

**Torrent Power Limited**  
**Ahmedabad Supply Area**  
**TPL-D (Ahmedabad)**

# Price Waterhouse Chartered Accountants LLP

The Board of Directors  
Torrent Power Limited  
Samanvay, 600, Tapovan, Ambavadi,  
Ahmedabad, Gujarat 380015

## Torrent Power Limited - Ahmedabad and Gandhinagar Distribution Area

### Report on financial statements

1. This report is issued in accordance with the terms of our agreement dated August 01, 2018.
2. We have audited the accompanying Statement of Balance sheet as at March 31, 2018, the statement of profit and loss (including other comprehensive income), the cash flow statement and the statement of changes in equity for the year ended on that date and a summary of significant accounting policies and other explanatory information of these special purpose financial statements to the extent considered relevant for the purpose of Ahmedabad and Gandhinagar Distribution license Area [TPL- D (Ahmedabad)] of Torrent Power Limited (the "Company") (hereinafter referred to as 'financial statements'), which we have signed under reference to this report.

### Management's Responsibility for the Financial Statements

3. Management is responsible for the preparation of these financial statements in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act, to the extent considered relevant by it for the purpose for which these financial statements have been prepared. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

4. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.



Price Waterhouse Chartered Accountants LLP, 5th Floor, Tower 'D', The Millenia, 1 & 2 Murphy Road, Ulsoor  
Bangalore - 560 008  
T: +91 (80) 4079 5000, F: +91 (80) 4079 5222

Registered office and Head office: Suchela Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

## Price Waterhouse Chartered Accountants LLP

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

### Opinion

7. Based on our audit, we report that:
  - a. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
  - b. The Balance Sheet, Statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - c. In our opinion and to the best of our information and according to the explanations given to us, the financial statements, together with the notes thereon and attached thereto, to the extent considered relevant, fairly present, in all material respects, in conformity with the accounting principles generally accepted in India:
    - (i) in the case of the Balance Sheet, the state of affairs of TPL-D (Ahmedabad) as at March 31, 2018;
    - (ii) in the case of the Statement of Profit and Loss, the profit for the year ended on that date;
    - (iii) in the case of the Cash flow statement, of the cash flows for the year ended on that date; and
    - (iv) in the case of the statement of changes in equity, of the equity for the year ended on that date.

### Emphasis of Matter – Basis of preparation

8. We draw attention to Note 2.1 to the financial statements, which describes the basis of its preparation in the manner as required by the Gujarat Electricity Regulatory Commission (GERC). The financial statements are not the statutory financial statements of the Company, and are not intended to, and do not, fully comply with the disclosure provisions applicable to statutory financial statements prepared under the Companies Act, 2013, as several disclosures are not considered relevant by the Management and the intended users of the financial statements for the purpose for which those have been prepared. Our opinion is not qualified in respect of this matter.

### Other Matters

9. The financial statements dealt with by this report, have been prepared for the express purpose of submission to the GERC.
10. The financial statements of the TPL- D (Ahmedabad) for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their certificate dated August 01, 2017 expressed an unmodified certificate on those financial statements.
11. The Company has prepared its statutory financial statements for the year ended March 31, 2018 in accordance with Companies Act 2013 on which we issued an unmodified opinion vide our audit report dated May 29, 2018.

Our opinion is not modified in respect of these matters.

### Restriction on Use

12. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of any financial statements of the Company.



## Price Waterhouse Chartered Accountants LLP

13. This report is addressed to the Board of Directors of the Company and has been prepared only for the purpose set out in paragraph 9 above. This report should not be otherwise used by or shown to or otherwise distributed to any other party or used for any other purpose except with our prior consent in writing. Price Waterhouse Chartered Accountants LLP neither accepts nor assumes any duty, responsibility or liability to any other party or for any other purpose.

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



Pradip Kanakia  
Partner  
Membership No.: 39985

Place: *Bangalore*  
Date: *Sep 26, 2018*

**TORRENT POWER LIMITED**  
Ahmedabad & Gandhinagar Distribution Area

**BALANCE SHEET AS AT 31st MARCH, 2018**

	Note	As at 31st March, 2018	(Rs. in Crore) As at 31st March, 2017
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	3,782.74	3,272.05
Capital work-in-progress		160.34	185.74
Intangible assets	5	3.04	2.29
Intangible assets under development		2.03	2.61
<b>Financial assets</b>			
Investments	6	3.59	2.99
Loans	7	1.36	1.36
Other non-current assets	8	19.38	25.72
		<u>3,972.48</u>	<u>3,492.76</u>
<b>Current assets</b>			
Inventories	9	146.57	109.39
<b>Financial assets</b>			
Trade receivables	10	468.08	409.64
Cash and cash equivalents	11	17.22	15.03
Loans	12	2.34	0.19
Other financial assets	13	312.47	204.09
Other current assets	14	2.35	3.35
		<u>949.03</u>	<u>741.69</u>
		<u>4,921.51</u>	<u>4,234.45</u>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Head Office Account	15	176.98	327.28
Other equity	16	32.21	31.61
		<u>209.19</u>	<u>358.89</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	17	1,796.76	1,550.22
Other financial liabilities	18	653.95	588.96
Provisions	19	34.91	40.22
Other non-current liabilities	20	567.26	538.55
		<u>3,052.88</u>	<u>2,717.95</u>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	21	605.00	340.00
Trade payables	22		
Due to micro and small enterprises		6.42	2.81
Due to others		453.37	286.68
Other financial liabilities	23	216.19	223.02
Other current liabilities	24	361.47	282.75
Provisions	25	16.99	22.35
		<u>1,659.44</u>	<u>1,157.61</u>
		<u>4,921.51</u>	<u>4,234.45</u>

See accompanying notes forming part of the financial statements

In terms of our report attached

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



Pradip Kanakia  
Partner  
Membership No. : 39985  
Place *Bangalore*  
Date : *26 Sep*, 2018

For Torrent Power Limited



Naimesh Shah  
Authorised Signatory

Place : *AHMEDABAD*  
Date : *SEP 25*, 2018

**TORRENT POWER LIMITED**

Ahmedabad &amp; Gandhinagar Distribution Area

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018****(Rs. in Crore)**

	Note	Year ended 31st March, 2018	Year ended 31st March, 2017
<b>Income</b>			
Revenue from operations	26	5,217.16	4,535.21
Other income	27	26.63	20.92
<b>Total income</b>		<b>5,243.79</b>	<b>4,556.13</b>
<b>Expenses</b>			
Electrical energy purchased		4,064.46	3,485.14
Employee benefits expense	28	126.19	113.42
Finance costs	29	248.16	258.23
Depreciation and amortization expense	30	211.91	176.51
Other expenses	31	204.78	191.75
<b>Total expenses</b>		<b>4,855.50</b>	<b>4,225.05</b>
<b>Profit for the year</b>		<b>388.29</b>	<b>331.08</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of the defined benefit plans		8.88	(4.04)
<b>Other comprehensive income for the year</b>		<b>8.88</b>	<b>(4.04)</b>
<b>Total comprehensive income for the year</b>		<b>397.17</b>	<b>327.04</b>

See accompanying notes forming part of the financial statements

**In terms of our report attached**

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

**For Torrent Power Limited**

**Pradip Kanakia**

Partner

Membership No. : 39985

Place : *Bangalore*Date : *26 Sep*, 2018

**Naimesh Shah**

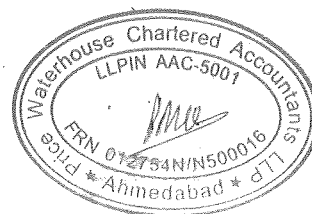
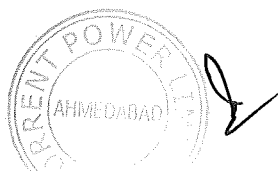
Authorised Signatory

Place : *AHMEDABAD*Date : *SEP 25*, 2018

**TORRENT POWER LIMITED**  
Ahmedabad & Gandhinagar Distribution Area

**STATEMENT OF CASH FLOW**  
for the year ended 31st March, 2018

		(Rs. in Crore)	
	Note	Year ended 31st March, 2018	Year ended 31st March, 2017
<b>Cash flow from operating activities</b>			
Profit for the year		388.29	331.08
<b>Adjustments for :</b>			
Depreciation and amortization expense	30	211.91	176.51
Amortisation of deferred revenue	26	(36.82)	(33.37)
Provisions for doubtful debts no longer required		-	(1.59)
Loss on sale / discarding of property, plant and equipment	31	5.08	4.42
Gain on disposal of property, plant and equipment	27	(5.92)	(1.57)
Bad debts written off (net)	31	0.84	-
Allowance for doubtful debts (net)	31	2.93	-
Finance costs	29	248.16	258.23
Interest income	27	(11.14)	(9.17)
<b>Operating profit before working capital changes</b>		<b>803.33</b>	<b>724.54</b>
<b>Movement in working capital:</b>			
Adjustments for decrease / (increase) in operating assets:			
Inventories		(37.18)	(46.92)
Trade receivables		(62.19)	39.67
Current loans		(2.16)	(0.19)
Other current financial assets		(108.38)	52.99
Other current assets		1.01	41.89
Other non-current assets		0.31	5.24
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		170.29	(92.16)
Other current financial liabilities		26.18	(83.15)
Other non-current financial liabilities		64.99	54.00
Long-term provisions		(5.31)	4.73
Short-term provisions		3.52	(1.00)
Other current liabilities		75.06	92.51
<b>Net cash flow from operating activities</b>		<b>929.47</b>	<b>792.15</b>
<b>Cash flow from investing activities</b>			
Payments for property, plant and equipment and capital work-in-progress		(804.23)	(633.58)
Payments for intangible assets and intangible asset under development		(1.55)	(2.88)
Non-current advances for capital assets		6.03	0.07
Proceeds from sale of property, plant and equipment		9.37	3.49
Purchase of non-current investments		(0.60)	(0.60)
Interest received		11.15	9.17
<b>Net cash generated from / (used in) investing activities</b>		<b>(779.83)</b>	<b>(624.33)</b>
<b>Cash flow from financing activities</b>			
Inter Branch / Head Office transactions, net		(546.87)	(1,200.99)
Proceeds from long-term borrowings		379.25	937.34
Repayment of long-term borrowings		(57.04)	(47.82)
Proceeds from short-term borrowings		265.00	340.00
Repayment of APDRP loan		(2.26)	(2.26)
Prepayment long-term borrowings		(3.04)	-
Receipt of contribution from consumers		69.18	66.09
Finance costs paid		(251.67)	(263.95)
<b>Net cash generated from / (used in) financing activities</b>		<b>(147.45)</b>	<b>(171.59)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>2.19</b>	<b>(3.77)</b>
<b>Cash and cash equivalents as at beginning of the year</b>		<b>15.03</b>	<b>18.80</b>
<b>Cash and cash equivalents as at end of the year</b>		<b>17.22</b>	<b>15.03</b>



**TORRENT POWER LIMITED**  
**Ahmedabad & Gandhinagar Distribution Area**

**STATEMENT OF CASH FLOW**  
**for the year ended 31st March, 2018**

See accompanying notes forming part of the financial statements

	(Rs. in Crore)
Year ended	Year ended
31st March, 2018	31st March, 2017

**Footnotes:**

1. Cash and cash equivalents as at end of the year:

Balance with Banks

Balance in current accounts

Cash on hand

17.19 14.97

0.03 0.06

17.22 15.03

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

3. Proceeds from long-term borrowings and short-term borrowings represent amounts allocated from Head Office. (Refer Note 2.1 (v))

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP

Chartered Accountants

Firm Registration Number : 012754N / N500016



**Pradip Kanakia**

Partner

Membership No. : 39985

Place : Bangalore

Date : 26 Sep, 2018

For Torrent Power Limited



**Naimesh Shah**

Authorised Signatory

Place : AHMEDABAD

Date : SEP 25, 2018

**TORRENT POWER LIMITED**  
**Ahmedabad & Gandhinagar Distribution Area**

**STATEMENT OF CHANGES IN EQUITY [Refer note 16]**

**Other equity**

	Reserves and surplus			(Rs. in Crore)
	Contingency reserve	Special reserve	Retained earnings	Total
<b>Balance as at 1st April, 2016</b>	<b>1.80</b>	<b>29.21</b>	<b>-</b>	<b>31.01</b>
Profit for the year	-	-	331.08	331.08
Other comprehensive income for the year	-	-	(4.04)	(4.04)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>327.04</b>	<b>327.04</b>
Transfer to contingency reserve	0.60	-	(0.60)	-
Transfer to Head Office Account	-	-	(326.44)	(326.44)
<b>Balance as at 31st March, 2017</b>	<b>2.40</b>	<b>29.21</b>	<b>-</b>	<b>31.61</b>
Profit for the year	-	-	388.29	388.29
Other comprehensive income for the year	-	-	8.88	8.88
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>397.17</b>	<b>397.17</b>
Transfer to contingency reserve	0.60	-	(0.60)	-
Transfer to Head Office Account	-	-	(396.57)	(396.57)
<b>Balance as at 31st March, 2018</b>	<b>3.00</b>	<b>29.21</b>	<b>-</b>	<b>32.21</b>

**In terms of our report attached**

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

**For Torrent Power Limited**



**Pradip Kanakia**  
Partner  
Membership No. : 39985

Place : *Bangalore*  
Date : *26 Sep.*, 2018



**Naimesh Shah**  
Authorised Signatory

Place : *AHMEDABAD*  
Date : *SEP 25*, 2018

## **TORRENT POWER LIMITED**

### **Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

#### **AHMEDABAD AND GHANDHINAGAR DISTRIBUTION AREA**

##### **Note 1A: General information**

The Statement of Balance sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date and a summary of significant accounting policies and other explanatory information of these 'special purpose financial statements' to the extent considered relevant for the purpose of Ahmedabad and Gandhinagar Distribution license Area [TPL- D (Ahmedabad)] of Torrent Power Limited ("the Company") (hereinafter referred to as 'financial statements') have been prepared for the purpose of submission to the Gujarat Electricity Regulatory Commission (GERC).

TPL - D (Ahmedabad) operates in electricity distribution activities in Ahmedabad and Gandhinagar distribution licence area as per the terms of the tariff order approved by Gujarat Electricity Regulatory Commission (GERC) year on year.

##### **Note 1B: New standards or interpretations adopted by TPL-D (Ahmedabad)**

TPL-D (Ahmedabad) has applied the following amendment for the first time for its annual reporting period commencing 1st April, 2017:

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

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

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

##### **Note 1C: New standards or interpretations issued but not yet effective**

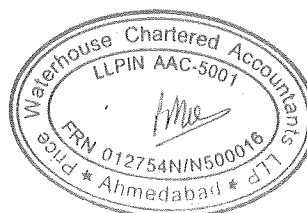
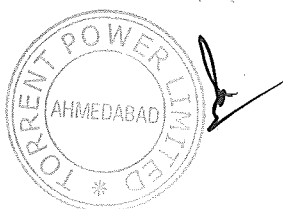
TPL-D (Ahmedabad) will apply the following standard for the first time for its annual reporting period commencing 1st April, 2018:

###### **Ind AS - 115 "Revenue from Contracts with Customers"**

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

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

In order to identify the potential impact of the standard on TPL-D (Ahmedabad) financial statements, TPL-D (Ahmedabad) is analysing contracts of the revenue streams of TPL-D (Ahmedabad). TPL-D (Ahmedabad) has begun the analysis on the key areas identified, in order to estimate the effect of the application of the new standard for which the work is ongoing and impact areas may be identified as TPL-D (Ahmedabad) progresses further in the implementation process. As a result, at this stage TPL-



## TORRENT POWER LIMITED

### Ahmedabad & Gandhinagar Distribution Area

Notes forming part of the financial statements for the year ended 31st March, 2018

D (Ahmedabad) is not able to estimate the impact of the new standard on TPL-D (Ahmedabad) financial statements. TPL-D (Ahmedabad) will make more detailed assessments of the impact over the future periods.

#### Note 2: Significant accounting policies

##### 2.1 Basis of preparation:

These financial statements have been prepared /extracted from the books and records and audited financial statements of the Company which are based on 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 Companies Act, 2013 and rules made there under.

Upto year ended March 31, 2016, the financial statements of TPL-D (Ahmedabad) were prepared in accordance with the accounting standards notified Companies (Accounting standard) Rules, 2006 (as amended) and other relevant provisions of the Act ('previous GAAP').

The principles of measurement, recognition and disclosure (to the extent considered relevant) followed for preparation of these financial statements are consistent with the accounting policies followed by Torrent Power Limited in its annual standalone audited financial statements for the year ended March 31, 2018 subject to the following:

##### (i) Tax Provision

The Company's corporate tax liability under Income Tax Act, 1961 is assessed for the Company as a whole and accordingly no current tax or deferred tax has been accounted for in these financial statements of TPL- D (Ahmedabad).

##### (ii) Basis of determining the value of inter-unit sales of power:

In respect of TPL- D (Ahmedabad) and the Company's other generating units, the transfer price for sale of power has been determined on the basis of the principles stated in the Multi-year tariff regulations as issued by the GERC and Central Electricity Regulatory Commission (CERC) respectively, read with the tariff orders issued by them for respective business units.

##### (iii) Basis of allocation of common expenditure:

The expenditure incurred by the Company that is directly attributable to a particular unit/area is allocated to that particular unit/area. The common expenditure incurred by the Company is allocated between the units/areas in the ratio determined based on the respective sales of each unit/area as a proportion to the total sales of the Company, including inter-unit sales.

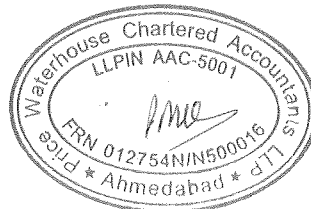
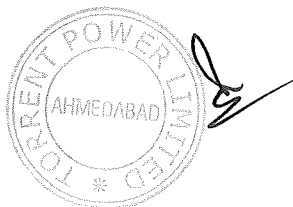
##### (iv) Power Purchase Cost:

Total power purchase cost of TPL- D (Ahmedabad) and Surat Distribution license areas is calculated on collective basis and apportioned between them as per GERC order.

##### (v) Loan balances:

The borrowings of the Company are centralised. The loans obtained by the Company from the banks and financial institutions are allocated between the units of the Company, based on the funding requirements of the respective units and accordingly interest cost is paid by the unit.

Loan from Head Office represents the amount receivable by Head office from TPL-D (Ahmedabad) towards unrecovered /unbilled regulatory gap.



## **TORRENT POWER LIMITED**

### **Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

(vi) Transactions between Head Office /Inter-Unit:

Head office account represents the closing balance which has been arrived at after considering transaction with Head Office and all inter-unit transactions. The profit earned during the year by the TPL-D (Ahmedabad) also gets transferred to Head Office account as at the year end.

#### **Historical cost convention**

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

- Defined benefit plan assets

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

#### **2.2 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 TPL-D (Ahmedabad) 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 TPL-D (Ahmedabad) 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 TPL-D (Ahmedabad) 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.

#### **2.3 Property, plant and equipment:**

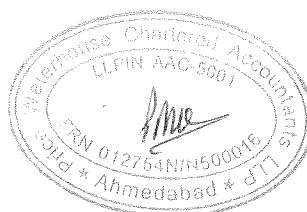
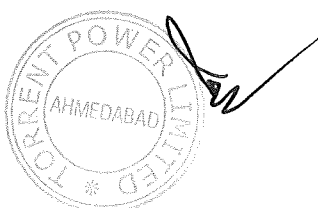
##### **Tangible fixed assets**

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, except that on adoption of Ind AS, property, plant and equipment had been measured at deemed cost, equivalent to the net carrying value as per previous GAAP as at 1st April, 2015. Capital work in progress in the course of construction for production, supply or administrative purposes is carried at cost, less any recognised impairment loss.

Cost includes purchase price, taxes and duties, labour cost and other directly attributable costs incurred upto the date the asset is ready for its intended use. Such property, plant and equipment are classified to the appropriate categories when completed and ready for intended use.

Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to TPL-D (Ahmedabad) 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.



**TORRENT POWER LIMITED****Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**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 is provided on straight line basis using the depreciation rates, the methodology and residual value as per the provisions of Annexure-I of Section 39 of Chapter 3 of Gujarat Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2016. The effect of any such change in estimate in this regard is being accounted for on a prospective basis.

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

Class of assets	Rate of depreciation
Buildings	1.80% to 6.00%
Plant and machinery	1.80% to 18.00%
Electrical fittings and apparatus	3.60% to 6.33%
Furniture and fixtures	5.28% to 6.33%
Vehicles	6.00% to 18.00%
Office equipment	5.28% to 15.00%

**2.4 Intangible assets - acquired:**

Computer software is carried at cost less accumulated amortisation. 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.

**2.5 Impairment of tangible and intangible assets other than goodwill:**

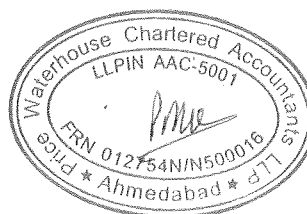
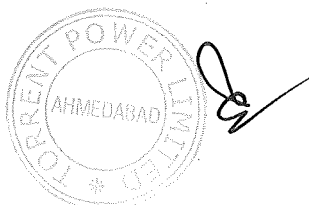
Tangible and intangible assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the 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.

**2.6 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.



## **TORRENT POWER LIMITED**

### **Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

#### **2.7 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. Also refer note 2.1.

#### **2.8 Inventories:**

Raw materials, fuel, stores and spares, packing materials, loose tools, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of inventories includes all costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts.

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

#### **2.9 Revenue recognition:**

Revenue is recognized, when the products are delivered or services are rendered to consumers and when no significant uncertainty as to the measurability or collectability exists. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for discounts and other similar allowances.

(i) Revenue from power supply and transmission charges are accounted on the basis of billings to consumers and Central transmission utility respectively in accordance with tariff orders issued by the respective regulatory commissions. Revenue recognized in excess of billing has been reflected under "other financial assets" as unbilled revenue.

Further, in view of the uncertainties involved in the recoverability, the quarterly Fuel and Power Purchase Price Adjustment ("FPPPA") claims are accounted as and when allowed by the regulatory authorities and true up adjustments claims are accounted as and when billed to the consumers. [Refer note 3.1(i)]

(ii) Interest income from financial assets is recognised when it is probable that the economic benefits will flow to TPL-D (Ahmedabad) 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.

(iii) 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.

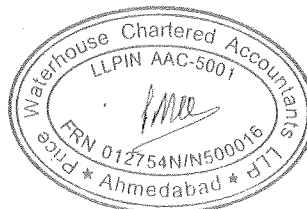
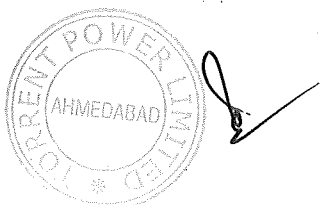
#### **2.10 Foreign currency translation:**

##### **Functional and presentation currency**

These financial statements are prepared in Indian rupee (INR) which is functional as well as presentation currency of TPL-D (Ahmedabad).

##### **Transactions and balances**

In preparing these financial statements of TPL-D (Ahmedabad), 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.



## **TORRENT POWER LIMITED**

### **Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

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 TPL-D (Ahmedabad) 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.

#### **2.11 Employee benefits:**

##### **Defined contribution plans**

Contributions to retirement benefit plans in the form of provident fund, employee state insurance scheme and superannuation schemes as per regulations are charged as an expense on an accrual basis when employees have rendered the service. TPL-D (Ahmedabad) 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 defined 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.

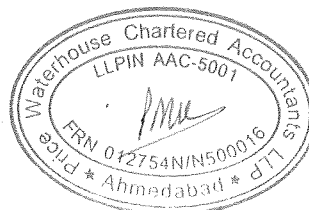
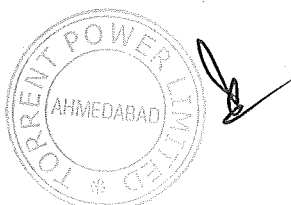
Remeasurements, comprising actuarial gains and losses and the effect of the changes to the asset ceiling (if applicable), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and consequently recognised in retained 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 TPL-D (Ahmedabad) 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.



## **TORRENT POWER LIMITED**

### **Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

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

##### **Provisions**

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

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

##### **Contingent liability**

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

##### **Contingent assets**

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

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

#### **2.13 Financial instruments:**

##### **Financial assets**

##### **i) Classification of financial assets (including debt instruments)**

TPL-D (Ahmedabad) 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.

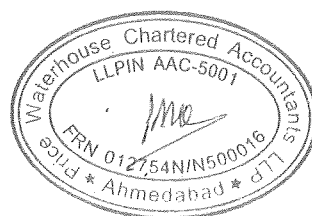
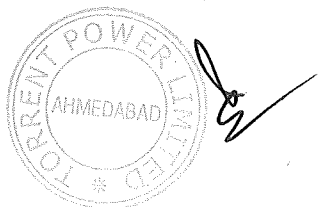
The classification depends on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

##### **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:



## **TORRENT POWER LIMITED**

### **Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

#### **• 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**

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

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 only, TPL-D (Ahmedabad) 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, TPL-D (Ahmedabad) 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.

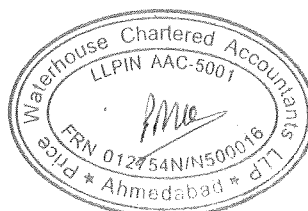
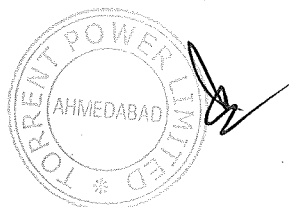
#### **v) Derecognition of financial assets**

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 TPL-D (Ahmedabad) balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- TPL-D (Ahmedabad) has transferred its rights to receive cash flows from the asset

When the entity has transferred an asset, TPL-D (Ahmedabad) 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 TPL-D (Ahmedabad) has not retained control over the financial asset. Where TPL-D (Ahmedabad) retains control of the



## **TORRENT POWER LIMITED**

### **Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### **Financial liabilities**

TPL-D (Ahmedabad) financial liabilities include trade and other payables, loans and borrowings.

##### **i) Classification**

All TPL-D (Ahmedabad) 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**

TPL-D (Ahmedabad) derecognises financial liabilities when, and only when, TPL-D (Ahmedabad) obligations are discharged, cancelled or waived off or have expired. An exchange between TPL-D (Ahmedabad) 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.

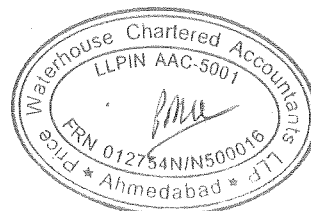
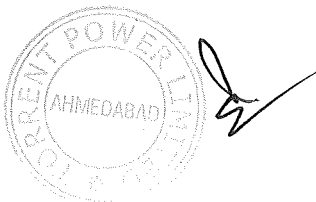
#### **2.14 Leases:**

Leases (including lease arrangements for land) are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating lease (TPL-D (Ahmedabad) as lessee): Lease payments under an operating lease are recognized as expense in the statement of profit and loss, on a straight-line or other systematic basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Lessor's expected inflationary cost increases, such increases are recognised in the year in which such liability accrues.

#### **2.15 Rounding of amounts:**

All amounts disclosed in these financial statements and notes have been presented in crore rounded to two decimals as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated. Figures below ₹50,000 are denoted by "\*\*".



## **TORRENT POWER LIMITED**

### **Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

#### **Note 3: Critical accounting judgements and key sources of estimation uncertainty**

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

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

#### **3.1 Regulatory deferral accounts:**

Ind AS - 114 "Regulatory Deferral Accounts" permits TPL-D (Ahmedabad) to apply the requirements of this standard in its first Ind AS financial statements if and only if it conducts rate-regulated activities and recognised amounts that qualify as regulatory deferral account balances in its financial statements in accordance with its previous GAAP (i.e. for the year ended 31st March, 2016). As TPL-D (Ahmedabad) had consistently elected not to recognise the regulatory deferral balances in its previous GAAP, the requirement of IND AS - 114 does not apply to TPL-D (Ahmedabad).

#### **3.2 Service concession arrangements:**

TPL-D (Ahmedabad) has assessed applicability of Appendix A of Ind AS - 11 "Service Concession Arrangements" with respect to its distribution and transmission assets portfolio. In assessing the applicability, TPL-D (Ahmedabad) has exercised judgment in relation to the provisions of the Electricity Act, 2003, transmission / distribution license and / or agreements. Based on such assessment, it has concluded that Appendix A of Ind AS - 11 is not applicable.

#### **3.3 Impairment of financial assets:**

##### **Trade receivables**

TPL-D (Ahmedabad) estimates the credit allowance as per practical expedient based on historical credit loss experience as enumerated in note 40.

#### **3.4 Contingencies:**

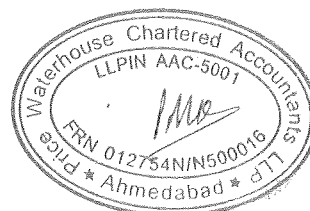
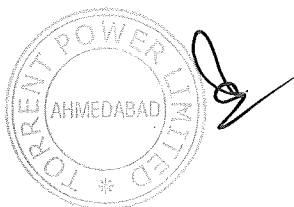
##### **Contingent liabilities**

In the normal course of business, contingent liabilities may arise from litigation and other claims against TPL-D (Ahmedabad). 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.

#### **3.5 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.



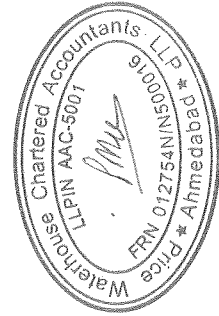
**TORRENT POWER LIMITED**

**Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note - 4.1 : Property, plant and equipment - as at 31st March, 2018**

PARTICULARS	Gross carrying amount				Accumulated depreciation			(Rs. in Crore)	
	As at 1st April, 2017	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2018	As at 1st April, 2017	For the year	Deductions during the year	As at 31st March, 2018
Property, plant and equipment									
Freehold land	125.39	12.04	-	-	137.43	-	-	-	137.43
Buildings	229.73	51.06	-	0.72	281.51	11.06	7.69	-	262.76
Plant and machinery	3,201.67	654.56	11.27	4.70	3,849.66	303.69	198.88	3.39	3,350.48
Electrical fittings and apparatus	6.58	1.13	-	-	7.71	1.33	0.74	-	5.64
Furniture and fixtures	4.00	1.13	-	-	5.13	0.55	0.44	-	4.14
Vehicles	2.72	0.20	0.63	-	2.29	0.43	0.29	0.13	1.70
Office equipments	24.14	4.16	0.20	0.05	28.15	5.12	2.48	0.04	20.59
<b>Total</b>	<b>3,594.23</b>	<b>724.28</b>	<b>12.10</b>	<b>5.47</b>	<b>4,311.88</b>	<b>322.18</b>	<b>210.52</b>	<b>3.56</b>	<b>3,782.74</b>



**TORRENT POWER LIMITED**

Ahmedabad & Gandhinagar Distribution Area

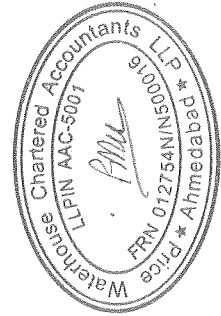
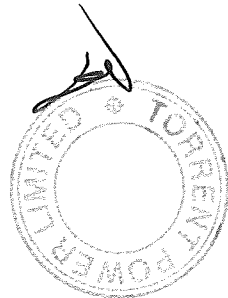
Notes forming part of the financial statements for the year ended 31st March, 2018

**Note - 4.2 : Property, plant and equipment - as at 31st March, 2017**

PARTICULARS	Gross carrying amount				Accumulated depreciation			Net carrying amount (Rs. in Crore)
	As at 1st April, 2016	Additions during the year	Deductions during the year	Adjustments	As at 31st March, 2017	As at 1st April, 2016	For the year	As at 31st March, 2017
Property, plant and equipment								
Freehold land	114.74	10.65	-	-	125.39	-	-	125.39
Buildings	184.18	45.25	-	0.30	229.73	4.94	6.12	218.67
Plant and machinery	2,630.68	575.90	7.63	2.72	3,201.67	140.73	164.64	2,897.98
Electrical fittings and apparatus	5.73	0.84	-	0.01	6.58	0.65	0.68	5.25
Furniture and fixtures	2.55	1.45	-	-	4.00	0.26	0.29	3.45
Vehicles	2.04	1.01	0.33	-	2.72	0.23	0.25	2.29
Office equipments	21.29	2.97	0.16	0.04	24.14	2.61	2.56	19.02
<b>Total</b>	<b>2,961.21</b>	<b>638.07</b>	<b>8.12</b>	<b>3.07</b>	<b>3,594.23</b>	<b>149.42</b>	<b>174.54</b>	<b>3,272.05</b>

**Footnotes to Note 4.1 and Note 4.2 :**

- Assets mortgaged as security:**  
Entire movable and immovable properties (including capital work-in-progress) with the net carrying amount of Rs. 3,943.07 Crore (31st March, 2017 - Rs. 3,457.79 Crore) have been mortgaged and hypothecated to secure borrowings of the Company [Refer note 17].
- Capital commitment:**  
Refer note 33(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- Adjustments during the year include capitalisation of borrowing costs of Rs. 5.47 Crore (Previous year -Rs. 3.07 Crore), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 "Borrowing Costs".**
- Capital work-in-progress include capitalisation of borrowing costs of Rs. 0.71 Crore (31st March, 2017- Rs.2.42 Crore ), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 "Borrowing Costs.**
- The weighted average rate for capitalisation of borrowing cost relating to general borrowing is 8.55% (Previous year 11.07% to 11.13%)**
- Additions to plant and machinery includes capitalisation of directly attributable costs incurred by [TPL- D (Ahmedabad)] under various headings.**



**TORRENT POWER LIMITED**  
**Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

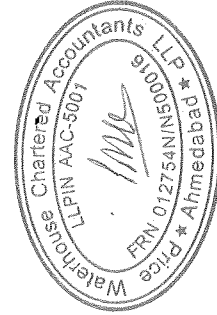
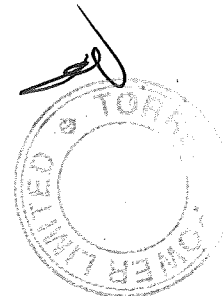
**Note - 5 : Intangible assets**

PARTICULARS	Gross carrying amount			Accumulated amortization			Net carrying amount
	As at 1st April, 2017	Additions during the year	Deductions during the year	As at 1st April, 2017	For the year	Deductions during the year	As at 31st March, 2018
Computer software	7.19	2.14	-	4.90	1.39	-	6.29
<b>Total</b>	<b>7.19</b>	<b>2.14</b>	<b>-</b>	<b>4.90</b>	<b>1.39</b>	<b>-</b>	<b>3.04</b>

PARTICULARS	Gross carrying amount			Accumulated amortization			Net carrying amount
	As at 1st April, 2016	Additions during the year	Deductions during the year	As at 1st April, 2016	For the year	Deductions during the year	As at 31st March, 2017
Computer software	6.35	0.84	-	2.93	1.97	-	4.90
<b>Total</b>	<b>6.35</b>	<b>0.84</b>	<b>-</b>	<b>2.93</b>	<b>1.97</b>	<b>-</b>	<b>2.29</b>

**Footnote:**

1. The above computer software has been mortgaged and hypothecated to secure borrowings of the Company [Refer note 17].



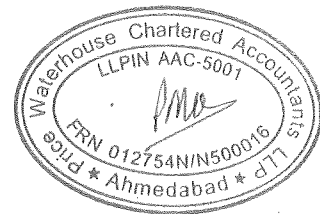
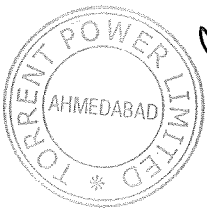
**TORRENT POWER LIMITED****Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note - 6 : Non-current investments**

	(Rs. in Crore)	
	As at	As at
	31st March, 2018	31st March, 2017
<b>Contingency reserve investments - statutory (quoted)</b>		
<b>(at amortised cost) \$</b>		
8.28% GOI Bond - 2032	0.59	0.59
8.97% GOI Bond - 2030	0.60	0.60
8.28% GOI Bond - 2027	0.60	0.60
7.35% GOI Bond - 2024	0.60	0.60
8.40% GOI Bond - 2024	0.60	0.60
6.68% GOI Bond -2031	0.60	-
	<u>3.59</u>	<u>2.99</u>
Aggregate amount of quoted investments	3.59	2.99
Aggregate amount of impairment in value of investments	-	-
Aggregate amount of market value of quoted investments	3.69	3.22

\$ 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 16 - Contingency Reserve).



**TORRENT POWER LIMITED****Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note 7 : Non-current loans**

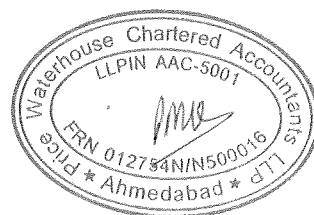
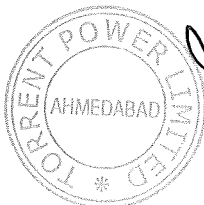
Unsecured (considered good unless stated otherwise)

	As at 31st March, 2018	(Rs. in Crore) As at 31st March, 2017
Security deposits	1.36	1.36
	<u>1.36</u>	<u>1.36</u>

**Note 8 : Other non-current assets**

Unsecured (considered good unless stated otherwise)

	As at 31st March, 2018	(Rs. in Crore) As at 31st March, 2017
Capital advances	-	6.03
Unamortised premium for leasehold land	19.38	19.69
	<u>19.38</u>	<u>25.72</u>



**TORRENT POWER LIMITED****Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note - 9 : Inventories**

(valued at lower of cost and net realizable value)

	(Rs. in Crore)	
	As at	As at
	31st March, 2018	31st March, 2017
Stores and spares	145.98	108.94
Loose tools	0.59	0.45
	<u>146.57</u>	<u>109.39</u>

**Footnotes:**

1 The cost of inventories recognised as an expense includes Rs. 1.64 Crore (Previous year- Rs.1.96 Crore ) in respect of write - downs of inventory to net realisable value determined based on evaluation of slow and non-moving inventories.

2 The carrying amount of inventories which has been mortgaged and hypothecated to secure borrowings of the Company was Rs. 146.57 Crore (31st March, 2017 - Rs.109.39 Crore). Refer Note 17 for charge on current assets including Inventories.

**Note - 10 : Trade receivables**

	(Rs. in Crore)	
	As at	As at
	31st March, 2018	31st March, 2017
Trade receivables		
Secured		
- Considered good	317.88	275.08
Unsecured		
- Considered good	150.20	134.56
- Considered doubtful	12.79	9.86
	<u>480.87</u>	<u>419.50</u>
Less: Allowance for bad and doubtful debts	12.79	9.86
	<u>468.08</u>	<u>409.64</u>

**Footnote:**

1 Refer note 40 for credit risk related disclosures.

2 Refer note 17 for charge on Current Assets including Trade Receivables.

**Note - 11 : Cash and cash equivalents**

	(Rs. in Crore)	
	As at	As at
	31st March, 2018	31st March, 2017
Balances with banks		
Balance in current accounts	17.19	14.97
	<u>17.19</u>	<u>14.97</u>
Cash on hand	0.03	0.06
	<u>17.22</u>	<u>15.03</u>

**Note 12 : Current loans**

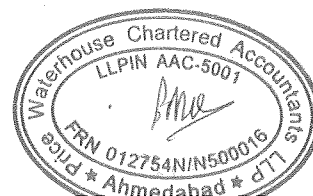
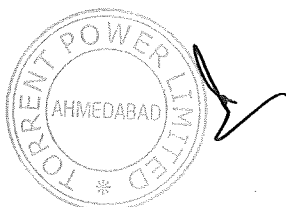
Unsecured (considered good unless stated otherwise)

	(Rs. in Crore)	
	As at	As at
	31st March, 2018	31st March, 2017
Security deposits	2.34	0.19
	<u>2.34</u>	<u>0.19</u>

**Note 13 : Other current financial assets**

Unsecured (considered good unless stated otherwise)

	(Rs. in Crore)	
	As at	As at
	31st March, 2018	31st March, 2017
Interest accrued on non-current investments	0.05	0.04
Unbilled revenue	312.42	204.05
	<u>312.47</u>	<u>204.09</u>



**TORRENT POWER LIMITED**

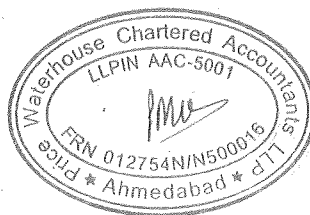
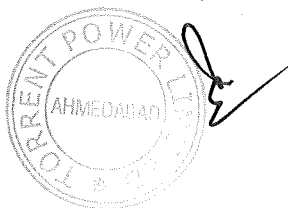
**Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note 14 : Other current assets**

Unsecured (considered good unless stated otherwise)

	As at 31st March, 2018	(Rs. in Crore) As at 31st March, 2017
Advances for goods and services	0.26	1.61
Balances with government authorities	0.04	-
Prepaid expenses	1.74	1.43
Unamortised premium for leasehold land	0.31	0.31
	<u>2.35</u>	<u>3.35</u>



**TORRENT POWER LIMITED****Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note - 15 : Head Office Account**

(Refer Note 2.1 (vi))

	As at 31st March, 2018	(Rs. in Crore) As at 31st March, 2017
Balance at the beginning of the year	327.28	1,201.83
Add : Retained earnings transferred from reserves and surplus	396.57	326.44
Less : Inter branch / Head Office transactions, net	(546.87)	(1,200.99)
Balance at the end of the year	<u>176.98</u>	<u>327.28</u>

**Note - 16 : Other equity**

	As at 31st March, 2018	(Rs. in Crore) As at 31st March, 2017
<b>Reserves and surplus</b>		
Contingency reserve	3.00	2.40
Special reserve	29.21	29.21
Retained earnings	397.17	327.04
Less : Transfer to contingency reserve	(0.60)	(0.60)
Less : Retained earnings Transferred to Head Office Account	(396.57)	(326.44)
	<u>32.21</u>	<u>31.61</u>

**Footnotes:****1 Contingency reserve:**

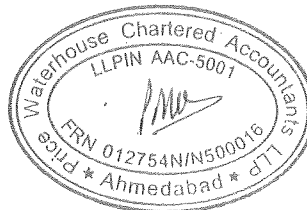
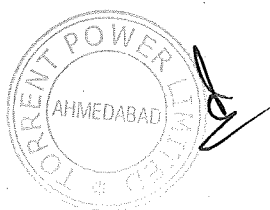
As per provisions of the GERC MYT Regulations read with Tariff orders passed by GERC, Distribution Licensee makes an appropriation to the contingency reserve to meet with certain exigencies. Investments in Bonds issued by Government of India have been made against such reserve.

**2 Special reserve:**

As per MYT Regulations (2007), [TPL- D (Ahmedabad)] 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 [TPL- D (Ahmedabad)] for the purpose of absorbing the impact of any future losses on account of controllable factors.

**3 Retained earnings:**

The retained earning reflects surplus/deficit in the statement of profit and loss, which is transferred to Head Office Account.



**Note - 17 : Non-current borrowings**  
(Refer Note 2.1 (v))

	As at 31st March, 2018	(Rs. in Crore) As at 31st March, 2017
<b>Non-current borrowings @</b>		
<b>Secured loans - at amortised cost</b>		
Non convertible debentures		
10.35% Series 1	420.00	420.00
	420.00	420.00
Term loans		
From banks	1,362.31	1,113.51
	1,362.31	1,113.51
	1,782.31	1,533.51
<b>Unsecured loans - at amortised cost</b>		
Term loans		
From Government of India under Accelerated Power Development and Reform Programme (APDRP)	14.45	16.71
	14.45	16.71
	1,796.76	1,550.22

@ After considering unamortised expense of Rs. 4.7 Crore as at 31st March, 2018 and Rs. 5.01 Crore as at 31st March, 2017

	As at 31st March, 2018	(Rs. in Crore) As at 31st March, 2017
<b>Current maturities \$</b>		
<b>Secured loans - at amortised cost</b>		
Term loans		
From banks	121.70	51.05
	121.70	51.05
<b>Unsecured loans - at amortised cost</b>		
Term loans		
From Government of India under Accelerated Power Development and Reform Programme (APDRP)	2.26	2.26
	2.26	2.26
	123.96	53.31
Amount disclosed under the head "Other current financial liabilities" (note 23)	(123.96)	(53.31)
	-	-

\$ After considering unamortised expense of Rs. 0.65 Crore as at 31st March, 2018, Rs. 0.61 Crore as at 31st March, 2017.

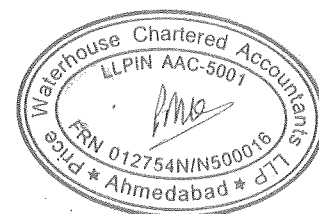
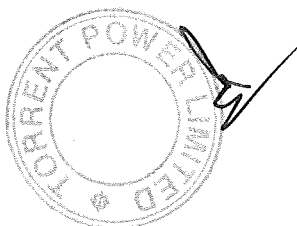
**Foot notes:**

**1 Nature of security:**

The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of lenders for term loans of Rs. 1,489.36 Crore and non convertible debentures of Rs. 420.00 Crore.

2 The future annual repayment obligations on principal amount for the above long-term borrowings are as under:-

Financial year	Term loans	(Rs. in Crore) Non convertible debentures
2018-2019	124.61	
2019-2020	80.83	
2020-2021	90.86	139.99
2021-2022	110.91	139.99
2022-2023	67.46	140.02
2023-2024	77.49	
2024-2025	104.23	
2025-2026	119.63	
2026-2027	125.45	
2027-2028	123.33	
2028-2029	106.95	
2029-2030	106.95	
2030-2031	106.95	
2031-2032	93.58	
2032-2033	66.84	



**TORRENT POWER LIMITED****Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note - 18 : Other non-current financial liabilities**

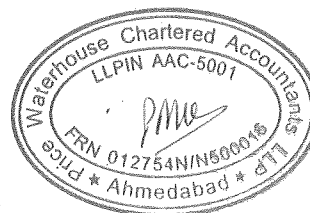
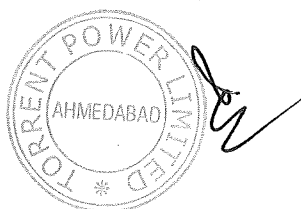
	As at 31st March, 2018	(Rs. in Crore) As at 31st March, 2017
Security deposits from consumers	653.95	588.96
	<u>653.95</u>	<u>588.96</u>

**Note - 19 : Non-current provisions**

	As at 31st March, 2018	(Rs. in Crore) As at 31st March, 2017
<b>Provision for employee benefits</b>		
Provision for gratuity [Refer note 36.2(d)]	-	1.97
Provision for compensated absences	34.91	38.25
	<u>34.91</u>	<u>40.22</u>

**Note - 20 : Other non-current liabilities**

	As at 31st March, 2018	(Rs. in Crore) As at 31st March, 2017
Deferred revenue		
Contribution received from customers [Refer Note 32(a)(ii)]	551.60	521.39
Capital grant from government [Refer Note 32(b)(ii)]	15.66	17.16
	<u>567.26</u>	<u>538.55</u>



**TORRENT POWER LIMITED**

**Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note - 21 : Current borrowings**

	(Rs. in Crore)	
	As at	As at
	31st March, 2018	31st March, 2017
<b>Unsecured loans</b>		
Loans from Head Office *	605.00	340.00
	<b>605.00</b>	<b>340.00</b>

\*Represents amount allocated from Head office. (Refer Note 2.1 (v))

**Net debt reconciliation :**

Cash and cash equivalents	17.22	15.03
Current borrowings	(605.00)	(340.00)
Non-current borrowings (including current maturities and interest accrued)	(1,926.79)	(1,609.88)
	<b>(2,514.57)</b>	<b>(1,934.85)</b>

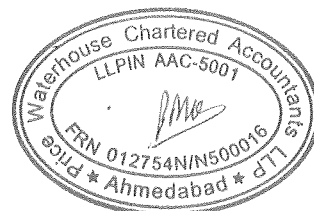
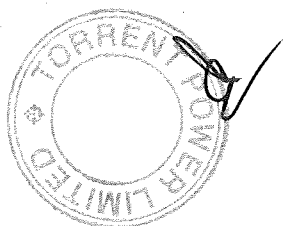
	Other assets	Liabilities from financing activities		Total
	Cash and cash equivalent	Current borrowing	Non-current borrowing	
Net balance as at 31st March, 2017	15.03	(340.00)	(1,609.88)	(1,934.85)
Cash flows, net	2.19	(265.00)	(316.91)	(579.72)
Interest expense	-	(42.62)	(166.95)	(209.57)
Interest paid	-	42.62	166.95	209.57
<b>Net balance as at 31st March, 2018</b>	<b>17.22</b>	<b>(605.00)</b>	<b>(1,926.79)</b>	<b>(2,514.57)</b>

**Note - 22 : Current trade payables**

	(Rs. in Crore)	
	As at	As at
	31st March, 2018	31st March, 2017
Trade payables for goods and services		
Due to micro and small enterprises [Refer Note 34]	6.42	2.81
Due to others	453.37	286.68
	<b>459.79</b>	<b>289.49</b>

**Note - 23 : Other current financial liabilities**

	(Rs. in Crore)	
	As at	As at
	31st March, 2018	31st March, 2017
Current maturities of long-term debt [Refer note 17]	123.96	53.31
Interest accrued but not due on loans and security deposits	0.73	0.73
Book overdraft	12.84	11.57
Security deposits from consumers	12.83	6.22
Other deposits	2.32	2.36
Payables on purchase of property, plant and equipment	40.28	143.93
Sundry payables (including employees related payables)	23.23	4.90
	<b>216.19</b>	<b>223.02</b>



**TORRENT POWER LIMITED****Ahmedabad & Gandhinagar Distribution Area**

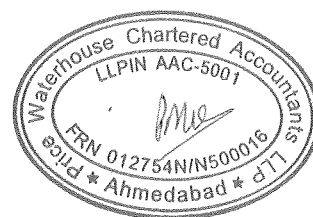
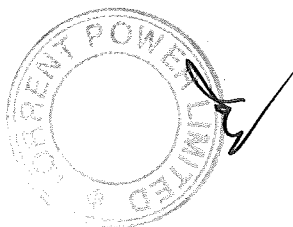
Notes forming part of the financial statements for the year ended 31st March, 2018

**Note - 24 : Other current liabilities**

	(Rs. in Crore)	
	As at	As at
	31st March, 2018	31st March, 2017
Credit balances of consumers	37.51	39.88
Service line deposits from consumers	191.11	120.87
Deferred revenue		
Contribution received from customers [Refer Note 32(a)(ii)]	37.28	33.63
Capital grant from government [Refer Note 32(b)(ii)]	1.50	1.50
Statutory dues	7.69	8.66
Sundry payables (including electricity duty payable)	86.38	78.21
	<u>361.47</u>	<u>282.75</u>

**Note - 25 : Current provisions**

	(Rs. in Crore)	
	As at	As at
	31st March, 2018	31st March, 2017
<b>Provision for employee benefits</b>		
Provision for gratuity [Refer note 36.2(d)]	6.23	10.79
Provision for compensated absences	10.76	11.56
	<u>16.99</u>	<u>22.35</u>



**TORRENT POWER LIMITED**
**Ahmedabad & Gandhinagar Distribution Area**

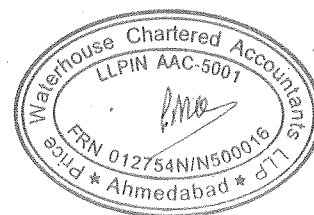
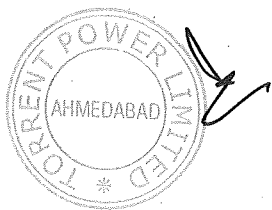
Notes forming part of the financial statements for the year ended 31st March, 2018

**Note - 26 : Revenue from operations**

	Year ended 31st March, 2018	(Rs. in Crore) Year ended 31st March, 2017
Revenue from power supply	5,113.01	4,443.22
	5,113.01	4,443.22
Less: Discount for prompt payment of bills	-	2.78
	5,113.01	4,440.44
Other operating income		
Street lighting maintenance contracts	-	0.49
Hire of meters	38.45	37.42
Provision for doubtful debts no longer required	-	1.59
Recovery of bad debts	-	1.28
Insurance claim receipt	0.04	0.02
Amortisation of deferred revenue		
Contribution received from consumers [Refer Note 32(a)(ii)]	35.32	31.87
Capital grant from government [Refer Note 32(b)(ii)]	1.50	1.50
Miscellaneous income	28.84	20.60
	104.15	94.77
	5,217.16	4,535.21

**Note - 27 : Other income**

	Year ended 31st March, 2018	(Rs. in Crore) Year ended 31st March, 2017
Interest income from financial assets at amortised cost		
Consumers	10.87	8.94
Contingency reserve investments	0.27	0.22
Others	-	0.01
	11.14	9.17
Miscellaneous income	9.57	10.18
Gain on disposal of property, plant and equipment	5.92	1.57
	26.63	20.92



**TORRENT POWER LIMITED****Ahmedabad & Gandhinagar Distribution Area**

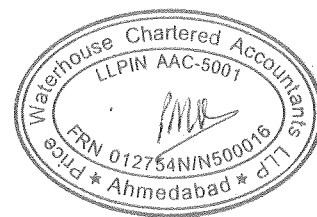
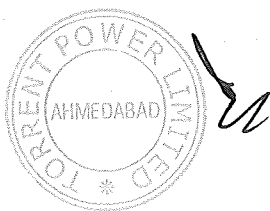
Notes forming part of the financial statements for the year ended 31st March, 2018

**Note - 28 : Employee benefits expense**

	Year ended 31st March, 2018	(Rs. in Crore) Year ended 31st March, 2017
Salaries, wages and bonus	192.68	162.36
Contribution to provident and other funds (Refer note 36.1)	10.41	9.65
Employees welfare expenses	6.64	6.44
Compensated absences	1.06	8.30
Gratuity (Refer note 36.2(e)(3))	16.06	6.62
	<u>226.85</u>	<u>193.37</u>
Less: Allocated to capital works, repairs and other relevant revenue accounts	<u>100.66</u>	<u>79.95</u>
	<u>126.19</u>	<u>113.42</u>

**Note - 29 : Finance costs**

	Year ended 31st March, 2018	(Rs. in Crore) Year ended 31st March, 2017
Interest expense for financial liabilities not classified as fair value through profit or loss		
Term loans	123.48	137.96
Non convertible debentures	43.47	43.47
Working capital loans	0.04	-
Security deposits from consumers	40.37	41.16
Others	42.58	31.62
Other borrowing costs	1.34	5.88
Amortisation of borrowing costs	0.65	3.62
	<u>251.93</u>	<u>263.71</u>
Less: Allocated to capital works	<u>3.77</u>	<u>5.48</u>
	<u>248.16</u>	<u>258.23</u>



**TORRENT POWER LIMITED****Ahmedabad & Gandhinagar Distribution Area**

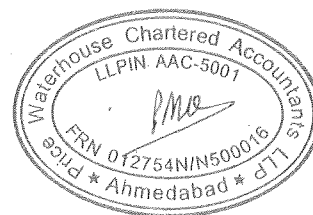
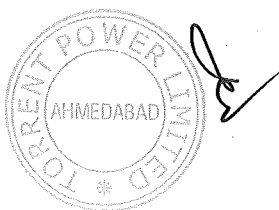
Notes forming part of the financial statements for the year ended 31st March, 2018

**Note - 30 : Depreciation and amortization expense**

	Year ended 31st March, 2018	(Rs. in Crore) Year ended 31st March, 2017
Depreciation expense on property, plant and equipment	210.52	174.54
Amortization expense on intangible assets	1.39	1.97
	<u>211.91</u>	<u>176.51</u>

**Note - 31 : Other expenses**

	Year ended 31st March, 2018	(Rs. in Crore) Year ended 31st March, 2017
Consumption of stores and spares	34.46	28.54
Rent and hire charges	1.56	1.19
Repairs to		
Buildings	2.71	1.39
Plant and machinery	99.92	93.08
Others	0.51	0.50
	<u>103.14</u>	<u>94.97</u>
Insurance	2.26	2.30
Rates and taxes	2.10	1.87
Vehicle running expenses	14.58	11.88
Electricity expenses	9.12	9.16
Security expenses	10.45	7.45
Miscellaneous expenses	28.29	32.78
Corporate social responsibility expenses	4.42	3.81
Loss on sale / discarding of property, plant and equipment	5.08	4.42
Commission to non-executive directors	0.40	0.40
Directors sitting fees	0.25	0.26
Auditors remuneration (Refer note 37)	0.29	0.76
Legal, professional and consultancy fees	8.46	9.68
Donations	5.42	5.41
Bad debts written off (net)	0.84	-
Allowance for doubtful debts (net)	2.93	-
	<u>234.05</u>	<u>214.88</u>
Less: Allocated to capital works, repairs and other relevant revenue accounts	<u>29.27</u>	<u>23.13</u>
	<u>204.78</u>	<u>191.75</u>



**TORRENT POWER LIMITED****Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note 32: Deferred revenue****(a) Contribution received from customers :****(i) Nature of Contribution received from customers**

Contributions received from consumers towards the items of property, plant and equipment (PP&E) has been recognised as deferred revenue.

**(ii) Movement of contribution received from customers**

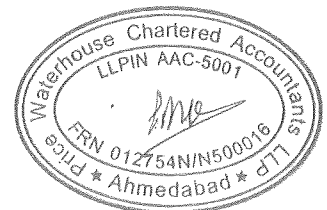
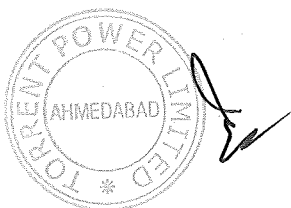
	(Rs. In Crore)	
	As at 31st March, 2018	As at 31st March, 2017
Opening balance	555.02	520.80
Add: Contribution received during the year	69.18	66.09
Less: Amortisation of contribution transferred to statement of profit and loss (Refer Note 26)	(35.32)	(31.87)
Closing balance	<b>588.88</b>	<b>555.02</b>
Non-current portion (Refer Note 20)	551.60	521.39
Current portion (Refer Note 24)	37.28	33.63
	<b>588.88</b>	<b>555.02</b>

**(b) Government grant****(i) Nature of government grant**

Ministry of Power, 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% is required to be funded by the TPL- D (Ahmedabad). There are no unfulfilled conditions or other contingencies attached to such grant.

**(ii) Movement of government grant**

	(Rs. In Crore)	
	As at 31st March, 2018	As at 31st March, 2017
Opening balance	18.66	20.16
Add: Grants during the year		
Less: Amortisation of grant transferred to statement of profit and loss (Refer Note 26)	(1.50)	(1.50)
Closing balance	<b>17.16</b>	<b>18.66</b>
Non-current portion (Refer Note 20)	15.66	17.16
Current portion (Refer Note 24)	1.50	1.50
	<b>17.16</b>	<b>18.66</b>



**TORRENT POWER LIMITED****Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note 33: Contingent liabilities and Capital Commitment****(a) Contingent liabilities :**

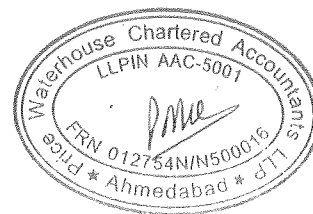
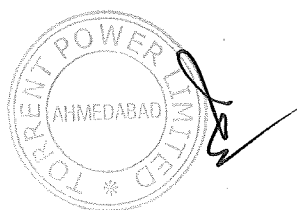
	As at 31st March, 2018	(Rs. In Crore) As at 31st March, 2017
Contributions received from consumers towards the items of property, plant and equipment (PP&E) has been recognised as deferred revenue.	5.06	4.89

**Notes :**

In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute. No reimbursement is expected.

**(b) Capital Commitments**

	As at 31st March, 2018	(Rs. In Crore) As at 31st March, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
Property, plant and equipment	93.39	131.73



**TORRENT POWER LIMITED****Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note 34: Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)**

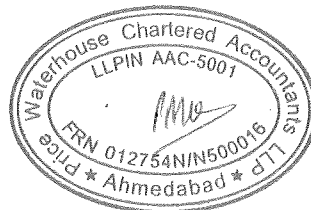
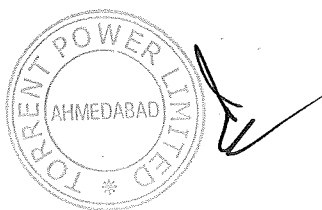
Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) have been determined based on the information available with TPL- D (Ahmedabad) and the required disclosures are given below:

	As at 31st March, 2018	(Rs. In Crore) As at 31st March, 2017
(a) Principal amount remaining unpaid	6.42	2.81
(b) Interest due thereon	0.03	-
(c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	0.03	-
(d) The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
(e) The amount of interest accrued and remaining unpaid	-	-
(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 35: Operating lease**

TPL- D (Ahmedabad) significant leasing arrangements other than land are in respect of residential flats, office premises, plant and machinery and equipment taken on lease. The arrangements range between 11 months and 10 years generally and are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally refundable interest free deposits have been given. TPL- D (Ahmedabad) has not entered into any material financial lease. TPL- D (Ahmedabad) does not have any non-cancellable lease.

Leasing arrangements with respect to land range between 25 years to 99 years generally.



**TORRENT POWER LIMITED****Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note 36: Employee benefit plans****36.1 Defined contribution plan**

TPL- D (Ahmedabad) operates defined contribution retirement benefit plans for all qualifying employees.

TPL- D (Ahmedabad) contribution to provident fund, superannuation fund and employee state insurance scheme are determined under the relevant schemes and / or statute and charged to the statement of profit or loss.

Contributions received from consumers towards the items of property, plant and equipment (PP&E) has been recognised as deferred revenue.

**36.2 Defined benefit plans****(a) Gratuity**

TPL- D (Ahmedabad) operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or TPL- D (Ahmedabad) scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The gratuity benefits payable to the employees are based on the employee's service and drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by TPL- D (Ahmedabad). In case of death while in service, the gratuity is payable irrespective of vesting.

TPL- D (Ahmedabad) makes annual contribution to the gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund. The liability in respect of plan is determined on the basis of an actuarial valuation.

**(b) Risk exposure to defined benefit plans**

The plans typically expose TPL- D (Ahmedabad) to actuarial risks such as: Assets volatility, interest rate risk, longevity risk and salary risk as described below :

**Assets volatility**

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

**Interest risk**

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

**Longevity risk**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk**

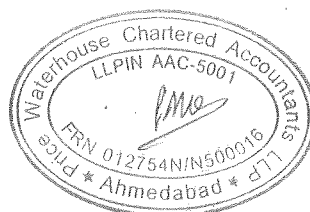
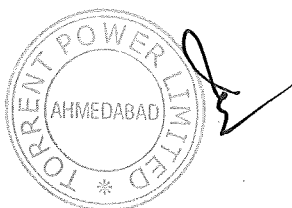
The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31st March, 2018. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

**(c) Significant assumptions**

The principal assumptions used for the purposes of the actuarial valuations were as follows.

	As at 31st March, 2018	As at 31st March, 2017
Discount rate	7.78%	7.20%
Salary escalation rate	8.50%	8.50%



**TORRENT POWER LIMITED**
**Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note 36: Employee benefit plans (Contd.)**

- (d) The amount included in the balance sheet arising from TPL- D (Ahmedabad) obligation in respect of its defined benefit plans is as follows:

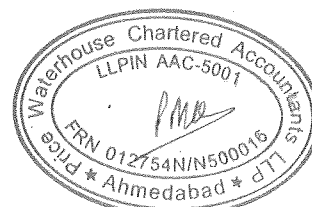
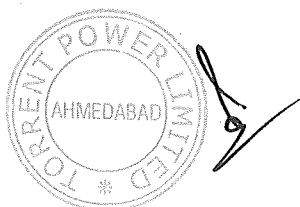
**Balances of defined benefit plan**

	(Rs. In Crore)	
	As at 31st March, 2018	As at 31st March, 2017
Present value of funded defined benefit obligation	123.07	121.46
Fair value of plan assets	116.84	108.70
Net liability arising from gratuity (Refer Note 19 and 25)	6.23	12.76

- (e) **Expenses recognised for defined benefit plan and movement of plan assets and liabilities**

Following is the amount recognised in statement of profit and loss, other comprehensive income, movement in defined benefit liability and movement in plan assets:

	(Rs. In Crore)	
	Funded plan- Year ended 31st March, 2018	Gratuity Year ended 31st March, 2017
<b>(1) Movements in the present value of the defined benefit obligation:</b>		
Obligation at the beginning of the year	121.46	115.03
Current service cost	15.15	5.90
Interest cost	8.74	9.20
Actuarial (gains) / losses arising from changes in financial assumptions	(5.42)	5.81
Actuarial (gains) / losses from experience adjustments	(2.35)	(1.41)
Liability transferred in	0.05	-
Liability transferred out	(0.22)	(0.33)
Benefits paid directly by employer	(0.79)	(0.66)
Benefits paid	(13.55)	(12.08)
<b>Obligation at the end of the year</b>	<b>123.07</b>	<b>121.46</b>
<b>(2) Movements in the fair value of the plan assets:</b>		
Plan assets at the beginning of the year, at fair value	108.70	106.12
Interest income	7.83	8.49
Return on plan assets (excluding interest income)	1.10	0.36
Contributions	12.76	5.81
Benefits paid	(13.55)	(12.08)
<b>Plan assets at the end of the year, at fair value</b>	<b>116.84</b>	<b>108.70</b>
<b>(3) Gratuity cost recognized in the statement of profit and loss</b>		
Current service cost	15.15	5.90
Interest cost, net	0.91	0.72
<b>Net gratuity cost recognized in the statement of profit and loss [Refer Note 28]</b>	<b>16.06</b>	<b>6.62</b>
<b>(4) Gratuity cost recognized in the other comprehensive income (OCI)</b>		
Return on plan assets, excluding interest income	(1.11)	(0.36)
Actuarial (gains) / losses on obligation for the period	(7.77)	4.40
<b>Net (income) / expense for the period recognized in OCI</b>	<b>(8.88)</b>	<b>4.04</b>



**TORRENT POWER LIMITED****Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note 36: Employee 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 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.

Change in assumptions - Impact on defined benefit obligation of gratuity	(Rs. in Crore)	
	Year ended 31st March, 2018	Year ended 31st March, 2017
50 basis points increase in discount rate	(2.82)	(3.72)
50 basis points decrease in discount rate	3.02	4.02
50 basis points increase in salary escalation rate	2.98	5.29
50 basis points decrease in salary escalation rate	(2.82)	(2.49)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

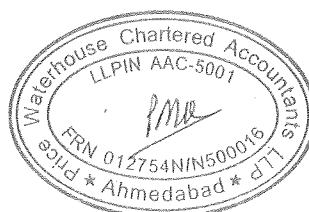
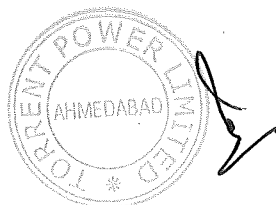
- (h) The weighted average duration of the gratuity plan based on average future service is 13 years (Previous year - 16 years).
- (i) Expected contributions to the plan for the next annual reporting period is Rs. 6.23 Crores (Previous year - Rs. 12.76 Crores).
- (j) **Cash flow projection from the fund :**

**Projected benefits payable in future years from the date of reporting**

	(Rs. in Crore)	
	Funded Plan - Gratuity	
	As at 31st March, 2018	As at 31st March, 2017
1st following year	18.10	13.74
2nd following year	10.44	9.19
3rd following year	14.25	11.69
4th following year	16.48	11.65
5th following year	13.87	13.89
sum of years 6 to 10th	42.30	48.35
	<b>115.44</b>	<b>108.51</b>

**36.3 Other long-term employee benefit obligations**

The leave obligation covers TPL- D (Ahmedabad) liability for sick and earned leave. Under these compensated absences plans, leave encashment is payable to all eligible employees on separation from TPL- D (Ahmedabad) due to death, retirement, superannuation or resignation; at the rate of daily salary, as per accumulation of leave days as at the end of relevant period. Refer note 19, 25 and 28 with respect to item of balance sheet and profit or loss where such provision / charge has been presented.



**TORRENT POWER LIMITED****Ahmedabad & Gandhinagar Distribution Area**

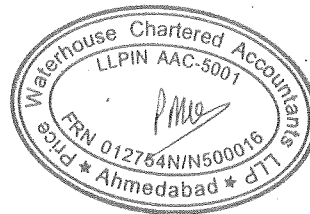
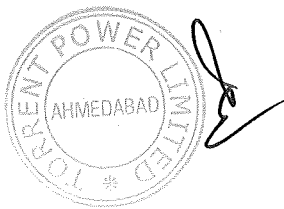
Notes forming part of the financial statements for the year ended 31st March, 2018

**Note 37: Auditors remuneration (including taxes)**

	Year ended 31st March, 2018	(Rs. In Crores) Year ended 31st March, 2017
As auditor		
Audit fees	0.23	0.36
Other services- certificates etc.	0.03	0.36
Reimbursement of expenses	0.03	0.04
	<u>0.29</u>	<u>0.76</u>

**Note 38: Donations include political contributions to :**

	Year ended 31st March, 2018	(Rs. In Crores) Year ended 31st March, 2017
Prudent Electoral Trust (Earlier known as-Satya Electoral Trust)	3.05	3.39
	<u>3.05</u>	<u>3.39</u>



**TORRENT POWER LIMITED**

Ahmedabad &amp; Gandhinagar Distribution Area

Notes forming part of the financial statements for the year ended 31st March, 2018

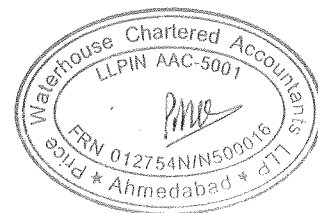
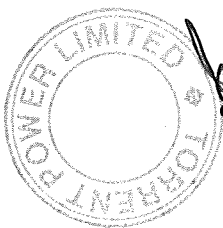
**Note 39: Related party disclosures**

Related party disclosures given below are based on the relationships identified at the Company level and includes only those where transactions have been recorded in the books of TPL-D (Ahmedabad). It does not includes transactions between the units and its head office.

**(a) Names of related parties and description of relationship :**

1	<b>Parent Company</b>	Torrent Private Limited
2	<b>Subsidiaries</b>	Torrent Power Grid Limited, Torrent Pipavav Generation Limited, Torrent Solargen Limited, Jodhpur Wind Farms Private Limited (w.e.f. 29th January, 2018), Latur Renewables Private Limited (w.e.f. 29th January, 2018)
3	<b>Associates</b>	Wind Two Renergy Private Limited (w.e.f. 12th December, 2017), Wind Four Renergy Private Limited (w.e.f. 12th December, 2017), Wind Five Renergy Private Limited (w.e.f. 12th December, 2017), Nani Virani Wind Energy Private Limited (w.e.f. 9th March, 2018), Ravapar Wind Energy Private Limited (w.e.f. 9th March, 2018), Khatiyu Wind Energy Private Limited (w.e.f. 9th March, 2018)
4	<b>Employee benefits plans*</b>	TPL (Ahmedabad) Gratuity Trust, TPL (Ahmedabad) Superannuation Fund, TPL (Surat) Gratuity Trust, TPL (Surat) Superannuation Fund, TPL (SUGEN) Gratuity Trust, TPL (SUGEN) Superannuation Fund, TPL (DGEN) Gratuity Trust (formerly known as TEL Gratuity Trust), TPL (DGEN) Superannuation Fund (formerly known as TEL Superannuation Fund)
5	<b>Key management personnel</b>	Sudhir Mehta Samir Mehta Markand Bhatt Jinal Mehta
6	<b>Non-Executive Directors</b>	Pankaj Patel Samir Barua Kiran Karnik Keki Mistry R. Ravichandran (upto 1st August, 2017) Bhavna Doshi Dharmishta Raval P. K. Taneja (upto 23rd May, 2017) Pankaj Joshi (w.e.f. 23rd May, 2017)
7	<b>Relatives of key management personnel*</b>	Varun Mehta, Aman Mehta
8	<b>Enterprise controlled by relatives of key management personnel*</b>	Munjal Bhatt Architects
9	<b>Other entities where the company has 50% voting right / enterprises controlled by the Parent Company</b>	Tornascent Care Institute, UNM Foundation, Torrent Pharmaceuticals Limited, Torrent Power Services Private Limited

\* where transactions have taken place during the year and / or previous year or where balances are outstanding



**TORRENT POWER LIMITED**  
**Ahmedabad & Gandhinagar Distribution Area**  
Notes forming part of the financial statements for the year ended 31st March, 2018

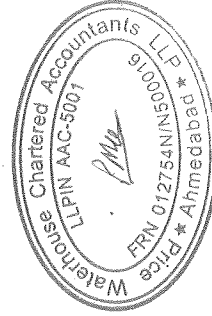
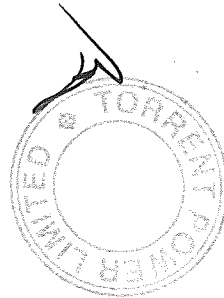
**Note 39: Related party disclosures (Contd.)**

(b) Related party transactions	Associates & Joint Ventures		Enterprises controlled by the Company		Parent Company/ enterprises controlled by the Parent Company		Subsidiaries		Key management personnel		Enterprises controlled by key management personnel / relatives of key management		Total	
	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17	Year ended 31.03.18	Year ended 31.03.17
Nature of transactions														
Services received														
Munjal Bhatt Architects														
Aman Mehta														
Contribution to funds (net)														
TPL (Ahmedabad) Gratuity Trust														
TPL (Ahmedabad) Superannuation Fund														
			12.76	5.81									12.76	5.81
			1.67	1.15									1.67	1.15

Public utilities as covered under Ind AS - 24 "Related Party Disclosures", are not related parties. Hence transactions related to sale of electricity, by TPL- D (Ahmedabad) as per GERC tariff order, have not been reported as related party transactions.

**(c) Terms and conditions of outstanding balances**

The Transactions with related parties are made on the terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement is expected to occur in cash.



**TORRENT POWER LIMITED**
**Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note 40: Financial instruments and risk review**
**(a) Categories of financial instruments**

	As at 31st March, 2018		As at 31st March, 2017	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial assets</b>				
Measured at amortised Cost				
Cash and Cash Equivalents	17.22	17.22	15.03	15.03
Investments in bonds	3.59	3.59	2.99	2.99
Trade receivables	468.08	468.08	409.64	409.64
Loans	3.70	3.70	1.55	1.55
Other financial assets	312.47	312.47	204.09	204.09
	<b>805.06</b>	<b>805.06</b>	<b>633.30</b>	<b>633.30</b>
<b>Financial liabilities</b>				
Measured at amortised Cost				
Borrowing	2,401.76	2,425.88	1,890.22	1,910.59
Trade payable	459.79	459.79	289.49	289.49
Other financial liabilities	870.14	870.14	811.98	811.98
	<b>3,731.69</b>	<b>3,755.81</b>	<b>2,991.69</b>	<b>3,012.06</b>

**(b) 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.

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) :

**Financial liabilities at amortised cost**

	(Rs. In Crores)		Fair value hierarchy	Valuation technique(s) and key input(s)
	Fair value As at 31st March, 2018	Fair value As at 31st March, 2017		
Fixed rate borrowings (Non- convertible debentures)	444.12	440.37	Level 2	Inputs other than quoted prices that are observable
	<b>444.12</b>	<b>440.37</b>		

**(c) Financial risk management objectives**

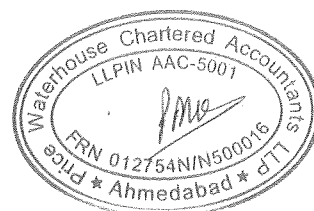
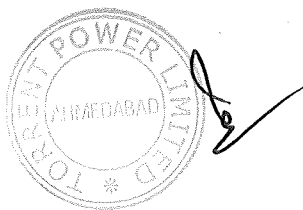
The financial risk management objectives are decided at the Company's level. TPL- D (Ahmedabad) principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance TPL- D (Ahmedabad) operations, routine and projects capital expenditure. TPL- D (Ahmedabad) principal financial assets include loans, advances, trade and other receivables and cash and cash equivalents that derive directly from its operations.

TPL- D (Ahmedabad) activities expose it to a variety of financial risks viz interest rate risk, credit risk, liquidity risk etc. TPL- D (Ahmedabad) primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. TPL- D (Ahmedabad) senior management oversees the management of these risks. It advises on financial risks and the appropriate financial risk governance framework for TPL- D (Ahmedabad).

**Foreign currency risk**

TPL- D (Ahmedabad) is exposed to foreign currency risks arising from various currency exposures, primarily with respect to the USD and EUR. Foreign currency risks arise from future commercial transactions and recognized assets and liabilities, when they are denominated in a currency other than Indian Rupee.

TPL- D (Ahmedabad) exposure with regards to foreign currency risk which are not hedged are given below. However, these risks are not significant to TPL- D (Ahmedabad) operation and accordingly sensitivity analysis is not given.



**TORRENT POWER LIMITED****Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note 40: Financial instruments and risk review (Contd.)****Interest rate risk**

Most of TPL- D (Ahmedabad) borrowings are on a floating rate of interest. TPL- D (Ahmedabad) has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR). TPL- D (Ahmedabad) 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 TPL- D (Ahmedabad) fixed and floating rate borrowings:

	(Rs. In Crores)	
	As at	As at
	31st March, 2018	31st March, 2017
Fixed rate borrowings	1,041.71	778.97
Floating rate borrowings <sup>^</sup>	1,489.36	1,170.18
	<u>2,531.07</u>	<u>1,949.15</u>

<sup>^</sup> Gross amount including unamortised expenses

**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.

	Year ended	Year ended
	31st March, 2018	31st March, 2017
Impact on profit - increase in 50 basis points	7.45	5.85
Impact on profit - decrease in 50 basis points	(7.45)	(5.85)

**Credit risk****Trade receivables****(1) Exposures to credit risk:**

TPL- D (Ahmedabad) 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. TPL- D (Ahmedabad) has established criteria for admission, approval systems, authorisation levels, exposure measurement methodologies, etc. The concentration of credit risk is limited due to the fact that the customer base is large. None of the customers accounted for more than 10% of the receivables and revenue for the year ended 31st March, 2018 and 31st March, 2017. However, TPL- D (Ahmedabad) is dependent on the domestic market for its business and revenues.

TPL- D (Ahmedabad) credit policies and practices with respect to distribution areas are designed to limit credit exposure by collecting security deposits prior to providing utility services has commenced according to applicable regulatory requirements.

**(3) Other credit enhancements**

TPL- D (Ahmedabad) does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

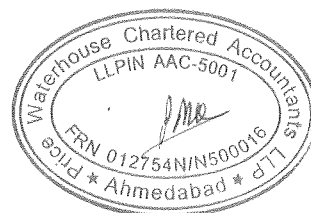
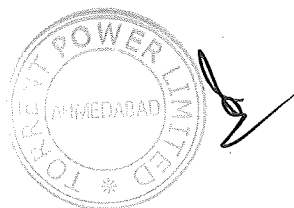
**(4) Age of receivables and expected credit loss**

TPL- D (Ahmedabad) has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experienced and adjusted for forward- looking information. The expected credit loss allowance is based on ageing of the days the receivables are due and the rates as given in the provision matrix.

The age of receivables and provision matrix at the end of the reporting period is as follows.

**As at 31st March, 2018**

	Gross trade receivables	Expected credit loss (%)	Allowance for doubtful Debt
less than or equal to 6 months	460.08	0.00%	
More than 6 months but less than or equal to 1 year	6.14	11.18%	0.69
More than one year	14.65	82.61%	12.10
	<u>480.87</u>		<u>12.79</u>



**TORRENT POWER LIMITED****Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note 40: Financial instruments and risk review (Contd.)**

As at 31st March, 2017

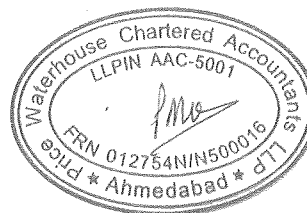
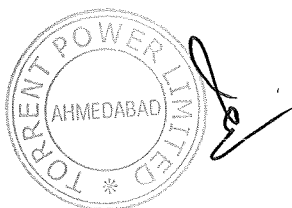
	Gross trade receivables	Expected credit loss (%)	Allowance for doubtful Debt
less than or equal to 6 months	401.87	0.00%	
More than 6 months but less than or equal to 1 year	3.03	51.41%	1.56
More than one year	14.60	56.86%	8.30
	<u>419.50</u>		<u>9.86</u>

**(5) Movement in the credit loss allowance**

	Year ended 31st March, 2018	Year ended 31st March, 2017
Opening balance	9.86	11.45
Movement in expected credit loss allowance on trade receivable net	2.93	(1.59)
Closing balance [Refer note 10]	<u>12.79</u>	<u>9.86</u>

**Other financial assets**

TPL- D (Ahmedabad) is having balances in cash and cash equivalents, term deposits with banks, investments in government securities. With respect to investments, TPL- D (Ahmedabad) limits its exposure to credit risk by investing in liquid securities with counterparties depending on their Composite Performance Rankings (CPR) published by CRISIL. TPL- D (Ahmedabad) investment policy lays down guidelines with respect to exposure per counterparty, rating, processes in terms of control and continuous monitoring. TPL- D (Ahmedabad) therefore considers credit risks on such investments to be negligible.



**TORRENT POWER LIMITED****Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note 40: Financial instruments and risk review****Liquidity risk**

Liquidity risk is the risk that TPL- D (Ahmedabad) 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. TPL- D (Ahmedabad) manages liquidity risk by maintaining adequate reserves, banking facilities and unused borrowing facilities, by continuously monitoring projected / actual cash flows.

**Maturities of financial liabilities**

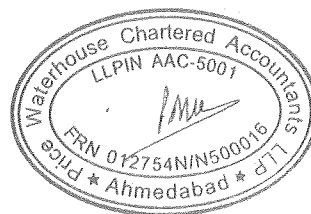
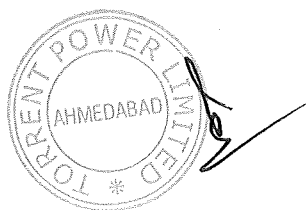
TPL- D (Ahmedabad) remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which TPL- D (Ahmedabad) can be required to pay. The tables include both interest (accrued upto 31st March, 2018) and principal cash flows. The contractual maturity is based on the earliest date on which TPL- D (Ahmedabad) may be required to pay.

**As at 31st March, 2018**

	Less than 1 Year	Between 1 and 5 year	5 years and above	(Rs. In Crores) Total
<b>Financial liabilities</b>				
<b>Non current financial liabilities</b>				
Borrowings <sup>^</sup>		847.57	953.89	1,801.46
Other financial liabilities <sup>^</sup>		28.24	625.71	653.95
	-	875.81	1,579.60	2,455.41
<b>Current financial liabilities</b>				
Borrowings <sup>^</sup>	605.00			605.00
Trade payables	459.79			459.79
Other financial liabilities <sup>^</sup>	216.84			216.84
	1,281.63	-	-	1,281.63
<b>Total financial liabilities</b>	<b>1,281.63</b>	<b>875.81</b>	<b>1,579.60</b>	<b>3,737.04</b>

**As at 31st March, 2017**

	Less than 1 Year	Between 1 and 5 year	5 years and above	(Rs. In Crores) Total
<b>Financial liabilities</b>				
<b>Non current financial liabilities</b>				
Borrowings <sup>^</sup>		529.12	1,026.11	1,555.23
Other financial liabilities <sup>^</sup>		37.94	551.02	588.96
	-	567.06	1,577.13	2,144.19
<b>Current financial liabilities</b>				
Borrowings <sup>^</sup>	340.00			340.00
Trade payables	289.49			289.49
Other financial liabilities <sup>^</sup>	223.63			223.63
	853.12	-	-	853.12
<b>Total financial liabilities</b>	<b>853.12</b>	<b>567.06</b>	<b>1,577.13</b>	<b>2,997.31</b>

<sup>^</sup> Gross amount including unamortised expenses

**TORRENT POWER LIMITED**

**Ahmedabad & Gandhinagar Distribution Area**

Notes forming part of the financial statements for the year ended 31st March, 2018

**Note 41:**

The figures for the previous year have regrouped / reclassified, wherever necessary, to make them comparable with the figures for the current year.

---

**Signature to Note 1 to 41**

**In terms of our report attached**

For Torrent Power Limited



**Naimesh Shah**

Authorised Signatory

**For Price Waterhouse Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number : 012754N / N500016



Pradip Kanakia

Partner

Membership No. : 39985

Place : *Bangalore*

Date : *26.09*, 2018

Place : *AHMEDABAD*

Date : *SEP 25*, 2018