

Tarini Infrastructure Ltd.



Annual Report 2013-14

finding solutions through Quality, Commitment and Competence

10th Annual Report

2013-2014



TARINI INFRASTRUCTURE LIMITED

D-2, 1st Floor, Amar Colony, Lajpat Nagar – IV, New Delhi - 110024
Email: tarini@nde.vsnl.net.in Website: www.tariniinfra.com



Board of Directors

Mr. Vakamulla Chandrashekhar - Chairman & Managing Director
Mr. Vellore Subramaniyan Suresh – Director
Mrs. V. Anu Naidu – Director
Mr. Ponnu Swami Sethu Seshan – Independent Director
Dr. Simhachalam Gedela – Independent Director

Audit Committee

Mr. Ponnu Swami Sethu Seshan – Chairman
Dr. Simhachalam Gedela – Member
Mr. Vakamulla Chandrashekhar - Member

Shareholder Grievance Committee

Mr. Ponnu Swami Sethu Seshan – Chairman
Dr. Simhachalam Gedela – Member
Mr. Vakamulla Chandrashekhar - Member

Nomination & Remuneration Committee

Mr. Ponnu Swami Sethu Seshan – Chairman
Dr. Simhachalam Gedela – Member
Mr. Vakamulla Chandrashekhar - Member

Independent Auditors

M/s. VCG & Co.
Chartered Accountants
203, Kusal Bazar, 32-33,
Nehru Place, New Delhi – 110019

Bankers

Bank of India
ICICI Bank Limited
Karur Vysya Bank Limited

Key Managerial Personnel

Mr. Vakamulla Chandrashekhar - Chairman & Managing Director
Mr. Deepak Gupta – Company Secretary

Registered Office

D-2, 1st Floor, Amar Colony,
Lajpat Nagar – IV, New Delhi - 110024
Email: tarini@nde.vsnl.net.in
Website: www.tariniinfra.com

Share Transfer Agents

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West), Mumbai 400078



TARINI INFRASTRUCTURE LIMITED

(CIN : U45201DL2004PLC130447)

Registered Office: D-2, 1st Floor, Amar Colony, Lajpat Nagar – IV, New Delhi - 110024

Email: tarini@nde.vsnl.net.in Website: www.tariniinfra.com

Phone: 011-26479995/26285364, Fax: 011-26477996

NOTICE

NOTICE is hereby given that the Tenth Annual General Meeting of the Members of **TARINI INFRASTRUCTURE LIMITED** will be held on Tuesday, September 30, 2014 at 10.00 A.M. at its Registered Office at D-2, First Floor, Amar Colony, Lajpat Nagar – IV, New Delhi - 110024 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the Year ended 31st March' 2014 and the Balance Sheet as on that Date, together with the Report of the Board of Directors and Auditors thereon.
2. To reappoint Mrs. V. Anu Naidu as Director (holding DIN 00073661) who retires by rotation and being eligible, offers herself to be re-appointment.
3. To appoint Auditors and fix their remuneration by passing the following as an Ordinary Resolution with or without modification(s):-

“**RESOLVED THAT** pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made there under, M/s VCG & Co., Chartered Accountants (Registration No.021837N), the retiring auditors, be and are hereby re-appointed as auditors of the Company to hold office for a period of 3 (three) years for auditing the accounts of the Company from the financial years 2014-15 to 2016-17 (subject to ratification of the appointment by the members at every annual general meeting to be held during that period) and the Board of Directors/Committee of the Board be and is hereby authorised to fix their remuneration plus travelling, if any, and other out of pocket expenses incurred by them in connection with statutory audit and/or continuous audit and also such other remuneration, as may be decided to be paid by the Board/Committee of the Board, for performing duties permissible under the Companies Act, 2013 other than those referred to herein above.”

SPECIAL BUSINESS:

4. To Consider and if thought fit, to pass, with or without modifications(s), the following resolution as an **Ordinary resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Ponnu Swami Sethu Seshan (DIN: 03512750), who was appointed as an Additional Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 15th Annual General Meeting of the Company in the calendar year 2019.”

5. To Consider and if thought fit, to pass, with or without modifications(s), the following resolution as an **Ordinary resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) Dr. Simhachalam Gedela (DIN: 05302995), who was appointed as an Additional Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a



term up to the conclusion of the 15th Annual General Meeting of the Company in the calendar year 2019."

6. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of all the earlier resolutions passed by the Company and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made there under and subject to such approvals, consents, sanctions and permissions, as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board", which term shall include any committee constituted by the Board or any person (s) authorised by the Board) to borrow moneys with or without providing the security, from companies bankers, financial institutions, bodies corporate in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rupees 200 Crores (Rupees Two Hundred Crores) over and above the aggregate of the paid up share capital and free reserves of the Company."

FURTHER RESOLVED THAT the Managing Director be and is hereby authorized by the Board to negotiate and finalize with the lenders, terms and conditions, on which all such moneys are to be borrowed from time to time as to interest, repayment, security or otherwise and to settle all matters arising out of and incidental thereto, and to sign and execute all such documents, deeds, agreements applications, documents and writings as may be considered necessary, relevant usual, customary and/or expedient for giving effect to the aforesaid resolutions.

FURTHER RESOLVED THAT the Managing Director of the Company be and is hereby authorised to delegate all or any of the above powers to any employee /officer of the Company or any other person to do all the acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

7. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of all the earlier resolutions passed by the Company and pursuant to the provisions of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under and subject to such approvals, consents, sanctions and permissions, as may be necessary, the consent of the Company be and is hereby given to the Board of Directors (hereinafter referred to as the "Board", which term shall include any committee constituted by the Board or any person (s) authorised by the Board) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations, if any, created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, in favour of Banks, Financial Institutions,, bodies corporate, provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said loans, for which such charges, mortgages or hypothecations are created, shall not, at any time exceed the limit of Rupees 200 Crores (Rupees Two Hundred Crores only).

FURTHER RESOLVED THAT the Managing Director be and is hereby severally authorized by the Board to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required, on behalf of the Company.

FURTHER RESOLVED THAT the Managing Director of the Company be and is hereby authorised to delegate all or any of the above powers to any employee /officer of the Company or any other person to do all the acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

By Order of the Board

Deepak Gupta
(Company Secretary)
M. No. F4593

Date: 29.08.2014
Place: New Delhi



NOTES (forming part of the Notice):

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item Nos. 4 & 5

Mr. Ponnu Swami Sethu Seshan and Dr. Simhachalam Gedela were appointed as Additional Directors liable to retire by rotation whose term expires at this Annual General Meeting.

It is proposed to appoint Mr. Ponnu Swami Sethu Seshan and Dr. Simhachalam Gedela as Independent Directors under Section 149 of the Act to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 15th Annual General Meeting of the Company in the calendar year 2019.

Mr. Ponnu Swami Sethu Seshan and Dr. Simhachalam Gedela are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Mr. Ponnu Swami Sethu Seshan and Dr. Simhachalam Gedela for the office of Directors of the Company.

The Company has also received declarations from Mr. Ponnu Swami Sethu Seshan and Dr. Simhachalam Gedela that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act.

In the opinion of the Board, Mr. Ponnu Swami Sethu Seshan and Dr. Simhachalam Gedela fulfill the conditions for appointment as Independent Directors as specified in the Act. Mr. Ponnu Swami Sethu Seshan and Dr. Simhachalam Gedela are independent of the management.

Mr. Ponnu Swami Sethu Seshan and Dr. Simhachalam Gedela are interested in the resolutions set out respectively at Item Nos. 4 and 5 of the Notice with regard to their respective appointments.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

Item Nos. 6

Under the erstwhile Section 293 (1) (d) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose. Under the provisions of Section 180 (1) (c) of the Companies Act, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Further, as per a clarification issued by the Ministry of Corporate Affairs, the Ordinary Resolution earlier passed under Section 293 (1) (d) of the Companies Act, 1956 will remain valid for a period of one year from the date of notification of Section 180 of the Companies Act, 2013, i.e. up to 11th September, 2014. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable



the Board of Directors of the Company to borrow moneys, apart from temporary loans obtained from the Company's Bankers etc. in the ordinary course of business, in excess of the aggregate of paid-up share capital and free reserves of the Company. Hence the aforesaid resolution is put up before the members for their approval.

The Board recommends the Resolution for approval of the shareholders by a Special Resolution.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

Item Nos. 7

Under the erstwhile Section 293 (1) (a) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, create charge/ mortgage/ hypothecate on the Company's assets, both present and future, in favour of the lenders i.e.. Banks, Financial institutions, bodies Corporate etc. to secure the repayment of moneys borrowed by the Company. (Including temporary loans obtained from the Company's Bankers in the ordinary course of business).

Under the provisions of Section 180 (1) (a) of the Companies Act, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Further, as per a clarification issued by the Ministry of Corporate Affairs, the Ordinary Resolution earlier passed under Section 293 (1) (a) of the Companies Act, 1956 will remain valid for a period of one year from the date of notification of Section 180 of the Companies Act, 2013, i.e. up to 11th September, 2014. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of Banks, Financial Institutions, Bodies corporate to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

The Board recommends the Resolution for acceptance by the members.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

By Order of the Board

**Deepak Gupta
(Company Secretary)
M. No. F4593**

Date: 29.08.2014
Place: New Delhi



Directors' Report

TO THE MEMBERS OF TARINI INFRASTRUCTURE LIMITED

Your Directors have pleasure in presenting their Tenth Annual Report and Audited Accounts for the year ended March 31st, 2014.

OPERATIONS & FUTURE PROSPECTS:

During the year the company has achieved the Turnover of Rs. 10.21 Crores from the sale of electricity to GUVNL from its 5.65 MW Damanganga Small Hydro Projects (SHP I & SHP II) in Gujarat

Your Directors are pleased to inform that SHP II is into commercial production since 17th November 2013. Your Directors are further to inform you that both the Plants SHP I and II are running successfully with full capacity.

The Company extends its hearty thanks to Bank of India Chennai along with their officials for their continued support in all the endeavors of the Company.

On the success of Damanganga projects, your Company is further poised to strengthen its hydro business avenues in Gujarat by way of taking up implementation of 4.5 MW Sabarmati HEP in Gujarat. The Memorandum of Understanding (MOU) has already been signed with the Govt. of Gujarat and the Project shall be taken up for implementation in near future.

DIVIDEND:

Your Directors did not recommend any dividend for the financial year 2013-14.

FIXED DEPOSITS:

During the year under report, your Company did not accept any deposits from the public in terms of Section 58A of the Companies Act, 1956.

DIRECTORS:

In accordance with the Article 107 of the Articles of Association of the Company read with section 255/256 of the Companies Act, 1956, Mrs. V. Anu Naidu (DIN 00073661) retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment to the office of the Directors on the Board of your Company.

Mr. Ponnu Swami Sethu Seshan and Dr. Simhachalam Gedela are being appointed as Independent Directors of the Company for which resolutions are placed for the approval of the members.

STATUTORY AUDITORS:

The Auditors Report along with Accounts and their Notes are self-explanatory and do not require any further explanation or clarification.

M/s VCG & Co Chartered Accountants will retire at the forthcoming Annual General Meeting and are eligible for reappointment. In accordance with the Companies Act 2013, it is proposed to reappoint them from the conclusion of this Annual General Meeting till the conclusion of the 13th Annual General Meeting, subject to the approval of shareholders.

COST AUDITOR:

As required under the Companies Act, the Company has appointed **M/S HMVN & ASSOCIATES** as the Cost Auditors for its Power Generation units "Daman Ganga- I (3MW) and Daman Ganga- II (2.6MW) for the year 2014-15.

CORPORATE GOVERNANCE & SOCIAL RESPONSIBILITY:

Your Company is basically in the business of Generation of hydro power and erection of Electric transmission lines and substation along with the consulting business in hydro power projects. It has started to develop corporate culture with



the aim towards achieving social responsibilities. Your company being environment conscious and concerned towards global warming has decided to stay in generation of electricity through renewable energy resources only. Small and medium Hydro Projects being the focus of the company contributes towards green energy or called renewable clean energy i.e. power without any pollution. Even during the construction phase of Daman Ganga Power plants your company took adequate measures not to cut any trees and achieved an impossible feat of not cutting even a single tree for such a large scale project.

PARTICULARS OF EMPLOYEES:

There is no Employee in respect of whom information required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is required to be furnished in this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING/OUTGO:

As the Company is not carrying out any manufacturing activities, the issues relating to conservation of energy and technology absorption are not quite relevant to its functioning.

		<u>2013-14</u>	<u>2012-13</u>
Foreign Exchange earning (Rs.)	-	NIL	NIL
Foreign Exchange outgo (Rs.)	-	2,63,88,196	NIL

INDUSTRIAL RELATIONS:

The industrial relation during the year under reporting at all levels remained cordial. Your Directors' applaud the excellent contribution and efforts made by employees of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors confirmed the following in respect of the Audited Annual Accounts for the financial year ended on 31st March, 2014:

- (i) That in preparation of the annual accounts, the applicable accounting standards has been followed.
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended on 31st march, 2014 and the profit of the Company for the year ended on that date.
- (iii) That the Directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and preventing and detecting frauds and other irregularities.
- (iv) The annual accounts have been prepared on a "going concern" basis.

ACKNOWLEDGEMENT:

Your Directors' wish to place on record their appreciation for the assistance and co-operation that your Company received from the Company's bankers, advisor, customer and all others whose continued support has been a source of strength to the Company. Your Directors also wish to place on record their sincere appreciation for the devotion and dedicated efforts put in by the employees at all levels.

**By Order of the Board of Directors
For Tarini Infrastructure Limited**

**Vakamulla Chandrashekhar
Managing Director
DIN 00073657**

**V. Anu Naidu
Whole Time Director
DIN 00073661**

Date: 29.08.2014



Independent Auditors' Report

To the Members of TARINI INFRASTRUCTURE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of TARINI INFRASTRUCTURE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.



Emphasis of Matter

Attention is invited to

1. Note 29 to Financial Statement regarding the investment amounting Rs. 35,00,000 in the subsidiary B.soilmec India private Limited whose net worth has been eroded due to its accumulated losses and financial statement have been prepared on going concern basis for the reason is stated therein.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For VCG & CO.
Chartered Accountants
(Firm Registration No. 021837N)

(Vishal Chandra Gupta)
Partner
Membership No: 093908

Place: New Delhi
Date: August 29, 2014



Annexure to the Auditors' Report

(Referred to in paragraph (1) under "Report on Other Legal and Regulatory Requirements" of our report of even date)

1. a) The Company is maintaining fixed assets records to show full particulars including quantitative details and situation of fixed assets.
b) According to the explanations and information given to us, the fixed assets are periodically verified by the management.
c) In our opinion and according to the information and explanations given to us, no substantial part of fixed assets has been disposed off by the company during the year.
2. a) As per information and explanations provided to us, the company does not have any inventory, therefore, the provisions of clauses 4(ii) (a), (b) & (c) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
3. a) According to the information and explanations given to us, the company has granted interest free loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Act, 1956. The amount aggregating to Rs.199.93Lacs was outstanding at the year end from one person (Maximum amount during the year (Rs. 114.44Lacs). In our opinion, the rate of interest and other terms and conditions of such loans are not, prima facie, prejudicial to the interest of the company.
b) According to the information and explanations given to us, the company has taken Interest free loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Act, 1956. The amount aggregating to Rs. 145.12Lacs was outstanding at the year end from 3 persons (Maximum amount during the year Rs.65.70 Lacs). In our opinion, the terms and conditions of such loans are not, prima facie, prejudicial to the interest of the company. In respect of the aforesaid loan, there is no stipulation on the period within which such loan is repayable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, services and fixed assets and with regard to sale of goods / services. Further on the basis of our examination and according to the information and explanation given to us, we have neither come across nor have been informed of any instance or major weaknesses in the aforesaid internal control system.
5. a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956 have been so entered.
b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contract or arrangements entered in the register maintained under section 301 of Companies Act, 1956 and exceeding rupees five lakhs in respect of any party during the year. As explained by the management these transactions have been made at prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public. Consequently, the provisions of section 58A and 58AA of the Companies Act, 1956 the Companies (Acceptance of deposits) Rules, 1975 are not applicable.
7. In our opinion, the Company has adequate internal audit system during the year commensurate with its size and its business.
8. We have broadly reviewed the books of account relating to material, labour and other items of cost maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
9. a) According to the records of the company and information and explanation given to us, the Company, during the year has generally been regular in depositing the undisputed statutory dues with the appropriate authorities. There were no undisputed statutory dues as on March 31, 2014 outstanding for the period of more than six months from the date they became payable.
b) As on March 31, 2014 according to the information and explanations given to us, and records of the company, there are no disputed amounts payable in respect of Income-tax, wealth tax, sales tax, service tax, customs duty and excise duty and cess matters that have not been deposited by the company.
10. The Company does not have accumulated losses at the end of the financial year March 31, 2014. Further, the Company has not incurred any cash losses during the financial year ended March 31, 2014 and in the immediately preceding financial year.



11. In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of dues to banks as stated below:

Principal Amount of FITL	Period of default
Rs. 53.00 Lacs per quarter	274 days
Rs. 53.00 Lacs per quarter	182 days
Rs. 53.00 Lacs per quarter	90 days
Rs. 53.00 Lacs per quarter	1 day

12. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, paragraph 4 (xii) of the Orders is not applicable.
13. In our opinion, as the company is not a chit fund/ nidhi / mutual benefit fund / societies, paragraph 4 (xiii) of the Orders is not applicable.
14. In our opinion, as the company is not dealing or trading in shares, securities, debentures and other investments, paragraph 4 (xiv) of the Orders is not applicable.
15. According to the information and explanations given to us, company has not given any guarantees for loans taken by other companies from banks or financial institutions and as such this clause is not applicable.
16. According to the information and explanations given to us, the term loans taken have been applied for the purpose for which they were raised.
17. According to the information and explanations given to us and on the an overall examination of the balance sheet of the company, we report that short term funds have not been used during the year to finance long term investments.
18. The company has not made any preferential allotment of shares during the year.
19. The Company has not issued any debentures during the year.
20. The Company has not raised money by way of public issue during the year.
21. Based upon the audit procedures performed information and explanations given to us, we report that, no fraud on or by the Company has been noticed or reported during the course of our audit for the year ended March 31, 2014.

For V C G & CO.
Chartered Accountants
(Firm Registration No. 021837N)

(Vishal Chandra Gupta)
Partner
Membership No: 093908

Place: New Delhi
Date: August 29, 2014



Balance Sheet as at March 31, 2014

(Amount in Rs.)

Particulars	Note Reference	As at March 31, 2014	As at March 31, 2013
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
Share capital	2	259,900,000	259,900,000
Reserve and surplus	3	3,659,329	1,139,978
		263,559,329	261,039,978
2 Non-current liabilities			
Long - term borrowings	4	334,166,662	259,164,026
Long-term provisions	5	-	1,222,845
Total non-current liabilities		334,166,662	260,386,871
3 Current liabilities			
Short-term borrowings	4	17,013,915	9,071,542
Other current liabilities	6	63,196,970	129,800,230
Short-term provisions	5	514,000	103,568
Total current liabilities		80,724,885	138,975,340
Total		678,450,876	660,402,189
II. ASSETS			
1 Non-current assets			
Fixed assets			
- Tangible assets	7(a)	600,008,194	304,078,787
- Capital work in progress	7(b)	877,464	300,982,477
Non - current investments	8	10,596,000	10,596,000
Long - term loans and advances	9	9,967,794	11,167,794
Other non - current assets	10	3,146,815	4,034,135
Total non-current assets		624,596,267	630,859,193
2 Current assets			
Trade Receivables	11	21,907,468	8,497,004
Cash and cash equivalents	12	4,074,149	1,912,408
Short - term loans and advances	9	27,872,992	19,133,584
Total current assets		53,854,609	29,542,996
Total		678,450,876	660,402,189

Significant Accounting Policies (Refer Note 1) and various notes on Financial Statements are an integral part of Financial statements

As per our report of even date attached.

For V C G & CO.
Chartered Accountants
FRN - 021837N

(Vishal Chandra Gupta)
Partner
Membership No. 093908
New Delhi
Date: August 29, 2014

FOR AND ON BEHALF OF THE BOARD

Vakamulla Chandrashekhar
Managing Director
DIN - 00073657

V. Anu Naidu
Director
DIN - 00073661

B.L Jain
CFO

Deepak Gupta
Company Secretary



Profit and loss statement for the year ended March 31, 2014

(Amount in Rs.)

Particulars	Note Reference	As at March 31, 2014	As at March 31, 2013
Income			
Revenue from operations	13	102,135,349	75,087,047
Other income	14	1,297,885	34,083
		103,433,234	75,121,130
Expenditure			
Employee benefit expenses	15	7,560,292	8,509,442
Finance costs	16	41,172,077	24,445,684
Depreciation and amortization expense	7(a)	23,305,745	19,102,719
Other expenses	17	28,875,769	22,609,970
		100,913,884	74,667,815
Profit before tax		2,519,351	453,315
Tax expense:	Current year	Previous year	
Current tax (MAT)	514,000	103,568	
Less: Credit Entitlement for MAT	(514,000)	(103,568)	
Net profit for the year		2,519,351	453,315
Earning per Equity Share of Rs 10 each			
Basic and Diluted (Rupees)	18	0.10	0.02

Significant Accounting Policies (Refer Note 1) and various notes on Financial Statements are an integral part of Financial statements

As per our report of even date attached.

For V C G & CO.
Chartered Accountants
FRN - 021837N

(Vishal Chandra Gupta)
Partner
Membership No. 093908
New Delhi
Date: August 29, 2014

FOR AND ON BEHALF OF THE BOARD

Vakamulla Chandrashekar
Managing Director
DIN - 00073657

B.L Jain
CFO

V. Anu Naidu
Director
DIN - 00073661

Deepak Gupta
Company Secretary



Cash Flow Statement for the year ended March 31, 2014

(Amount in Rs.)

Particulars	As at March 31,2014	As at March 31,2013
A. Cash flow from Operating Activities		
Profit after Tax	2,519,351	453,313
Adjustments for:		
Depreciation	23,305,745	19,102,719
Interest expenses	36,790,164	24,445,684
Interest income	(75,040)	(34,083)
Operating profit before working capital changes	62,540,220	43,967,633
Working Capital Changes		
Decrease/(Increase) in current assets	(20,062,552)	(9,241,857)
Increase/(Decrease) in current liab	(59,473,300)	28,930,018
Cash flow from Operating Activities (A)	(16,995,632)	63,655,794
B. Cash flow from Investing Activities		
Purchase of fixed assets	(19,130,139)	9,992,816
Capital expenditure pending allocation		(30,596,052)
Investment purchase	-	-
Interest Income	75,040	34,083
Increase in pre-operative Exp	-	319,320
Cash flow from Investing Activities (B)	(19,055,099)	(20,249,833)
C. Cash flow from Financing Activities		
Proceeds/(Repayment) of secured Loan	75,002,636	(18,522,214)
Proceeds/(Repayment) of unsecured Loan	-	10,280
Interest exp	(36,790,164)	(24,445,684)
Cash flow from Financing Activities (C)	38,212,472	(42,957,617)
Net Increase In Cash & Cash Equivalents (A+B+C)	2,161,741	448,344
Opening cash & cash equivalents	1,912,408	1,464,065
Closing cash & cash equivalents	4,074,149	1,912,408

As per our report of even date attached.

For V C G & CO.

Chartered Accountants
FRN - 021837N

(Vishal Chandra Gupta)
Partner

Membership No. 093908
New Delhi
Date: August 29, 2014

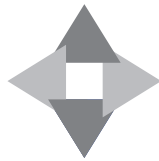
FOR AND ON BEHALF OF THE BOARD

Vakamulla Chandrashekar
Managing Director
DIN - 00073657

V. Anu Naidu
Director
DIN - 00073661

B.L Jain
CFO

Deepak Gupta
Company Secretary



Note 1 - Significant Accounting Policies and Notes forming part of the financial statements

I. Background

Tarini Infrastructure Ltd (hereinafter referred to as "the Company") is engaged in the development of Hydro Power Projects and generation of electricity. The company transmits the electricity so generated to state owned distribution company.

II. Significant accounting policies

A Basis of accounting and preparation of financial statements

The financial statements have been prepared to comply in all material respects with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year.

B Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates and differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

C Fixed Assets

- i) Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets during construction period included to the extent they relate to the period till such assets are ready to be put to use.
- ii) Expenditure incurred on project/ asset during construction/ implementation is capitalized and apportioned to project/assets on commissioning.

D Depreciation

Depreciation on generating equipment and other related plant and machinery is provided as per "Differential Depreciation Approach" specified in CERC (Term and condition of tariffs), Regulation, 2009 @ 5.28% for the first 12 years of operation and remaining depreciation over balance useful life of the assets.

Depreciation on Roads is provided on straight line method @3.34% as specified in CERC (first amendment), Regulations, 2011.

Depreciation on all other asset is provided as straight line method at the rates specified in Schedule XIV of the Companies Act, 1956.

E Revenue recognition

i) Sale of Electricity

Revenue from sale of electrical energy is accounted for on the basis of billing to Gujarat Urja Vikas Nigam Limited (GUVNL) in accordance with the Power Purchase Agreement (PPA) dated 20-01-2008 executed between the company and GUVNL. Basis of billable electricity to GUVNL as per the actual electricity transmitted.



- ii) Interest
Revenue is recognized on a time proportion basis.
- iii) Carbon Credit Rights(CCR):
Revenue is recognized as and when the CCR's are certified and sold and it is highly probable that the economic benefits will flow to the company being in renewable energy development.

F Investments

The Long-term investments are shown at cost which comprises of cost of acquisition and related expenses. Provision for diminution in value of investments is made only if in the opinion of the management such decline is other than temporary and is provided for each investment individually. Dividend will be accounted for as an when company has right to receive the same on or before the balance sheet date.

G Borrowing Costs

Interest and other costs in connection with the borrowing of funds are capitalized upto the date when such qualifying assets are ready for its intended use and other borrowing costs are charged to Profit and Loss account.

H Foreign Currency transactions

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

All loans and deferred credits repayable in foreign currency and outstanding at the close of the year are expressed in Indian currency at the date prevailing at the balance sheet date.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting of such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

I Retirement and other employee benefits

Employee benefit include Provident fund, Gratuity fund and compensated absences

- i) Defined contribution plans - The contribution to the Provident fund is considered as defined contribution and is charged as an expense based on the amount of contribution required to be made.
- ii) Defined benefit Plans - For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined on the basis of arithmetic calculations at each balance sheet date.
- iii) Short term employee benefits - The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when employee render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of short term compensated absences is accounted, in case of non accumulating compensated absences, when the absence occur.

J Earnings per share.

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.



For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity share holders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

K Impairment of assets

The carrying value of assets at each balance sheet date are reviewed for impairment. If any indication of the impairment exist, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exist their recoverable amount. the recoverable amount is the greater of net selling price and their value in use. Value in use is arrived at by discounting the future cash flow to their present value based on the appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting period no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss account.

L Contingent Liability & Provisions

A provision is recognized when there is a present obligation as a result of past event 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. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

M Income taxes

Current tax is determined as the amount of tax payable in respect of taxable income for the year. A provision is made for income tax annually based on the tax liability computed, after taking into consideration of tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters are probable.

As per Accounting Standard 22 issued by Institute of Chartered Accountant of India, deferred tax liability / assets is recognized subject to prudence, on timing differences, being reversal in one or more subsequent periods. Deferred tax asset are recognized only to the extent there is reasonable certainty that the assets can be realized in future. However, where there is unabsorbed depreciation or carried forward of losses, deferred tax assets are recognized only is a virtual certainty of realization of such asset.



Notes to the Financial Statements

NOTE 2 - SHARE CAPITAL

(Amount in Rs.)

	As at March 31,2014	As at March 31,2013
Authorised		
2,60,00,000 (Previous year- 2,60,00,000) equity shares of Rs. 10 each	260,000,000	260,000,000
Issued, subscribed and fully paid up		
2,59,90,000 (Previous year- 2,59,90,000) equity shares of Rs. 10 each, fully paid	259,900,000	259,900,000
Total	259,900,000	259,900,000

- i The company has only one class of equity shares having a face value of Rs. 10/- per share and each holder of equity shares is entitled to one vote per share.

In the event of liquidation, the holders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

- ii Of the issued subscribed and fully paid up capital following equity shares of 10 each were allotted as fully paid up without payment being received in cash.
- iii 12,78,700 (Previous year - 12,78,700) equity shares allotted to shareholders of erstwhile M/S Real value Promoters Pvt Limited at par in lieu of consideration for work executed at Hydro Power Project pursuant to Agreement dated August 08,2008.
- iv. The reconciliation of number of shares outstanding is set out below

	As at March 31,2014	As at March 31,2013
Equity Shares		
Number of outstanding shares at the beginning of the year	25,990,000	25,990,000
Shares issued/ bought back during the year	-	-
Number of outstanding shares as at the end of the year	25,990,000	25,990,000

- iii. The details of shareholders holding more than 5 percent shares

Name of the Shareholder	As at March 31, 2014		As at March 31, 2013	
	No. of Shares	Percentage held	No. of Shares	Percentage held
M/s Tarini International Limited	8,436,000	32.46	8,436,000	32.46
Mr.Vellore Subramanion Suresh	7,994,903	30.76	7,994,903	30.76
Mr. Vakamulla Chandrashekhar	2,928,400	11.27	2,928,400	11.27
Real Value Promoters Private Limited	1,928,700	7.42	1,928,700	7.42



NOTE 3 - RESERVES AND SURPLUS

	As at March 31, 2014	As at March 31, 2013
Surplus / (Deficit) - Balance in Statement of Profit and Loss		
As per last Balance Sheet	1,139,978	686,664
Add: Transferred from Statement of Profit & Loss	2,519,350	453,315
Closing balance	3,659,329	1,139,978

NOTE 4 - BORROWINGS

	As at 'March 31, 2014		As at 'March 31, 2013	
	Long-term	Short-term	Long-term	Short-term
Secured				
Term loans				
- From banks	362,766,126	-	278,664,026	-
	362,766,126	-	278,664,026	-
Unsecured				
Loans and advances from related parties	-	14,512,973	-	6,570,600
Others	1,700,000	2,500,942	1,700,000	2,500,942
	1,700,000	17,013,915	1,700,000	9,071,542
Less:- Current maturities of long term debts	30,299,464	-	21,200,000	-
Total	334,166,662	17,013,915	259,164,026	9,071,542

Details of Term Loans:

Bank of India

Loan (Rs in Lacs)	Outstanding as on 31.03.2014 (Amount in Lakhs)	Period of maturity w.r.t Balance sheet date	Interest	Repayable in
T.L.-I	21.32	14.08 years	2.75% over base rate, including tenor premium, presently 13.00% p.a.	Repayable in 32 unequal quarterly installments from quarter ending June 2014 (last installments at March 2022)
T.L.-II	2.69	13.25 years		
T.L.-III	2.25	9 years		
FITL	9.71	2 years	11% p.a. fixed	Repayable in quarterly installments of Rs 53 lakhs each commencing from June 2013

The above loans are secured by first charge by way of Mortgage of project assets and leasehold rights of 4.8 hectares of land leased to the company for a period of 35 years at Dam Site in land given by Government of Gujarat. The Loans are further collateral secured by equitable mortgage of immovable property held by one of the shareholder and personnel guarantee of founders.



NOTE 5 - PROVISIONS

	As at 'March 31, 2014		As at 'March 31, 2013	
	Long-term	Short-term	Long-term	Short-term
Provision for employee benefits				
- Gratuity	-	-	1,222,845	-
Others				
- Taxation	-	514,000	-	103,568
Total	-	514,000	1,222,845	103,568

NOTE 6 - OTHER CURRENT LIABILITIES

	As at March 31, 2014	As at March 31, 2013
Other payables		
- Current maturities of long term borrowings*	30,299,464	21,200,000
- Share application money pending allotment	21,079,000	21,079,000
- Interest accrued and due (bank loan)	-	57,008,352
- Taxes and other statutory dues	747,565	317,100
- Employee dues	535,584	651,341
- Others ¹	10,535,357	29,544,437
Total	63,196,970	129,800,230

*Current maturities include installment dues but not paid

¹Others include non trade payables



Note 7. (a). FIXED ASSETS - TANGIBLE ASSETS

Particulars	Gross carrying amount			Depreciation			Impairment loss ²			Net carrying amount	
	As at 31.03.2013	Additions	Deductions	As at 31.03.2013	For the year	On deductions	As at 31.03.2011	For the year	On deductions	As at 31.03.2014	As at 31.03.2013
Owned assets											
Roads	13,084,436	-	-	1,265,562	437,020	-	-	-	-	11,381,854	11,818,974
Plant and equipment											
- Generating equipment	224,905,464	-	-	36,296,834	11,875,009	-	48,171,843	-	-	176,733,621	188,608,630
- Transmission line & sub-station	114,388,605	-	-	17,490,362	6,039,718	-	23,530,080	-	-	90,858,525	96,898,243
- Plant II		319,013,052	-	319,013,052	4,203,631	-	4,203,631	-	-	314,809,421	-
Office equipment	39,120	92,000	-	10,859	2,568	-	13,427	-	-	117,693	28,261
Furniture and fixtures	245,536	-	-	69,031	15,542	-	84,573	-	-	160,963	176,505
Vehicles	6,100,846	54,400	-	317,929	580,318	-	898,247	-	-	5,256,999	5,782,917
Others											
- Computer	750,928	75,700	-	521,710	120,059	-	641,769	-	-	184,859	229,218
- Other Plant & machinery	671,146	-	-	135,007	31,880	-	166,887	-	-	504,259	536,139
Total Tangible Assets	360,186,081	319,235,152	-	56,107,294	23,205,745	-	79,413,039	-	-	600,008,194	-
Previous year	370,178,897	6,007,184	16,000,000	37,004,575	19,102,719	-	56,107,294	-	-	-	304,078,787

Footnotes:

- 1 Land measuring 4.8 Hectare for setting up the Captioned Hytro Power Project has been allotted by Government of Gujarat, on lease of 35 Years pursuant to the agreement dated August 27, 2007
- 2 Deduction in plant and machinery represents Capital Subsidy MNRE.



NOTE 7(b) - FIXED ASSETS - CWIP

	As at March 31, 2014	As at March 31, 2013
CAPITAL WORK IN PROGRESS		
Detailed engineering construction drawing	-	1,505,935
Civil designing & execution expenditure	-	34,164,258
Hydro Mechanical expenditure	-	34,550,637
Roads & civil construction work in progress	-	1,297,892
Electro mechanical/transmission/substation/power	-	118,804,106
Pre-operative expenditure pending allocation	-	109,782,185
Machine for Prototype Test(R&D)	877,464	877,464
Total	877,464	300,982,477

NOTE 8 - NON CURRENT INVESTMENTS

	As at March 31, 2014	As at March 31, 2013
Long Term Investments (Non - Trade)		
Unquoted		
B. Soilmec India Pvt Limited 335,000 (Previous year- 335,000) Equity shares of Rs. 10 each, fully paid-up	3,350,000	3,350,000
Venture Energy & Technologies Limited 723,900 (Previous year - 723,900) Equity shares of Rs. 10 each, fully paid-up	7,239,000	7,239,000
Tarini Hydro Power Lethoso Limited 1,000 (Previous year - 1,000) Equity shares of Rs. 7 each, fully paid-up	7,000	7,000
Total	10,596,000	10,596,000

NOTE 9 - LOANS AND ADVANCES

(unsecured, considered good unless otherwise stated)

	As at 'March 31, 2014		As at 'March 31, 2013	
	Long-term	Short-term	Long-term	Short-term
Security deposits	113,500		213,500	-
Loan and advances to related parties	-	19,993,449	-	11,444,289
Other loans and advances				
- Advance tax / MAT credit	-	790,900	-	270,098
- Excise, Cenvat, VAT and other Govt dues	-	91,064	-	76,125
- Dues from employees	-	644,372	-	214,522
- Other advances recoverable in cash or in kind or for the value to be received				
- Unsecured - considered good*	9,854,294	6,353,208	10,954,294	7,128,550
	9,967,794	27,872,992	11,167,794	19,133,584
Total	9,967,794	27,872,992	11,167,794	19,133,584

*Includes prepaid expenses Rs 464,492 (Previous year Rs 338,947)



NOTE 10 - NON CURRENT ASSETS

	As at March 31, 2014	As at March 31, 2013
Deffered expenditure	3,117,215	3,110,495
Increase in authorised capital expenditure	-	852,000
Preliminary expenses	29,600	71,640
Total	3,146,815	4,034,135

NOTE 11 - TRADE RECEIVABLES

	As at March 31, 2014	As at March 31, 2013
Unsecured - considered good	21,907,468	8,497,004
Total	21,907,468	8,497,004

NOTE 12 - CASH AND CASH EQUIVALENTS

	As at March 31, 2014	As at March 31, 2013
Balances with banks	1,949,865	1,604,017
Cash on hand	2,124,284	308,391
Total	4,074,149	1,912,408

NOTE 13 - REVENUE FROM OPERATIONS

	As at March 31, 2014	As at March 31, 2013
Sale of Electrical energy	102,351,317	75,880,205
Less: Discount on prompt payment	(80,200)	(710,584)
Less: Unscheduled interchange charges	(135,768)	(82,574)
Total	102,135,349	75,087,047

NOTE 14 - OTHER INCOME

	As at March 31, 2014	As at March 31, 2013
Interest income	75,040	34,083
Excess provision written back	1,222,845	
Total	1,297,885	34,083

NOTE 15 - EMPLOYEE BENEFIT EXPENSES

	As at March 31, 2014	As at March 31, 2013
Salaries, wages etc	7,067,982	8,119,275
Gratuity	-	10,280
Staff welfare expenses	492,310	379,887
Total	7,560,292	8,509,442



NOTE 16 - FINANCE COST

	As at March 31, 2014	As at March 31, 2013
Interest expense	36,790,164	23,775,500
Other borrowing costs	1,111,215	670,184
Foreign Exchange Rate Difference	3,270,698	-
Total	41,172,077	24,445,684

NOTE 17 - OTHER EXPENSES

	As at March 31, 2014	As at March 31, 2013
Power and fuel.	19,028	57,250
Repairs		
- Plant and machinery	668,676	1,689,583
- Other repair	592,620	206,462
Lease rent	900,280	852,490
Royalties	6,745,213	5,000,701
Insurance	521,465	352,276
Travelling & conveyance expenses	2,848,787	1,241,267
Telephone & internet expenses	268,801	256,333
Legal & professional charges	468,173	779,878
Site expenditure	774,725	816,246
Auditors' remuneration		
- Audit fee	196,630	196,630
- Tax audit fee	39,326	39,326
Inspection Charges	53,908	121,824
Maintenance of Substation & Transmission Line	7,921,380	6,910,140
Commission paid on guarantee	3,370,800	3,370,800
Bad Debts	1,858,900	
Preliminary expenses written off	35,320	319,320
Miscellaneous expenses	1,591,737	399,444
Total	28,875,769	22,609,970

NOTE 18 - EARNING PER SHARE

	As at March 31, 2014	As at March 31, 2013
Profit / (Loss)		
after tax as per profit and loss account (Rs.)	2519351	453315
Weighted average number of		
Equity shares outstanding (Nos.)	25990000	25990000
Earnings per share - basic / diluted		
(face value - Rs. 10 per share) (Rs.)	0.10	0.02

ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS:

- The Company has obtained the concession from the Government of Gujarat to design, build, operate & maintain the project and sell power for a period of thirty five years.
- In the opinion of the management the balances shown under receivables, payables, loans and advances and other assets whether current or non current, have approximately the same realizable value as shown in the accounts. However these balances are subject to confirmations.



- 21.** The Management is of the opinion that as at the balance sheet date, there are no indications of a material impairment in the value of fixed assets. Hence, the need to provide for an impairment loss does not arise.
- 22.** There is no separate reportable segment in accordance with the requirements of Accounting Standard 17 'Segment Reporting' issued by the Companies (Accounting Standard) Rules, 2006 in view of company's activities during the year are generation of electrical energy, hence, there are no additional disclosures to be provided other than those already provided in the financial statements.
- 23. Income Tax:**
The Company is eligible for tax holiday under Section 80-IA of the Income tax Act, 1961. In view of unabsorbed depreciation in the initial years, the Company has yet to availed the benefit of tax holiday. However the Company is liable to pay Income-tax for the year under the provisions of Section 115JB of the Income-Tax Act, 1961.
- 24. Preliminary Expenses :**
Expenditure shall be amortized over a period of five years after commencement of commercial production. The company has set up a Branch office at south Africa of which registration expenses has been amortized over a period of 5 years. The operation of the Branch office at south Africa is yet to be commenced.
- 25. Contingent Liabilities not provided for**
Guarantee issued by company's banker in form of Bank Guarantee of Rs 2.00 Lacs (previous year Rs 2.00 lacs).
- Mortgage of leasehold rights of 4.8 hectare of land lease to the company at project site in Gujarat, by Government of Gujarat.
- 26.** The company has not received any information from suppliers regarding their status under Micro, Small & Medium Enterprises Development Act, 2006.
- 27.** Deferred tax provision has not been made in view of the availability of tax holiday u/s 80-IA of Income tax Act, 1961
- 28. Subsidy eligibility:**
The project is eligible for capital subsidy in accordance with the policy of Ministry of Non-conventional Energy Scheme (MNES), Government of India.
- 29.** The accumulated losses of subsidiary, B. Soilmec India Pvt Limited, as at March 31, 2014, have eroded its net worth. The management of the company is confident of improvement in the company's future operations and the financial statement have prepared on going concern basis. The company is of view that the investment in the company amounting to Rs. 33,50,000 is a long-term investment and on provision for diminution in the value of investment is necessary.
- 30.** An amount of Rs. 3,078,468/- (Previous year Rs 2,282,930), on account of dispute for determination of tariff charges between the company and Gujarat Urja Vikas Nigam Limited. The invoices have been raised under protest. The matter is pending before the Supreme Court.
- 31. Related Party Disclosures:**
- (a) Key Management Personnel
Mr. Vakmula Chandrashekhar
Mrs. Anu Naidu
Mr. Vellore Subramanian Suresh
Mr. B.L. Jain -CFO
- (b) Enterprises over which directors exercise significant influence / control
M/s Tarini International Limited.
M/s Venture infrastructure Limited.
M/s Venture Energy & Technology Limited.
M/s B. Soilmec India Private Limited.
M/s Tarini Overseas Mining and Operation Limited.
M/s Tarini Humanitarian Demining and Rehabilitation works
M/s Tarini Sugar & Distilleries Limited.
M/s Tarini Life Sciences Limited
M/s Tarini Wilderness & Innovations Private Limited



(Amount (Rs.))

(C) Particulars	Mar-14	Mar-13
Expenses paid for to Tarini International Ltd		
Maintenance charges for Substation & Transmission line	79,21,380	6,910,140
Guarantee Commission	3,000,000	3,370,800
Rent	600,000	674,160
Closing Balance at the year end.		
Payable		
a) Mr.Vakamulla Chandrashekhar	2,116,158	260,378
b) Mrs.Vakamulla Anu Naidu	1,531,294	468,979
c) Mr. Vellore Subramanian Suresh	6,138,769	5,841,243
M/s Tarini International Limited (Current Account)	4,726,750	-
Receivable		
M/s Tarini International Limited (Loan Account)	19,993,449	11,444,289
M/s Venture Energy & Technologies Limited	7,239,000	-
M/s B. Soilmec India Private Limited	3,350,000	-

32. Additional information pursuant to the provision of paragraph 3 and 4 of part II of schedule VI to the companies Act, 1956:

Capacity and production (as certified by the management)		Actual Production	
		2013-14	2012-13
Installed Annual Capacity-	5600 KW	29.31GWH	21.74GWH

33. The company has presently one operative segment i.e. Generation of power, therefore, separate segment reporting is not applicable. The operations of the company are carried within the country and therefore geographical segment are not applicable.

34. CIF value of import

	2013-14	2012-13
- Consumables	108,915	-

35. Expenses in Foreign currency

	2013-14	2012-13
- Consumables	108,915	-
- Capital expenditure	26,099,281	-
- Travelling expenses	180,000	-

36. Previous year figures have been regrouped/rearranged wherever considered necessary to make them conform to figures for the year as per Revised Schedule VI.

FOR AND ON BEHALF OF THE BOARD

For V C G & CO.
Chartered Accountants
FRN - 021837N

(Vishal Chandra Gupta)
Partner
Membership No. 093908
New Delhi
Date: August 29, 2014

Vakamulla Chandrashekhar
Managing Director
DIN - 00073657

B.L Jain
CFO

V. Anu Naidu
Director
DIN - 00073661

Deepak Gupta
Company Secretary



Statement Pursuant to Section 129 of the Companies Act, 2013 relating to Subsidiary Companies

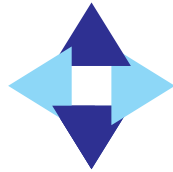
S. No.	Particulars	Details
1	Name of the Subsidiary	B.Soilmec India Private Ltd
2	Financial year of the subsidiary ended on	31st March, 2014
3	Shares of the subsidiary held by the Company on above date a) Number and Face Value b) Extent of holding	3,35,000/- Equity Shares of Rs. 10/- each, fully paid up 85.90%
4	Net aggregate amount of profits (losses) of the subsidiary Company not dealt with in the Company's Accounts so far as it concerns the members of the holding company. a) For the Financial Year Ended 31/03/2013 b) For the Previous Financial year of the Subsidiary	Rs. 661,070 Rs. 433,549
5	Net aggregate amount of profits (losses) of the subsidiary Company so far as its profits are dealt with in the Holding Company's Accounts. a) For the Financial Year Ended 31/03/2013 b) For the Previous Financial year of the Subsidiary	Rs. NIL Rs. NIL

V.chandrashekhar
MANAGING DIRECTOR

Anu Naidu
DIRECTOR

Deepak Gupta
COMPANY SECRETARY

B.L Jain
CFO



Tarini Infrastructure Ltd.

D-2, 1st Floor, Amar Colony, Lajpat Nagar – IV, New Delhi - 110024
Email: tarini@nde.vsnl.net.in Website: www.tariniinfra.com