



**P. MURALI & CO.,**  
CHARTERED ACCOUNTANTS  
6-3-655/2/3, SOMAJIGUDA,  
HYDERABAD - 500 082. INDIA

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## INDEPENDENT AUDITOR'S REPORT

To the Members of TF SOLARPOWER PRIVATE LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of TF SOLARPOWER PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on 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 there under.

We conducted our audit 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 financial statements are free from material misstatement.



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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.

An audit also includes evaluating the appropriateness of 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 financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements:

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 2015.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further 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 purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;



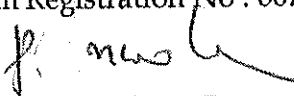
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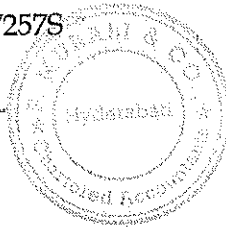
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- c) The Balance Sheet dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014 .
- e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company 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.

For P. Murali & CO.,  
Chartered Accountants  
Firm Registration No : 007257S

  
P. Murali Mohana Rao  
Partner  
M.No. 023412



Place: Hyderabad  
Date: 23/05/2015



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Annexure referred to in paragraph 1 of Our Report of even date to the members of TF SOLARPOWER PRIVATE LIMITED on the accounts of the company for the year ended 31st March, 2015 Under "Report on other Legal & Regulatory Requirements"

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification.
- ii. The company does not have any inventory and as such the clauses (a), (b) and (c) are not applicable.
- iii. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- iv. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, no major weakness has been noticed or reported.
- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the company.
- vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Income-tax, Service Tax, and other material statutory dues, as applicable, with the appropriate authorities in India ;



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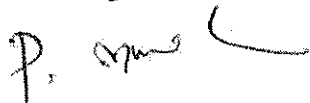
(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Service Tax, and other material statutory dues in arrears as at 31<sup>st</sup> March 2015 for a period of more than 6 months for the date they became payable.

(c) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Service Tax, Sales Tax, which have not been deposited on account of any disputes.

(d) There are no amounts that are due to be transferred to the Investors Education and protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made there under.

- viii. Since the Company has not started with its commercial operations the clause as regards to accumulated losses and cash losses is not applicable.
- ix. The company has not taken any loans from financial institution/banks. Hence the clause as regards the regularity of payment is not applicable. The company has not issued any debentures.
- x. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from a bank or financial institutions.
- xi. The company has not obtained any term loans during the current financial year. Hence the clause as regards the utilization of the same is not applicable.
- xii. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the company has been noticed or reported during the year.

For P. Murali & Co.,  
Chartered Accountants  
Firm Registration No 007257S

  
**P. Murali Mohana Rao**  
Partner  
M.No. 023412



Place: Hyderabad  
Date: 23 /05/2015

TF SOLARPOWER PRIVATE LIMITED

BALANCE SHEET

Balance Sheet as at 31st March, 2015

Particulars	Note No	As at	As at
		31/03/2015	31/03/2014
		Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholder's Funds			
(a) Share Capital	1	6,01,00,000	6,01,00,000
(b) Reserves and Surplus		-	-
(c) Money received against share warrants		-	-
(2) Share application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long term provisions		-	-
(4) Current Liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables		-	-
(c) Other current liabilities	2	3,91,61,723	3,91,36,723
(d) Short-term provisions		-	-
<b>Total</b>		<b>9,92,61,723</b>	<b>9,92,36,723</b>
<b>II. Assets</b>			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	3	2,58,490	4,91,988
(ii) Intangible assets		-	-
(iii) Capital work-in-progress	3	9,89,45,534	9,86,74,677
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances		-	-
(e) Other non-current assets	4	21,268	21,268
(f) Long term deposits		-	-
(2) Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	5	36,431	48,790
(e) Short-term loans and advances		-	-
(f) Other current assets		-	-
<b>Total</b>		<b>9,92,61,723</b>	<b>9,92,36,723</b>

Summary of Significant Accounting Policies

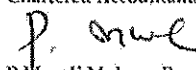
Notes on financial statements

1 to 10

The accompanying Notes are an Integral Part of the Financial Statements

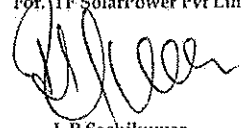
AS PER OUR REPORT OF EVEN DATE

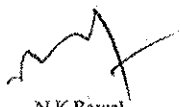
For P.Murali & Co.,  
Firm Regn. No: 007257S  
Chartered Accountants

  
P.Murali Mohana Rao  
Partner  
M.No. 023412



For TF SolarPower Pvt Limited

  
I. P. Sashikumar  
Director

  
N. K. Rawal  
Director

Place : Secunderabad  
Date : 23rd May 2015

TF SOLARPOWER PRIVATE LIMITED  
NOTE NUMBERS TO BALANCE SHEET

NOTE NO. 1 : SHARE CAPITAL

S.NO.	Particulars	As at 31.03.2015	As at 31.03.2014
		Rs.	Rs.
a	Share Capital ( For each class of capital )		
	(a) Authorised : 11,00,00,000 No. of Equity Shares @ Rs. 10/- each and	110,00,00,000	110,00,00,000
	(b) Issued : 60,10,000 No. of Equity Shares @ Rs. 10/- each fully paid up	6,01,00,000	6,01,00,000
	(c) Subscribed & fully paid up : 60,10,000 No. of Equity Shares @ Rs. 10/- each	6,01,00,000	6,01,00,000
	(d) Subscribed & not fully paid up	-	-
	(e) Par value per share Rs. 10/-	-	-
	<b>Total Equity Share capital</b>	<b>6,01,00,000</b>	<b>6,01,00,000</b>
b	Preference shares at the beginning as per class of shares	-	-
	Add : Issued/Repaid During the year	-	-
	Less : Repaid During the year	-	-
	Preference shares at the end of the Year	-	-
	<b>Total Share capital ( Equity and Preference )</b>	<b>6,01,00,000</b>	<b>6,01,00,000</b>
c	Calls unpaid : Equity Shares	-	-
d	Forfeited shares (amount originally paid up)	-	-
e	A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:	Number of Shares	
	Equity Shares of Rs.10Each, Fully paid up :		
	At the Beginning	60,10,000	60,10,000
	Issued during the year	-	-
	Forfeited / Bought Back during the year	-	-
	At the end	60,10,000	60,10,000
f	Details of Shareholder holding more than 5% shares of the Company:	% of Share Holding	
	Equity Shares of Rs. 10 each Held By		
	Goldstone Infratech Limited - 60,10,000 Nos. (60,10,000 Nos.)	100.00%	100.00%

NOTE NO. 2 : OTHER CURRENT LIABILITIES

S. No.	Particulars	As at 31.03.2015	As at 31.03.2014
		Rs.	Rs.
I	a)Sundry Creditors for Capital Purchases	2,07,52,410	2,07,52,410
	b) Statutory Liabilities	35,57,370	35,57,370
	a) Other liabilities	1,48,51,943	1,48,26,943
	<b>Total other current liabilities</b>	<b>3,91,61,723</b>	<b>3,91,36,723</b>

NOTE NO.4 : OTHER NON - CURRENT ASSETS

S. No.	Particulars	As at 31.03.2015	As at 31.03.2014
		Rs.	Rs.
I	Unamortised Expenses	21,268	21,268
	<b>Total non - current assets</b>	<b>21,268</b>	<b>21,268</b>

NOTE NO. 5 : CASH AND BANK BALANCES

S. No.	Particulars	As at 31.03.2015	As at 31.03.2014
		Rs.	Rs.
I	Cash and cash equivalents :		
	a) Balances with banks :		
	1) On Current Accounts	36,431	48,790
	<b>Total Cash and Cash Equivalents</b>	<b>36,431</b>	<b>48,790</b>

Note Number : 3

FIXED ASSETS AS ON 31st MARCH, 2015

TF SOLARPOWER PRIVATE LIMITED

Sl. No.	Particulars	Gross Block				Depreciation/Amortization				Net Block as on 31.03.2015	Net Block as on 31.03.2014
		As on 01.04.2014	Additions during the year	Sale / Deletions during the year	As on 31.03.2015	Dep. As on 01.04.2014	2014-2015	Dep Reserve on Deletions	Total Depreciation		
1	Air conditioners	87,013	-	-	87,013	27,886	59,127	-	87,013	-	59,127
2	Computers	3,33,406	-	-	3,33,406	3,33,406	-	-	3,33,406	-	-
3	Furniture & Fixtures	36,200	-	-	36,200	19,646	16,554	-	36,200	-	16,554
4	Office Equipments	29,020	-	-	29,020	8,626	20,394	-	29,020	-	20,394
5	Vehicles	13,96,296	-	-	13,96,296	10,00,383	1,37,423	-	11,37,806	-	3,95,913
6	Capital Work in progress	9,86,74,677	2,70,857	-	9,89,45,534	-	-	-	-	-	9,89,45,534
	TOTAL	10,03,55,686	2,70,857	-	10,08,27,469	13,89,947	2,33,498	-	16,23,445	-	9,92,04,024
	Previous Year	10,03,55,686	2,00,926	-	10,05,56,612	12,34,005	1,55,942	-	13,89,947	-	9,91,66,665



## SIGNIFICANT ACCOUNTING POLICIES

### 6) Statement on Significant Accounting Policies

#### i. Preparation of financial statements

The financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost conversion on accrual basis, except certain tangible assets which are being carried at revalued amounts. Pursuant to section 133 of the Companies Act 2013 read with Rule 7 of Companies (Accounts) Rules 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act 1956, shall continue to apply. Consequently these financial statements have been prepared to comply in all material respects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 (Companies Accounting Standards Rules, 2006 as amended) and the relevant provisions of the Companies Act, 2013 ("the Act"). The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

#### ii. Method of Accounting

The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis.

#### iii. Revenue Recognition

All revenues are recognized on accrual basis, except Insurance Claim receipts and dividend income which are accounted on cash basis.

#### iv. Fixed Assets

a) Fixed Assets are stated at cost less depreciation. Project expenses/ Pre-operative expenses are capitalized to the respective asset heads on a proportionate basis. Any capital grant or subsidy received is reduced from the cost of eligible assets

b) During the year the Company has provided Depreciation on Fixed Assets based on the Useful life in the manner prescribed in Schedule II Part C to the Companies Act, 2013, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956.

**v. Investments**

Investments are classified into current and long-term investments. Current Investments are carried at lower of cost or fair market value. Any diminution in their value is recognized in the profit and loss account. Current & Non-Current investments, including investment in subsidiaries, are carried at cost. Diminution of temporary nature in the value of such long-term investments is not provided for except when such diminution is determined to be of a permanent nature.

**vi. Retirement Benefits**

Contributions to defined Schemes such as Provident Fund, Employees State Insurance Scheme are charged to the profit and loss account as incurred on accrual basis. The company provides the retirement benefits in the form of Gratuity and Leave Encashment on the basis of actuarial valuation made by Independent actuary as at balance sheet date.

**vii. Provision for Current and Deferred Tax:**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred Tax resulting from timing differences between book and taxable profits is accounted by using the tax rates and laws that have been enacted as on the Balance Sheet date. The deferred tax asset is recognised only to the extent there is reasonable certainty that the asset is realized in future.

**viii. Contingent Liabilities and Contingent Assets**

Liabilities, which are contingent in nature, are not recognized in the books of account but are disclosed separately in the Notes. Contingent Assets are neither recognized nor disclosed in the books of account.

**ix. Claims**

Claims made by the Company are recognized to the extent the Company deems them recoverable. Claims against the Company, including liquidated damages, are recognized only on acceptance basis.

**x. Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of cost of such asset. Other borrowing costs are treated as a period cost and are expensed in the year of occurrence.

