July 10, 2020

To,
Corporate Relationship Department
BSE Limited
14th Floor, P. J. Towers,
Dalal Street, Fort,
Mumbai-400 001
SCRIP CODE: 532779

To,
Listing Department,
National Stock Exchange of India Limited
"Exchange Plaza", C – 1, Block G
Bandra- Kurla Complex, Bandra (East),
Mumbai 400 051
SYMBOL: TORNTPOWER

Dear Sir/ Madam,

Re: Notice of 16th Annual General Meeting ("AGM") alongwith Annual Report of the Company for FY 20

Ref: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We wish to inform that AGM of the Members of the Company is scheduled to be held on Thursday, August 06, 2020 at 9:30 a.m. IST through Video Conferencing / Other Audio Visual Means in terms of general circulars dated April 08, 2020 and April 13, 2020 and May 05, 2020 issued by the Ministry of Corporate Affairs, to transact the business, as set out in the Notice of AGM.

We enclose herewith Notice of AGM alongwith the Annual Report of the Company for FY 20 for your kind records. The same is also available on Company's website at www.torrentpower.com.

Further, the Company is pleased to provide e-voting facility to its Members holding shares in physical or dematerialised form, as on the cut-off date i.e. Thursday, July 30, 2020 to cast their votes by electronic means on the resolutions set forth in the Notice of AGM.

Kindly find the same in order.

Thanking you,

Yours faithfully,

For Torrent Power Limited

RAHUL CHAITANYA BHAI SHAH
Digitally signed by RAHUL CHAITANYABHAI SHAH
Date: 2020.07.10 12:36:40 +05'30'

Rahul Shah
Company Secretary & Compliance Officer
Encl: As above

16th ANNUAL REPORT 2019-20

Responsible Actions

Promising Future

torrent POWER

Sustainable Actions Through Integrated Environmental Approach

Large industrial undertakings tend to have a tremendous impact, both positive and negative, on the society. A responsible Corporate ensures its existence leaves a net positive influence on the society, whilst minimising if not eliminating, the negative influence. Your Company is in production and distribution of electricity - an activity absolutely essential for the existence and development of modern society, but at the same time is under focus for its negative impact on the environment. Torrent Group has inbuilt environment responsibilities into its operating model and continuously strives to minimise the environmental footprint of its activities. Out of total generation capacities of 3879 MW, 90% are from clean sources (20% renewable sources & 70% natural gas based) and only 10% is coal-based generation. In the latter, all efforts are focused on minimising the emissions & water consumption and gainfully recycling the fly ash and bottom ash in making useful products. All industrial sites treat the effluent water and recycle it for further use. Thick green cover comprising rain forest trees, fruit orchards, vegetables farms etc. are maintained at all plant locations. All new construction is based on green building concepts and captive rooftop solar power is utilised to full extent.

INDEX

CORPORATE INFORMATION

Board of Directors
Sudhir Mehta, Chairman Emeritus
Samir Mehta, Chairperson
Pankaj Patel
Samir Barua
Keki Mistry
Bhavna Doshi
Dharmishta Raval
Pankaj Joshi, IAS *(upto 17/12/2019)*
Sunaina Tomar, IAS *(wef 13/02/2020)*
Jinal Mehta, Managing Director

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

Stakeholders Relationship Committee
Pankaj Patel, Chairperson
Samir Mehta
Jinal Mehta

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

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

Risk Management Committee
Samir Barua, Chairperson
Bhavna Doshi
Sanjay Dalal

Committee of Directors
Samir Mehta, Chairperson
Jinal Mehta

Chief Financial Officer
Sanjay Dalal

Company Secretary
Rahul Shah

Statutory Auditors
Price Waterhouse Chartered Accountants LLP
Chartered Accountants

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

Corporate Identity Number
L31200GJ2004PLC044068

Website
www.torrentpower.com

Investor Services Email Id
cs@torrentpower.com

Registrar and Share Transfer Agent
Link Intime India Pvt. Ltd.
Unit: Torrent Power Limited
5th floor, 506-508, Amarnath Business Centre-1,
Beside Gala Business Centre,
Nr. St. Xavier's College Corner, Off. C. G. Road,
Ellisbridge, Ahmedabad - 380006 (Gujarat)
Phone: +91 79 2646 5179 / 86 / 87
Email: ahmedabad@linkintime.co.in
Website: www.linkintime.co.in

NOTICE

NOTICE is hereby given that 16th Annual General Meeting of the Members of **TORRENT POWER LIMITED** (herein after the "Company") will be held on Thursday, August 06, 2020 at 9:30 am IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following:

ORDINARY BUSINESS

1. **Adoption of Financial Statements**

   To consider and adopt Audited Financial Statements of the Company for the Financial Year ended March 31, 2020, the Auditor's Report and the Board's Report thereon, by passing the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2020, the Auditor's Report and the Board's Report thereon be and are hereby considered and adopted."

2. **Confirmation of interim dividend**

   To confirm payment of interim dividend as final dividend for the Financial Year ended March 31, 2020 by passing the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT payment of interim dividend of ₹11.60 per equity share (including special dividend of ₹5 per equity share) for the Financial Year ended March 31, 2020 be and is hereby confirmed as final dividend."

3. **Re-appointment of Samir Mehta as Director**

   To appoint a Director in place of Samir Mehta, who retires by rotation and being eligible, offers himself for re-appointment by passing the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT Samir Mehta (DIN: 00061903), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby appointed as Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

4. **Appointment of Sunaina Tomar, IAS as Director of the Company**

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

   "RESOLVED THAT Sunaina Tomar, IAS (DIN: 03435543), who was appointed as an Additional Director of the Company, pursuant to the provisions of section 161 of the Companies Act, 2013 and Articles of Association of the Company and who holds office upto the commencement of this Annual General Meeting and in respect of whom the Company has received a notice from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

5. **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 of the Companies Act, 2013 ("the Act") read with the Companies (Cost Records and Audit) Rules, 2014, the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, rules or notifications of the Act including any statutory modification(s) or re-enactment thereof, for the time being in force, M/s. Kirit Mehta & Co., Cost Accountants, Mumbai, the Cost Auditors appointed by the Board of Directors of the Company to conduct audit of cost records of the Company for FY 2020-21 be paid remuneration of ₹14,40,000/- (including ₹2,00,000 for Cables Business Undertaking which is under process of slump sale to TCL Cables Private Limited) plus applicable taxes and out of pocket expenses incurred by them during the course of cost audit."

6. **Commission to Sudhir Mehta, Non-Executive Director and Chairman Emeritus, for FY 20**

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

"RESOLVED THAT pursuant to the provisions of sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder and regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval be and is hereby accorded to remuneration by way of annual commission of ₹5 Crore to Sudhir Mehta, Non-Executive Director and Chairman Emeritus, for FY 2019-20."

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

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

"RESOLVED THAT pursuant to the provisions of sections 42, 71, 179, 180 and other applicable provisions, if any, of the Companies Act, 2013 and all applicable rules made thereunder for the time being in force ("the Act"), the Memorandum of Association and the Articles of Association of the Company, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable SEBI regulations, circulars and guidelines for the time being in force and Foreign Exchange Management Act & RBI directives, circulars and guidelines for the time being in force, approval of the Members be and is hereby accorded for issuance of Non-Convertible Debentures (NCDs) by way of offer or invitation, upto an aggregate ₹2,000 Crore, on a private placement basis to the following identified investor classes viz.

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

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

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

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

By Order of the Board
For Torrent Power Limited

Ahmedabad
May 18, 2020

Rahul Shah
Company Secretary

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

NOTES

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its circular dated May 05, 2020 read with circulars dated April 08, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted holding of Annual General Meeting ("AGM" or "meeting") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the AGM of the Company for FY 20 is being held through VC / OAVM. The detailed procedure for participation in the meeting through VC / OAVM is as per Note No. 24.

2. Since the AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM.
3. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.
4. Members of the Company who are Institutional Investors are encouraged to attend and vote at the AGM through VC / OAVM. Corporate Members intending to authorize their representatives to participate and vote through e-voting on their behalf at the meeting are requested to send a certified copy of the Board Resolution / authorization letter to the Company.
5. The Members can join the AGM through VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1000 Members on a first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The statement pursuant to section 102 of the Act and Regulation 36(3) of the Listing Regulations is annexed hereto and forms part of this Notice.
7. In terms of section 124 of the Act, the amount of dividend not encashed or claimed within 7 years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund (IEPF) established by the Government. Accordingly, the unclaimed dividend in respect of FY 13 of the erstwhile Torrent Cables Limited (since amalgamated with the Company) and the Company will be due for transfer to the said Fund in August, 2020. Members who have not encashed their dividend warrants for FY 13 are requested to approach the Company for payment.

   Further, pursuant to the provisions of section 124 of the Act and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), all shares on which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred to the Demat Account of the IEPF Authority. The Company has sent intimation to all such Members who have not claimed their dividend for seven consecutive years. All such Members are requested to claim their Unclaimed Dividend expeditiously failing which their shares shall be transferred to the Demat Account of IEPF Authority and no claim shall lay against the Company. The Members thereafter need to claim their shares from IEPF Authority by filing IEPF Form-5 and by following such procedures as prescribed therein.
8. Nomination facility is available for the Members as per section 72 of the Act. As a Member of the Company, you have an option to nominate any person as your nominee to whom your shares shall vest in the unfortunate event of your death. It is advisable to avail this facility especially by the Members who currently hold shares in their single name. Nomination can avoid the process of acquiring any right in shares through transmission by law. In case of nomination for the shares held by the joint holders, such nomination will be effective only on death of all the holders. In case the shares are held in dematerialised form, the nomination form needs to be forwarded to your Depository Participant (DP).
9. 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 (RTA) of the Company.
10. **Trading in equity shares of the Company is compulsorily in dematerialised mode by all the Members. Also, as per provisions of Listing Regulations, transfer of listed securities shall not be processed unless the securities are in dematerialized form. This measure is aimed at curbing fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares.**

11. **With a view to conserve natural resources, we request Members to update and register their email addresses with their DPs or RTA, as the case may be, to enable the Company to send communications including Annual Report, Notices, Circulars, etc. electronically. Members may register their email addresses by following below process:**

Physical Holding	By clicking on the below link, Member may register his / her email address, mobile number and bank details https://linkintime.co.in/EmailReg/Email_Register.html After clicking the above link, Members have to fill the relevant details in the respective fields and attach self attested copy of PAN, address proof / share certificate and cancelled cheque leaf.
Demat Holding	By clicking on the below link, Member may register his / her email address and mobile number https://linkintime.co.in/EmailReg/Email_Register.html. For registration of bank details Members are requested to visit their respective DPs.

12. 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 RTA, for consolidation of such multiple folios into a single folio.

13. The SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DPs in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form.

14. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, PAN, mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form.

15. All documents referred to in the Notice along with the Statutory Registers maintained by the Company as per the Act will be available for inspection in electronic mode upto the date of the AGM of the Company and will also be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send an email to cs@torrentpower.com.

16. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company / DPs. Members may note that the Notice and Annual Report will also be available on the Company's website i.e. www.torrentpower.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of Central Depository Services Limited (CDSL) at www.evotingindia.com.

17. In terms of section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, Regulation 44 of Listing Regulations and MCA Circulars, the Company has provided the e-voting facility through CDSL. This facility is being provided to 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 information and other instructions regarding remote e-voting and e-voting at AGM are detailed in Note No. 22 and 23 respectively.

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

19. The results shall be declared by the Chairperson 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 i.e. www.torrentpower.com and on the website of CDSL and shall also be communicated to the stock exchanges where the shares of the Company are listed.

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

21. Since the AGM will be held through VC / OAVM in accordance with the MCA Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

22. **Voting Process and other instructions regarding remote e-voting:**

    i. The voting period begins on Sunday, August 02, 2020 at 9:00 am and shall end on Wednesday, August 05, 2020 at 5:00 pm. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, July 30, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

    ii. Members who have already voted prior to the meeting date would not be entitled to vote at the meeting.

    iii. The Members should log on to the e-voting website www.evotingindia.com.

    iv. Click on 'SHAREHOLDERS'.

    v. Now enter your User ID

        a. For CDSL: 16 digits beneficiary ID,

        b. For NSDL: 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.

    vi. Next enter the Image verification as displayed and click on Login.

    vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

    viii. If you are a first time user follow the steps given below:

	For Members holding shares in demat form and physical form
PAN	Enter your 10 digit alpha-numeric PAN (applicable for both demat as well as physical Members) • Members who have not updated their PAN with the Company / DPs are requested to use the sequence number indicated in the PAN field of the email sent to them. • Members who have not registered their email address may obtain the sequence number from the Company after registering their email address as per the process defined in Note No. 11.
Dividend Bank details OR Date of Birth (DoB)	Enter the Dividend Bank details or DoB (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the DPs or Company please enter the Member ID / folio number in the Dividend Bank details field as mentioned in instruction (v).

    ix. After entering these details appropriately, click on 'SUBMIT' tab.

    x. Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter 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. **It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential**.

xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xii. Click on the EVSN for TORRENT POWER LIMITED on which you choose to vote.

xiii. On the voting page, you will see 'RESOLUTION DESCRIPTION' and against the same the option 'YES / NO' for voting. Select the option 'YES / NO' as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.

xiv. Click on the 'RESOLUTIONS FILE LINK' if you wish to view the entire resolution details.

xv. 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.

xvi. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

xvii. You can also take a print of the votes cast by clicking on 'Click here to print' option on the voting page.

xviii. If a demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xix. **Members can also cast their vote using CDSL's mobile app m-voting. The m-voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

xx. **Note for Non – Individual Members and Custodians**

- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian 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 a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which 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.
- A scanned copy of the Board resolution and Power of Attorney which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual Members are required to send the relevant Board resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the Scrutinizer to verify the same.

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 or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

23. **Instructions for Members voting on the day of AGM on e-voting system:**

    a) The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

    b) Only those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available at the AGM.

    c) If any votes are casted by the Members through e-voting available during the AGM and if the same Members have not participated in the meeting through VC / OAVM facility, then the votes casted by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members participating in the meeting.

    d) Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

24. **Instructions for Members for attending the AGM through VC / OAVM:**

    a) Member will be provided with a facility to attend the AGM through VC / OAVM through the CDSL e-voting system. Members may access the same at https://www.evotingindia.com under Shareholders / Members login by using the remote e-voting credentials. The link for VC / OAVM will be available in Shareholder / Members login where the EVSN of Company will be displayed.

    b) Members are encouraged to join the meeting through Laptops / Desktops for better experience. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

    c) Please note that participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

    d) Members who would like to express their views / have questions may send their views / questions 7 days prior to meeting mentioning their name, demat account number / folio number, email id, mobile number at cs@torrentower.com and register themselves as a speaker. Only those Members who have registered themselves as a speaker will be allowed to express their views / ask questions during the meeting.

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

ITEM NO. 3

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

Age	57 years
Qualification	Masters in Business Administration
Experience / Brief resume	He has been associated with the Company since its inception, as a Promoter and has 34 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.
Date of first appointment on the Board	April 29, 2004
No. of shares held in the Company	6,125
Relationship with other Directors and Key Managerial Personnel	He is brother of Sudhir Mehta, Chairman Emeritus and relative of Jinal Mehta, Managing Director.
List of Directorship of listed entities	• Torrent Pharmaceuticals Ltd • Torrent Power Ltd
Chairpersonship / Membership of Committees of the Board in such Companies	**Torrent Pharmaceuticals Ltd** • Nomination and Remuneration Committee (Member) • Committee of Directors (Chairperson) **Torrent Power Ltd** • Stakeholders Relationship Committee (Member) • Committee of Directors (Chairperson)

ITEM NO. 4

Sunaina Tomar, IAS (DIN: 03435543), was appointed as an Additional Director by the Board of Directors on February 13, 2020 based on the request received from Government of Gujarat (holder of 11.22% equity shares of the Company). As per the provisions of section 161 of the Companies Act, 2013 ("the Act") read with Articles of Association of the Company, she holds the office of Director till commencement of this Annual General Meeting. The Company had received a notice in writing under section 160 of the Act from a Member proposing her candidature for appointment as Director of the Company.

Sunaina Tomar, an Indian Administrative Service officer with GoG, has wide experience in the public administration. She has held distinguished positions in the GoG in various departments including National Rural Health Mission, Land Reforms, Women & Child Development Department, Social Justice & Empowerment, Welfare of Scheduled Castes & Backward Castes, Education Department and Ports & Transport. She also worked with the Union Government as Joint Secretary, Ministry of Textiles. She also holds directorship of various Government Companies. Presently, she is Principal Secretary, Energy and Petrochemicals Department.

Nomination and Remuneration Committee and the Board have considered the above proposal at their respective meetings and recommend to the Members for their approval.

Sunaina Tomar does not hold any equity shares of the Company. She is not related to any Director of the Company.

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

Sunaina Tomar is deemed to be interested in the resolution. None of the other Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution.

ITEM NO. 5

The Audit Committee had at its meeting held on May 18, 2020 recommended and the Board had at its meeting held on the same day approved the re-appointment of M/s Kirit Mehta & Co., Cost Accountants, Mumbai as Cost Auditors of the Company to conduct the audit of the Cost Records of the Company for FY 21 at a remuneration of ₹14,40,000/- (including ₹2,00,000 for Cables Business Undertaking which is under process of slump sale to TCL Cables Private Ltd) plus applicable taxes and reimbursement of out of pocket expenses incurred by them during the course of cost audit.

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

Accordingly, Members are requested to ratify the remuneration to be payable to Cost Auditors of the Company for FY 21 by passing an Ordinary Resolution at Item No. 5 of the Notice.

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

ITEM NO. 6

In recognition of invaluable contribution to the businesses of the Company and significant time commitment of Sudhir Mehta, Non-Executive Director and Chairman Emeritus, the Board approved annual commission of ₹5 Crore for Sudhir Mehta, subject to approval of Members.

In terms of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of Members by way of Special Resolution is sought for annual commission of ₹5 Crore to Sudhir Mehta, Non-Executive Director and Chairman Emeritus, for FY 20.

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

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

ITEM NO. 7

Members of the Company at Annual General Meeting held on August 01, 2018 accorded consent to the Board of Directors to borrow monies (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) and create security on assets of the Company for such borrowing, in such form and manner and on such terms and conditions as the Board may deem fit, such that the total amount borrowed and outstanding at any time does not exceed ₹20,000 Crore and for the said purpose authorised the Board inter-alia, to delegate all or any of the above powers to the Committee of Directors.

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

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

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

Approval of Members is sought for issuance of NCDs upto an aggregate ₹2,000 Crore, within overall approved borrowing limit of the Company. Such approval shall be valid in respect of all offers and invitations for such NCDs to be made in one or more series / tranches, within 12 months from the date of passing of the Special Resolution.

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

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

By Order of the Board
For Torrent Power Limited

Rahul Shah
Company Secretary

Ahmedabad
May 18, 2020

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

Dear Members,

Your Directors are pleased to present the Sixteenth Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2020.

1. OPERATIONAL & FINANCIAL HIGHLIGHTS

The Management Discussion and Analysis Report for FY 20 is part of the Annual Report and explain the operating and financial performance of the business for the year.

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

(₹ in Crore except per share data)

Particulars	Standalone		Consolidated	
	FY 20	FY 19	FY 20	FY 19
Total Income	13,687	13,239	13,818	13,341
Profit before Tax and Exceptional item	1,546	1,248	1,475	1,264
Exceptional item	1,000	-	1,000	-
Profit Before Tax	546	1,248	475	1,264
Total Comprehensive Income for the year (after non-controlling interest)	**1,209**	**883**	**1,145**	**893**
Add: Balance brought forward	4,587	3,379	4,620	3,405
Add: Impact on adoption of Ind AS 115	-	649	-	648
Balance available for Appropriation	**5,796**	**4,911**	**5,765**	**4,946**
Appropriations				
Transfer to specific reserves	62	36	62	36
Dividend paid (including dividend distribution tax)	959	288	962	290
Balance carried to Balance Sheet	**4,775**	**4,587**	**4,741**	**4,620**
Basic and Diluted Earnings per Share (₹ per share)	**26**	**19**	**24**	**19**

2. SCHEME OF ARRANGEMENT

During the year, the Company entered into Scheme of Arrangement with TCL Cables Private Limited (wholly owned subsidiary of the Company) for transfer and vesting of its Cables Business Undertaking on a going concern basis by way of a slump sale as per the terms and conditions of the Scheme, for a cash consideration of ₹214.50 Crore, subject to working capital adjustment on transfer. The appointed date for transfer is April 01, 2020. The Company has received approvals from both the stock exchanges (NSE & BSE) with BSE being designated stock exchange. The Company has filed an application with National Company Law Tribunal (NCLT), Ahmedabad, for approval of the Scheme.

3. 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. The Board of Directors, on February 12, 2020, declared interim dividend of ₹11.60 per equity share (including ₹5.00 per equity share as a special dividend) on 48,06,16,784 equity shares for FY 20 (PY ₹5.00 per equity share), amounting to ₹557.51 Crore (PY ₹240.31 Crore). The Board has not considered any further dividend for the year.

The Company paid Dividend Distribution Tax of ₹114.60 Crore (PY ₹49.40 Crore) on the above dividend; the total outflow on account of dividend was ₹672.11 Crore (PY ₹289.71 Crore). Excluding the special dividend of ₹5.00 per equity share, the dividend distribution was ₹382.41 Crore i.e. 33.26% (PY 32.28%) of consolidated total comprehensive income for FY 20 after the provision for impairment of DGEN Power Plant. It may be noted that the said provision is a non-cash charge not impacting the cashflows of the current or future years.

The Dividend Distribution Policy of the Company can be accessed at the Company's website.

4. TRANSFER TO RESERVES

The Company has not transferred any amount to the Reserves for the year under review, other than ₹62 Crore to certain specific reserves as described in Statement of Changes in Equity as part of Standalone Financial Statements.

5. FINANCE

During the year, CRISIL upgraded the long term credit rating of the Company from AA-/Stable to AA/Stable and reaffirmed the short term credit rating at A1+. Additionally, India Ratings assigned short term rating of IND A1+ to Commercial Papers programme of ₹850 Crore. The Company raised ₹1,078 Crore of new long term debt including through secured and unsecured Non-convertible Debentures (NCDs) mainly to finance ongoing capital expenditure in its distribution businesses and repaid ₹1,635 Crore of long term debt, thus reducing the long term debt by ₹557 Crore. The Company also tied up incremental working capital lines (fund and non-fund based) of ₹839 Crore i.e. increased it from ₹3,111 Crore to ₹3,950 Crore.

New long term debt raised included ₹370 Crore by way of issuance of NCDs on private placement basis as per the details mentioned below:

Description of NCDs	Date of Allotment	Number of NCDs issued	Face Value and Issue Price (₹ in Lakh)	Amount raised (₹ in Crore)	Coupon Rate	Maturity Date (Series wise)
Unsecured, Rated, Listed, Taxable, Non-Cumulative, Redeemable NCDs	May 14, 2019	2,700	10	270	10.25% p.a.	A – May 13, 2022 B – May 12, 2023 C – May 14, 2024
Secured, Rated, Listed, Taxable, Non-Cumulative, Redeemable NCDs	March 19, 2020	1,000	10	100	7.65% p.a.	March 17, 2023

Outstanding long term debt as on March 31, 2020 was ₹8,898 Crore, details of which are provided in Note 22 to the Consolidated Financial Statements. The consolidated debt to equity (including deferred tax liability) ratio as at the end of FY 20 was 0.92 (PY 0.90). The particulars of loans given, guarantees provided and investments made are disclosed in Note 55 to the Standalone Financial Statements.

6. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Board has reviewed the affairs of the Company's subsidiaries and associates at regular intervals. In accordance with section 129(3) of the Companies Act, 2013, the Company has prepared Consolidated Financial Statements incorporating the Financial Statements of all subsidiaries, which form part of the 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 the Annual report at page no. 249. The said Form also highlights the financial performance of each of the subsidiaries and associate companies included in the Consolidated Financial Statements.

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

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

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Pankaj Joshi, IAS, Director resigned wef December 17, 2019 due to his transfer within the Government. The Board places on record its appreciation for the guidance and support provided by him during his tenure as a member of the Board.

Government of Gujarat holding 11.22% equity shares of the Company as at end of the year nominated Sunaina Tomar, IAS - Principal Secretary, Energy and Petrochemicals Department (DIN: 03435543) on the Board of the Company in place of Pankaj Joshi, IAS and the Board at its meeting held on February 12, 2020 appointed her as Additional Director wef February 13, 2020 till the commencement of ensuing Annual General Meeting (AGM). The Board hereby recommends her appointment as Director, liable to retire by rotation, wef the ensuing AGM i.e. August 06, 2020.

As per the provisions of the Companies Act, 2013, Samir Mehta (DIN: 00061903), Director, retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment. A brief resume and other relevant details of Samir Mehta are given in the Explanatory Statement to the Notice convening the AGM.

The Board at its meeting held on May 15, 2019 appointed Rahul Shah as Company Secretary & Whole-time KMP of the Company wef May 16, 2019 in place of Samir Shah, who took up another role in the Company.

8. DECLARATION BY INDEPENDENT DIRECTORS

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

9. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION POLICY

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

Criteria for Appointment:

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

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

Process for Identification / Appointment of Directors:

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

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

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

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

Remuneration Policy:

The Company has in place a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees of the Company. The policy is available on the website of the Company.

10. EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

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

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

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

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

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

During the year, 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).

12. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2020 and of the profits for the year ended March 31, 2020;

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

d) the Financial Statements have been prepared on a going concern basis;

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

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

13. AUDITORS

STATUTORY AUDITORS

The Members at the 13th AGM of the Company had appointed M/s. Price Waterhouse Chartered Accountants LLP as Statutory Auditors of the Company to hold office from the close of the 13th AGM till the conclusion of the 18th AGM.

The Auditors' Report for FY 20 forms part of the 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 Cost Auditors of the Company for FY 20 by the Board of Directors for conducting audit of cost records maintained in respect of electricity and electricals or electronic machinery. Their remuneration was ratified by Members at the 15th AGM of the Company.

The Cost Audit Report for FY 19 does not contain any qualification and was filed on August 26, 2019 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 20. The Secretarial Audit Report for FY 20 is annexed herewith as **Annexure A**.

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

14. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to Financial Statements. The Statutory Auditors of the Company have audited such controls with reference to Financial Reporting and their Audit Report is annexed as Annexure A to the Independent Auditors' Report under Standalone Financial Statements and Consolidated Financial Statements which forms part of the Annual Report.

15. CORPORATE GOVERNANCE

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

16. CORPORATE SOCIAL RESPONSIBILITY (CSR)

During FY 20, the Company incured CSR expenditure of ₹20.36 Crore which was 2% of average net profit for the past three Financial Years. The CSR activities by the Company were under the thrust areas of Community Healthcare, Sanitation & Hygiene, Education & Knowledge Enhancement and Social Care & Concern. Brief outline of the CSR Policy of the Company and the details of key CSR programs and activities undertaken at Group level are provided in the Report on CSR Activities annexed herewith as **Annexure C**.

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

- **Creating livelihoods**

  - To contribute towards societal goal of uplifting the local youth of the area, 48 unemployed youth with basic primary education were selected from surrounding areas in FY 20. They were imparted an intensive in-house developed training module of 33 working days, followed by a structured on-the-job training for one month covering security, basic firefighting and computer skills. Post completion of successful training, they were absorbed as security guards at SUGEN and DGEN power plants. Till date, total 186 such youth have been trained and employed.
  - Differently abled persons (with impaired hearing and speech) were trained for routine cleaning of solar panels at GENSU Solar Plant, thus providing them a dignified livelihood.
  - Employment opportunities for uneducated and destitute locals for horticulture, house keeping and canteen work at industrial and office facilities.

- **Community Healthcare**

  During the year, Swadhar community healthcare facility was renamed Sumangal and integrated into Rangtarang hospital complex comprising 150 bed paediatric hospital, inaugurated in February, 2020. Sumangal now operates with an enhanced scope which includes specialized consultations in the areas of dental care, ophthalmology, dermatology, gynaecology, physiotherapy and orthopeadic. During FY 20, 1,00,311 patients have benifitted from the facility.

- **Donations**

  The Company made charitable donations amounting to ₹19.44 Crore to various organisations for activities related to healthcare, education, arts & culture, science, relief to disaster victims; socio-economic development including de-addiction, skill development, self-help groups, upliftment of women, integrated development of tribes, protection of consumer rights, building of toilets etc.

  The Company has also dontated ₹15.00 Crore to Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM – CARES Fund) and ₹35.00 Lakh to various charitable organizations to fight the effects of COVID -19 pandemic and its fallout on poorer sections of the society.

17. ENVIRONMENT, HEALTH AND SAFETY (EHS)

The Company accords utmost importance to EHS in its various operations. The key developments concerning EHS during FY 20 include:

- AMGEN Power Plant has been awarded the prestigious sword of honour by British Safety Council in October, 2019 for its commitment to excellence in occupational health and safety.
- Gas based generation plants have implemented 5S Work Place Management System and were certified by Quality Circle Forum of India (QCFI) and Union of Japanese Scientist and Engineers (JUSE).
- Kitchen waste of all Company operated canteens was converted into manure through organic waste converter machines.
- Extensive plantations of trees and shrubs in all the vacant lands of the Company.
- Implemented "Behaviour Based Safety" (BBS) to develop and inculcate safety as a behavioural aspect of each individual at the gas-based generation plants.
- Health talks on common health problems such as Hypertension, Diabetes, Life Style Diseases, Yoga, mini marathon etc. were conducted for employees.
- Specialized external training workshops were organised by AMGEN power plant for AED (Automated External Defibrillator), AMBU Bag (Artificial Manual Breathing Unit), Cardio Pulmonary Resuscitation (CPR) technique with the practical demonstration, awareness for hazards and precautions for COVID-19, electrical safety training for

safe isolation, mock drills for different kind of emergency scenarios such as body illness, fire in office premise etc. E-learning initiatives taken up for EHS training in AMGEN power plant.

- Continuing efforts for reducing paper consumption by development of Field Force Application for various activities.
- Measurement and monitoring of environmental parameters related to drinking water quality, food quality, work place noise, ambient noise, DG stack emission monitoring, ambient air quality monitoring and usage of environmental 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.

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

18. VIGIL MECHANISM

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

19. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

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

Financial Year	Unpaid / Unclaimed Dividend transferred (in ₹)	No. of equity shares transferred
2011-12 (Final dividend)	1,09,74,765.00	1,83,907
Fractional entitlement	8,45,611.00	-

During the year under review, the Company has also credited following dividend to IEPF authority against equity shares already transferred:

Financial Year	Dividend (in ₹)	Amount credited to IEPF (in ₹)	No. of equity shares already transfered
2018-19 (Final dividend)	5.00 per share	88,32,455.00	17,66,491
2019-20 (Interim dividend)	11.60 per share	2,22,05,624.80	19,14,278

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

The details of unpaid / unclaimed dividend lying in the unpaid dividend accounts as on March 31, 2020 are mentioned below:

Sr. No.	Dividend for Financial Year	Due date for transfer to IEPF	Amount of Unpaid / Unclaimed Dividend (in ₹)
1.	2012-13 (Final) of erstwhile Torrent Cables Ltd.	August 25, 2020	9,37,321.00
2.	2012-13 (Final) of Torrent Power Ltd.	August 30, 2020	63,54,982.00
3.	2013-14 (Final) of erstwhile Torrent Cables Ltd.	September 02, 2021	4,69,672.50
4.	2013-14 (Final) of Torrent Power Ltd.	September 02, 2021	17,79,553.50
5.	2014-15 (Final) of erstwhile Torrent Cables Ltd.	September 02, 2022	3,08,956.00
6.	2014-15 (Final) of Torrent Power Ltd.	September 09, 2022	52,85,455.50
7.	2015-16 (Interim) of Torrent Power Ltd.	April 15, 2023	1,61,622,67.50
8.	2016-17 (Final) of Torrent Power Ltd.	September 06, 2024	1,21,33,748.00
9.	2017-18 (Final) of Torrent Power Ltd.	September 06, 2025	1,57,80,585.00
10.	2018-19 (Final) of Torrent Power Ltd.	September 10, 2026	1,21,35,915.00
11.	2019-20 (Interim) of Torrent Power Ltd.	March 19, 2027	2,41,68,971.20

Note: Torrent Cables Ltd. was amalgamated with Torrent Power Ltd. wef October 01, 2015.

The actual amount lying in unpaid dividend accounts alongwith corresponding shares related thereto will be transferred to IEPF Authority within statutory timeline as applicable.

Rahul Shah, Company Secretary, has been appointed as Nodal Officer of the Company and details of the Nodal Officer are available on the webiste of the Company at https://www.torrentpower.com/index.php/investors/iepf.

20. BUSINESS RESPONSIBILITY REPORT

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

21. 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 (RMC), Chief Risk Officer, Risk Champions and Risk Co-ordinators. The Risk Management process is reviewed and monitored by the functional heads. RMC meets at least once in a year to review internal and external risks with potential impact and likelihood that may impact the Company in achieving its strategic objectives or may threaten its existence. Composition of RMC consists of member of Board and Senior Management of the Company as provided below:

Name of Member	Category
Samir Barua, Chairperson	Independent Director
Bhavna Doshi	Independent Director
Sanjay Dalal	Chief Financial Officer

Management and Discussion Analysis section of the Annual Report identifies the key risks which can affect the performance of the Company.

22. 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, annexed herewith as **Annexure D** and in the section on Related Party Transactions in the Report on Corporate Governance.

23. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The details in terms of section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time are forming part of this Report as **Annexure E**.

24. PROTECTION OF WOMEN AGAINST SEXUAL HARASSMENT AT WORK PLACE

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

25. THE EXTRACT OF THE ANNUAL RETURN

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

26. 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.

27. OTHER DISCLOSURES

- During the year under review, the Company has neither accepted nor renewed any fixed deposits.
- During the year under review, there are no changes in the nature of business.
- There are no material changes and commitments, affecting the financial position of the Company which has occurred between end of financial year i.e. March 31, 2020 and the date of Directors' Report i.e. May 18, 2020.
- No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operation in future.

28. APPRECIATION AND ACKNOWLEDGEMENTS

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

The Directors regret the loss of life due to COVID-19 pandemic and have immense respect for every person who risked their life and safety to fight this pandemic.

For and on behalf of the Board of Directors

May 18, 2020
Ahmedabad

Samir Mehta
Chairperson
DIN: 00061903

ANNEXURE A

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[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 – 380015

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 our 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, 2020, 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, 2020 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 there under;

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

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

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

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

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

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

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

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

   (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, 2018; **(Not applicable to the Company during the Audit Period)**.

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

(a) Electricity Act, 2003

(b) Gujarat Electricity Duty Act, 1958

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

(d) Gujarat Electricity Grid Code, 2013

(e) Energy Conservation Act, 2001

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

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

We further report that

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

Adequate notice is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were usually sent seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. There were no dissenting views on any matter.

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

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

1. The Company has issued Listed Rated Non-Convertible Debentures aggregating to ₹370 Crore through Private Placement and Commercial Papers aggregating to ₹250 Crore.
2. The Company has acquired entire paid up share capital of TCL Cables Private Limited, the step down subsidiary and the same has become direct Wholly-owned Subsidiary (WOS) of the Company.
3. The Board of Directors of the Company had approved a draft Scheme of Arrangement with TCL Cables Private Limited and the respective shareholders and creditors for transfer and vesting of cable business undertaking of the Company as a going concern by way of slump sale.

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

Mahesh C. Gupta
Proprietor
FCS: 2047 (CP: 1028)
UDIN: F002047B000249228

Place : Ahmedabad
Date : May 18, 2020

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 – 380015

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 followed provide a reasonable basis for our opinion.
3. The spread of COVID-19 disease has severely impacted economies, business and social setups across globe. India is no exception. The spread of COVID-19 and consequent lockdowns, disruption in transportation, supply-chain, travel bans, quarantines, social distancing and other such emergency measures have carried wide spread disruption in the economy and business. The resultant situation is both complex and continuous evolving with no clear viability near to medium term future outlook. In above backdrop and with a view to meet the statutory timelines, we have relied upon the information and online data provided by the Company, required to conduct the Secretarial Audit and also the clarifications given by the Management. We have conducted the Secretarial Audit based upon the online information so provided with limitation to access to all the records maintained by the Company, due to inability to have personal visit to Company's office(s).
4. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliances of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of the Management. Our examination was limited to the verification of the procedures on test basis.
7. 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
Propriety
FCS: 2047 (CP: 1028)
UDIN: F002047B000249228

Place : Ahmedabad
Date : May 18, 2020

ANNEXURE B

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

TO THE MEMBERS OF
TORRENT POWER LIMITED

We have examined the compliance of conditions of Corporate Governance by Torrent Power Limited (the "Company"), for the year ended March 31, 2020 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

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

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

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

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

Pradip Kanakia
Partner
Membership No.: 039985
UDIN: 20039985AAAACD7301

Place: Bengaluru
Date: May 18, 2020

ANNEXURE C

REPORT ON CSR ACTIVITIES FOR FY 20

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

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

   The Company, as a part of its CSR programmes / activities, made dedicated efforts in the fields of Community Healthcare, Sanitation & Hygiene, Education & Knowledge Enhancement and Social Care & Concern. It is in this backdrop that the Company has drawn up its CSR policy and conducted its programmes and activities for FY 20.

   Overview of projects or programs undertaken

   Major CSR initiatives undertaken by the Company during FY 20, are enumerated hereunder:

   ➢ **REACH:** Driven by the belief of Chairman Emeritus, Sudhir Mehta **'Children are the future of our nation and this future must be well preserved'**, the flagship CSR program of the Group **"REACH" – Reach EAch CHild** was initiated in the year 2016 under the aegis of Tornascent Care Institute, a section 8 company. REACH has three major pillars: **(a) SHAISHAV (b) JATAN and (c) MUSKAN.** Salient achievements are:

   - **"Shaishav",** the first pillar of the programme, targets to establish baseline health status of children in age group of 6 months to 6 years, through medical camps in 372 villages surrounding the industrial establishments of the Group. This year, 277 supplementary camps spanning 351 villages were conducted to screen 12,619 new children subsequent to previous camps. Children identified as anemic and malnourished were provided appropriate treatment with very encouraging outcomes. Additionally, children identified with chronic illnesses were provided long term treatment with complete handholding. Aggregate 1,471 such children having chronic illnesses have benefitted from the programme since initiation.

   - **"Jatan",** the second pillar of the programme, encompasses provision of healthcare services to children upto 18 years. Initiated with establishment of 4 state-of-art paediatric primary healthcare facilities, supported by mobile OPD vans, in areas where Group's industrial facilities are located, primarily rural areas. The programme was extended during the year by building a state-of-the-art 150 bed paediatric hospital "Balsangam", near SUGEN Power Plant at an aggregate capital cost of ₹135 Crore. The hospital, inaugurated in February 2020, will provide free-of-cost OPD and in-patient services and is eventually planned to be established as a center of excellence in secondary and tertiary paediatric care in multiple super specialties. "Balsangam" is expected to benefit children residing in about 500 villages in a radius of 40 kms. In addition, "Sumangal" (the erstwhile "Swadhar") community healthcare facility was integrated into the "Rangtarang" hospital complex and expanded from a community healthcare center to multidisciplinary clinic for patients of all ages. "Sumangal" provides general and specialised healthcare services at a nominal charge of ₹10 per visit.

     The well-equipped paediatric hospital at SUGEN and primary paediatric health centers at other 3 locations, namely, Dahej, Balasinor and Indrad progressed well during the year. The SUGEN center added diagnostic capabilities during the year. For FY 20, 1,37,297 children benefited from the services of these pediatric centers and associated mobile OPD vans.

   - **Under "Muskaan",** the third pillar of the program, counselling and support was provided to rural adolescent girls around SUGEN, Dahej & Indrad centers covering menstrual hygiene and sanitation, by providing free health and hygiene kits. About 6,000 adolescent girls from 125 villages, between 11-18 years of age were provided kits on monthly basis during the year. This programme has helped gradual eradication of physiological and social taboos and increased confidence and self-esteem of the beneficiaries. It is planned to expand the coverage under this programme.

With the objective to build awareness amongst the rural under privileged class that prevention is better than cure for long term benefits in healthcare, an initiative **"જાગરણ એ જ નિવારણ"**, was launched in FY 20. This initiative was implemented with large scale employee participation "Shaishav Mitrs". Shaishav Mitrs reach out and conduct sessions amongst community and provide insight into the curative facilities available at the Bal Aarogya Kendras. The target population includes patients waiting for consultation at Jatan, mothers hailing from villages where camps are conducted, others who come in contact during follow up interventions as well as school children in the age group of 6 to 13 years. 41,230 villagers from 351 supplementary camp villages and 65,737 children from 493 primary schools have benefited from the sessions.

During the year, a healthcare awareness drive through daily SMS containing a topical health message in Gujarati language was started, covering more than 80,000 villagers, mainly beneficiaries under our various programmes across all the four locations.

- **Shiksha Setu :** The Teaching and Learning Programme, conducted through UNM Foundation completed fourth year of Phase II. This programme covers 13 government primary schools located near SUGEN, Chhatral, Chhapi, Memadpur and Ahmedabad locations having 4,600+ students and 150+ teachers of 1-8 standards. Focus in FY 20 continued to be on enhancing learning levels of students through academic workshops and technology based education tools provided in the schools. About 4,200 students from 3rd to 8th standard (from 13 program schools and 7 control schools) participated in technology based learning assessment and achieved 20.26% YOY improvement in learning levels as compared to previous year's result.

  Based on the analysis of the outcomes, remedial sessions for enhancing foundation skills of academically weak students were carried out. Continuous inputs were provided to teachers and students on enhancing academic skills, positive wellbeing and life skills through various workshops. About 600+ parents have been contacted through sensitization meetings and individual home visits. Family meetings were also conducted for academically weak and irregular students.

- **Development and Maintenance of Public Parks:** The Company along with one of India's best known landscape design firm developed an approach for development of urban public parks, particularly small sized parks (as large plots of land are not easily available in cities). Six such parks measuring approx. 33,000 sq mt have been fully developed and opened for public use since FY 19. Another six parks measuring approx. 75,000 sq mt are under various stages of development and will be opened to public in FY 21. The park maintenance is also funded from CSR funds of the Company.

The CSR Policy and approved CSR budget for FY 20 are available for reference on the website of the Company at:

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

https://www.torrentpower.com/pdf/investors/20190516_CSR_BUDGET_FY201920.pdf respectively.

A brief outline of the CSR Policy is given below:

- Three thrust areas in which CSR activities are planned - (a) Community Healthcare, Sanitation & Hygiene (b) Education & Knowledge Enhancement (c) Social Care & Concern.
- The CSR projects are conducted, preferably in areas where the Company has industrial or business presence, after approval of CSR Committee and Board. Half-yearly review of the implementation of the CSR Policy and Plan is done by the CSR Committee.
- CSR Projects may be implemented directly by the Company wherein Company implements the CSR projects on its own or through dedicated CSR vehicles (section 8 companies) promoted by it and/or indirectly wherein the Company implements the CSR projects through an external entity engaged in charitable activities.

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

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

3. **Average net profit of the Company for last three Financial Years:** ₹1,017 Crore.

4. **Prescribed CSR Expenditure (2% of the above amount):** ₹20.35 Crore.

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

   a) Total amount spent for the FY 20: ₹20.36 Crore.

   b) Amount unspent, if any: Nil

c) Manner in which the CSR amount was spent during FY 20 is detailed below:-

(₹ in Crore)

1 Sr. No.	2 CSR Project or Activity Identified	3 Sector in which the Project is covered	4 Projects or Programs: (1) Local area or other; (2) Specify the State and District where Projects or Programs were undertaken during FY 20	5 Amount Outlay (Budget) Project or Program wise for FY 20	6 Amount spent on the Projects or Programs subheads: (1) Direct expenditure on Projects or Programs, (2) Overheads for FY 20	7 Cumulative expenditure upto the reporting period*	8 Amount Spent : Direct or through implementing agency
1	REACH - Paediatric Healthcare Programme	Community Healthcare, Sanitation & Hygiene (promoting healthcare including preventive healthcare)	Various districts in the state of Gujarat like Kamrej, Mandvi, Mangrol, Olpad in Surat, Vagra, Amod in Bharuch, Balasinor in Mahisagar, Jotana, Kadi in Mehsana, Galteshwar, Kapadvanj, Kathlal, Thasra, Nadiad in Kheda, Kalol in Gandhinagar	18.53	18.54	53.15	Directly: (1) Through Tornascent Care Institute (Section 8 company of the Group) (2) By Company
2	Development of Public Parks	Social Care & Concern (ensuring environmental sustainability, ecological balance and protection of flora and fauna)	Ahmedabad, Gujarat	1.35	1.35	7.85	Directly: Through UNM Foundation (Section 8 company of the Group)
3	Shiksha Setu (Quality education programme) (Rural and Urban Slum area) $	Education and Knowledge Enhancement (promoting education)	Sabarmati in Ahmedabad, Kamrej in Surat, Vadgam in Banaskantha Kadi in Mehsana, in the state of Gujarat	0.36	0.36	5.01	Directly: Through UNM Foundation (Section 8 company of the Group)
4	Supporting Primary & Secondary School (for urban slum children)	Education and Knowledge Enhancement (promoting education)	Sabarmati, Ahmedabad, Gujarat	0.11	0.11	1.02	Directly: Through Amdavad Vidhyut Kelavani Samaj Trust
5	Supporting village development	Social Care & Concern (Rural Development)	Nadiad, Kheda, Gujarat	0.0012	0.0012	0.18	Directly by Company
6	Others						
	CSR capacity building cost including Administrative overhead			0.00	0.00	2.60	Directly by Company
	Miscellaneous			0.00	0.00	0.04	
	Total			**20.35**	**20.36**	-	

* Starting from April 01, 2014.

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

Note: Cumulative expenditure upto the reporting period does not include the projects / programs previously completed.

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

Not Applicable

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

For and on behalf of the Board of Directors

Ahmedabad	**Samir Barua**	**Bhavna Doshi**
May 18, 2020	Director	Chairperson, CSR Committee
	DIN: 00211077	DIN: 00400508

ANNEXURE D

FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts/arrangements/ transactions including value, if any	Justification for entering into such contracts/ arrangements/ transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1.	TCL Cables Private Limited (Subsidiary Company)	Permission for use of premises as Registered Office	Effective from November 05, 2019 until such time it remains wholly owned subsidiary of the Company	- Permission to use premises located at Cables Unit, Nadiad, as Registered Office - Free of cost basis	Being Company's wholly-owned subsidiary	November 05, 2019	Nil	Not Applicable
2.	UNM Foundation (Associate Company)	Free of cost License of land	Effective from execution of requisite leave and license agreement until land is used for the purpose of Urja Vidhyalay School	- License of 8200 sq. mt. area of land for the purpose of construction of new school building of Urja Vidhyalay - Free of cost basis	The transaction was entered for a good cause and for better-ment of society as the children from the slum areas in and around the AMGEN power plant are benefited from the school	February 12, 2020	Nil	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/arrangements/ transactions including value, if any	Date(s) of approval by the Board and Audit Committee, if any	Amount paid as advances, if any	Date on which shareholders resolution was passed in general meeting u/s 188(1)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
				NIL			

For and on behalf of the Board of Directors

Ahmedabad
May 18, 2020

Samir Mehta
Chairperson
DIN: 00061903

ANNEXURE E

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

1. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 20 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during FY 20 are as under:

Sr. No.	Name	Designation	Ratio of Remuneration of Director to Median Remuneration of employees	% increase in Remuneration in FY 20
			(Sub-clause (i) of Rule 5(1))	(Sub-clause (ii) of Rule 5(1))
1.	Sudhir Mehta	Chairman Emeritus	111.17	0%
2.	Samir Mehta	Chairperson	222.34	0%
3.	Pankaj Patel	Independent Director	5.00	18.42%
4.	Samir Barua	Independent Director	9.56	53.57%
5.	Keki Mistry	Independent Director	5.56	38.89%
6.	Bhavna Doshi	Independent Director	9.00	44.64%
7.	Dharmishta Raval	Independent Director	7.23	16.07%
8.	Pankaj Joshi, IAS	Non-Executive Director	2.45	37.50%*
9.	Jinal Mehta	Managing Director	249.71	14.91%
10.	Sanjay Dalal	Chief Financial Officer	Not Applicable	9.45%
11.	Rahul Shah	Company Secretary	Not Applicable	Not Applicable**

Notes:

* Resigned as Director wef December 17, 2019. Sunaina Tomar, IAS was appointed in his place wef February 13, 2020 not included in the above table, as no remuneration has been paid to her for FY 20.

** Appointed as Company Secretary wef May 16, 2019. Samir Shah was Company Secretary until May 15, 2019, not included in the above table.

2. Sub-clause (iii) of Rule 5(1): The median remuneration of the employees (excluding employees covered under wage settlement and employees who were employed for part of the year) in FY 20 increased by 9.02%.

3. Sub-clause (iv) of Rule 5(1): The number of permanent employees on the rolls of Company as on March 31, 2020 was 7,874.

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

   - of employees (excluding Directors, Managerial Personnel, employees covered under wage settlement and employees who were employed for part of the year) is 11.37%;
   - of managerial personnel is 7.37%.

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

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

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN: 00061903

Ahmedabad
May 18, 2020

ANNEXURE F

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended March 31, 2020

[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:	April 29, 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 - 380015 (Gujarat) Phone: +91 79 26628300 Fax: +91 79 26764159 Email: cs@torrentpower.com Website: www.torrentpower.com
vi)	Whether listed company Yes / No :	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent:	Link Intime India Private Limited 5th floor, 506 to 508, Amarnath Business Centre - 1 (ABC - 1), Beside Gala Business Centre, Near St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad - 380006 (Gujarat) Phone: +91 79 26465179 / 86 / 87 Email: ahmedabad@linkintime.co.in Website: www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the product / service	% to total turnover of the Company
1	Electric power generation and distribution	351	97.21%

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 Investments Private Limited#	Torrent House, Off Ashram Road, Ahmedabad-380009	U67120GJ1985PTC007573	Holding	53.56%	2(46)
2	Torrent Power Grid Limited	"Samanvay", 600 Tapovan, Ambawadi, Ahmedabad-380015	U40104GJ2005PLC046660	Subsidiary	74.00%	2(87)
3	Torrent Pipavav Generation Limited	"Samanvay", 600 Tapovan, Ambawadi, Ahmedabad-380015	U40108GJ2007PLC051822	Subsidiary	95.00%	2(87)
4	Torrent Solargen Limited	"Samanvay", 600 Tapovan, Ambawadi, Ahmedabad-380015	U40102GJ2008PLC055000	Subsidiary	100.00%	2(87)
5	Jodhpur Wind Farms Private Limited	"Samanvay", 600 Tapovan, Ambawadi, Ahmedabad-380015	U31909GJ2017PTC106919	Subsidiary	100.00%	2(87)
6	Latur Renewable Private Limited	"Samanvay", 600 Tapovan, Ambawadi, Ahmedabad-380015	U31906GJ2017PTC106736	Subsidiary	100.00%	2(87)
7	AEC Cements and Constructions Limited	AEC Tower, Fifth Floor, Shahpur, Ahmedabad-380001	U45201GJ1988PLC010752	Subsidiary	69.00%	2(87)
8	TCL Cables Private Limited*	Torrent Power Ltd - Cables, Unit Yoginagar Mission Road Nadiad-387002	U31904GJ2019PTC110468	Subsidiary	100.00%	2(87)
9	Tidong Hydro Power Limited	Ground Floor, Room No. 1, Building Khasra No. 6849 Ward No. 1, Nirmand Road, Near Army Area, Kulu, Himachal Pradesh-172022	U40101HP2007PLC030774	Associate	49.00%	2(6)
10	UNM Foundation (Section 8 Company)	"Samanvay", 600 Tapovan, Ambawadi, Ahmedabad-380015	U85110GJ2015NPL083340	Associate	50.00%	2(6)
11	Tornascent Care Institute (Section 8 Company)	"Samanvay", 600 Tapovan, Ambawadi, Ahmedabad-380015	U85100GJ2015NPL082291	Associate	50.00%	2(6)
12	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)

earlier known as Torrent Private Limited

* wef November 05, 2019

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

i) Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the year 01/04/2019				No. of Shares held at the end of the year 31/03/2020				% 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**	**-**
B. PUBLIC SHAREHOLDING									
(1) INSTITUTIONS									
(a) Mutual Funds / UTI	53161122	-	53161122	11.06	73044049	-	73044049	15.20	4.14
(b) Banks / Financial Institutions	23384345	83165	23467510	4.88	2430251	63801	2494052	0.52	-4.36
(c) Central Government	-	-	-	-	-	-	-	-	-
(d) State Government(s)	900	7057896	7058796	1.47	901	7057050	7057951	1.47	0.00
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	11309490	-	11309490	2.35	2.35
(g) Foreign Portfolio Investors / Foreign Institutional Investors	37533395	-	37533395	7.81	42076508	-	42076508	8.75	0.94

Category of Shareholder	No. of Shares held at the beginning of the year 01/04/2019 Demat	Physical	Total	% of total Shares	No. of Shares held at the end of the year 31/03/2020 Demat	Physical	Total	% of total Shares	% Change during the year
(h) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	
(i) Alternative Investment Funds	-	-	-	-	131309	-	131309	0.03	0.03
Sub-Total B(1)	**114079762**	**7141061**	**121220823**	**25.22**	**128992508**	**7120851**	**136113359**	**28.32**	**3.10**
(2) NON-INSTITUTIONS									
(a) Bodies Corporate	**60643772**	**-**	**60643772**	**12.61**	**48851936**	**-**	**48851936**	**10.16**	**-2.45**
(i) Indian	56783772	-	56783772	11.81	48851936	-	48851936	10.16	-1.65
(ii) Overseas	3860000	-	3860000	0.80	-	-	-	-	-0.80
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹1 lac	20954521	4772863	25727384	5.35	19137121	4109114	23246235	4.84	-0.51
(ii) Individual shareholders holding nominal share capital in excess of ₹1 lac	9297236	1746831	11044067	2.30	9325448	1291923	10617371	2.20	-0.10
(c) NBFC's registered with RBI	15913	-	15913	0.00	1975	-	1975	0.00	0.00
(d) Others									
- NRI	931177	92513	1023690	0.21	1021103	76542	1097645	0.23	0.02
- Trusts	156644	-	156644	0.03	148571	-	148571	0.03	0.00
- HUF	939429	-	939429	0.20	813642	-	813642	0.17	-0.03
- Office Bearers	-	25	25	0.00	-	-	-	0.00	0.00
- Foreign Portfolio Investor Individual	750	-	750	-	-	-	-	-	0.00
- Clearing Member	628648	-	628648	0.13	361998	-	361998	0.07	-0.06
- IEPF	1772321	-	1772321	0.37	1913948	-	1913948	0.40	0.03
- Trustee Employee	-	-	-	-	6786	-	6786	0.00	0.00
Sub-Total B(2)	**95340411**	**6612232**	**101952643**	**21.21**	**81582528**	**5477579**	**87060107**	**18.11**	**-3.10**
Total Public Shareholding (B)=B(1)+B(2)	**209420173**	**13753293**	**223173466**	**46.43**	**210575036**	**12598430**	**223173466**	**46.43**	**0.00**
C. SHARES HELD BY CUSTODIANS FOR GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)	**466863491**	**13753293**	**480616784**	**100.00**	**468018354**	**12598430**	**480616784**	**100.00**	**-**

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2019			Shareholding at the end of the year 31/03/2020			% 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 Investments Private Limited#	257422311	53.56	0.00	257422311	53.56	48.54*	0.00
2	Sudhir Mehta	6882	0.00	0.00	6882	0.00	0.00	0.00
3	Samir Mehta	6125	0.00	0.00	6125	0.00	0.00	0.00
4	Jinal Mehta	8000	0.00	0.00	8000	0.00	0.00	0.00

earlier known as Torrent Private Limited

* SEBI vide notification dated July 29, 2019 expanded the definition of "Encumbrance" under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 which includes the following-

a. any restriction on the free and marketable title to shares, by whatever name called, whether executed directly or indirectly;

b. pledge, lien, negative lien, non-disposal undertaking; or

c. any covenant, transaction, condition or arrangement in the nature of encumbrance, by whatever name called, whether executed directly or indirectly.

Promoter has executed Non-Disposal Undertakings ("NDUs") / accepted covenants in respect of 12,49,60,364 equity shares held by it in the Company, for the benefit of specified lenders /NCD holders, for loans granted/ NCDs subscribed by them to the Company. Such NDUs / covenants fall under the above expanded definition of Encumbrance. The primary obligation undertaken by the Promoter in such NDUs / covenants is to hold and continue to hold atleast 26% of equity share capital of the Company during the period such loans / debentures are outstanding. The NDUs / covenants do not create pledge or similar security charge on equity shares and the sole purpose of executing NDUs / accepting covenants is to provide management comfort to such lenders / debenture holders. Cumulatively these NDUs / covenants oblige the Promoter for 26% of the equity shares of the Company.

(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 (01/04/2019 to 31/03/2020)	
		No. of Shares at the beginning (01/04/2019) end of the year (31/03/2020)	% of Shares of the Company				No. of Shares	% of total Shares of the Company
1	Gujarat State Financial Services	46871621	9.7524	01-04-19	Nil			
	Limited	46871621	9.7524	31-03-20			46871621	9.7524
2	Axis Mutual Fund	30744585	6.3969	01-04-19				
	Trustee Limited A/C			05-04-19	-51000	Transfer	30693585	6.3863
	Axis Mutual Fund A/C			26-04-19	200000	Transfer	30893585	6.4279
	Axis Long Term			03-05-19	41664	Transfer	30935249	6.4366

Sr. No.	Name	Shareholding: No. of Shares at the beginning (01/04/2019) end of the year (31/03/2020)	Shareholding: % of Shares of the Company	Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01/04/2019 to 31/03/2020): No. of Shares	Cumulative Shareholding during the year (01/04/2019 to 31/03/2020): % of total Shares of the Company
	Equity Fund			10-05-19	48291	Transfer	30983540	6.4466
				31-05-19	695598	Transfer	31679138	6.5914
				07-06-19	-387000	Transfer	31292138	6.5108
				14-06-19	-2052000	Transfer	29240138	6.0839
				29-06-19	36820	Transfer	29276958	6.0915
				12-07-19	-3243000	Transfer	26033958	5.4168
				26-07-19	297050	Transfer	26331008	5.4786
				02-08-19	167950	Transfer	26498958	5.5135
				09-08-19	500000	Transfer	26998958	5.6176
				16-08-19	463458	Transfer	27462416	5.7140
				08-11-19	174000	Transfer	27636416	5.7502
				15-11-19	633138	Transfer	28269554	5.8819
				29-11-19	132245	Transfer	28401799	5.9094
				10-01-20	-36821	Transfer	28364978	5.9018
				21-02-20	212788	Transfer	28577766	5.9461
				28-02-20	161603	Transfer	28739369	5.9797
				06-03-20	590183	Transfer	29329552	6.1025
				13-03-20	-57000	Transfer	29272552	6.0906
				20-03-20	300000	Transfer	29572552	6.1530
		29572552	6.1530	31-03-20			29572552	6.1530
3	SBI Focused	1	0.0000	01-04-19				
	Equity Fund			29-06-19	317729	Transfer	317730	0.0661
				05-07-19	168000	Transfer	485730	0.1011
				19-07-19	9176129	Transfer	9661859	2.0103
				26-07-19	203871	Transfer	9865730	2.0527
				02-08-19	672952	Transfer	10538682	2.1927
				09-08-19	27332	Transfer	10566014	2.1984
				23-08-19	50000	Transfer	10616014	2.2088
				30-08-19	170000	Transfer	10786014	2.2442
				13-09-19	180000	Transfer	10966014	2.2817
				27-09-19	183870	Transfer	11149884	2.3199
				30-09-19	1030314	Transfer	12180198	2.5343
				04-10-19	1036522	Transfer	13216720	2.7499
				11-10-19	791294	Transfer	14008014	2.9146
				18-10-19	-42000	Transfer	13966014	2.9059
				01-11-19	888650	Transfer	14854664	3.0908
				08-11-19	93559	Transfer	14948223	3.1102
				29-11-19	18153	Transfer	14966376	3.1140

Sr. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of Shares at the beginning (01/04/2019) end of the year (31/03/2020)	% of Shares of the Company				No. of Shares	% of total Shares of the Company
				06-12-19	299638	Transfer	15266014	3.1763
				27-12-19	18311	Transfer	15284325	3.1801
				14-02-20	166107	Transfer	15450432	3.2147
				28-02-20	105000	Transfer	15555432	3.2366
				06-03-20	112630	Transfer	15668062	3.2600
				13-03-20	-951310	Transfer	14716752	3.0621
				20-03-20	-90000	Transfer	14626752	3.0433
				31-03-20	26200	Transfer	14652952	3.0488
		14652952	3.0488	31-03-20			14652952	3.0488
4	UTI – Value	11743690	2.4435	01-04-19				
	Opportunities Fund			05-07-19	-44000	Transfer	11699690	2.4343
				12-07-19	-1612689	Transfer	10087001	2.0988
				02-08-19	-36887	Transfer	10050114	2.0911
				09-08-19	-60000	Transfer	9990114	2.0786
				13-09-19	-100000	Transfer	9890114	2.0578
				20-09-19	-500000	Transfer	9390114	1.9538
				27-09-19	-774000	Transfer	8616114	1.7927
				04-10-19	-149918	Transfer	8466196	1.7615
				18-10-19	-20355	Transfer	8445841	1.7573
				01-11-19	30000	Transfer	8475841	1.7635
				08-11-19	435585	Transfer	8911426	1.8542
				15-11-19	130000	Transfer	9041426	1.8812
				29-11-19	-26370	Transfer	9015056	1.8757
				06-12-19	-3000	Transfer	9012056	1.8751
				20-12-19	-9000	Transfer	9003056	1.8732
				03-01-20	-16589	Transfer	8986467	1.8698
				10-01-20	-240741	Transfer	8745726	1.8197
				17-01-20	-15000	Transfer	8730726	1.8166
				24-01-20	-110000	Transfer	8620726	1.7937
				31-01-20	-107822	Transfer	8512904	1.7712
				07-02-20	20960	Transfer	8533864	1.7756
				21-02-20	-6000	Transfer	8527864	1.7744
				06-03-20	27402	Transfer	8555266	1.7801
				13-03-20	139983	Transfer	8695249	1.8092
				20-03-20	170707	Transfer	8865956	1.8447
				27-03-20	-6000	Transfer	8859956	1.8435
		8859956	1.8435	31-03-20			8859956	1.8435

Sr. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of Shares at the beginning (01/04/2019) end of the year (31/03/2020)	% of Shares of the Company				No. of Shares	% of total Shares of the Company
5	HDFC Life Insurance	6458909	1.3439	01-04-19				
	Company Limited			05-04-19	389139	Transfer	6848048	1.4248
				26-04-19	221	Transfer	6848269	1.4249
				03-05-19	283	Transfer	6848552	1.4250
				17-05-19	50390	Transfer	6898942	1.4354
				24-05-19	136881	Transfer	7035823	1.4639
				31-05-19	162263	Transfer	7198086	1.4977
				07-06-19	41211	Transfer	7239297	1.5063
				14-06-19	448	Transfer	7239745	1.5063
				21-06-19	-75000	Transfer	7164745	1.4907
				29-06-19	-285096	Transfer	6879649	1.4314
				05-07-19	74342	Transfer	6953991	1.4469
				19-07-19	-10395	Transfer	6943596	1.4447
				02-08-19	170944	Transfer	7114540	1.4803
				09-08-19	149772	Transfer	7264312	1.5115
				16-08-19	-70	Transfer	7264242	1.5114
				23-08-19	179	Transfer	7264421	1.5115
				30-08-19	-28999	Transfer	7235422	1.5054
				06-09-19	51708	Transfer	7287130	1.5162
				20-09-19	-2090	Transfer	7285040	1.5158
				27-09-19	298222	Transfer	7583262	1.5778
				04-10-19	-196	Transfer	7583066	1.5778
				11-10-19	-728	Transfer	7582338	1.5776
				18-10-19	-97	Transfer	7582241	1.5776
				25-10-19	-238	Transfer	7582003	1.5776
				01-11-19	-456	Transfer	7581547	1.5775
				08-11-19	-3242	Transfer	7578305	1.5768
				15-11-19	-573	Transfer	7577732	1.5767
				22-11-19	-6375	Transfer	7571357	1.5753
				29-11-19	302133	Transfer	7873490	1.6382
				06-12-19	453061	Transfer	8326551	1.7325
				13-12-19	21581	Transfer	8348132	1.7370
				20-12-19	73431	Transfer	8421563	1.7522
				27-12-19	-735	Transfer	8420828	1.7521
				31-12-19	-935	Transfer	8419893	1.7519
				03-01-20	-3168	Transfer	8416725	1.7512
				10-01-20	-2430	Transfer	8414295	1.7507
				17-01-20	-25552	Transfer	8388743	1.7454

Sr. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of Shares at the beginning (01/04/2019) end of the year (31/03/2020)	% of Shares of the Company				No. of Shares	% of total Shares of the Company
				24-01-20	-11863	Transfer	8376880	1.7429
				31-01-20	-13086	Transfer	8363794	1.7402
				07-02-20	1977	Transfer	8365771	1.7406
				14-02-20	600	Transfer	8366371	1.7408
				28-02-20	800	Transfer	8367171	1.7409
				06-03-20	130	Transfer	8367301	1.7410
				20-03-20	202800	Transfer	8570101	1.7831
				27-03-20	100000	Transfer	8670101	1.8040
				31-03-20	700	Transfer	8670801	1.8041
		8670801	1.8041	31-03-20			8670801	1.8041
6	The Governor	7057050	1.4683	01-04-19				
	of Gujarat	7057050	1.4683	31-03-20			7057050	1.4683
7	Franklin India	Nil	Nil	01-04-19				
	Prima Fund			26-04-19	1373370	Transfer	1373370	0.2858
				03-05-19	588266	Transfer	1961636	0.4081
				10-05-19	411734	Transfer	2373370	0.4938
				17-05-19	440901	Transfer	2814271	0.5856
				24-05-19	584099	Transfer	3398370	0.7071
				31-05-19	576843	Transfer	3975213	0.8271
				07-06-19	215610	Transfer	4190823	0.8720
				14-06-19	347708	Transfer	4538531	0.9443
				12-07-19	-250000	Transfer	4288531	0.8923
				19-07-19	-100000	Transfer	4188531	0.8715
				13-09-19	226036	Transfer	4414567	0.9185
				20-09-19	296264	Transfer	4710831	0.9802
				27-09-19	337700	Transfer	5048531	1.0504
				11-10-19	292214	Transfer	5340745	1.1112
				18-10-19	143706	Transfer	5484451	1.1411
				25-10-19	4080	Transfer	5488531	1.1420
				13-12-19	50000	Transfer	5538531	1.1524
				24-01-20	-200000	Transfer	5338531	1.1108
				06-03-20	100000	Transfer	5438531	1.1316
				20-03-20	228663	Transfer	5667194	1.1792
		5667194	1.1792	31-03-20			5667194	1.1792
8	ITPL - Invesco India	Nil	Nil	01-04-19				
	Contra Fund			20-09-19	1022786	Transfer	1022786	0.2128
				27-09-19	708323	Transfer	1731109	0.3602
				30-09-19	233596	Transfer	1964705	0.4088

Sr. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of Shares at the beginning (01/04/2019) end of the year (31/03/2020)	% of Shares of the Company				No. of Shares	% of total Shares of the Company
				11-10-19	75028	Transfer	2039733	0.4244
				25-10-19	157092	Transfer	2196825	0.4571
				01-11-19	150000	Transfer	2346825	0.4883
				15-11-19	315155	Transfer	2661980	0.5539
				06-12-19	10522	Transfer	2672502	0.5561
				13-12-19	70156	Transfer	2742658	0.5707
				20-12-19	3683	Transfer	2746341	0.5714
				27-12-19	2133	Transfer	2748474	0.5719
				31-12-19	71300	Transfer	2819774	0.5867
				03-01-20	67668	Transfer	2887442	0.6008
				14-02-20	-207036	Transfer	2680406	0.5577
				28-02-20	76856	Transfer	2757262	0.5737
				13-03-20	258410	Transfer	3015672	0.6275
				20-03-20	303120	Transfer	3318792	0.6905
				27-03-20	936296	Transfer	4255088	0.8853
				31-03-20	315251	Transfer	4570339	0.9509
		4570339	0.9509	31-03-20			4570339	0.9509
9	Utilico Emerging	Nil	Nil	01-04-19				
	Markets Trust PLC			14-06-19	2160000	Transfer	2160000	0.4494
				21-06-19	840000	Transfer	3000000	0.6242
				29-06-19	218611	Transfer	3218611	0.6697
				09-08-19	8634	Transfer	3227245	0.6715
				30-08-19	72755	Transfer	3300000	0.6866
				29-11-19	300000	Transfer	3600000	0.7490
				13-03-20	282237	Transfer	3882237	0.8078
				20-03-20	18763	Transfer	3901000	0.8117
				27-03-20	-399000	Transfer	3502000	0.7286
				31-03-20	-224615	Transfer	3277385	0.6819
		3277385	0.6819	31-03-20			3277385	0.6819
10	Abu Dhabi Investment	Nil	Nil	01-04-19				
	Authority – Behave			29-06-19	414955	Transfer	414955	0.0863
				05-07-19	238905	Transfer	653860	0.1360
				12-07-19	346140	Transfer	1000000	0.2081
				09-08-19	270000	Transfer	1270000	0.2642
				23-08-19	530000	Transfer	1800000	0.3745
				11-10-19	117000	Transfer	1917000	0.3989
				18-10-19	283000	Transfer	2200000	0.4577
				06-12-19	59065	Transfer	2259065	0.4700

Sr. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of Shares at the beginning (01/04/2019) end of the year (31/03/2020)	% of Shares of the Company				No. of Shares	% of total Shares of the Company
				13-12-19	588120	Transfer	2847185	0.5924
				07-02-20	-197185	Transfer	2650000	0.5514
				13-03-20	682605	Transfer	3332605	0.6934
				27-03-20	-132605	Transfer	3200000	0.6658
		3200000	0.6658	31-03-20			3200000	0.6658
11	General Insurance	3391315	0.7056	01-04-19				
	Corporation of India*			05-04-19	-24925	Transfer	3366390	0.7004
				03-05-19	-80000	Transfer	3286390	0.6838
				10-05-19	-36566	Transfer	3249824	0.6762
				24-05-19	-249824	Transfer	3000000	0.6242
				05-07-19	-188100	Transfer	2811900	0.5851
				12-07-19	-11900	Transfer	2800000	0.5826
				09-08-19	-132569	Transfer	2667431	0.5550
				16-08-19	-67431	Transfer	2600000	0.5410
				13-09-19	-45000	Transfer	2555000	0.5316
				20-09-19	-155000	Transfer	2400000	0.4994
				17-01-20	-150000	Transfer	2250000	0.4681
				24-01-20	-50000	Transfer	2200000	0.4577
				31-01-20	-25000	Transfer	2175000	0.4525
				21-02-20	-6358	Transfer	2168642	0.4512
				28-02-20	-205501	Transfer	1963141	0.4085
				06-03-20	-188141	Transfer	1775000	0.3693
		1775000	0.3693	31-03-20			1775000	0.3693
12	Reliance Capital	7989229	1.6623	01-04-19				
	Trustee Co Ltd -			05-04-19	-349451	Transfer	7639778	1.5896
	A/C Nippon			12-04-19	3024	Transfer	7642802	1.5902
	India Growth Fund*			19-04-19	1176	Transfer	7643978	1.5905
				26-04-19	3705	Transfer	7647683	1.5912
				03-05-19	450303	Transfer	8097986	1.6849
				10-05-19	-11616	Transfer	8086370	1.6825
				17-05-19	-149160	Transfer	7937210	1.6515
				24-05-19	-49617	Transfer	7887593	1.6411
				31-05-19	-42426	Transfer	7845167	1.6323
				07-06-19	-1904	Transfer	7843263	1.6319
				14-06-19	-210	Transfer	7843053	1.6319
				21-06-19	462	Transfer	7843515	1.6320
				29-06-19	-63568	Transfer	7779947	1.6187
				05-07-19	434244	Transfer	8214191	1.7091
				12-07-19	-437858	Transfer	7776333	1.6180

Sr. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of Shares at the beginning (01/04/2019) end of the year (31/03/2020)	% of Shares of the Company				No. of Shares	% of total Shares of the Company
				19-07-19	-48811	Transfer	7727522	1.6078
				26-07-19	-99496	Transfer	7628026	1.5871
				02-08-19	168022	Transfer	7796048	1.6221
				09-08-19	-1097908	Transfer	6698140	1.3937
				16-08-19	-994790	Transfer	5703350	1.1867
				23-08-19	-174651	Transfer	5528699	1.1503
				30-08-19	586	Transfer	5529285	1.1505
				06-09-19	126	Transfer	5529411	1.1505
				13-09-19	294	Transfer	5529705	1.1505
				20-09-19	-17706	Transfer	5511999	1.1469
				27-09-19	-186239	Transfer	5325760	1.1081
				04-10-19	-702232	Transfer	4623528	0.9620
				11-10-19	-145992	Transfer	4477536	0.9316
				18-10-19	526555	Transfer	5004091	1.0412
				01-11-19	378	Transfer	5004469	1.0413
				08-11-19	504126	Transfer	5508595	1.1462
				15-11-19	342461	Transfer	5851056	1.2174
				22-11-19	-514	Transfer	5850542	1.2173
				29-11-19	172231	Transfer	6022773	1.2531
				06-12-19	37986	Transfer	6060759	1.2610
				13-12-19	-704765	Transfer	5355994	1.1144
				20-12-19	27	Transfer	5356021	1.1144
				27-12-19	-94139	Transfer	5261882	1.0948
				31-12-19	41	Transfer	5261923	1.0948
				03-01-20	1230	Transfer	5263153	1.0951
				10-01-20	-329836	Transfer	4933317	1.0265
				17-01-20	-51909	Transfer	4881408	1.0157
				24-01-20	-289953	Transfer	4591455	0.9553
				31-01-20	-133337	Transfer	4458118	0.9276
				07-02-20	-878687	Transfer	3579431	0.7448
				14-02-20	-277459	Transfer	3301972	0.6870
				21-02-20	-650280	Transfer	2651692	0.5517
				28-02-20	-97204	Transfer	2554488	0.5315
				06-03-20	-66637	Transfer	2487851	0.5176
				13-03-20	-965030	Transfer	1522821	0.3168
				20-03-20	-500975	Transfer	1021846	0.2126
				27-03-20	191673	Transfer	1213519	0.2525
				31-03-20	2213	Transfer	1215732	0.2530
		1215732	0.2530	31-03-20			1215732	0.2530

Sr. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of Shares at the beginning (01/04/2019) end of the year (31/03/2020)	% of Shares of the Company				No. of Shares	% of total Shares of the Company
13	LIC of India Profit	14968387	3.1144	01-04-19				
	Plus Non Unit Fund*			09-08-19	-92882	Transfer	14875505	3.0951
				16-08-19	-161859	Transfer	14713646	3.0614
				23-08-19	-367979	Transfer	14345667	2.9848
				30-08-19	-640551	Transfer	13705116	2.8516
				06-09-19	-714795	Transfer	12990321	2.7028
				13-09-19	-340312	Transfer	12650009	2.6320
				20-09-19	-1074086	Transfer	11575923	2.4086
				27-09-19	-1191833	Transfer	10384090	2.1606
				04-10-19	-666037	Transfer	9718053	2.0220
				11-10-19	-415345	Transfer	9302708	1.9356
				18-10-19	-1457657	Transfer	7845051	1.6323
				25-10-19	-722710	Transfer	7122341	1.4819
				01-11-19	-1257114	Transfer	5865227	1.2204
				08-11-19	-1070748	Transfer	4794479	0.9976
				15-11-19	-878979	Transfer	3915500	0.8147
				22-11-19	-464221	Transfer	3451279	0.7181
				29-11-19	-1602010	Transfer	1849269	0.3848
				06-12-19	-1077414	Transfer	771855	0.1606
				13-12-19	-591804	Transfer	180051	0.0375
				20-12-19	-124976	Transfer	55075	0.0115
		55075	0.0115	31-03-20			55075	0.0115
14	GPC Mauritius II LLC*	3860000	0.8031	01-04-19				
				12-04-19	-630980	Transfer	3229020	0.6718
				19-04-19	-960874	Transfer	2268146	0.4719
				03-05-19	-338146	Transfer	1930000	0.4016
				24-05-19	-1086101	Transfer	843899	0.1756
				31-05-19	-195000	Transfer	648899	0.1350
				07-06-19	-150000	Transfer	498899	0.1038
				14-06-19	-112899	Transfer	386000	0.0803
				21-06-19	-80000	Transfer	306000	0.0637
				28-06-19	-306000	Transfer	Nil	Nil
		Nil	Nil	31-03-20			Nil	Nil
15	National Westminster	2958742	0.6156	01-04-19				
	Bank PLC as Trustee			19-07-19	-2958742	Transfer	Nil	Nil
	of the Jupiter India							
	Fund*	Nil	Nil	31-03-20			Nil	Nil

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

* Ceased to be in the list of Top 10 shareholders as on 31-03-2020. The same are reflected above since the Members were one of the Top 10 shareholders as on 01-04-2019.

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year - 01/04/2019		Shareholding at the end of the year - 31/03/2020	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Sudhir Mehta	6882	0.00	6882	0.00
2	Samir Mehta	6125	0.00	6125	0.00
3	Jinal Mehta	8000	0.00	8000	0.00
4	Bhavna Doshi#	1900	0.00	1900	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 01/04/2019				
(i) Principal Amount@	9,126.38	24.46	-	9,150.84
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	24.63	-	-	24.63
Total (i+ii+iii)	**9,151.01**	**24.46**	**-**	**9,175.47**
Change in Indebtedness during FY 20				
Addition	1,500.00	520.00	-	2,020.00
Reduction	(2,588.58)#	(253.82)	-	(2,842.40)
Net Change	**(1,088.58)**	**266.18**	**-**	**(822.40)**
Indebtedness as on 31/03/2020				
(i) Principal Amount@#	8,037.80	290.64	-	8,328.44
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	75.65	24.42	-	100.07
Total (i+ii+iii)	**8,113.45**	**315.06**	**-**	**8,428.51**

@ Including unamortised expenses of ₹34.81 Crore as at April 01, 2019 and ₹26.39 Crore as at March 31, 2020

Including prepayment of ₹1,970.64 Crore and Cash credit of ₹300.05 Crore.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Crore)

Sr. No.	Particulars of Remuneration	Name of MD / WTD		Total Amount
		Samir Mehta	Jinal Mehta	
1	Gross salary			
	(a) Salary as per provisions contained u/s 17(1) of the Income Tax Act, 1961	-	8.73	8.73
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	*	*
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others specify	10.00	2.50	12.50
5	Others, please specify	-	-	-
	Total (A)	**10.00**	**11.23**	**21.23**
	Ceiling as per the Act	10% of the Net Profit of the Company		

* below ₹50,000/-

B. Remuneration to other Directors

(₹ in Crore)

Sr. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Sudhir Mehta	Pankaj Patel	Samir Barua	Keki Mistry	Bhavna Doshi	Dharmishta Raval	Pankaj Joshi, IAS	
1.	**Independent Directors**								
	Fee for attending Board / Committee meetings	-	0.06	0.13	0.07	0.12	0.10	-	0.48
	Commission	-	0.17	0.30	0.18	0.29	0.23	-	1.17
	Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	**-**	**0.23**	**0.43**	**0.25**	**0.41**	**0.33**	**-**	**1.65**
2.	**Other Non-Executive Directors**								
	Fee for attending Board / Committee meetings	-	-	-	-	-	-	0.02	0.02
	Commission	5.00	-	-	-	-	-	0.09	5.09
	Others, please specify	-	-	-	-	-	-	-	-
	Total (2)	**5.00**	**-**	**-**	**-**	**-**	**-**	**0.11**	**5.11**
	Total (B)=(1+2)	**5.00**	**0.23**	**0.43**	**0.25**	**0.41**	**0.33**	**0.11**	**6.76**
	Total Managerial Remuneration	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**27.99**
	Overall Ceiling as per the Act	11% of the Net Profit of the Company							

Note: Excluding Goods and Service Tax

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

(₹ in Crore)

Sr. No.	Particulars of Remuneration		Key Managerial Personnel			
			Sanjay Dalal (CFO)	Samir Shah (CS)@	Rahul Shah (CS) $	Total Amount
1	Gross salary					
	(a)	Salary as per provisions contained u/s 17(1) of the Income Tax Act, 1961	5.92	0.13	0.43	6.48
	(b)	Value of perquisites u/s 17(2) of the Income Tax, Act 1961	*	*	*	*
	(c)	Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option		-	-	-	-
3	Sweat Equity		-	-	-	-
4	Commission		-	-	-	-
	-	as % of profit	-	-	-	-
	-	others specify	-	-	-	-
5	Others, please specify		-	-	-	-
	Total Amount		**5.92**	**0.13**	**0.43**	**6.48**

*below ₹50,000/-

@ CS upto May 15, 2019

$ CS wef May 16, 2019.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

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

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN: 00061903

Ahmedabad
May 18, 2020

ANNEXURE G

A. CONSERVATION OF ENERGY

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

A. SUGEN AND UNOSUGEN Power Plants:

- Energy conservation initiatives implemented have resulted in annual energy savings to the tune of 73,15,233 kWh in FY 20.
- PVC tubing has been replaced with Copper tubing in Water Treatment and Demineralisation Plants which has resulted in checking air leaks thereby reduced air and energy consumption.
- All conventional lightings have been replaced with LED in Machine Hall of unit 40, HRSGs of all four units and BOP area of unit 40, having potential to save 3 lakh kWh per annum.
- VFD operated service water supply skid was installed with in-house resources and commissioned at SUGEN, having potential of saving 1 lakh kWh per annum.

B. DGEN Power Plant:

- Energy conservation measures have resulted in annual energy savings to the tune of 23,02,358 kWh.
- Replacement to LED lighting being done progressively.

C. AMGEN Power Plant:

- Primary air preheater replacement, Secondary air heater internals replacement and Computational Flow Dynamics (CFD) and Cold Air Velocity Test (CAVT) based rectification carried out in boiler second pass and ESP inlet & outlet ducts at F Unit; saving 7000 kWh per day in power consumption.
- Selective main steam and HRH pipelines insulation replaced from Boiler to Turbine for minimizing heat loss in D & F unit.
- At D & E station drum & super heater passing safety valve replaced.
- F unit control room AC plant chillers replaced with energy efficient one.
- Replacement of old conventional lights with energy efficient LED lamps at D/E/F unit turbine building, Ash pump house, CW pump house, CHP area, Administration building, SAP building, Control rooms, Maintenance building.

D. AHMEDABAD, SURAT, DAHEJ, DHOLERA, BHIWANDI, AGRA AND SHIL-MUMBRA-KALWA Distribution Units:

- Installation of additional 33/11kV sub-stations and bifurcation of overloaded 11kV (LT&HT) feeders resulting in reduction in technical losses.
- Installation of APFCs to improve PF at LT side of DTCs.
- Installation of additional Distribution sub-stations to optimize LV networks and thereby technical losses.
- Revamping and undergrounding of LT networks of 406 Distribution Transformers at Bhiwandi and Agra Distribution areas to improve the reliability and reduce the losses.
- Installation of energy efficent air conditioning system and lighting system for all new and renovated premises.
- Re-conductoring of 33 kV lines (from ACSR Dog to ACSR Panther) 11 kV lines (from low size conductor to ACSR Dog). Laying 630 sq mm cable in 33 kV (20.57 KM in FY 20) and 240 sq mm cable in 11 kV (55.77 KM in FY 20). Bifurcation of overloaded 11kV and LT feeders, resulting in reduction in technical losses and improvement in reliability at Agra distribution.

- Procurement of star rated energy efficient distribution transformers having lower losses.
- Undergrounding of 44.33 KM of 22 kV lines and 84.11 KM of LT lines at Bhiwandi Distribution.
- Facilitated distribution of LED bulbs under Ujala Scheme of the Ministry of Power, Government of India.
- Energy conservation campaign for awareness of consumers through leaflets, energy bills, display at the Company's customer care centres and through customer meet.
- A comprehensive third party Energy Audit was carried out through M/s SGS at Ahmedabad and Surat Distributions.
- Celebration of National Energy Conservation Day through various activities viz. energy conservation oath, displayed banners, email / SMS to customers, energy coservation programs for customers, schools etc.

E. CABLES UNIT:

- Replaced 120 250W HPMV lamps & twin tube lights of low wattage LED lamps in and outside plant.
- Replaced 2 DC motors of various ratings with new high efficiency AC motors with Variable Frequency Drive.

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

A. SUGEN, UNOSUGEN & DGEN Power Plants:

- 50 kW roof top installed on the common buildings at Shardashish township generated 69,818 kWh in FY 20.
- 6.30 kW floating solar installed inside water reservoirs, generated 7,312 kWh in FY 20.
- 42.70 kW roof top installed on roof of the office administration building, generated 49,635 kWh in FY 20.
- Solar operated water cooler was designed, implemented in-house and installed for operation at SUGEN for Horticulture workers.
- Solar power to the tune of 22,133 kWh generated and utilized at the Meghdhanush housing colony at DGEN.

B. AHMEDABAD, SURAT, DAHEJ, DHOLERA, BHIWANDI, AGRA AND SHIL-MUMBRA-KALWA Distribution Units:

- Facilitated installation of 4037 rooftop solar projects totalling 25.05 MW during FY 20 at Ahmedabad Distribution (since inception of rooftop policy till March 31, 2020, 11,461 nos. rooftop solar with 69.977 MW for residential and non-residential).
- 90 kW roof top installed at Central store and F receiving station generated 1,00,000 kWh in FY 20. One more 45 kW solar roof top system installed at Bhatar station to promote use of renewable source of energy at Surat Distribution.
- Since the launch of the rooftop solar policy, Company has facilitated installation of over 10.30 MW of solar power across numerous residential, commercial, industrial premises and HT consumers. In FY 20, Company has facilitated installation of 288 rooftop solar projects totalling over 4.48 MW at Bhiwandi and Agra Distributions.

iii) The capital investment on energy conservation equipment:

A. SUGEN AND DGEN Power Plants:

- ₹23,45,100 spent on LED Lighting conversion and ₹13,30,100 spent on VFD based Service Water Supply Skid at SUGEN.
- ₹2,36,250 spent on LED Lighting conversion at DGEN.

B. TECHNOLOGY ABSORPTION

i) The efforts made towards technology absorption:

A. SUGEN AND UNOSUGEN Power Plants:

- Unit 10, 20 and 30 at SUGEN start-up reliability improved by providing constant speed ignition logics in Static Frequency Converters (SFC) with in-house resources and remote support of OEM.
- Unit 40 Gas station at UNOSUGEN: Stack height of Dew Point Water Heaters increased from 6m to 11m to comply with statutory norms.
- Gas Turbine Air Intake : Installation of new design G4 washable coalescer filters upstream of F-9 pulse air filter resulted in enhanced life of F-9 Pulse filter by 15 to 20% compared to the earlier configuration. Unit 10 GT 75K eHGPI inspection also revealed relatively cleaner compressor blades, compared to that observed during 50K Major Outage. New design G4 washable coalescer filters were also installed in Unit 20 and Unit 30.
- During Unit 10, 75K GT eHGPI inspection, Dry Ice (Co2) cleaning of CPH module of HRSG carried out as part of performance improvement initiatives.
- Applied silicone spray coating on 400 kV insulators in Generator Transformer bay of Unit 10 which would reduce corona loss and enhance the life of insulators.
- Service Water Supply skid with VFD were installed and commissioned with in-house resources in SUGEN.
- Clarifier Mixer/ Scrapper units were provided with in-house developed shear key arrangement to prevent failure of gearbox and found working satisfactorily in SUGEN.
- DM Clarifier pumps were provided with in-house developed suction strainers in SUGEN.
- Intake Well Raw Water Supply system SCADA upgraded for Windows 10 compatibility and for better reliability in SUGEN.
- Air Washer Units – Pump selection provided for pump changeover in SUGEN.
- Monitoring provision for Natural Gas Pressure at GSPL Terminal entry point at CCR was made by installing pressure transmitter and hooking up with T3000 DCS system.
- Outdoor Units of Excitation (CJT) cubicle air conditioners shifted outside the turbine hall for better cooling and reducing heat load inside building at UNOSUGEN.
- For reliability improvement/ avoid single point failure, redundant suction pressure transmitters provided for closed cooling water pumps and necessary logic modifications carried out.

B. GENSU Solar Plant:

- DWC HDPE conduit pipe installed in place of existing PVC armoured pipes to minimize string faults.
- Acrylic touch protection covers provided in place of existing metallic cover for DC cable section of all TMEIC Inverters.
- Installation of fuses on negative (polarity) side of all SMBs for inverters 1 to 15 to prevent fire in SMBs and tripping of inverters.
- To minimize IGBT failures, ITC Inverters IGBT stack cleaning initiated in-house.

C. DGEN Power Plant:

- HP Bypass and GT Pneumatic Compressor alarm and warning configured for extensive running of the drives. This will prevent losses and major damage of the system and proactive actions can be taken by O&M persons.

- Suction pipe size increased and backup power monitor relay installed for protection of sulphuric acid unloading pump.
- Explosion proof light fittings were installed in 03UEN gas receiving station battery room to remove the explosion hazard due to presence of hydrogen.
- Nitrogen blanketing system was provided in unit 53 for HP bypass Hydraulic station and ST Hydraulic system to improve quality of ST Hydraulic oil.

D. AMGEN Power Plant:

- D/E/F Units emgency DG sets governing system replaced with electronic governing system.
- Implementation of fast bus transfer scheme in all 3 units 6.6 kV switch gear.
- Maintenanace tag provided in operating working station at unit F for safety.

E. AHMEDABAD, SURAT, DAHEJ, DHOLERA, BHIWANDI, AGRA AND SHIL-MUMBRA-KALWA Distribution Units:

- Implementation of Geographic Information System (GIS) for Ahmedabad, Surat, Dahej and Dholera distribution areas.
- Implementation of Very Early Smoke Detection System (VESDA) at Central Pirana Stores- Ahmedabad Distribution and at Central Stores at Surat Distribution.
- 11 kV Distribution Automation at Ahmedabad and Surat Distribution.
- Use of condition monitoring system including thermal imaging camera, partial discharge detectors etc. to distribution assets.
- Implementation of field force mobile application for quality supervision during field visits, HT/LT network cable patroling and Meter (O&M) activities.
- Quick identification of locations for emergency complaint on Google Earth application and SAP.
- Introduction of Thermoplastic Fuse Base instead of Porcelain Fuse Base in Distribution Network Assets to enhance reliability and safety.
- Safety ladder with fall arresters installed on 50 nos. of 220 kV transmission tention towers to enhance safety.
- Launched following infrastructure projects at Surat Distribution:
  - i. Document storage building at Puna sub-station Premises to facilitate state of the art storage facilities for all customer related documents and other imporatant documents of various departments.
  - ii. Power Supply Centers at B and E Station Premises and Customer Service Buidling at B Station Premises will have modern architecture, all latest facilities for the employees, visitors and customers, energy efficient systems and fire detection and prevention systems.
- Replacement of all conventional LTFP with disconnector switch type LTFP to enhance safety of the working personnel at Dahej Distribution.
- High Velocity Water spray (HVWS) system for all power Transformers, GIS & Control room buildings .
- Linear Heat Sensing Cable (LHSC) for cable trey / trench.
- Installation and extension of SCADA and addition of automated RMUs at 22kV and 11kV feeders at Agra and Bhiwandi Distributions.
- Relay coordination of all 22kV feeders starting from EHV sub-station to last end protection element.
- Automation of 248 nos. of various switchgear such as Autorecloser, RMU and SAB at Bhiwandi Distribution.
- Installation of theft proof joints at around 1174 locations in replacement of busbar distribution box at Bhiwandi Distribution.

- Use of Thermography camera for finding hot spot at Agra and Bhiwandi distribution.
- Installation of COVID-19 safety signages across all the offices, stores and switching stations. Started installation of safety signages at DT centres.
- Completed hydraulic pressure testing of all ABC type fire extinguishers at Bhiwandi Distribution.
- Press fit transparent meter box installed at 182 locations to prevent theft and meter tampering at Bhiwandi distribution.
- Use of CYMDIST software for network designing. All HT network modeling has been completed and LT modelling is under progress at Agra distribution.
- Smart Group Meter Box installed - 50 nos. at Agra distribution.

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
- Creating awareness on safety with respect to network assets

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

I. the details of technology imported;

II. the year of import;

III. whether the technology been fully absorbed;

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

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

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Description	₹ in Crore
Foreign Exchange Earned (Actual Inflow)	1.88
Foreign Exchange Used (Actual Outflow)	2163.65

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN: 00061903

Ahmedabad
May 18, 2020

POWER SECTOR – STRUCTURE AND DEVELOPMENTS

Financial year 2019-20 (FY 20) remained a subdued year for India's power sector. Power demand grew at a rate of just about 1% year on year, largely reflecting slowdown in the economy. From September 2019 onwards, the electricity prices in short term market declined sharply, with overall average yearly decline in spot prices of about 20% in FY 20.

The thermal generation sector experienced sub-optimal utilization of installed capacity with aggregate Plant Load Factor (PLF) languishing at about 54%, and a large capacity stranded for want of Power Purchase Agreements (PPAs) or non-availability of fuel. Additions to renewable generation capacity supplying electricity at lower prices continued to hurt the prospects of thermal generation. This situation was further exacerbated by Discoms unwilling to commit to long term capacity based contracts.

While the government continued its emphasis on increasing the share of renewable power through policy support and incentives, the sector lagged behind government expectation in terms of target capacity installations. Solar power missed the target by about 24% while wind power missed it by about 30%. Competitively bid renewable projects saw several execution challenges in addition to difficulties in land acquisition.

After a lull in last couple of years, new transmission projects were offered under Tariff Based Competitive Bidding process. During the year, fourteen projects were bidded out involving an estimated investment of ₹14,500 Crore. Transmission segment remains a robust part of country's power sector due to strong regulatory framework which ensures rational distribution of risks and offers acceptable investment opportunities.

Several reforms have been announced over the years for improving the position of State Discoms. These reforms, after some initial success, have not been able to sustain for various reasons; the financial and operating performance at State Discoms did not show any significant improvement during the year and in fact deteriorated in some of the weak State Discoms. They continue to be plagued with excessive Aggregate Technical & Commercial (AT&C) losses, distorted tariff structures not reflective of cost of supply, poor payment records and disputes with generation companies, under investment in infrastructure and poor customer service. Many of the struggling State Discoms regularly resort to load shedding which in turn hurts not only the consumer but also other stakeholders in the value chain. The Central Government has recently announced privatisation of electricity distribution in Union Territories and penalising inefficient operations and non-availability of power. These reforms, if implemented with zeal, will go a long way in improving the distribution segment which in turn will also enure to the benefit of generation and transmission segments.

The year ended with all round massive disruptions caused by COVID-19 pandemic. While the impact in FY 20 was limited to a catastrophic immediate fall in demand in the last week of March 2020, the pandemic is expected to have deep and lasting impact on the economy, businesses and social setup generally. As of the date of this report, the situation is evolving with no clear visibility on the extent and timing of impact on power sector. This will muddy the already poor investment climate in the sector and further slow down the flow of new investments in the sector. The sector already grappling with several impediments faces the most challenging FY 21 ahead.

BUSINESS MODEL

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

1. Generation

The Company has total generation capacity of 3,879 MW spread across thermal and renewable generating assets.

A. 3,092 MW Thermal Generation

i. 362 MW coal-fired thermal generation

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

ii. 2,730 MW gas-fired thermal generation

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

B. Renewable Generation

i. 787 MW operational projects

The operational renewable generation capacity of 787 MW (138 MW Solar and 649 MW Wind) is tied up under long-term PPAs. 491 MWs or 62% of operational capacities have attractive preferential feed-in-tariffs based PPAs with Company operated distribution utilities. During the year, wind power capacities of 176 MW were commissioned at locations in Maharashtra and Gujarat.

ii. 615 MW projects under development, likely to be abandoned

The Company faced several unforeseen events and circumstances in land acquisition during execution of these projects. The force majeure like circumstances, which were beyond the control of the Company, subsisted for a long time. Despite best efforts, the Company could not mitigate such events and circumstances, and hence decided not to proceed with the projects. A provision for loss of ₹213 Crore has been made in the profit and loss statement of FY 20, representing the damages expected to be incurred under various project related contracts and other losses from pre-operative costs incurred.

2. Distribution

The Company is the licensed operator for electricity distribution in the cities of Ahmedabad, Gandhinagar, Surat and Dahej SEZ, aggregating to 425 sq kms of area. It is also developing a state-of-the-art distribution network as a licensee in Dholera Special Investment Region (DSIR) spanning 920 sq kms area. DSIR is part of the prestigious Delhi Mumbai Industrial Corridor project and is being developed in phases as a manufacturing hub on the concept of plug-and-play. DSIR will have infrastructure facilities comparable to any smart industrial city in the world. DSIR represents a long term growth opportunity for the Company. The licensed distribution businesses of the Company are regulated by GERC, which allows costs plus 14% post-tax ROE as part of a regulated tariff structure.

The Company operates as a franchisee (of the license holder) for electricity distribution in the cities of Bhiwandi, Agra and Shil-Mumbra-Kalwa (SMK), aggregating to 1,007 sq kms of area. Operations of SMK were taken over wef March 1, 2020 for a period of 20 years. The franchise agreement period for Bhiwandi is upto 2027, for Agra is upto 2030 and for SMK is upto 2040. These may be renewed on expiry. The franchised distribution businesses of the Company are governed by the respective Distribution Franchise Agreements executed between the Company and State Discoms as license holders. The main thrust of the Company is to reduce AT&C losses in the franchised areas, improve electricity supply and customer services.

In addition to above, the Company has non-material transmission and electrical cables manufacturing businesses. The electrical cables manufacturing business will be transferred to a wholly owned subsidiary by way of slump sale on approval of Scheme of Arrangement submitted to National Company Law Tribunal. The effective date of transfer will be April 1, 2020.

OPERATIONAL AND FINANCIAL PERFORMANCE

1. Operating Performance

The following tables set forth the key operational parameters:

A. Thermal Generation

Particulars	AMGEN#		SUGEN^		UNOSUGEN^*		DGEN^	
	FY 20	FY 19	FY 20	FY 19	FY 20	FY 19	FY 20	FY 19
PAF (%)	92.77	93.13	96.75	98.46	98.04	97.49	100	100
PLF (%)	72.90	87.84	59.89	62.29	60.13	-	6.52	-
Generation (MUs)	2,112	2,550	5,870	6,105	1,964	-	668	-

Coal based
^ Gas based
* Long term power procurement arrangement for 278 MW of UNOSUGEN was operationalised wef July 1, 2019.

PLF at AMGEN and SUGEN was lower mainly due to lower off take by long term beneficiaries in view of subdued demand. PAF at SUGEN was lower mainly due to overhauling of one unit in FY 20. UNOSUGEN achieved PLF of 60.13% during the year mainly on account of operationalisation of 278 MW long term power procurement arrangement wef July 1, 2019 and utilisation of uncontracted capacity in merchant power market. During the year, DGEN also operated on back of short term power supply contracts. In spite of continuing unavailability of domestic gas at affordable prices and relatively higher cost of imported LNG, Company's gas-based power capacities operated at decent PLFs compared to other gas-based plants in the country mainly on account of highly efficient plant operations, capability to directly import LNG at affordable prices and selling of power through long-term and short-term contracts.

B. Renewables

Operational Projects	Solar		Wind*	
	FY 20	FY 19	FY 20	FY 19
Capacity (MW)	138	138	648.5	472.5
PLF (%)	17.14	17.57	29.04	30.08
Net Generation (MUs)	208	212	1,350	1,140

* Additional 176 MW capacity was operational for part of the year; average operational capacities in both periods were 529.4 MW and 432.8 MW respectively.

Solar PLF was lower than previous year on account of normal module degradation and lower irradiation. Wind PLF was lower on account of stabilisation of generation of new capacities commissioned during the year.

C. Licensed Distribution

Particulars	Ahmedabad & Gandhinagar		Surat		Dahej	
	FY 20	FY 19	FY 20	FY 19	FY 20	FY 19
Area (sq. km.)	~356	~356	~52	~52	~17	~17
Sales (MUs)	7,822	7,835	3,286	3,276	481	426
Growth (%) over PY	(0.17)		0.30		12.91	
T&D Loss (%) – Actual	4.98	5.61	3.43	3.43	0.31	0.35
T&D Loss (%) – Normative	6.7	6.85	3.64	3.69	2.00	2.00
Open Access (MUs)	99	27	-	-	-	-
Consumer Base (lakhs, except Dahej)	19.79	19.41	6.20	6.11	111 *	106 *
Peak Demand (MW)	2,018	1,906	695	687	72	66

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

The sales in Ahmedabad reduced marginally, primarily affected by an economic slowdown, pandemic induced lockdown in the last week of March 2020 and increase in open access. The sales in Surat were marginally higher due to some pick up in industrial demand in H2. The sales in Dahej were higher mainly due to increase in base load and consumption of existing customers. The lockdown of population to control the spread of COVID-19 implemented wef March 25, 2020 caused a drastic immediate reduction in demand. The drop in electricity demand during the period March 25, 2020 to March 31, 2020 was about 52% in Ahmedabad, 65% in Surat and 76% in Dahej SEZ. It is expected that the demand will gradually pick up from the lows of March 2020 lockdown period. Based on an assessment of the widespread and deep economic & social fallouts from the pandemic, the Company expects that the overall electricity demand in its licensed areas in FY 21 is likely to be lower than FY 20.

The Company was able to further reduce Transmission and Distribution (T&D) losses as compared to previous year and they continue to remain lower than the normative levels.

GERC passed Tariff Order dated March 31, 2020 for Ahmedabad and Surat license area, truing-up the Aggregate Revenue Requirement (ARR) of FY 19 and fixing tariff for FY 21. For the fourth year in succession, the Commission has kept the tariff at the same level. The Company's profits are not negatively impacted by the tariff order, as its returns in licensed distribution business are determined by 14% post-tax ROE prescribed in the tariff regulations.

During the year, a favourable judgement was received from the Appellate Tribunal for Electricity in respect of entitlement of carrying cost on regulatory gap, pertaining to earlier years, pursuant to which Company accrued income of ₹165 Crore (net of tax) in the financial statements.

The aggregate amount of regulatory gap of past periods approved and expected to be approved by GERC as on March 31, 2020 is ₹1,030 Crore and the same is appropriately accrued in the financial statements. In addition, aggregate amount of regulatory gap of ₹632 Crore is under dispute at various forums (primarily comprising of claims on account of carrying costs) and not accrued in the financial statements; the same will be accrued in the financial statements of the period in which such disputes are determined by the appropriate statutory authorities in favour of the Company.

The operations at Dholera licensed area primarily comprised graded planning and development of an efficient distribution network involving setting up of basic infrastructure and provision of temporary construction power to new industries to be set up. Based on current development plans of the DSIR Authority, an investment of about ₹1,200 Crore is envisaged over next 10 years to cater to demand of about 425 MVA.

D. Franchised Distribution

Particulars	Bhiwandi		Agra		Shil-Mumbra-Kalwa *	
	FY 20	FY 19	FY 20	FY 19	FY 20	FY 19
Area (sq. km.)	~721	~721	~221	~221	~65	-
Sales (MUs)	3,243	3,074	1,801	1,731	27	-
Growth (%) over PY	5.50%		4.04%		-	
T&D Loss (%)	11.93%	15.13%	12.51%	14.18%	55.02%	-
Consumer Base (lakhs)	3.34	3.14	4.70	4.52	2.48	-
Peak Demand (MVA)	580	555	473	458	-	-

* Operations taken over from March 1, 2020.

Bhiwandi sales increased on account of affected base of previous year due to strike in power loom industry, increase in residential and commercial consumer sales due to normal load growth and theft deterrent activities. Agra sales growth was mainly driven by increase in consumer base and load growth due to various theft and leakage control activities. The lockdown of population to control the spread of COVID-19 implemented wef March 25, 2020 caused a drastic immediate reduction in demand. The drop in electricity demand during the period

March 25, 2020 to March 31, 2020 was 65% in Bhiwandi and 29% in Agra. It is expected that the demand will gradually pick up from the lows of March 2020 lockdown period. Based on an assessment of the widespread and deep economic & social fallouts from the pandemic, the Company expects that the overall electricity demand in its franchised areas in FY 21 is likely to be lower than FY 20.

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

The lockdown in the last week of March 2020 affected the collection efficiency in Bhiwandi and Agra. During the period April 2019 to February 2020, Bhiwandi achieved a collection efficiency of nearly 100% and Agra achieved a collection efficiency of 97%. However, it dropped substantially in March 2020 due to fallouts from lockdown and general extension in due dates for payment of electricity bills by State Governments – Bhiwandi was about 59% (FY 20 - 96%) and Agra was about 55% (FY 20 - 95%). The Company has anticipated higher bad debt losses than normal and provided an additional amount of ₹48 Crore to cover such losses.

2. Consolidated Financial Performance

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

(₹ in Crore)

Particulars	FY 20	FY 19	Change in %
Revenue from Operations	13,641	13,151	-
Fuel/Power Purchase/Material Cost	8,266	8,605	-
Contribution	**5,375**	**4,546**	**18%**
Other Income	178	190	(6%)
Other Expenses	1,819	1,346	35%
PBDIT	**3,734**	**3,390**	**10%**
Finance Cost	955	899	6%
Depreciation and Amortization Exp.	1,304	1,227	6%
Other Comprehensive Income / (Expense)	(45)	(10)	350%
Profit Before Tax and Exceptional Items	**1,430**	**1,254**	**14%**
Exceptional Items	1,000	-	-
Profit Before Tax	**430**	**1,254**	**(66%)**
Tax Expense	(720)	356	-
Total Comprehensive Income	**1,150**	**898**	**28%**

Overall contribution from all businesses increased from ₹4,546 Crore to ₹5,375 Crore i.e. increase of ₹829 Crore (18%). The increase was driven by favourable performance of certain operating drivers viz. higher volumes, improved contribution rate, reduction in T&D losses and increased ROEs on new capital expenditure. Due to adverse changes in tariff regulations, SUGEN Power Plant experienced a reduction in contribution but the same was offset by operationalisation of 278 MW PPA for UNOSUGEN Power Plant and higher merchant sales of electricity. Favourable settlement of prior period regulatory matters / disputes resulted in entitlement for recovery of revenue gap of ₹218 Crore of earlier years.

The consolidated profit and loss statement took one-time charges on account of provision of losses due to failure to set up certain wind generation capacities ₹213 Crore, increased provisioning for bad debts due to COVID-19 impact ₹48 Crore and an impairment loss on carrying amount of DGEN Power Plant ₹1,000 Crore. It may be noted that DGEN impairment is a non-cash charge and will not impact the cashflows from that business. The impairment charge will reduce depreciation charge in balance years of useful life.

The Company benefitted from reduction in book profit tax rate from 21.55% to 17.47% during the year. This and some other factors caused a one-time tax gain. All these matters are elaborately explained in notes to the financial statements.

The impact of Covid-19 on the financial statements of the Company is explained in Note No. 57 to Consolidated Financial Statements.

Liquidity, Capex and Debt Positions

The Company's liquidity, including mutual fund investments and deposits with banks / financial institution, was ₹1,253 Crore at the start of the year. Liquidity as at the end of the year was ₹1,159 Crore, a decrease of ₹94 Crore. For the year:

- net cash generated from (a) operating activities was ₹2,863 Crore & (b) redemption of non-current investment was ₹190 Crore; and
- net cash utilised for (a) capital expenditure was ₹1,167 Crore; (b) dividend distribution was ₹968 Crore; (c) repayments net of new borrowing was ₹854 Crore; and (d) loans to associate was ₹158 Crore; leaving a closing liquidity balance of ₹1,159 Crore.

During the year, the Company incurred capital expenditure (i.e. capitalisation, capital work-in-progress and capital advances) of ₹1,354 Crore as under:

Particulars	Amount (₹ in Crore)
Licensed Distribution	812
Franchised Distribution	227
Thermal Generation	26
Renewable Generation	274
Others	15
Total	**1,354**

The long term debt of the Company at the year-end was ₹8,898 Crore, net decrease of ₹557 Crore over the previous year (new debt raised ₹1,078 Crore less repayment of debt ₹1,635 Crore). The weighted average rate of interest at the year-end was 8.52% with repayment profile as under:

Financial Year	Repayment Amount (₹ in Crore)
2020-21	1,075
2021-22 to 2024-25	3,238
2025-26 to 2028-29	2,656
2029-30 to 2032-33	1,885
2033-34 & 2034-35	44
Total	**8,898**

The Company's long term rating was upgraded and short-term rating was reaffirmed during the course of the year and was as follows at end of the year:

Long term rating : CRISIL AA / Stable (Upgraded from 'CRISIL AA-/Stable')

Short term rating : CRISIL A1+ / IND A1+*

*During the year, India Ratings assigned 'IND A1+' to TPL Commercial Papers of ₹850 Crore.

The following table sets forth key financial ratios based on consolidated financials:

Particulars	FY 20	FY 19
Debtors Turnover Ratio	10.68 (~34 days)	10.28 (~35 days)
Interest Coverage Ratio	4.01	3.89
Current Ratio	1.02	1.10
Long Term Debt to Equity Ratio	0.92	0.90
Net Debt to EBITDA	2.18	2.61
EBITDA Margin	25.99%	24.74%
Net Profit Margin	8.22%	7.41%
Return on Net Worth	11.05%	9.54%

Note:

1. The profitability ratios are calculated without considering the exceptional item pertaining to DGEN plant impairment in FY 20.
2. There is no significant change (i.e. variation of 25% or more) as compared to the previous year in any of the above ratios.

RISKS AND CONCERNS

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

- The Company has operational gas-based power generation capacity of 2,730 MW, out of which 1,188 MW is tied up under long term PPAs and balance 1,542 MW untied capacity is dependent on short term power contracts for their operation. During the year, some portion of such capacity remained unutilised for want of short term power contracts or unviability of prices in the short term power market.

  The Company has built capabilities to import LNG from international markets at efficient prices to operate its power plants. However, such prices are subject to fluctuations and associated foreign exchange risks, consequent to which there would be periods during which power from these plants would be uncompetitive. During the year, spot LNG prices reduced sharply due to oversupply and subdued demand; given the new LNG capacities coming on stream, it is expected that the LNG prices are likely to remain in an affordable zone for the Company.

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

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

- The Company faced several unforeseen events and circumstances while executing 615 MW of wind generation capacities won in a bidding process conducted by the buyer of electricity. The Company has not been able to mitigate such events and circumstances, despite best efforts in relation to the same. The Company has initiated legal proceedings in respect of 500 MW of wind capacities and is in discussion with the buyer for the balance capacities, in order to minimise the impact of failure to execute the projects within committed time. Alongside, as a prudent financial measure, the Company has provided for expected financial losses on this count in the financial statements of FY 20.

- The Company's licensed distribution business faces the risk of delay in recovery of some part of cost of supply due to regulatory stipulations. The unrecovered & undisputed regulatory claim as at year end was ₹1,030 Crore, recognised in the financial statements for the year. While such recoveries are permitted with carrying costs for delayed recovery, the same may delay the cash flows of the Company.

In addition, regulatory disputes also cause delay in recovery of some part of the cost of supply. Such disputed regulatory claim as at the year end was ₹632 Crore, not recognised in the financial statements for the year.

- Increasing digitization and digital inter-connections in the power system of the country have made the stakeholders (generators, transmission entities, distribution entities and load dispatch centres) exposed to increased risks of cyberattacks and vulnerable to widespread and prolonged service disruptions and data leakage, fraud, etc. The Company has set in place multi–layered firewalls to restrict unauthorised access along with security controls. Periodic audit and risk assessment is carried out and vulnerabilities, if any, are addressed.
- The spread of Covid-19 and the resultant lockdowns imposed by the authorities will have impact on some of the businesses of the Company, more particularly the franchised distribution business. Foreseeable business impacts are: (a) reduction in demand for electricity; (b) reduced collection efficiency causing non-collection of outstanding dues; (c) incurrence of costs on labour and employees not fully utilised; and (d) regulatory response to the pandemic causing reduction in profits. There could be several other unforeseeable impacts, as the pandemic situation evolves. The management assessment on continuity of operations are explained in Note No. 57 to Consolidated Financial Statements.

BUSINESS OUTLOOK

1. Thermal Generation

SUGEN and UNOSUGEN plants are expected to operate at reasonable PLF levels on back of long term PPAs for 78% capacity and availability of reasonably priced LNG. They will continue to harvest opportunities in short term power market by operating uncontracted capacity; however due to reduction in demand and prices of electricity, the volumes and contribution will be lower than historical levels.

In the short term, DGEN plant is expected to operate intermittently for supplies in merchant power market, albeit at lower volume and contribution. In the medium to long term, several favourable developments are likely to improve the prospects for DGEN plant such as: (i) availability of gas at favourable price; (ii) expected growth in power demand, including peak demand due to several governmental initiatives; (iii) emphasis of Government on developing a gas market in India with all supportive infrastructure; (iv) need for balancing power to manage the intermittency of renewable power; (v) ability to service peak load and provide ancillary services in the power system; and (vi) expected increase in pollution tax / costs on coal based plants, thus creating a level playing field.

2. Renewables

The Company has taken a pause in bidding for new wind / solar power projects, due to low levels of bidded tariffs and existence of foreseen and unforeseen structural risks in project execution. However, Company may consider to invest in solar and wind projects to service Renewable Purchase Obligations of its distribution entities.

3. Distribution

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

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

The Company will continue to look out for new opportunities in distribution sector in the form of privatisation or franchise of existing areas. The recent announcements by the Central Government of India to promote privatisation of distribution will create greater opportunities for the Company. The stringent operational norms proposed for discoms will also lead to greater franchise opportunities for the Company in the near to medium term.

4. **Transmission**

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

INTERNAL CONTROL SYSTEMS

The Company's Internal Control Systems are commensurate with the size and nature of its operations, aimed at achieving efficiency in operations, optimum utilisation of resources, reliable financial reporting and compliances with all applicable laws and regulations. Deloitte Haskins and Sells LLP is the Internal Auditor of the Company. It carries out extensive internal audit throughout the year across all functional areas and submits reports to Management and Audit Committee. The recommendations from such internal audit and follow up actions for improvements of the business processes and controls are also periodically reviewed and monitored by the Audit Committee.

CAUTIONARY STATEMENT

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

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Company	L31200GJ2004PLC044068
2.	Name of the Company	Torrent Power Limited
3.	Registered Address	''Samanvay'', 600, Tapovan, Ambawadi, Ahmedabad – 380015.
4.	Website	www.torrentpower.com
5.	E-mail id	cs@torrentpower.com
6.	Financial Year reported	FY 20
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	NIC Code: 351 - Electric power generation, transmission and distribution. NIC code: 2732 - Manufacturing of wires and cables for electricity transmission.
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Generation, transmission & distribution of electricity and manufacturing & sale of electric cables.
9.	Total number of locations where business activity is undertaken by the Company	17
10.	Number of international locations	NA
11.	Number of national locations	17
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	₹13,442.04 Crore
3.	Total profit after taxes (TCI)	₹1,209.14 Crore
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	1.68% of Total Comprehensive Income (TCI) of FY 20.
5.	List of activities in which expenditure in 4 above has been incurred:-	The list of activities in which CSR expenditure in 4 above has been incurred is part of the Board's Report included in this Annual Report.

SECTION C: OTHER DETAILS

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

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

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

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

(b) Details of the BR head

Sr. No.	Particulars	Details
1.	DIN (if applicable)	Same as above
2.	Name	Same as above
3.	Designation	Same as above
4.	Telephone number	079- 26628300
5.	E-mail Id	cs@torrentpower.com

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

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

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

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

Not applicable

3. **Governance related to BR**

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

SECTION E: PRINCIPLE WISE PERFORMANCE

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

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

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

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

Shareholder Complaints:

The Company received 4 shareholder complaints during FY 20. 100% of such complaints were satisfactorily resolved.

Other Stakeholder Complaints:

The Company received 6 complaints from other stakeholders (i.e. customers and contractors) during FY 20 via the Whistle Blowing Mechanism. 100% of such complaints were satisfactorily resolved.

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

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

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

- Most of the units of the Company are Integrated Management System (IMS) certified covering ISO 9001 (Quality Management System), ISO 14001 (Environment Management System) and BS OHSAS 18001 (Occupational Health and Safety Assessment Series). Some of the units have also additionally obtained ISO 50001 (Energy Management System), ISO 55001 (Asset Management System) and ISO 27001:2013 (Information Security Management System).
- State-of-the-art technologies in its gas based plants, viz., installation of advanced class Gas Turbines with lower carbon footprint, dry low NOx burners (with emissions surpassing Indian standards and meeting European norms), Combined Cycle Power Plants (CCPP) in single shaft configuration thereby reducing the land and carbon footprint etc. have been resorted to, duly taking into consideration societal and environmental sustainability. Such CCPPs are also registered under Clean Development Mechanism (CDM).
- The effluent water generated from the generating plants is utilised in horticulture thus avoiding/ minimizing discharge of the same outside plant premises.
- Generation plants have also implemented Five-S (Workplace Management System) and have been certified by Quality Circle Forum of India (QCFI) and Union of Japanese Scientists and Engineers (JUSE).
- The Company has established systems and procedures through Standard Operating Procedures (SOPs) for safe and effective operation and maintenance of its plants as well as its transmission and distribution network duly mitigating risks and health hazards. Suppliers are also made participants in our systems and procedures. To enhance safety consciousness amongst all stakeholders and inculcate the safety culture, Behaviour Based Safety (BBS) has been implemented at Generation plants and Distribution units.
- The Company regularly undertakes network revamping and uprating including undergrounding of network, revamping of consumer end installations, Mini Section Pillars (MSPs), etc. with a primary objective of improving the reliability of the network and safety of employees and general public. The Company uses high efficiency energy meters and star rated distribution transformers. Accordingly, the Company's Transmission and Distribution (T&D) losses have been reduced to one of the lowest in the country in the Company's licensed areas thus saving on energy. The Company has undertaken implementation of smart grid technology including automatic meter reading and distribution automation to remotely monitor the assets and reading of meters, set up multiple customer convenience centers reducing travel and thereby reducing use of fossil fuel.
- The Company's Distribution units have installed more than 7,000 state-of-the-art technology SF6 gas insulated switchgears for protection and operation of 11KV distribution network. Such units undertake activity of earthing reactivation of DSS equipment and MSPs for safety of public and other stake holders. Distribution units also

undertake installation of dry type transformers and ester filled distribution transformers located in crowded and densely populated areas including pole mounted transformers for enhancement of public safety and environment protection. The Company has installed Very Early Smoke Detection and Alarm (VESDA) system for its major stores for asset securitization.

- Various other initiatives include introduction of spill management system to reduce spillage of mineral oil to minimize soil contamination, use of Horizontal Directional Drilling technology instead of soil excavation for cable laying, use of mobiles and handheld gadgets as substitute to paper for field data collection, use of nets around outdoor EHV substation to prevent intrusion of birds and animals, continuous improvement in safety standards, regular safety and environment audits, mock drills, Demand Side Management (DSM) and energy conservation awareness programmes amongst employees and customers in Distribution units.
- Products at cables unit include 132 KV cables with aluminium corrugation (in place of lead sheath); 66 KV cables with HDPE outer sheath in place of PVC outer sheath and wooden drum using reusable PE sheet in place of wooden planks.
- Safety of employees and general public is given high importance in the organization. Safety Committees are formed and headed by senior officers with participation from supervisors and experienced workers who effectively contribute to improving the safety performance of the organization.
- Occupational health of the employees is given equal priority. Various measures including installation of adequate number and appropriate type of fire extinguishers, besides Automated External Defibrillators, Self-contained Breathing Apparatus, Stretchers, First aid boxes and Ambubags (for artificial respiration) are made available. Organization has also trained suitable number of employees for first aid treatment and emergency response. Quarterly monitoring of environmental parameters including quality of air (workplace and ambient), noise (ambient and workplace), drinking water, food and DG stack emission etc. is carried out. New offices and substations are designed to ensure maximum use of natural lights and to the extent possible are equipped with waterless urinals, motion sensor based lighting systems and star rated air conditioners.
- Further, the Company is engaged with its neighbourhood by providing employment opportunities, skill development and health care facilities.

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 rooftop solar panels and solar water heaters, recycling waste water, segregation of lighting circuits for reducing power consumption, rainwater harvesting, use of recycled paper and packaging material, etc. Even a self-sustaining township with biogas generation and solar power is fully functional at one of the generating units.
- As a part of DSM Schemes, Energy Audits as well as Peak Load shifting programs have been carried out for benefit of the consumers. In addition, the Company took all necessary steps to operationalize the Net Metering arrangement for Rooftop Solar PV system at the premises of the consumers.
- Better Balance of Plant management at renewable projects leads to reduction in transmission losses.

- Further, the Company has carried out energy audit of all offices & 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 undertaken.

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

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

The Company has also incorporated procedures e.g. TREM card, stringent pre-qualification criteria etc. in its IMS to ensure that transportation of chemicals and other materials are compliant with rules and regulations and Company's own procedures. Fuel gas lines are maintained as per Petroleum and Natural Gas Regulatory Board (PNGRB) guidelines and safety audits are carried out at regular intervals. Usage of water is optimized by optimizing the Cycle of Concentration in cooling water and recycling of waste water.

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

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

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

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

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

- 100% utilization of fly ash generated as waste from the coal based plant.
- Re-use of treated effluent water.

- Use of waste water for gardening, sprinkling, etc.
- Zero liquid discharge since August 2017 at SUGEN plant and since April 2016 at DGEN plant.
- Use of vegetation and food waste in making compost which in turn is used as manure.
- Sludge recovered from raw water is compacted through Chamber Filter Press and is used 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.
- PVC Scrap is fully recycled & reused in inner sheath, outer sheath & PVC fillers at Cables unit.
- Hazardous wastes e.g., used oils, batteries, e-wastes, bio-medical wastes, etc. are disposed off only to GPCB approved authorized Treatment, Storage and Disposal Facilities (TSDF) & recyclers.
- The distribution units undertake oil filtration activity of its power and distribution transformers for reutilization of oil and conservation of natural resources.
- Recycling of non-hazardous plastic waste through authorized recyclers.
- Use of steel cable drums and reusing them as substitute to wooden cable drums
- Use of recycled papers for energy bills and other stationeries.
- Procurement of environment friendly packaging material.

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

3.1 Please indicate the Total number of employees.

Total number of permanent employees is 7,874 as on 31st March, 2020.

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 7,990 as on 31st March, 2020.

3.3 Please indicate the Number of permanent women employees.

Total number of permanent women employees is 680 as on 31st March, 2020.

3.4 Please indicate the Number of permanent employees with disabilities.

Total number of permanent employees with disabilities is 28 as on 31st March, 2020.

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?

~32% of the total permanent employees of the Company are members of such recognized employee association.

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

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

There were no complaints relating to child labour, forced labour, involuntary labour, sexual harassment and discriminatory employment in FY 20.

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 – 77.47%

(b) Permanent Women Employees – 73.97%

(c) Casual/Temporary/Contractual Employees – 73.14%

(d) Employees with Disabilities – 50.00%

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

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

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

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

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

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

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

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

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN 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?

Various Company Policies as indicated below promote Human Rights:

- Policy on Protection of Women against Sexual Harassment at Workplace
- Conviction for Safety Policy
- Policy on Financial Support in the event of Demise
- Mediclaim Policy for Employees
- Policy for Medically challenged employees
- Grievance Redressal Mechanism
- Equal pay for Equal work without discrimination on the basis of gender.

Besides covering the Company, the policies are also extended to various stakeholders including Group companies, Suppliers, Contractors, etc. as relevant.

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

No complaints on breach of human rights were received during FY 20.

PRINCIPLE 6: BUSINESSES 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. Further, the IMS covering ISO 14001 for Environment Management at most of the units spells out dedication to maintain the ecological balance while carrying out operations.

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 managing its business 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 most of its generation capacity being natural gas based, which is a cleaner fuel and renewable based comprising solar and wind.

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

Further, continuous investments in power distribution infrastructure are made to reduce technical losses. Power is also procured from power plants using environment friendly fuels and renewable power plants.

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

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

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

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 regularly.

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

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

In order to promote clean technology and renewable energy, besides what is stated above, the Company has sourced about 11.5% of its total power requirement of licensed distribution business from wind and solar plants. The Company has also installed Solar Rooftop system for its captive consumption. The Company strives for reduction in distribution losses by improving the network and reducing the theft of electricity. Unauthorized use of electricity has been curtailed which otherwise also invokes safety hazards.

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

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

Yes, the emissions generated from the Generation stations of the Company are within the permissible limits given by CPCB and SPCB for FY 20. The data of emissions, where required, is also being shared with the CPCB and SPCB through online servers. Waste generated by the Company during FY 20 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 20 either from CPCB or SPCB.

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

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

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

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

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

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

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

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

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

8.3 Have you done any impact assessment of your initiative?

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

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

During FY 20, the Company contributed ₹20.36 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 included in this Annual Report.

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

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

Various steps taken to ensure that the community development initiatives are successfully adopted by the community are part of Board's Report included in this Annual Report.

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

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

In the generation and transmission business there were no complaints.

~100% of complaints in Distribution business were resolved within the turnaround time as prescribed by Hon'ble GERC/MERC/UPERC.

No complaints were pending as on 31st March, 2020 for the cables business.

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

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

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

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

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

The Distribution segment of the Company's business caters to around 3 million consumers as on 31st March, 2020. The Company has taken advantage of technological developments and captured over 40,000 feedbacks through SMS and mobile application. Also, through an internally developed platform named "Sampark", 4 calls per week are made to customers to record their first hand feedback. Every negative feedback is processed, resolved and closed with the customer.

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

REPORT ON CORPORATE GOVERNANCE

This Report sets forth the disclosures for FY 20, pertaining to Corporate Governance of Torrent Power Limited ("the Company"), as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

For FY 20, the Company is in compliance with the Corporate Governance norms stipulated in Listing Regulations.

2. BOARD OF DIRECTORS

a) Composition and Category of the Board

As at the year end, the Board had an optimum combination of Executive and Non-Executive Directors with three woman Directors. More than 75% of the Board members are Non-Executive and more than 55% of the Board members are Independent Directors.

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

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

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

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

The table below sets forth the above particulars for each Director as on March 31, 2020.

Name of the Director	Category	Other Directorships	Other Board Committee Membership	Other Board Committees in which Chairperson	Directorship in other listed entities	
					Name of Entity	Category
Sudhir Mehta, Chairman Emeritus	Non-Executive Director (Promoter)	1	-	-	Torrent Pharmaceuticals Ltd	Non-Executive Director (Promoter)
Samir Mehta	Chairperson & Managing Director (Promoter)	1	-	-	Torrent Pharmaceuticals Ltd	Chairperson & Managing Director (Promoter)
Pankaj Patel	Independent Director	3	1	-	Bayer Cropscience Ltd	Independent Director, Chairperson
					Cadila Healthcare Ltd	Non-Executive Non- Independent, Chairperson
Samir Barua	Independent Director	4	3	2	-	-
Keki Mistry	Independent Director	6	7	3	Tata Consultancy Services Ltd	Independent Director
					HDFC Life Insurance Company Ltd	Non-Executive (Nominee Director)
					HDFC Asset Management Company Ltd	Non-Executive Non- Independent Director
					Housing Development Finance Corporation Ltd	Chief Executive Officer & Managing Director
Bhavna Doshi	Independent Director	7	6	4	Indusind Bank Ltd	Independent Director
					Sun Pharma Advanced Research Company Ltd	Independent Director
					Everest Industries Ltd	Independent Director
Dharmishta Raval	Independent Director	6	2	1	Zydus Wellness Ltd	Independent Director
					Cadila Healthcare Ltd	Independent Director
					Nocil Ltd	Independent Director
Jinal Mehta	Managing Director (Promoter)	1	-	-	-	-

Name of the Director	Category	Other Directorships	Other Board Committee Membership	Other Board Committees in which Chairperson	Directorship in other listed entities	
					Name of Entity	Category
Sunaina Tomar	Non-Executive Director, Nominated by Govt. of Gujarat (a shareholder) (appointed wef February 13, 2020)	9	-	-	Gujarat State Petronet Ltd	Non-Executive (Nominee Director)
					Gujarat Gas Ltd	Non-Executive Non- Independent Director
					Gujarat State Fertilizers & Chemicals Ltd	Non-Executive Non- Independent Director
					Gujarat Industries Power Company Ltd	Non-Executive (Nominee Director), Chairperson

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

Pankaj Joshi IAS, Non-Executive Director, Nominated by Govt. of Gujarat (a shareholder), ceased to be a Director w.e.f. December 17, 2019.

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

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

c) Board Meetings

The Board of Directors met four times during FY 20 on May 15, 2019, August 05, 2019, November 05, 2019 and February 12, 2020.

The calendar of Board meetings of FY 20 was communicated to all the Directors well in advance. The Board meetings were held at the registered office in Ahmedabad. The Board met at least once in a quarter and time gap between two consecutive meetings did not exceed 120 days.

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

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

Name of the Director	Board Meetings held during the tenure	Board Meetings attended	Attendance at the last AGM
Sudhir Mehta	4	4	Yes
Samir Mehta	4	4	Yes
Pankaj Patel	4	3	Yes
Samir Barua	4	4	Yes
Keki Mistry	4	3	No
Bhavna Doshi	4	4	Yes
Dharmishta Raval	4	3	Yes
Pankaj Joshi, IAS (ceased wef December 17, 2019)	3	2	No
Jinal Mehta	4	3	Yes
Sunnaina Tomar, IAS (appointed wef February 13, 2020)	Nil	NA	NA

d) Independent Directors

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

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

A separate meeting of Independent Directors was held on February 12, 2020 under the Chairpersonship of Pankaj Patel to review the matters as required by Schedule IV of the Act and Listing Regulations.

e) Criteria for selection of new Directors and Committee Membership

The Company has in place a policy which provides criteria as well as process for identification / appointment of Directors of the Company. The Policy on Directors' appointment forms part of Board's Report. The table below sets forth the core skills / expertise / competencies identified by the Board alongwith names of Directors who have such skills / expertise / competence for effective functioning of Board of Directors:

Skills, Expertise, Competencies	Sudhir Mehta	Samir Mehta	Pankaj Patel	Samir Barua	Keki Mistry	Bhavna Doshi	Dharmishta Raval	Jinal Mehta	Sunaina Tomar, IAS
Strategic Leadership	Significant leadership experience to think strategically and develop effective strategies to drive change and growth in context of the Company's overall objectives.								
	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry Experience	Experience and/or knowledge of the industry in which the Company operates.								
	Yes	Yes	-	-	-	-	-	Yes	Yes
Financial Expertise	Qualification and/or experience in accounting and/or finance coupled with ability to analyse key financial statements; critically assess financial viability and performance; contribute to financial planning; assess financial controls and oversee capital management and funding arrangements.								
	-	Yes	-	Yes	Yes	Yes	-	Yes	Yes
Governance, Risk and Compliance	Knowledge and experience of best practices in governance structures, policies and processes including establishing risk and compliance frameworks, identifying and monitoring key risks.								
	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Diversity	Representation of gender, cultural or other such diversity that expand the Board's understanding and perspective.								
	-	-	-	-	-	Yes	Yes	-	Yes

f) Familiarisation Programme

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

The details of such familiarization program have been disclosed on the Company's website at https://www.torrentpower.com/pdf/investors/20200512_familiarisation_programe.pdf

g) Shareholding of Non-Executive Directors as on March 31, 2020

- Sudhir Mehta, Chairman Emeritus — 6,882 equity shares
- Bhavna Doshi, Independent Director (Jointly with spouse) — 1,900 equity shares

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

3. AUDIT COMMITTEE

a) Terms of Reference

The Board at its meeting held on May 15, 2019 separated the Risk Management oversight from Audit and Risk Management Committee and renamed it as Audit Committee. The Risk Management oversight was vested in the Risk Management Committee.

Due to aforesaid revision, the Board revised the Terms of Reference of the Committee to remove items relating to Risk Management. The revised Terms of Reference were in full compliance with the provisions of the Act and Listing Regulations.

Major Terms of Reference of the Committee include:

- Overseeing the financial reporting process and review of the financial statements of the Company and its unlisted subsidiaries;
- Review functioning of the Whistle Blower mechanism;
- Review and approve related party transactions;
- Scrutiny of inter-corporate loans and investments, review of utilization of loans and/ or advances from/ investment by the Company in the subsidiary;
- Review of internal audit function and reports;
- Evaluation of internal financial control and risk management system;
- Recommending to the Board appointment and remuneration of the auditors and review their performance and adequacy of the internal control systems.

b) Composition and Committee Meetings

The particulars of the Committee as on March 31, 2020 are set forth below.

Name of the Director	Category of Directorship	Qualification	No. of Meetings attended
Samir Barua, Chairperson#	Independent Director	M. Tech (IIT, Kanpur) in Industrial Engineering and Operations Research, Ph. D in Management from IIM, Ahmedabad	4
Keki Mistry#	Independent Director	C.A., C.P.A. (USA)	3
Bhavna Doshi	Independent Director	M. Com, C.A.	4
Dharmishta Raval	Independent Director	B. Sc., LL.M	3

During the year, Keki Mistry stepped down as Chairperson of the Committee and in his place Samir Barua was appointed from May 15, 2019.

Composition of the Committee was in compliance with provisions of the Act and Listing Regulations.

During the year under review, four meetings of the Committee were held on May 15, 2019, August 05, 2019, November 05, 2019 and February 12, 2020. The Committee met once in a quarter and time gap between two consecutive meetings did not exceed 120 days. Senior Management of the Company and representatives of Statutory and Internal Auditors were invited to the meetings. All the recommendations / submissions made by the Committee during the year were accepted by the Board.

4. NOMINATION AND REMUNERATION COMMITTEE

a) Terms of Reference

Major Terms of Reference of the Committee include:

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

- Formulation of criteria for performance evaluation of Board, Committees, Individual Directors.

The Terms of Reference were in full compliance with provisions of the Act and Listing Regulations.

b) Composition and Meetings

The particulars of the Committee as on March 31, 2020 are set forth below.

Name of the Director	Category of Directorship	Chairperson/ Member	No. of Meetings attended
Pankaj Patel [@]	Independent Director	Chairperson	2
Sudhir Mehta	Non-Executive Director (Promoter)	Member	3
Dharmishta Raval	Independent Director	Member	3

[@] Appointed as Chairperson wef May 15, 2019.

Composition of the Committee was in compliance with provisions of the Act and Listing Regulations.

During the year under review, three meetings of the Committee were held on May 15, 2019, August 05, 2019 and February 12, 2020. All the recommendations / submissions made by the Committee during the year were accepted by the Board.

c) Performance Evaluation Criteria for Independent Directors

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

Criteria

i. Fulfillment of functions

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

iii. Contribution at meetings

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

v. Independent views and judgement

Process

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

ii. The Chairperson to consolidate the comments and give feedback to individual Directors.

5. REMUNERATION OF DIRECTORS

a) Remuneration Policy

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

b) Non-Executive Directors

Non-Executive Directors are compensated by way of Sitting Fees (except promoter category Non-Executive Director) for meetings attended and annual Commission for participation in meetings attended. Members have approved payment of annual Commission to Non-Executive Directors, in addition to Sitting Fees, within the limits laid down under the provisions of the Act. The Board of Directors in terms of authorisation granted by the Members, approved the Commission to be paid to each Non-Executive Director. Detailed criteria for remuneration of Non-Executive Directors are part of Remuneration Policy as mentioned above.

c) Particulars of remuneration paid to the Directors for FY 20

(₹ in Crore)

Name of the Director$	Sitting Fees	Salary & Perquisites#	Commission	Total
Sudhir Mehta	-	-	5.00	**5.00**
Samir Mehta	-	-	10.00	**10.00**
Pankaj Patel	0.06	-	0.17	**0.23**
Samir Barua	0.13	-	0.30	**0.43**
Keki Mistry	0.07	-	0.18	**0.25**
Bhavna Doshi	0.12	-	0.29	**0.41**
Dharmishta Raval	0.10	-	0.23	**0.33**
Pankaj Joshi, IAS @ (ceased wef December 17, 2019)	0.02	-	0.09	**0.11**
Jinal Mehta	-	8.73	2.50	**11.23**
Sunaina Tomar, IAS (appointed wef February 13, 2020)	-	-	-	**-**
Total	**0.50**	**8.73**	**18.76**	**27.99**

$ 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).

@ Sitting fees and Commission of Pankaj Joshi, IAS (nominated by Government of Gujarat) is paid / payable to the Government of Gujarat.

Directors have not been granted any stock options during the year under review.

Apart from payment of Sitting Fees, Annual Commission and shareholding of Non-Executive Directors disclosed in part 2(g) above, there was no other pecuniary relationship or transactions between the Company and Non-Executive Directors.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

a) Terms of Reference

Major Terms of Reference of the Committee include:

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

The Terms of Reference were in full compliance with provisions of the Act and Listing Regulations.

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

b) **Composition and Meetings**

The particulars of the Committee as on March 31, 2020 are set forth below:

Name of the Director	Category of Directorship	Chairperson/ Member	No. of Meetings attended
Pankaj Patel	Independent Director	Chairperson	15
Samir Mehta	Chairperson & Managing Director (Promoter)	Member	14
Jinal Mehta	Managing Director (Promoter)	Member	14

Composition of the Committee was in compliance with provisions of the Act and Listing Regulations. During the year under review, fifteen meetings of the Committee were held. All the recommendations / submissions made by the Committee during the year were accepted by the Board. Samir Shah was the Company Secretary & Compliance Officer of the Company until May 15, 2019 and wef May 16, 2019 Rahul Shah was appointed for this position.

c) **Investor Grievance Redressal**

The Company received 4 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 March 31, 2020.

7. GENERAL BODY MEETINGS

Last 3 Annual General Meetings of the Company

Meeting	Date	Time	Venue	No. of Special Resolutions passed
13th AGM	August 01, 2017	02:30 pm	J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015	0
14th AGM	August 01, 2018	09:30 am	J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015	7
15th AGM	August 05, 2019	09:30 am	J. B. Auditorium, Torrent-AMA Centre, Ahmedabad Management Association, Vastrapur, Ahmedabad-380015	2

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

8. MEANS OF COMMUNICATION

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

Considering the impact of COVID-19 and consequent restrictions including that on large gatherings and social distancing, SEBI vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 provided relaxation from sending physical copies of Annual Report for FY 20 to those Members whose email IDs are not registered with the Depository Participants (DPs) and / or with the Company's Registrar and Share Transfer Agent (RTA) and who have opted for physical copies. In view of the same, the Company will send soft copies of Annual Report to those Members whose email IDs are registered with the DPs and / or with the Company's RTA. Also, the same will be available on the Company's website: www.torrentpower.com.

9. GENERAL SHAREHOLDER INFORMATION

a) 16th Annual General Meeting

Date	:	Thursday, August 06, 2020
Time	:	9:30 am
Venue	:	Video Conference / Other Audio Visual Means
Remote E-voting Period	:	From 9:00 am on August 02, 2020 to 5:00 pm on August 05, 2020
Cut-off date for Remote E-voting	:	July 30, 2020

b) Tentative financial calendar for the year ended March 31, 2021

Financial year	:	April 01, 2020 – March 31, 2021
First quarter results	:	First week of August, 2020
Second quarter results	:	First week of November, 2020
Third quarter results	:	Second week of February, 2021
Results for the year end	:	Third week of May, 2021

c) Dividend Payment date: Not applicable.

d) 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-400001	INE813H01021	532779
National Stock Exchange of India Limited (NSE) “Exchange Plaza”, C – 1, Block G, Bandra - Kurla Complex, Bandra (East), Mumbai 400051	INE813H01021	TORNTPOWER

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

Series	Secured / Unsecured	Coupon rate (p.a.)	ISIN	Security Code
Series 1	Secured	10.35%	INE813H07010	TOPO22
Series 2A	Secured	10.35%	INE813H07051	TOPO21
Series 2B	Secured	10.35%	INE813H07069	TOPO22A
Series 2C	Secured	10.35%	INE813H07077	TOPO23
Series 3A	Secured	8.95%	INE813H07085	TOPO21
Series 3B	Secured	8.95%	INE813H07093	TOPO22
Series 3C	Secured	8.95%	INE813H07101	TOPO23
Series 4A	Unsecured	10.25%	INE813H08018	TOPO22
Series 4B	Unsecured	10.25%	INE813H08026	TOPO23
Series 4C	Unsecured	10.25%	INE813H08034	TOPO24
Series 5	Secured	7.65%	INE813H07119	TOPO23

- Annual listing fees for both, equity and debt securities for FY 20 have been paid to the Stock Exchanges, where the securities of the Company are listed.

e) Market price data

Closing market price of equity shares on March 31, 2020 was ₹278.95 on BSE and ₹279.05 on NSE.

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

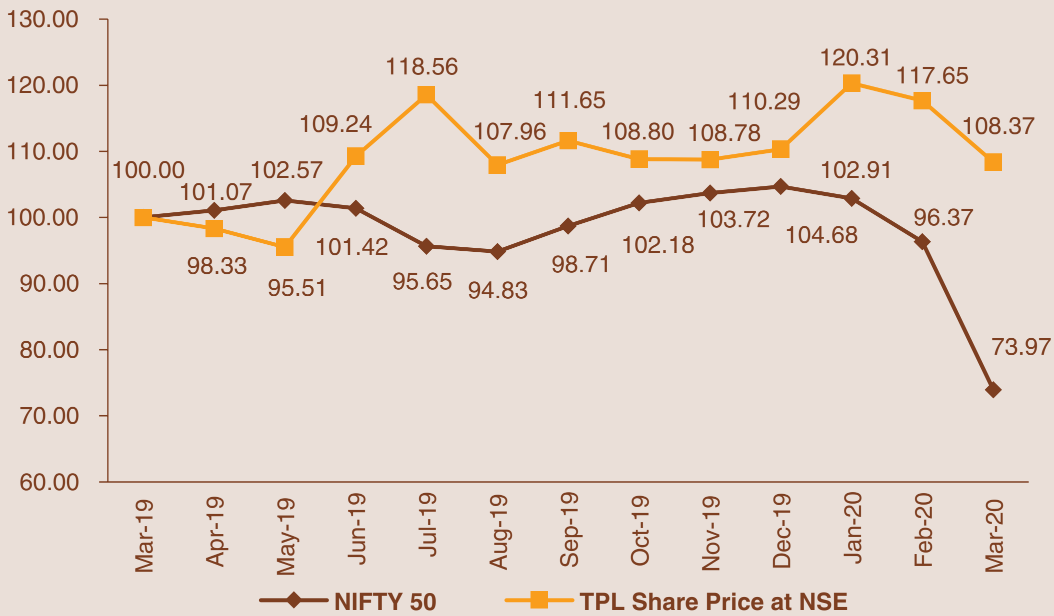
Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April, 2019	268.70	245.40	9,77,597	268.75	245.15	1,72,84,535
May, 2019	260.45	235.15	8,16,992	261.00	231.05	1,54,43,603
June, 2019	289.90	240.55	17,25,719	289.70	239.70	2,76,40,745
July, 2019	313.80	282.55	62,01,028	313.70	282.00	4,26,33,867
August, 2019	305.85	275.45	10,51,697	305.80	275.35	2,57,23,082
September, 2019	294.80	269.60	19,07,602	294.75	269.60	1,87,47,413
October, 2019	298.50	274.25	27,72,334	298.75	274.20	1,55,48,142
November, 2019	305.10	276.85	15,69,382	305.60	276.80	2,94,57,140
December, 2019	289.75	267.65	8,30,233	289.90	267.60	1,77,96,610
January, 2020	330.60	280.95	18,77,504	330.70	280.80	2,55,64,826
February, 2020	332.50	292.00	20,98,984	332.80	285.85	3,62,41,896
March, 2020	321.85	239.65	21,94,087	322.00	231.95	3,24,21,595

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

Month	TPL Share Price at NSE (₹)*	NIFTY 50 during the Month* (₹)	Relative Index for comparison purpose	
			TPL share price	NIFTY 50
March, 2019	257.50	11,623.90	100.00	100.00
April, 2019	253.20	11,748.15	98.33	101.07
May, 2019	245.95	11,922.80	95.51	102.57
June, 2019	281.30	11,788.85	109.24	101.42
July, 2019	305.30	11,118.00	118.56	95.65
August, 2019	278.00	11,023.25	107.96	94.83
September, 2019	287.50	11,474.45	111.65	98.71
October, 2019	280.15	11,877.45	108.80	102.18
November, 2019	280.10	12,056.05	108.78	103.72
December, 2019	284.00	12,168.45	110.29	104.68
January, 2020	309.80	11,962.10	120.31	102.91
February, 2020	302.95	11,201.75	117.65	96.37
March, 2020	279.05	8,597.75	108.37	73.97

* Closing data on the last trading day of the month. Closing share price at NSE and NIFTY 50 of March 29, 2019 have been taken as the base for calculating relative index for comparison purpose.

Relative Performance of TPL Share Price v/s Nifty 50



g) Registrar and Share Transfer Agent

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

Link Intime India Pvt. Ltd,
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

h) Share Transfer System

In terms of Regulation 40(1) of Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of transmission of securities or transposition of names. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

Powers to approve share transfers and related requests have been delegated by the Stakeholders Relationship Committee to Senior Officials of the Company for expeditious disposal of Members' requests and complaints. During the year, share transfers were taken up for approval atleast once in a fortnight and the transferred securities were dispatched to the transferees within the stipulated time. Details of transfers / transmission approved by the delegates were noted by the Stakeholders Relationship Committee at its meeting once in a quarter, which are subsequently noted by the Board of Directors.

i) Distribution of shareholding as on March 31, 2020

- **By size of shareholding**

No. of Shares	No. of Members	% Members	No. of Shares	% of Members
001 to 500	1,01,320	89.03	62,88,323	1.30
501 to 1000	6,482	5.70	43,53,612	0.91
1001 to 2000	2,642	2.32	37,50,237	0.78
2001 to 3000	1,059	0.93	26,75,578	0.56
3001 to 4000	471	0.41	16,53,685	0.34
4001 to 5000	395	0.35	17,96,555	0.37
5001 to 10000	708	0.62	50,24,774	1.05
10001 & above	723	0.64	45,50,74,020	94.69
Total	**1,13,800**	**100**	**48,06,16,784**	**100**

- **By category of Members**

Sr. No.	Category	No. of Shares	% of Shareholding
1	Promoters	25,74,43,318	53.57
2	Governor of Gujarat with Gujarat State Financial Services Limited	5,39,28,671	11.22
3	General Insurance Corporation of India and its subsidiaries	30,03,992	0.63
4	Mutual Funds	7,30,44,049	15.20
5	Foreign Portfolio Investors	4,20,76,508	8.75
6	Banks	434,501	0.09
7	Others	5,06,85,745	10.54
	Total	**48,06,16,784**	**100.00**

j) 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 of the Company is INE813H01021. As on March 31, 2020, 97.38% of the equity shares have been dematerialised. The shares of the Company are frequently traded on both the stock exchanges and hence the shares of the Company are liquid.

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) Disclosure of commodity price risk / foreign exchange risk and hedging activities

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

The following were the material commodity exposures of the Company during FY 20:

Commodity	Exposure in INR ₹ in Crore	Exposure in Quantity	% of such Exposure hedged through Commodity Derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Imported & domestic Coal	368	12,62,957 MT	-	-	-	-	-
Liquefied Natural Gas & domestic natural gas	2,886	6,13,77,321 MMBTU	-	-	-	-	-
Copper & aluminium	203	11,398 MT	-	-	-	-	-

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

m) Registered Office and Plant/ Unit Locations

Registered Office

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

Generation

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

ii. AMGEN, Ahmedabad-380005 (Gujarat)

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

iv. Renewable generation projects located at Patan, Surat, Jamnagar, Rajkot, Kutch in Gujarat, Osmanabad in Maharashtra and Gulbarga and Raichur in Karnataka.

Cables

Yoginagar,
Mission Road,
Nadiad - 387002 (Gujarat)

Distribution

i. AEC cross roads, Sola Road, Naranpura, Ahmedabad – 380013 (Gujarat)

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

iii. Plot No. Z/21, Dahej SEZ, Part I, Taluka Vagra, District: Bharuch – 392130 (Gujarat)

iv. Plot 3a, C7 Road, Dholera Smart City, Taluka: Dhandhuka, District: Ahmedabad Gujarat 382 455

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

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

vii. Nature's Glory Phase – I. Behind Amit Garden Hotel, Mumbra – Kalwa Road, Parshik Nagar, Kalwa – 400 605

n) Address for Correspondence

Company Secretary
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

o) Debenture Trustee

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg,
Ballard Estate,
Mumbai- 400001 (Maharashtra)
Telephone : (022) 40807005

p) Credit Rating

During the year, CRISIL upgraded the long term credit rating of the Company from AA-/Stable to AA/Stable and reaffirmed the short term credit rating at A1+. Additionally, India Ratings assigned a short term credit rating of IND A1+.

10. OTHER DISCLOSURES

a) Related Party Transactions

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

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

Statement of related party transactions was presented to the Audit 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 the Annual Report.

b) Legal Compliances

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

c) Whistle Blower Policy

The Board has adopted a Whistle Blower Policy for the Company, under which the Company has institutionalised a mechanism for the stakeholders to disclose their concerns and grievances on unethical behaviour and improper/ illegal practices and wrongful conduct taking place in the Company for appropriate action. During the year the policy was amended to align it with the requirement of SEBI (Prohibition of Insider Trading) Regulations, 2015. The revised policy is available on the website of the Company at https://www.torrentpower.com/pdf/investors/20200601_whistle_blower_policy.pdf

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

d) Compliance with all the mandatory requirements of Corporate Governance

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

e) Material Subsidiary Policy

The Company has formulated a Policy for determining "Material Subsidiary" and same is available on Company's website at https://www.torrentpower.com/pdf/investors/19-01-2019_2vueh_policy_materialsubsidiaries2.pdf

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

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

g) Certificate of Practicing Company Secretary

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

h) Fees paid to Statutory Auditors

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

(₹ in Crore)

Audit Fees	1.24
Other Services certificates etc.	0.56
Reimbursement of expenses	0.25
Total	**2.05**

i) Protection of Women against Sexual Harassment at Work Place

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

j) Compliance with Corporate Governance

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

For and on behalf of the Board

Jinal Mehta
Managing Director
DIN: 02685284

Ahmedabad
May 18, 2020

CERTIFICATE OF COMPLIANCE WITH THE CODE OF BUSINESS CONDUCT

To,
The Members,
Torrent Power Limited

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

For and on behalf of the Board

Jinal Mehta
Managing Director
DIN: 02685284

Ahmedabad
May 18, 2020

Standalone Financial Statements 2019-20

INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS

TO THE MEMBERS OF TORRENT POWER LIMITED

Report on the audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Torrent Power Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

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

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
i) Impairment assessment for Power Plant located at Dahej (Refer to note 41(1) of the standalone financial statements) :	
The carrying amount of Property, Plant & Equipment ("PPE") includes an amount of ₹3,079.62 Crore pertaining to 1,200 MW DGEN Mega Power Project located at Dahej, India ("DGEN"). DGEN started its commercial operations from November 2014 ("COD") and has operated only intermittently after COD, including during current financial year. As a result of above, and given the current economic environment, management has carried out an impairment assessment of DGEN with the help of an external valuer, in accordance with Ind AS 36 'Impairment of Assets' and has measured the recoverable amount at the higher of fair value less costs to sell and value in use. In case of DGEN, the recoverable amount is based on 'value in use' which requires estimating the discounted cash flow projections over the estimated useful life of the DGEN. Such assessment involved several key assumptions including expected demand, future price of fuel, exchange rate, expected tariff rates, discount rate and current electricity market scenario considered by management based on past trends and current and likely future state of the industry. Based on such assessment, the Company has provided for an impairment loss of ₹1,000.00 Crore, which has been disclosed as an 'Exceptional item' in the standalone financial statements. We considered this to be a key audit matter as the carrying value of DGEN at March 31, 2020 is significant to the Company's balance sheet and there is significant judgement and uncertainty involved in the discounted cash flow (DCF) model used by the management to assess the carrying value of DGEN.	Our procedures in relation to management's impairment assessment of DGEN included the following: • Assessed and tested the design and operating effectiveness of the Company's controls over impairment assessment. • Perused the report issued by the external valuer engaged by the management. • Evaluated independence, competence, capability and objectivity of the external valuer. • Evaluated the reasonableness of cash flow projections used by the Company and the key assumptions used. • With the involvement of auditors experts, assessed the reasonableness of the assumptions considered in the discounted cash flow projections for determining value in use. • Discussed with senior management personnel, the justification for the key assumptions underlying the cashflow projections and performed sensitivity analysis on the same. • Checked the arithmetic accuracy of the computations included in the discounted cash flow projections. • Reviewed the adequacy of disclosure in the standalone financial statements with regard to the impairment loss accounted by the Company. Based on the above procedures performed, we considered management's assessment of impairment to the carrying amount of DGEN to be reasonable.

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

Emphasis of Matter

5. We draw attention to Note 57 to the standalone financial statements which explains the uncertainties and the management's assessment of the financial impact due to the lockdown and other restrictions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

Other Information

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

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

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

We have nothing to report in this regard.

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

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

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

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

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

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

    - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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

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

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

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

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

    e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

   i. The Company has disclosed the impact of pending litigations as at March 31, 2020 on its financial position in its standalone financial statements – Refer Note 31 and 44;

   ii. The Company has long-term contracts as at March 31, 2020 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2020;

   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 March 31, 2020;

   iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2020.

16. 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.

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

Pradip Kanakia
Partner
Membership Number: 039985
UDIN: 20039985AAAABX7791

Place: Bengaluru
Date: May 18, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 15(f) of the Independent Auditors' Report of even date to the members of Torrent Power Limited on the standalone financial statements for the year ended March 31, 2020

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 March 31, 2020 in conjunction with our audit of the standalone 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 15(f) of the Independent Auditors' Report of even date to the members of Torrent Power Limited on the standalone financial statements for the year ended March 31, 2020

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 March 31, 2020, 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. Also refer paragraph 5 of our main audit report.

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

Pradip Kanakia
Partner
Membership Number: 039985
UDIN: 20039985AAAABX7791

Place: Bengaluru
Date: May 18, 2020

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Torrent Power Limited on the standalone financial statements as of and for the year ended March 31, 2020

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 5 on Right of use assets to the standalone financial statements, are held in the name of the Company or in the names of the companies which got amalgamated into the Company through various schemes approved by the courts in earlier years.

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

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

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

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

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

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

Further, for the period March 1, 2020 to March 31, 2020, the Company has paid Goods and Service Tax and filed GSTR 1 and GSTR3B after the due date but within the timelines allowed by Central Board of Indirect Taxes and Customs under the Notification Number 32/2020, 33/2020 and 34/2020 - Central Tax dated April 3, 2020 on fulfilment of conditions specified therein.

(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 and goods and services 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 March 31, 2020 which have not been deposited on account of a dispute, are as follows:

Name of Statute	Nature of dues	Amount involved (₹ in Crore)	Amount Unpaid (₹ in Crore)	Period to which the amount relates (Financial Year)	Forum where the dispute is pending
Customs Act, 1962	Custom duty	37.00	18.50	2012-13	Central Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise duty	0.17	0.17	1989-90	Central Excise and Service Tax Appellate Tribunal
Kerala General Sales Tax Act, 1963	Sales Tax on Works Contracts	0.20	0.20	2001-02	Sales Tax Appellate Tribunal, Calicut
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax on Works Contracts	0.29	0.29	1993-94 & 1994-95	Andhra Pradesh High Court, Hyderabad
Tamil Nadu General Sales Tax Act, 1959	Sales Tax on Works Contracts	0.47	0.47	1989-90 & 1990-91	Asst. Commissioner of Commercial Tax, Tuticorin
Gujarat Value Added Tax Act, 2003	Value Added Tax	0.21	0.17	2013-14 & 2014-15	Joint Commissioner of Commercial Tax (Appeal)
		0.17	0.14	2011-12	GVAT Tribunal
		4.26	1.63	2009-10 & 2010-11	GVAT Tribunal
		1.73	0.51	2008-09	GVAT Tribunal
		1.00	0.27	2007-08	GVAT Tribunal
Gujarat Sales Tax Act, 1969	Sales tax	4.29	4.29	2002-03 & 2003-04	Joint Commissioner of Commercial Tax (Appeal)
Central Sales Tax Act, 1956	Central Sales Tax	3.15	2.51	2008-09, 2009-10, 2010-11, 2011-12 & 2012-13	GVAT Tribunal
		0.49	0.39	2014-15	Joint Commissioner of Commercial Tax (Appeal)
Income tax Act, 1961	Income Tax	0.69	0.50	2015-16	CIT Appeals

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

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Torrent Power Limited on the standalone financial statements as of and for the year ended March 31, 2020

Further, in view of the extension of time granted vide a circular of Reserve Bank of India (RBI), RBI/2019-20/186 dated March 27, 2020 for the payment of interest and principal for term loans falling due between March 1, 2020 and May 31, 2020, the Company has availed the moratorium for payment of the aforesaid dues on term loans outstanding to Bank of Baroda, State Bank of India and Punjab National Bank.

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

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

xi. The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. Also refer paragraph 16 of our main audit report.

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

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone 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**
Firm Registration Number: 012754N / N500016

Pradip Kanakia
Partner
Membership Number: 039985
UDIN: 20039985AAAABX7791

Place: Bengaluru
Date: May 18, 2020

BALANCE SHEET

AS AT MARCH 31, 2020

(₹ in Crore)

	Note	As at March 31, 2020	As at March 31, 2019
Assets			
Non-current assets			
Property, plant and equipment	4	15,587.93	16,995.13
Right-of-use assets	5	187.94	-
Capital work-in-progress		567.40	358.77
Intangible assets	6	14.98	17.31
Intangible assets under development		0.19	-
Financial assets			
Investments	7	518.77	689.93
Loans	8	1,123.92	145.15
Other financial assets	9	1.08	230.61
Non-current tax assets (net)	10	16.44	26.69
Other non-current assets	11	327.36	901.56
		18,346.01	19,365.15
Current assets			
Inventories	12	597.89	626.67
Financial assets			
Investments	13	502.20	472.46
Trade receivables	14	1,180.58	1,170.53
Cash and cash equivalents	15	79.42	114.33
Bank balances other than cash and cash equivalents	16	144.78	211.92
Loans	17	91.39	204.02
Other financial assets	18	1,825.44	1,581.30
Other current assets	19	111.92	78.28
		4,533.62	4,459.51
		22,879.63	23,824.66
Equity and liabilities			
Equity			
Equity share capital	20	480.62	480.62
Other equity	21	8,706.65	8,456.18
		9,187.27	8,936.80
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	22	7,296.28	8,033.38
Trade payables	23		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues other than micro and small enterprises		109.71	109.34
Other financial liabilities	24	33.29	0.24
Provisions	25	102.82	83.15
Deferred tax liabilities (net)	42	542.51	1,556.26
Other non-current liabilities	26	1,129.07	1,020.95
		9,213.68	10,803.32
Current liabilities			
Financial liabilities			
Borrowings	27	-	300.05
Trade payables	28		
Total outstanding dues of micro and small enterprises		24.83	27.10
Total outstanding dues other than micro and small enterprises		1,002.43	777.29
Other financial liabilities	29	2,612.36	2,328.75
Other current liabilities	30	575.54	592.70
Provisions	31	241.89	42.29
Current tax liabilities (net)	32	21.63	16.36
		4,478.68	4,084.54
		22,879.63	23,824.66

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 039985

Bengaluru, May 18, 2020

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

Sanjay Dalal
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 18, 2020

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Crore)

	Note	Year ended March 31, 2020	Year ended March 31, 2019
Income			
Revenue from operations	33	13,442.04	12,977.52
Other income	34	245.09	261.55
Total income		13,687.13	13,239.07
Expenses			
Electrical energy purchased		3,709.40	4,116.50
Fuel cost		4,250.54	4,019.46
Cost of materials consumed	35	250.60	259.86
Purchase of stock-in-trade		53.69	229.46
Changes in inventories of finished goods and work-in-progress	36	1.45	(19.58)
Employee benefits expense	37	528.49	484.21
Finance costs	38	891.86	892.15
Depreciation and amortization expense	39	1,230.16	1,163.05
Other expenses	40	1,225.04	845.60
Total expenses		12,141.23	11,990.71
Profit before exceptional items and tax		1,545.90	1,248.36
Exceptional items	41	1,000.00	-
Profit before tax		545.90	1,248.36
Tax expense			
Current tax	42	305.94	269.26
Deferred tax	42	(998.18)	89.86
		(692.24)	359.12
Profit for the year		1,238.14	889.24
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans	48	(44.57)	(9.55)
Tax relating to remeasurement of the defined benefit plans	42	(15.57)	(3.34)
Other comprehensive income for the year (net of tax)		(29.00)	(6.21)
Total comprehensive income for the year		1,209.14	883.03
Basic and diluted earnings per share of face value of ₹10 each (in ₹)	52	25.76	18.50
See accompanying notes forming part of the standalone financial statements			

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 039985

Bengaluru, May 18, 2020

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Samir Mehta
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DIN:00061903

Sanjay Dalal
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 18, 2020

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Crore)

	Note	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from operating activities			
Net profit before tax		545.90	1,248.36
Adjustments for :			
Depreciation and amortization expense	39	1,230.16	1,163.05
Amortisation of deferred revenue	33	(73.67)	(63.66)
Provision of earlier years written back	33	(3.69)	(26.98)
Loss on sale / discarding of property, plant and equipment	40	16.19	17.97
Gain on disposal of property, plant and equipment	34	(2.89)	(8.40)
Bad debts written off (net of recovery)	40	(17.41)	3.96
Provision for onerous contracts	40	161.78	-
Allowance for doubtful debts (net)	40	82.43	15.88
Exceptional items	41	1,000.00	-
Finance costs	38	891.86	892.15
Interest income	34	(142.22)	(147.91)
Dividend income	34	(15.32)	(6.66)
Allowance / impairment for non-current investments	40	1.55	1.35
Gain on sale of current investments in mutual funds	34	(40.76)	(40.33)
Gain on sale of non-current investments	34	(8.64)	-
Net (gain) / loss arising on current investments in mutual funds measured at fair value through profit or loss	34	0.36	6.16
Net gain arising on financial assets / liabilities measured at amortised cost	34	(13.84)	(24.45)
Net unrealised loss / (gain) on foreign currency transactions		12.30	(4.70)
Operating profit before working capital changes		3,624.09	3,025.79
Movement in working capital:			
Adjustments for decrease / (increase) in operating assets:			
Inventories		28.78	(172.29)
Trade receivables		(75.07)	(65.89)
Loans		(1.16)	1.27
Other financial assets		(2.53)	(508.48)
Other assets		(26.71)	(37.86)
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		204.18	174.09
Other financial liabilities		41.06	115.68
Provisions		12.92	5.12
Other liabilities		(21.05)	75.42
Cash generated from operations		3,784.51	2,612.85
Taxes paid (net)		(290.43)	(279.04)
Net cash flow generated from operating activities		3,494.08	2,333.81
Cash flow from investing activities			
Payments for property, plant and equipment & intangible assets		(679.78)	(1,583.19)
Proceeds from sale of property, plant and equipment		9.55	100.80
Non-current investment in subsidiaries		(2.00)	(221.00)
Non-current (investment in) / redemption of debentures from associates		191.62	(78.30)
Purchase of non-current investments		(1.92)	(1.93)

STATEMENT OF CASH FLOW (Contd.)

FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
(Loans to) / repayment of loans from related parties (net)	(839.73)	324.49
(Investments) / redemption in bank deposits (net) (maturity more than three months)	68.75	(76.95)
Interest received	106.45	122.94
(Purchase of) / proceeds from current investments (net)	10.66	175.83
Dividend received from non-current investments	15.32	6.66
Bank balances not considered as cash and cash equivalents	-	(0.02)
Net cash generated from / (used in) investing activities	(1,121.08)	(1,230.67)
Cash flow from financing activities		
Proceeds from long-term borrowings	1,770.00	317.03
Proceeds from short-term borrowings	250.00	1,200.05
Repayment of long-term borrowings	(317.89)	(427.19)
Prepayment of long-term borrowings	(1,970.64)	(290.75)
Repayment of short-term borrowings	(550.05)	(900.00)
Repayment of Accelerated Power Development and Reform Programme (APDRP) loan	(3.82)	(3.82)
Receipt of contribution from consumers	185.69	166.00
Dividend paid (including dividend distribution tax)	(958.67)	(288.34)
Principal elements of finance lease payments	(5.71)	-
Finance costs paid	(806.82)	(896.02)
Net cash generated from / (used in) financing activities	(2,407.91)	(1,123.04)
Net (decrease) / increase in cash and cash equivalents	(34.91)	(19.90)
Cash and cash equivalents as at beginning of the year	114.33	134.23
Cash and cash equivalents as at end of the year	79.42	114.33
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	78.14	106.86
Balance in fixed deposit accounts (original maturity for less than three months)	-	0.03
Cheques, drafts on hand	0.94	6.02
Cash on hand	0.34	1.42
	79.42	114.33

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

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 039985

Bengaluru, May 18, 2020

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

Sanjay Dalal
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 18, 2020

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

A. Equity share capital [Refer note 20]

(₹ in Crore)

Balance as at April 01, 2018	480.62
Changes in equity share capital during the year	-
Balance as at March 31, 2019	480.62
Changes in equity share capital during the year	-
Balance as at March 31, 2020	480.62

B. Other equity [Refer note 21]

(₹ in Crore)

	Reserves and surplus						Total
	Securities premium	Debenture redemption reserve	Contingency reserve	Special reserve	General reserve	Retained earnings	
Balance as at April 01, 2018	0.03	163.68	7.95	78.07	3,583.89	3,378.45	7,212.07
Impact on adoption of Ind AS 115 [Refer note 59]	-	-	-	-	-	649.42	649.42
Restated balance as at April 01, 2018	0.03	163.68	7.95	78.07	3,583.89	4,027.87	7,861.49
Profit for the year	-	-	-	-	-	889.24	889.24
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(6.21)	(6.21)
Total comprehensive income for the year	-	-	-	-	-	883.03	883.03
Transfer to debenture redemption reserve	-	34.22	-	-	-	(34.22)	-
Transfer to contingency reserve	-	-	1.81	-	-	(1.81)	-
Dividend paid	-	-	-	-	-	(240.31)	(240.31)
Dividend distribution tax paid	-	-	-	-	-	(48.03)	(48.03)
Balance as at March 31, 2019	0.03	197.90	9.76	78.07	3,583.89	4,586.53	8,456.18
Balance as at April 01, 2019	0.03	197.90	9.76	78.07	3,583.89	4,586.53	8,456.18
Profit for the year	-	-	-	-	-	1,238.14	1,238.14
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(29.00)	(29.00)
Total comprehensive income for the year	-	-	-	-	-	1,209.14	1,209.14
Transfer to debenture redemption reserve	-	60.20	-	-	-	(60.20)	-
Transfer to contingency reserve	-	-	1.83	-	-	(1.83)	-
Dividend (including interim dividend) paid	-	-	-	-	-	(797.82)	(797.82)
Dividend distribution tax paid	-	-	-	-	-	(160.85)	(160.85)
Balance as at March 31, 2020	0.03	258.10	11.59	78.07	3,583.89	4,774.97	8,706.65

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 039985

Bengaluru, May 18, 2020

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

Sanjay Dalal
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 18, 2020

NOTE 1A: GENERAL INFORMATION

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

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

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

The Company has applied the following Ind AS for the first time for its annual reporting period commencing April 01, 2019:

Ind AS - 116 "Leases"

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards), 2019 on March 30, 2019 which includes Ind AS - 116 "Leases". The Company has applied Ind AS 116, Leases for the first time for their annual reporting period commencing April 01, 2019.

The Company had to change its accounting policy as a result of adopting Ind AS 116. This is disclosed in note 2.20.

Other amendments:

On March 30, 2019, the Ministry of Corporate Affairs (MCA) notified certain other amendments to Indian Accounting Standards (Ind AS), as part of the Companies (Indian Accounting Standards) Second Amendment Rules, 2019.

i) Ind AS - 12 "Income taxes", Appendix C - Uncertainty over income tax treatments
ii) Amendment to Ind AS - 12 "Income taxes"
iii) Ind AS - 19 "Employee benefits", Plan amendment, curtailment or settlement
iv) Ind AS - 23 "Borrowing costs"
v) Ind AS - 28 "Investments in associates and Joint-Ventures", Long-term interests in Associates and Joint-ventures
vi) Ind AS - 109 "Financial Instruments", Prepayment Features with Negative Compensation
vii) Ind AS - 103 "Business Combination"
viii) Ind AS - 111 "Joint Arrangements"

The above other amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or 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 is preserved and the reserves of the transferor become the reserves of the transferee.
- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

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

Goodwill

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

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

2.3 Investments in subsidiaries, joint ventures and associates:

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

2.4 Government grants:

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

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

2.5 Property, plant and equipment:

Tangible fixed assets

Freehold land is carried at historical cost. All other items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, except that on adoption of Ind AS, property, plant and equipment had been measured at deemed cost, using the net carrying value as per previous GAAP as at April 01, 2015.

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

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

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

Depreciation methods, estimated useful lives and residual value

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

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

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

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

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

2.6 Investment properties:

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

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

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

2.7 Intangible assets – acquired:

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

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

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

2.8 Impairment of tangible and intangible assets other than goodwill:

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

2.9 Borrowing costs:

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

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

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

2.10 Cash and cash equivalents:

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

2.11 Inventories:

Raw materials, fuel, stores and spares, packing materials, loose tools, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of inventories includes purchase price and all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the weighted average basis except for inventory of Regasified Liquefied Natural Gas (RLNG) which is valued using specific identification method considering its procurement for beneficiary usage or others. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.12 Revenue recognition:

Revenue is recognized, when the control of the goods or services has been transferred to consumers. Revenue is measured at the fair value of the consideration received or receivable, net of discounts and other similar allowances.

(i) Revenue from power supply is accounted for in accordance with the principles laid down under the relevant Tariff Regulations / Tariff Orders notified by the Electricity Regulator. Revenue recognised includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff and adjustments in respect of unbilled amounts towards revenue gaps / unapproved FPPPA which are recognised considering applicable tariff regulations / tariff orders, past trends of approval, management's probability estimate and when no significant uncertainty exists in such determination. Revenue from power supply exclude taxes and duties.

These adjustments / accruals are carried forward as 'Unbilled revenue' under "Other current financial assets" in Note 18, which would be adjusted through future billing based on tariff determination by the regulator in accordance with the electricity regulations.

(ii) Sales of cables and trading of RLNG are recognised, net of returns and rebates, on transfer of control of ownership to the buyer. Sales exclude Goods and Services Tax.

(iii) Gross proceeds from sale of Certified Emission Reduction certificates (CERs) are recognized when all the control of CERs have been passed to the buyer, usually on delivery of the CERs.

(iv) Income from Generation Based Incentive is accounted on accrual basis considering eligibility of project for availing incentive.

(v) Contributions by consumers towards items of property, plant and equipment, which require an obligation to provide electricity connectivity to the consumers, are recognised as a credit to deferred revenue. Such revenue is recognised over the useful life of the property, plant and equipment.

2.13 Foreign currency translation:

Functional and presentation currency

The financial statements are prepared in Indian rupee (INR) which is functional as well as presentation currency of the Company.

Transactions and balances

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of profit and loss, within finance costs. All other foreign exchange differences arising on settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the financial year are recognized as income or expense in the financial year in which they arise.

The exchange differences relating to long term foreign currency monetary items, recognised in the financial statement upto March 31, 2016, in so far as they relate to acquisition of depreciable capital assets is adjusted to the cost of such capital asset and depreciated over the balance useful life of such asset.

2.14 Employee benefits:

Defined contribution plans

Contributions to retirement benefit plans in the form of provident fund, employee state insurance scheme, pension scheme and superannuation schemes as per regulations are charged as an expense on an accrual basis when employees have rendered the service. The Company has no further payment obligations once the contributions have been paid.

Defined benefits plans

The liability or asset recognised in the balance sheet in respect of the retirement benefit plan i.e. gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by an actuary using projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets. This cost is included in the employee benefit expense in the statement of profit and loss.

Remeasurements, comprising actuarial gains and losses and the effect of the changes to the asset ceiling (if applicable), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and consequently recognised in retained earnings and is not reclassified to profit or loss.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The said obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2.15 Taxation:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on estimated taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in the tax returns with respect to situations for which applicable tax regulations are subject to interpretation and revises the provisions, if so required where consider necessary.

Advance taxes and provisions for current income taxes are offset with each other when there is a legally enforceable right to offset and balances arise with the same tax authority.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

2.16 Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by adjusting the figures used in the determination of basic EPS to take into account:

- After tax effect of interest and other financing costs associated with dilutive potential equity shares.
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.17 Provisions, contingent liabilities and contingent assets:

Provisions

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

2.18 Financial instruments:

Financial assets

i) Classification of financial assets (including debt instruments)

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

ii) Initial measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

iii) Subsequent measurement

There are three measurement categories into which the debt instruments can be classified:

- **Amortised cost**

  Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI)**

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

- **Fair value through profit or loss (FVTPL)**

  Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains / (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 only, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109 i.e. expected credit loss allowance as computed based on historical credit loss experience.

v) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset

When the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of financial asset, the financial asset is derecognised if the Company has not retained control over the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

vi) Income recognition

Dividend is accounted when the right to receive payment is established.

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest on overdue receivables of energy bills and claims including insurance claims, coal cost variation and other claims etc. are accounted as and when recovered.

Financial liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings.

i) Classification

All the Company's financial liabilities, except for financial liabilities at fair value through profit or loss, are measured at amortized cost.

ii) Initial measurement

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate Method.

The Effective Interest Rate Method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

iv) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or waived off or have expired. An exchange between the Company and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.19 Contributed equity:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Transaction costs of an equity transaction shall be accounted for in other equity.

2.20 Leases:

The Company has applied Ind AS - 116 for the first time for the annual reporting period commencing April 01, 2019.

Company as a lessee:

From April 01, 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components.

Lease liabilities:

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the lease payments.

The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the lessee's incremental borrowing rate. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets:

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date.

Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated over the asset's lease term on a straight line basis. The leasing arrangements range between 11 months and 99 years generally.

Short term leases and leases of low value assets:

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment including IT equipment and small value of building.

2.21 Exceptional Items:

When items of income or expense are of such nature, size and incidence that their disclosure is necessary to explain the performance of the Company for the year, the company makes a disclosure of the nature and amount of such items separately under the head "Exceptional items."

2.22 Amount presented and rounding off:

All amounts in the financial statements and notes have been presented in ₹ Crore (except for share data) rounded to two decimals as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated. Figures below ₹50,000 are denoted by '*'.

NOTE 3: CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the course of applying the policies outlined in all notes under note 2 above, the management of the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Such estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

3.1 Revenue recognition:

The Company has recognised revenue (including the adjustment in respect of unapproved FPPPA claims and other true up adjustment claims) as per the applicable tariff regulations / tariff orders, management's probability estimate and the past trends of approval. The company has not recognized those truing up adjustment claims which are subject of dispute and for which the company is in appeal with regulatory authorities.

3.2 Property, plant and equipment:

(i) Service concession arrangements

The Company has assessed applicability of Appendix D of Ind AS - 115 "Service Concession Arrangements" with respect to its distribution and transmission assets portfolio. In assessing the applicability, the Company has exercised judgment in relation to the provisions of the Electricity Act, 2003, transmission / distribution license and / or agreements. Based on such assessment, it has concluded that Appendix D of Ind AS 115 is not applicable.

(ii) Impairment of property, plant and equipment

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount of property, plant and equipment is the higher of its fair value less costs of disposal and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated PLF, fuel availability at economical rates, economic and regulatory environment, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets. [Refer note 41(1)]

3.3 Impairment of financial assets:

(i) Trade receivables

The Company estimates the credit allowance as per practical expedient based on historical credit loss experience as enumerated in note 56.

(ii) Impairment of investments

At the end of each reporting period, the Company reviews the carrying amounts of its investments when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for. [Refer note 41(2)]

3.4 Taxation:

(i) Current tax

The Company has treated certain expenditure as being deductible for tax purposes. However, the tax legislation in relation to such expenditure is not clear and the Company has applied their judgement and interpretation for the purpose of taking their tax position.

(ii) Deferred tax assets

Deferred tax assets are recognised for unused tax losses / credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. [Refer note 42]

3.5 Contingencies:

Contingent liabilities

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management decides whether the matters needs to be classified as 'remote', 'possible' or 'probable' based on expert advice, past judgements, experiences etc.

3.6 Employee benefit plans:

Defined benefit plans and other long-term employee benefits

The present value of obligations under defined benefit plan and other long term employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, these obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

NOTE 4 : PROPERTY, PLANT AND EQUIPMENT

As at March 31, 2020

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation and impairment loss					Net carrying amount
	As at April 01, 2019	Additions during the year	Deductions during the year	Adjustments	As at March 31, 2020	As at April 01, 2019	For the year: Depreciation	For the year: Impairment	Deductions during the year	As at March 31, 2020	As at March 31, 2020
Freehold land	403.10	19.89	*	-	422.99	-	-	-	-	-	422.99
Buildings	1,505.68	43.38	5.62	2.53	1,545.97	187.46	54.11	-	0.07	241.50	1,304.47
Railway siding	1.86	-	-	-	1.86	0.20	0.05	-	-	0.25	1.61
Plant and machinery	18,981.05	728.83	27.94	(0.07)	19,681.87	3,873.64	1,138.87	1,000.00	11.71	6,000.80	13,681.07
Electrical fittings and apparatus	40.26	3.12	0.07	0.01	43.32	12.27	3.06	-	0.06	15.27	28.05
Furniture and fixtures	45.11	3.63	0.21	*	48.53	10.92	3.28	-	0.12	14.08	34.45
Vehicles	23.42	5.52	1.66	-	27.28	7.86	2.60	-	1.19	9.27	18.01
Office equipment	121.06	22.46	1.24	0.08	142.36	34.06	11.76	-	0.74	45.08	97.28
Total	21,121.54	826.83	36.74	2.55	21,914.18	4,126.41	1,213.73	1,000.00	13.89	6,326.25	15,587.93

As at March 31, 2019

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation and impairment loss					Net carrying amount
	As at April 01, 2018	Additions during the year	Deductions during the year	Adjustments	As at March 31, 2019	As at April 01, 2018	For the year: Depreciation	For the year: Impairment	Deductions during the year	As at March 31, 2019	As at March 31, 2019
Freehold land	380.99	110.76	88.65	-	403.10	-	-	-	-	-	403.10
Buildings	1,426.22	79.13	0.37	0.70	1,505.68	135.82	51.68	-	0.04	187.46	1,318.22
Railway siding	1.86	-	-	-	1.86	0.15	0.05	-	-	0.20	1.66
Plant and machinery	17,776.99	1,229.67	31.74	6.13	18,981.05	2,796.24	1,088.72	-	11.32	3,873.64	15,107.41
Electrical fittings and apparatus	37.93	2.29	0.01	0.05	40.26	9.02	3.26	-	0.01	12.27	27.99
Furniture and fixtures	41.32	3.74	0.03	0.08	45.11	7.78	3.14	-	-	10.92	34.19
Vehicles	22.30	1.70	0.73	0.15	23.42	5.64	2.48	-	0.26	7.86	15.56
Office equipment	84.68	36.69	0.70	0.39	121.06	25.08	9.21	-	0.23	34.06	87.00
Total	19,772.29	1,463.98	122.23	7.50	21,121.54	2,979.73	1,158.54	-	11.86	4,126.41	16,995.13

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 ₹16,155.33 Crore (March 31, 2019 - ₹17,353.90 Crore) have been mortgaged and hypothecated to secure borrowings of the Company [Refer note 22].

2. Capital commitment:

   Refer note 44(c) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

3. Adjustments during the year include capitalisation of borrowing costs of ₹2.55 Crore (Previous year - ₹7.28 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 ₹11.55 Crore (March 31, 2019 - ₹2.67 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 9.00% (Previous year 8.68%).

6. Additions to plant and machinery includes capitalisation of directly attributable costs incurred by the Company under various headings.

7. Refer note 41(1) for impairment loss in respect of DGEN power plant.

8. Pro-rata cost of assets owned jointly with Torrent Pharmaceuticals Limited, a fellow subsidiary are as under:

(₹ in Crore)

Particulars	Proportion of holding	As at March 31, 2020	As at March 31, 2019
Freehold land	50%	23.78	23.78
Freehold land	70%	83.16	83.16
Building	70%	2.52	2.52

NOTE 5 : RIGHT-OF-USE ASSETS

As at March 31, 2020 (₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation					Net carrying amount
	As at April 01, 2019	Transition impact of Ind AS 116	Additions during the year	Deductions during the year	As at March 31, 2020	As at April 01, 2019	Transition impact of Ind AS 116	For the year	Deductions during the year	As at March 31, 2020	As at March 31, 2020
Land	-	222.55	-	4.50	218.05	-	47.96	6.90	0.07	54.79	163.26
Buildings	-	13.21	14.49	-	27.70	-	-	3.45	-	3.45	24.25
Plant and machinery	-	0.38	-	-	0.38	-	-	0.05	-	0.05	0.33
Office equipment	-	0.14	-	-	0.14	-	-	0.04	-	0.04	0.10
Total	-	236.28	14.49	4.50	246.27	-	47.96	10.44	0.07	58.33	187.94

Footnote:
1. Refer note 47 for disclosure relating to right-of-use asset.

NOTE 6 : INTANGIBLE ASSETS

As at March 31, 2020 (₹ in Crore)

Particulars	Gross carrying amount				Accumulated amortization				Net carrying amount
	As at April 01, 2019	Additions during the year	Deductions during the year	As at March 31, 2020	As at April 01, 2019	For the year	Deductions during the year	As at March 31, 2020	As at March 31, 2020
Computer software	36.96	5.80	0.45	42.31	19.65	8.13	0.45	27.33	14.98
Total	36.96	5.80	0.45	42.31	19.65	8.13	0.45	27.33	14.98

As at March 31, 2019 (₹ in Crore)

Particulars	Gross carrying amount				Accumulated amortization				Net carrying amount
	As at April 01, 2018	Additions during the year	Deductions during the year	As at March 31, 2019	As at April 01, 2018	For the year	Deductions during the year	As at March 31, 2019	As at March 31, 2019
Computer software	26.53	10.43	-	36.96	13.30	6.35	-	19.65	17.31
Total	26.53	10.43	-	36.96	13.30	6.35	-	19.65	17.31

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 March 31, 2020	As at March 31, 2019
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 - March 31, 2020: 6,66,00,000, March 31, 2019: 6,66,00,000)		
[2,70,00,000 (March 31, 2019 - 2,70,00,000) equity shares pledged as security in respect of the term loan provided to Torrent Power Grid Limited]		
Torrent Pipavav Generation Limited [Refer note 41(2)]		
Equity shares of ₹10 each fully paid up	47.50	47.50
(No. of shares - March 31, 2020: 4,75,00,000, March 31, 2019: 4,75,00,000)		
Less: Impairment in value of investment	(14.35)	(12.80)
Torrent Solargen Limited		
Equity shares of ₹10 each fully paid up	80.07	80.07
(No. of shares - March 31, 2020: 8,00,50,000, March 31, 2019: 8,00,50,000)		
Jodhpur Wind Farms Private Limited		
Equity shares of ₹10 each fully paid up	111.00	111.00
(No. of shares - March 31, 2020: 11,10,00,000, March 31, 2019: 11,10,00,000)		
[5,66,10,000 (March 31, 2019 - 5,66,10,000) equity shares pledged as security in respect of the term loan and working capital facility provided to Jodhpur Wind Farms Private Limited]		
Latur Renewable Private Limited		
Equity shares of ₹10 each fully paid up	110.00	110.00
(No. of shares - March 31, 2020: 11,00,00,000, March 31, 2019: 11,00,00,000)		
[5,61,00,000 (March 31, 2019 - 5,61,00,000) equity shares pledged as security in respect of the term loan and working capital facility provided to Latur Renewable Private Limited]		
TCL Cables Private Limited		
Equity shares of ₹10 each fully paid up	2.00	-
(No. of shares - March 31, 2020: 2,00,000 , March 31, 2019: Nil)		
	402.82	402.37
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 - March 31, 2020: 9,61,500, March 31, 2019: 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 - March 31, 2020: 24,500, March 31, 2019: 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 - March 31, 2020: 25,000, March 31, 2019: 25,000)		
UNM Foundation @		
Equity shares of ₹10 each fully paid up	0.03	0.03
(No. of shares - March 31, 2020: 25,000, March 31, 2019: 25,000)		
	0.06	0.06
	402.88	402.43

@ 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 March 31, 2020	As at March 31, 2019
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 - March 31, 2020: 9,070, March 31, 2019: 9,070)	103.78	97.21
Wind Four Renergy Private Limited Zero coupon secured, redeemable with premium non-convertible debentures of ₹1,00,000 each (No. of debentures - March 31, 2020: Nil, March 31, 2019: 8,600)	-	91.23
Wind Five Renergy Private Limited Zero coupon secured, redeemable with premium non-convertible debentures of ₹1,00,000 each (No. of debentures - March 31, 2020: Nil, March 31, 2019: 8,400)	-	88.87
	103.78	277.31
Contingency reserve investments - statutory (quoted) (at amortised cost) $		
8.28% GOI Bond - 2032	0.99	0.99
8.32% GOI Bond - 2032	0.32	0.32
8.97% GOI Bond - 2030	1.01	1.01
8.28% GOI Bond - 2027	1.30	1.30
7.35% GOI Bond - 2024	1.32	1.32
8.40% GOI Bond - 2024	1.63	1.63
6.68% GOI Bond - 2031	1.69	1.69
7.37% GOI Bond - 2023	1.93	1.93
7.57% GOI Bond - 2033	1.92	-
	12.11	10.19
	518.77	689.93
Aggregate amount of quoted investments	12.11	10.19
Aggregate amount of unquoted investments	506.66	679.74
	518.77	689.93
Aggregate amount of impairment in value of investments	14.98	13.43
Aggregate amount of market value of quoted investments	13.03	10.54

$ 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 March 31, 2020	As at March 31, 2019
Loans to related parties (including interest accrued) [Refer note 55(d)]	1,106.29	128.44
Security deposits	17.63	16.71
	1,123.92	145.15

NOTE 9 : OTHER NON-CURRENT FINANCIAL ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Inter-corporate deposits #	-	230.00
Bank fixed deposits	0.98	0.48
Other advances	0.10	0.13
	1.08	230.61

include ₹ Nil (March 31, 2019 - ₹80.00 Crore) on which a lien has been created in favour of lenders

NOTE 10 : NON- CURRENT TAX ASSETS

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Advance income tax (net)	16.44	26.69
	16.44	26.69

NOTE 11 : OTHER NON-CURRENT ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Capital advances	68.62	474.20
Advances for goods and services	170.28	189.80
Balances with government authorities	63.42	56.37
Prepaid expenses	25.04	25.35
Unamortised premium for leasehold land	-	155.84
	327.36	901.56

NOTE 12 : INVENTORIES

(valued at lower of cost and net realizable value)

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Stores and spares	294.90	279.20
Fuel	241.82	292.47
Raw materials	27.85	21.21
Work-in-progress	7.37	8.75
Finished goods	23.13	23.31
Packing materials	1.25	0.49
Loose tools	1.57	1.24
	597.89	626.67

Footnotes:

1. The cost of stores and spares inventories recognised as an expense includes ₹2.70 Crore (Previous year - ₹1.97 Crore) in respect of write-downs of inventory to net realisable value determined based on evaluation of slow and non-moving inventories.
2. The above carrying amount of inventories has been mortgaged and hypothecated to secure borrowings of the Company.
3. The above carrying amount of fuel includes goods in transit of ₹ Nil (March 31, 2019 - ₹4.48 Crore).

NOTE 13 : CURRENT INVESTMENTS

(Investments carried at fair value through profit or loss)

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Investment in mutual funds (unquoted)		
Axis Liquid Fund- Growth (No. of units - March 31, 2020: Nil, March 31, 2019: 4,46,035)	-	92.11
ICICI Liquid Plan - Regular - Growth (No. of units - March 31, 2020: Nil, March 31, 2019: 69,05,766)	-	190.20
ICICI Overnight Fund - Growth (No. of units- March 31, 2020: 1,67,90,598, March 31, 2019: Nil)	180.92	-
IDFC Overnight Fund - Growth (No. of units- March 31, 2020: 14,07,462, March 31, 2019: Nil)	150.00	-
SBI Overnight Fund - Growth (No. of units- March 31, 2020: 4,61,238, March 31, 2019: Nil)	150.07	-
Tata Money Market Fund (No. of units - March 31, 2020: Nil, March 31, 2019: 6,48,844)	-	190.15
Tata Overnight Fund- Growth (No. of units- March 31, 2020: 2,01,286, March 31, 2019: Nil)	21.21	-
	502.20	472.46
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	502.20	472.46
	502.20	472.46
Aggregate amount of impairment in value of investments	-	-
Aggregate amount of market value of quoted investments	-	-

NOTE 14 : TRADE RECEIVABLES

(₹ in Crore)

			As at March 31, 2020	As at March 31, 2019
Trade receivables				
Secured	-	Considered good	514.65	488.34
Unsecured	-	Considered good	665.93	682.19
	-	Credit impaired	234.24	151.81
			1,414.82	1,322.34
Less: Allowance for bad and doubtful debts			234.24	151.81
			1,180.58	1,170.53

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 March 31, 2020	As at March 31, 2019
Balances with banks		
Balance in current accounts	78.14	106.86
Balance in fixed deposit accounts (original maturity of less than three months)	-	0.03
	78.14	106.89
Cheques, drafts on hand	0.94	6.02
Cash on hand	0.34	1.42
	79.42	114.33

NOTE 16 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Unpaid dividend accounts	9.55	7.44
Unpaid fractional coupon accounts	0.35	0.35
Balance in fixed deposit accounts # (maturity of more than three months but less than twelve months)	134.88	204.13
	144.78	211.92

include ₹56.50 Crore (March 31, 2019 - ₹69.00 Crore) on which a lien has been created in favour of lenders

NOTE 17 : CURRENT LOANS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Loans to related parties (including interest accrued) [Refer note 55(d)]	76.10	188.97
Security deposits	15.29	15.05
	91.39	204.02

NOTE 18 : OTHER CURRENT FINANCIAL ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Inter-corporate deposits #	280.00	75.00
Interest accrued on non-current investments	0.21	0.17
Interest accrued on deposits	23.81	12.27
Unbilled revenue (including revenue gap / surplus) [Refer note 59]	1,502.95	1,456.10
	1,806.97	1,543.54
Other advances / receivables		
Considered good	18.47	37.76
Considered credit impaired	6.06	6.06
	24.53	43.82
Less : Allowance for doubtful advances	6.06	6.06
	18.47	37.76
	1,825.44	1,581.30

include ₹130.00 Crore (March 31, 2019 - ₹75.00 Crore) on which a lien has been created in favour of lenders

NOTE 19 : OTHER CURRENT ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Advances for goods and services	85.72	51.00
Balances with government authorities	0.82	0.39
Prepaid expenses	25.38	21.04
Unamortised premium for leasehold land	-	5.85
	111.92	78.28

NOTE 20 : EQUITY SHARE CAPITAL

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Authorised		
4,37,00,00,000 (4,37,00,00,000 as at March 31, 2019) 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 March 31, 2019) 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 March 31, 2020	No. of shares As at March 31, 2019
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 March 31, 2019) 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 March 31, 2020		As at March 31, 2019	
	No. of shares	% holding	No. of shares	% holding
Torrent Private Limited @	25,74,22,311	53.56%	25,74,22,311	53.56%
Gujarat State Financial Services Limited	4,68,71,621	9.75%	4,68,71,621	9.75%
Axis Mutual Fund Trustee Limited	2,95,72,552	6.15%	3,07,44,585	6.40%

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 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 August 13, 2015.

6. Distributions made and proposed:

   The amount of per share dividend distributed to equity shareholders during the year ended March 31, 2020 was ₹5.00 (Previous year - ₹5.00) per equity share, being the final dividend declared for the year ended March 31, 2019.

   Interim dividend for FY 2019-20 of ₹11.60 per equity share (including ₹5.00 per equity share as a special dividend) aggregating to ₹672.11 Crore (including dividend distribution tax of ₹114.60 Crore) was paid in February 2020. The Board has not considered any further dividends for FY 2019-20.

@Torrent Private Limited changed to Torrent Investments Private Limited w.e.f. April 15, 2020.

NOTE 21 : OTHER EQUITY

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Reserves and surplus		
Securities premium	0.03	0.03
Debenture redemption reserve	258.10	197.90
Contingency reserve	11.59	9.76
Special reserve	78.07	78.07
General reserve	3,583.89	3,583.89
Retained earnings	4,774.97	4,586.53
	8,706.65	8,456.18

Footnotes:

1. Securities premium :

   Securities premium reflects issuance of the shares by the Company at a premium, whether for cash or otherwise i.e. a sum equal to the aggregate amount of the premium received on shares is transferred to a "securities premium account" as per the provisions of the Companies Act, 2013. The reserve can be utilised in accordance with the provisions of the Act.

2. Debenture redemption reserve:

   The Company has issued redeemable non-convertible debentures. Consequently, the Company is required under the Companies (Share capital and Debentures) Rules, 2014 (as amended), to create Debenture redemption reserve (DRR), equal to 25% of the value of debentures, out of profits of the Company available for payment of dividend. The Company creates DRR, for the required amount, over the tenure of the debentures, before redemption begins.

3. Contingency reserve:

   As per the provisions of GERC MYT Regulations read with Tariff orders passed by GERC, the Company being a Distribution Licensee makes an appropriation to the contingency reserve to meet with certain exigencies. Investments in Bonds issued by Government of India have been made against such reserve.

4. Special reserve:

   As per MYT Regulations (2007), the Company has created a reserve in FY 2011-12 and FY 2012-13, which represents one third amount of controllable gain shall be retained in a special reserve by the Generating Company or Licensee for the purpose of absorbing the impact of any future losses on account of controllable factors.

5. General reserve:

   General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. The general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

6. Retained earnings:

   The retained earnings reflect the profit of the company earned till date net of appropriations. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve, after considering the requirements of the Companies Act, 2013.

NOTE 22 : NON-CURRENT BORROWINGS

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Non-current borrowings		
Secured loans - at amortised cost		
Non convertible debentures		
10.35% Series 1	366.68	550.00
10.35% Series 2A, 2B & 2C	200.00	300.00
8.95% Series 3A, 3B & 3C	245.00	245.00
7.65% Series 5	100.00	-
	911.68	1,095.00
Term loans @		
From banks	6,098.30	6,917.74
	6,098.30	6,917.74
	7,009.98	8,012.74
Unsecured loans - at amortised cost		
Non convertible debentures #		
10.25% Series 4A, 4B & 4C	269.48	-
	269.48	-
Term loans		
From Government of India under Accelerated Power Development and Reform Programme (APDRP)	16.82	20.64
	16.82	20.64
	286.30	20.64
	7,296.28	8,033.38

@ After considering unamortised expense of ₹22.16 Crore as at March 31, 2020 and ₹30.13 Crore as at March 31, 2019.
# After considering unamortised expense of ₹0.52 Crore as at March 31, 2020 and ₹ Nil Crore as at March 31, 2019.

	As at March 31, 2020	As at March 31, 2019
Current maturities		
Secured loans - at amortised cost		
Non convertible debentures		
10.35% Series 1	183.32	-
10.35% Series 2A, 2B & 2C	100.00	-
	283.32	-
Term loans $		
From banks	718.63	778.78
	718.63	778.78
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
	1,005.77	782.60
Amount disclosed under the head 'Other current financial liabilities' [Refer note 29]	(1,005.77)	(782.60)
	-	-

$ After considering unamortised expense of ₹3.71 Crore as at March 31, 2020 and ₹4.68 Crore as at March 31, 2019.

NOTE 22 : NON-CURRENT BORROWINGS (Contd.)

Footnotes:

1. Nature of security
   (i) 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 ₹6,842.80 Crore and non convertible debentures of ₹1,095.00 Crore.
   (ii) The entire movable (including current assets) and immovable assets (other than those mentioned in a & b below), both present & future, are hypothecated & mortgaged by way of first pari passu charge in favour of non-convertible debentures of ₹100.00 Crore, and lenders of term loans, cash credits and non-fund based credit facilities, availed by the Company.
      a. movable fixed assets and debt service reserve accounts for the benefit of lenders of Renewable projects of the company
      b. immovable assets of Renewable Projects and leasehold land bearing plot nos. B15 and B28 situated in the Atali Industrial Estate in Taluka Vagra, District Bharuch, near 1200 MW Dahej Plant
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
2020-21	726.16	283.32	2027-28	567.79	-
2021-22	543.79	363.32	2028-29	464.64	-
2022-23	424.49	558.36	2029-30	464.64	-
2023-24	410.03	170.00	2030-31	464.64	-
2024-25	507.64	90.00	2031-32	420.78	-
2025-26	722.89	-	2032-33	390.42	-
2026-27	755.53	-			

3. Undrawn term loans from banks, based on approved facilities, were ₹980.00 Crore as at March 31, 2020.
4. In view of the extension of time granted vide a circular of Reserve Bank of India (RBI), RBI/2019-20/186 dated March 27, 2020 for the payment of interest and principal for term loans falling due between March 1, 2020 and May 31, 2020, the Company has availed the moratorium.

NOTE 23 : NON-CURRENT TRADE PAYABLES

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Trade payables for goods and services		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues other than micro and small enterprises	109.71	109.34
	109.71	109.34

NOTE 24 : OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Payables for purchase of property, plant and equipment	0.24	0.24
Lease liabilities	33.05	-
	33.29	0.24

NOTE 25 : NON-CURRENT PROVISIONS

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Provision for compensated absences	102.82	83.15
	102.82	83.15

NOTE 26 : OTHER NON-CURRENT LIABILITIES

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Deferred revenue [Refer note 43]		
Contribution received from consumers	1,054.97	950.04
Capital grant from government	18.85	21.57
Sundry payables	55.25	49.34
	1,129.07	1,020.95

NOTE 27 : CURRENT BORROWINGS

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Secured loans		
Cash credit from banks	-	300.05
	-	300.05

Footnotes:

1. The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for working capital facilities and by way of second pari passu charge in favour of lenders for hedge facility.
2. Undrawn cash credit from banks, based on approved facilities, were ₹1,150.00 Crore as at March 31, 2020.

Net debt reconciliation :

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents	79.42	114.33
Current investments	502.20	472.46
Current borrowings	-	(300.05)
Non-current borrowings (including current maturities and interest accrued but not due)	(8,428.51)	(8,875.42)
	(7,846.89)	(8,588.68)

	Other assets		Liabilities from financing activities		Total
	Cash and cash equivalents	Current investments	Current borrowings	Non-current borrowings	
Net balance as at April 01, 2018	134.23	614.12	-	(9,279.08)	(8,530.73)
Cash flows	(19.90)	(175.83)	(300.05)	404.73	(91.05)
Interest expense	-	-	(12.23)	(809.46)	(821.69)
Interest paid	-	-	12.23	808.39	820.62
Gain on sale of current investments	-	40.33	-	-	40.33
Fair value adjustment	-	(6.16)	-	-	(6.16)
Net balance as at March 31, 2019	114.33	472.46	(300.05)	(8,875.42)	(8,588.68)
Cash flows	(34.91)	(10.66)	300.05	522.35	776.83
Interest expense	-	-	(3.63)	(790.24)	(793.87)
Interest paid	-	-	3.63	714.80	718.43
Gain on sale of current investments	-	40.76	-	-	40.76
Fair value adjustment	-	(0.36)	-	-	(0.36)
Net balance as at March 31, 2020	79.42	502.20	-	(8,428.51)	(7,846.89)

NOTE 28 : CURRENT TRADE PAYABLES

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Trade payables for goods and services		
Total outstanding dues of micro and small enterprises [Refer note 46]	24.83	27.10
Total outstanding dues other than micro and small enterprises	1,002.43	777.29
	1,027.26	804.39

NOTE 29 : OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Current maturities of long-term debt [Refer note 22]	1,005.77	782.60
Interest accrued but not due on loans and security deposits	100.07	24.63
Investor education and protection fund #		
Unpaid / Unclaimed dividend	9.55	7.44
Unclaimed fractional coupons	0.35	0.35
Book overdraft	14.88	25.32
Security deposits from consumers @	1,173.10	1,081.24
Other deposits	4.01	3.97
Payables for purchase of property, plant and equipment ^	189.56	248.82
Lease liabilities	4.91	-
Sundry payables (including for employees related payables)	110.16	154.38
	2,612.36	2,328.75

There is no amount due and outstanding to be credited to investor education and protection fund as at March 31, 2020.

@ Notwithstanding the fact that security deposits from consumers in the Company's business, which is in the nature of utility, are generally not repayable within a period of twelve months based on historical experience, such deposits amounting to ₹1,054.79 Crore as at March 31, 2019 that were earlier included as part of Other non-current financial liabilities have now been included under Other current financial liabilities pursuant to a Opinion issued by Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India pertaining to consumer deposits in another case.

^ including dues to micro and small enterprises for ₹1.08 Crore (March 31, 2019 - ₹2.29 Crore) [Refer note 46]

NOTE 30 : OTHER CURRENT LIABILITIES

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Credit balances of consumers	81.68	66.82
Service line deposits from consumers	194.82	258.73
Deferred revenue [Refer note 43]		
Contribution received from consumers	77.01	67.20
Capital grant from government	2.72	2.72
Statutory dues	200.51	175.26
Sundry payables	18.80	21.97
	575.54	592.70

NOTE 31 : CURRENT PROVISIONS

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Provision for gratuity [Refer note 48.2(d)]	54.60	18.34
Provision for compensated absences	25.41	23.88
	80.01	42.22
Other provisions		
Provision for indirect taxes	0.10	0.07
Provision for onerous contracts [Refer note 58]	161.78	-
	161.88	0.07
	241.89	42.29
Movement in provision for indirect taxes:		
Opening balance as on April 01	0.07	0.18
Additional provision recognised	0.03	0.06
Reduction arising from payments	-	(0.17)
Closing balance as on March 31	0.10	0.07
Movement in provision for onerous contracts:		
Opening balance as on April 01	-	-
Additional provision recognised	161.78	-
Closing balance as on March 31	161.78	-

NOTE 32 : CURRENT TAX LIABILITIES

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Provision for taxation (net of tax paid)	21.63	16.36
	21.63	16.36

NOTE 33 : REVENUE FROM OPERATIONS

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from contracts with customers [Refer foonotes below]		
Revenue from power supply	12,926.06	12,266.97
Revenue from sale of cable products		
Manufactured goods	322.14	297.22
Revenue from trading of RLNG	51.13	237.22
	13,299.33	12,801.41
Less: Discount for prompt payment of bills	23.97	17.89
	13,275.36	12,783.52
Other operating income		
Provisions of earlier years written back	3.69	26.98
Amortisation of deferred revenue		
Contribution received from consumers [Refer note 43(a)(2)]	70.95	60.94
Capital grant from government [Refer note 43(b)(2)]	2.72	2.72
Income from Certified Emission Reduction (CERs)	1.63	6.62
Income from Generation Based Incentive	29.24	32.10
Insurance claim receipt	2.67	0.07
Hire of meters	-	1.41
Miscellaneous income	55.78	63.16
	166.68	194.00
	13,442.04	12,977.52

Footnotes:

1. Disclosure given above presents disaggregated revenue from contracts with customers. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by market and other economic factors.

2. Timing of revenue recognition: All revenues of the Company are recognised at a point in time.

NOTE 34 : OTHER INCOME

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Interest income from financial assets at amortised cost		
Deposits	36.62	24.09
Consumers	28.27	28.23
Contingency reserve investments	0.87	0.73
Loans to related parties [Refer note 55(b)]	68.59	73.96
Others	7.87	20.90
	142.22	147.91
Dividend income from non-current investments carried at cost	15.32	6.66
Gain on disposal of property, plant and equipment	2.89	8.40
Gain on sale of current investments in mutual funds	40.76	40.33
Gain on sale of non-current investments	8.64	-
Net gain arising on financial assets / liabilities measured at amortised cost	13.84	24.45
Net gain / (loss) arising on current investments in mutual funds measured at fair value through profit or loss	(0.36)	(6.16)
Net gain on foreign currency transactions	0.01	4.70
Miscellaneous income	21.77	35.26
	245.09	261.55

NOTE 35 : COST OF MATERIALS CONSUMED

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Cost of materials consumed	346.64	311.02
Less: Allocated to capital works	96.04	51.16
	250.60	259.86

NOTE 36 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Inventory of finished goods		
Opening stock	23.31	6.44
Less: Closing stock	23.13	23.31
	0.18	(16.87)
Inventory of work-in-progress		
Opening stock	8.75	5.93
Less: Closing stock	7.37	8.75
	1.38	(2.82)
Less: Allocated to capital works	0.11	(0.11)
	1.45	(19.58)

NOTE 37 : EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	602.05	586.28
Contribution to provident and other funds [Refer note 48.1]	39.58	37.06
Employees welfare expenses	26.02	20.76
Compensated absences	33.89	20.62
Gratuity [Refer note 48.2(e)(3)]	13.68	12.35
	715.22	677.07
Less: Allocated to capital works, repairs and other relevant revenue accounts	186.73	192.86
	528.49	484.21

NOTE 38 : FINANCE COSTS

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Interest expense for financial liabilities classified as amortised cost		
Term loans	655.64	699.56
Non convertible debentures	134.60	109.90
Working capital loans	3.63	12.23
Security deposits from consumers	70.20	61.49
Lease liabilities	2.54	-
Others	2.23	3.58
Other borrowing costs	10.77	9.75
Amotisation of borrowing costs	13.60	4.87
Unwinding of discount	10.08	-
	903.29	901.38
Less: Allocated to capital works	11.43	9.23
	891.86	892.15

NOTE 39 : DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation expense on property, plant and equipment	1,213.73	1,158.54
Depreciation expense on right-of-use assets	10.44	-
Amortization expense on intangible assets	8.13	6.35
	1,232.30	1,164.89
Less: Transfer from others	0.10	0.10
Less: Allocated to capital works	2.04	1.74
	1,230.16	1,163.05

NOTE 40 : OTHER EXPENSES

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Consumption of stores and spares	217.97	165.03
Rent and hire charges	15.77	25.01
Repairs to		
Buildings	11.25	11.53
Plant and machinery	355.03	313.69
Others	15.58	14.47
	381.86	339.69
Insurance	24.92	17.21
Rates and taxes	11.42	10.92
Vehicle running expenses	31.01	29.53
Electricity expenses	27.39	26.38
Security expenses	40.55	35.01
Water charges	20.75	16.41
Power transmission and scheduling charges	34.65	2.75
Corporate social responsibility expenses [Refer note 50]	20.36	19.64
Loss on sale / discarding of property, plant and equipment	16.19	17.97
Commission to non-executive directors [Refer note 55(b)]	6.41	6.11
Directors sitting fees [Refer note 55(b)]	0.59	0.78
Auditors remuneration [Refer note 49]	1.90	1.61
Legal, professional and consultancy fees	33.03	39.65
Donations [Refer note 51]	69.79	34.20
Net loss on foreign currency transactions	12.32	-
Allowance / impairment for non-current investments	1.55	1.35
Bad debts written off (net of recovery)	(17.41)	3.96
Provision for onerous contracts [Refer note 58]	161.78	-
Allowance for doubtful debts (net)	82.43	15.88
Miscellaneous expenses	103.30	101.22
	1,298.53	910.31
Less: Allocated to capital works, repairs and other relevant revenue accounts	73.49	64.71
	1,225.04	845.60

NOTE 41: IMPAIRMENT ASSESSMENT

1) DGEN Power Plant

The carrying amount of Property, Plant & Equipment ("PPE") as at March 31, 2020 includes an amount of ₹3,079.62 Crore (as at March 31, 2019 - ₹4,365.69 Crore) pertaining to 1,200 MW DGEN Mega Power Project located at Dahej, India ("DGEN"). DGEN started commercial operations from November 2014 ("COD") and has operated only intermittently after COD, including during the current financial year.

In view of the above and given the current economic environment, the Company has carried out an impairment assessment of DGEN as at March 31, 2020 by considering the recoverable amount (being the higher of 'fair value less cost to sell' and 'value in use') of DGEN in accordance with Indian Accounting Standard 36 'Impairment of Assets', applying 'value in use' and considering a discount rate of 14% and cash flow projections for a period of 20 years, being the balance useful life of DGEN in terms of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 on the basis that the Company expects to supply power in the future, inter alia, under long term power purchase agreements. Based on such assessment, the Company has provided for impairment loss of ₹1,000.00 Crore [Refer note 4], which has been disclosed as an 'Exceptional item' in the standalone financial statements.

The assessment of 'value-in-use' involves several key assumptions including expected demand, future price of fuel, expected tariff rates for electricity, discount rate, exchange rate and electricity market scenario, based on past trends and the current and likely future state of the industry. Management intends to review such assumptions periodically to factor updated information based on events or changes in circumstances in order to make fresh assessment of impairment, if any.

2) Investment in Torrent Pipavav Generation Limited

Torrent Pipavav Generation Limited ("TPGL"), a subsidiary of the Company, had paid for acquisition of land in Amreli, Gujarat for the purpose of developing a coal based power plant of 1,000+ MW. Due to non-availability of fuel linkage, the Government of Gujarat vide its letter dated December 06, 2017, has communicated that the said project may not be developed and accordingly the joint venture between Torrent Power Limited and Gujarat Power Corporation Limited (GPCL) is intended to be dissolved. The cost of land would be reimbursed to TPGL through disposal by the state government. With reference to this, in the month of March 2019, GPCL has written a letter to Collector, Amreli stating that land is surrendered to the Government and requested Energy and Petroleum Department, Government of Gujarat to take further action in the matter. The management has made an impairment assessment of the land valuation by comparing the carrying value of such land in the books with stamp value as prescribed by the Superintendent of Stamps, Gandhinagar, Gujarat, on the basis of which it has been concluded that there is no impairment. The timing of the recoverability of the amounts invested in land would depend upon the availability of the customer. Considering the above facts, assets and liabilities are reflected at their net realisable values or cost whichever is lower and the financial results of TPGL for the year ended March 31, 2020 have been prepared on a non - going concern basis. The recovery of the amount invested as equity and loan aggregating ₹106.73 Crore (March 31, 2019 ₹105.12 Crore) is dependent on the ability of the Government to find a suitable buyer for the land.

NOTE 42: INCOME TAX EXPENSES

(a) Income tax expense recognised in statement of profit and loss

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Current tax		
Current tax on profits for the year	305.50	272.64
Adjustment for current tax of prior periods	0.44	(3.38)
	305.94	269.26
Deferred tax (other than that disclosed under OCI)		
Decrease / (increase) in deferred tax assets	(896.57)	(43.53)
(Decrease) / increase in deferred tax liabilities	(101.61)	133.39
	(998.18)	89.86
Income tax expense	(692.24)	359.12

(b) Reconciliation of income tax expense

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Profit before tax	545.90	1,248.36
Expected income tax expense calculated using tax rate at 34.944% (Previous year - 34.944%)	190.76	436.23
Adjustment to reconcile expected income tax expense to reported income tax expense:		
Effect of:		
Expenditure not deductible under Income Tax Act	54.25	24.60
Income not taxable under Income Tax Act	(5.35)	(2.33)
Tax incentives	(326.55)	(376.56)
Transition to Ind AS 115	-	63.53
Impairment loss of DGEN unit	160.65	-
Unutilised Minimum Alternate Tax (MAT) credit recognised due to change in MAT rate from 21.55% to 17.47%	(464.19)	-
Other adjustments relating to accumulated MAT credit	(302.25)	217.03
Total	(692.68)	362.50
Adjustment for current tax of prior periods	0.44	(3.38)
Total expense as per statement of profit and loss	(692.24)	359.12

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.

Taxation Laws (Amendment) Act, 2019, inter alia, reduced the effective rate of MAT from 21.55% to 17.47%. The net deferred tax credit in the year includes the impact of this change amounting to ₹464.19 Crore, due to the Company's ability to utilize accumulated MAT credit in future years, not previously recognized. Further the net deferred tax credit in the year includes ₹533.99 Crore, mainly arising on account of a provision for impairment in the carrying value of Dgen Power Plant [Refer note 41], provision for certain onerous contracts [Refer note 58] and reassessment of management's reasonable estimate for the future taxable profits, which would be available to utilize such additional MAT Credit.

(c) Income tax recognised in other comprehensive income

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Deferred tax		
Re-measurement of defined benefit obligation (Items that will not be reclassified to profit or loss)	(44.57)	(9.55)
Income tax expense / (income) recognised in other comprehensive income	(15.57)	(3.34)

NOTE 42: INCOME TAX EXPENSES (Contd.)

(d) Deferred tax balances

(1) The following is the analysis of deferred tax assets / (liabilities) presented in the balance sheet

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Deferred tax assets	1,565.41	653.27
Deferred tax liabilities	(2,107.92)	(2,209.53)
	(542.51)	(1,556.26)

(2) Movement of deferred tax assets / (liabilities)

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2020

(₹ in Crore)

	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, plant and equipment	(2,204.41)	101.27	-	(2,103.14)
Expense allowable for tax purposes when paid	56.92	62.15	15.57	134.64
Tax effect on fair value change in financial instruments and unamortised cost	(5.12)	0.34	-	(4.78)
MAT credit entitlement	596.35	834.42	-	1,430.77
	(1,556.26)	998.18	15.57	(542.51)

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2019

(₹ in Crore)

	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, plant and equipment	(2,064.59)	(139.82)	-	(2,204.41)
Expense allowable for tax purposes when paid	58.29	(4.71)	3.34	56.92
Tax effect on fair value change in financial instruments and unamortised cost	(11.55)	6.43	-	(5.12)
MAT credit entitlement	548.11	48.24	-	596.35
	(1,469.74)	(89.86)	3.34	(1,556.26)

(3) Unrecognised deferred tax assets

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Accumulated MAT credit entitlement	-	973.65
	-	973.65

Management has made an assessment of the amount of taxable income that would be available in future to offset the Accumulated MAT credit entitlement available to the Company.

The assessment of taxable income involved several key assumptions including expected demand, future price of fuel, expected tariff rate for electricity, exchange rate and electricity market scenario, which the management considered reasonable based on past trends, applicable tariff regulations / agreements and current and likely future state of the industry.

NOTE 43: DEFERRED REVENUE

(a) Contribution received from consumers

(1) Nature of contribution received from consumers

Contributions received from consumers towards property, plant and equipment has been recognised as deferred revenue.

(2) Movement of contribution received from consumers

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Opening balance	1,017.24	912.18
Add: Contribution received during the year	185.69	166.00
Less: Amortisation of contribution transferred to statement of profit and loss [Refer note 33]	(70.95)	(60.94)
Closing balance	1,131.98	1,017.24
Non-current portion [Refer note 26]	1,054.97	950.04
Current portion [Refer note 30]	77.01	67.20
	1,131.98	1,017.24

(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 March 31, 2020	As at March 31, 2019
Opening balance	24.29	27.01
Add: Grants during the year	-	-
Less: Amortisation of grant transferred to statement of profit and loss [Refer note 33]	(2.72)	(2.72)
Closing balance	21.57	24.29
Non-current portion [Refer note 26]	18.85	21.57
Current portion [Refer note 30]	2.72	2.72
	21.57	24.29

NOTE 44: CONTINGENT LIABILITIES, CONTINGENT ASSETS AND CAPITAL COMMITMENTS

(a) Contingent liabilities

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Disputed income tax matters	17.83	31.52
Disputed sales tax matters	5.25	4.29
Disputed custom duty matters	18.50	18.50
Disputed excise duty matters	2.88	2.45
Disputed stamp duty matters	0.35	0.35
Disputed value added tax matters	3.26	3.26
Disputed central sales tax matters	3.04	3.20
Claims against the Company not acknowledged as debt	21.39	34.51
Guarantees given to lenders of subsidiary company	284.50	274.13

The Company has evaluated the impact of Supreme Court ("SC") judgement dated February 28, 2019 in the case of Regional Provident Fund Commissioner (II) West Bengal v/s Vivekananda Vidyamandir and Others, in relation to exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to Provident Fund ("PF") under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. There are interpretation issues relating to the said SC judgement. Based on such evaluation, management has concluded that effect of the aforesaid judgement on the Company is not material and accordingly, no provision has been made in the financial statements.

Footnotes:

1. Management believes that its position on the aforesaid direct and indirect tax demands and other claims against the company will likely be upheld in the appellate process and accordingly no provision has been made in the standalone financial statements for such demands. Further, the guarantees given to lenders of subsidiaries are unlikely to be called, as subsidiaries are in a position to service the loans and interest, covered by such guarantees.
2. In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute / matters. No reimbursement is expected.

(b) Contingent assets

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Coal grade slippage claim	12.41	31.49
	12.41	31.49

(c) Capital and other commitments

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
Property, plant and equipment	408.39	3,280.51
ii) Other commitments		
Equity investment in subsidiaries	-	275.00

iii) Novation agreement with lender for short term finance facilities obtained by associates :

During the previous year, the Company had entered into agreements to novate with a lender in respect of two short term loans obtained by two of its associates against which an aggregate amount of ₹98.00 Crore was outstanding as on March 31, 2019. As per the terms of the said agreements, in certain circumstances, the Company will be obligated to purchase the outstanding loan balances if the right is so exercised by the lenders, as per the terms of the agreements. During the year, the associate companies have repaid loans to concerned lender.

NOTE 45: THE COMPANY HAS GIVEN LOANS TO ITS SUBSIDIARY AND ASSOCIATE 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 March 31, 2020	Year ended March 31, 2019	As at March 31, 2020	As at March 31, 2019
Subsidiary Companies				
Torrent Pipavav Generation Limited	59.23	57.62	59.23	57.62
Torrent Solargen Limited	827.28	131.35	827.28	131.35
Jodhpur Wind Farms Private Limited	75.52	443.44	72.76	72.87
Latur Renewables Private Limited	70.68	433.81	65.17	55.57
			1,024.44	317.41
Associate Company				
Wind Two Renergy Private Limited	157.95	-	157.95	-
			157.95	-
			1,182.39	317.41

1. The Company has not given any loans or advances in the nature of loan to any firms / companies, in which Directors are interested.
2. The above loans were given to the subsidiaries and associate for their normal business activities.

The Company is engaged in the business of providing infrastructural facilities as per Section 186 (11) of the Act. Accordingly, disclosure under Section 186 (4) of the Act, is not applicable to the Company.

NOTE 46: MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) have been determined based on the information available with the Company and the required disclosures are given below:

(₹ in Crore)

		As at March 31, 2020	As at March 31, 2019
(a)	Principal amount remaining unpaid [Refer notes 28 and 29]	25.73	29.01
(b)	Interest due thereon	0.03	0.02
(c)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
	(i) Principal amounts paid to the suppliers beyond the appointed day during the year	1.07	5.24
	(ii) Interest paid under section 16 of the MSMED Act, to the suppliers, beyond the appointed day during the year	0.01	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)	0.15	0.36
(e)	The amount of interest accrued and remaining unpaid [b+d]	0.18	0.38
(f)	The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

NOTE 47: OPERATING LEASE

This note explains the impact of the adoption of Ind AS 116, Leases on the Company's financial statements.

(i) Amounts recognised in balance sheet

The balance sheet shows the following amounts relating to leases:

Right-of-use assets

(₹ in Crore)

Particulars	Note	As at March 31, 2020	As at April 01, 2019
Land	5	163.26	174.59
Buildings	5	24.25	13.21
Plant and machinery	5	0.33	0.38
Office equipment	5	0.10	0.14
Total		187.94	188.32

Lease liabilities

(₹ in Crore)

Particulars	Note	As at March 31, 2020	As at April 01, 2019
Current	29	4.91	21.50
Non-current	24	33.05	5.13
Total		37.96	26.63

(ii) Amounts recognised in the statement of profit and loss

The statement of profit or loss shows the following amounts relating to leases:

(₹ in Crore)

Particulars	Note	Year ended March 31, 2020
Depreciation charge of right-of-use assets	39	10.44
Interest expense (included in finance costs)	38	2.54
Expense relating to short-term leases (included in other expenses)	40	3.91
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	40	0.39
Total		17.28

(iii) Maturities of lease liabilities as at March 31, 2020:

(₹ in Crore)

	Non-current lease liabilities	Current lease liabilities
Less than 1 year	-	6.95
Between 1 year and 5 years	22.69	-
5 years and above	27.48	-
Total	50.17	6.95

(iv) Impact on the financial statements due to change in accounting policy on leases

The Company has adopted Ind AS 116 retrospectively from April 01, 2019, but has not restated comparatives for year ended March 31, 2019, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on April 01, 2019. The new accounting policies are disclosed in note 2.20.

NOTE 47: OPERATING LEASE (Contd.)

On adoption of Ind AS - 116, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS - 17, Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of April 01, 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on April 01, 2019 was 9.00%.

(a) Practical expedients applied :

In applying Ind AS - 116 for the first time, the Company has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- accounting for operating leases with a remaining lease term of less than 12 months as at April 01, 2019 as short-term leases
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Company relied on its assessment made applying Ind AS - 17 and Appendix C to Ind AS - 17, Determining whether an Arrangement contains a Lease.

(b) Measurement of lease liabilities:

(₹ in Crore)

Operating lease commitments disclosed as at March 31, 2019 *	
Discounted using the lessee's incremental borrowing rate at the date of initial application	
Add: finance lease liabilities recognised as at March 31, 2019	-
(Less): short-term leases not recognised as a liability	-
(Less): low-value leases not recognised as a liability	-
Add / (less): contracts reassessed as lease contracts	-
Add / (less): adjustments as a result of extension and termination options ^	26.63
Add / (less): adjustments relating to changes in the index or rate affecting variable payments	-
Lease liability recognised as at April 01, 2019	26.63

* 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 or can be terminated at the option of the Company during the tenure of the lease term. Further the Company has not entered into any material financial lease. Accordingly there were no future minimum lease payments under non-cancellable operating leases required to be disclosed under the previous standard Ind AS - 17.

^ The Company has extension and termination options available in the lease contracts and the majority of extension and termination options are exercisable by the Company. Accordingly the Company on adoption of Ind AS - 116 Leases has recognised such lease liabilities by measuring present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of April 01, 2019.

(c) Adjustments recognised in the balance sheet on April 01, 2019

The change in accounting policy affected the following items in the balance sheet on April 01, 2019:

- Right-of-use assets – increased by ₹188.32 Crore
- Prepayments – decreased by ₹161.69 Crore
- Lease liabilities – increased by ₹26.63 Crore

NOTE 48: EMLOYEE BENEFIT PLANS

48.1 Defined contribution plan:

The Company has defined contribution retirement benefit plans for its employees.

The Company's contributions to provident fund, pension scheme and employee state insurance scheme are made to the relevant government authorities as per the prescribed rules and regulations. The Company's superannuation scheme for qualifying employees is administered through its various superannuation trust funds. The Company's contributions to the above defined contribution plans are recognised as employee benefit expenses in the statement of profit and loss for the year in which they are due. The Company has no further obligation in respect of such plans beyond the contributions made.

Company's contribution to provident, pension, superannuation funds and to employees state insurance scheme aggregating to ₹39.58 Crore (Previous year - ₹37.06 Crore) has been recognised in the statement of profit and loss under the head employee benefits expense [Refer note 37].

48.2 Defined benefit plans:

(a) **Gratuity**

The Company operates through various gratuity trust, a plan, covering all its employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The gratuity benefits payable to the employees are based on the tenure of employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company. In case of death while in service, the gratuity is payable irrespective of vesting.

The Company makes annual contribution to the gratuity schemes administered by the Life Insurance Corporation of India through its various Gratuity Trust Funds. The liability in respect of plan is determined on the basis of an actuarial valuation.

(b) **Risk exposure to defined benefit plans**

The plans typically expose the Company to actuarial risks such as: asset volatility, interest rate risk, longevity risk and salary risk as described below:

Asset volatility

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out at March 31, 2020. 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 March 31, 2020	As at March 31, 2019
Discount rate	6.93%	7.92%
Salary escalation rate	8.50%	8.50%

NOTE 48: EMLOYEE BENEFIT PLANS (Contd.)

(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 March 31, 2020	As at March 31, 2019
Present value of funded defined benefit obligation	289.07	243.64
Fair value of plan assets	234.47	225.30
Net (asset) / liability [Refer note 31]	54.60	18.34

(e) **Expenses recognised for defined benefit plan and movement of plan assets and liabilities**

Following are the amounts recognised in statement of profit and loss, other comprehensive income, movement in defined benefit liability and movement in plan assets:

(₹ in Crore)

		Funded plan - Gratuity	
		As at March 31, 2020	As at March 31, 2019
(1)	**Movements in the present value of the defined benefit obligation:**		
	Obligation at the beginning of the year	243.64	239.17
	Current service cost	12.22	11.48
	Interest cost	19.30	18.61
	Actuarial (gains) / losses from changes in demographic assumptions	2.39	-
	Actuarial (gains) / losses arising changes in financial assumptions	21.61	(2.00)
	Actuarial (gains) / losses from experience adjustments	19.92	9.70
	Liability transferred in	0.65	-
	Liability transferred out	(0.64)	(0.84)
	Benefits paid directly by employer	(2.80)	(2.80)
	Benefits paid	(27.22)	(29.68)
	Obligation at the end of the year	289.07	243.64
(2)	**Movements in the fair value of the plan assets:**		
	Plan assets at the beginning of the year, at fair value	225.30	228.13
	Interest income	17.84	17.74
	Return on plan assets (excluding interest income)	(0.65)	(1.85)
	Contributions received	19.20	10.96
	Benefits paid	(27.22)	(29.68)
	Plan assets at the end of the year, at fair value	234.47	225.30
(3)	**Gratuity cost recognized in the statement of profit and loss**		
	Current service cost	12.22	11.48
	Interest cost, net	1.46	0.87
	Net gratuity cost recognized in the statement of profit and loss [Refer note 37]	13.68	12.35
(4)	**Gratuity cost recognized in the other comprehensive income (OCI)**		
	Return on plan assets (excluding interest income)	0.65	1.85
	Actuarial (gains) / losses	43.92	7.70
	Net (income) / expense for the period recognized in OCI	44.57	9.55

(f) **Category wise plan assets**

Contributions to fund the obligations under the gratuity plan are made to the Life Insurance Corporation of India.

NOTE 48: 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	As at March 31, 2020	As at March 31, 2019
Increase / (decrease) in defined benefit obligation of gratuity		
50 basis points increase in discount rate	(11.35)	(6.86)
50 basis points decrease in discount rate	12.35	7.33
50 basis points increase in salary escalation rate	10.41	2.51
50 basis points decrease in salary escalation rate	(13.02)	(11.45)

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 19 years (Previous year - 13 years).

(i) Expected contribution to the plan for the next annual reporting period is ₹54.60 Crore (Previous year - ₹18.34 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 March 31, 2020	As at March 31, 2019
1^{st} following year	32.12	35.92
2^{nd} following year	22.52	20.64
3^{rd} following year	32.90	36.12
4^{th} following year	28.95	31.75
5^{th} following year	27.60	26.96
sum of years 6 to 10^{th}	95.78	94.96

48.3 Other long-term employee benefit obligations :

The leave obligation covers the Company's liability for sick and earned leave. Under these compensated absences plans, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement or resignation; at the rate of daily last drawn salary, multiplied by leave days accumalated as at the end of relevant period. Refer notes 25, 31 and 37 for the leave encashment provision / change in the balance sheet and statement of profit and loss.

NOTE 49: AUDITORS REMUNERATION (INCLUDING TAXES)

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
As auditor		
Audit fees	1.13	1.07
Other services- certificates etc	0.52	0.29
Reimbursement of expenses	0.25	0.25
	1.90	1.61

NOTE 50: CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
(a) Gross amount required to be spent by the Company	20.35	19.51
(b) Amount spent during the year on		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above [Refer note 40]	20.36	19.64
	20.36	19.64
(c) Contribution to section 8 related companies, included in (b) above, in relation to CSR expenditure		
(i) Tornascent Care Institute	17.24	1.86
(ii) UNM Foundation	1.71	4.75
	18.95	6.61

NOTE 51: DONATIONS INCLUDE POLITICAL CONTRIBUTIONS AS UNDER

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Electoral Bonds	35.00	25.00
	35.00	25.00

NOTE 52: EARNINGS PER SHARE

	Year ended March 31, 2020	Year ended March 31, 2019
Basic earnings per share (₹)	25.76	18.50
Diluted earnings per share (₹)	25.76	18.50

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 March 31, 2020	Year ended March 31, 2019
Profit for the year used in calculation of basic earning per share (₹ in Crore)	1,238.14	889.24
Weighted average number of equity shares	48,06,16,784	48,06,16,784

The Company does not have any dilutive potential ordinary shares and therefore diluted earnings per share is the same as basic earnings per share.

NOTE 53: OPERATING SEGMENTS

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company's business viz. "Generation, Transmission and Distribution of Power" as an integrated utility. Further, the Company's cable business is not a reportable segment in terms of revenue, profit, assets and liabilities. Hence the Company does not have any reportable segment as per Ind AS - 108 "Operating Segments".

The Company's operations are wholly confined within India and as such there is no reportable geographical information.

NOTE 54: CERTIFIED EMISSION REDUCTION (CERs)

	Year ended March 31, 2020	Year ended March 31, 2019
No. of CERs inventory	3,052	9,93,052
No. of CERs under certification	3,91,411	-
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, Latur Renewable Private Limited, TCL Cables Private Limited (w.e.f. November 05, 2019)
3.	Associates	Wind Two Renergy Private Limited, Wind Four Renergy Private Limited (upto June 04, 2019), Wind Five Renergy Private Limited (upto August 30, 2019), Nani Virani Wind Energy Private Limited (upto December 15, 2018), Ravapar Wind Energy Private Limited (upto December 15, 2018), Khatiyu Wind Energy Private Limited (upto December 15, 2018)
4.	Employee benefits plans *	TPL (Ahmedabad) Gratuity Trust, TPL (Ahmedabad) Superannuation Fund, TPL (Surat) Gratuity Trust, TPL (Surat) Superannuation Fund, TPL (SUGEN) Gratuity Trust, TPL (SUGEN) Superannuation Fund, TPL (DGEN) Gratuity Trust, TPL (DGEN) Superannuation Fund
5.	Key management personnel	Samir Mehta Markand Bhatt (upto September 30, 2018) Jinal Mehta
6.	Non-executive directors	Sudhir Mehta Pankaj Patel Samir Barua Kiran Karnik (upto March 31, 2019) Keki Mistry Bhavna Doshi Dharmishta Raval Pankaj Joshi (upto December 17, 2019) Sunaina Tomar (w.e.f. February 13, 2020)
7.	Relatives of key management personnel *	Varun Mehta
8.	Enterprise controlled by relatives of key management personnel *	Munjal Bhatt Architects (upto September 30, 2018)
9.	Other entities where the company has 50% voting right / enterprises controlled by the Parent Company *	Tornascent Care Institute, UNM Foundation, Torrent Pharmaceuticals Limited, Torrent Power Services Private Limited, Mahesh Gas Limited, Torrent Gas Private Limited

@ Torrent Private Limited changed to Torrent Investments Private Limited w.e.f. April 15, 2020.

* where transactions have taken place during the year and / or previous year or where balances are outstanding at the year end.

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)

(b) Related party transactions

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / Non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right		Total	
	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19
Nature of transactions												
Sale of cables	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.97**	**2.46**	**0.97**	**2.46**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	0.16	2.43	0.16	2.43
Tornascent Care Institute	-	-	-	-	-	-	-	-	0.81	0.03	0.81	0.03
Sale of land	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**91.00**	**-**	**91.00**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	-	91.00	-	91.00
Sale of electricity	**-**	**-**	**-**	**-**	**-**	**-**	**0.23**	**0.28**	**9.57**	**9.97**	**9.80**	**10.25**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	9.54	9.93	9.54	9.93
Executive and non-executive directors	-	-	-	-	-	-	0.23	0.28	-	-	0.23	0.28
UNM Foundation	-	-	-	-	-	-	-	-	0.03	0.04	0.03	0.04
Munjal Bhatt Architects	-	-	-	-	-	-	-	-	-	*	-	*
Dividend income	**15.32**	**6.66**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**15.32**	**6.66**
Torrent Power Grid Ltd.	15.32	6.66	-	-	-	-	-	-	-	-	15.32	6.66
Interest income	**62.30**	**73.96**	**6.29**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**68.59**	**73.96**
Torrent Solargen Ltd.	52.15	3.72	-	-	-	-	-	-	-	-	52.15	3.72
Latur Renewable Private Ltd.	4.79	34.69	-	-	-	-	-	-	-	-	4.79	34.69
Jodhpur Wind Farms Private Ltd.	5.36	35.55	-	-	-	-	-	-	-	-	5.36	35.55
Wind Two Renergy Private Ltd.	-	-	6.29	-	-	-	-	-	-	-	6.29	-
Dividend paid	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**427.32**	**128.71**	**427.32**	**128.71**
Torrent Private Ltd.	-	-	-	-	-	-	-	-	427.32	128.71	427.32	128.71
Services provided (rent income including tax)	**0.05**	**0.03**	**-**	**-**	**-**	**-**	**-**	**-**	**0.40**	**0.07**	**0.45**	**0.10**
UNM Foundation	-	-	-	-	-	-	-	-	0.01	0.01	0.01	0.01
Tornascent Care Institute	-	-	-	-	-	-	-	-	0.01	0.01	0.01	0.01
Torrent Power Grid Ltd.	0.01	0.01	-	-	-	-	-	-	-	-	0.01	0.01
Latur Renewable Private Ltd.	0.01	-	-	-	-	-	-	-	-	-	0.01	-
Jodhpur Wind Farms Private Ltd.	0.01	-	-	-	-	-	-	-	-	-	0.01	-
Torrent Pipavav Generation Ltd.	0.01	0.01	-	-	-	-	-	-	-	-	0.01	0.01
Torrent Solargen Ltd.	0.01	0.01	-	-	-	-	-	-	-	-	0.01	0.01
Torrent Power Services Private Ltd.	-	-	-	-	-	-	-	-	0.01	0.01	0.01	0.01
Torrent Gas Private Ltd.	-	-	-	-	-	-	-	-	0.37	0.04	0.37	0.04
Services received / remuneration paid	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.33**	**0.94**	**1.33**	**0.94**
Munjal Bhatt Architects	-	-	-	-	-	-	-	-	-	0.47	-	0.47
Varun Mehta	-	-	-	-	-	-	-	-	1.33	0.47	1.33	0.47
Transfer of capital work-in-progress	**26.23**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**26.23**	**-**
Torrent Solargen Ltd.	26.23	-	-	-	-	-	-	-	-	-	26.23	-
Shared expenditure charged to	**2.02**	**0.56**	**0.27**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.29**	**0.56**
Torrent Pipavav Generation Ltd.	0.37	0.22	-	-	-	-	-	-	-	-	0.37	0.22
Torrent Solargen Ltd.	1.04	0.24	-	-	-	-	-	-	-	-	1.04	0.24
Torrent Power Grid Ltd.	0.05	-	-	-	-	-	-	-	-	-	0.05	-
Latur Renewable Private Ltd.	0.20	0.05	-	-	-	-	-	-	-	-	0.20	0.05
Jodhpur Wind Farms Private Ltd.	0.36	0.05	-	-	-	-	-	-	-	-	0.36	0.05
Wind Two Renergy Private Ltd.	-	-	0.24	-	-	-	-	-	-	-	0.24	-

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / Non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right		Total	
	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19
Wind Five Renergy Private Ltd.	-	-	0.03	-	-	-	-	-	-	-	0.03	-
Transfer of gratuity/leave liability to / (from)	**(0.24)**	**0.40**	**-**	**-**	**-**	**-**	**-**	**-**	**0.29**	**0.68**	**0.05**	**1.08**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	(0.20)	-	(0.20)	-
Torrent Power Grid Ltd.	(0.24)	0.40	-	-	-	-	-	-	-	-	(0.24)	0.40
Tornascent Care Institute	-	-	-	-	-	-	-	-	0.07	0.10	0.07	0.10
Mahesh Gas Ltd.	-	-	-	-	-	-	-	-	0.01	0.25	0.01	0.25
Torrent Gas Private Ltd.	-	-	-	-	-	-	-	-	0.41	0.33	0.41	0.33
Managerial remuneration @	**-**	**-**	**-**	**-**	**-**	**-**	**21.23**	**41.61**	**-**	**-**	**21.23**	**41.61**
Samir Mehta	-	-	-	-	-	-	10.00	10.00	-	-	10.00	10.00
Markand Bhatt	-	-	-	-	-	-	-	21.84	-	-	-	21.84
Jinal Mehta	-	-	-	-	-	-	11.23	9.77	-	-	11.23	9.77
Commission to non-executive directors ^	**-**	**-**	**-**	**-**	**-**	**-**	**6.26**	**5.91**	**-**	**-**	**6.26**	**5.91**
Sudhir Mehta	-	-	-	-	-	-	5.00	5.00	-	-	5.00	5.00
Samir Barua	-	-	-	-	-	-	0.30	0.16	-	-	0.30	0.16
Kiran Karnik	-	-	-	-	-	-	-	0.16	-	-	-	0.16
Keki Mistry	-	-	-	-	-	-	0.18	0.12	-	-	0.18	0.12
Pankaj Patel	-	-	-	-	-	-	0.17	0.09	-	-	0.17	0.09
Bhavna Doshi	-	-	-	-	-	-	0.29	0.16	-	-	0.29	0.16
Pankaj Joshi #	-	-	-	-	-	-	0.09	0.06	-	-	0.09	0.06
Dharmishta Raval	-	-	-	-	-	-	0.23	0.16	-	-	0.23	0.16
Sitting fees to non-executive directors ^	**-**	**-**	**-**	**-**	**-**	**-**	**0.50**	**0.66**	**-**	**-**	**0.50**	**0.66**
Samir Barua	-	-	-	-	-	-	0.13	0.12	-	-	0.13	0.12
Kiran Karnik	-	-	-	-	-	-	-	0.12	-	-	-	0.12
Keki Mistry	-	-	-	-	-	-	0.07	0.06	-	-	0.07	0.06
Pankaj Patel	-	-	-	-	-	-	0.06	0.10	-	-	0.06	0.10
Bhavna Doshi	-	-	-	-	-	-	0.12	0.12	-	-	0.12	0.12
Dharmishta Raval	-	-	-	-	-	-	0.10	0.12	-	-	0.10	0.12
Pankaj Joshi #	-	-	-	-	-	-	0.02	0.02	-	-	0.02	0.02
Donation	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6.00**	**-**	**6.00**	**-**
UNM Foundation	-	-	-	-	-	-	-	-	6.00	-	6.00	-
Contribution towards CSR	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**18.95**	**6.61**	**18.95**	**6.61**
Tornascent Care Institute	-	-	-	-	-	-	-	-	17.24	1.86	17.24	1.86
UNM Foundation	-	-	-	-	-	-	-	-	1.71	4.75	1.71	4.75
Contribution to employee benefit plans (net)	**-**	**-**	**-**	**-**	**25.84**	**18.12**	**-**	**-**	**-**	**-**	**25.84**	**18.12**
TPL (Ahmedabad) Gratuity Trust	-	-	-	-	11.80	10.27	-	-	-	-	11.80	10.27
TPL (Ahmedabad) Superannuation Fund	-	-	-	-	6.00	5.28	-	-	-	-	6.00	5.28
TPL (Surat) Gratuity Trust	-	-	-	-	5.50	0.34	-	-	-	-	5.50	0.34
TPL (Surat) Superannuation Fund	-	-	-	-	1.19	1.11	-	-	-	-	1.19	1.11
TPL (SUGEN) Gratuity Trust	-	-	-	-	0.35	0.21	-	-	-	-	0.35	0.21
TPL (SUGEN) Superannuation Fund	-	-	-	-	0.46	0.47	-	-	-	-	0.46	0.47
TPL (DGEN) Gratutity Trust	-	-	-	-	0.20	0.04	-	-	-	-	0.20	0.04
TPL (DGEN) Superannuation Fund	-	-	-	-	0.34	0.40	-	-	-	-	0.34	0.40
Equity contribution	**-**	**221.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**221.00**
Jodhpur Wind Farms Private Ltd.	-	111.00	-	-	-	-	-	-	-	-	-	111.00
Latur Renewable Private Ltd.	-	110.00	-	-	-	-	-	-	-	-	-	110.00

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / Non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right		Total	
	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19
Purchase of shares	**2.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.00**	**-**
Torrent Solargen Ltd.	2.00	-	-	-	-	-	-	-	-	-	2.00	-
Investment in non-convertible debentures	**-**	**-**	**-**	**78.30**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**78.30**
Wind Two Renergy Private Ltd.	-	-	-	17.94	-	-	-	-	-	-	-	17.94
Wind Four Renergy Private Ltd.	-	-	-	31.18	-	-	-	-	-	-	-	31.18
Wind Five Renergy Private Ltd.	-	-	-	29.18	-	-	-	-	-	-	-	29.18
Redemption of non-convertible debentures	**-**	**-**	**64.54**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**64.54**	**-**
Wind Four Renergy Private Ltd.	-	-	20.33	-	-	-	-	-	-	-	20.33	-
Wind Five Renergy Private Ltd.	-	-	44.21	-	-	-	-	-	-	-	44.21	-
Loans given	**1,422.60**	**532.00**	**153.02**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,575.62**	**532.00**
Latur Renewable Private Ltd.	20.65	194.80	-	-	-	-	-	-	-	-	20.65	194.80
Jodhpur Wind Farms Private Ltd.	2.20	207.70	-	-	-	-	-	-	-	-	2.20	207.70
Torrent Pipavav Generation Ltd.	1.61	1.50	-	-	-	-	-	-	-	-	1.61	1.50
Torrent Solargen Ltd.	1,398.14	128.00	-	-	-	-	-	-	-	-	1,398.14	128.00
Wind Two Renergy Private Ltd.	-	-	153.02	-	-	-	-	-	-	-	153.02	-
Loans received back	**735.42**	**856.59**	**0.80**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**736.22**	**856.59**
Latur Renewable Private Ltd.	15.40	427.46	-	-	-	-	-	-	-	-	15.40	427.46
Jodhpur Wind Farms Private Ltd.	7.20	429.13	-	-	-	-	-	-	-	-	7.20	429.13
Torrent Solargen Ltd.	712.82	-	-	-	-	-	-	-	-	-	712.82	-
Wind Two Renergy Private Ltd.	-	-	0.80	-	-	-	-	-	-	-	0.80	-
Deposits received	*	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	*	**-**
Latur Renewable Private Ltd.	*	-	-	-	-	-	-	-	-	-	*	-
Jodhpur Wind Farms Private Ltd.	*	-	-	-	-	-	-	-	-	-	*	-
Utilisation of non-fund based limit of the Company by	**24.40**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**24.40**	**-**
Torrent Solargen Ltd.	23.00	-	-	-	-	-	-	-	-	-	23.00	-
Jodhpur Wind Farms Private Ltd.	0.70	-	-	-	-	-	-	-	-	-	0.70	-
Latur Renewable Private Ltd.	0.70	-	-	-	-	-	-	-	-	-	0.70	-
Guarantees given to lenders of subsidiaries	**-**	**274.13**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**274.13**
Jodhpur Wind Farms Private Ltd.	-	274.13	-	-	-	-	-	-	-	-	-	274.13

@ excluding provision for gratuity and leave encashment, insurance premium for group personal accident and group mediclaim.

Sitting fees and Commission of Pankaj Joshi (nominee of the Government of Gujarat) is paid / payable to the Government of Gujarat.

^ Excluding Goods and Services Tax.

Footnote:

Refer note 44 (c) (iii) for novation agreement with lender for short term finance facilities obtained by associates.

(c) Key management personnel compensation

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Short-term employee benefits	21.23	38.78
Long-term employee benefits	-	2.83
	21.23	41.61

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)

(d) Related party balances

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / Non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right		Total	
	As at 31.03.20	As at 31.03.19	As at 31.03.20	As at 31.03.19	As at 31.03.20	As at 31.03.19	As at 31.03.20	As at 31.03.19	As at 31.03.20	As at 31.03.19	As at 31.03.20	As at 31.03.19
Balances at the end of the year												
Current liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**18.76**	**31.41**	**0.49**	**-**	**19.25**	**31.41**
Torrent Power Grid Ltd.	*	*	-	-	-	-	-	-	-	-	*	*
Torrent Solargen Ltd.	*	*	-	-	-	-	-	-	-	-	*	*
Torrent Pipavav Generation Ltd.	*	*	-	-	-	-	-	-	-	-	*	*
Latur Renewable Private Ltd.	*	-	-	-		-	-	-	-	-	*	-
Jodhpur Wind Farms Private Ltd.	*	-	-	-	-	-	-	-	-	-	*	-
Torrent Power Services Private Ltd.	-	-	-	-	-	-	-	-	*	*	*	*
UNM Foundation	-	-	-	-	-	-	-	-	*	*	*	*
Tornascent Care Institute	-	-	-	-	-	-	-	-	0.07	-	0.07	-
Mahesh Gas Ltd.	-	-	-	-	-	-	-	-	0.01	-	0.01	-
Torrent Gas Private Ltd.	-	-	-	-	-	-	-	-	0.41	*	0.41	*
Sudhir Mehta	-	-	-	-	-	-	5.00	5.00	-	-	5.00	5.00
Samir Mehta	-	-	-	-	-	-	10.00	10.00	-	-	10.00	10.00
Markand Bhatt	-	-	-	-	-	-	-	13.00	-	-	-	13.00
Jinal Mehta	-	-	-	-	-	-	2.50	2.50	-	-	2.50	2.50
Samir Barua	-	-	-	-	-	-	0.30	0.16	-	-	0.30	0.16
Kiran Karnik	-	-	-	-	-	-	-	0.16	-	-	-	0.16
Keki Mistry	-	-	-	-	-	-	0.18	0.12	-	-	0.18	0.12
Pankaj Patel	-	-	-	-	-	-	0.17	0.09	-	-	0.17	0.09
Bhavna Doshi	-	-	-	-	-	-	0.29	0.16	-	-	0.29	0.16
Pankaj Joshi #	-	-	-	-	-	-	0.09	0.06	-	-	0.09	0.06
Dharmishta Raval	-	-	-	-	-	-	0.23	0.16	-	-	0.23	0.16
Investment in equities	**417.17**	**415.17**	**-**	**-**	**-**	**-**	**-**	**-**	**0.06**	**0.06**	**417.23**	**415.23**
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
TCL Cables Private Ltd.	2.00	-	-	-	-	-	-	-	-	-	2.00	-
Latur Renewable Private Ltd.	110.00	110.00	-	-	-	-	-	-	-	-	110.00	110.00
Jodhpur Wind Farms Private Ltd.	111.00	111.00	-	-	-	-	-	-	-	-	111.00	111.00

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)

(₹ in Crore)

	Subsidiaries		Associates		Employee benefits plans		Key management personnel / Non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right		Total	
	As at 31.03.20	As at 31.03.19	As at 31.03.20	As at 31.03.19	As at 31.03.20	As at 31.03.19	As at 31.03.20	As at 31.03.19	As at 31.03.20	As at 31.03.19	As at 31.03.20	As at 31.03.19
Investment in non-convertible debentures	**-**	**-**	**103.78**	**277.31**	**-**	**-**	**-**	**-**	**-**	**-**	**103.78**	**277.31**
Wind Two Renergy Private Ltd.	-	-	103.78	97.21	-	-	-	-	-	-	103.78	97.21
Wind Four Renergy Private Ltd.	-	-	-	91.23	-	-	-	-	-	-	-	91.23
Wind Five Renergy Private Ltd.	-	-	-	88.87	-	-	-	-	-	-	-	88.87
Loans (current)	**76.03**	**188.97**	**0.07**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**76.10**	**188.97**
Torrent Pipavav Generation Ltd.	59.23	57.62	-	-	-	-	-	-	-	-	59.23	57.62
Torrent Solargen Ltd.	16.66	131.35	-	-	-	-	-	-	-	-	16.66	131.35
Latur Renewable Private Ltd.	0.05	-	-	-	-	-	-	-	-	-	0.05	-
Jodhpur Wind Farms Private Ltd.	0.09	-	-	-	-	-	-	-	-	-	0.09	-
Wind Two Renergy Private Ltd.	-	-	0.07	-	-	-	-	-	-	-	0.07	-
Loans (non-current)	**948.41**	**128.44**	**157.88**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,106.29**	**128.44**
Torrent Solargen Ltd.	810.62	-	-	-	-	-	-	-	-	-	810.62	-
Wind Two Renergy Private Ltd.	-	-	157.88	-	-	-	-	-	-	-	157.88	-
Latur Renewable Private Ltd.	65.12	55.57	-	-	-	-	-	-	-	-	65.12	55.57
Jodhpur Wind Farms Private Ltd.	72.67	72.87	-	-	-	-	-	-	-	-	72.67	72.87
Trade and other receivables	**0.24**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.83**	**0.77**	**1.07**	**0.77**
Tornascent Care Institute	-	-	-	-	-	-	-	-	-	0.03	-	0.03
Torrent Power Grid Ltd.	0.24	-	-	-	-	-	-	-	-	-	0.24	-
Torrent Pharmacueticals Ltd.	-	-	-	-	-	-	-	-	0.83	0.74	0.83	0.74
Utilisation of non-fund based limit of the Company by	**50.30**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**50.30**	**-**
Torrent Solargen Ltd.	48.38	-	-	-	-	-	-	-	-	-	48.38	-
Jodhpur Wind Farms Private Ltd.	0.96	-	-	-	-	-	-	-	-	-	0.96	-
Latur Renewable Private Ltd.	0.96	-	-	-	-	-	-	-	-	-	0.96	-
Guarantees given to lenders of subsidiaries	**284.50**	**274.13**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**284.50**	**274.13**
Jodhpur Wind Farms Private Ltd.	284.50	274.13	-	-	-	-	-	-	-	-	284.50	274.13

Sitting fees and Commission of Pankaj Joshi (nominee of the Government of Gujarat) is payable to the Government of Gujarat.

(e) Terms and conditions of outstanding balances

The transactions with related parties are made in the normal course of business on terms equivalent to those that prevail in arm's length transactions.

Outstanding balances at the year-end are unsecured.

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW

(a) Capital management

The Company manages its capital structure in a manner to ensure that it will be able to continue as a going concern while optimising the return to stakeholders through the appropriate debt and equity balance.

The Company's capital structure is represented by equity (comprising issued capital, retained earnings and other reserves as detailed in notes 20,21) and debt (borrowings as detailed in note 22).

The Company's management reviews the capital structure of the Company on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Company's plan is to ensure that the gearing ratio (debt equity ratio) is well within the limit of 2:1.

Gearing ratio

The gearing ratio at end of the reporting period is as follows.

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Debt	8,612.94	9,124.92
Total equity	9,714.61	10,475.75
Debt to equity ratio	0.89	0.87

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 March 31, 2020		As at March 31, 2019	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	79.42	79.42	114.33	114.33
Bank balance other than cash and cash equivalents	144.78	144.78	211.92	211.92
Investment in bonds and debentures	115.89	115.89	287.50	287.50
Trade receivables	1,180.58	1,180.58	1,170.53	1,170.53
Loans	1,215.31	1,215.31	349.17	349.17
Other financial assets	1,826.52	1,826.52	1,811.91	1,811.91
	4,562.50	4,562.50	3,945.36	3,945.36
Measured at fair value through profit and loss (FVTPL)				
Investment in mutual funds	502.20	502.20	472.46	472.46
Investment in equity instruments #	0.06	0.06	0.06	0.06
	502.26	502.26	472.52	472.52
Financial liabilities				
Measured at amortised cost				
Borrowings	7,296.28	7,358.90	8,333.43	8,364.42
Trade payables	1,136.97	1,136.97	913.73	913.73
Other financial liabilities	2,645.65	2,645.65	2,328.99	2,328.99
	11,078.90	11,141.52	11,576.15	11,607.14

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 March 31, 2020	As at March 31, 2019		
Investment in mutual fund units	502.20	472.46	Level 1	Quoted bid prices in an active market
	502.20	472.46		

(2) Financial liabilities at amortised cost

(₹ in Crore)

	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at March 31, 2020	As at March 31, 2019		
Fixed rate borrowings (Non-convertible debentures)	1,527.62	1,125.99	Level 2	Inputs other than quoted prices that are observable
	1,527.62	1,125.99		

(d) Financial risk management objectives

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations, routine and projects capital expenditure. The Company's principal financial assets include loans, advances, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks viz foreign currency risk, commodity price risk, interest rate risk, credit risk, liquidity risk etc. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks. It advises on financial risks and the appropriate financial risk governance framework for the Company.

Foreign currency risk

The Company is exposed to foreign currency risks arising from various currency exposures, primarily with respect to the USD and EURO. Foreign currency risks arise from future commercial transactions and recognized assets and liabilities, when they are denominated in a currency other than Indian Rupee.

The Company's exposure with regards to foreign currency risk which are not hedged are given below. However, these risks are not significant to the company's operation and accordingly sensitivity analysis is not given.

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

Unhedged foreign currency exposures

(in Crore)

Nature of transactions	Currency	As at March 31, 2020	As at March 31, 2019
Financial liabilities			
Trade payable	USD	0.43	0.93
Trade payable	EURO	2.37	1.71
Capital liability (*7,430 EURO)	EURO	*	0.01
Trade payable	CHF	-	0.02

Commodity price risk

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

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

Interest rate risk

Most of the Company's borrowings are on a floating rate of interest. The Company has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR). The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible debentures and short term credit lines besides internal accruals.

The following table provides a break-up of the Company's fixed and floating rate borrowings:

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Fixed rate borrowings ^	1,485.64	1,119.46
Floating rate borrowings ^	6,842.80	8,031.38
	8,328.44	9,150.84

^ 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 March 31, 2020	Year ended March 31, 2019
Impact on profit before tax - increase in 50 basis points	(34.21)	(40.16)
Impact on profit before tax - decrease in 50 basis points	34.21	40.16

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

Credit risk

Trade receivables

(1) Exposures to credit risk

The Company is exposed to the counterparty credit risk arising from the possibility that counterparties (primarily trade receivables, suppliers, contractors etc.) might fail to comply with contractual obligations. This exposure may arise with regard to unsettled amounts and the cost of substituting products and services that are not provided.

(2) Credit risk management

Credit risk is managed and limited in accordance with the type of transaction and the creditworthiness of the counterparty. The Company has established criteria for admission, approval systems, authorisation levels, exposure measurement methodologies, etc. The concentration of credit risk is limited due to the fact that the customer base is large. None of the customers accounted for more than 10% of the receivables and revenue for the year ended March 31, 2020 and March 31, 2019. However, the Company is dependent on the domestic market for its business and revenues.

The Company's credit policies and practices with respect to distribution areas are designed to limit credit exposure by collecting security deposits prior to providing utility services or after utility service has commenced according to applicable regulatory requirements. In respect to generation business, Company generally has letter of credits / bank guarantees to limit its credit exposure.

(3) Other credit enhancements

The Company does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

(4) Age of receivables and expected credit loss

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experienced and adjusted for forward- looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

The age of receivables and provision matrix at the end of the reporting period is as follows.

As at March 31, 2020

(₹ in Crore)

	Gross trade receivables	Allowance for doubtful debt
Less than or equal to 6 months	1,208.31	88.93
More than 6 months but less than or equal to 1 year	74.75	38.40
More than one year	131.76	106.91
	1,414.82	234.24

As at March 31, 2019

(₹ in Crore)

	Gross trade receivables	Allowance for doubtful debt
Less than or equal to 6 months	1,135.77	28.56
More than 6 months but less than or equal to 1 year	83.11	25.82
More than one year	103.46	97.43
	1,322.34	151.81

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

(5) Movement in the expected credit loss allowance

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Opening balance	151.81	135.93
Movement in expected credit loss allowance on trade receivable, net	82.43	15.88
Closing balance [Refer note 14]	234.24	151.81

Other financial assets

The Company is having balances in cash and cash equivalents, term deposits with banks, investments in government securities and investment in mutual funds. With respect to investments, the Company limits its exposure to credit risk by investing in liquid securities with counterparties depending on their Composite Performance Rankings (CPR) published by CRISIL. The Company's investment policy lays down guidelines with respect to exposure per counterparty, rating, processes in terms of control and continuous monitoring. The Company therefore considers credit risks on such investments to be negligible.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are required to be settled by delivering the cash or another financial asset. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and unused borrowing facilities, by continuously monitoring projected / actual cash flows.

Maturities of financial liabilities

The Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest (accrued upto March 31, 2020) and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

As at March 31, 2020

(₹ in Crore)

	Less than 1 year	Between 1 year and 5 years	5 years and above	Total
Financial liabilities				
Non current financial liabilities				
Borrowings ^	-	3,067.63	4,251.33	7,318.96
Trade payables ^	-	73.88	61.40	135.28
Other financial liabilities ^	-	22.93	27.48	50.41
	-	3,164.44	4,340.21	7,504.65
Current financial liabilities				
Trade payables	1,027.26	-	-	1,027.26
Other financial liabilities ^	2,618.11	-	-	2,618.11
	3,645.37	-	-	3,645.37
Total financial liabilities	3,645.37	3,164.44	4,340.21	11,150.02

^ Gross amount including unamortised expense.

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

As at March 31, 2019

(₹ in Crore)

	Less than 1 year	Between 1 year and 5 years	5 years and above	Total
Financial liabilities				
Non current financial liabilities				
Borrowings ^	-	3,022.76	5,040.75	8,063.51
Trade payables ^	-	64.99	76.68	141.67
Other financial liabilities	-	0.24	-	0.24
	-	3,087.99	5,117.43	8,205.42
Current financial liabilities				
Borrowings	300.05	-	-	300.05
Trade payables	804.39	-	-	804.39
Other financial liabilities ^	2,333.43	-	-	2,333.43
	3,437.87	-	-	3,437.87
Total financial liabilities	3,437.87	3,087.99	5,117.43	11,643.29

^ Gross amount including unamortised expense.

NOTE 57: IMPACT OF COVID 19 PANDEMIC

The spread of COVID-19 disease has severely impacted economies, businesses and social set ups across the globe and in India. The spread of COVID-19 and the consequent lock-downs, disruptions in transportation and supply chains, travel bans, quarantines, social distancing and other such emergency measures have caused widespread disruptions in the economy and businesses. The resultant situation is a VUCA situation - Volatile, Uncertain, Complex and Ambiguous and continuously evolving, with no clear visibility of the near to medium term future outlook. In this backdrop, the Company has considered various internal and external information available up to the date of approval of standalone financial statements in assessing the impact of COVID-19 pandemic in the standalone financial statements for the year ended March 31, 2020.

The Company is predominantly engaged in the business of generation, distribution and transmission of electricity. Since electricity has been categorised as an essential service, the Company is in a position to generate and supply power to its customers in the cities of Ahmedabad, Gandhinagar, Surat and Dahej SEZ in Gujarat, Bhiwandi, Shil, Mumbra and Kalwa in Maharashtra and Agra in Uttar Pradesh.

However, the disruption has caused a dramatic reduction in immediate electricity demand, mainly in commercial and industrial categories. Based on current assessment, this situation will likely prevail throughout FY 2020-21, with a gradual pick up in electricity demand after the lockdown and associated restrictions are eased.

Management has carried out a detailed assessment of its liquidity position for the next one year from the date of approval of the standalone financial statements and of the recoverability and carrying values of Property, Plant & Equipment, Trade receivables, Inventory, and Investments as at the balance sheet date.

Based on the Company's liquidity position at March 31, 2020 and review of cash flow projections (after applying sensitivity analysis) over the next twelve months, the management believes the Company will have sufficient liquidity to operate its businesses in the ordinary course.

Management has performed an impairment assessment of Property, Plant & Equipment and has concluded that no significant adjustments are required to the carrying values of such assets, beyond the impairment charge recorded in these standalone financial statements.

NOTE 57: IMPACT OF COVID 19 PANDEMIC (Contd.)

Based on assessment of the management, an adequate provision for doubtful debts pertaining to its franchised distribution business units has been made in the standalone financial statements, after factoring an anticipated reduction in collection efficiency in those areas. In case of licensed distribution business, no additional bad debt provision is required due to largely unaffected collection efficiency and availability of adequate security deposits from customers.

Management has performed a physical inventory verification for most of its locations around the year end and for some locations at a date subsequent to the year end in order to obtain comfort over existence and condition of Inventory after applying roll forward and Roll back, procedures as appropriate. No additional provision is required to the carrying amount of inventory on account of COVID 19 as the inventory has been moving in the ordinary course post the year end.

Company's investments are in Overnight debt Funds and in Inter-corporate deposits are carried at their fair values or amortised cost at March 31, 2020. Management does not foresee any risk of non-recoverability of such investments.

Management believes that it has taken into account all the known impacts arising from COVID 19 pandemic in the preparation of the standalone financial statements. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration. Management will continue to monitor any material changes to future economic conditions and the impact thereof on the Company, if any. The eventual outcome of the impact of the COVID 19 pandemic on the Company's business may be different from that estimated as on the date of approval of these standalone financial statements.

NOTE 58: PROVISION FOR ONEROUS CONTRACTS

During the year, the Company has made a provision of ₹161.78 Crore in respect of certain onerous contracts towards potential damages and other project related costs, arising from expected delays or failure to set up certain wind power generation capacities, awarded to the Company in a prior period under a competitive bidding process.

NOTE 59: CHANGE DUE TO TRANSITION TO IND AS - 115 "REVENUE FROM CONTRACTS WITH CUSTOMERS"

(a) During the previous year, the Company has adopted Ind AS 115, Revenue from Contracts with Customers, from April 01, 2018. The adoption has resulted changes in accounting policies and adjustment to the amounts recognized in the financial statements. Prior to adoption of Ind As 115, the company had been recognising the Fuel and Power Purchase Price Adjustment ("FPPPA") claims as and when approved by the regulatory authorities and the truing up adjustment claims as and when these were billed to consumers subsequent to approval by the regulatory authorities.

The Company has adopted Ind AS 115 retrospectively with the cumulative effect of initial application recognized in the Opening Retained Earnings on April 01, 2018. The Company has in the current year recognized revenue on FPPPA claims and other true up adjustments, as per the applicable tariff regulations, management's probability estimate and the past trends of approval, by applying the guidance on variable consideration under Ind AS 115.

The Company has not recognized those truing up adjustment claims which are subject of dispute and for which the company is in appeal with regulatory authorities.

Due to the application of Ind AS 115, as at April 01, 2018, Retained Earnings are higher by ₹649.42 Crore, unbilled revenue higher by ₹637.15 Crore and sundry payables lower by ₹12.27 Crore.

NOTE 59: CHANGE DUE TO TRANSITION TO IND AS - 115 "REVENUE FROM CONTRACTS WITH CUSTOMERS" (Contd.)

(b) Movement in recoverable from consumers and liabilities towards consumers

(₹ in Crore)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	1,435.41	437.07
Add: Transition to Ind AS 115	-	649.42
Add: Income accrued during the year as per tariff regulations / orders	2,488.26	2,539.05
Less: Amount billed during the year to the consumers as per tariff orders	(2,420.72)	(2,190.13)
Closing balance	1,502.95	1,435.41
Disclosed under		
Unbilled revenue [Refer note 18]	1,502.95	1,456.10
Sundry payables [Refer note 29]	-	(20.69)
	1,502.95	1,435.41

NOTE 60: SCHEME OF ARRANGEMENT

The Board at its meeting dated November 05, 2019, has approved the Scheme of Arrangement ("Scheme") for transfer and vesting of Cable Business Undertaking of the Company to TCL Cables Private Limited, a wholly owned subsidiary (w.e.f. November 05, 2019) of the Company, on a going concern basis by way of slump sale with effect from the appointed date of April 01, 2020 for a lump sum consideration of ₹214.50 Crore (to be adjusted for change in working capital), under sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Company has got the approval of BSE Limited and National Stock Exchange of India Limited. The Company has filed the application to National Company Law Tribunal (NCLT) for its approval. The Scheme is subject to requisite regulatory and other approvals, pending which no adjustments are required to be made in the financial statements for year ended March 31, 2020.

The key financial data as per books pertaining to the Cables Business Undertaking (including inter unit transactions) for the relevant periods presented in the Statement of results are as follows:

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations	440.03	358.02
Profit before tax	20.95	1.58
Total assets	280.43	277.93
Total liabilities	30.76	40.94

NOTE 61:

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

NOTE 62: APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the board of directors on May 18, 2020.

Signature to Note 1 to 62

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 039985

Bengaluru, May 18, 2020

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

Sanjay Dalal
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 18, 2020

Consolidated Financial Statements 2019-20

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF TORRENT POWER LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Torrent Power Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group" hereinafter), its associate (refer Note 41 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2020, and the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records. (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2020, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 15 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

The following Key Audit Matters have been reproduced from our report on the audit of standalone financial statements of the Holding Company.

Key audit matter	How our audit addressed the key audit matter
i) Impairment assessment for Power Plant located at Dahej (Refer to note 42(1) of the consolidated financial statements) :	
The carrying amount of Property, Plant & Equipment ("PPE") includes an amount of ₹3,079.62 Crore pertaining to 1,200 MW DGEN Mega Power Project located at Dahej, India ("DGEN"). DGEN started its commercial operations from November 2014 ("COD") and has operated only intermittently after COD, including during current financial year. As a result of above, and given the current economic environment, management has carried out an impairment assessment of DGEN with the help of an external valuer, in accordance with Ind AS 36 'Impairment of Assets' and has measured the recoverable amount at the higher of fair value less costs to sell and value in use. In case of DGEN, the recoverable amount is based on 'value in use' which requires estimating the discounted cash flow projections over the estimated useful life of the DGEN. Such assessment involved several key assumptions including expected demand, future price of fuel, exchange rate, expected tariff rates, discount rate and current electricity market scenario considered by management based on past trends and current and likely future state of the industry. Based on such assessment, the Holding Company has provided for an impairment loss of ₹1,000.00 Crore, which has been disclosed as an 'Exceptional item' in the consolidated financial statements. We considered this to be a key audit matter as the carrying value of DGEN at March 31, 2020 is significant to the Holding Company's balance sheet and there is significant judgement and uncertainty involved in the discounted cash flow (DCF) model used by the management to assess the carrying value of DGEN.	Our procedures in relation to management's impairment assessment of DGEN included the following: • Assessed and tested the design and operating effectiveness of the Holding Company's controls over impairment assessment. • Perused the report issued by the external valuer engaged by the management. • Evaluated independence, competence, capability and objectivity of the external valuer. • Evaluated the reasonableness of cash flow projections used by the Holding Company and the key assumptions used. • With the involvement of auditors experts, assessed the reasonableness of the assumptions considered in the discounted cash flow projections for determining value in use. • Discussed with senior management personnel, the justification for the key assumptions underlying the cashflow projections and performed sensitivity analysis on the same. • Checked the arithmetic accuracy of the computations included in the discounted cash flow projections. • Reviewed the adequacy of disclosure in the consolidated financial statements with regard to the impairment loss accounted by the Holding Company. Based on the above procedures performed, we considered management's assessment of impairment to the carrying amount of DGEN to be reasonable.

Key audit matter	How our audit addressed the key audit matter
ii) Assessment of recoverability of Deferred tax assets on unutilised tax credits (Refer to note 43 to the consolidated financial statements)	
The Holding Company has recognised deferred tax assets on the unutilised tax credits, representing Minimum Alternate Tax (MAT) paid on the accounting profit in the current year and in earlier years in which the Holding Company did not have normal taxable profit. The assets have been recognised on the basis of Holding Company's assessment of availability of future taxable profits to offset the accumulated MAT credits. The future taxable profit projections involve several key assumptions including expected demand, future prices of fuel, expected tariff rates of electricity, exchange rate and current electricity market scenario covering the period over which MAT Credit can be claimed as per the Income-tax Act, 1961. In preparing the profit projections, management has considered, past trends, applicable tariff regulations/ agreements and current and likely future state of the industry. We considered this a key audit matter as the amount of deferred tax assets is material to the financial statements and significant management judgement is required in assessing the recoverability of MAT credit based on significant assumptions underlying the forecast of future taxable profits. Further, recoverability of deferred tax assets depends on the achievement of Holding Company's future business plans.	Our audit procedures included the following: • Evaluated and tested the design and operating effectiveness of the Holding Company's controls over recognition and assessment of recoverability of deferred tax assets on accumulated MAT credits. • Reviewed the Holding Company's accounting policy in respect of recognizing deferred tax assets on unutilised MAT credits. • Assessed the reasonableness of the assumptions underlying profit projections made by management, by reviewing the past trends, available tariff orders and relevant economic and industry indicators. • Evaluated whether the tax credit entitlements are legally available to the Holding Company for the forecast recoupment period, considering the provisions of Income-tax Act, 1961. • Checked the mathematical accuracy of the underlying calculations of the profit projections. • Performed sensitivity analyses on the projected taxable profits by varying key assumptions, within reasonably foreseeable range. • Reviewed the adequacy of disclosures made in the financial statements with regards to deferred taxes. Based on the above procedures performed by us, we considered the management's assessment of recoverability of deferred tax assets in respect of accumulated MAT credits to be reasonable.

Emphasis of Matter

5. We draw attention to Note 57 to the consolidated financial statements which explains the uncertainties and the management's assessment of the financial impact due to the lockdown and other restrictions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

Other Information

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 15 below), we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. The consolidated financial statements include the Group's share of total comprehensive income (comprising of profit/loss and other comprehensive income) of ₹ Nil for the year ended March 31, 2020 as considered in the consolidated financial statements, in respect of one associate company, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this associate company and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid associate, is based solely on the report of the other auditor.

    Our opinion on the consolidated 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 report of the other auditor and the financial statements.

Report on Other Legal and Regulatory Requirements

16. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

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

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 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 company incorporated in India, none of the directors of the Group companies, its associate company incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

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

        i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group and its associate – Refer Note 31 and 45 to the consolidated financial statements.

        ii. The Group and its associate have long-term contracts as at March 31, 2020 for which there were no material foreseeable losses. The Group and its associate did not have any derivative contracts as at March 31, 2020.

        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 company incorporated in India during the year ended March 31, 2020.

        iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended March 31, 2020.

17. The Group, 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.

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

Pradip Kanakia
Partner
Membership No.: 039985
UDIN: 20039985AAAABY2876

Place: Bengaluru
Date: May 18, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 16 (f) of the Independent Auditors' Report of even date to the members of Torrent Power Limited on the consolidated financial statements for the year ended March 31, 2020

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 financial statements of the Company as of and for the year ended March 31, 2020, 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 company, 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 company, are responsible for establishing and maintaining internal financial controls based on internal controls 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.

Referred to in paragraph 16 (f) of the Independent Auditors' Report of even date to the members of Torrent Power Limited on the consolidated financial statements for the year ended March 31, 2020

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 company, 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 March 31, 2020, 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. Also refer paragraph 5 of our main audit report.

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 one associate company, is based on the corresponding reports of the auditors of such companies. Our opinion is not qualified in respect of this matter.

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

Pradip Kanakia
Partner
Membership No.: 039985
UDIN: 20039985AAAABY2876

Place: Bengaluru
Date: May 18, 2020

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2020

(₹ in Crore)

	Note	As at March 31, 2020	As at March 31, 2019
Assets			
Non-current assets			
Property, plant and equipment	4	17,366.37	17,996.58
Right-of-use assets	5	187.94	-
Capital work-in-progress		567.40	359.27
Intangible assets	6	14.98	17.31
Intangible assets under development		0.19	-
Financial assets			
Investments	7	115.95	287.56
Loans	8	176.19	16.74
Other financial assets	9	1.09	230.61
Deferred tax assets (net)	43	19.86	3.56
Non-current tax assets (net)	10	22.06	28.36
Other non-current assets	11	327.35	1,028.99
		18,799.38	19,968.98
Current assets			
Inventories	12	598.24	627.03
Financial assets			
Investments	13	607.59	626.86
Trade receivables	14	1,279.75	1,229.69
Cash and cash equivalents	15	91.16	116.07
Bank balances other than cash and cash equivalents above	16	189.10	211.93
Loans	17	15.38	15.07
Other financial assets	18	1,925.33	1,679.38
Other current assets	19	117.11	79.02
		4,823.66	4,585.05
		23,623.04	24,554.03
Equity and liabilities			
Equity			
Equity share capital	20	480.62	480.62
Other equity	21	8,672.92	8,489.61
		9,153.54	8,970.23
Non-controlling interests		35.63	37.39
		9,189.17	9,007.62
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	22	7,796.30	8,576.45
Trade payables	23		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues other than micro and small enterprises		109.71	109.34
Other financial liabilities	24	33.29	0.24
Provisions	25	102.97	83.24
Deferred tax liabilities (net)	43	552.80	1,565.38
Other non-current liabilities	26	1,132.44	1,024.74
		9,727.51	11,359.39
Current liabilities			
Financial liabilities			
Borrowings	27	3.28	300.05
Trade payables	28		
Total outstanding dues of micro and small enterprises		25.19	27.17
Total outstanding dues other than micro and small enterprises		1,012.72	782.58
Other financial liabilities	29	2,789.56	2,417.69
Other current liabilities	30	584.01	600.67
Provisions	31	269.90	42.44
Current tax liabilities (net)	32	21.70	16.42
		4,706.36	4,187.02
		23,623.04	24,554.03
See accompanying notes forming part of the consolidated financial statements			

In terms of our report attached

For and on behalf of the Board of Directors

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

Samir Mehta
Chairperson
DIN:00061903

Pradip Kanakia
Partner
Membership No.: 039985

Sanjay Dalal
Chief Financial Officer

Rahul Shah
Company Secretary

Bengaluru, May 18, 2020

Ahmedabad, May 18, 2020

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Crore)

	Note	Year ended March 31, 2020	Year ended March 31, 2019
Income			
Revenue from operations	33	13,640.63	13,150.97
Other income	34	177.59	189.59
Total income		13,818.22	13,340.56
Expenses			
Electrical energy purchased		3,709.40	4,116.50
Fuel cost		4,250.54	4,019.46
Cost of materials consumed	35	250.60	259.86
Purchase of stock-in-trade		53.69	229.46
Changes in inventories of finished goods and work-in-progress	36	1.45	(19.58)
Employee benefits expense	37	532.05	486.42
Finance costs	38	954.55	898.93
Depreciation and amortization expense	39	1,304.27	1,226.53
Other expenses	40	1,286.83	859.37
Total expenses		12,343.38	12,076.95
Profit before exceptional items and tax		1,474.84	1,263.61
Exceptional items	42	1,000.00	-
Profit before tax		474.84	1,263.61
Tax expense			
Current tax	43	309.26	275.51
Deferred tax	43	(1,013.30)	84.27
		(704.04)	359.78
Profit for the year		1,178.88	903.83
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans	48	(44.60)	(9.60)
Tax relating to remeasurement of the defined benefit plans	43	(15.58)	(3.35)
Other comprehensive income for the year (net of tax)		(29.02)	(6.25)
Total comprehensive income for the year		1,149.86	897.58
Profit for the year attributable to:			
Owners of the Company		1,174.15	898.94
Non-controlling interests		4.73	4.89
		1,178.88	903.83
Other comprehensive income for the year attributable to:			
Owners of the Company		(29.02)	(6.25)
Non-controlling interests		-	-
		(29.02)	(6.25)
Total comprehensive income for the year attributable to:			
Owners of the Company		1,145.13	892.69
Non-controlling interests		4.73	4.89
		1,149.86	897.58
Basic and diluted earnings per share of face value of ₹10 each (in ₹)	52	24.43	18.70
See accompanying notes forming part of the consolidated financial statements			

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 039985

Bengaluru, May 18, 2020

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

Sanjay Dalal
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 18, 2020

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Crore)

	Note	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from operating activities			
Net profit before tax		474.84	1,263.61
Adjustments for :			
Depreciation and amortization expense	39	1,304.27	1,226.53
Amortisation of deferred revenue	33	(74.09)	(64.07)
Provision of earlier years written back	33	(3.69)	(26.98)
Loss on sale / discarding of property, plant and equipment	40	39.64	17.97
Gain on disposal of property, plant and equipment	34	(2.89)	(8.40)
Bad debts written off (net of recovery)	40	(17.41)	3.96
Provision for onerous contracts	40	189.78	-
Allowance for doubtful debts (net)	40	82.43	17.44
Exceptional items	42	1,000.00	-
Finance costs	38	954.55	898.93
Interest income	34	(81.96)	(75.94)
Gain on sale of current investments in mutual funds	34	(49.77)	(49.56)
Gain on sale of non-current investments	34	(8.64)	-
Net (gain) / loss arising on current investments in mutual funds measured at fair value through profit or loss	34	1.79	9.09
Net gain arising on financial assets / liabilities measured at amortised cost	34	(13.84)	(24.45)
Net unrealised loss / (gain) on foreign currency transactions		12.30	(4.70)
Operating profit before working capital changes		3,807.31	3,183.43
Movement in working capital:			
Adjustments for decrease / (increase) in operating assets:			
Inventories		28.79	(172.15)
Trade receivables		(115.08)	(120.64)
Loans		(1.81)	1.23
Other financial assets		(2.51)	(510.20)
Other assets		(31.14)	(37.84)
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		209.45	178.04
Other financial liabilities		45.83	119.82
Provisions		12.81	5.20
Other liabilities		(20.56)	63.63
Cash generated from operations		3,933.09	2,710.52
Taxes paid (net)		(297.68)	(285.92)
Net cash flow generated from operating activities		3,635.41	2,424.60
Cash flow from investing activities			
Payments for property, plant and equipment & intangible assets		(1,333.68)	(1,988.67)
Proceeds from sale of property, plant and equipment		(13.48)	100.80
Non-current (investment in) / redemption of debentures from associates		191.62	(78.30)
Purchase of non-current investments		(1.92)	(1.93)
(Loans to) / repayment of loans from related parties (net)		(157.95)	-
(Investments) / redemption in bank deposits (net) (maturity more than three months)		24.43	(31.40)
Interest received		69.60	76.79
(Purchase of) / proceeds from current investments (net)		67.25	94.27
Bank balances not considered as cash and cash equivalents		-	(0.02)
Net cash generated from / (used in) investing activities		(1,154.13)	(1,828.46)

CONSOLIDATED STATEMENT OF CASH FLOW (Contd.)

FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from financing activities		
Proceeds from long-term borrowings	1,778.05	859.61
Proceeds from short-term borrowings	263.36	1,200.05
Repayment of long-term borrowings	(360.36)	(447.55)
Prepayment of long-term borrowings	(1,970.64)	(290.75)
Repayment of short-term borrowings	(560.13)	(900.00)
Repayment of Accelerated Power Development and Reform Programme (APDRP) loan	(3.82)	(3.82)
Receipt of contribution from consumers	185.69	166.00
Dividend paid (including dividend distribution tax)	(968.31)	(292.53)
Principal elements of finance lease payments	(5.71)	-
Finance costs paid	(864.32)	(907.58)
Net cash generated from / (used) in financing activities	(2,506.19)	(616.57)
Net (decrease) / increase in cash and cash equivalents	(24.91)	(20.43)
Cash and cash equivalents as at beginning of the year	116.07	136.50
Cash and cash equivalents as at end of the year	91.16	116.07
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	89.87	107.85
Balance in fixed deposit accounts (original maturity for less than three months)	-	0.78
Cheques, drafts on hand	0.94	6.02
Cash on hand	0.35	1.42
	91.16	116.07

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

In terms of our report attached

For and on behalf of the Board of Directors

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

Samir Mehta
Chairperson
DIN:00061903

Pradip Kanakia
Partner
Membership No.: 039985

Sanjay Dalal
Chief Financial Officer

Rahul Shah
Company Secretary

Bengaluru, May 18, 2020

Ahmedabad, May 18, 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

A. Equity share capital [Refer note 20]

(₹ in Crore)

Balance as at April 01, 2018	480.62
Changes in equity share capital during the year	-
Balance as at March 31, 2019	480.62
Changes in equity share capital during the year	-
Balance as at March 31, 2020	480.62

B. Other equity [Refer note 21]

(₹ in Crore)

	Reserves and surplus						Other equity attributable to equity holders of the Company	Non-controlling interests	Total
	Securities premium	Debenture redemption reserve	Contingency reserve	Special reserve	General reserve	Retained earnings			
Balance as at April 01, 2018	0.03	163.68	7.95	78.07	3,583.89	3,405.29	7,238.91	35.92	7,274.83
Impact on adoption of Ind AS 115 [Refer note 59]	-	-	-	-	-	647.72	647.72	(0.60)	647.12
Restated balance as at April 01, 2018	0.03	163.68	7.95	78.07	3,583.89	4,053.01	7,886.63	35.32	7,921.95
Profit for the year	-	-	-	-	-	898.94	898.94	4.89	903.83
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(6.25)	(6.25)	-	(6.25)
Total comprehensive income for the year	-	-	-	-	-	892.69	892.69	4.89	897.58
Transfer to debenture redemption reserve	-	34.22	-	-	-	(34.22)	-	-	-
Transfer to contingency reserve	-	-	1.81	-	-	(1.81)	-	-	-
Dividend (including interim dividend) paid	-	-	-	-	-	(240.31)	(240.31)	(2.34)	(242.65)
Dividend distribution tax paid	-	-	-	-	-	(49.40)	(49.40)	(0.48)	(49.88)
Balance as at March 31, 2019	0.03	197.90	9.76	78.07	3,583.89	4,619.96	8,489.61	37.39	8,527.00
Balance as at April 01, 2019	0.03	197.90	9.76	78.07	3,583.89	4,619.96	8,489.61	37.39	8,527.00
Profit for the year	-	-	-	-	-	1,174.15	1,174.15	4.73	1,178.88
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(29.02)	(29.02)	-	(29.02)
Total comprehensive income for the year	-	-	-	-	-	1,145.13	1,145.13	4.73	1,149.86
Transfer to debenture redemption reserve	-	60.20	-	-	-	(60.20)	-	-	-
Transfer to contingency reserve	-	-	1.83	-	-	(1.83)	-	-	-
Dividend (including interim dividend) paid	-	-	-	-	-	(797.82)	(797.82)	(5.38)	(803.20)
Dividend distribution tax paid	-	-	-	-	-	(164.00)	(164.00)	(1.11)	(165.11)
Balance as at March 31, 2020	0.03	258.10	11.59	78.07	3,583.89	4,741.24	8,672.92	35.63	8,708.55

In terms of our report attached

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

Pradip Kanakia
Partner
Membership No.: 039985

Bengaluru, May 18, 2020

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

Sanjay Dalal
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 18, 2020

NOTE 1A: GENERAL INFORMATION

These financial statements comprise financial statements of Torrent Power Limited ("the Company") and its subsidiaries (hereinafter referred to as "the Group") and associates for the year ended March 31, 2020.

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

The Group is engaged in the business of generation, transmission and distribution of Electricity and of manufacture and sale of Cable. Information on the Group's structure is provided in note 41.

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

The Group has applied the following Ind AS for the first time for its annual reporting period commencing April 01, 2019:

Ind AS - 116 "Leases"

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards), 2019 on March 30, 2019 which includes Ind AS - 116 "Leases". The Company has applied Ind AS - 116, Leases for the first time for their annual reporting period commencing April 01, 2019.

The Group had to change its accounting policy as a result of adopting Ind AS - 116. This is disclosed in note 2.20.

Other amendments:

On March 30, 2019, the Ministry of Corporate Affairs (MCA) notified certain other amendments to Indian Accounting Standards (Ind AS), as part of the Companies (Indian Accounting Standards) Second Amendment Rules, 2019.

i) Ind AS - 12 "Income taxes", Appendix C - Uncertainty over income tax treatments
ii) Amendment to Ind AS - 12 "Income taxes"
iii) Ind AS - 19 "Employee benefits", Plan amendment, curtailment or settlement
iv) Ind AS - 23 "Borrowing costs"
v) Ind AS - 28 "Investments in associates and Joint-Ventures", Long-term interests in Associates and Joint-ventures
vi) Ind AS - 109 "Financial Instruments", Prepayment Features with Negative Compensation
vii) Ind AS - 103 "Business Combination"
viii) Ind AS - 111 "Joint Arrangements"

The above other amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or 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 March 31.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated balance sheet, consolidated statement of profit and loss and consolidated statement of changes in equity respectively.

Associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties, that have joint control of the arrangement, have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in the consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS - 105 “Non-current Assets Held for Sale and Discontinued Operations”. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group’s share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group’s share of losses of an associate or a joint venture exceeds the Group’s interest in that associate or joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognized to the extent that the Group has incurred legal or constructive obligation or made payment on behalf of the associate or joint venture.

2.3 Business combinations and Goodwill:

Business combination - acquisition

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

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

Acquisition-related costs are expensed as incurred.

The excess of the

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

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

Business combination – common control transaction

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

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

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

Goodwill

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

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

2.4 Government grants:

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

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

2.5 Property, plant and equipment:

Tangible fixed assets

Freehold land is carried at historical cost. All other items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses, except that on adoption of Ind AS, property, plant and equipment had been measured at deemed cost, using the net carrying value as per previous GAAP as at April 01, 2015.

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

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

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

Depreciation methods, estimated useful lives and residual value

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

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

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

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

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

2.6 Investment properties:

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

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

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

2.7 Intangible assets – acquired

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

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

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

2.8 Impairment of tangible and intangible assets other than goodwill:

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

2.9 Borrowing costs:

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

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

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

2.10 Cash and cash equivalents:

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

2.11 Inventories:

Raw materials, fuel, stores and spares, packing materials, loose tools, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of inventories includes purchase price and all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the weighted average basis except for inventory of Regasified Liquefied Natural Gas (RLNG) which is valued using specific identification method considering its procurement for beneficiary usage or others. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.12 Revenue recognition:

Revenue is recognized, when the control of the goods or services has been transferred to consumers. Revenue is measured at the fair value of the consideration received or receivable, net of discounts and other similar allowances.

(i) Revenue from power supply and transmission charges is accounted for in accordance with the principles laid down under the relevant Tariff Regulations / Tariff Orders notified by the Electricity Regulator. Revenue recognized includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff and adjustments in respect of unbilled amounts towards revenue gaps / unapproved FPPPA which are recognised considering applicable tariff regulations/ tariff orders, past trends of approval, management's probability estimate and, when no significant uncertainty exists in such determination. Revenue from power supply exclude taxes and duties.

These adjustments / accruals are carried forward as 'Unbilled revenue' under "Other current financial assets" in Note 18, which would be adjusted through future billing based on tariff determination by the regulator in accordance with the electricity regulations.

(ii) Sales of cables and trading of RLNG are recognised, net of returns and rebates, on transfer of control of ownership to the buyer. Sales exclude Goods and Services Tax.

(iii) Gross proceeds from sale of Certified Emission Reduction certificates (CERs) are recognized when all the control of CERs have been passed to the buyer, usually on delivery of the CERs.

(iv) Income from Generation Based Incentive is accounted on accrual basis considering eligibility of project for availing incentive.

(v) Contributions by consumers towards items of property, plant and equipment, which require an obligation to provide electricity connectivity to the consumers, are recognised as a credit to deferred revenue. Similarly contribution by third party towards construction of overhead transmission lines are recognized as a credit to deferred revenue. Such revenue is recognised over the useful life of the property, plant and equipment.

2.13 Foreign currency translation:

Functional and presentation currency

The consolidated financial statements are prepared in Indian rupee (INR) which is functional as well as presentation currency of the Group.

Transactions and balances

In preparing the financial statements of each individual Group entity transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign exchange differences regarded as an adjustments to borrowing costs are presented in the consolidated statement of profit and loss, within finance costs. All other foreign exchange differences arising on settlement of monetary items or on reporting the Group's monetary items at rates different from those at which they were initially recorded during the financial year are recognized as income or expense in the financial year in which they arise.

The exchange differences relating to long term foreign currency monetary items, recognised in the financial statement upto March 31, 2016, in so far as they relate to acquisition of depreciable capital assets is adjusted to the cost of such capital asset and depreciated over the balance useful life of such asset.

2.14 Employee benefits:

Defined contribution plans

Contributions retirement benefit plans in the form of provident fund, employee state insurance scheme, pension scheme and superannuation schemes as per regulations are charged as an expense on an accrual basis when employees have rendered the service. The Group has no further payment obligations once the contributions have been paid.

Defined benefits plans

The liability or asset recognised in the consolidated balance sheet in respect of the retirement benefit plan i.e. gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by an actuary using projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets. This cost is included in the employee benefit expense in the consolidated statement of profit and loss.

Remeasurements, comprising actuarial gains and losses and the effect of the changes to the asset ceiling (if applicable), is reflected immediately in the consolidated balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and consequently recognised in retained earnings and is not reclassified to profit or loss.

The retirement benefit obligation recognised in the consolidated balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The said obligations are presented as current liabilities in the consolidated balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2.15 Taxation:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on estimated taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in the tax returns with respect to situations for which applicable tax regulations are subject to interpretation and revises the provisions, if so required where consider necessary.

Advance taxes and provisions for current income taxes are offset with each other when there is a legally enforceable right to offset and balances arise with the same tax authority.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

2.16 Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) attributable to owners of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by adjusting the figures used in the determination of basic EPS to take into account:

- After tax effect of interest and other financing costs associated with dilutive potential equity shares.
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.17 Provisions, contingent liabilities and contingent assets:

Provisions

A provision is recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

2.18 Financial instruments:

Financial assets

i) Classification of financial assets (including debt instruments)

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

ii) Initial measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

iii) Subsequent measurement

There are three measurement categories into which the debt instruments can be classified:

- **Amortised cost**

  Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI)**

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

- **Fair value through profit or loss (FVTPL)**

  Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the consolidated statement of profit and loss within other gains / (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

iv) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 only, the Group follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109 i.e. expected credit loss allowance as computed based on historical credit loss experience.

v) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset

When the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of financial asset, the financial asset is derecognised if the Group has not retained control over the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

vi) Income recognition

Dividend is accounted when the right to receive payment is established.

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Interest on overdue receivables of energy bills and claims including insurance claims, coal cost variation and other claims etc. are accounted as and when recovered.

Financial liabilities

The Group's financial liabilities include trade and other payables, loans and borrowings.

i) Classification

All the Group's financial liabilities, except for financial liabilities at fair value through profit or loss, are measured at amortized cost.

ii) Initial measurement

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate Method.

The Effective Interest Rate Method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

iv) Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or waived off or have expired. An exchange between the Group and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.19 Contributed equity:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Transaction costs of an equity transaction shall be accounted for in other equity.

2.20 Leases:

The Group has applied Ind AS - 116 for the first time for the annual reporting period commencing April 01, 2019.

The Group as a lessee:

From April 01, 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components.

Lease liabilities:

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the lease payments.

The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the lessee's incremental borrowing rate. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets:

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date.

Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated over the asset's lease term on a straight line basis. The leasing arrangements range between 11 months and 99 years generally.

Short term leases and leases of low value assets:

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment including IT equipment and small value of building.

2.21 Exceptional Items:

When items of income or expense are of such nature, size and incidence that their disclosure is necessary to explain the performance of the Company for the year, the company makes a disclosure of the nature and amount of such items separately under the head "Exceptional items."

2.22 Amount presented and rounding off:

All amounts in the financial statements and notes have been presented in ₹ Crore (except for share data) rounded to two decimals as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated. Figures below ₹50,000 are denoted by '*'.

NOTE 3: CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the course of applying the policies outlined in all notes under note 2 above, the management of the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Such estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

3.1 Revenue recognition:

The Group has recognised revenue (including the adjustment in respect of unapproved FPPPA claims and other true up adjustment claims) as per the applicable tariff regulations / tariff orders, management's probability estimate and the past trends of approval. The Group has not recognized those truing up adjustment claims which are subject of dispute and for which the group is in appeal with regulatory authorities.

3.2 Property, plant and equipment:

(i) Service concession arrangements

The Group has assessed applicability of Appendix D of Ind AS - 115 "Service Concession Arrangements" with respect to its distribution and transmission assets portfolio. In assessing the applicability, the Group has exercised judgment in relation to the provisions of the Electricity Act, 2003, transmission / distribution license and / or agreements. Based on such assessment, it has concluded that Appendix D of Ind AS 115 is not applicable.

(ii) Impairment of property, plant and equipment

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount of property, plant and equipment is the higher of its fair value less costs of disposal and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated PLF, fuel availability at economical rates, economic and regulatory environment, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets. [Refer note 42(1)]

3.3 Impairment of financial assets:

(i) Trade receivables

The Group estimates the credit allowance as per practical expedient based on historical credit loss experience as enumerated in note 56.

3.4 Taxation:

(i) Current tax

The Group has treated certain expenditure as being deductible for tax purposes. However, the tax legislation in relation to such expenditure is not clear and the Group has applied their judgement and interpretation for the purpose of taking their tax position.

(ii) Deferred tax assets

Deferred tax assets are recognised for unused tax losses / credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. [Refer note 43]

3.5 Contingencies:

Contingent liabilities

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management decides whether the matters needs to be classified as 'remote', 'possible' or 'probable' based on expert advice, past judgements, experiences etc.

3.6 Employee benefit plans:

Defined benefit plans and other long-term employee benefits

The present value of obligations under defined benefit plan and other long term employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, these obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

NOTE 4 : PROPERTY, PLANT AND EQUIPMENT

As at March 31, 2020

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation and impairment loss					Net carrying amount
	As at April 01, 2019	Additions during the year	Deductions during the year	Adjustments	As at March 31, 2020	As at April 01, 2019	For the year: Depreciation	For the year: Impairment	Deductions during the year	As at March 31, 2020	As at March 31, 2020
Freehold land	409.10	32.64	*	-	441.74	-	-	-	-	-	441.74
Buildings	1,505.68	43.38	5.62	2.53	1,545.97	187.47	54.11	-	0.07	241.51	1,304.46
Railway siding	1.86	-	-	-	1.86	0.20	0.05	-	-	0.25	1.61
Plant and machinery	20,093.15	1,567.41	28.52	(0.07)	21,631.97	3,990.35	1,212.96	1,000.00	11.87	6,191.44	15,440.53
Electrical fittings and apparatus	40.26	3.12	0.07	0.01	43.32	12.27	3.06	-	0.06	15.27	28.05
Furniture and fixtures	45.11	3.63	0.21	*	48.53	10.92	3.28	-	0.12	14.08	34.45
Vehicles	23.50	5.71	1.66	-	27.55	7.87	2.62	-	1.19	9.30	18.25
Office equipment	121.07	22.46	1.24	0.08	142.37	34.07	11.76	-	0.74	45.09	97.28
Total	22,239.73	1,678.35	37.32	2.55	23,883.31	4,243.15	1,287.84	1,000.00	14.05	6,516.94	17,366.37

As at March 31, 2019

(₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation and impairment loss					Net carrying amount
	As at April 01, 2018	Additions during the year	Deductions during the year	Adjustments	As at March 31, 2019	As at April 01, 2018	For the year: Depreciation	For the year: Impairment	Deductions during the year	As at March 31, 2019	As at March 31, 2019
Freehold land	386.99	110.76	88.65	-	409.10	-	-	-	-	-	409.10
Buildings	1,426.22	79.13	0.37	0.70	1,505.68	135.83	51.68	-	0.04	187.47	1,318.21
Railway siding	1.86	-	-	-	1.86	0.15	0.05	-	-	0.20	1.66
Plant and machinery	18,889.09	1,229.67	31.74	6.13	20,093.15	2,849.48	1,152.19	-	11.32	3,990.35	16,102.80
Electrical fittings and apparatus	37.93	2.29	0.01	0.05	40.26	9.02	3.26	-	0.01	12.27	27.99
Furniture and fixtures	41.32	3.74	0.03	0.08	45.11	7.78	3.14	-	-	10.92	34.19
Vehicles	22.38	1.70	0.73	0.15	23.50	5.64	2.49	-	0.26	7.87	15.63
Office equipment	84.69	36.69	0.70	0.39	121.07	25.09	9.21	-	0.23	34.07	87.00
Total	20,890.48	1,463.98	122.23	7.50	22,239.73	3,032.99	1,222.02	-	11.86	4,243.15	17,996.58

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 ₹17,933.77 Crore (March 31, 2019 - ₹18,355.85 Crore) have been mortgaged and hypothecated to secure borrowings of the Company and certain subsidiaries [Refer note 22].

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 ₹2.55 Crore (Previous year - ₹7.28 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 ₹11.55 Crore (March 31, 2019 - ₹2.67 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 9.00% (Previous year 8.68%).

6. Additions to plant and machinery includes capitalisation of directly attributable costs incurred by the Group under various headings.

7. Refer note 42(1) for impairment loss in respect of DGEN power plant.

8. Pro-rata cost of assets owned jointly with Torrent Pharmaceuticals Limited, a fellow subsidiary are as under:

(₹ in Crore)

Particulars	Proportion of holding	As at March 31, 2020	As at March 31, 2019
Freehold land	50%	23.78	23.78
Freehold land	70%	83.16	83.16
Building	70%	2.52	2.52

NOTE 5 : RIGHT-OF-USE ASSETS

As at March 31, 2020 (₹ in Crore)

Particulars	Gross carrying amount					Accumulated depreciation					Net carrying amount
	As at April 01, 2019	Transition impact of Ind AS 116	Additions during the year	Deductions during the year	As at March 31, 2020	As at April 01, 2019	Transition impact of Ind AS 116	For the year	Deductions during the year	As at March 31, 2020	As at March 31, 2020
Land	-	222.55	-	4.50	218.05	-	47.96	6.90	0.07	54.79	163.26
Buildings	-	13.21	14.49	-	27.70	-	-	3.45	-	3.45	24.25
Plant and machinery	-	0.38	-	-	0.38	-	-	0.05	-	0.05	0.33
Office equipment	-	0.14	-	-	0.14	-	-	0.04	-	0.04	0.10
Total	-	236.28	14.49	4.50	246.27	-	47.96	10.44	0.07	58.33	187.94

Footnote:

1. Refer note 47 for disclosure relating to right-of-use asset.

NOTE 6 : INTANGIBLE ASSETS

As at March 31, 2020 (₹ in Crore)

Particulars	Gross carrying amount				Accumulated amortization				Net carrying amount
	As at April 01, 2019	Additions during the year	Deductions during the year	As at March 31, 2020	As at April 01, 2019	For the year	Deductions during the year	As at March 31, 2020	As at March 31, 2020
Computer software	36.96	5.80	0.45	42.31	19.65	8.13	0.45	27.33	14.98
Total	36.96	5.80	0.45	42.31	19.65	8.13	0.45	27.33	14.98

As at March 31, 2019 (₹ in Crore)

Particulars	Gross carrying amount				Accumulated amortization				Net carrying amount
	As at April 01, 2018	Additions during the year	Deductions during the year	As at March 31, 2019	As at April 01, 2018	For the year	Deductions during the year	As at March 31, 2019	As at March 31, 2019
Computer software	26.53	10.43	-	36.96	13.30	6.35	-	19.65	17.31
Total	26.53	10.43	-	36.96	13.30	6.35	-	19.65	17.31

Footnote:

1. The above computer software has been mortgaged and hypothecated to secure borrowings of the Company and certain subsidiaries [Refer note 22].

NOTE 7 : NON-CURRENT INVESTMENTS

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
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 - March 31, 2020: 9,61,500, March 31, 2019: 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 - March 31, 2020: 24,500, March 31, 2019: 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 - March 31, 2020: 25,000, March 31, 2019: 25,000)		
UNM Foundation @		
Equity shares of ₹10 each fully paid up	0.03	0.03
(No. of shares - March 31, 2020: 25,000, March 31, 2019: 25,000)		
	0.06	0.06
@ 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 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	103.78	97.21
(No. of debentures - March 31, 2020: 9,070, March 31, 2019: 9,070)		
Wind Four Renergy Private Limited		
Zero coupon secured, redeemable with premium non-convertible debentures of ₹1,00,000 each	-	91.23
(No. of debentures - March 31, 2020: Nil, March 31, 2019: 8,600)		
Wind Five Renergy Private Limited		
Zero coupon secured, redeemable with premium non-convertible debentures of ₹1,00,000 each	-	88.87
(No. of debentures - March 31, 2020: Nil, March 31, 2019: 8,400)		
	103.78	277.31

NOTE 7 : NON-CURRENT INVESTMENTS (Contd.)

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Contingency reserve investments - statutory (quoted) (at amortised cost) $		
8.28% GOI Bond - 2032	0.99	0.99
8.32% GOI Bond - 2032	0.32	0.32
8.97% GOI Bond - 2030	1.01	1.01
8.28% GOI Bond - 2027	1.30	1.30
7.35% GOI Bond - 2024	1.32	1.32
8.40% GOI Bond - 2024	1.63	1.63
6.68% GOI Bond - 2031	1.69	1.69
7.37% GOI Bond - 2023	1.93	1.93
7.57% GOI Bond - 2033	1.92	-
	12.11	10.19
	115.95	287.56
Aggregate amount of quoted investments	12.11	10.19
Aggregate amount of unquoted investments	103.84	277.37
	115.95	287.56
Aggregate amount of provision for impairment in value of investments	0.63	0.63
Aggregate amount of market value of quoted investments	13.03	10.54

$ 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 March 31, 2020	As at March 31, 2019
Loans to related parties (including interest accrued) [Refer note 55(d)]	157.88	-
Security deposits	18.31	16.74
	176.19	16.74

NOTE 9 : OTHER NON-CURRENT FINANCIAL ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Inter-corporate deposits #	-	230.00
Bank fixed deposits	0.99	0.48
Other advances	0.10	0.13
	1.09	230.61

include ₹ Nil (March 31, 2019 - ₹80.00 Crore) on which a lien has been created in favour of lenders

NOTE 10 : NON-CURRENT TAX ASSETS

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Advance income tax (net)	22.06	28.36
	22.06	28.36

NOTE 11 : OTHER NON-CURRENT ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Capital advances	68.62	601.62
Advances for goods and services	170.28	189.80
Balances with government authorities	63.42	56.37
Prepaid expenses	25.03	25.36
Unamortised premium for leasehold land	-	155.84
	327.35	1,028.99

NOTE 12 : INVENTORIES

(valued at lower of cost and net realizable value)

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Stores and spares	295.24	279.56
Fuel	241.82	292.47
Raw materials	27.85	21.21
Work-in-progress	7.37	8.75
Finished goods	23.13	23.31
Packing materials	1.25	0.49
Loose tools	1.58	1.24
	598.24	627.03

Footnotes:

1. The cost of stores and spares inventories recognised as an expense includes ₹2.70 Crore (Previous year - ₹1.97 Crore) in respect of write-downs of inventory to net realisable value determined based on evaluation of slow and non-moving inventories.
2. The above carrying amount of inventories has been mortgaged and hypothecated to secure borrowings of the Company and certain subsidiaries.
3. The above carrying amount of fuel includes goods in transit of ₹ Nil (March 31, 2019 - ₹4.48 Crore).

NOTE 13 : CURRENT INVESTMENTS
(Investments carried at fair value through profit or loss)

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Investment in mutual funds (unquoted)		
Axis Liquid Fund- Growth (No. of units- March 31, 2020: Nil, March 31, 2019: 4,46,035)	-	92.11
HDFC Overnight Fund - Growth (No. of units- March 31, 2020: 1,13,069, March 31, 2019: Nil)	33.57	-
ICICI Liquid Plan - Regular - Growth ^ (No. of units- March 31, 2020: Nil, March 31, 2019: 98,64,058)	-	271.68
ICICI Overnight Fund - Growth (No. of units- March 31, 2020: 1,96,72,586, March 31, 2019: Nil)	211.97	-
IDFC Overnight Fund - Growth (No. of units- March 31, 2020: 14,07,462, March 31, 2019: Nil)	150.00	-
SBI Overnight Fund - Growth (No. of units- March 31, 2020: 4,61,238, March 31, 2019: Nil)	150.07	-
Tata Money Market Fund (No. of units- March 31, 2020: Nil, March 31, 2019: 8,97,692)	-	263.07
Tata Overnight Fund- Growth (No. of units- March 31, 2020: 5,88,180, March 31, 2019: Nil)	61.98	-
	607.59	626.86
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	607.59	626.86
	607.59	626.86
Aggregate amount of impairment in value of investments	-	-
Aggregate amount of market value of quoted investments	-	-

^ include ₹ Nil (March 31, 2019 - ₹22.30 Crore) on which a lien has been created in favour of lenders

NOTE 14 : TRADE RECEIVABLES

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Trade receivables		
Secured - Considered good	514.65	488.35
Unsecured - Considered good	765.10	741.34
- Credit impaired	235.80	153.37
	1,515.55	1,383.06
Less: Allowance for bad and doubtful debts	235.80	153.37
	1,279.75	1,229.69

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 March 31, 2020	As at March 31, 2019
Balances with banks		
Balance in current accounts	89.87	107.85
Balance in fixed deposit accounts (original maturity of less than three months)	-	0.78
	89.87	108.63
Cheques, drafts on hand	0.94	6.02
Cash on hand	0.35	1.42
	91.16	116.07

NOTE 16 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Unpaid dividend accounts	9.55	7.44
Unpaid fractional coupon accounts	0.35	0.35
Balance in fixed deposit accounts # (maturity of more than three months but less than twelve months)	179.20	204.14
	189.10	211.93

include ₹100.81 Crore (March 31, 2019 - ₹69.00 Crore) on which a lien has been created in favour of lenders

NOTE 17 : CURRENT LOANS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Loans to related parties [Refer note 55(d)]	0.07	-
Security deposits	15.31	15.07
	15.38	15.07

NOTE 18 : OTHER CURRENT FINANCIAL ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Inter-corporate deposits #	280.00	75.00
Interest accrued on non-current investments	0.21	0.17
Interest accrued on deposits	25.64	12.27
Unbilled revenue (including revenue gap / surplus) [Refer note 59]	1,506.47	1,459.83
	1,812.32	1,547.27
Other advances / receivables		
Considered good	113.01	132.11
Considered credit impaired	6.06	6.06
	119.07	138.17
Less : Allowance for doubtful advances	6.06	6.06
	113.01	132.11
	1,925.33	1,679.38

include ₹130.00 Crore (March 31, 2019 - ₹75.00 Crore) on which a lien has been created in favour of lenders

NOTE 19 : OTHER CURRENT ASSETS

Unsecured (considered good unless stated otherwise)

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Advances for goods and services	89.06	51.02
Balances with government authorities	0.82	0.39
Prepaid expenses	27.23	21.76
Unamortised premium for leasehold land	-	5.85
	117.11	79.02

NOTE 20 : EQUITY SHARE CAPITAL

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Authorised		
4,37,00,00,000 (4,37,00,00,000 as at March 31, 2019) 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 March 31, 2019) 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 March 31, 2020	No. of shares As at March 31, 2019
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 March 31, 2019) 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 March 31, 2020		As at March 31, 2019	
	No. of shares	% holding	No. of shares	% holding
Torrent Private Limited @	25,74,22,311	53.56%	25,74,22,311	53.56%
Gujarat State Financial Services Limited	4,68,71,621	9.75%	4,68,71,621	9.75%
Axis Mutual Fund Trustee Limited	2,95,72,552	6.15%	3,07,44,585	6.40%

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 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 August 13, 2015.

6. Distributions made and proposed:

   The amount of per share dividend distributed to equity shareholders during the year ended March 31, 2020 was ₹5.00 (Previous year - ₹5.00) per equity share, being the final dividend declared for the year ended March 31, 2019.

   Interim dividend for FY 2019-20 of ₹11.60 per equity share (including ₹5.00 per equity share as a special dividend) aggregating to ₹672.11 Crore (including dividend distribution tax of ₹114.60 Crore) was paid in February 2020. The Board has not considered any further dividends for FY 2019-20.

@Torrent Private Limited changed to Torrent Investments Private Limited w.e.f. April 15, 2020.

NOTE 21 : OTHER EQUITY

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Reserves and surplus		
Securities premium	0.03	0.03
Debenture redemption reserve	258.10	197.90
Contingency reserve	11.59	9.76
Special reserve	78.07	78.07
General reserve	3,583.89	3,583.89
Retained earnings	4,741.24	4,619.96
	8,672.92	8,489.61

Footnotes:

1. Securities premium :

   Securities premium reflects issuance of the shares by the Company at a premium, whether for cash or otherwise i.e. a sum equal to the aggregate amount of the premium received on shares is transferred to a “securities premium account” as per the provisions of the Companies Act, 2013. The reserve can be utilised in accordance with the provisions of the Act.

2. Debenture redemption reserve:

   The Company has issued redeemable non-convertible debentures. Consequently, the Company is required under the Companies (Share capital and Debentures) Rules, 2014 (as amended), to create Debenture redemption reserve (DRR), equal to 25% of the value of debentures, out of profits of the Company available for payment of dividend. The Company creates DRR, for the required amount, over the tenure of the debentures, before redemption begins.

3. Contingency reserve:

   As per the provisions of GERC MYT Regulations read with Tariff orders passed by GERC, the Company being a Distribution Licensee makes an appropriation to the contingency reserve to meet with certain exigencies. Investments in Bonds issued by Government of India have been made against such reserve.

4. Special reserve:

   As per MYT Regulations (2007), the Company has created a reserve in FY 2011-12 and FY 2012-13, which represents one third amount of controllable gain shall be retained in a special reserve by the Generating Company or Licensee for the purpose of absorbing the impact of any future losses on account of controllable factors.

5. General reserve:

   General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. The general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

6. Retained earnings:

   The retained earnings reflect the profit of the Group earned till date net of appropriations. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve, after considering the requirements of the Companies Act, 2013.

NOTE 22 : NON-CURRENT BORROWINGS

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Non-current borrowings		
Secured loans - at amortised cost		
Non convertible debentures		
10.35% Series 1	366.68	550.00
10.35% Series 2A, 2B & 2C	200.00	300.00
8.95% Series 3A, 3B & 3C	245.00	245.00
7.65% Series 5	100.00	-
	911.68	1,095.00
Term loans @		
From banks	6,598.32	7,460.81
	6,598.32	7,460.81
	7,510.00	8,555.81
Unsecured loans - at amortised cost		
Non convertible debentures #		
10.25% Series 4A, 4B & 4C	269.48	-
	269.48	-
Term loans		
From Government of India under Accelerated Power Development and Reform Programme (APDRP)	16.82	20.64
	16.82	20.64
	286.30	20.64
	7,796.30	8,576.45

@ After considering unamortised expense of ₹25.93 Crore as at March 31, 2020 and ₹34.33 Crore as at March 31, 2019.
# After considering unamortised expense of ₹0.52 Crore as at March 31, 2020 and ₹ Nil Crore as at March 31, 2019.

	As at March 31, 2020	As at March 31, 2019
Current maturities		
Secured loans - at amortised cost		
Non convertible debentures		
10.35% Series 1	183.32	-
10.35% Series 2A, 2B & 2C	100.00	-
	283.32	-
Term loans $		
From banks	783.74	834.83
	783.74	834.83
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
	1,070.88	838.65
Amount disclosed under the head 'Other current financial liabilities' [Refer note 29]	(1,070.88)	(838.65)
	-	-

$ After considering unamortised expense of ₹4.27 Crore as at March 31, 2020 and ₹5.24 Crore as at March 31, 2019.

NOTE 22 : NON-CURRENT BORROWINGS (Contd.)

Footnotes:

1. Nature of security
   (i) 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 ₹6,842.80 Crore and non convertible debentures of ₹1,095.00 Crore.
   (ii) The entire movable (including current assets) and immovable assets (other than those mentioned in a & b below), both present & future, are hypothecated & mortgaged by way of first pari passu charge in favour of non-convertible debentures of ₹100.00 Crore, and lenders of term loans, cash credits and non-fund based credit facilities, availed by the Company.
      a. movable fixed assets and debt service reserve accounts for the benefit of lenders of Renewable projects of the company
      b. immovable assets of Renewable Projects and leasehold land bearing plot nos. B15 and B28 situated in the Atali Industrial Estate in Taluka Vagra, District Bharuch, near 1200 MW Dahej Plant
   (iii) Amount of term loan of ₹46.03 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.
   (iv) Amount of term loan of ₹264.50 Crore from bank is secured by way of first pari passu charge created on entire immovable (in the process of creation) and movable assets (whether tangible or intangible) including current assets, both present and future, all bank accounts of the project including trust and retention account of subsidiary Company, Jodhpur Wind Farms Private Limited.
   (v) Amount of term loan of ₹258.94 Crore from bank is secured by way of first pari passu charge created on entire immovable (in the process of creation) and movable assets (whether tangible or intangible) including current assets, both present and future, all bank accounts of the project including trust and retention account of subsidiary Company, Latur Renewable Private Limited.
2. Undrawn term loans from banks, based on approved facilities, were ₹1,009.37 Crore as at March 31, 2020.

NOTE 23 : NON-CURRENT TRADE PAYABLES

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Trade payables for goods and services		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues other than micro and small enterprises	109.71	109.34
	109.71	109.34

NOTE 24 : OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Payables for purchase of property, plant and equipment	0.24	0.24
Lease liabilities	33.05	-
	33.29	0.24

NOTE 25 : NON-CURRENT PROVISIONS

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Provision for compensated absences	102.97	83.24
	102.97	83.24

NOTE 26 : OTHER NON-CURRENT LIABILITIES

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Deferred revenue [Refer note 44]		
Contribution received from consumers	1,058.34	953.83
Capital grant from government	18.85	21.57
Sundry payables	55.25	49.34
	1,132.44	1,024.74

NOTE 27 : CURRENT BORROWINGS

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Secured loans		
Cash credit from banks	3.28	300.05
	3.28	300.05

Footnotes:

1. The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for working capital facilities and by way of second pari passu charge in favour of lenders for hedge facility.

2. Undrawn cash credit from banks, based on approved facilities, were ₹1,186.72 Crore as at March 31, 2020.

Net debt reconciliation :

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents	91.16	116.07
Current investments	607.59	626.86
Current borrowings	(3.28)	(300.05)
Non-current borrowings (including current maturities and interest accrued but not due)	(9,002.72)	(9,479.31)
	(8,307.25)	(9,036.43)

NOTE 27 : CURRENT BORROWINGS (Contd.)

(₹ in Crore)

	Other assets		Liabilities from financing activities		Total
	Cash and cash equivalents	Current investments	Current borrowings	Non-current borrowings	
Net balance as at April 01, 2018	136.50	680.66	-	(9,360.74)	(8,543.58)
Cash flows	(20.43)	(94.27)	(300.05)	(117.49)	(532.24)
Interest expense	-	-	(12.23)	(816.24)	(828.47)
Interest paid	-	-	12.23	815.16	827.39
Gain on sale of current investments	-	49.56	-	-	49.56
Fair value adjustment	-	(9.09)	-	-	(9.09)
Net balance as at March 31, 2019	116.07	626.86	(300.05)	(9,479.31)	(9,036.43)
Cash flows	(24.91)	(67.25)	296.77	556.77	761.38
Interest expense	-	-	(4.08)	(846.39)	(850.47)
Interest paid	-	-	4.08	766.21	770.29
Gain on sale of current investments	-	49.77	-	-	49.77
Fair value adjustment	-	(1.79)	-	-	(1.79)
Net balance as at March 31, 2020	91.16	607.59	(3.28)	(9,002.72)	(8,307.25)

NOTE 28 : CURRENT TRADE PAYABLES

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Trade payables for goods and services		
Total outstanding dues of micro and small enterprises [Refer note 46] #	25.19	27.17
Total outstanding dues other than micro and small enterprises	1,012.72	782.58
	1,037.91	809.75

Amount due to micro and small enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act,2006) have been determined based on the information available with the Group.

NOTE 29 : OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Current maturities of long-term debt [Refer note 22]	1,070.88	838.65
Interest accrued but not due on loans and security deposits	104.82	24.64
Investor education and protection fund #		
Unpaid / Unclaimed dividend	9.55	7.44
Unclaimed fractional coupons	0.35	0.35
Book overdraft	14.96	25.32
Security deposits from consumers @	1,173.10	1,081.24
Other deposits	4.01	3.97
Payables for purchase of property, plant and equipment ^	287.91	277.51
Lease liabilities	4.91	-
Sundry payables (including for employees related payables)	119.07	158.57
	2,789.56	2,417.69

There is no amount due and outstanding to be credited to investor education and protection fund as at March 31, 2020.

@ Notwithstanding the fact that security deposits from consumers in the Group's business, which is in the nature of utility, are generally not repayable within a period of twelve months based on historical experience, such deposits amounting to ₹1,054.79 Crore as at March 31, 2019 that were earlier included as part of Other non-current financial liabilities have now been included under Other current financial liabilities pursuant to a Opinion issued by Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India pertaining to consumer deposits in another case.

^ including dues to micro and small enterprises for ₹1.08 Crore (March 31, 2019 - ₹2.29 Crore) [Refer note 46]

NOTE 30 : OTHER CURRENT LIABILITIES

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Credit balances of consumers	87.48	71.89
Service line deposits from consumers	194.82	258.73
Deferred revenue [Refer note 44]		
Contribution received from consumers	77.42	67.61
Capital grant from government	2.72	2.72
Statutory dues	202.77	177.70
Sundry payables	18.80	22.02
	584.01	600.67

NOTE 31 : CURRENT PROVISIONS

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Provision for gratuity [Refer note 48.2(d)]	54.60	18.39
Provision for compensated absences	25.42	23.98
	80.02	42.37
Other provisions		
Provision for indirect taxes	0.10	0.07
Provision for onerous contracts [Refer note 58]	189.78	-
	189.88	0.07
	269.90	42.44
Movement in provision for indirect taxes:		
Opening balance as on April 01	0.07	0.18
Additional provision recognised	0.03	0.06
Reduction arising from payments	-	(0.17)
Closing balance as on March 31	0.10	0.07
Movement in provision for onerous contracts:		
Opening balance as on April 01	-	-
Additional provision recognised	189.78	-
Closing balance as on March 31	189.78	-

NOTE 32 : CURRENT TAX LIABILITIES

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Provision for taxation (net of tax paid)	21.70	16.42
	21.70	16.42

NOTE 33 : REVENUE FROM OPERATIONS

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from contracts with customers [Refer foonotes below]		
Revenue from power supply	13,124.52	12,440.30
Revenue from sale of cable products		
Manufactured goods	322.14	297.22
Revenue from trading of RLNG	51.13	237.22
	13,497.79	12,974.74
Less: Discount for prompt payment of bills	24.27	18.23
	13,473.52	12,956.51
Other operating income		
Provisions of earlier years written back	3.69	26.98
Amortisation of deferred revenue		
Contribution received from consumers [Refer note 44(a)(2)]	71.37	61.35
Capital grant from government [Refer note 44(b)(2)]	2.72	2.72
Income from Certified Emission Reduction (CERs)	1.63	6.62
Income from Generation Based Incentive	29.24	32.10
Hire of meters	-	1.41
Insurance claim receipt	2.67	0.07
Miscellaneous income	55.79	63.21
	167.11	194.46
	13,640.63	13,150.97

Footnotes:

1. Disclosure given above presents disaggregated revenue from contracts with customers. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by market and other economic factors.
2. Timing of revenue recognition: All revenues of the Company are recognised at a point in time.

NOTE 34 : OTHER INCOME

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Interest income from financial assets at amortised cost		
Deposits	38.66	26.08
Consumers	28.27	28.23
Contingency reserve investments	0.87	0.73
Loans to related parties [Refer note 55(b)]	6.29	-
Others	7.87	20.90
	81.96	75.94
Gain on disposal of property, plant and equipment	2.89	8.40
Gain on sale of current investments in mutual funds	49.77	49.56
Gain on sale of non-current investments	8.64	-
Net gain arising on financial assets / liabilities measured at amortised cost	13.84	24.45
Net gain / (loss) arising on current investments in mutual funds measured at fair value through profit or loss	(1.79)	(9.09)
Net gain on foreign currency transactions	0.01	4.70
Miscellaneous income	22.27	35.63
	177.59	189.59

NOTE 35 : COST OF MATERIALS CONSUMED

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Cost of materials consumed	346.64	311.02
Less: Allocated to capital works	96.04	51.16
	250.60	259.86

NOTE 36 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Inventory of finished goods		
Opening stock	23.31	6.44
Less: Closing stock	23.13	23.31
	0.18	(16.87)
Inventory of work-in-progress		
Opening stock	8.75	5.93
Less: Closing stock	7.37	8.75
	1.38	(2.82)
Less: Allocated to capital works	0.11	(0.11)
	1.45	(19.58)

NOTE 37 : EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	605.32	588.34
Contribution to provident and other funds [Refer note 48.1]	39.79	37.15
Employees welfare expenses	26.02	20.76
Compensated absences	33.95	20.67
Gratuity [Refer note 48.2(e)(3)]	13.70	12.35
	718.78	679.27
Less: Allocated to capital works, repairs and other relevant revenue accounts	186.73	192.85
	532.05	486.42

NOTE 38 : FINANCE COSTS

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Interest expense for financial liabilities classified as amortised cost		
Term loans	711.79	706.34
Non convertible debentures	134.60	109.90
Working capital loans	4.08	12.23
Security deposits from consumers	70.20	61.49
Lease liabilities	2.54	-
Others	2.23	3.58
Other borrowing costs	16.29	9.75
Amotisation of borrowing costs	14.17	4.87
Unwinding of discount	10.08	-
	965.98	908.16
Less: Allocated to capital works	11.43	9.23
	954.55	898.93

NOTE 39 : DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation expense on property, plant and equipment	1,287.84	1,222.02
Depreciation expense on right-of-use assets	10.44	-
Amortization expense on intangible assets	8.13	6.35
	1,306.41	1,228.37
Less: Transfer from others	0.10	0.10
Less: Allocated to capital works	2.04	1.74
	1,304.27	1,226.53

NOTE 40 : OTHER EXPENSES

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Consumption of stores and spares	220.57	165.17
Rent and hire charges	15.85	25.04
Repairs to		
Buildings	11.25	11.53
Plant and machinery	361.48	321.07
Others	15.58	14.47
	388.31	347.07
Insurance	25.85	17.88
Rates and taxes	11.47	10.97
Vehicle running expenses	31.42	29.84
Electricity expenses	27.69	26.39
Security expenses	41.59	36.03
Water charges	20.75	16.41
Power transmission and scheduling charges	34.69	2.75
Corporate social responsibility expenses [Refer note 50]	20.76	20.49
Loss on sale / discarding of property, plant and equipment and capital work-in-progress	39.64	17.97
Commission to non-executive directors [Refer note 55(b)]	6.41	6.11
Directors sitting fees	0.67	0.84
Auditors remuneration [Refer note 49]	2.05	1.70
Legal, professional and consultancy fees	35.58	42.46
Donations [Refer note 51]	69.79	34.20
Net loss on foreign currency transactions	12.32	-
Bad debts written off (net)	(17.41)	3.96
Provision for onerous contracts [Refer note 58]	189.78	-
Allowance for doubtful debts (net of recovery)	82.43	17.44
Miscellaneous expenses	103.70	101.36
	1,363.91	924.08
Less: Allocated to capital works, repairs and other relevant revenue accounts	77.08	64.71
	1,286.83	859.37

NOTE 41: COMPOSITION OF THE GROUP

(a) Subsidiaries

(1) Details of the Company's subsidiaries 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 March 31, 2020	As at March 31, 2019
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	Power Generation	India	100%	100%
Jodhpur Wind Farms Private Limited	Power Generation	India	100%	100%
TCL Cables Private Limited (w.e.f. November 05, 2019) [Refer note 60]	Manufacturing of Cables	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 for the year ended March 31, 2020:

Name of the entity in the Group	Consolidated share in 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	99.98%	9,187.27	105.03%	1,238.14	99.93%	(29.00)	105.16%	1,209.14
Torrent Solargen Limited	0.05%	5.36	(6.82)%	(80.38)	-	-	(6.99)%	(80.38)
Torrent Pipavav Generation Limited	0.36%	33.12	(0.13)%	(1.53)	-	-	(0.13)%	(1.53)
Torrent Power Grid Limited	1.05%	96.37	1.16%	13.68	0.07%	(0.02)	1.19%	13.66
Latur Renewable Private Limited	1.26%	115.85	0.93%	11.01	-	-	0.96%	11.01
Jodhpur Wind Farms Private Limited	1.27%	116.40	0.62%	7.27	-	-	0.63%	7.27
TCL Cables Private Limited	0.02%	2.01	0.00%	0.01	-	-	0.00%	0.01
Non-controlling interests	0.39%	35.63	0.40%	4.73	-	-	0.41%	4.73
Consolidation adjustments	(4.38)%	(402.84)	(1.19)%	(14.05)	-	-	(1.23)%	(14.05)
Total	100.00%	9,189.17	100.00%	1,178.88	100.00%	(29.02)	100.00%	1,149.86

NOTE 41: COMPOSITION OF THE GROUP (Contd.)

(b) Associates

Details of the Company's associates 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 March 31, 2020
			As at March 31, 2020	As at March 31, 2019		
Wind Two Renergy Private Limited	Power Generation	India	0%	0%	Unlisted	#
Wind Four Renergy Private Limited (upto June 04, 2019)	Power Generation	India	NA	0%	Unlisted	# / @
Wind Five Renergy Private Limited (upto August 30, 2019)	Power Generation	India	NA	0%	Unlisted	# / @
Nani Virani Wind Energy Private Limited (upto December 15, 2018)	Power Generation	India	NA	NA	Unlisted	$
Ravapar Wind Energy Private Limited (upto December 15, 2018)	Power Generation	India	NA	NA	Unlisted	$
Khatiyu Wind Energy Private Limited (upto December 15, 2018)	Power Generation	India	NA	NA	Unlisted	$

\# As at March 31, 2020 the Company had made investments in the one entity (March 31, 2019: 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 ₹90.70 Crore (March 31, 2019, ₹260.70 Crore) made by the Company, the Company has acquired certain rights which include the right to nominate directors on the board. Considering the above facts and based on the requirements of Ind AS, the investments in aforesaid entities have been classified as Investments in associates. As the Company does not have any equity interest, the Company does not have any share in the profit, loss or comprehensive income of the entities and accordingly, there is no impact on the consolidated statement of profit and loss and the aforesaid investments in redeemable debentures of ₹90.70 Crore (March 31, 2019, ₹260.70 Crore) have been carried at amortized cost.

@ During the current year, Wind Four Renergy Private Limited and Wind Five Renergy Private Limited have ceased to be associates of the Company. There is no impact of this development on the consolidated financial results for the year.

$ During the previous year, Nani Virani Wind Energy Private Limited, Ravapar Wind Energy Private Limited and Khatiyu Wind Energy Private Limited have ceased to be associates of the Company. There is no impact of this development on the consolidated financial results for the year.

Refer note 45(c) for capital and other commitments in the above associates.

NOTE 42: IMPAIRMENT ASSESSMENT

1) DGEN POWER PLANT

The carrying amount of Property, Plant & Equipment ("PPE") as at March 31, 2020 includes an amount of ₹3,079.62 Crore (as at March 31, 2019 - ₹4,365.69 Crore) pertaining to 1,200 MW DGEN Mega Power Project located at Dahej, India ("DGEN"). DGEN started commercial operations from November 2014 ("COD") and has operated only intermittently after COD, including during the current financial year.

In view of the above and given the current economic environment, the Company has carried out an impairment assessment of DGEN as at March 31, 2020 by considering the recoverable amount (being the higher of 'fair value less cost to sell' and 'value in use') of DGEN in accordance with Indian Accounting Standard 36 'Impairment of Assets', applying 'value in use' and considering a discount rate of 14% and cash flow projections for a period of 20 years, being the balance useful life of DGEN in terms of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 on the basis that the Company expects to supply power in the future, inter alia, under long term power purchase agreements. Based on such assessment, the Group has provided for impairment loss of ₹1,000.00 Crore [Refer note 4], which has been disclosed as an 'Exceptional item' in the consolidated financial statements.

The assessment of 'value-in-use' involves several key assumptions including expected demand, future price of fuel, expected tariff rates for electricity, discount rate, exchange rate and electricity market scenario, based on past trends and the current and likely future state of the industry. Management intends to review such assumptions periodically to factor updated information based on events or changes in circumstances in order to make fresh assessment of impairment, if any.

2) Investment in Torrent Pipavav Generation Limited

Torrent Pipavav Generation Limited ("TPGL"), a subsidiary of the Company, had paid for acquisition of land in Amreli, Gujarat for the purpose of developing a coal based power plant of 1,000+ MW. Due to non-availability of fuel linkage, the Government of Gujarat vide its letter dated December 06, 2017, has communicated that the said project may not be developed and accordingly the joint venture between Torrent Power Limited and Gujarat Power Corporation Limited (GPCL) is intended to be dissolved. The cost of land would be reimbursed to TPGL through disposal by the state government. With reference to this, in the month of March 2019, GPCL has written a letter to Collector, Amreli stating that land is surrendered to the Government and requested Energy and Petroleum Department, Government of Gujarat to take further action in the matter. The management has made an impairment assessment of the land valuation by comparing the carrying value of such land in the books with stamp value as prescribed by the Superintendent of Stamps, Gandhinagar, Gujarat, on the basis of which it has been concluded that there is no impairment. The timing of the recoverability of the amounts invested in land would depend upon the availability of the customer. Considering the above facts, assets and liabilities are reflected at their net realisable values or cost whichever is lower and the financial results of TPGL for the year ended March 31, 2020 have been prepared on a non - going concern basis. The recovery of the amount invested for land by TPGL is dependent on the ability of the Government to find a suitable buyer for the land.

NOTE 43: INCOME TAX EXPENSE

(a) Income tax expense recognised in statement of profit and loss

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Current tax		
Current tax on profits for the year	308.82	278.89
Adjustment for current tax of prior periods	0.44	(3.38)
	309.26	275.51
Deferred tax (other than that disclosed under OCI)		
Decrease / (increase) in deferred tax assets	(913.21)	(54.02)
(Decrease) / increase in deferred tax liabilities	(100.09)	138.29
	(1,013.30)	84.27
Income tax expense	(704.04)	359.78

NOTE 43: INCOME TAX EXPENSE (Contd.)

(b) Reconciliation of income tax expense

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Profit before tax	474.84	1,263.61
Expected income tax expense calculated using tax rate at 34.944% (Previous year - 34.944%)	165.93	441.56
Adjustment to reconcile expected income tax expense to reported income tax expense:		
Effect of:		
Expenditure not deductible under Income Tax Act	60.10	25.23
Tax incentives	(333.00)	(377.85)
Transition to Ind AS 115	-	63.53
Impairment loss of DGEN unit	160.65	-
Unutilised Minimum Alternate Tax (MAT) credit recognised due to change in MAT rate from 21.55% to 17.47%	(463.40)	-
Unabsorbed depreciation / tax credits and other items	(301.06)	212.12
Different tax rates of subsidiaries	6.02	(1.57)
Impact of enacted income tax rate on deferred tax balance	0.28	0.14
Total	(704.48)	363.16
Adjustment for current tax of prior periods	0.44	(3.38)
Total expense as per statement of profit and loss	(704.04)	359.78

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.

Taxation Laws (Amendment) Act, 2019, inter alia, reduced the effective rate of MAT from 21.55% to 17.47%. The net deferred tax credit in the year includes the impact of this change amounting ₹463.40 Crore, due to the Group's ability to utilize accumulated MAT credit in future years, not previously recognized. Further the net deferred tax credit in the year includes ₹549.90 crore, mainly arising on account of a provision for impairment in the carrying value of Dgen Power Plant [Refer note 42], provision for certain onerous contracts [Refer note 58] and reassessment of management's reasonable estimate for the future taxable profits, which would be available to utilize such additional MAT Credit.

(c) Income tax recognised in other comprehensive income

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Deferred tax		
Re-measurement of defined benefit obligation (Items that will not be reclassified to profit or loss)	(44.60)	(9.60)
Income tax expense / (income) recognised in other comprehensive income	(15.58)	(3.35)

NOTE 43: 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 March 31, 2020	As at March 31, 2019
Deferred tax assets	1,611.72	682.93
Deferred tax liabilities	(2,144.66)	(2,244.75)
	(532.94)	(1,561.82)
Disclosed as deferred tax assets (net)	19.86	3.56
Disclosed as deferred tax liabilities (net)	(552.80)	(1,565.38)
	(532.94)	(1,561.82)

(2) Movement of deferred tax assets / (liabilities)

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2020

(₹ in Crore)

	Opening balance	Recognised in profit or loss	Utilisation	Recognised in OCI	Closing balance
Property, plant and equipment	(2,237.84)	99.11	-	-	(2,138.73)
Expense allowable for tax purposes when paid	56.97	62.15	-	15.58	134.70
Tax effect on fair value change in financial instruments and unamortised cost	(6.91)	0.98	-	-	(5.93)
Unabsorbed depreciation / MAT credit entitlement and other items	625.96	851.06	-	-	1,477.02
	(1,561.82)	1,013.30	-	15.58	(532.94)

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2019

(₹ in Crore)

	Opening balance	Recognised in profit or loss	Utilisation	Recognised in OCI	Closing balance
Property, plant and equipment	(2,093.58)	(144.26)	-	-	(2,237.84)
Expense allowable for tax purposes when paid	58.33	(4.71)	-	3.35	56.97
Tax effect on fair value change in financial instruments and unamortised cost	(12.88)	5.97	-	-	(6.91)
Unabsorbed depreciation / MAT credit entitlement and other items	568.25	58.73	(1.02)	-	625.96
	(1,479.88)	(84.27)	(1.02)	3.35	(1,561.82)

NOTE 43: INCOME TAX EXPENSE (Contd.)

(3) Unrecognised deferred tax assets

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Accumulated MAT credit entitlement	18.47	992.37
	18.47	992.37

Management has made an assessment of the amount of taxable income that would be available in future to offset the Accumulated MAT credit entitlement available to the Company.

The assessment of taxable income involved several key assumptions including expected demand, future price of fuel, expected tariff rate for electricity, exchange rate and electricity market scenario, which the management considered reasonable based on past trends, applicable tariff regulations / agreements and current and likely future state of the industry.

NOTE 44: DEFERRED REVENUE

(a) Contribution received from consumers

(1) Nature of contribution received from consumers

Contributions received from consumers towards property, plant and equipment has been recognised as deferred revenue.

(2) Movement of contribution received from consumers

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Opening balance	1,021.44	916.79
Add: Contribution received during the year	185.69	166.00
Less: Amortisation of contribution transferred to statement of profit and loss [Refer note 33]	(71.37)	(61.35)
Closing balance	1,135.76	1,021.44
Non-current portion [Refer note 26]	1,058.34	953.83
Current portion [Refer note 30]	77.42	67.61
	1,135.76	1,021.44

(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 Group. There are no unfulfilled conditions or other contingencies attached to these grants.

NOTE 44: DEFERRED REVENUE (Contd.)

(2) Movement of government grant

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Opening balance	24.29	27.01
Add: Grants during the year	-	-
Less: Amortisation of grant transferred to statement of profit and loss [Refer note 33]	(2.72)	(2.72)
Closing balance	21.57	24.29
Non-current portion [Refer note 26]	18.85	21.57
Current portion [Refer note 30]	2.72	2.72
	21.57	24.29

NOTE 45: CONTINGENT LIABILITIES, CONTINGENT ASSETS AND CAPITAL COMMITMENTS

(a) Contingent liabilities

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Disputed income tax matters	17.96	31.64
Disputed sales tax matters	5.25	4.29
Disputed custom duty matters	18.50	18.50
Disputed excise duty matters	2.88	2.45
Disputed stamp duty matters	0.35	0.35
Disputed value added tax matters	3.26	3.26
Disputed central sales tax matters	3.04	3.20
Claims against the Group not acknowledged as debt	21.39	34.51

The Group has evaluated the impact of Supreme Court ("SC") judgement dated February 28, 2019 in the case of Regional Provident Fund Commissioner (II) West Bengal v/s Vivekananda Vidyamandir and Others, in relation to exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to Provident Fund ("PF") under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. There are interpretation issues relating to the said SC judgement. Based on such evaluation, management has concluded that effect of the aforesaid judgement on the Group is not material and accordingly, no provision has been made in the financial statements.

Footnotes:

1. Management believes that its position on the aforesaid direct and indirect tax demands and other claims against the Group will likely be upheld in the appellate process and accordingly no provision has been made in the consolidated financial statements for such demands. Further, the guarantees given to lenders of subsidiaries are unlikely to be called, as subsidiaries are in a position to service the loans and interest, covered by such guarantees.
2. In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute / matters. No reimbursement is expected.

NOTE 45: CONTINGENT LIABILITIES, CONTINGENT ASSETS AND CAPITAL COMMITMENTS (Contd.)

(b) Contingent assets

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Coal grade slippage claim	12.41	31.49
	12.41	31.49

(c) Capital and other commitments

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
Property, plant and equipment	408.39	4,002.56

ii) Novation agreement with lender for short term finance facilities obtained by associates :

During the previous year, the Company had entered into agreements to novate with a lender in respect of two short term loans obtained by two of its associates against which an aggregate amount of ₹98.00 Crore was outstanding as on March 31, 2019. As per the terms of the said agreements, in certain circumstances, the Company will be obligated to purchase the outstanding loan balances if the right is so exercised by the lenders, as per the terms of the agreements. During the year, the associate companies have repaid loans to concerned lender.

NOTE 46: MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) have been determined based on the information available with the Group and the required disclosures are given below:

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
(a) Principal amount remaining unpaid [Refer notes 28 and 29]	26.09	29.08
(b) Interest due thereon	0.03	0.02
(c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
(i) Principal amounts paid to the suppliers beyond the appointed day during the year	1.07	5.24
(ii) Interest paid under section 16 of the MSMED Act, to the suppliers, beyond the appointed day during the year	0.01	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)	0.15	0.36
(e) The amount of interest accrued and remaining unpaid [b+d]	0.18	0.38
(f) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

NOTE 47: OPERATING LEASE

This note explains the impact of the adoption of Ind AS 116, Leases on the Group's financial statements.

(i) Amounts recognised in balance sheet

The balance sheet shows the following amounts relating to leases:

(₹ in Crore)

Particulars	Note	As at March 31, 2020	As at April 01, 2019
Land	5	163.26	174.59
Buildings	5	24.25	13.21
Plant and machinery	5	0.33	0.38
Office equipment	5	0.10	0.14
Total		187.94	188.32

Lease liabilities

(₹ in Crore)

Particulars	Note	As at March 31, 2020	As at April 01, 2019
Current	29	4.91	21.50
Non-current	24	33.05	5.13
Total		37.96	26.63

(ii) Amounts recognised in the statement of profit and loss

The statement of profit or loss shows the following amounts relating to leases:

(₹ in Crore)

Particulars	Note	Year ended March 31, 2020
Depreciation charge of right-of-use assets	39	10.44
Interest expense (included in finance costs)	38	2.54
Expense relating to short-term leases (included in other expenses)	40	3.91
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	40	0.39
Total		17.28

(iii) Maturities of lease liabilities as at March 31, 2020:

(₹ in Crore)

Particulars	Non-current lease liabilities	Current lease liabilities
Less than 1 year	-	6.95
Between 1 year and 5 years	22.69	-
5 years and above	27.48	-
Total	50.17	6.95

(iv) Impact on the financial statements due to change in accounting policy on leases

The Group has adopted Ind AS 116 retrospectively from April 01, 2019, but has not restated comparatives for year ended March 31, 2019, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on April 01, 2019. The new accounting policies are disclosed in note 2.20.

On adoption of Ind AS 116, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17, Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of April 01, 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on April 01, 2019 was 9.00%.

NOTE 47: OPERATING LEASE (Contd.)

(a) Practical expedients applied :

In applying Ind AS 116 for the first time, the Group has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- accounting for operating leases with a remaining lease term of less than 12 months as at April 01, 2019 as short-term leases
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying Ind AS 17 and Appendix C to Ind AS 17, Determining whether an Arrangement contains a Lease.

(b) Measurement of lease liabilities:

(₹ in Crore)

Operating lease commitments disclosed as at March 31, 2019 *	
Discounted using the lessee's incremental borrowing rate at the date of initial application	
Add: finance lease liabilities recognised as at March 31, 2019	-
(Less): short-term leases not recognised as a liability	-
(Less): low-value leases not recognised as a liability	-
Add / (less): contracts reassessed as lease contracts	-
Add / (less): adjustments as a result of extension and termination options ^	26.63
Add / (less): adjustments relating to changes in the index or rate affecting variable payments	-
Lease liability recognised as at April 01, 2019	26.63

* 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 or can be terminated at the option of the Group during the tenure of the lease term. Further the Group has not entered into any material financial lease. Accordingly there were no future minimum lease payments under non-cancellable operating leases required to be disclosed under the previous standard Ind AS 17.

^ The Group has extension and termination options available in the lease contracts and the majority of extension and termination options are exercisable by the Group. Accordingly the Group on adoption of Ind AS 116 Leases has recognised such lease liabilities by measuring present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of April 01, 2019.

(c) Adjustments recognised in the balance sheet on April 01, 2019

The change in accounting policy affected the following items in the balance sheet on April 01, 2019:

- Right-of-use assets – increased by ₹188.32 Crore
- Prepayments – decreased by ₹161.69 Crore
- Lease liabilities – increased by ₹26.63 Crore

NOTE 48: EMPLOYEE BENEFIT PLANS

48.1 Defined contribution plan:

The Group has defined contribution retirement benefit plans for its employees.

The Group's contributions to provident fund, pension scheme and employee state insurance scheme are made to the relevant government authorities as per the prescribed rules and regulations. The Group's superannuation scheme for qualifying employees is administered through its various superannuation trust funds. The Group's contributions to the above defined contribution plans are recognised as employee benefit expenses in the statement of profit and loss for the year in which they are due. The Group has no further obligation in respect of such plans beyond the contributions made.

The Group's contribution to provident, pension, superannuation funds and to employees state insurance scheme aggregating to ₹39.79 Crore (Previous year - ₹37.15 Crore) has been recognised in the statement of profit and loss under the head employee benefits expense [Refer note 37].

48.2 Defined benefit plans:

(a) **Gratuity**

The Group operates through various gratuity trust, a plan, covering all its employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Group scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The gratuity benefits payable to the employees are based on the tenure of employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Group. In case of death while in service, the gratuity is payable irrespective of vesting.

The Group makes annual contribution to the gratuity schemes administered by the Life Insurance Corporation of India through its various Gratuity Trust Funds. The liability in respect of plan is determined on the basis of an actuarial valuation.

(b) **Risk exposure to defined benefit plans**

The plans typically expose the Group to actuarial risks such as: asset volatility, interest rate risk, longevity risk and salary risk as described below :

Asset volatility

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out at March 31, 2020. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(c) **Significant assumptions**

The principal assumptions used for the purpose of the actuarial valuation were as follows.

	As at March 31, 2020	As at March 31, 2019
Discount rate	6.93%	7.92%
Salary escalation rate	8.50%	8.50%

NOTE 48: 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 March 31, 2020	As at March 31, 2019
Present value of funded defined benefit obligation	289.52	244.20
Fair value of plan assets	235.02	225.81
Net (asset) / liability [Refer note 31]	54.50	18.39

(e) **Expenses recognised for defined benefit plan and movement of plan assets and liabilities**

Following are the amounts recognised in statement of profit and loss, other comprehensive income, movement in defined benefit liability and movement in plan assets:

(₹ in Crore)

		Funded plan - Gratuity	
		As at March 31, 2020	As at March 31, 2019
(1)	**Movements in the present value of the defined benefit obligation:**		
	Obligation at the beginning of the year	244.20	239.34
	Current service cost	12.24	11.49
	Interest cost	19.34	18.62
	Actuarial (gains) / losses from changes in demographic assumptions	2.39	-
	Actuarial (gains) / losses arising changes in financial assumptions	21.64	(2.00)
	Actuarial (gains) / losses from experience adjustments	19.92	9.75
	Liability transferred in	0.16	-
	Liability transferred out	(0.35)	(0.52)
	Benefits paid directly by employer	(2.80)	(2.80)
	Benefits paid	(27.22)	(29.68)
	Obligation at the end of the year	289.52	244.20
(2)	**Movements in the fair value of the plan assets:**		
	Plan assets at the beginning of the year, at fair value	225.81	228.29
	Interest income	17.88	17.76
	Return on plan assets (excluding interest income)	(0.65)	(1.85)
	Contributions received	19.20	11.29
	Benefits paid	(27.22)	(29.68)
	Plan assets at the end of the year, at fair value	235.02	225.81
(3)	**Gratuity cost recognized in the statement of profit and loss**		
	Current service cost	12.24	11.49
	Interest cost, net	1.46	0.86
	Net gratuity cost recognized in the statement of profit and loss [Refer note 37]	13.70	12.35
(4)	**Gratuity cost recognized in the other comprehensive income (OCI)**		
	Return on plan assets (excluding interest income)	0.65	1.85
	Actuarial (gains) / losses	43.95	7.75
	Net (income) / expense for the year recognized in OCI	44.60	9.60

NOTE 48: 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 March 31, 2020	As at March 31, 2019
Increase / (decrease) in defined benefit obligation of gratuity		
50 basis points increase in discount rate	(11.37)	(6.86)
50 basis points decrease in discount rate	12.37	7.34
50 basis points increase in salary escalation rate	10.43	2.52
50 basis points decrease in salary escalation rate	(13.03)	(11.46)

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 19 years (Previous year - 13 years).

(i) Expected contribution to the plan for the next annual reporting period is ₹54.60 Crore (Previous year - ₹18.39 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 March 31, 2020	As at March 31, 2019
1st following year	32.13	36.29
2nd following year	22.52	20.65
3rd following year	32.91	36.13
4th following year	29.19	31.76
5th following year	27.60	26.97
sum of years 6 to 10th	96.03	95.14

48.3 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 Group due to death, retirement or resignation; at the rate of daily last drawn salary, multiplied by leave days accumalated as at the end of relevant period. Refer notes 25, 31 and 37, for the leave encashment provision / change in the balance sheet and statement of profit and loss.

NOTE 49: AUDITORS REMUNERATION (INCLUDING TAXES)

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
As auditor		
Audit fees	1.24	1.15
Other services- certificates etc.	0.56	0.30
Reimbursement of expenses	0.25	0.25
	2.05	1.70

NOTE 50: CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
(a) Gross amount required to be spent by the Group	20.76	20.35
(b) Amount spent during the year on		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above [Refer note 40]	20.76	20.49
	20.76	20.49
(c) Contribution to section 8 related companies, included in (b) above, in relation to CSR expenditure		
(i) Tornascent Care Institute	17.24	2.70
(ii) UNM Foundation	2.11	4.75
	19.35	7.45

NOTE 51: DONATIONS INCLUDE POLITICAL CONTRIBUTIONS AS UNDER

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Electoral Bonds	35.00	25.00
	35.00	25.00

NOTE 52: EARNINGS PER SHARE

	Year ended March 31, 2020	Year ended March 31, 2019
Basic earnings per share (₹)	24.43	18.70
Diluted earnings per share (₹)	24.43	18.70

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 March 31, 2020	Year ended March 31, 2019
Profit for the year attributable to the Company used in calculation of basic earnings per share (₹ in Crore)	1,174.15	898.94
Weighted average number of equity shares	48,06,16,784	48,06,16,784

The Company does not have any dilutive potential ordinary shares and therefore diluted earnings per share is the same as basic earnings per share.

NOTE 53: OPERATING SEGMENTS

The Chief Operating Decision Maker (CODM) evaluates the Group's performance and applies the resources to whole of the Group's business viz. "Generation, Transmission and Distribution of Power" as an integrated utility. Further, the Group's cable business is not a reportable segment in terms of revenue, profit, assets and liabilities. Hence the Group does not have any reportable segment as per Ind AS - 108 "Operating Segments".

The Group's operations are wholly confined within India and as such there is no reportable geographical information.

NOTE 54: CERTIFIED EMISSION REDUCTION (CERs)

	Year ended March 31, 2020	Year ended March 31, 2019
No. of CERs inventory	3,052	9,93,052
No. of CERs under certification	3,91,411	-
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.	Associates	Power Grid Corporation of India Limited, Wind Two Renergy Private Limited, Wind Four Renergy Private Limited (upto June 04, 2019), Wind Five Renergy Private Limited (upto August 30, 2019), Nani Virani Wind Energy Private Limited (upto December 15, 2018), Ravapar Wind Energy Private Limited (upto December 15, 2018), Khatiyu Wind Energy Private Limited (upto December 15, 2018)
3.	Employee benefits plans *	TPL (Ahmedabad) Gratuity Trust, TPL (Ahmedabad) Superannuation Fund, TPL (Surat) Gratuity Trust, TPL (Surat) Superannuation Fund, TPL (SUGEN) Gratuity Trust, TPL (SUGEN) Superannuation Fund, TPG Gratuity Trust, TPG Superannuation Fund, TPL (DGEN) Gratuity Trust, TPL (DGEN) Superannuation Fund
4.	Key management personnel	Samir Mehta Markand Bhatt (upto September 30, 2018) Jinal Mehta
5.	Non-executive directors	Sudhir Mehta Pankaj Patel Samir Barua Kiran Karnik (upto March 31, 2019) Keki Mistry Bhavna Doshi Dharmishta Raval Pankaj Joshi (upto December 17, 2019) Sunaina Tomar (w.e.f. February 13, 2020)
6.	Relatives of key management personnel *	Varun Mehta
7.	Enterprise controlled by relatives of key management personnel *	Munjal Bhatt Architects (upto September 30, 2018)
8.	Other entities where the company has 50% voting right / enterprises controlled by the Parent Company *	Tornascent Care Institute, UNM Foundation, Torrent Pharmaceuticals Limited, Torrent Power Services Private Limited, Mahesh Gas Limited, Torrent Gas Private Limited

@ Torrent Private Limited changed to Torrent Investments Private Limited w.e.f. April 15, 2020.

* where transactions have taken place during the year and / or previous year or where balances are outstanding at the year end

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)

(b) Related party transactions

(₹ in Crore)

	Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right		Total	
	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19
Nature of transactions										
Sale of cables	**-**	**-**	**-**	**-**	**-**	**-**	**0.97**	**2.46**	**0.97**	**2.46**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	0.16	2.43	0.16	2.43
Tornascent Care Institute	-	-	-	-	-	-	0.81	0.03	0.81	0.03
Sale of land	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**91.00**	**-**	**91.00**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	-	91.00	-	91.00
Sale of electricity	**-**	**-**	**-**	**-**	**0.23**	**0.28**	**9.57**	**9.97**	**9.80**	**10.25**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	9.54	9.93	9.54	9.93
Executive and non-executive directors	-	-	-	-	0.23	0.28	-	-	0.23	0.28
UNM Foundation	-	-	-	-	-	-	0.03	0.04	0.03	0.04
Munjal Bhatt Architects	-	-	-	-	-	-	-	*	-	*
Interest income	**6.29**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6.29**	**-**
Wind Two Renergy Private Ltd.	6.29	-	-	-	-	-	-	-	6.29	-
Dividend paid	**5.38**	**2.34**	**-**	**-**	**-**	**-**	**427.32**	**128.71**	**432.70**	**131.05**
Torrent Private Ltd.	-	-	-	-	-	-	427.32	128.71	427.32	128.71
Power Grid Corporation of India Ltd.	5.38	2.34	-	-	-	-	-	-	5.38	2.34
Services provided (rent income including tax)	**-**	**-**	**-**	**-**	**-**	**-**	**0.40**	**0.07**	**0.40**	**0.07**
UNM Foundation	-	-	-	-	-	-	0.01	0.01	0.01	0.01
Tornascent Care Institute	-	-	-	-	-	-	0.01	0.01	0.01	0.01
Torrent Power Services Private Ltd.	-	-	-	-	-	-	0.01	0.01	0.01	0.01
Torrent Gas Private Ltd.	-	-	-	-	-	-	0.37	0.04	0.37	0.04
Services received / remuneration paid	**0.76**	**1.62**	**-**	**-**	**-**	**-**	**1.33**	**0.94**	**2.09**	**2.56**
Munjal Bhatt Architects	-	-	-	-	-	-	-	0.47	-	0.47
Power Grid Corporation of India Ltd.	0.76	1.62	-	-	-	-	-	-	0.76	1.62
Varun Mehta	-	-	-	-	-	-	1.33	0.47	1.33	0.47
Transmission income	**43.53**	**46.41**	**-**	**-**	**-**	**-**	**-**	**-**	**43.53**	**46.41**
Power Grid Corporation of India Ltd.	43.53	46.41	-	-	-	-	-	-	43.53	46.41
Shared expenditure charged to	**0.27**	**0.03**	**-**	**-**	**-**	**-**	**-**	**-**	**0.27**	**0.03**
Wind Two Renergy Private Ltd.	0.24	-	-	-	-	-	-	-	0.24	-
Wind Five Renergy Private Ltd.	0.03	-	-	-	-	-	-	-	0.03	-
Power Grid Corporation of India Ltd.	-	0.03	-	-	-	-	-	-	-	0.03
Transfer of gratuity / leave liability to / (from)	**-**	**-**	**-**	**-**	**-**	**-**	**0.29**	**0.68**	**0.29**	**0.68**
Torrent Pharmaceuticals Ltd.	-	-	-	-	-	-	(0.20)	-	(0.20)	-
Tornascent Care Institute	-	-	-	-	-	-	0.07	0.10	0.07	0.10
Mahesh Gas Ltd.	-	-	-	-	-	-	0.01	0.25	0.01	0.25
Torrent Gas Private Ltd.	-	-	-	-	-	-	0.41	0.33	0.41	0.33
Managerial remuneration @	**-**	**-**	**-**	**-**	**21.23**	**41.61**	**-**	**-**	**21.23**	**41.61**
Samir Mehta	-	-	-	-	10.00	10.00	-	-	10.00	10.00
Markand Bhatt	-	-	-	-	-	21.84	-	-	-	21.84
Jinal Mehta	-	-	-	-	11.23	9.77	-	-	11.23	9.77

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)

(₹ in Crore)

	Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right		Total	
	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19
Commission to non-executive directors ^	**-**	**-**	**-**	**-**	**6.26**	**5.91**	**-**	**-**	**6.26**	**5.91**
Sudhir Mehta	-	-	-	-	5.00	5.00	-	-	5.00	5.00
Samir Barua	-	-	-	-	0.30	0.16	-	-	0.30	0.16
Kiran Karnik	-	-	-	-	-	0.16	-	-	-	0.16
Keki Mistry	-	-	-	-	0.18	0.12	-	-	0.18	0.12
Pankaj Patel	-	-	-	-	0.17	0.09	-	-	0.17	0.09
Bhavna Doshi	-	-	-	-	0.29	0.16	-	-	0.29	0.16
Pankaj Joshi #	-	-	-	-	0.09	0.06	-	-	0.09	0.06
Dharmishta Raval	-	-	-	-	0.23	0.16	-	-	0.23	0.16
Sitting fees to non-executive directors ^	**-**	**-**	**-**	**-**	**0.52**	**0.68**	**-**	**-**	**0.52**	**0.68**
Samir Barua	-	-	-	-	0.15	0.14	-	-	0.15	0.14
Kiran Karnik	-	-	-	-	-	0.12	-	-	-	0.12
Keki Mistry	-	-	-	-	0.07	0.06	-	-	0.07	0.06
Pankaj Patel	-	-	-	-	0.06	0.10	-	-	0.06	0.10
Bhavna Doshi	-	-	-	-	0.12	0.12	-	-	0.12	0.12
Dharmishta Raval	-	-	-	-	0.10	0.12	-	-	0.10	0.12
Pankaj Joshi #	-	-	-	-	0.02	0.02	-	-	0.02	0.02
Donation	**-**	**-**	**-**	**-**	**-**	**-**	**6.00**	**-**	**6.00**	**-**
UNM Foundation	-	-	-	-	-	-	6.00	-	6.00	-
Contribution towards CSR	**-**	**-**	**-**	**-**	**-**	**-**	**19.35**	**7.45**	**19.35**	**7.45**
Tornascent Care Institute	-	-	-	-	-	-	17.24	2.70	17.24	2.70
UNM Foundation	-	-	-	-	-	-	2.11	4.75	2.11	4.75
Contribution to employee benefit plans (net)	**-**	**-**	**25.88**	**18.46**	**-**	**-**	**-**	**-**	**25.88**	**18.46**
TPL (Ahmedabad) Gratuity Trust	-	-	11.80	10.27	-	-	-	-	11.80	10.27
TPL (Ahmedabad) Superannuation Fund	-	-	6.00	5.28	-	-	-	-	6.00	5.28
TPL (Surat) Gratuity Trust	-	-	5.50	0.34	-	-	-	-	5.50	0.34
TPL (Surat) Superannuation Fund	-	-	1.19	1.11	-	-	-	-	1.19	1.11
TPL (SUGEN) Gratuity Trust	-	-	0.35	0.21	-	-	-	-	0.35	0.21
TPL (SUGEN) Superannuation Fund	-	-	0.46	0.47	-	-	-	-	0.46	0.47
TPL (DGEN) Gratuity Trust	-	-	0.20	0.04	-	-	-	-	0.20	0.04
TPL (DGEN) Superannuation Fund	-	-	0.34	0.40	-	-	-	-	0.34	0.40
TPG Gratuity Trust	-	-	-	0.32	-	-	-	-	-	0.32
TPG Superannuation Fund	-	-	0.04	0.02	-	-	-	-	0.04	0.02
Investment in non-convertible debentures	**-**	**78.30**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**78.30**
Wind Two Renergy Private Ltd.	-	17.94	-	-	-	-	-	-	-	17.94
Wind Four Renergy Private Ltd.	-	31.18	-	-	-	-	-	-	-	31.18
Wind Five Renergy Private Ltd.	-	29.18	-	-	-	-	-	-	-	29.18
Redemption of non-convertible debentures	**64.54**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**64.54**	**-**
Wind Four Renergy Private Ltd.	20.33	-	-	-	-	-	-	-	20.33	-
Wind Five Renergy Private Ltd.	44.21	-	-	-	-	-	-	-	44.21	-
Loan Given	**153.02**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**153.02**	**-**
Wind Two Renergy Private Ltd.	153.02	-	-	-	-	-	-	-	153.02	-

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)

(₹ in Crore)

	Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right		Total	
	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.19
Loans received back	**0.80**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.80**	**-**
Wind Two Renergy Private Ltd.	0.80	-	-	-	-	-	-	-	0.80	-

^ Excluding Goods and Services Tax.

@ Excluding provision for gratuity and leave encashment, insurance premium for group personal accident and group mediclaim.

\# Sitting fees and Commission of Pankaj Joshi (nominee of the Government of Gujarat) is paid / payable to the Government of Gujarat.

Footnote:

Refer note 45 (c) (ii) for novation agreement with lender for short term finance facilities obtained by associates.

(c) Key management personnel compensation

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Short-term employee benefits	21.23	38.78
Long-term employee benefits	-	2.83
	21.23	41.61

NOTE 55: RELATED PARTY DISCLOSURES (Contd.)

(d) Related party balances

(₹ in Crore)

	Associates		Employee benefits plans		Key management personnel / non-executive directors		Parent Company / enterprises controlled by the Parent Company / Relatives of key management personnel / enterprises controlled by relatives of key management personnel / entity where the company has 50% voting right		Total	
	As at 31.03.20	As at 31.03.19	As at 31.03.20	As at 31.03.19	As at 31.03.20	As at 31.03.19	As at 31.03.20	As at 31.03.19	As at 31.03.20	As at 31.03.19
Balances at the end of the year										
Current liabilities	**-**	**-**	**-**	**-**	**18.76**	**31.41**	**0.49**	**-**	**19.25**	**31.41**
Torrent Power Services Private Ltd.	-	-	-	-	-	-	*	*	*	*
UNM Foundation	-	-	-	-	-	-	*	*	*	*
Tornascent Care Institute	-	-	-	-	-	-	0.07	-	0.07	-
Mahesh Gas Ltd.	-	-		-	-	-	0.01	-	0.01	-
Torrent Gas Private Ltd.	-	-	-	-	-	-	0.41	*	0.41	*
Sudhir Mehta	-	-	-	-	5.00	5.00	-	-	5.00	5.00
Samir Mehta	-	-	-	-	10.00	10.00	-	-	10.00	10.00
Markand Bhatt	-	-	-	-	-	13.00	-	-	-	13.00
Jinal Mehta	-	-	-	-	2.50	2.50	-	-	2.50	2.50
Samir Barua	-	-	-	-	0.30	0.16	-	-	0.30	0.16
Kiran Karnik	-	-	-	-	-	0.16	-	-	-	0.16
Keki Mistry	-	-	-	-	0.18	0.12	-	-	0.18	0.12
Pankaj Patel	-	-	-	-	0.17	0.09	-	-	0.17	0.09
Bhavna Doshi	-	-	-	-	0.29	0.16	-	-	0.29	0.16
Pankaj Joshi #	-	-	-	-	0.09	0.06	-	-	0.09	0.06
Dharmishta Raval	-	-	-	-	0.23	0.16	-	-	0.23	0.16
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	**103.78**	**277.31**	**-**	**-**	**-**	**-**	**-**	**-**	**103.78**	**277.31**
Wind Two Renergy Private Ltd.	103.78	97.21	-	-	-	-	-	-	103.78	97.21
Wind Four Renergy Private Ltd.	-	91.23	-	-	-	-	-	-	-	91.23
Wind Five Renergy Private Ltd.	-	88.87	-	-	-	-	-	-	-	88.87
Loans (current)	**0.07**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.07**	**-**
Wind Two Renergy Private Ltd.	0.07	-	-	-	-	-	-	-	0.07	-
Loans (non-current)	**157.88**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**157.88**	**-**
Wind Two Renergy Private Ltd.	157.88	-	-	-	-	-	-	-	157.88	-
Trade and other receivables	**10.68**	**11.71**	**-**	**-**	**-**	**-**	**0.83**	**0.77**	**11.51**	**12.48**
Tornascent Care Institute	-	-	-	-	-	-	-	0.03	-	0.03
Torrent Pharmacueticals Ltd.	-	-	-	-	-	-	0.83	0.74	0.83	0.74
Power Grid Corporation of India Ltd.	10.68	11.71	-	-	-	-	-	-	10.68	11.71

Sitting fees and Commission of Pankaj Joshi (nominee of the Government of Gujarat) is payable to the Government of Gujarat.

(e) Terms and conditions of outstanding balances

The transactions with related parties are made in the normal course of business on terms equivalent to those that prevail in arm's length transactions.

Outstanding balances at the year-end are unsecured.

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW

(a) Capital management

The Group manages its capital structure in a manner to ensure that it will be able to continue as a going concern while optimising the return to stakeholders through the appropriate debt and equity balance.

The Group's capital structure is represented by equity (comprising issued capital, retained earnings and other reserves as detailed in notes 20,21) and debt (borrowings as detailed in note 22).

The Group's management reviews the capital structure of the Group on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Group's plan is to ensure that the gearing ratio (debt equity ratio) is well within the limit of 2:1.

Gearing ratio

The gearing ratio at end of the reporting year is as follows.

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Debt	8,897.90	9,454.67
Total equity	9,706.94	10,552.13
Debt to equity ratio	0.92	0.90

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 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

(b) Categories of financial instruments

(₹ in Crore)

	As at March 31, 2020		As at March 31, 2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Measured at amortised cost				
Cash and cash equivalent	91.16	91.16	116.07	116.07
Bank balance other than cash and cash equivalents	189.10	189.10	211.93	211.93
Investment in bonds and debentures	115.89	115.89	287.50	287.50
Trade receivables	1,279.75	1,279.75	1,229.69	1,229.69
Loans	191.57	191.57	31.81	31.81
Other financial assets	1,926.42	1,926.42	1,909.99	1,909.99
	3,793.89	3,793.89	3,786.99	3,786.99
Measured at fair value through profit and loss (FVTPL)				
Investment in mutual funds	607.59	607.59	626.86	626.86
Investment in equity instruments #	0.06	0.06	0.06	0.06
	607.65	607.65	626.92	626.92
Financial liabilities				
Measured at amortised cost				
Borrowings	7,799.58	7,862.20	8,876.50	8,907.49
Trade payables	1,147.62	1,147.62	919.09	919.09
Other financial liabilities	2,822.85	2,822.85	2,417.93	2,417.93
	11,770.05	11,832.67	12,213.52	12,244.51

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 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 March 31, 2020	As at March 31, 2019		
Investment in mutual fund units	607.59	626.86	Level 1	Quoted bid prices in an active market
	607.59	626.86		

(2) Financial liabilities at amortised cost

(₹ in Crore)

	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at March 31, 2020	As at March 31, 2019		
Fixed rate borrowings (Non-convertible debentures)	1,527.62	1,125.99	Level 2	Inputs other than quoted prices that are observable
	1,527.62	1,125.99		

(d) Financial risk management objectives

The Group's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations, routine and projects capital expenditure. The Group's principal financial assets include loans, advances, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Group's activities expose it to a variety of financial risks viz foreign currency risk, commodity price risk, interest rate risk, credit risk, liquidity risk etc. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Group's senior management oversees the management of these risks. It advises on financial risks and the appropriate financial risk governance framework for the Group.

Foreign currency risk

The Group is exposed to foreign currency risks arising from various currency exposures, primarily with respect to the USD and EURO. foreign currency risks arise from future commercial transactions and recognized assets and liabilities, when they are denominated in a currency other than Indian Rupee.

The Group's exposure with regards to foreign exchange risk which are not hedged are given below. However, these risks are not significant to the group's operation and accordingly sensitivity analysis is not given.

Unhedged foreign currency exposures

(in Crore)

Nature of transactions	Currency	As at March 31, 2020	As at March 31, 2019
Financial liabilities			
Trade payable	USD	0.43	0.93
Trade payable	EURO	2.37	1.71
Capital liability (*7,430 EURO)	EURO	*	0.01
Trade payable	CHF	-	0.02

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

Commodity price risk

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

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

Interest rate risk

Most of the Group's borrowings are on a floating rate of interest. The Group has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR). The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible debentures and short term credit lines besides internal accruals.

The following table provides a break-up of the Group's fixed and floating rate borrowings:

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Fixed rate borrowings ^	1,485.64	1,119.46
Floating rate borrowings ^	7,415.54	8,635.26
	8,901.18	9,754.72

^ 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 March 31, 2020	Year ended March 31, 2019
Impact on profit before tax - increase in 50 basis points	(37.08)	(43.18)
Impact on profit before tax - decrease in 50 basis points	37.08	43.18

Credit risk

Trade receivables

(1) Exposures to credit risk

The Group is exposed to the counterparty credit risk arising from the possibility that counterparties (primarily trade receivables, suppliers, contractors etc.) might fail to comply with contractual obligations. This exposure may arise with regard to unsettled amounts and the cost of substituting products and services that are not provided.

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

(2) Credit risk management

Credit risk is managed and limited in accordance with the type of transaction and the creditworthiness of the counterparty. The Group has established criteria for admission, approval systems, authorisation levels, exposure measurement methodologies, etc. The concentration of credit risk is limited due to the fact that the customer base is large. None of the customers accounted for more than 10% of the receivables and revenue for the year ended March 31, 2020 and March 31, 2019. However, the Group is dependent on the domestic market for its business and revenues.

The Group's credit policies and practices with respect to distribution areas are designed to limit credit exposure by collecting security deposits prior to providing utility services or after utility service has commenced according to applicable regulatory requirements. In respect to generation business, Group generally has letter of credits / bank guarantees to limit its credit exposure.

(3) Other credit enhancements

The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

(4) Age of receivables and expected credit loss

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experienced and adjusted for forward- looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

The age of receivables and provision matrix at the end of the reporting period is as follows.

As at March 31, 2020

(₹ in Crore)

	Gross trade receivables	Allowance for doubtful debt
Less than or equal to 6 months	1,307.42	88.93
More than 6 months but less than or equal to 1 year	75.19	38.77
More than one year	132.94	108.10
	1,515.55	235.80

As at March 31, 2019

(₹ in Crore)

	Gross trade receivables	Allowance for doubtful debt
Less than or equal to 6 months	1,194.93	28.56
More than 6 months but less than or equal to 1 year	83.47	26.18
More than one year	104.66	98.63
	1,383.06	153.37

(5) Movement in the expected credit loss allowance

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Opening balance	153.37	135.93
Movement in expected credit loss allowance on trade receivable calculated, net	82.43	17.44
Closing balance [Refer note 14]	235.80	153.37

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

Other financial assets

The Group is having balances in cash and cash equivalents, term deposits with banks, investments in government securities and investment in mutual funds. With respect to investments, the Group limits its exposure to credit risk by investing in liquid securities with counterparties depending on their Composite Performance Rankings (CPR) published by CRISIL. The Group's investment policy lays down guidelines with respect to exposure per counterparty, rating, processes in terms of control and continuous monitoring. The Group therefore considers credit risks on such investments to be negligible.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are required to be settled by delivering the cash or another financial asset. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and unused borrowing facilities, by continuously monitoring projected / actual cash flows.

Maturities of financial liabilities:

The Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest (accrued upto March 31, 2020) and principal cash flows. The contractual maturity is based on the earliest date on which the Group may be required to pay.

As at March 31, 2020

(₹ in Crore)

	Less than 1 year	Between 1 year and 5 years	5 years and above	Total
Financial liabilities				
Non current financial liabilities				
Borrowings ^	-	3,238.30	4,584.45	7,822.75
Trade payables ^	-	73.88	61.40	135.28
Other financial liabilities	-	22.93	27.48	50.41
	-	3,335.11	4,673.33	8,008.44
Current financial liabilities				
Borrowings	3.28	-	-	3.28
Trade payables	1,037.91	-	-	1,037.91
Other financial liabilities ^	2,795.87	-	-	2,795.87
	3,837.06	-	-	3,837.06
Total financial liabilities	3,837.06	3,335.11	4,673.33	11,845.50

^ Gross amount including unamortised expense.

NOTE 56: FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

As at March 31, 2019

(₹ in Crore)

	Less than 1 year	Between 1year and 5 years	5 years and above	Total
Financial liabilities				
Non current financial liabilities				
Borrowings ^	-	3,208.70	5,402.08	8,610.78
Trade payables ^	-	64.99	76.68	141.67
Other financial liabilities	-	0.24	-	0.24
	-	3,273.93	5,478.76	8,752.69
Current financial liabilities				
Borrowings	300.05	-	-	300.05
Trade payables	809.75	-	-	809.75
Other financial liabilities ^	2,422.93	-	-	2,422.93
	3,532.73	-	-	3,532.73
Total financial liabilities	3,532.73	3,273.93	5,478.76	12,285.42

^ Gross amount including unamortised expense.

NOTE 57: IMPACT OF COVID 19 PANDEMIC

The spread of COVID-19 disease has severely impacted economies, businesses and social set ups across the globe and in India. The spread of COVID-19 and the consequent lock-downs, disruptions in transportation and supply chains, travel bans, quarantines, social distancing and other such emergency measures have caused widespread disruptions in the economy and businesses. The resultant situation is a VUCA situation - Volatile, Uncertain, Complex and Ambiguous and continuously evolving, with no clear visibility of the near to medium term future outlook. In this backdrop, the Group has considered various internal and external information available up to the date of approval of consolidated financial statements in assessing the impact of COVID-19 pandemic in the consolidated financial statements for the year ended March 31, 2020.

The Group is predominantly engaged in the business of generation, distribution and transmission of electricity. Since electricity has been categorised as an essential service, the Group is in a position to generate and supply power to its customers in the cities of Ahmedabad, Gandhinagar, Surat and Dahej SEZ in Gujarat, Bhiwandi, Shil, Mumbra and Kalwa in Maharashtra and Agra in Uttar Pradesh.

However, the disruption has caused a dramatic reduction in immediate electricity demand, mainly in commercial and industrial categories. Based on current assessment, this situation will likely prevail throughout FY 2020-21, with a gradual pick up in electricity demand after the lockdown and associated restrictions are eased.

Management has carried out a detailed assessment of its liquidity position for the next one year from the date of approval of the consolidated financial statements and of the recoverability and carrying values of Property, Plant & Equipment, Trade receivables, Inventory, and Investments as at the balance sheet date.

Based on the Group's liquidity position at March 31, 2020 and review of cash flow projections (after applying sensitivity analysis) over the next twelve months, the management believes the Group will have sufficient liquidity to operate its businesses in the ordinary course.

Management has performed an impairment assessment of Property, Plant & Equipment and has concluded that no significant adjustments are required to the carrying values of such assets, beyond the impairment charge recorded in these consolidated financial statements.

Based on assessment of the management, an adequate provision for doubtful debts pertaining to its franchised distribution business units has been made in the consolidated financial statements, after factoring an anticipated reduction in collection efficiency in those areas. In case of licensed distribution business, no additional bad debt provision is required due to largely unaffected collection efficiency and availability of adequate security deposits from customers.

NOTE 57: IMPACT OF COVID 19 PANDEMIC (Contd.)

Management has performed a physical inventory verification for most of its locations around the year end and for some locations at a date subsequent to the year end in order to obtain comfort over existence and condition of Inventory after applying roll forward and Roll back, procedures as appropriate. No additional provision is required to the carrying amount of inventory on account of COVID 19 as the inventory has been moving in the ordinary course post the year end.

Group's investments are in Overnight debt Funds and in Inter-corporate deposits which are carried at their fair values or amortised cost at March 31, 2020. Management does not foresee any risk of non-recoverability of such investments.

Management believes that it has taken into account all the known impacts arising from COVID 19 pandemic in the preparation of the consolidated financial statements. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration. Management will continue to monitor any material changes to future economic conditions and the impact thereof on the Group, if any. The eventual outcome of the impact of the COVID 19 pandemic on the Group's business may be different from that estimated as on the date of approval of these consolidated financial statements.

NOTE 58: PROVISION FOR ONEROUS CONTRACTS

The Group has made provisions of ₹189.78 Crore in respect of certain onerous contracts, towards potential damages and provisions of ₹23.03 Crore in respect of other project related costs, arising from expected delays or failure to set up certain wind power generation capacities, awarded to the Group in a prior period under a competitive bidding process.

NOTE 59: CHANGE DUE TO TRANSITION TO IND AS - 115 "REVENUE FROM CONTRACTS WITH CUSTOMERS"

(a) During previous year, the Group has adopted Ind AS 115, Revenue from Contracts with Customers, from April 01, 2018. The adoption has resulted changes in accounting policies and adjustment to the amounts recognized in the financial statements. Prior to adoption of Ind AS 115, the Group had been recognising the Fuel and Power Purchase Price Adjustment ("FPPPA") claims as and when approved by the regulatory authorities and the truing up adjustment claims as and when these were billed to consumers subsequent to approval by the regulatory authorities.

The Group has adopted Ind AS 115 retrospectively with the cumulative effect of initial application recognized in the opening retained earnings on April 01, 2018. The Group has in the current year recognized revenue on FPPPA claims and other true up adjustments, as per the applicable tariff regulations, management's probability estimate and the past trends of approval, by applying the guidance on variable consideration under Ind AS 115.

The Group has not recognized those truing up adjustment claims which are subject of dispute and for which the Group is in appeal with regulatory authorities.

Due to the application of Ind AS 115, as at April 01, 2018, Retained Earnings are higher by ₹647.12 Crore, unbilled revenue higher by ₹637.15 Crore and sundry payables lower by ₹9.97 Crore.

(b) Movement in recoverable from consumers and liabilities towards consumers

(₹ in Crore)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	1,435.11	441.42
Add: Transition to Ind AS 115	-	647.12
Add: Income accrued during the year as per tariff regulations / orders	2,491.78	2,542.79
Less: Amount billed during the year to the consumers as per tariff orders	(2,428.17)	(2,196.22)
Closing balance	1,498.72	1,435.11
Disclosed under		
Unbilled revenue [Refer note 18]	1,506.47	1,459.83
Sundry payables [Refer note 29]	(7.75)	(24.72)
	1,498.72	1,435.11

NOTE 60: SCHEME OF ARRANGEMENT

The Board at its meeting dated November 05, 2019, has approved the Scheme of Arrangement ("Scheme") for transfer and vesting of Cable Business Undertaking of the Company to TCL Cables Private Limited, a wholly owned subsidiary (w.e.f. November 05, 2019) of the Company, on a going concern basis by way of slump sale with effect from the appointed date of April 01, 2020 for a lump sum consideration of ₹214.50 Crore (to be adjusted for change in working capital), under sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Company has got the approval of BSE Limited and National Stock Exchange of India Limited. The Company has filed the application to National Company Law Tribunal (NCLT) for its approval. The Scheme is subject to requisite regulatory and other approvals, pending which no adjustments are required to be made in the financial statements for year ended March 31, 2020.

The key financial data as per books pertaining to the Cables Business Undertaking (including inter unit transactions) for the relevant periods presented in the Statement of results are as follows:

(₹ in Crore)

	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations	440.03	358.02
Profit before tax	20.95	1.58
Total assets	280.43	277.93
Total liabilities	30.76	40.94

NOTE 61:

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

NOTE 62: APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the board of directors on May 18, 2020.

Signature to Note 1 to 62

In terms of our report attached

For and on behalf of the Board of Directors

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

Samir Mehta
Chairperson
DIN:00061903

Pradip Kanakia
Partner
Membership No.: 039985

Sanjay Dalal
Chief Financial Officer

Rahul Shah
Company Secretary

Bengaluru, May 18, 2020

Ahmedabad, May 18, 2020

FORM AOC-1

Statement pursuant to first proviso to sub section (3) of section 129 of Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014:

(a) Statement containing salient features of the financial statement of subsidiaries

(₹ in Crore)

1.	Name of Subsidiary Company	Torrent Power Grid Limited	Torrent Pipavav Generation Limited	Torrent Solargen Limited	Jodhpur Wind Farms Private Limited	Latur Renewable Private Limited	TCL Cables Private Limited
2.	Financial year ended on	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020
3.	Share capital	90.00	50.00	80.05	111.00	110.00	2.00
4.	Reserves and surplus	40.23	(15.11)	(74.69)	5.40	5.85	0.01
5.	Total assets	202.34	94.31	943.35	469.78	458.85	2.03
6.	Total liabilities (excluding share capital and reserves and surplus)	72.11	59.42	937.99	353.38	343.00	0.02
7.	Investments	32.39	-	69.06	2.01	-	1.93
8.	Turnover (Revenue from operations)	43.66	-	20.22	65.43	69.27	-
9.	Profit / (loss) before taxation	18.85	(1.61)	(99.14)	10.27	14.89	0.01
10.	Provision for taxation (including deferred tax)	0.37	-	(18.76)	3.00	3.88	*
11.	Profit / (loss) after taxation	18.48	(1.61)	(80.38)	7.27	11.01	0.01
12.	Other comprehensive income (net of tax)	(0.02)	-	-	-	-	-
13.	Total comprehensive income	18.46	(1.61)	(80.38)	7.27	11.01	0.01
14.	Proposed dividend	9.90	-	-	-	-	-
15.	Extent of shareholding (in percentage)	74.00%	95.00%	100.00%	100.00%	100.00%	100.00%

Footnote :

1. 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

(₹ in Crore)

	Name of Associates	Wind Two Renergy Private Limited
1.	Latest audited balance sheet date	March 31, 2020
2.	Date on which the associate was associated or acquired	December 12, 2017
3.	Shares of associate held by the company on the year end	
	(i) Numbers	-
	(ii) Amount of investment in associates	-
	(iii) Extend of holding (in percentage)	0%
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	(3.39)

Footnote :

1. During the year, Wind Four Renergy Private Limited and Wind Five Renergy Private Limited have ceased to be associates of the Company. There is no impact of this development on the consolidated financial results for the year ended March 31, 2020.

For and on behalf of the Board of Directors

Samir Mehta
Chairperson
DIN:00061903

Sanjay Dalal
Chief Financial Officer

Rahul Shah
Company Secretary

Ahmedabad, May 18, 2020

5 YEARS' HIGHLIGHTS - CONSOLIDATED

Particulars	UoM	2019-20	2018-19	2017-18	2016-17	2015-16
TECHNICAL DATA						
Generation Capacity	MW	3,879	3,703	3,721	3,556	3,334
Units Dispatched by Generating Stations	MUs	12,168	10,004	9,671	7,543	9,362
Units Purchased	MUs	7,219	8,125	8,046	8,986	7,504
Units Sold	MUs	18,310	16,678	15,957	14,454	14,673
No. of Consumers	Mn	3.65	3.32	3.23	3.12	3.03
KEY FINANCIALS						
Total Income	₹ in Crore	13,818	13,341	11,776	10,191	11,998
EBITDA	₹ in Crore	3,734	3,389	3,381	2,651	3,336
Profit Before Exceptional Items and Tax	₹ in Crore	1,475	1,264	1,401	587	1,297
Total Comprehensive Income (after Non-controlling interests)	₹ in Crore	1,145	893	956	423	893
Equity Share Capital	₹ in Crore	481	481	481	481	481
Other Equity (Reserves and Surplus)	₹ in Crore	8,673	8,490	7,239	6,411	5,990
Loan Funds (Gross)	₹ in Crore	8,901	9,755	9,337	8,810	8,565
Fixed Assets	₹ in Crore	18,137	18,373	18,263	17,136	15,343
KEY FINANCIAL RATIOS						
EBITDA / Total Income	%	27.02	25.40	28.71	26.01	27.80
Net Profit Margin #	%	8.22	7.41	9.59	4.47	8.65
Return on Net Worth *#	%	11.05	9.54	12.62	5.57	13.22
Return on Capital Employed *#	%	9.32	8.23	9.62	7.31	11.21
Long Term Debt Equity Ratio *		0.92	0.90	1.01	1.06	1.10
Earnings Per Share	₹	24.43	18.70	19.61	8.93	18.73

* Deferred Tax Liability is included as a part of Equity

Excluding Exceptional Items

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Caring Actions With Compassionate Human Touch

Torrent Group sees its businesses as being a symbiotic part of the larger civil society; the businesses flourish because of society and therefore carry the responsibility of sharing its prosperity with the disadvantaged and other affected sections of the society. The Group not only spends the statutory outgo of 2% of its net profits on CSR activities but goes beyond, both in terms of committing higher financial resources and employee participation in CSR activities. In furtherance of its objective of wider community development, under the umbrella of REACH (Reach Each Child) programme, “Rangtarang" an integrated medical complex was built adjacent to SUGEN Power Plant at an aggregate capital cost of ₹135 Crore. “Rangtarang" houses "Balsangam", a new 150 bed paediatric hospital and "Sumangal", a multispeciality day care clinic for all. Everyday more than 400 beneficiaries, otherwise deprived of access to good medical facilities, from around 500+ surrounding villages take benefit of free-of-cost medical facilities. The other CSR programmes of the Group are "Shardashish" - refurbishing and upgrading primary & secondary schools, "Shiksha Setu" - aimed at enhancing teaching and learning outcomes in municipal / government schools, "Pratiti" - building and maintaining public gardens in Ahmedabad and "Abhivyakti" - promoting arts and culture amongst the citizenry. Caring Actions go beyond general CSR activities and also involve working towards maximising customer satisfaction, fair and ethical work environment for employees and conducting businesses in a socially responsible manner.

Committed Actions Through Efficient And Ethical Governance

The main pillar of a sustainable business is good governance – running the business efficiently and ethically. Good governance ensures long term growth in business to the benefit of all stakeholders - capital providers, customers, suppliers, employees and the society. Torrent Group adopts high standards in business governance – having an Independent Board providing oversight to Management, Holistic Risk Management, Rational Capital Allocation & Efficient Operations, Strong Compliance Practices and High Standards of Probity among those charged with running the business. Our Core Values and Code of Conduct are the beacons for ethical governance and accountability.

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