

**Notes to standalone financial statements** for the year ended March 31, 2018**41. Financial risk management objectives and policies** (Contd.)

INR Crores

	March 31, 2018			
	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings (other than convertible preference shares) (refer note 14)	313	413	269	995
Convertible preference shares (refer note 15)	-	-	-	-
Other financial liabilities (refer note 15)	341	4	-	345
Trade and other payables (refer note 17 and 18)	2,353	-	-	2,353
Derivative contracts (refer note 15)	36	135	-	171
	<b>3,043</b>	<b>552</b>	<b>269</b>	<b>3,864</b>

INR Crores

	March 31, 2017			
	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings (other than convertible preference shares) (refer note 14)	16	344	412	772
Convertible preference shares (refer note 15)	24	-	-	24
Other financial liabilities (refer note 15)	148	4	-	152
Trade and other payables (refer note 17 and 18)	2,188	9	-	2,197
Derivative contracts (refer note 15)	-	117	25	142
	<b>2,376</b>	<b>474</b>	<b>437</b>	<b>3,287</b>

**42. Capital management**

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2018 and March 31, 2017.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalents.

INR Crores

	March 31, 2018	March 31, 2017
Borrowings other than convertible preference shares (Note 14 and 15)	1,122	824
Less: cash and cash equivalents (Note 11)	(93)	(59)
<b>Net debt</b>	<b>1,029</b>	<b>765</b>
Optionally Convertible preference shares (Note 14)	-	24
Equity (Note 12 and 13)	7,969	7,750
<b>Total capital</b>	<b>7,969</b>	<b>7,774</b>
<b>Capital and net debt</b>	<b>8,998</b>	<b>8,539</b>
<b>Gearing ratio</b>	<b>11%</b>	<b>9%</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.