				
Borrowings^	-	2,208.21	5,940.37	8,148.58
Trade payables^	-	65.30	-	65.30
Other financial liabilities	-	37.76	826.00	863.76
	-	2,311.27	6,766.37	9,077.64
Current financial liabilities				
Borrowings	76.62	-	-	76.62
Trade payables	733.00	-	-	733.00
Other financial liabilities^	1,123.49	-	-	1,123.49
	1,933.11	-	-	1,933.11
Total financial liabilities	1,933.11	2,311.27	6,766.37	11,010.75

^ Gross amount including unamortised expense.

NOTE 57: SPECIFIED BANK NOTES (SBNs)

Details of Specified Bank Notes (SBNs) held and transacted during the period 8th November, 2016 to 30th December, 2016 as provided below:

(₹ in Crore)

	SBNs	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	2.01	0.07	2.08
Add: Permitted receipts	181.83	75.37	257.20
Less: Permitted payments	-	0.47	0.47
Less: Amount deposited in banks	183.84	74.11	257.95
Closing cash in hand as on 30th December, 2016	-	0.86	0.86

Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O.3407 (E), dated 8th November, 2016.

Closing balance as at 8th November, 2016 includes amount refunded by employess against advance given to them.

NOTE 58:

The figures for the previous year have been regrouped / recast, wherever necessary, to make them comparable with the figures for the current year.

NOTE 59: APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the board of directors on 29th May, 2018.

Signature to Note 1 to 59

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 39985

Ahmedabad, 29th May, 2018

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN: 00061903

T P Vijayasarathy
Executive Director (Corporate Affairs) &
Chief Financial Officer

Ahmedabad, 29th May, 2018

Consolidated Financial Statements 2017-18

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF

TORRENT POWER LIMITED

Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of **TORRENT POWER LIMITED** ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate companies; (refer Note 42 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at 31st March, 2018, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS 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, consolidated cash flows and changes in equity of the Group including its associates in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies included in the Group and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements 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 has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

4. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. 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 Ind AS financial statements.

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and its associates as at 31st March, 2018, and their consolidated total comprehensive income (comprising of consolidated profit and consolidated other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matter

8. The consolidated Ind AS financial statements also include the Group's share of total comprehensive income (comprising of profit / loss and other comprehensive income) of ₹ Nil for the year ended 31st March, 2018 as considered in the consolidated Ind AS financial statements, in respect of six associate companies, whose financial statements/ financial information have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these associate companies and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid associates, is based solely on the reports of the other auditors.

   Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements.

9. The consolidated Ind AS financial statements of the Company for the year ended 31st March, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated 23rd May, 2017, expressed an unmodified opinion on those financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

    b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group and associate companies including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.

    c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group and associate companies including relevant records relating to the preparation of the consolidated Ind AS financial statements.

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

    e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies, none of the directors of the Group companies and its associate companies is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and associate companies and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

g) With respect to the other matters to be included in the Auditors' 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 consolidated Ind AS financial statements disclose the impact, if any, of pending litigations as at 31st March, 2018 on the consolidated financial position of the Group and its associates– Refer Notes 32 and 45 to the consolidated Ind AS financial statements.

   ii. The Group and its associates have long-term contracts as at 31st March, 2018 for which there were no material foreseeable losses. The Group and its associates did not have any derivative contracts as at 31st March, 2018.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and its associate companies during the year ended 31st March, 2018.

   iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended 31st March, 2018.

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

Pradip Kanakia
Partner
Membership No.: 39985

Place: Ahmedabad
Date: 29th May, 2018

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10 (f) of the Independent Auditors' Report of even date to the members of Torrent Power Limited on the consolidated Ind AS financial statements for the year ended 31st March, 2018

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

1. In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2018, we have audited the internal financial controls with reference to financial statements of **TORRENT POWER LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary companies and its associate companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT (Contd.)

Referred to in paragraph 10 (f) of the Independent Auditors' Report of even date to the members of Torrent Power Limited on the consolidated Ind AS financial statements for the year ended 31st March, 2018

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to six associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

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

Pradip Kanakia
Partner
Membership No.: 39985

Place: Ahmedabad
Date: 29th May, 2018

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2018

(₹ in Crore)

	Note	As at 31st March, 2018	As at 31st March, 2017
Assets			
Non-current assets			
Property, plant and equipment	4	17,857.49	16,796.06
Capital work-in-progress		390.47	329.48
Investment property	5	-	0.53
Intangible assets	6	13.23	7.40
Intangible assets under development		2.04	2.61
Financial assets			
Investments	7	192.29	6.63
Loans	8	16.73	15.00
Other financial assets	9	0.77	0.71
Deferred tax assets (net)	44	3.06	-
Non-current tax assets (net)	10	27.07	20.49
Other non-current assets	11	655.88	594.90
		19,159.03	17,773.81
Current assets			
Inventories	12	454.88	369.37
Financial assets			
Investments	13	680.66	664.27
Trade receivables	14	1,130.45	975.05
Cash and cash equivalents	15	136.50	102.85
Bank balances other than cash and cash equivalents	16	181.05	166.49
Loans	17	16.31	3.99
Other financial assets	18	751.05	673.12
Current tax assets (net)	19	-	0.09
Other current assets	20	82.16	63.49
		3,433.06	3,018.72
		22,592.09	20,792.53
Equity and liabilities			
Equity			
Equity share capital	21	480.62	480.62
Other equity	22	7,238.91	6,411.47
		7,719.53	6,892.09
Non-controlling interests		35.92	28.93
		7,755.45	6,921.02
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	23	8,563.70	8,193.40
Trade payables	24	94.64	53.36
Other financial liabilities	25	956.44	863.76
Provisions	26	79.05	95.98
Deferred tax liabilities (net)	44	1,482.94	1,336.33
Other non-current liabilities	27	882.34	825.30
		12,059.11	11,368.13
Current liabilities			
Financial liabilities			
Borrowings	28	-	76.62
Trade payables	29		
Due to micro and small enterprises		18.34	7.06
Due to others		640.37	726.73
Other financial liabilities	30	1,482.92	1,148.74
Other current liabilities	31	577.52	472.47
Provisions	32	31.83	44.15
Current tax liabilities (net)	33	26.55	27.61
		2,777.53	2,503.38
		22,592.09	20,792.53

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 39985

Ahmedabad, 29th May, 2018

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN: 00061903

T P Vijayasarathy
Executive Director (Corporate Affairs) &
Chief Financial Officer

Ahmedabad, 29th May, 2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Crore)

	Note	Year ended 31st March, 2018	Year ended 31st March, 2017
Income			
Revenue from operations	34	11,512.09	10,000.10
Other income	35	263.55	190.88
Total income		11,775.64	10,190.98
Expenses			
Electrical energy purchased		3,584.78	3,634.17
Fuel cost		3,237.36	2,525.76
Cost of materials consumed	36	233.44	196.56
Purchase of stock-in-trade		-	0.45
Changes in inventories of finished goods and work-in-progress	37	1.25	(4.30)
Employee benefits expense	38	467.03	417.19
Finance costs	39	848.19	1,057.98
Depreciation and amortization expense and impairment loss	40	1,131.50	1,005.86
Other expenses	41	871.10	769.97
Total expenses		10,374.65	9,603.64
Profit before tax		1,400.99	587.34
Tax expense			
Current tax	44	312.48	123.95
Deferred tax	44	136.39	33.60
		448.87	157.55
Profit for the year		952.12	429.79
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans	47	20.50	(9.75)
Tax relating to remeasurement of the defined benefit plans	44	7.16	(3.38)
Other comprehensive income for the year (net of tax)		13.34	(6.37)
Total comprehensive income for the year		965.46	423.42
Profit for the year attributable to:			
Owners of the Company		942.31	428.95
Non-controlling interests		9.81	0.84
		952.12	429.79
Other comprehensive income for the year attributable to:			
Owners of the Company		13.34	(6.37)
Non-controlling interests		*	*
		13.34	(6.37)
Total comprehensive income for the year attributable to:			
Owners of the Company		955.65	422.58
Non-controlling interests		9.81	0.84
		965.46	423.42
Basic and diluted earnings per share of face value of ₹10 each (in ₹)	51	19.61	8.93
See accompanying notes forming part of the consolidated financial statements			

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 39985

Ahmedabad, 29th May, 2018

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN: 00061903

T P Vijayasarathy
Executive Director (Corporate Affairs) &
Chief Financial Officer

Ahmedabad, 29th May, 2018

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Crore)

	Note	Year ended 31st March, 2018	Year ended 31st March, 2017
Cash flow from operating activities			
Net profit before tax		1,400.99	587.34
Adjustments for :			
Depreciation and amortization expense and impairment loss	40	1,131.50	1,005.86
Amortisation of deferred revenue	34	(56.96)	(51.57)
Provision of earlier years written back	34	(8.04)	(25.71)
Loss on sale / discarding of property, plant and equipment	41	31.07	12.18
Gain on disposal of property, plant and equipment	35	(54.97)	(2.67)
Bad debts written off (net)	41	3.32	14.38
Allowance for doubtful advances	41	-	3.74
Allowance for doubtful debts (net)	41	6.45	(0.26)
Finance costs	39	848.19	1,057.98
Interest income	35	(69.25)	(78.15)
Rent income from investment property	35	(1.05)	(1.32)
Goodwill / non-current investment written off	41	0.02	10.00
Profit on sale of current investments in mutual funds	35	(44.57)	(60.77)
Net (gain) / loss arising on current investments in mutual funds measured at fair value through profit or loss	35	(8.48)	(0.63)
Net gain arising on financial assets / liabilities measured at amortised cost	35	(14.39)	-
Net unrealised loss / (gain) on foreign currency transactions		11.87	(18.01)
Operating profit before working capital changes		3,175.70	2,452.39
Movement in working capital:			
Adjustments for decrease / (increase) in operating assets:			
Inventories		(85.51)	50.86
Trade receivables		(165.17)	67.81
Non-current loans		(1.73)	(15.00)
Current loans		(12.32)	(3.99)
Other current financial asset		(85.81)	(262.64)
Other non-current financial asset		(0.10)	15.03
Other current assets		(18.67)	103.79
Other non-current assets		36.28	12.21
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		(76.31)	(2.06)
Non-current trade payables		43.46	(166.69)
Other current financial liabilities		91.46	(41.08)
Other non-current financial liabilities		92.48	83.76
Long-term provisions		(16.93)	15.88
Short-term provisions		8.18	(4.94)
Other current liabilities		98.52	156.27
Cash generated from operations		3,083.53	2,461.60
Taxes paid		(320.03)	(105.60)
Net cash flow from operating activities		2,763.50	2,356.00
Cash flow from investing activities			
Payments for property, plant and equipment & capital work-in-progress		(2,280.67)	(2,449.98)
Payments for intangible assets & intangible asset under development		(8.70)	(4.92)
Non-current advances for capital assets		(97.26)	280.42
Proceeds from sale of property, plant and equipment / investment property		51.68	9.33
Non-current investment in subsidiaries		(0.02)	-
Non-current investment in debentures		(182.40)	-

CONSOLIDATED STATEMENT OF CASH FLOW (Contd.)

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Purchase of non-current investments	(1.69)	(1.63)
Investments (net) in bank deposits (maturity more than three months)	(14.21)	-
Redemption (net) of bank deposits (maturity more than three months)	-	67.40
Interest received	77.12	73.20
Purchase (net) of current investments	(7.91)	(157.70)
Profit on sale of current investments	44.57	60.77
Rent income from investment property	1.05	1.32
Bank balances not considered as cash and cash equivalents	-	0.09
Net cash generated from / (used in) investing activities	(2,418.44)	(2,121.70)
Cash flow from financing activities		
Proceeds from long-term borrowings	987.74	1,572.15
Proceeds from short-term borrowings	-	76.62
Repayment of long-term borrowings	(360.33)	(313.31)
Prepayment of long-term borrowings	(19.33)	(1,087.40)
Repayment of short-term borrowings	(76.62)	-
Repayment of Accelerated Power Development and Reform Programme (APDRP) loan	(3.82)	(3.82)
Receipt of contribution from consumers	120.52	117.87
Dividend paid	(108.08)	(1.64)
Dividend distribution tax paid	(22.95)	(1.28)
Finance costs paid	(828.54)	(1,033.37)
Net cash generated from / (used in) financing activities	(311.41)	(674.18)
Net (decrease) / increase in cash and cash equivalents	33.65	(439.88)
Cash and cash equivalents as at beginning of the year	102.85	542.73
Cash and cash equivalents as at end of the year	136.50	102.85
See accompanying notes forming part of the consolidated financial statements		
Footnotes:		
1. Cash and cash equivalents as at end of the year:		
Balances with banks		
Balance in current accounts	133.26	99.31
Balance in fixed deposit accounts (original maturity for less than three months)	1.03	1.68
Cheques, drafts on hand	1.61	1.06
Cash on hand	0.60	0.80
	136.50	102.85

2. The consolidated statement of cash flow has been prepared under the 'Indirect Method' set out in Indian Accounting Standards (Ind AS) - 7 "Statement of Cash Flows".
3. In the consolidated statement of cash flow, the Company has reclassified investment in mutual funds (money market) from cash and cash equivalents to investing activities, for previous year, as it is considered a more appropriate classification and disclosure.

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 39985

Ahmedabad, 29th May, 2018

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN: 00061903

T P Vijayasarathy
Executive Director (Corporate Affairs) &
Chief Financial Officer

Ahmedabad, 29th May, 2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

A. Equity share capital [Refer note 21]

(₹ in Crore)

Balance as at 1st April, 2016	480.62
Changes in equity share capital during the year	-
Balance as at 31st March, 2017	480.62
Changes in equity share capital during the year	-
Balance as at 31st March, 2018	480.62

B. Other equity [Refer note 22]

(₹ in Crore)

	Reserves and surplus						Other equity attributable to equity holders of the Company	Non-controlling interests	Total
	Securities premium reserve	Debenture redemption reserve	Contingency reserve	Special reserve	General reserve	Retained earnings			
Balance as at 1st April, 2016	0.03	95.24	4.56	78.07	3,583.89	2,228.05	5,989.84	30.06	6,019.90
Profit for the year	-	-	-	-	-	428.95	428.95	0.84	429.79
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(6.37)	(6.37)	-	(6.37)
Total comprehensive income for the year	-	-	-	-	-	422.58	422.58	0.84	423.42
Transfer to debenture redemption reserve	-	34.22	-	-	-	(34.22)	-	-	-
Transfer to contingency reserve	-	-	1.68	-	-	(1.68)	-	-	-
Dividend (including interim dividend) paid	-	-	-	-	-	-	-	(1.64)	(1.64)
Dividend distribution tax paid	-	-	-	-	-	(0.95)	(0.95)	(0.33)	(1.28)
Balance as at 31st March, 2017	0.03	129.46	6.24	78.07	3,583.89	2,613.78	6,411.47	28.93	6,440.40
Profit for the year	-	-	-	-	-	942.31	942.31	9.81	952.12
Other comprehensive income for the year, net of income tax	-	-	-	-	-	13.34	13.34	-	13.34
Total comprehensive income for the year	-	-	-	-	-	955.65	955.65	9.81	965.46
Transfer to debenture redemption reserve	-	34.22	-	-	-	(34.22)	-	-	-
Transfer to contingency reserve	-	-	1.71	-	-	(1.71)	-	-	-
Dividend (including interim dividend) paid	-	-	-	-	-	(105.74)	(105.74)	(2.34)	(108.08)
Dividend distribution tax paid	-	-	-	-	-	(22.47)	(22.47)	(0.48)	(22.95)
Balance as at 31st March, 2018	0.03	163.68	7.95	78.07	3,583.89	3,405.29	7,238.91	35.92	7,274.83

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 39985

Ahmedabad, 29th May, 2018

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN: 00061903

T P Vijayasarathy
Executive Director (Corporate Affairs) &
Chief Financial Officer

Ahmedabad, 29th May, 2018

NOTE 1A: GENERAL INFORMATION

These financial statements comprise financial statements of Torrent Power Limited ("the Company"), its subsidiaries and associates (hereinafter referred to as "the Group") for the year ended 31st March, 2018.

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

The Group is an integrated power utility and is engaged in the business of generation, transmission and distribution of power and manufacture and sale of Cables. Information on the Group's structure is provided in note 42.

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

The Group has applied the following amendment for the first time for its annual reporting period commencing 1st April, 2017:

Amendment to Ind AS-7 "Statement of Cash Flows"

The amendment to Ind AS-7 requires the entities to provide disclosures that enable users of consolidated financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the consolidated balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The adoption of these amendments did not have any impact on the amounts recognised in prior periods. When the Group first applies these amendments, it is not required to provide comparative information for preceding periods.

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

The Group will apply the following standard for the first time for its annual reporting period commencing 1st April, 2018:

Ind AS-115 "Revenue from Contracts with Customers"

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 on 28th March, 2018 which includes Ind AS-115 "Revenue from Contracts with Customers". This will replace Ind AS-18 which covers contracts for goods and services and Ind AS-11 which covers construction contracts.

Ind AS-115 "Revenue from contracts with Customers" outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The standard replaces most current revenue recognition guidance. The core principle of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which the Group expects to be entitled in exchange for those goods or services. The new standard also will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively including service revenues and contract modifications and improve guidance for multiple-element arrangements. The new standard will come into effect for the annual reporting periods beginning on or after 1st April 2018. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

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

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation:

Compliance with Ind AS

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

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

Historical cost convention

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

- Derivative instruments
- Defined benefit plan assets

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

2.2 Principles of consolidation:

Subsidiaries

The consolidated financial statements comprise the financial statements of Torrent Power Limited and its subsidiaries. Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Consolidation of an entity begins when the Company obtains control over the entity and ceases when the Company loses control of the entity. Specifically, income and expenses of an entity acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control or until the date when the Company ceases to control the entity, respectively.

The Group combines the financial statements of the Parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Ind AS-12 “Income Taxes” applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member’s financial statements in preparing the consolidated financial statements to ensure conformity with the Group’s accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent company, i.e., year ended on 31st March.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

Associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties, that have joint control of the arrangement, have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in the consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS-105 "Non-current Assets Held for Sale and Discontinued Operations". Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognized to the extent that the Group has incurred legal or constructive obligation or made payment on behalf of the associate or joint venture.

2.3 Business combinations and Goodwill:

Business combination - acquisition

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

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

Acquisition-related costs are expensed as incurred.

The excess of the

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

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

Business combination - common control transaction

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

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.

- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

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

Goodwill

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

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

2.4 Government grants:

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

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

2.5 Property, plant and equipment:

Tangible fixed assets

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

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

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

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

Depreciation methods, estimated useful lives and residual value

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

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

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

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

@ governed by the applicable regulations of UPERC / MERC for this purpose.

2.6 Investment properties:

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

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

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

2.7 Intangible assets - acquired:

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

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

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

2.8 Impairment of tangible and intangible assets other than goodwill:

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

2.9 Borrowing costs:

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

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

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

2.10 Cash and cash equivalents:

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

2.11 Inventories:

Raw materials, fuel, stores and spares, packing materials, loose tools, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of inventories includes all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.12 Revenue recognition:

Revenue is recognized, when the products are delivered or services are rendered to consumers and when no significant uncertainty as to the measurability or collectability exists. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for discounts and other similar allowances.

(i) Revenue from power supply and transmission charges are accounted for on the basis of billings to consumers and Central transmission utility respectively in accordance with tariff orders issued by the respective regulatory commissions. Revenue recognized in excess of billing has been reflected under "other financial assets" as unbilled revenue.

Further, in view of the uncertainties involved in the recoverability, the quarterly Fuel and Power Purchase Price Adjustment ("FPPPA") claims are accounted for as and when allowed by the regulatory authorities and truing up adjustments claims are accounted for as and when billed to the consumers. [Refer note 3.1(i)]

(ii) Sales of cables and surplus fuel (RLNG) are recognised, net of returns and rebates, on transfer of significant risks and rewards of ownership to the buyer. Sales includes excise duty but excludes sales-tax, value added tax and Goods and service tax.

(iii) Gross proceeds from sale of Certified Emission Reduction certificates (CERs) are recognized when all the significant risks and rewards of ownership of CERs have been passed to the buyer, usually on delivery of the CERs.

(iv) Income from Generation Based Incentive is accounted on accrual basis considering eligibility of project for availing incentive.

(v) Dividend is accounted when the right to receive payment is established.

(vi) Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Interest on overdue receivables of energy bills and claims including insurance claims, coal cost variation and other claims etc. are accounted as and when recovered.

(vii) Contributions by consumers towards items of property, plant and equipment, which require an obligation to provide electricity connectivity to the consumers, are recognised as a credit to deferred revenue. Similarly contribution by third party towards construction of overhead transmission lines are recognized as a credit to deferred revenue. Such revenue is recognised over the useful life of the property, plant and equipment.

2.13 Foreign currency translation:

Functional and presentation currency

The consolidated financial statements are prepared in Indian rupee (INR) which is functional as well as presentation currency of the Group.

Transactions and balances

In preparing the financial statements of each individual Group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign exchange differences regarded as an adjustments to borrowing costs are presented in the consolidated statement of profit and loss, within finance costs. All other foreign exchange differences arising on settlement of monetary items or on reporting the Group's monetary items at rates different from those at which they were initially recorded during the financial year are recognized as income or expense in the financial year in which they arise.

The exchange differences relating to long term foreign currency monetary items, recognised in the financial statement upto 31st March, 2016, in so far as they relate to acquisition of depreciable capital assets is adjusted to the cost of such capital asset and depreciated over the balance useful life of such asset.

2.14 Employee benefits:

Defined contribution plans

Contributions retirement benefit plans in the form of provident fund, employee state insurance scheme and superannuation schemes as per regulations are charged as an expense on an accrual basis when employees have rendered the service. The Group has no further payment obligations once the contributions have been paid.

Defined benefits plans

The liability or asset recognised in the consolidated balance sheet in respect of the retirement benefit plan i.e. gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by an actuary using projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximately to the terms of the related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets. This cost is included in the employee benefit expense in the consolidated statement of profit and loss.

Remeasurements, comprising actuarial gains and losses and the effect of the changes to the asset ceiling (if applicable), is reflected immediately in the consolidated balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and consequently recognised in retained earnings and is not reclassified to profit or loss.

The retirement benefit obligation recognised in the consolidated balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The said obligations are presented as current liabilities in the consolidated balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2.15 Taxation:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on estimated taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in the tax returns with respect to situations for which applicable tax regulations are subject to interpretation and revises the provisions, if so required where consider necessary.

Advance taxes and provisions for current income taxes are offset with each other when there is a legally enforceable right to offset and balances arise with the same tax authority.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

2.16 Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) attributable to owners of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by adjusting the figures used in the determination of basic EPS to take into account:

- After tax effect of interest and other financing costs associated with dilutive potential equity shares.
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.17 Provisions, contingent liabilities and contingent assets:

Provisions

A provision is recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

2.18 Financial instruments:

Financial assets

i) Classification of financial assets (including debt instruments)

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

ii) Initial measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

iii) Subsequent measurement

There are three measurement categories into which the debt instruments can be classified:

- **Amortised cost**

  Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI)**

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

- **Fair value through profit or loss (FVTPL)**

  Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the consolidated statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

iv) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 only, the Group follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109 i.e. expected credit loss allowance as computed based on historical credit loss experience.

v) Derecognition of financial assets

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset

When the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of financial asset, the financial asset is derecognised if the Group has not retained control over the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities

The Group's financial liabilities include trade and other payables, loans and borrowings.

i) Classification

All the Group's financial liabilities, except for financial liabilities at fair value through profit or loss, are measured at amortized cost.

ii) Initial measurement

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate Method.

The Effective Interest Rate Method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

iv) Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or waived off or have expired. An exchange between the Group and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.19 Contributed equity:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Transaction costs of an equity transaction shall be accounted for in other equity.

2.20 Leases:

Leases (including lease arrangements for land) are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating lease (The Group as lessee): Lease payments under an operating lease are recognized as expense in the consolidated statement of profit and loss, on a straight-line or other systematic basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Lessor's expected inflationary cost increases, such increases are recognised in the year in which such liability accrues.

2.21 Rounding of amounts:

All amounts disclosed in the financial statements and notes have been presented in crore rounded to two decimals as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated. Figures below ₹50,000 are denoted by '*'.

NOTE 3: CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the course of applying the policies outlined in all notes under note 2 above, the management of the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Such estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

3.1 Regulatory matters:

(i) Regulatory deferral accounts

Ind AS-114 "Regulatory Deferral Accounts" permits the Group to apply the requirements of this standard in its first Ind AS consolidated financial statements if and only if it conducts rate-regulated activities and recognised amounts that qualify as regulatory deferral account balances in its consolidated financial statements in accordance with its previous GAAP(i.e. for the year ended 31st March, 2016). As the Group had consistently elected not to recognise the regulatory deferral balances in its previous GAAP, the requirement of IND AS-114 does not apply to the Group.

3.2 Property, plant and equipment:

(i) Service concession arrangements

The Group has assessed applicability of Appendix A of Ind AS-11 "Service Concession Arrangements" with respect to its distribution and transmission assets portfolio. In assessing the applicability, the Group has exercised judgment in relation to the provisions of the Electricity Act, 2003, transmission / distribution license and / or agreements. Based on such assessment, it has concluded that Appendix A of Ind AS-11 is not applicable.

(ii) Impairment of property plant and equipment

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount of property plant and equipment is the higher of its fair value less costs of disposal and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated PLF, fuel availability at economical rates, economic and regulatory environment, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets.

3.3 Impairment of financial assets:

(i) Trade receivables

The Group estimates the credit allowance as per practical expedient based on historical credit loss experience as enumerated in note 55.

3.4 Taxation:

(i) Current tax

The Group has treated certain expenditure as being deductible for tax purposes. However, the tax legislation in relation to such expenditure is not clear and the Group has applied their judgement and interpretation for the purpose taking their tax position.

(ii) Deferred tax assets

Deferred tax assets are recognised for unused tax losses / credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

3.5 Contingencies:

Contingent liabilities

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management decides whether the matters needs to be classified as 'remote', 'possible' or 'probable' based on expert advice, past judgements, experiences etc.

3.6 Employee benefit plans:

Defined benefit plans and other long-term employee benefits

The present value of obligations under defined benefit plan and other long term employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, these obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

NOTE 4 : PROPERTY, PLANT AND EQUIPMENT

As at 31st March, 2018

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation and impairment loss				Net carrying amount
	As at 1st April, 2017	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2018	As at 1st April, 2017	For the year^	Deductions during the year	As at 31st March, 2018	As at 31st March, 2018
Property, plant and equipment										
Freehold land	368.95	18.04	-	-	386.99	-	-	-	-	386.99
Buildings	1,357.56	67.92	0.24	0.98	1,426.22	86.51	49.32	*	135.83	1,290.39
Railway siding	1.86	-	-	-	1.86	0.10	0.05	-	0.15	1.71
Plant and machinery	16,817.70	2,122.12	34.96	(15.77)	18,889.09	1,793.81	1,065.14	9.47	2,849.48	16,039.61
Electrical fittings and apparatus	34.16	3.85	0.10	0.02	37.93	6.02	3.05	0.05	9.02	28.91
Furniture and fixtures	37.33	4.28	0.29	-	41.32	4.84	3.09	0.15	7.78	33.54
Vehicles	19.41	4.31	1.35	0.01	22.38	3.82	2.23	0.41	5.64	16.74
Office equipment	71.80	13.45	0.61	0.05	84.69	17.61	7.70	0.22	25.09	59.60
Total	18,708.77	2,233.97	37.55	(14.71)	20,890.48	1,912.71	1,130.58	10.30	3,032.99	17,857.49

^ includes impairment loss amounting to ₹14.07 Crore

As at 31st March, 2017

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation				Net carrying amount
	As at 1st April, 2016	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2017	As at 1st April, 2016	For the year	Deductions during the year	As at 31st March, 2017	As at 31st March, 2017
Property, plant and equipment										
Freehold land	358.30	10.65	-	-	368.95	-	-	-	-	368.95
Buildings	1,229.74	127.51	*	0.31	1,357.56	39.28	47.23	*	86.51	1,271.05
Railway siding	1.86	-	-	-	1.86	0.05	0.05	-	0.10	1.76
Plant and machinery	14,308.42	2,526.65	20.33	2.96	16,817.70	856.43	939.92	2.54	1,793.81	15,023.89
Electrical fittings and apparatus	31.39	2.76	*	0.01	34.16	2.95	3.07	-	6.02	28.14
Furniture and fixtures	21.75	15.59	0.01	-	37.33	2.13	2.71	*	4.84	32.49
Vehicles	17.03	3.46	1.08	-	19.41	1.75	2.27	0.20	3.82	15.59
Office equipment	65.16	6.84	0.24	0.04	71.80	8.83	8.84	0.06	17.61	54.19
Total	16,033.65	2,693.46	21.66	3.32	18,708.77	911.42	1,004.09	2.80	1,912.71	16,796.06

NOTE 4 : PROPERTY, PLANT AND EQUIPMENT (Contd.)

Footnotes:

1. Assets mortgaged as security:

   Entire movable and immovable properties (including capital work-in-progress) with the net carrying amount of ₹18,247.96 Crore (31st March, 2017 - ₹17,125.54 Crore) have been mortgaged and hypothecated to secure borrowings of the Company [Refer note 23].

2. Capital commitment:

   Refer note 45 (c) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

3. Adjustments during the year include capitalisation of borrowing costs of ₹5.77 Crore (Previous year - ₹4.50 Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 "Borrowing Costs".

4. Capital work-in-progress include borrowing costs of ₹0.71 Crore (31st March, 2017- ₹2.42 Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 "Borrowing Costs".

5. The weighted average rate for capitalisation of borrowing cost relating to general borrowing is 8.55% (Previous year 11.07% to 11.13%)

6. Adjustments during the year include foreign currency exchange difference (net) of ₹ Nil (Previous year - ₹0.90 Crore net gain).

7. Additions to plant and machinery includes capitalisation of directly attributable costs incurred by the Company under various headings.

8. Pro-rata cost of assets owned jointly with Torrent Pharmaceuticals Limited, a fellow subsidiary are as under:

(₹ in Crore)

Particulars	Proportion of holding	As at 31st March, 2018	As at 31st March, 2017
Freehold land	50%	23.78	23.78
Freehold land	70%	83.16	83.16
Building	70%	1.36	1.36

NOTE 5 : INVESTMENT PROPERTY

As at 31st March, 2018

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation				Net carrying amount
	As at 1st April, 2017	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2018	As at 1st April, 2017	For the year	Deductions during the year	As at 31st March, 2018	As at 31st March, 2018
Freehold land	0.53	-	0.53	-	-	-	-	-	-	-
Total	0.53	-	0.53	-	-	-	-	-	-	-

As at 31st March, 2017

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation				Net carrying amount
	As at 1st April, 2016	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2017	As at 1st April, 2016	For the year	Deductions during the year	As at 31st March, 2017	As at 31st March, 2017
Freehold land	0.53	-	-	-	0.53	-	-	-	-	0.53
Total	0.53	-	-	-	0.53	-	-	-	-	0.53

Footnotes:

1. The Company had leased the entire freehold land as disclosed above to Torrent Pharmaceuticals Limited.
2. The fair value of the Company's investment property as at 31st March, 2017 has been arrived at on the basis of a valuation carried out by the Company. The fair value was determined based on the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data.
3. Details of the Company's investment property and information about the fair value hierarchy as at 31st March, 2017 are as follows:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Fair value of investment property (₹ in Crore)	-	45.00
Fair value hierarchy	-	Level 2 [Refer note 55]

4. The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop such investment properties or for repairs, maintenance and enhancements thereof.
5. Amount recognised in statement of profit and loss for investment property [Refer note 35] :

(₹ in Crore)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Rental income derived from investment property	1.05	1.32
Direct operating expenses arising from investment property	-	-

NOTE 6 : INTANGIBLE ASSETS

As at 31st March, 2018

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated amortization				Net carrying amount
	As at 1st April, 2017	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2018	As at 1st April, 2017	For the year	Deductions during the year	As at 31st March, 2018	As at 31st March, 2018
Computer software	17.26	9.27	-	-	26.53	9.86	3.44	-	13.30	13.23
Total	17.26	9.27	-	-	26.53	9.86	3.44	-	13.30	13.23

As at 31st March, 2017

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated amortization				Net carrying amount
	As at 1st April, 2016	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2017	As at 1st April, 2016	For the year	Deductions during the year	As at 31st March, 2017	As at 31st March, 2017
Computer software	11.87	5.41	0.02	-	17.26	5.16	4.72	0.02	9.86	7.40
Total	11.87	5.41	0.02	-	17.26	5.16	4.72	0.02	9.86	7.40

Footnote:

1. The above computer software has been mortgaged and hypothecated to secure borrowings of the Company [Refer note 23].

NOTE 7 : NON-CURRENT INVESTMENTS

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Investment in equity instruments (unquoted)		
Others (at fair value through profit or loss)		
AEC Cements & Constructions Limited		
Equity shares of ₹10 each fully paid up	0.61	0.61
(No. of shares - 31st March, 2018: 9,61,500, 31st March, 2017: 9,61,500)		
Less: Impairment in value of investment	(0.61)	(0.61)
Tidong Hydro Power Limited		
Equity shares of ₹10 each fully paid up	0.02	0.02
(No. of shares - 31st March, 2018: 24,500, 31st March, 2017: 24,500)		
Less: Impairment in value of investment	(0.02)	(0.02)
Tornascent Care Institute @		
Equity shares of ₹10 each fully paid up	0.03	0.03
(No. of shares - 31st March, 2018: 25,000, 31st March, 2017: 25,000)		
UNM Foundation @		
Equity shares of ₹10 each fully paid up	0.03	0.03
(No. of shares - 31st March, 2018: 25,000, 31st March, 2017: 25,000)		
	0.06	0.06
Investment in non-convertible debentures (unquoted) (at amortised cost)		
Wind Two Renergy Private Limited		
Zero coupon secured, redeemable with premium non-convertible debentures of ₹1,00,000 each	73.29	-
(No. of debentures - 31st March, 2018: 7,276, 31st March, 2017: Nil)		
Wind Four Renergy Private Limited		
Zero coupon secured, redeemable with premium non-convertible debentures of ₹1,00,000 each	55.35	-
(No. of debentures - 31st March, 2018: 5,482, 31st March, 2017: Nil)		
Wind Five Renergy Private Limited		
Zero coupon secured, redeemable with premium non-convertible debentures of ₹1,00,000 each	55.33	-
(No. of debentures - 31st March, 2018: 5,482, 31st March, 2017: Nil)		
	183.97	-

NOTE 7 : NON-CURRENT INVESTMENTS (Contd.)

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Contingency reserve investments - statutory (quoted) (at amortised cost) $		
8.28% GOI Bond - 2032	0.99	0.99
8.32% GOI Bond - 2032	0.32	0.32
8.97% GOI Bond - 2030	1.01	1.01
8.28% GOI Bond - 2027	1.30	1.30
7.35% GOI Bond - 2024	1.32	1.32
8.40% GOI Bond - 2024	1.63	1.63
6.68% GOI Bond - 2031	1.69	-
	8.26	6.57
	192.29	6.63
Aggregate amount of quoted investments	8.26	6.57
Aggregate amount of unquoted investments	184.03	0.06
	192.29	6.63
Aggregate amount of provision for impairment in value of investments	0.63	0.63
Aggregate amount of market value of quoted investments	8.42	7.04

@ The Company has, jointly with Torrent Pharmaceuticals Limited, promoted section 8 companies, i.e Tornascent Care Institute and UNM Foundation, under the Companies Act, 2013 for the purpose of carrying out charitable activities.

$ Investment in Government of India bonds have been made in terms of Gujarat Electricity Regulatory Commission (GERC) Multi-Year Tariff (MYT) Regulations, which can be utilised only for the purposes mentioned therein. [Refer note 22 - Contingency reserve]

NOTE 8 : NON-CURRENT LOANS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Security deposits	16.73	15.00
	16.73	15.00

NOTE 9 : OTHER NON-CURRENT FINANCIAL ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Bank fixed deposits	0.62	0.66
Interest accrued on deposits	-	*
Other advances	0.15	0.05
	0.77	0.71

NOTE 10 : NON-CURRENT TAX ASSETS

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Advance income tax (net)	27.07	20.49
	27.07	20.49

NOTE 11 : OTHER NON-CURRENT ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Capital advances	269.49	172.23
Advances for goods and services	230.29	261.42
Balances with government authorities	*	0.01
Prepaid expenses	2.53	2.15
Unamortised premium for leasehold land	153.57	159.09
	655.88	594.90

NOTE 12 : INVENTORIES

(valued at lower of cost and net realizable value)

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Stores and spares	285.37	246.07
Fuel	135.35	84.56
Raw materials	19.74	23.51
Work-in-progress	5.93	6.50
Finished goods	6.44	7.44
Packing materials	0.54	0.49
Loose tools	1.51	0.80
	454.88	369.37

Footnotes:

1. The cost of inventories recognised as an expense includes ₹5.65 Crore (Previous year - ₹10.97 Crore) in respect of write-downs of inventory to net realisable value determined based on evaluation of slow and non-moving inventories.
2. The carrying amount of inventories which has been mortgaged and hypothecated to secure borrowings of the Group was ₹454.88 Crore (31st March, 2017 - ₹369.37 Crore).
3. The above carrying amount of inventories include goods in transit as under :

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Stores and spares	-	0.28
Fuel	6.05	3.77
Raw materials	-	1.51
	6.05	5.56

NOTE 13 : CURRENT INVESTMENTS
(Investments carried at fair value through profit or loss)

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Investment in mutual funds (unquoted)		
Baroda Pioneer Liquid Fund-Growth	85.28	-
(No. of units- 31st March, 2018: 4,28,694, 31st March, 2017: Nil)		
DSPBR Liquidity Fund	45.24	10.71
(No. of units- 31st March, 2018: 1,82,845, 31st March, 2017: 46,214)		
IDFC Cash Fund - Growth - (Regular Plan)	-	95.18
(No. of units- 31st March, 2018: Nil, 31st March, 2017: 4,82,920)		
Invesco India Liquid Fund - Growth	109.56	96.63
(No. of units- 31st March, 2018: 4,59,617, 31st March, 2017: 4,32,853)		
Kotak Liquid Scheme Plan A - Growth	-	78.29
(No. of units- 31st March, 2018: Nil, 31st March, 2017: 2,37,918)		
LIC MF Liquid Fund	5.35	-
(No. of units- 31st March, 2018: 17,065, 31st March, 2017: Nil)		
L&T Liquid Fund - Growth	-	90.82
(No. of units- 31st March, 2018: Nil, 31st March, 2017: 4,08,207)		
SBI PLF - Regular Plan Growth #	211.91	167.05
(No. of units- 31st March, 2018: 7,80,363, 31st March, 2017: 6,56,194)		
Sundaram Money Fund - Regular - Growth	-	4.02
(No. of units- 31st March, 2018: Nil, 31st March, 2017: 11,75,902)		
Tata Money Market Fund	182.37	119.76
(No. of units- 31st March, 2018: 6,68,769, 31st March, 2017: 4,68,952)		
UTI Liquid Cash Plan - Growth	40.95	1.81
(No. of units- 31st March, 2018: 1,44,348, 31st March, 2017: 6,822)		
	680.66	664.27
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	680.66	664.27
	680.66	664.27
Aggregate amount of impairment in value of investments	-	-
Aggregate amount of market value of quoted investments	-	-

include ₹89.14 Crore (31st March, 2017- ₹66.10 Crore) on which a lien has been created in favour of lenders

NOTE 14 : TRADE RECEIVABLES

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Trade receivables		
Secured - Considered good	453.94	390.41
Unsecured - Considered good	676.51	584.64
- Considered doubtful	135.93	129.48
	1,266.38	1,104.53
Less: Allowance for bad and doubtful debts	135.93	129.48
	1,130.45	975.05

Footnotes:
1. Refer note 55 for credit risk related disclosures.
2. Refer note 23 for charge on current assets including trade receivables.

NOTE 15 : CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Balances with banks		
Balance in current accounts	133.26	99.31
Balance in fixed deposit accounts (original maturity of less than three months)	1.03	1.68
	134.29	100.99
Cheques, drafts on hand	1.61	1.06
Cash on hand	0.60	0.80
	136.50	102.85

NOTE 16 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Unpaid dividend accounts	8.11	7.81
Unpaid fractional coupon accounts	0.34	0.33
Balance in fixed deposit accounts (maturity of more than three months but less than twelve months)	172.60	158.35
	181.05	166.49

NOTE 17 : CURRENT LOANS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Security deposits	16.31	3.99
	16.31	3.99

NOTE 18 : OTHER CURRENT FINANCIAL ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Inter-corporate deposits #	155.00	325.00
Interest accrued on non-current investments	0.10	0.10
Interest accrued on deposits	11.35	19.23
Unbilled revenue	484.97	320.13
	651.42	664.46
Other advances / receivables		
Considered good	99.63	8.66
Considered doubtful	6.06	6.06
	105.69	14.72
Less : Allowance for doubtful advances	6.06	6.06
	99.63	8.66
	751.05	673.12

include ₹155 Crore (31st March, 2017- ₹300 Crore) on which a lien has been created in favour of lenders

NOTE 19 : CURRENT TAX ASSETS

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Advance tax & tax deducted at source (Net of provision for income tax)	-	0.09
	-	0.09

NOTE 20 : OTHER CURRENT ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Advances for goods and services	63.05	44.53
Balances with government authorities	3.06	3.97
Prepaid expenses	10.32	9.27
Unamortised premium for leasehold land	5.73	5.72
	82.16	63.49

NOTE 21 : EQUITY SHARE CAPITAL

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Authorised		
4,37,00,00,000 (4,37,00,00,000 as at 31st March, 2017) equity shares of ₹10 each	4,370.00	4,370.00
	4,370.00	4,370.00
Issued, subscribed and paid up		
48,06,16,784 (48,06,16,784 as at 31st March, 2017) equity shares of ₹10 each	480.62	480.62
	480.62	480.62

1. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year :

	No. of shares As at 31st March, 2018	No. of shares As at 31st March, 2017
At the beginning of the year	48,06,16,784	48,06,16,784
Issued during the year	-	-
Outstanding at the end of the year	48,06,16,784	48,06,16,784

2. 25,74,22,311 equity shares (25,74,22,311 equity shares as at 31st March, 2017) of ₹10 each fully paid up are held by the Parent Company - Torrent Private Limited.

3. Terms / Rights attached to equity shares :

   The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.The dividend,if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

   In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

4. Details of shareholders holding more than 5% shares in the Company :

Name of the Shareholder	As at 31st March, 2018		As at 31st March, 2017	
	No. of shares	% holding	No. of shares	% holding
Torrent Private Limited	25,74,22,311	53.56%	25,74,22,311	53.56%
Gujarat State Investment Limited	4,68,71,621	9.75%	4,68,71,621	9.75%
Life Insurance Corporation of India	2,83,83,394	5.91%	2,98,86,827	6.22%

5. Aggregate number of equity shares allotted as fully paid up pursuant to contract(s) without payment being received in cash :

   During FY 2015-16, the Company has allotted 81,68,476 equity shares of ₹10 each at par to the shareholders of Torrent Cables Limited pursuant to the scheme of amalgamation of Torrent Energy Limited and Torrent Cables Limited with Torrent Power Limited as approved by the Hon'ble Gujarat High Court vide its order dated 13th August, 2015.

6. Distributions made and proposed:

   The amount of per share dividend distributed to equity shareholders during the year ended 31st March, 2018 is ₹2.20 (Previous year- ₹ Nil) per equity share, being the final dividend declared for the year ended 31st March, 2017.

   The Board of Directors at its meeting held on 29th May, 2018 have recommended a dividend of 50.00% (₹5.00 per equity share of par value ₹10 each).The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting and if approved, would result in a cash outflow of approximately ₹289.71 Crore (inclusive of dividend distribution tax of ₹49.40 Crore).

NOTE 22 : OTHER EQUITY

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Reserves and surplus		
Securities premium reserve	0.03	0.03
Debenture redemption reserve	163.68	129.46
Contingency reserve	7.95	6.24
Special reserve	78.07	78.07
General reserve	3,583.89	3,583.89
Retained earnings	3,405.29	2,613.78
	7,238.91	6,411.47

Footnotes:

1. Securities premium reserve:

   Securities premium reserve reflects issuance of the shares by the Company at a premium, whether for cash or otherwise i.e. a sum equal to the aggregate amount of the premium received on shares is transferred to a "securities premium account" as per the provisions of the Companies Act, 2013. The reserve is utilised in accordance with the provisions of the Act.

2. Debenture redemption reserve:

   The Company has issued redeemable non-convertible debentures. Consequently, the Company is required under the Companies (Share capital and Debentures) Rules, 2014 (as amended), to create Debenture redemption reserve (DRR), equal to 25% of the value of debentures, out of profits of the Company available for payment of dividend. The Company creates DRR, for the required amount, over the tenure of the debentures, before redemption begins.

3. Contingency reserve:

   As per the provisions of GERC MYT Regulations read with Tariff orders passed by GERC, the Company being a Distribution Licensee makes an appropriation to the contingency reserve to meet with certain exigencies. Investments in Bonds issued by Government of India have been made against such reserve.

4. Special reserve:

   As per MYT Regulations (2007), the Company has created a reserve in FY 2011-12 and FY 2012-13, which represents one third amount of controllable gain shall be retained in a special reserve by the Generating Company or Licensee for the purpose of absorbing the impact of any future losses on account of controllable factors.

5. General reserve:

   General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. The general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

6. Retained earnings:

   The retained earnings reflect the profit of the Company earned till date net of appropriations. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve, after considering the requirements of the Companies Act, 2013.

NOTE 23 : NON-CURRENT BORROWINGS

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Non-current borrowings @		
Secured loans - at amortised cost		
Non convertible debentures		
10.35% Series 1	550.00	550.00
10.35% Series 2A, 2B & 2C	300.00	300.00
8.95% Series 3A, 3B & 3C	245.00	245.00
	1,095.00	1,095.00
Term loans		
From banks	7,444.24	7,070.12
	7,444.24	7,070.12
	8,539.24	8,165.12
Unsecured loans - at amortised cost		
Term loans		
From Government of India under Accelerated Power Development and Reform Programme (APDRP)	24.46	28.28
	24.46	28.28
	8,563.70	8,193.40
@ After considering unamortised expense of ₹34.31 Crore as at 31st March, 2018 and ₹36.84 Crore as at 31st March, 2017.		
Current maturities $		
Secured loans - at amortised cost		
Term loans		
From banks	730.57	494.30
	730.57	494.30
Unsecured loans - at amortised cost		
Term loans		
From Government of India under Accelerated Power Development and Reform Programme (APDRP)	3.82	3.82
	3.82	3.82
	734.39	498.12
Amount disclosed under the head 'Other current financial liabilities' [Refer note 30]	(734.39)	(498.12)
	-	-

$ After considering unamortised expense of ₹4.78 Crore as at 31st March, 2018 and ₹4.55 Crore as at 31st March, 2017.

Footnote:

1. Nature of security

   The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for term loans of ₹8,132.24 Crore and non convertible debentures of ₹1,095.00 Crore.

   Amount of term loan of ₹81.66 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 24 : NON-CURRENT TRADE PAYABLES

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Trade payables for goods and services	94.64	53.36
	94.64	53.36

NOTE 25 : OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Security deposits from consumers	955.95	863.16
Payables on purchase of property, plant and equipment	0.42	0.22
Sundry payables	0.07	0.38
	956.44	863.76

NOTE 26 : NON-CURRENT PROVISIONS

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Provision for employee benefits		
Provision for gratuity [Refer note 47.2(d)]	-	7.35
Provision for compensated absences	79.05	88.63
	79.05	95.98

NOTE 27 : OTHER NON-CURRENT LIABILITIES

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Deferred revenue		
Contribution received from consumers	858.03	798.28
Capital grant from government	24.31	27.02
	882.34	825.30

NOTE 28 : CURRENT BORROWINGS

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Secured loans		
Cash credit from banks	-	76.62
	-	76.62

Footnote:

1. The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for working capital facilities and by way of second pari passu charge in favour of lenders for hedge facility.

Net debt reconciliation :

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Cash and cash equivalents	136.50	102.85
Current investments	680.66	664.27
Current borrowings	-	(76.62)
Non-current borrowings (including current maturities and interest accrued)	(9,360.74)	(8,735.06)
	(8,543.58)	(8,044.56)

	Other assets		Liabilities from financing activities		Total
	Cash and cash equivalent	Current investment	Current borrowing	Non-current borrowing	
Net balance as at 31st March, 2017	102.85	664.27	(76.62)	(8,735.06)	(8,044.56)
Cash flows	33.65	7.91	76.62	(604.26)	(486.08)
Interest expense	-	-	(0.06)	(776.52)	(776.58)
Interest paid	-	-	0.06	755.10	755.16
Fair value adjustment	-	8.48	-	-	8.48
Net balance as at 31st March, 2018	136.50	680.66	-	(9,360.74)	(8,543.58)

NOTE 29 : CURRENT TRADE PAYABLES

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Trade payables for goods and services		
Due to micro and small enterprises #	18.34	7.06
Due to others	640.37	726.73
	658.71	733.79

Amount due to micro and small enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) have been determined based on the information available with the Company.

NOTE 30 : OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Current maturities of long-term debt [Refer note 23]	734.39	498.12
Interest accrued but not due on loans and security deposits	23.56	2.15
Investor education and protection fund #		
Unpaid / Unclaimed dividend	8.11	7.81
Unclaimed fractional coupons	0.34	0.33
Book overdraft	34.06	25.17
Security deposits from consumers	25.39	16.30
Other deposits	3.69	3.20
Payables on purchase of property, plant and equipment	496.17	503.30
Sundry payables (including for employees related payables)	157.21	92.36
	1,482.92	1,148.74

There is no amount due and outstanding to be credited to investor education and protection fund as at 31st March, 2018.

NOTE 31 : OTHER CURRENT LIABILITIES

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Credit balances of consumers	59.46	62.98
Service line deposits from consumers	239.88	174.19
Deferred revenue		
Contribution received from consumers	58.76	52.23
Capital grant from government	2.71	2.71
Statutory dues	45.67	22.94
Sundry payables (including for electricity duty payable)	171.04	157.42
	577.52	472.47

NOTE 32 : CURRENT PROVISIONS

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Provision for employee benefits		
Provision for gratuity [Refer note 47.2(d)]	11.05	22.92
Provision for compensated absences	20.60	21.00
	31.65	43.92
Other provisions		
Provision for indirect taxes	0.18	0.23
	31.83	44.15
Movement in provision for indirect taxes		
Balance as on 1st April, 2017	0.23	
Reduction arising from payments	(0.05)	
Balance as on 31st March, 2018	0.18	

NOTE 33 : CURRENT TAX LIABILITIES

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Provision for taxation (net of advance tax and tax deducted at source)	26.55	27.61
	26.55	27.61

NOTE 34 : REVENUE FROM OPERATIONS

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Revenue from power supply	10,962.38	9,549.01
Revenue from sale of cable products (including excise duty)		
Manufactured goods	286.82	260.26
Traded goods	0.07	0.49
	11,249.27	9,809.76
Less: Discount for prompt payment of bills	15.68	11.39
	11,233.59	9,798.37
Other operating income		
Street lighting maintenance contracts	-	0.49
Cable laying service	0.04	2.40
Hire of meters	52.26	51.05
Provision of earlier years written back	8.04	25.71
Insurance claim receipt	1.35	9.09
Amortisation of deferred revenue		
Contribution received from consumers	54.25	48.86
Capital grant from government	2.71	2.71
Income from Certified Emission Reduction (CERs)	3.40	-
Income from Renewable Energy Certificate and Generation Based Incentive	31.73	7.92
Revenue from sale of RLNG	55.99	-
Miscellaneous income	68.73	53.50
	278.50	201.73
	11,512.09	10,000.10

NOTE 35 : OTHER INCOME

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Interest income from financial assets at amortised cost		
Deposits	27.82	49.29
Consumers	21.21	26.14
Contingency reserve investments	0.60	0.48
Others	19.62	2.24
	69.25	78.15
Rent income from investment property [Refer note 5]	1.05	1.32
Gain on disposal of property, plant and equipment / investment property	54.97	2.67
Profit on sale of current investments in mutual funds	44.57	60.77
Net gain arising on financial assets / liabilities measured at amortised cost	14.39	-
Net gain / (loss) arising on current investments in mutual funds measured at fair value through profit or loss	8.48	0.63
Net gain on foreign currency transactions	0.76	18.04
Miscellaneous income	70.08	29.30
	263.55	190.88

NOTE 36 : COST OF MATERIALS CONSUMED

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Cost of materials consumed	323.79	299.43
Less: Allocated to capital works	90.35	102.87
	233.44	196.56

NOTE 37 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Inventory of finished goods		
Opening stock	7.44	3.54
Less: Closing stock	6.44	7.44
	1.00	(3.90)
Less: Increase / (decrease) in excise duty on movement of finished goods inventory	0.32	0.16
	0.68	(4.06)
Inventory of work-in-progress		
Opening stock	6.50	6.26
Less: Closing stock	5.93	6.50
	0.57	(0.24)
	1.25	(4.30)

NOTE 38 : EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Salaries, wages and bonus	556.28	480.23
Contribution to provident and other funds [Refer note 47.1]	33.54	31.50
Employees welfare expenses	20.83	20.98
Compensated absences	4.94	20.57
Gratuity [Refer note 47.2(e)(3)]	32.22	14.23
	647.81	567.51
Less: Allocated to capital works, repairs and other relevant revenue accounts	180.78	150.32
	467.03	417.19

NOTE 39 : FINANCE COSTS

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Interest expense for financial liabilities not classified as fair value through profit or loss		
Term loans	666.62	870.05
Non convertible debentures	109.90	88.04
Working capital loans	0.06	0.03
Security deposits from consumers	59.51	61.61
Others	3.04	0.19
Other borrowing costs	8.47	11.15
Amotisation of borrowing costs	4.65	11.47
Unwinding of discount	-	22.16
	852.25	1,064.70
Less: Allocated to capital works	4.06	6.72
	848.19	1,057.98

NOTE 40 : DEPRECIATION, AMORTIZATION EXPENSE AND IMPAIRMENT LOSS

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Depreciation expense and impairment loss on property, plant and equipment	1,130.58	1,004.09
Amortization expense on intangible assets	3.44	4.72
	1,134.02	1,008.81
Less: Transfer from others	0.09	0.20
Less: Allocated to capital works	2.43	2.75
	1,131.50	1,005.86

NOTE 41 : OTHER EXPENSES

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Consumption of stores and spares	171.57	144.77
Consumption of packing materials	-	0.38
Rent and hire charges	19.26	17.07
Repairs to		
Buildings	12.28	12.00
Plant and machinery	315.54	281.51
Others	16.41	12.62
	344.23	306.13
Insurance	19.85	19.39
Rates and taxes	9.83	9.94
Excise duty	9.92	40.50
Corporate social responsibility expenses [Refer note 49]	15.69	14.73
Vehicle running expenses	30.64	28.87
Electricity expenses	27.13	28.21
Security expenses	38.63	32.75
Water charges	16.66	15.23
Loss on sale / discarding of property, plant and equipment	31.07	12.18
Commission to non-executive directors	1.29	1.33
Directors sitting fees	0.90	0.99
Auditors remuneration [Refer note 48]	0.97	2.63
Legal, professional and consultancy fees	35.66	31.89
Donations	17.68	16.83
Net loss on foreign currency transactions	31.99	0.03
Goodwill / non-current investment written off	0.02	10.00
Bad debts written off (net)	3.32	14.38
Allowance for doubtful advances	-	3.74
Allowance for doubtful debts (net)	6.45	(0.26)
Miscellaneous expenses	117.48	105.99
	950.24	857.70
Less: Allocated to capital works, repairs and other relevant revenue accounts	79.14	87.73
	871.10	769.97

NOTE 42: COMPOSITION OF THE GROUP

(a) Subsidiaries

(1) Details of the Company's subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Company	
			As at 31st March, 2018	As at 31st March, 2017
Torrent Solargen Limited	Power Generation	India	100%	100%
Torrent Pipavav Generation Limited	Power Generation	India	95%	95%
Torrent Power Grid Limited	Transmission of Power	India	74%	74%
Latur Renewable Private Limited (w.e.f. 29th January, 2018)	Power Generation	India	100%	-
Jodhpur Wind Farms Private Limited (w.e.f. 29th January, 2018)	Power Generation	India	100%	-

(2) Disclosure of additional information pertaining to the Parent Company and its Subsidiaries as per Schedule III of Companies Act, 2013 as at and year ended 31st March, 2018:

Name of the entity in the Group	Consolidated net assets i.e total assets minus total liabilities		Consolidated share in profit or loss		Consolidated share in other comprehensive income		Consolidated share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Crore)	As % of consolidated profit	Amount (₹ in Crore)	As % of consolidated other comprehensive income	Amount (₹ in Crore)	As % of consolidated total comprehensive income	Amount (₹ in Crore)
Torrent Power Limited-Parent Company	99.19%	7,692.69	96.81%	921.74	99.95%	13.33	96.85%	935.07
Torrent Solargen Limited	1.09%	84.22	0.40%	3.80	-	-	0.39%	3.80
Torrent Pipavav Generation Limited	0.46%	36.02	(1.05)%	(9.95)	-	-	(1.03)%	(9.95)
Torrent Power Grid Limited	1.25%	96.76	3.09%	29.40	0.04%	0.01	3.05%	29.40
Latur Renewable Private Limited	(0.05)%	(3.67)	(0.39)%	(3.67)	-	-	(0.38)%	(3.67)
Jodhpur Wind Farms Private Limited	(0.05)%	(3.78)	(0.40)%	(3.78)	-	-	(0.39)%	(3.78)
Non-controlling interests	0.46%	35.92	1.03%	9.81	0.01%	*	1.02%	9.81
Consolidation adjustments	(2.35)%	(182.71)	0.50%	4.77	-	-	0.49%	4.77
Total	100.00%	7,755.45	100.00%	952.12	100.00%	13.34	100.00%	965.46

NOTE 42: COMPOSITION OF THE GROUP (Contd.)

(b) Associates

Details of the Company's associates at the end of the reporting period are as follows:

Name of associate	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Company		Quoted fair value	Carrying amount as at 31st March, 2018
			As at 31st March, 2018	As at 31st March, 2017		
Wind Two Renergy Private Limited (w.e.f. 12th December, 2017)	Power Generation	India	0%	-	Unlisted	#
Wind Four Renergy Private Limited (w.e.f. 12th December, 2017)	Power Generation	India	0%	-	Unlisted	#
Wind Five Renergy Private Limited (w.e.f. 12th December, 2017)	Power Generation	India	0%	-	Unlisted	#
Nani Virani Wind Energy Private Limited (w.e.f. 9th March, 2018)	Power Generation	India	0%	-	Unlisted	$
Ravapar Wind Energy Private Limited (w.e.f. 9th March, 2018)	Power Generation	India	0%	-	Unlisted	$
Khatiyu Wind Energy Private Limited (w.e.f. 9th March, 2018)	Power Generation	India	0%	-	Unlisted	$

The Company has made investments in the above three entities in the form of secured redeemable (with premium) non-convertible debentures and does not hold any equity investments. To protect the investment aggregating to ₹182.40 Crores made by the Company, the Company has acquired certain rights which include the right to nominate directors on the board. Considering the above facts and based on the requirements of Ind AS, the investments in aforesaid entities have been classified as Investments in associates. As the Company does not have any equity interest, the Company does not have any share in the profit, loss or comprehensive income of the entities and accordingly, there is no impact on the Consolidated Statement of Profit and Loss and the aforesaid investments in redeemable debentures of ₹182.40 Crores have been carried at amortized cost.

$ The Company is going to make investments in the above three entities in the form of secured redeemable (with premium) non-convertible debentures and does not hold any equity investments. To protect the investment, the Company has acquired certain rights which include the right to nominate directors on the board. Considering the above facts and based on the requirements of Ind AS, the above entities have been classified as Investments in associates.

Refer note 45(c) for investment commitment in the above associates.

NOTE 43:

Torrent Pipavav Generation Limited ("TPGL"), a subsidiary of the Company, had paid for acquisition of land in Amreli, Gujarat for the purpose of developing a coal based power plant of 1,000+ MW. Due to non-availability of fuel linkage, the Government of Gujarat has communicated during the year that the said project may not be developed and accordingly, the joint venture between Torrent Power Limited and Gujarat Power Corporation Limited is intended to be dissolved. The cost of land would be reimbursed through disposal by the State Government.

Consequentially, the capital work in progress balances, not recoverable, has been written off and the necessary adjustments have been made to the carrying value of assets and liabilities to reflect them at their net realisable values or cost whichever is lower.

NOTE 44: INCOME TAX EXPENSE

(a) Income tax expense recognised in statement of profit and loss

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Current tax		
Current tax on profits for the year	317.30	130.30
Adjustment for current tax of prior periods	(4.82)	(6.35)
	312.48	123.95
Deferred tax (other than disclosed under OCI)		
Decrease / (increase) in deferred tax assets	(129.90)	(155.07)
(Decrease) / increase in deferred tax liabilities	266.29	188.67
	136.39	33.60
Income tax expense attributable to continuing operations	448.87	157.55

(b) Reconciliation of current tax

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Profit before tax	1,400.99	587.34
Expected income tax expense calculated using tax rate at 34.608% (Previous year - 34.608%)	484.85	203.27
Adjustment to reconcile expected income tax expense to reported income tax expense:		
Effect of:		
Expenditure not deductible under Income Tax Act	21.02	14.77
Tax incentives	(11.41)	(89.01)
Unabsorbed depreciation / tax credits and other items	(59.38)	34.71
Different tax rates of subsidiaries	1.57	(0.09)
Impact of enacted income tax rate on deferred tax balance	17.04	0.25
Total	453.69	163.90
Adjustment for current tax of prior periods	(4.82)	(6.35)
Total expense as per statement of profit and loss	448.87	157.55

The tax rate used for the reconciliations given above is the actual / enacted corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.

(c) Income tax recognised in other comprehensive income

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Deferred tax		
Re-measurement of defined benefit obligation (Items that will not be reclassified to profit or loss)	20.50	(9.75)
Income tax expense / (income) recognised in other comprehensive income	7.16	(3.38)

NOTE 44: INCOME TAX EXPENSE (Contd.)

(d) Deferred tax balances

(1) The following is the analysis of deferred tax assets / (liabilities) presented in the balance sheet

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Deferred tax assets	626.58	503.83
Deferred tax liabilities	(2,106.46)	(1,840.16)
	(1,479.88)	(1,336.33)
Disclosed as deferred tax assets (net)	3.06	-
Disclosed as deferred tax liabilities (net)	(1,482.94)	(1,336.33)
	(1,479.88)	(1,336.33)

(2) Movement of deferred tax assets / (liabilities)

Deferred tax assets / (liabilities) in relation to the year ended 31st March, 2018

(₹ in Crore)

	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, plant and equipment	(1,835.11)	(258.47)	-	(2,093.58)
Expense allowable for tax purposes when paid	58.30	7.19	(7.16)	58.33
Tax effect on fair value change in financial instruments and unamortised cost	(5.05)	(7.83)	-	(12.88)
Unabsorbed depreciation / Minimum Alternate Tax (MAT) credit entitlement	445.53	122.72	-	568.25
	(1,336.33)	(136.39)	(7.16)	(1,479.88)

Deferred tax assets / (liabilities) in relation to the year ended 31st March, 2017

(₹ in Crore)

	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, plant and equipment	(1,644.71)	(190.40)	-	(1,835.11)
Expense allowable for tax purposes when paid	31.35	23.57	3.38	58.30
Tax effect on fair value change in financial instruments and unamortised cost	(6.78)	1.73	-	(5.05)
Unabsorbed depreciation / Minimum Alternate Tax (MAT) credit entitlement	314.03	131.50	-	445.53
	(1,306.11)	(33.60)	3.38	(1,336.33)

(3) Unrecognised deferred tax assets

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Unused tax losses	146.09	41.63
Unused tax credits	827.64	1,076.95
	973.73	1,118.58

NOTE 45: CONTINGENT LIABILITIES, CONTINGENT ASSETS AND CAPITAL COMMITMENTS

(a) Contingent liabilities

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Disputed income tax matters	29.32	30.89
Disputed sales tax matters	4.29	4.29
Disputed custom duty matters	18.50	18.50
Disputed excise duty matters	2.45	2.45
Disputed stamp duty matters	0.35	0.35
Disputed VAT matters	3.11	3.11
Disputed CST matters	2.55	2.55
Claims against the Group not acknowledged as debt	28.30	16.42

Footnote:
In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute. No reimbursement is expected.

(b) Contingent assets

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Coal grade slippage claim	16.02	13.16
	16.02	13.16

(c) Capital commitments

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
Property, plant and equipment	2,219.98	611.80
Other commitments		
Investment in associates	350.10	-

NOTE 46 : OPERATING LEASE

The Group's significant leasing arrangements, other than land, are in respect of residential flats, office premises, plant and machinery and equipment taken on lease. The arrangements range between 11 months and 10 years generally and are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally refundable interest free deposits have been given. The Group has not entered into any material financial lease. The Group does not have any non-cancellable lease.

Leasing arrangements with respect to land range between 25 years to 99 years.

NOTE 47: EMLOYEE BENEFIT PLANS

47.1 Defined contribution plan:

The Group operates defined contribution retirement benefit plans for all qualifying employees.

The Group's contribution to provident fund, superannuation fund and employee state insurance scheme are determined under the relevant schemes and / or statute and charged to the statement of profit or loss.

The Group's contribution to provident fund and superannuation fund aggregating to ₹33.54 Crore (Previous year - ₹31.50 Crore) has been recognised in the statement of profit and loss under the head employee benefits expense [Refer note 38].

NOTE 47: EMLOYEE BENEFIT PLANS (Contd.)

47.2 Defined benefit plans:

(a) **Gratuity**

The Group operates a gratuity plan covering all its employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Group scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Group. In case of death while in service, the gratuity is payable irrespective of vesting.

The Group makes annual contribution to the gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund. The liability in respect of plan is determined on the basis of an actuarial valuation.

(b) **Risk exposure to defined benefit plans**

The plans typically expose the Group to actuarial risks such as: asset volatility, interest rate risk, longevity risk and salary risk as described below :

Asset volatility

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31st March, 2018. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(c) **Significant assumptions**

The principal assumptions used for the purposes of the actuarial valuations were as follows.

	As at 31st March, 2018	As at 31st March, 2017
Discount rate	7.78%	7.20%
Salary escalation rate	8.50%	8.50%

NOTE 47: EMLOYEE BENEFIT PLANS (Contd.)

(d) **The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plans is as follows :**

Balances of defined benefit plan

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Present value of funded defined benefit obligation	239.34	236.73
Fair value of plan assets	228.29	206.46
Net (asset) / liability [Refer note 26 and 32]	11.05	30.27

(e) **Expenses recognised for defined benefit plan and movement of plan assets and liabilities**

Following is the amount recognised in statement of profit and loss, other comprehensive income, movement in defined benefit liability and movement in plan assets :

(₹ in Crore)

		Funded plan - Gratuity	
		As at 31st March, 2018	As at 31st March, 2017
(1)	**Movements in the present value of the defined benefit obligation:**		
	Obligation at the beginning of the year	236.73	221.03
	Current service cost	12.23	12.63
	Past service cost	17.81	-
	Interest cost	17.04	17.68
	Actuarial (gains) / losses from changes in demographic assumptions	(4.33)	-
	Actuarial (gains) / losses arising changes in financial assumptions	(8.08)	13.03
	Actuarial (gains) / losses from experience adjustments	(5.73)	(2.33)
	Liability transferred in	0.01	0.44
	Liability transferred out	(0.08)	(0.18)
	Benefits paid directly by employer	(1.42)	(2.32)
	Benefits paid	(24.84)	(23.25)
	Obligation at the end of the year	239.34	236.73
(2)	**Movements in the fair value of the plan assets:**		
	Plan assets at the beginning of the year, at fair value	206.46	201.10
	Interest income	14.86	16.08
	Return on plan assets (excluding interest income)	2.36	0.95
	Contributions	29.45	11.58
	Benefits paid	(24.84)	(23.25)
	Plan assets at the end of the year, at fair value	228.29	206.46
(3)	**Gratuity cost recognized in the statement of profit and loss**		
	Current service cost	12.23	12.63
	Interest cost, net	2.18	1.60
	Past service cost	17.81	-
	Net gratuity cost recognized in the statement of profit and loss [Refer note 38]	32.22	14.23
(4)	**Gratuity cost recognized in the other comprehensive income (OCI)**		
	Return on plan assets, excluding interest income	(2.36)	(0.95)
	Actuarial (gains) / losses on obligation for the period	(18.14)	10.70
	Net (income) / expense for the year recognized in OCI	(20.50)	9.75

NOTE 47: EMLOYEE BENEFIT PLANS (Contd.)

(f) **Category wise plan assets**

Contributions to fund the obligations under the gratuity plan are made to the Life Insurance Corporation of India.

(g) **Sensitivity analysis**

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ in Crore)

Change in assumptions	As at 31st March, 2018	As at 31st March, 2017
Impact on defined benefit obligation of gratuity		
50 basis points increase in discount rate	(6.62)	(8.33)
50 basis points decrease in discount rate	7.09	8.99
50 basis points increase in salary escalation rate	6.43	11.73
50 basis points decrease in salary escalation rate	(7.17)	(5.64)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

(h) The weighted average duration of the gratuity plan based on average future service is 13 years (Previous year - 16 years).

(i) Expected contributions to the plan for the next annual reporting period is ₹11.05 Crore (Previous year - ₹30.27 Crore).

(j) **Cash flow projection from the fund**

Projected benefits payable in future years from the date of reporting

(₹ in Crore)

	Funded Plan - Gratuity	
	As at 31st March, 2018	As at 31st March, 2017
1st following year	37.72	26.89
2nd following year	21.58	18.36
3rd following year	30.24	23.81
4th following year	32.75	23.36
5th following year	28.70	26.61
sum of years 6 to 10th	96.54	101.63

47.3 Other long-term employee benefit obligations:

The leave obligation covers the Group's liability for sick and earned leave. Under these compensated absences plans, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation; at the rate of daily salary, as per accumulation of leave days as at the end of relevant period. Refer notes 26, 32 and 38 with respect to item of balance sheet and profit or loss where such provision / charge has been presented.

NOTE 48: AUDITORS REMUNERATION (INCLUDING TAXES)

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
As auditor		
Audit fees	0.81	1.14
Other services- certificates etc.	0.07	1.35
Reimbursement of expenses	0.09	0.14
	0.97	2.63

NOTE 49: CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
(a) Gross amount required to be spent by the Group	15.76	13.86
(b) Amount spent during the year on		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above [Refer note 41]	15.85	14.26
	15.85	14.26
(c) Contribution to section 8 related companies, included in (b) above, in relation to CSR expenditure		
(i) Tornascent Care Institute	8.66	9.82
(ii) UNM Foundation	2.87	2.10
	11.53	11.92

NOTE 50: DONATIONS INCLUDE POLITICAL CONTRIBUTIONS AS UNDER

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Prudent Electoral Trust (earlier known as "Satya Electoral Trust")	10.00	10.50
	10.00	10.50

NOTE 51: EARNINGS PER SHARE

	Year ended 31st March, 2018	Year ended 31st March, 2017
Basic earnings per share (₹)	19.61	8.93
Diluted earnings per share (₹)	19.61	8.93

Basic and diluted earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:

	Year ended 31st March, 2018	Year ended 31st March, 2017
Profit for the year attributable to the Group used in calculation of basic earnings per share (₹ in Crore)	942.31	428.95
Weighted average number of equity shares	48,06,16,784	48,06,16,784

The Company does not have any dilutive potential ordinary shares and therefore diluted earnings per share is the same as basic earnings per share.

NOTE 52: IMPAIRMENT ASSESSMENT OF DGEN POWER PLANT

The 1200 MW gas based power plant located at Dahej, India (DGEN), started commercial operations from November 2014. During FY 2015-16, Torrent Power Limited (the "Company") operated DGEN for intermittent periods. It did not operate the plant in subsequent periods and maintained it in cold standby mode for immediate start-up, as and when required.

In the last 3 years lot of new LNG capacity has been commissioned across the world. This is also expected to continue for next couple of years as a result of which the LNG market will remain well supplied. Further, it is also expected that the domestic gas supply will also increase in the coming years and the power demand in the country would grow in view of GDP growth projections and various initiatives launched by Government of India. The combination of these factors is expected to improve the availability of LNG and the economic viability of DGEN, based on which the estimated value in use does not indicate any requirement for impairment provision in the carrying amount of the fixed assets of ₹4,439.01 Crore relating to the DGEN plant as at 31st March, 2018.

NOTE 53: OPERATING SEGMENT

The Chief Operating Decision Maker (CODM) evaluates the Group's performance and applies the resources to whole of the Group business viz. "Generation, Transmission and Distribution of Power" as an integrated utility. Further, the Group's cable business is not a reportable segment in terms of revenue, profit, assets and liabilities. Hence the Group does not have any reportable segment as per Ind AS - 108 "Operating Segments".

NOTE 54: RELATED PARTY DISCLOSURES

(a) Names of related parties and description of relationship

1.	Parent Company	Torrent Private Limited
2.	Associates	Power Grid Corporation of India Limited, Wind Two Renergy Private Limited (w.e.f. 12th December, 2017), Wind Four Renergy Private Limited (w.e.f. 12th December, 2017), Wind Five Renergy Private Limited (w.e.f. 12th December, 2017), Nani Virani Wind Energy Private Limited (w.e.f. 9th March, 2018), Ravapar Wind Energy Private Limited (w.e.f. 9th March, 2018), Khatiyu Wind Energy Private Limited (w.e.f. 9th March, 2018)
3.	Employee benefits plans*	TPL (Ahmedabad) Gratuity Trust, TPL (Ahmedabad) Superannuation Fund, TPL (Surat) Gratuity Trust, TPL (Surat) Superannuation Fund, TPL (SUGEN) Gratuity Trust, TPL (SUGEN) Superannuation Fund, TPG Gratuity Trust, TPG Superannuation Fund, TPL (DGEN) Gratuity Trust (formerly known as TEL Gratuity Trust), TPL (DGEN) Superannuation Fund (formerly known as TEL Superannuation Fund)
4.	Key management personnel	Sudhir Mehta Samir Mehta Markand Bhatt Jinal Mehta
5.	Non-executive directors	Pankaj Patel Samir Barua Kiran Karnik Keki Mistry R. Ravichandran (upto 1st August, 2017) Bhavna Doshi Dharmishta Raval P. K. Taneja (upto 23rd May, 2017) Pankaj Joshi (w.e.f. 23rd May, 2017)
6.	Relatives of key management personnel*	Varun Mehta, Aman Mehta
7.	Enterprise controlled by relatives of key management personnel*	Munjal Bhatt Architects
8.	Other entities where the Company has 50% voting right / enterprises controlled by the Parent Company*	Tornascent Care Institute, UNM Foundation, Torrent Pharmaceuticals Limited, Torrent Power Services Private Limited

* where transactions have taken place during the year and / or previous year or where balances are outstanding

NOTE 54: RELATED PARTY DISCLOSURES (Contd.)

(b) Related party transactions

(₹ in Crore)

	Associates		Employee benefits plans		Key management personnel / non-executive directors		Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the Company has 50% voting right / enterprises controlled by the Parent Company		Total	
	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17
Nature of transactions										
Purchase / (return) of materials	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(0.08)**	**-**	**(0.08)**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	(0.08)	-	(0.08)
Sale of cables	**-**	**-**	**-**	**-**	**-**	**-**	**0.14**	**0.03**	**0.14**	**0.03**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	0.14	0.03	0.14	0.03
Sale of investment property	**-**	**-**	**-**	**-**	**-**	**-**	**45.00**	**-**	**45.00**	**-**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	45.00	-	45.00	-
Transfer of gratuity / leave liability to / (from)	**-**	**-**	**-**	**-**	**-**	**-**	**0.13**	**0.37**	**0.13**	**0.37**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	0.05	0.34	0.05	0.34
UNM Foundation	-	-	-	-	-	-	*	0.03	*	0.03
Tornascent Care Institute	-	-	-	-	-	-	0.08	-	0.08	-
Services provided (rent income including tax)	**-**	**-**	**-**	**-**	**-**	**-**	**1.25**	**1.52**	**1.25**	**1.52**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	1.23	1.52	1.23	1.52
UNM Foundation	-	-	-	-	-	-	0.01	*	0.01	*
Tornascent Care Institute	-	-	-	-	-	-	0.01	*	0.01	*
Torrent Power Services Private Ltd.	-	-	-	-	-	-	0.01	*	0.01	*
Services received / remuneration paid	**1.56**	**1.47**	**-**	**-**	**-**	**-**	**1.09**	**1.36**	**2.65**	**2.83**
Munjal Bhatt Architects	-	-	-	-	-	-	0.62	0.82	0.62	0.82
Power Grid Corporation of India Ltd.	1.56	1.47	-	-	-	-	-	-	1.56	1.47
Aman Mehta	-	-	-	-	-	-	*	0.01	*	0.01
Varun Mehta	-	-	-	-	-	-	0.47	0.53	0.47	0.53
Transmission income	**62.14**	**38.78**	**-**	**-**	**-**	**-**	**-**	**-**	**62.14**	**38.78**
Power Grid Corporation of India Ltd.	62.14	38.78	-	-	-	-	-	-	62.14	38.78
Shared expenditure charged to	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.01**	**-**	**0.01**
UNM Foundation	-	-	-	-	-	-	-	0.01	-	0.01
Managerial remuneration@	**-**	**-**	**-**	**-**	**66.59**	**36.72**	**-**	**-**	**66.59**	**36.72**
Sudhir Mehta	-	-	-	-	10.00	5.04	-	-	10.00	5.04
Samir Mehta	-	-	-	-	10.00	5.00	-	-	10.00	5.00
Markand Bhatt	-	-	-	-	39.00	21.00	-	-	39.00	21.00
Jinal Mehta	-	-	-	-	7.59	5.68	-	-	7.59	5.68
Commission to non-executive directors^	**-**	**-**	**-**	**-**	**1.11**	**1.17**	**-**	**-**	**1.11**	**1.17**
Samir Barua	-	-	-	-	0.19	0.17	-	-	0.19	0.17
Kiran Karnik	-	-	-	-	0.16	0.17	-	-	0.16	0.17
Keki Mistry	-	-	-	-	0.12	0.13	-	-	0.12	0.13
R. Ravichandran#	-	-	-	-	0.06	0.12	-	-	0.06	0.12
Pankaj Patel	-	-	-	-	0.15	0.12	-	-	0.15	0.12
Bhavna Doshi	-	-	-	-	0.16	0.17	-	-	0.16	0.17
Pankaj Joshi#	-	-	-	-	0.12	-	-	-	0.12	-
P. K. Taneja#	-	-	-	-	-	0.12	-	-	-	0.12
Dharmishta Raval	-	-	-	-	0.15	0.17	-	-	0.15	0.17

NOTE 54: RELATED PARTY DISCLOSURES (Contd.)

(b) Related party transactions

(₹ in Crore)

	Associates		Employee benefits plans		Key management personnel / non-executive directors		Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the Company has 50% voting right / enterprises controlled by the Parent Company		Total	
	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17
Sitting Fees to non-executive directors^	**-**	**-**	**-**	**-**	**0.72**	**0.80**	**-**	**-**	**0.72**	**0.80**
Samir Barua	-	-	-	-	0.15	0.14	-	-	0.15	0.14
Kiran Karnik	-	-	-	-	0.11	0.13	-	-	0.11	0.13
Keki Mistry	-	-	-	-	0.07	0.08	-	-	0.07	0.08
R. Ravichandran#	-	-	-	-	0.02	0.04	-	-	0.02	0.04
Pankaj Patel	-	-	-	-	0.12	0.12	-	-	0.12	0.12
Bhavna Doshi	-	-	-	-	0.12	0.12	-	-	0.12	0.12
P. K. Taneja#	-	-	-	-	-	0.04	-	-	-	0.04
Dharmishta Raval	-	-	-	-	0.09	0.13	-	-	0.09	0.13
Pankaj Joshi#	-	-	-	-	0.04	-	-	-	0.04	-
Contribution towards CSR	**-**	**-**	**-**	**-**	**-**	**-**	**11.53**	**11.92**	**11.53**	**11.92**
Tornascent Care Institute	-	-	-	-	-	-	8.66	9.82	8.66	9.82
UNM Foundation	-	-	-	-	-	-	2.87	2.10	2.87	2.10
Contribution to employee benefit plans (net)	**-**	**-**	**34.42**	**15.72**	**-**	**-**	**-**	**-**	**34.42**	**15.72**
TPL (Ahmedabad) Gratuity Trust	-	-	21.48	9.52	-	-	-	-	21.48	9.52
TPL (Ahmedabad) Superannuation Fund	-	-	4.29	3.54	-	-	-	-	4.29	3.54
TPL (Surat) Gratuity Trust	-	-	4.70	0.10	-	-	-	-	4.70	0.10
TPL (Surat) Superannuation Fund	-	-	0.97	0.92	-	-	-	-	0.97	0.92
TPL (SUGEN) Gratuity Trust	-	-	1.40	0.49	-	-	-	-	1.40	0.49
TPL (SUGEN) Superannuation Fund	-	-	0.38	0.31	-	-	-	-	0.38	0.31
TPL (DGEN) Gratutity Trust (formerly known as TEL Gratuity Trust)	-	-	0.86	0.49	-	-	-	-	0.86	0.49
TPL (DGEN) Superannuation Fund (formerly known as TEL Superannuation Fund)	-	-	0.33	0.33	-	-	-	-	0.33	0.33
TPG Superannuation Fund	-	-	0.01	0.02	-	-	-	-	0.01	0.02
TPG Gratuity Trust	-	-	-	*	-	-	-	-	-	*
Investment in non-convertible debentures	**182.40**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**182.40**	**-**
Wind Two Renergy Private Ltd.	72.76	-	-	-	-	-	-	-	72.76	-
Wind Four Renergy Private Ltd.	54.82	-	-	-	-	-	-	-	54.82	-
Wind Five Renergy Private Ltd.	54.82	-	-	-	-	-	-	-	54.82	-
Deposits given for nomination of directors	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.03**	**-**	**0.03**
Tornascent Care Institute	-	-	-	-	-	-	-	0.01	-	0.01
UNM Foundation	-	-	-	-	-	-	-	0.02	-	0.02
Deposits received back on appointment of directors	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.03**	**-**	**0.03**
Tornascent Care Institute	-	-	-	-	-	-	-	0.01	-	0.01
UNM Foundation	-	-	-	-	-	-	-	0.02	-	0.02

NOTE 54: RELATED PARTY DISCLOSURES (Contd.)

(b) Related party transactions

(₹ in Crore)

	Associates		Employee benefits plans		Key management personnel / non-executive directors		Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the Company has 50% voting right / enterprises controlled by the Parent Company		Total	
	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17
Deposits received	-	-	-	-	-	-	-	*	-	*
UNM Foundation	-	-	-	-	-	-	-	*	-	*
Tornascent Care Institute	-	-	-	-	-	-	-	*	-	*
Torrent Power Services Private Ltd.	-	-	-	-	-	-	-	*	-	*

@Excluding provision for gratuity and leave encashment, insurance premium for group personal accident and group mediclaim.

Commission of Shri R. Ravichandran (nominee of LIC) is paid / payable to Life Insurance Corporation of India. Sitting fees and Commission of Shri Pankaj Joshi and Shri P.K.Taneja (nominee of the Government of Gujarat) is paid / payable to the Government of Gujarat.

^ Excluding service tax / Goods and Service Tax.

Public utilities as covered under Ind AS - 24 "Related Party Disclosures", are not related parties. Hence transactions related to sale of electricity, by the Company as per GERC tariff order, have not been reported as related party transactions.

(c) Key management personnel compensation

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Short-term employee benefits	63.59	36.72
Post-employment benefits	-	-
Long-term employee benefits	3.00	-
Termination benefits	-	-
Employee share-based payment	-	-
	66.59	36.72

NOTE 54: RELATED PARTY DISCLOSURES (Contd.)

(d) Related party balances

(₹ in Crore)

	Associates		Employee benefits plans		Key management personnel / non-executive directors		Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the Company has 50% voting right / enterprises controlled by the Parent Company		Total	
	As at 31.03.18	As at 31.03.17	As at 31.03.18	As at 31.03.17	As at 31.03.18	As at 31.03.17	As at 31.03.18	As at 31.03.17	As at 31.03.18	As at 31.03.17
Balances at the end of the year										
Current liability	**-**	**-**	**-**	**-**	**47.61**	**23.91**	**0.13**	**0.03**	**47.74**	**23.94**
Torrent Power Services Private Ltd.	-	-	-	-	-	-	*	*	*	*
UNM Foundation	-	-	-	-	-	-	*	0.03	*	0.03
Tornascent Care Institute	-	-	-	-	-	-	0.08	*	0.08	*
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	0.05	-	0.05	-
Sudhir Mehta	-	-	-	-	10.00	5.00	-	-	10.00	5.00
Samir Mehta	-	-	-	-	10.00	5.00	-	-	10.00	5.00
Markand Bhatt	-	-	-	-	24.00	9.00	-	-	24.00	9.00
Jinal Mehta	-	-	-	-	2.50	3.74	-	-	2.50	3.74
Samir Barua	-	-	-	-	0.19	0.17	-	-	0.19	0.17
Kiran Karnik	-	-	-	-	0.16	0.17	-	-	0.16	0.17
Keki Mistry	-	-	-	-	0.12	0.13	-	-	0.12	0.13
R. Ravichandran#	-	-	-	-	0.06	0.12	-	-	0.06	0.12
Pankaj Patel	-	-	-	-	0.15	0.12	-	-	0.15	0.12
Bhavna Doshi	-	-	-	-	0.16	0.17	-	-	0.16	0.17
Pankaj Joshi#	-	-	-	-	0.12	-	-	-	0.12	-
P. K. Taneja#	-	-	-	-	-	0.12	-	-	-	0.12
Dharmishta Raval	-	-	-	-	0.15	0.17	-	-	0.15	0.17
Investment in equities	**-**	**-**	**-**	**-**	**-**	**-**	**0.06**	**0.06**	**0.06**	**0.06**
Tornascent Care Institute	-	-	-	-	-	-	0.03	0.03	0.03	0.03
UNM Foundation	-	-	-	-	-	-	0.03	0.03	0.03	0.03
Investment in non-convertible debentures	**183.97**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**183.97**	**-**
Wind Two Renergy Private Ltd.	73.29	-	-	-	-	-	-	-	73.29	-
Wind Four Renergy Private Ltd.	55.35	-	-	-	-	-	-	-	55.35	-
Wind Five Renergy Private Ltd.	55.33	-	-	-	-	-	-	-	55.33	-
Loans and advances	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.34**	**-**	**0.34**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	0.34	-	0.34
Trade receivables	**5.98**	**6.14**	**-**	**-**	**-**	**-**	**0.14**	**-**	**6.12**	**6.14**
Torrent Pharmacueticals Ltd.	-	-	-	-	-	-	0.14	-	0.14	-
Power Grid Corporation of India Ltd.	5.98	6.14	-	-	-	-	-	-	5.98	6.14

Commission of Shri R. Ravichandran (nominee of LIC) is payable to Life Insurance Corporation of India. Commission of Shri Pankaj Joshi and Shri P.K.Taneja (nominee of the Government of Gujarat) is payable to the Government of Gujarat.

(e) Terms and conditions of outstanding balances

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

Outstanding balances at the year-end are unsecured and settlement is expected to occur in cash.

NOTE 55: FINANCIAL INSTRUMENTS AND RISK REVIEW

(a) Capital management

The Group manages its capital structure in a manner to ensure that it will be able to continue as a going concern while optimising the return to stakeholders through the appropriate debt and equity balance.

The Group's capital structure is represented by equity (comprising issued capital, retained earnings and other reserves as detailed in notes 21,22) and debt (borrowings as detailed in note 23).

The Group's management reviews the capital structure of the Group on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Group's plan is to ensure that the gearing ratio (debt equity ratio) is well within the limit of 2:1.

Gearing ratio

The gearing ratio at end of the reporting year is as follows.

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Debt	9,337.18	8,732.91
Total equity	9,220.06	8,247.34
Debt to equity ratio	1.01	1.06

Footnotes:

1. Debt is defined as all long term debt outstanding (including unamortised expense) + contingent liability pertaining to corporate / financial guarantee given + short term debt outstanding in lieu of long term debt.
2. Total equity is defined as Equity share capital + all reserve (excluding revaluation reserve) + deferred tax liabilities – deferred tax assets – intangible assets – Intangible assets under development

Loan covenants

The group has complied with financial covenants specified as per the terms of borrowing facilities.

NOTE 55: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

(b) Categories of financial instruments

(₹ in Crore)

	As at 31st March, 2018		As at 31st March, 2017	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Measured at amortised cost				
Cash and cash equivalent	136.50	136.50	102.85	102.85
Bank balance other than cash and cash equivalents	181.05	181.05	166.49	166.49
Investment in bonds and debentures	192.23	192.23	6.57	6.57
Trade receivables	1,130.45	1,130.45	975.05	975.05
Loans	33.04	33.04	18.99	18.99
Other financial assets	751.82	751.82	673.83	673.83
	2,425.09	2,425.09	1,943.78	1,943.78
Measured at fair value through profit and loss (FVTPL)				
Investment in mutual funds	680.66	680.66	664.27	664.27
Investment in equity instruments#	0.06	0.06	0.06	0.06
	680.72	680.72	664.33	664.33
Financial liabilities				
Measured at amortised cost				
Borrowings	8,563.70	8,616.69	8,270.02	8,312.60
Trade payables	753.35	753.35	787.15	787.15
Other financial liabilities	2,439.36	2,439.36	2,012.50	2,012.50
	11,756.41	11,809.40	11,069.67	11,112.25

Other than equity instruments in associates recognised at cost.

(c) Fair value measurement

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

NOTE 55: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets and liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

(1) Financial assets at fair value through profit and loss (FVTPL)

(₹ in Crore)

	Fair value		**Fair value hierarchy**	**Valuation technique(s) and key input(s)**
	As at 31st March, 2018	As at 31st March, 2017		
Investment in mutual fund units	680.66	664.27	Level 1	Quoted bid prices in an active market
	680.66	664.27		

(2) Financial liabilities at amortised cost

(₹ in Crore)

	Fair value		**Fair value hierarchy**	**Valuation technique(s) and key input(s)**
	As at 31st March, 2018	As at 31st March, 2017		
Fixed rate borrowings (Non-convertible debentures)	1,147.99	1,137.58	Level 2	Inputs other than quoted prices that are observable
	1,147.99	1,137.58		

(d) Financial risk management objectives

The Group's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations, routine and projects capital expenditure. The Group's principal financial assets include loans, advances, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Group's activities expose it to a variety of financial risks viz foreign currency risk, interest rate risk, credit risk, liquidity risk etc. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Group's senior management oversees the management of these risks. It advises on financial risks and the appropriate financial risk governance framework for the Group.

Foreign currency risk

The Group is exposed to foreign currency risks arising from various currency exposures, primarily with respect to the USD and EUR. Foreign currency risks arise from future commercial transactions and recognized assets and liabilities, when they are denominated in a currency other than Indian Rupee.

The Group's exposure with regards to foreign exchange risk which are not hedged are given below. However, these risks are not significant to the group's operation and accordingly sensitivity analysis is not given.

Unhedged foreign currency exposures

Foreign currency exposures not hedged by derivative instruments are as under:

(in Crore)

Nature of transactions	Currency	As at 31st March, 2018	As at 31st March, 2017
Financial liabilities			
Trade payable	USD	-	0.02
Capital liability	USD	*	0.06
Trade payable	EURO	1.11	2.11
Capital liability	EURO	0.01	-

NOTE 55: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

Interest rate risk

Most of the Group's borrowings are on a floating rate of interest. The Group has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR). The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible debentures and short term credit lines besides internal accruals.

The following table provides a break-up of the Group's fixed and floating rate borrowings:

(₹ in Crore)

	As at 31st March, 2018	As at 31st March, 2017
Fixed rate borrowings	1,123.28	1,127.10
Floating rate borrowings^	8,213.90	7,605.81
	9,337.18	8,732.91

^ Gross amount including unamortised expense.

Interest rate risk sensitivity:

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rates had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit.

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Impact on profit before tax - increase in 50 basis points	(41.07)	(38.03)
Impact on profit before tax - decrease in 50 basis points	41.07	38.03

Credit risk

Trade receivables

(1) Exposures to credit risk:

The Group is exposed to the counterparty credit risk arising from the possibility that counterparties might fail to comply with contractual obligations. This exposure may arise with regard to unsettled amounts and the cost of substituting products and services that are not provided.

(2) Credit risk management:

Credit risk is managed and limited in accordance with the type of transaction and the creditworthiness of the counterparty. The Group has established criteria for admission, approval systems, authorisation levels, exposure measurement methodologies, etc. The concentration of credit risk is limited due to the fact that the customer base is large. None of the customers accounted for more than 10% of the receivables and revenue for the year ended 31st March, 2018 and 31st March, 2017. However, the Group is dependent on the domestic market for its business and revenues.

The Group's credit policies and practices with respect to distribution areas are designed to limit credit exposure by collecting security deposits prior to providing utility services or after utility service has commenced according to applicable regulatory requirements. In respect to generation business, Group generally has letter of credits / bank guarantees to limit its credit exposure.

NOTE 55: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

(3) Other credit enhancements

The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

(4) Age of receivables and expected credit loss

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experienced and adjusted for forward- looking information. The expected credit loss allowance is based on ageing of the days the receivables are due and the rates as given in the provision matrix.

The age of receivables and provision matrix at the end of the reporting period is as follows.

As at 31st March, 2018

(₹ in Crore)

	Gross trade receivables	Expected credit loss (%)	Allowance for doubtful debt
Less than or equal to 6 months	1,110.93	3.03%	33.63
More than 6 months but less than or equal to 1 year	53.70	40.99%	22.01
More than one year	101.75	78.91%	80.29
	1,266.38		135.93

As at 31st March, 2017

(₹ in Crore)

	Gross trade receivables	Expected credit loss (%)	Allowance for doubtful debt
Less than or equal to 6 months	976.82	2.71%	26.52
More than 6 months but less than or equal to 1 year	38.00	58.13%	22.09
More than one year	89.71	90.15%	80.87
	1,104.53		129.48

(5) Movement in the expected credit loss allowance

(₹ in Crore)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Opening balance	129.48	129.73
Movement in expected credit loss allowance on trade receivable calculated, net	6.45	(0.25)
Closing balance [Refer note 14]	135.93	129.48

Other financial assets

The Company is having balances in cash and cash equivalents, term deposits with banks, investments in government securities and investment in mutual funds. With respect to investments, the Company limits its exposure to credit risk by investing in liquid securities with counterparties depending on their Composite Performance Rankings (CPR) published by CRISIL. The Company's investment policy lays down guidelines with respect to exposure per counterparty, rating, processes in terms of control and continuous monitoring. The Company therefore considers credit risks on such investments to be negligible.

NOTE 55: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are required to be settled by delivering the cash or another financial asset. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and unused borrowing facilities, by continuously monitoring projected / actual cash flows.

Maturities of financial liabilities

The Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest (accrued upto 31st March, 2018) and principal cash flows. The contractual maturity is based on the earliest date on which the Group may be required to pay.

As at 31st March, 2018

(₹ in Crore)

	Less than 1 year	Between 1 and 5 year	5 years and above	Total
Financial liabilities				
Non current financial liabilities				
Borrowings^	-	3,100.32	5,497.69	8,598.01
Trade payables^	-	114.99	4.40	119.39
Other financial liabilities	-	42.37	914.07	956.44
	-	3,257.68	6,416.16	9,673.84
Current financial liabilities				
Trade payables	658.71	-	-	658.71
Other financial liabilities^	1,487.70	-	-	1,487.70
	2,146.41	-	-	2,146.41
Total financial liabilities	2,146.41	3,257.68	6,416.16	11,820.25

As at 31st March, 2017

(₹ in Crore)

	Less than 1 year	Between 1 and 5 year	5 years and above	Total
Financial liabilities				
Non current financial liabilities				
Borrowings^	-	2,284.67	5,945.57	8,230.24
Trade payables^	-	65.30	-	65.30
Other financial liabilities	-	37.76	826.00	863.76
	-	2,387.73	6,771.57	9,159.30
Current financial liabilities				
Borrowings	76.62	-	-	76.62
Trade payables	733.79	-	-	733.79
Other financial liabilities^	1,153.29	-	-	1,153.29
	1,963.70	-	-	1,963.70
Total financial liabilities	1,963.70	2,387.73	6,771.57	11,123.00

^ Gross amount including unamortised expense.

NOTE 56: SPECIFIED BANK NOTES (SBNs)

Details of Specified Bank Notes (SBNs) held and transacted during the period 8th November, 2016 to 30th December, 2016 as provided below :

(₹ in Crore)

	SBNs	Other denomination notes	Total
Closing cash in hand as on 8th November,2016	2.01	0.07	2.08
Add: Permitted receipts	181.83	75.37	257.20
Less: Permitted payments	-	0.47	0.47
Less: Amount deposited in banks	183.84	74.11	257.95
Closing cash in hand as on 30th December, 2016	-	0.86	0.86

Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407 (E), dated 8th November, 2016.

Closing balance as at 8th November, 2016 includes amount refunded by employess against advance given to them.

NOTE 57:

The figures for the previous year have been regrouped / recast, wherever necessary, to make them comparable with the figures for the current year.

NOTE 58: APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the board of directors on 29th May, 2018.

Signature to Note 1 to 58

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 39985

Ahmedabad, 29th May, 2018

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN: 00061903

T P Vijayasarathy
Executive Director (Corporate Affairs) &
Chief Financial Officer

Ahmedabad, 29th May, 2018

FORM AOC-1

Statement pursuant to first proviso to sub section (3) of section 129 of Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014:

(a) Statement containing salient features of the financial statement of subsidiaries

(₹ in Crore)

1.	Name of Subsidiary Company	Torrent Solargen Limited	Torrent Pipavav Generation Limited	Torrent Power Grid Limited	Jodhpur Wind Farms Private Limited (w.e.f. 29th January, 2018)	Latur Renewable Private Limited (w.e.f. 29th January, 2018)
2.	Financial year ended on	31st March, 2018	31st March, 2018	31st March, 2018	31st March, 2018	31st March, 2018
3.	Share capital	80.05	50.00	90.00	*	*
4.	Reserves and surplus	4.17	(12.05)	40.76	(3.78)	(3.67)
5.	Total assets	84.45	94.41	231.26	443.70	436.76
6.	Total liabilities (excluding share capital and reserves and surplus)	0.23	56.46	100.50	447.48	440.43
7.	Investments	36.80	-	29.74	-	-
8.	Turnover	-	-	63.23	-	-
9.	Profit / (loss) before taxation	4.55	(10.48)	37.12	(5.34)	(5.18)
10.	Provision for taxation (including deferred tax)	0.75	*	(2.61)	(1.56)	(1.51)
11.	Profit / (loss) after taxation	3.80	(10.48)	39.73	(3.78)	(3.67)
12.	Other comprehensive income (net of tax)	-	-	0.01	-	-
13.	Total comprehensive income	3.80	(10.48)	39.74	(3.78)	(3.67)
14.	Proposed dividend (including dividend distribution tax)	-	-	10.85	-	-
15.	Extent of shareholding (in percentage)	100.00%	95.00%	74.00%	100.00%	100.00%

Footnote :

Torrent Pipavav Generation Limited is yet to commence its operations.

* Figures below ₹50,000

FORM AOC-1 (Contd.)

(b) Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to associate Companies

	Name of Associates	Wind Two Renergy Private Limited	Wind Four Renergy Private Limited	Wind Five Renergy Private Limited	Nani Virani Wind Energy Private Limited	Ravapar Wind Energy Private Limited	Khatiyu Wind Energy Private Limited
1.	Latest audited balance sheet date	31st March, 2018	31st March, 2018	31st March, 2018	31st March, 2018	31st March, 2018	31st March, 2018
2.	Date on which the associate was associated or acquired	12th December, 2017	12th December, 2017	12th December, 2017	9th March, 2018	9th March, 2018	9th March, 2018
3.	Shares of associate held by the company on the year end						
	(i) Numbers	-	-	-	-	-	-
	(ii) Amount of investment in associates	-	-	-	-	-	-
	(iii) Extend of holding (in percentage)	0%	0%	0%	0%	0%	0%
4.	Description of how there is significant influence	The Company has acquired certain rights which include the right to nominate directors on the board. Considering the said facts and based on the requirements of Ind AS, Company has significant influence in the above companies.					
5.	Reason why the associate is not consolidated	As the Company does not have equity interest in the companies,the Company does not have any share in the profit, loss or comprehensive income of the entities and accordingly, there is no impact on the consolidated statement of profit and loss.					
6.	Networth attributable to shareholding as per latest audited balance sheet	-	-	-	-	-	-
7.	Profit / (loss) for the year						
	(i) Considered in consolidation	-	-	-	-	-	-
	(ii) Not considered in consolidation	(0.05)	(0.05)	(0.05)	*	*	*

Footnote :

All associates are yet to commence its operations.

* figures below ₹50,000

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 an email to cs@torrentpower.com

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

For and on behalf of the Board of Directors

Samir Mehta
Chairman
DIN: 00061903

T P Vijayasarathy
Executive Director (Corporate Affairs) &
Chief Financial Officer

Ahmedabad, 29th May, 2018

5 YEARS' HIGHLIGHTS - CONSOLIDATED

Particulars	UoM	2017-18 (Ind AS)	2016-17 (Ind AS)	2015-16 (Ind AS)	2014-15 (IGAAP)	2013-14 (IGAAP)
TECHNICAL DATA						
Generation Capacity	MW	3,721	3,556	3,334	3,253	2,102
Units Dispatched by Generating Stations	MUs	9,671	7,543	9,362	5,327	4,782
Units Purchased	MUs	8,046	8,986	7,504	11,314	11,021
Units Sold	MUs	15,957	14,454	14,673	14,155	13,331
No. of Consumers	Mn	3.23	3.12	3.03	2.95	2.87
KEY FINANCIALS						
Total Income	₹ in Crore	11,776	10,191	11,998	10,762	8,932
EBDITA	₹ in Crore	3,381	2,651	3,336	2,423	1,534
Profit Before Tax	₹ in Crore	1,401	587	1,290	740	275
Total Comprehensive Income (after Non-controlling interests)	₹ in Crore	956	423	893	360	105
Equity Share Capital	₹ in Crore	481	481	481	472	472
Other Equity (Reserves and Surplus)	₹ in Crore	7,239	6,411	5,990	6,083	5,733
Loan Funds (Gross)	₹ in Crore	9,337	8,733	8,565	9,355	9,463
Fixed Assets	₹ in Crore	18,263	17,136	15,343	15,311	14,724
KEY FINANCIAL RATIOS						
EBDITA / Total Income	%	28.71	26.01	27.80	22.51	17.17
Total Comprehensive Income / Total Income	%	8.12	4.15	7.44	3.35	1.18
Return on Net Worth*	%	11.04	5.26	11.95	5.00	1.54
Return on Capital Employed	%	9.78	7.68	11.70	8.23	5.07
Debt Equity Ratio*		1.01	1.06	1.10	1.26	1.37
Earning Per Share	₹	19.61	8.93	18.73	7.61	2.23

* Deferred Tax Liability is included as a part of Equity

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ROUTE MAP TO THE AGM VENUE

TORRENT POWER LIMITED

CIN: L31200GJ2004PLC044068

14th Annual General Meeting
Date: Wednesday, 1st August, 2018
Time: 09.30 a.m.

Venue: J. B. Auditorium, Torrent-AMA Centre,
Ahmedabad Management Association,
Vastrapur, Ahmedabad-380015

TORRENT POWER LIMITED

CIN: L31200GJ2004PLC044068
Regd. Office: "Samanvay", 600, Tapovan, Ambawadi, Ahmedabad-380015, Gujarat, India.
Phone: +91-79-26628300, Fax: +91-79-26764159
Website: www.torrentpower.com; E-mail: cs@torrentpower.com

14th Annual General Meeting – August 1, 2018

ATTENDANCE SLIP

This attendance slip duly filled in is to be handed over at the entrance of the meeting hall.

For Demat Shares	For Physical Shares
DP ID :	**REGD. FOLIO NO.:**
CLIENT ID :	**NO. OF SHARES HELD :**

Full name of the member attending : ____________________

Name of Proxy : ____________________
(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the **14th Annual General Meeting** of the Company at J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad - 380015 on Wednesday, 1st August, 2018 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: "Samanvay", 600, Tapovan, Ambawadi, Ahmedabad-380015, Gujarat, India.
Phone: +91-79-26628300, Fax: +91-79-26764159
Website: www.torrentpower.com; E-mail: cs@torrentpower.com

14th Annual General Meeting – August 1, 2018

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 **14th Annual General Meeting** of the Company, to be held on Wednesday, 1st August, 2018 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
ORDINARY BUSINESS			
1. Adoption of the Financial Statements			
2. Declaration of Dividend			
3. Re-appointment of Director, retiring by rotation			
4. Modification to the resolution related to appointment of Statutory Auditors			
SPECIAL BUSINESS			
5. Appointment of Shri Samir Mehta as Chairman			
6. Appointment of Shri Jinal Mehta as Managing Director			
7. Ratification of Remuneration of Cost Auditors			
8. Modification in Remuneration of Shri Varun Mehta			
9. Enhancement of Borrowing Limits			
10. Creation of Charges			
11. Re-appointment of Smt. Bhavna Doshi as an Independent Director			
12. Re-appointment of Ms. Dharmishta N. Raval as an Independent Director			
13. Re-appointment of Shri Samir Barua as an Independent Director			
14. Re-appointment of Shri Keki Mistry as an Independent Director			
15. Re-appointment of Shri Pankaj Patel as an Independent Director			

Signed this __________day of ____________, 2018.

____

Signature of member(s)

____

Signature of proxy holder(s)

Affix
Revenue
Stamp

Notes:

1. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 14^{th} 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.

Smart Grid Journey

Change is the only constant that helps in identifying new opportunities in excellence. The distribution business has been a front-runner in adopting new technologies to realize its vision of providing reliable power supply and top quality services to the consumers. The Company implemented Geographic Information System (GIS) solution for its Ahmedabad, Gandhinagar and Surat distribution areas. GIS uses digital technologies to locate and integrate all its network assets with seamless flow of integrated information within the network and across the organization to efficiently plan, design, build, operate and manage the network. It facilitates comprehensive visual representation of all relevant data in geographical format to manage a set of complex network assets coupled with analytical capabilities for a decision support system. This will help optimize the network design, improve prudence in capital investments, reduce downtime of customers' outage and thus improve customer service cycle time across all range of services.

Path to Sustainable Development

As the power sector worldwide moves towards creating sustainable business models, Torrent also continued its march further on this path. Today's world needs more energy but cannot afford the emissions caused by it. Renewable Energy is the way to decoupling emission intensity from economic growth to meet energy needs of the people and ensure a sustainable future. As a major and responsible player in the Indian power sector, Torrent has also adopted Renewable Energy as one of the engines for growth. FY 2017-18 saw an expansion of renewable power portfolio of the Company reaching 1,550 MW of operational and under development projects.

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torrent POWER

TORRENT POWER LIMITED

CIN : L31200GJ2004PLC044068

‘Samanvay’, 600, Tapovan, Ambawadi, Ahmedabad- 380015, Gujarat, India

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