TORRENT SOLARGEN LIMITED

Deloitte Haskins & Sells

Chartered Accountants
19th floor, Shapath - V,
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Gujarat, India

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INDEPENDENT AUDITOR'S REPORT
To The Members of TORRENT SOLARGEN LIMITED
Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Torrent Solargen Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

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

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

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

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

   e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

      i. The Company does not have any pending litigations which would impact its financial position.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The Company did not have any holdings or dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

Place: Ahmedabad
Date: 19th May, 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Torrent Solargen Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Deloitte
Haskins & Sells

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

Place: Ahmedabad
Date: 19th May, 2017

Deloitte
Haskins & Sells

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. The Company does not have any fixed assets and hence reporting under clause (i) of the CARO 2016 is not applicable.

2. The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.

3. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

4. The Company has not granted any loans, made investments or provide guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.

5. According to the information and explanations given to us, the Company has not accepted any deposit during the year.

6. Having regard to the nature of the Company's business / activities, reporting under clause (vi) CARO 2016 is not applicable.

7. According to the information and explanations given to us, in respect of statutory dues:

   a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

   b) There were no undisputed amounts payable in respect of Provident Fund, , Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.

   c) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax as on March 31, 2017 on account of disputes.

8. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.

9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.

10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

11. During the year, the Company has not paid / provided any managerial remuneration and hence reporting under clause (xi) of the CARO 2016 Order is not applicable.

12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

13. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable Ind AS.

14. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

16. The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

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

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

Place: Ahmedabad
Date: 19th May, 2017

TORRENT SOLARGEN LIMITED

Balance sheet

as at 31st March, 2017

(Amount in Rs.)

	Note	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Assets				
Non-current assets				
Property, plant and equipment		-	-	-
Capital work-in-progress				-
Goodwill		-	-	-
Investment property		-	-	-
Other intangible assets		-	-	-
Intangible assets under development				
Financial assets				
Investments		-	-	-
Trade receivables		-	-	-
Loans		-	-	-
Other financial assets	6	5,000	-	-
Deferred tax assets (net)		-	-	-
Other non-current assets	7	45,000	-	-
		50,000	-	-
Current assets				
Inventories		-	-	-
Financial assets				
Investments	8	81,03,74,484	-	-
Trade receivables		-	-	-
Cash and cash equivalents	9	3,892	19,050	-
Other bank balances		-	-	-
Loans		-	-	-
Other financial assets	10	-	80,63,21,670	80,63,21,670
Current tax assets (net)	11	37,785	-	-
Other current assets		-	-	-
		81,04,16,161	80,63,40,720	80,63,21,670
		81,04,66,161	80,63,40,720	80,63,21,670
Equity and liabilities				
Equity				
Share capital	12	80,05,00,000	80,05,00,000	80,05,00,000
Share capital suspense		-	-	-
Other equity	13	37,20,291	49,21,580	58,21,670
		80,42,20,291	80,54,21,580	80,63,21,670
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings		-	-	-
Trade payables		-	-	-
Other financial liabilities		-	-	-
Provisions		-	-	-
Deferred tax liabilities (net)	14	31,64,765	-	-
Other non-current liabilities		-	-	-
		31,64,765	-	-
Current liabilities				
Financial liabilities				
Borrowings		-	-	-
Trade payables	15			
Due to micro and small enterprises		-	-	-
Due to others		2,75,626	7,41,950	-
Other financial liabilities	16	27,79,229	1,06,190	-
Other current liabilities	17	26,250	71,000	-
Provisions		-	-	-
Current tax liabilities (net)		-	-	-
		30,81,105	9,19,140	-
		81,04,66,161	80,63,40,720	80,63,21,670

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

Priya Jain
Chief Financial Officer

T. P. Vijayasarathy
Director and CEO
DIN: 00271777

Hemendra L. Shah
Partner

Harnish Patel
Director
DIN: 00114198

Ahmedabad, 19th May, 2017

TORRENT SOLARGEN LIMITED

Statement of profit and loss

for the year ended 31st March, 2017

(Amount in Rs.)

	Note	Year ended 31st March, 2017	Year ended 31st March, 2016
Income			
Revenue from operations		-	-
Other income	18	95,74,484	-
Total income		95,74,484	-
Expenses			
Electrical energy purchased		-	-
Purchase of stock-in-trade		-	-
Cost of materials consumed		-	-
Changes in inventories of finished goods and work-in-progress		-	-
Employee benefits expense	19	19,89,517	-
Finance costs		-	-
Depreciation and amortization expense		-	-
Other expenses	20	51,59,277	9,73,891
Total expenses		71,48,794	9,73,891
Profit / (loss) before exceptional items and tax		24,25,690	(9,73,891)
Exceptional items		-	-
Profit / (loss) before tax		24,25,690	(9,73,891)
Tax expenses			
Current tax		4,62,215	-
Deferred tax		31,64,765	-
Short / (excess) provision of current tax for earlier years		-	(73,801)
		36,26,980	(73,801)
Profit / (loss) for the period from continuing operations		(12,01,290)	(9,00,090)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans		-	-
Tax relating to remeasurement of the defined benefit plans		-	-
Other comprehensive income for the year (net of tax)		-	-
Total comprehensive income for the year		(12,01,290)	(9,00,090)
Basic and diluted earnings per share of face value of Rs.10 each (in Rs.)		(0.02)	(0.01)

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

Priya Jain
Chief Financial Officer

T. P. Vijayasarathy
Director and CEO
DIN: 00271777

Hemendra L. Shah
Partner

Harnish Patel
Director
DIN: 00114198

Ahmedabad, 19th May, 2017

TORRENT SOLARGEN LIMITED

Cash flow statement

for the year ended 31st March, 2017

	Year ended 31st March, 2017	(Amount in Rs.) Year ended 31st March, 2016
Cash flow from operating activities		
Net profit / (loss) before tax	24,25,690	(9,73,891)
Adjustments for :		
Net (gain) / loss arising on investments in mutual funds mandatorily measured at fair value through profit or loss	(95,71,922)	-
Operating profit / (loss) before working capital changes	(71,46,232)	(9,73,891)
Movement in working capital:		
Adjustments for decrease / (increase) in operating assets:		
Other non-current financial asset	(5,000)	-
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(4,66,324)	7,41,950
Other current liabilities	(44,750)	71,000
Cash used in operations	**(50,34,266)**	(54,751)
Taxes paid	(5,00,000)	73,801
Net cash flow from / (used) in operating activities	**(55,34,266)**	19,050
Cash flow from investing activities		
Sale of undertaking	80,63,21,670	-
Net cash flow from investing activities	**80,63,21,670**	-
Net increase in cash and cash equivalents	80,07,87,404	19,050
Cash and cash equivalents as at beginning of the year	19,050	-
Cash and cash equivalents as at end of the year	**80,08,06,454**	19,050

See accompanying notes forming part of the standalone financial statements

	Year ended 31st March, 2017	Year ended 31st March, 2016
Notes:		
1. Cash and cash equivalents as at end of the year:		
Cash and cash equivalents (note 9)	3,892	19,050
Current investments (investments in mutual funds) (note 8)	81,03,74,484	-
less: unrealised gain on invesment in mutual fund due to fair value (note 18)	(95,71,922)	-
	80,08,06,454	19,050

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

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

Priya Jain
Chief Financial Officer

T. P. Vijayasarathy
Director and CEO
DIN: 00271777

Hemendra L. Shah
Partner

Harnish Patel
Director
DIN: 00114198

Ahmedabad, 19th May, 2017

Statement of changes in equity

A. Equity share capital

	(Amount in Rs.)
Balance as at 1st April, 2015	**80,05,00,000**
Changes in equity share capital during the year	-
Balance as at 31st March, 2016	**80,05,00,000**
Changes in equity share capital during the year	-
Balance as at 31st March, 2017	**80,05,00,000**

B. Other equity

(Amount in Rs.)

	Share capital suspense	Reserves and surplus						Total
		Securities premium reserve	Debenture redemption reserve	Contingency reserve	Special reserve	General reserve	Retained earnings	
Balance as at 1st April, 2015	-	-	-	-	-	-	58,21,670	58,21,670
Profit/(loss) for the year	-	-	-	-	-	-	(9,00,090)	(9,00,090)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-		-	-	-	(9,00,090)	(9,00,090)
Issued during the year on account of amalgamation	-	-	-	-	-	-	-	-
Transfer to debenture redemption reserve	-	-	-	-	-	-	-	-
Transfer to contingency reserve	-	-	-	-	-	-	-	-
Dividend (including interim dividend) paid	-	-	-	-	-	-	-	-
Corporate dividend tax paid	-	-	-	-	-	-	-	-
Balance as at 31st March, 2016	-	-	-	-	-	-	49,21,580	49,21,580
Profit for the year	-	-	-	-	-	-	(12,01,290)	(12,01,290)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-		-	-	-	(12,01,290)	(12,01,290)
Transfer to debenture redemption reserve	-	-	-	-	-	-	-	-
Transfer to contingency reserve	-	-	-	-	-	-	-	-
Dividend (including interim dividend) paid	-	-	-	-	-	-	-	-
Corporate dividend tax paid	-	-	-	-	-	-	-	-
Balance as at 31st March, 2017	-	-	-	-	-	-	37,20,291	37,20,291

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

Priya Jain
Chief Financial Officer

T. P. Vijayasarathy
Director and CEO
DIN: 00271777

Hemendra L. Shah
Partner

Harnish Patel
Director
DIN: 00114198

Ahmedabad, 19th May, 2017

1. General Information:

The Company is a wholly owned subsidiary of Torrent Power Limited. The name of the Company has been changed to Torrent Solargen Limited from Torrent Power Bhiwandi Limited on 17th November, 2014.

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at "Samanvay", 600, Tapovan, Ambawadi, Ahmedabad – 380 015.

2. Statement of compliance:

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

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

These financial statements are the first financial statements of the Company under Ind AS. The date of transition to Ind AS is April 1, 2015. Refer Note 4.12 for the details of significant first-time adoption exemptions availed by the Company. Refer Note 33 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

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

3. New standards and interpretations not yet adopted –

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017.

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of 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 Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

The amendment to Ind AS 102 is not applicable to the Company.

4. Significant accounting policies

4.1 Basis of preparation:

The financial statements have been prepared on an accrual basis under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies stated hereunder.

4.2 Property, plant and equipment :

Tangible fixed assets:-

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

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

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

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

Depreciation 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 is calculated on a straight line basis. Depreciation on tangible assets which are governed as per the provisions of Part B of Schedule II of the Companies Act, 2013 is provided based on the depreciation rates, the methodology and residual value as notified by the respective regulatory bodies in accordance with the Electricity Act, 2003. For other tangible assets, depreciation is provided as per the estimated useful lives.

The estimated useful life and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

4.3 Cash and cash equivalents:

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

4.4 Revenue recognition:

(i) Revenue is recognized 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 rebates and other similar allowances.

(ii) Dividend is accounted when the right to receive payment is established.

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

4.5 Taxation:

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

Current Tax:

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

Deferred Tax:

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

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

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

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

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

4.6 Earnings per share:

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

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

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

4.7 Provisions, contingent liabilities and contingent assets:

Provisions:

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

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

Contingent liability:

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

Contingent assets:

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

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

4.8 Financial instruments:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

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

Financial assets

<u>Classification of financial assets</u>

Debt instruments (including Mutual Fund)
Debt Instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

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

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 only, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses.

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

Derecognition of financial assets

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

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

4.9 Financials liabilities:

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

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

Financial liabilities

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

Subsequent measurement

The Company financial liabilities, except for financial liabilities at fair value through profit or loss, are measured at amortized cost. The carrying amounts of financial liabilities, that are subsequently measured at amortised cost, are determined based on the effective interest method.

The effective interest method (EIR) 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.

Loans and borrowings

Loans and Borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition of financial liabilities

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

4.10 Fair value measurement:

The Company measures financial instruments, such as investment in units of mutual fund at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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.

4.11 Leases:

Operating Lease (The Company as Lessee): Lease payments under an operating lease are recognized as expense in the Statement of Profit and Loss, on a straight-line or other systematic basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such liability accrues.

4.12 First-time adoption – mandatory exceptions and optional exemptions

Overall principle

The Company has prepared the opening balance sheet as per Ind AS as at April 1, 2015 (the transition date) after availing certain optional exemptions as given below paragraphs:

Deemed cost for property, plant and equipment, investment property, and intangible assets

The Company has elected to continue with the carrying value of all of its plant and equipment recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Classification and measurement of financial assets

The Company has followed classification and measurement of financial assets in accordance with Ind AS 109 *Financial Instruments* on the basis of facts and circumstances that existed at the date of transition to Ind AS.

Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.

Further, as permitted by Ind AS 101, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition..

5. *Critical accounting judgements and key sources of estimation uncertainty*

In the course of applying the policies outlined in all notes under note 4 above, the management of the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying 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.

Transfer of assets & liabilities of Solar Energy & Wind Energy Undertaking

The Honourable Gujarat High Court has approved the Scheme of Arrangement ("Scheme") for transfer and vesting of the Solar Energy Undertaking as well as Wind Energy Undertaking of the Company ("TSL" or "Transferor Company") to Torrent Power Limited ("TPL" or "Transferee Company) pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Companies Act, 1956/Companies Act, 2013 vide order dated 14th October, 2016. The copy of the said order was filed with the Registrar of the Companies on 1st December 2016 ("Effective Date"). The Scheme of Arrangement shall have legal effect from 1st April 2015 ("Appointed Date"). The Scheme has accordingly been given effect to in the financial statement with effect from Appointed Date. Consequently, the assets & liabilities relating the said business have not been disclosed in the balance sheet from 1st April, 2015 and also the results of the said business is excluded from the statement of profit and loss.

Note 6 : Other non-current financial assets

Unsecured (considered good unless stated otherwise)

(Amount in Rs.)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deposits	5,000	-	-
	5,000	-	-

Note 7 : Other non-current assets

Unsecured (considered good unless stated otherwise)

(Amount in Rs.)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Balances with government authority	45,000	-	-
	45,000	-	-

Note - 8 : Current investments

(Investments carried at fair value through profit or loss)

(Amount in Rs.)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Investment in mutual funds (quoted)			
IDFC Cash Fund -Growth-(Regular Plan) (No. of units- 31st March, 2017: 205350.542, 31st March, 2016: Nil, 1st April, 2015: Nil)	40,47,31,215	-	-
Tata Money Market Fund- Growth- Regular Plan (No. of units- 31st March, 2017: 158839.843, 31st March, 2016: Nil, 1st April, 2015: Nil)	40,56,43,269	-	-
	81,03,74,484	-	-
Aggregate amount of quoted investments	81,03,74,484	-	-
Aggregate amount of unquoted investments	-	-	-
	81,03,74,484	-	-
Aggregate amount of impairment in value of investments	-	-	-
Aggregate amount of market value of quoted investments	-	-	-
	-	-	-

Note - 9 : Cash and cash equivalents

(Amount in Rs.)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Balances with banks			
Balance in current accounts	-	19,050	-
	-	19,050	-
Cheques, drafts on hand			
Cash on hand	3,892	-	-
	3,892	19,050	-

Note 10 : Other current financial assets

Unsecured (considered good unless stated otherwise)

(Amount in Rs.)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Receivable on sale of undertaking (note 22)	-	80,63,21,670	80,63,21,670
	-	80,63,21,670	80,63,21,670

Note 11 : Current tax assets

(Amount in Rs.)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advance tax & tax deducted at source (Net of provision for income tax)	37,785	-	-
	37,785	-	-

Note - 12 : Equity share capital

(Amount in Rs.)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised			
12,50,00,000 (12,50,00,000 as at 31st March, 2016 and 12,50,00,000 as at 1st April, 2015) equity shares of Rs.10 each	**1,25,00,00,000**	1,25,00,00,000	1,25,00,00,000
	1,25,00,00,000	1,25,00,00,000	1,25,00,00,000
Issued, subscribed and paid up			
8,00,50,000 (8,00,50,000 as at 31st March, 2016 and 8,00,50,000 as at 1st April, 2015) equity shares of Rs.10 each	**80,05,00,000**	80,05,00,000	80,05,00,000
	80,05,00,000	80,05,00,000	80,05,00,000

1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year :

	No. of shares As at 31st March, 2017	No. of shares As at 31st March, 2016	No. of shares As at 1st April, 2015
At the beginning of the year	**8,00,50,000**	8,00,50,000	8,00,50,000
Issued during the year on account of amalgamation	-	-	-
Outstanding at the end of the year	**8,00,50,000**	8,00,50,000	8,00,50,000

2 8,00,50,000 equity shares (8,00,50,000 equity shares as at 31st March, 2016 and 8,00,50,000 equity shares as at 1st April, 2015) of Rs.10 each fully paid up are held by holding company - Torrent Power Limited jointly with nominees.

3 Terms / Rights attached to equity shares :

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.The dividend,if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

4 Details of shareholders holding more than 5% shares in the Company :

Name of the Shareholder	As at 31st March, 2017 No. of shares	As at 31st March, 2017 % holding	As at 31st March, 2016 No. of shares	As at 31st March, 2016 % holding
Torrent Power Limited	**8,00,50,000**	**100.00%**	8,00,50,000	100.00%

Name of the Shareholder	As at 1st April, 2015 No. of shares	As at 1st April, 2015 % holding
Torrent Power Limited	8,00,50,000	100.00%

Note - 13 : Other equity

(Amount in Rs.)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Share capital suspense	-	-	-
Reserves and surplus			
Retained earnings	37,20,291	49,21,580	58,21,670
	37,20,291	49,21,580	58,21,670
	37,20,291	49,21,580	58,21,670

Notes:

1 Retained earnings:

The same reflects surplus/defecit after taxes in the Statement of Profit and Loss. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.

Note - 15 : Current trade payables

(Amount in Rs.)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade payables for goods and services			
Due to micro and small enterprises (note 23)	-	-	-
Due to others	2,75,626	7,41,950	-
	2,75,626	7,41,950	-

Note - 16 : Other current financial liabilities

(Amount in Rs.)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Sundry payables (payable to Holding Company)	27,79,229	1,06,190	-
	27,79,229	1,06,190	-

Note - 17 : Other current liabilities

(Amount in Rs.)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Statutory dues	26,250	71,000	-
	26,250	71,000	-

Note - 18 : Other income

	Year ended 31st March, 2017	(Amount in Rs.) Year ended 31st March, 2016
Profit on sale of investments in mutual funds	2,562	-
Net gain / (loss) arising on investments in mutual funds mandatorily measured at fair value through profit or loss	95,71,922	-
	95,74,484	-

Note - 19 : Employee benefits expense

(Amount in Rs.)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Salaries, wages and bonus	15,47,212	-
Contribution to provident and other funds	71,664	-
Employees welfare expenses	-	-
Compensated absences	1,63,935	-
Gratuity	2,06,706	-
	19,89,517	-

Note - 20 : Other expenses

(Amount in Rs.)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Rent and hire charges	18,550	-
Rates and taxes	2,000	2,000
Miscellaneous expenses	594	7,126
Directors sitting fees	4,30,800	80,150
Statutory auditors remuneration (note 25)	1,43,750	5,33,260
Legal, professional and consultancy fees	2,51,860	3,51,355
Donations	43,11,723	-
	51,59,277	9,73,891

Note 21: Income tax expenses

(a) Income tax expense recognised in statement of profit and loss

(Amount in Rs.)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Current tax :		
Current tax on profits for the year	4,62,215	-
Adjustment for current tax of prior periods	-	(73,801)
	4,62,215	(73,801)
Deferred tax :		
Decrease (increase) in deferred tax assets	-	-
(Decrease) increase in deferred tax liabilities	31,64,765	-
	31,64,765	-
Income tax expense attributable to continuing operations	**36,26,980**	(73,801)

(b) Reconciliation of current tax

(Amount in Rs.)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Profit before tax from continuing operations	24,25,690	(9,73,891)
Current tax expense calculated using applicable MAT tax rate at 19.055%	4,62,215	-
Adjustment for current tax of prior periods	-	(73,801)
Current tax expense	**4,62,215**	(73,801)

The base tax rate used for the year ended 31st March, 2017 and year ended 31st March, 2016 reconciliations above is the MAT tax rate of 18.5% (excluding cess 3%) payable by corporate entities in India on taxable book profits under the Indian tax law.

Note 21: Income tax expenses (Contd.)

(c) Deferred tax balances

(a) **The following is the analysis of deferred tax assets / (liabilities) presented in the balance sheet**

(Amount in Rs.)

	As at 31st March,2017	As at 31st March,2016	As at 1st April, 2015
Deferred tax assets	-	-	-
Deferred tax liabilities	(31,64,765)	-	-
	(31,64,765)	-	-

(b) **Movement of deferred tax**

Deferred tax assets / (liabilities) in relation to the year ended 31st March, 2017

(Amount in Rs.)

	Opening balance	Recognised in profit or loss	Recognised in OCI	**Closing balance**
Property, plant and equipment	-	-	-	-
Expense allowable for tax purposes when paid	-	-	-	-
Impact on account effective interest rate on long term borrowings	-	-	-	-
Financial assets at fair value through profit and loss	-	(31,64,765)	-	(31,64,765)
Financial liabilities at amortised cost	-	-	-	-
Defined benefit obligation	-	-	-	-
Unabsorbed depreciation	-	-	-	-
	-	**(31,64,765)**	**-**	**(31,64,765)**

Deferred tax assets / (liabilities) in relation to the year ended 31st March, 2016

(Amount in Rs.)

	Opening balance	Recognised in profit or loss	Recognised in OCI	**Closing balance**
Property, plant and equipment	-	-	-	-
Expense allowable for tax purposes when paid	-	-	-	-
Impact on account effective interest rate on long term borrowings	-	-	-	-
Financial assets at fair value through profit and loss	-	-	-	-
Financial liabilities at amortised cost	-	-	-	-
Defined benefit obligation	-	-	-	-
Unabsorbed depreciation	-	-	-	-
	-	**-**	**-**	**-**

(C) **Unrecognised deferred tax assets**

	As at 31st March,2017	As at 31st March,2016	As at 1st April, 2015
Unused tax losses	1,89,47,690	1,80,10,517	14,60,05,885
Unused tax credits	36,88,414	32,26,199	32,26,199
	2,26,36,104	2,12,36,716	14,92,32,084

Note 22: Scheme of arrangement

The Hon'ble Gujarat High Court has approved Scheme of Arrangement which provides for transfer and vesting of the Solar Energy Undertaking as well as Wind Energy Undertaking of Torrent Solargen Limited, (formerly known as Torrent Power Bhiwandi Limited) (the "transferor Company"), to Torrent Power Limited (the "transferee Company"), pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Companies Act, 1956/Companies Act, 2013 (to the extent notified) with effect from the Appointed Date on a going concern basis by way of a Slump Sale as defined in Section 2(42C) of the Income Tax Act, 1961 for a lump sum cash consideration on the agreed terms and conditions.

The Company has accounted for assets and liabilities as per the applicable accounting standards and Scheme approved by the Hon'ble Gujarat High Court.

All the assets and liabilities as at 1st April, 2015 of the Solar and Wind undertakings of Torrent Solargen Limited have been transferred to the Company at the book value as recorded in the books of transferor Company, which is summarised below:

As at 1st April, 2015 i.e. Appointed Date

(Amount in Rs.)

	Solar Undertaking	Wind Undertaking
Assets		
Non-current assets		
Property, plant and equipment	2,59,69,41,875	-
Capital work-in-progress	-	16,13,823
Other non-current assets	40,59,91,344	28,35,00,000
Current assets		
Financial assets		
Trade receivables	2,65,39,891	-
Cash and cash equivalents	23,08,744	-
Other bank balances	1,71,49,22,164	
Loans	15,736	-
Other financial assets	3,81,21,315	
Current tax assets (net)	5,75,986	
Other current assets	1,43,69,604	-
	4,79,97,86,659	**28,51,13,823**
Equity and liabilities		
Non-current liabilities		
Deferred tax liabilities (net)	72,00,000	-
Current liabilities		
Financial liabilities		
Borrowings	2,85,97,65,672	28,51,13,823
Trade payables	8,18,880	-
Other financial liabilities	1,11,91,96,942	
Other current liabilities	64,83,495	-
	3,99,34,64,989	**28,51,13,823**

Consequent to this, Balance sheet as at 1st April, 2015 and 31st March, 2016 and Statement of Profit and loss for year ended 31st March, 2016 are restated to account for the Scheme of arrangement.

Note 23: Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors. No interest is paid/payable during the year and no amount is outstanding at the year end.

Note 24: Operating lease

The Company's significant leasing arrangements are in respect of office premises. The arrangement is for 11 months and 29 days and is renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally refundable interest free deposits have been given. The Company has not entered into any material financial lease. The Company does not have any non-cancellable lease.

Note 25: Statutory auditors remuneration

(Amount in Rs.)

	Year ended 31st March, 2017	Year ended 31st March, 2016
As auditor		
Audit fees	1,25,000	4,60,000
For service tax	18,750	73,260
	1,43,750	5,33,260

Note 26: Corporate Social Responsibility (CSR) expenditure

(Amount in Rs.)

	Year ended 31st March, 2017	Year ended 31st March, 2016
(a) Gross amount required to be spent by the Company	43,11,723	-
(b) Amount spent during the year on		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	43,11,723	-
	43,11,723	-

Amount spent during the year includes donation made to section 8 Company Rs. 43,11,723 (Previous year - Rs. NIL)

Note 27: Earnings per share

(Amount in Rs.)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Basic earnings per share	(0.02)	(0.01)
Diluted earnings per share	(0.02)	(0.01)

Basic and diluted earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:

(Amount in Rs.)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Profit / (loss) for the year attributable to the Company used in calculation of basis earning per share	(12,01,290)	(9,00,090)
Weighted average number of equity shares	8,00,50,000	8,00,50,000

The Company does not have any dilutive potential ordinary shares and therefore diluted earning per share is the same as basic earning per share.

Note 28: Operating segment

The company's primary business segment is Generation of Electricity. The Company does not have any reportable segments as per Indian Accounting Standard 108 "Operating Segments".

Note 29: Related party disclosures

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

1	**Parent Company / enterprises controlled by the Parent Company**	Torrent Power Limited,Torrent Private Limited,Torrent Power Grid Limited,Torrent Pharmaceuticals Limited,Torrent Pipavav Generation Limited,Gujarat Lease Financing Limited,Torrent Power Services Private Limited,Puro Wellness Pvt. Ltd.,Heumann Pharma Gmbh & Co. Generica KG, Torrent Do Brasil Ltda.,ZAO Torrent Pharma,Torrent Pharma GmbH.,Torrent Pharma Inc.,Torrent Pharma Philippines Inc.,Torrent Australasia Pty Ltd.,Laborotrios Torrent SA de CV,Torrent Pharma (Thailand) Co. Ltd., Norispharm GmbH., Heunet Pharma GmbH., Torrent Pharma (UK) Ltd., Torrent Pharma S.R.L., Laboratories Torrent (Malaysia) Sdn.Bhd., Torrent Pharmaceuticals(Sikkim), Torrent Pharma France S.A.S., Aptil Pharma Limited , GLFL Housing Finance Limited, GLFL Securities Limited, GLFL International Limited, 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),TPL (Cables) Gratuity Trust,TPL (Cables) Superannuation Fund, TPG Gratuity Trust, TPG Superannuation Fund, TSL Gratuity Trust, TSL Supperannuation Fund, Torrent Financiers, AEC Cements & Constructions Limited (under liquidation), Tidong Hydro Power Limited, Torrent Fincorp Private Limited, Tornascent Care Institute, UNM Foundation, Radiant Urja LLP

2	**Key management personnel**	T. P. Vijayasarathy CEO & Director
3	**Relatives of key management**	Lalitha Vijayasarathy, Wife Kundavi Vishwanathan, Daughter Priyadarshini Vijayasarathy, Daughter T.P. Sanjayasarathy, Brother Rajalakshmi Premkumar, Sister

TORRENT SOLARGEN LIMITED
Note 29: Related party disclosures (Contd.)

(b) Related party transactions

(Amount in Rs.)

	Parent Company/ enterprises controlled by the Parent Company		Key management personnel		Total	
	Year ended 31.03.17	Year ended 31.03.16	Year ended 31.03.17	Year ended 31.03.16	Year ended 31.03.17	Year ended 31.03.16
Nature of transactions						
Services received	**18,550**	-			**18,550**	-
Torrent Power Ltd.	18,550	-			18,550	-
Rent deposit given	**5,000**	-			**5,000**	-
Torrent Power Ltd.	5,000	-			5,000	-
Shared expenditure	**19,89,517**	-			**19,89,517**	-
Torrent Power Limited	19,89,517	-			19,89,517	-
Donation	**43,11,723**	-			**43,11,723**	-
Tornascent Care Institute	43,11,723	-			43,11,723	-
Consideration receivable on Slump Sale	**80,63,21,670**	-			**80,63,21,670**	-
Torrent Power Ltd.	80,63,21,670	-			80,63,21,670	-
Deposit received for nomination of directors	-	**2,00,000**			-	**2,00,000**
Torrent Power Ltd.		2,00,000			-	2,00,000
Deposit refunded back on appointment of directors	-	**2,00,000**			-	**2,00,000**
Torrent Power Ltd.		2,00,000			-	2,00,000

(Amount in Rs.)

(c) Related party balances

	Parent Company/ enterprises controlled by the Parent Company			Key management personnel			Total		
	As at 31.03.17	As at 31.03.16	As at 01.04.15	As at 31.03.17	As at 31.03.16	As at 01.04.15	As at 31.03.17	As at 31.03.16	As at 01.04.15
Balances at the end of the year									
Sundry Payables	**27,79,229**	**1,06,190**	-				**27,79,229**	**1,06,190**	-
Torrent Power Limited	27,79,229	1,06,190					27,79,229	1,06,190	-
Equity contribution	**80,05,00,000**	**80,05,00,000**	**80,05,00,000**				**80,05,00,000**	**80,05,00,000**	**80,05,00,000**
Torrent Power Limited	80,05,00,000	80,05,00,000	80,05,00,000				80,05,00,000	80,05,00,000	80,05,00,000
Rent Deposit	**5,000**	-	-				**5,000**	-	-
Torrent Power Limited	5,000	-	-				5,000	-	-

(d)Terms and conditions of outstanding balances

Outstanding balances at the year-end are unsecured and settlement occurs in cash.
Sundry payables mainly represent expenses incurred by Torrent Power Ltd on behalf of the Company and is payable within one year.
Interest free Rent Deposit has been given to Torrent Power Limited as per agreement for leave and license for use of office premises for 11 months and 29 days.

Note:

Related party transactions and balances disclosed above are after giving impact of the Scheme of arrangement in this year and therefore receivable from transfer is shown as transaction of the current year, though the restatement has taken place from the appointed date i.e. 1st April, 2015.

Note 30: Financial instruments and risk review

(a) Capital Management

The Company manages its capital structure to ensure that the Company will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of debt and equity of the Company (comprising issued capital, reserves and retained earnings.

(b) Categories of financial instruments

(Amount in Rs.)

	As at 31st March,2017	As at 31st March,2016	As at 1st April, 2015
Financial assets			
Measured at amortised Cost			
Cash and bank balances	3,892	19,050	-
Other non-current financial assets	5,000	-	-
Other current financial assets	-	80,63,21,670	80,63,21,670
	8,892	80,63,40,720	80,63,21,670
Measured at fair value through profit and loss (FVTPL)			
Mandatorily measured			
Investments in mutual funds	81,03,74,484	-	-
	81,03,74,484	-	-
Financial liabilities			
Measured at amortised Cost			
Borrowing	-	-	-
Trade payable	2,75,626	7,41,950	-
Other financial liabilities	27,79,229	1,06,190	-
	30,54,855	8,48,140	-

(c) Financial risk management objectives

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investment in mutual funds, cash and cash equivalents.

The Company's activities are exposed to liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks. It advises on financial risks and the appropriate financial risk governance framework.

Note 30: Financial instruments and risk review

(c) Financial risk management objectives (contd.)

Liquidity risk
Liquidity risk is the risk that the Company is unable to meet its obligations as they fall due because it has inadequate funding or is unable to liquidate its assets. The Company manages liquidity risk by preparing cash flow forecasts and by ensuring it has sufficient funding to meet its forecast cash demands.

Liquidity tables
The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

As at 31st March,2017

(Amount in Rs.)

	Less than 3 months	3 months to 1 year	Between 1 and 5 year	5 years and above	Total
Financial liabilities					
Non current financial liabilities					
Borrowings	-	-	-	-	-
Trade payables	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
	-	-	-	-	-
Current financial liabilities					
Borrowings	-	-	-	-	-
Trade payables	-	2,75,626	-	-	2,75,626
Other financial liabilities	27,79,229	-	-	-	27,79,229
	27,79,229	2,75,626	-	-	30,54,855
Total financial liabilities	27,79,229	2,75,626	-	-	30,54,855

As at 31st March,2016

(Amount in Rs.)

	Less than 3 months	3 months to 1 year	Between 1 and 5 year	5 years and above	Total
Financial liabilities					
Non current financial liabilities					
Borrowings	-	-	-	-	-
Trade payables	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
	-	-	-	-	-
Current financial liabilities					
Borrowings	-	-	-	-	-
Trade payables	-	7,41,950	-	-	7,41,950
Other financial liabilities	1,06,190	-	-	-	1,06,190
	1,06,190	7,41,950	-	-	8,48,140
Total financial liabilities	1,06,190	7,41,950	-	-	8,48,140

As at 1st April, 2015

(Amount in Rs.)

	Less than 3 months	3 months to 1 year	Between 1 and 5 year	5 years and above	Total
Financial liabilities					
Non current financial liabilities					
Borrowings	-	-	-	-	-
Trade payables	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
	-	-	-	-	-
Current financial liabilities					
Borrowings	-	-	-	-	-
Trade payables	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
	-	-	-	-	-
Total financial liabilities	-	-	-	-	-

Note 31: Fair Value Measurement and related disclosures

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

Fair value of the Company's financial assets that are measured at fair value on a recurring basis:

Some of the Company's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

(a) Financial assets at fair value through profit and loss (FVTPL)

(Amount in Rs.)

	Fair value as at			Fair value	Valuation
	31st March,2017	31st March,2016	1st April, 2015	**hierarchy**	
Investment in mutual fund units	81,03,74,484	-	-	Level 1	Quoted bid prices in an active market
	81,03,74,484	-	-		

(b) Financial assets and liabilities at amortised cost

The carrying amounts of current borrowings, trade payables, cash and cash equivalents and other financial assets are considered to be the same as their fair values, due to their short-term nature.

Note 32: Specified bank notes (SBNs)

Details of Specified Bank Notes (SBN) held and transacted during the period 8th November, 2016 to 30th December, 2016 as provided below:

(Amount in Rs.)

	SBNs	Other denomination notes	Total
Closing cash in hand as on 8th November,2016	-	-	-
Add: Permitted receipts	-	-	-
Less: Permitted payments	-	-	-
Less: Amount deposited in banks	-	-	-
Closing cash in hand as on 30th December, 2016	-	-	-

'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016

Note 33 : First time Ind AS adoption reconciliations

33.1 : Reconciliation of equity

(Amount in Rs.)

	As at date of transition 1st April,2015			As at 31st March, 2016		
	Previous GAAP*	Adjustment on transition to Ind AS	Ind AS	Previous GAAP*	Adjustment on transition to Ind AS	Ind AS
Assets						
Non-current assets						
Property, plant and equipment	2,59,69,41,875	(2,59,69,41,875)	-	2,46,92,29,791	(2,46,92,29,791)	-
Capital work-in-progress	16,13,823	(16,13,823)	-	96,72,772	(96,72,772)	-
Goodwill	-	-	-	-	-	-
Investment property	-	-	-	-	-	-
Other intangible assets	-	-	-	-	-	-
Intangible assets under development	-	-	-	-	-	-
Financial assets				-		
Investments	-	-	-	-	-	-
Trade receivables	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	-
Deferred tax assets (net)	-	-	-	-	-	-
Other non-current assets	68,94,91,344	(68,94,91,344)	-	1,21,54,71,792	(1,21,54,71,792)	-
	3,28,80,47,042	(3,28,80,47,042)	-	3,69,43,74,355	(3,69,43,74,355)	-
Current assets						
Inventories	-		-	-	-	-
Financial assets						
Investments	-	-	-	-	-	-
Trade receivables	2,65,39,891	(2,65,39,891)	-	15,93,17,432	(15,93,17,432)	-
Cash and cash equivalents	1,71,65,80,908	(1,71,65,80,908)	-	8,49,182	(8,30,132)	**19,050**
Other bank balances	6,50,000	(6,50,000)	-	-	-	-
Loans	15,736	(15,736)	-	1,11,233	(1,11,233)	-
Other financial assets	3,81,21,315	76,82,00,355	**80,63,21,670**	68,000	80,62,53,670	**80,63,21,670**
Current tax assets (net)	5,75,986	(5,75,986)	-	2,93,784	(2,93,784)	-
Other current assets	1,43,69,604	(1,43,69,604)	-	1,43,09,695	(1,43,09,695)	-
	1,79,68,53,440	(99,05,31,770)	**80,63,21,670**	17,49,49,326	63,13,91,394	**80,63,40,720**
	5,08,49,00,482	(4,27,85,78,812)	**80,63,21,670**	3,86,93,23,681	(3,06,29,82,960)	**80,63,40,720**
Equity and liabilities						
Equity						
Share capital	80,05,00,000	-	**80,05,00,000**	80,05,00,000	-	**80,05,00,000**
Share capital suspense	-	-	-	-	-	-
Other equity	58,21,670	-	**58,21,670**	48,98,67,747	(48,49,46,166)	**49,21,580**
	80,63,21,670	-	**80,63,21,670**	1,29,03,67,747	(48,49,46,166)	**80,54,21,580**
Inter branch adjustment	-	-	-	-	-	-
Liabilities						
Non-current liabilities						
Financial liabilities						
Borrowings	-	-	-	-	-	-
Trade payables	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	-
Provisions	-	-	-	6,70,038	(6,70,038)	-
Deferred tax liabilities (net)	72,00,000	(72,00,000)	-	1,85,35,000	(1,85,35,000)	-
Other non-current liabilities	-	-	-	-	-	-
	72,00,000	(72,00,000)	-	1,92,05,038	(1,92,05,038)	-
Current liabilities						
Financial liabilities						
Borrowings	3,14,48,79,495	(3,14,48,79,495)	-	2,54,90,48,133	(2,54,90,48,133)	-
Trade payables						
Due to micro and small enterprises	-	-	-	-	-	-
Due to others	8,18,880	(8,18,880)	-	92,64,137	(85,22,187)	**7,41,950**
Other financial liabilities	1,11,91,96,942	(1,11,91,96,942)	-	3,930	1,02,260	**1,06,190**
Other current liabilities	64,83,495	(64,83,495)	-	11,07,244	(10,36,244)	**71,000**
Provisions	-	-	-	3,27,452	(3,27,452)	-
Current tax liabilities (net)	-	-	-	-	-	-
	4,27,13,78,812	(4,27,13,78,812)	-	2,55,97,50,896	(2,55,88,31,756)	**9,19,140**
	5,08,49,00,483	(4,27,85,78,812)	**80,63,21,670**	3,86,93,23,681	(3,06,29,82,960)	**80,63,40,720**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Note 33 : First time Ind AS adoption reconciliations (contd.)

33.2 : Equity reconciliations as at 31st March, 2016 and 1st April, 2015

(Amount in Rs.)

	As at 31st March, 2016	As at 1st April, 2015
Total equity as per previous GAAP	**48,98,67,747**	**58,21,670**
Restatement due to scheme of arrangement wef 1st April, 2015 (note 22)	(48,49,46,166)	-
Total adjustments	(48,49,46,166)	-
Total equity as per Ind AS	**49,21,580**	**58,21,670**

33.3 : Reconciliation of total comprehensive income for the year ended 31st March, 2016

(Amount in Rs.)

	Year ended 31st March, 2016
Profit after tax per previous GAAP	**48,40,46,076**
Restatement due to scheme of arrangement wef 1st April, 2015 (note 22)	(48,49,46,166)
Total adjustments	(48,49,46,166)
Profit after tax per Ind AS	**(9,00,090)**
Other comprehensive income	-
Total comprehensive income as per Ind AS	**(9,00,090)**

Note 33 : First time Ind AS adoption reconciliations (contd.)

33.4 : Reconciliation of total comprehensive income for the year ended 31 March 2016

(Amount in Rs.)

	Previous GAAP*	Adjustment on transition to Ind AS	Ind AS
Income			
Revenue from operations	85,83,04,879	(85,83,04,879)	-
Other income	46,71,266	(46,71,266)	-
Total income	86,29,76,145	(86,29,76,145)	-
Expenses			
Electrical energy purchased	-	-	-
Purchase of stock-in-trade	-	-	-
Cost of materials consumed	-	-	-
Changes in inventories of finished goods and work-in-progress	-	-	-
Employee benefits expense	89,41,491	(89,41,491)	-
Finance costs	45,91,027	(45,91,027)	-
Depreciation and amortization expense	15,79,53,290	(15,79,53,290)	-
Other expenses	6,05,83,062	(5,96,09,171)	**9,73,891**
Total expenses	23,20,68,870	(23,10,94,979)	**9,73,891**
Profit/(loss) before exceptional items and tax	63,09,07,275	(63,18,81,166)	**(9,73,891)**
Exceptional items	-	-	-
Profit before tax	63,09,07,275	(63,18,81,166)	**(9,73,891)**
Tax expenses			
Current tax	13,56,00,000	(13,56,00,000)	-
Deferred tax	1,13,35,000	(1,13,35,000)	-
Short / (excess) provision of current tax for earlier years	(73,801)	-	**(73,801)**
	14,68,61,199	(14,69,35,000)	**(73,801)**
Profit/(loss) for the period from continuing operations	48,40,46,076	(48,49,46,166)	**(9,00,090)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans	-	-	-
Income tax relating to remeasurement of the defined benefit plans	-	-	-
Other comprehensive income for the year (net of tax)	-	-	-
Total comprehensive income for the year	48,40,46,076	(48,49,46,166)	**(9,00,090)**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

Note 33 : First time Ind AS adoption reconciliations (contd.)

33.5 : Reconciliation of cash flow for the year ended 31 March 2016

(Amount in Rs.)

Particulars	Previous GAAP	Effect of transition of Ind AS	Ind AS
Net cash flows from operating activities	54,22,41,650	(54,22,22,600)	19,050
Net cash flows from investing activities	5,78,64,552	(5,78,64,552)	-
Net cash flows from financing activities	(60,15,65,764)	60,15,65,764	-
Net increase/(decrease) in cash and cash equivalents	**(14,59,562)**		**19,050**
Cash and cash equivalents as at beginning of the year	**23,08,744**	(23,08,744)	-
Cash and cash equivalents as at end of the year	**8,49,182**	(8,30,132)	**19,050**

Analysis of cash and cash equivalents as at March 31, 2016 and as at April 1, 2015 for the purpose of statement of cash flows under Ind AS

Particulars	As at 31/03/2016	As at 01/04/2015
Cash and cash equivalents for the purpose of statement of cash flows as per previous GAAP	8,49,182	23,08,744
Cash and cash equivalents for the purpose of statement of cash flows under Ind AS	19,050	-

Note 34: Approval of financial statements

The financial statements were approved for issue by the board of directors on 19th May, 2017.

Signature to Note 1 to 34

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**
Chartered Accountants

Priya Jain
Chief Financial Officer

T. P. Vijayasarathy
Director and CEO
DIN: 00271777

Hemendra L. Shah
Partner

Harnish Patel
Director
DIN: 00114198

Ahmedabad, 19th May, 2017