

**BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION  
AHMEDABAD**

**I.A. NO. 8 OF 2016  
IN  
CASE NO. 1024/2010**

**IN THE MATTER OF:**

**M/s Tarini Infrastructure Ltd.**

**...APPLICANT/ PETITIONER**

**Versus**

**Gujarat Urja Vikas Nigam Ltd. & Ors.**

**...RESPONDENTS**

**CONSOLIDATED VOLUME OF DOCUMENTS**

**VOLUME III**

**(Page No.56 | to 817)**

**PAPER BOOK**

**[FOR INDEX KINDLY SEE INSIDE]**

**HEMANT SINGH/ MATRUGUPTA MISHRA/ SHIKHA OHRI  
ADVOCATES FOR THE PETITIONER**

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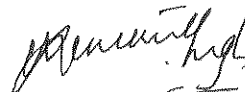
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**THROUGH**



**HEMANT SINGH/ SHIKHA OHRI/MATRUGUPTA MISHRA  
ADVOCATES FOR THE PETITIONER**

**PRAXIS COUNSEL  
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C-250, Ground & LGF  
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New Delhi – 110024  
PHONE: 011 – 43552390-91  
E-mail: desk@praxiscounsel.com**

**PLACE: New Delhi**

**DATED: 05.06.2017**



3.4 GENERATOR DATA:

000561

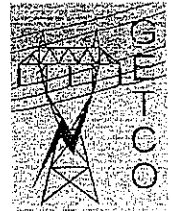
Bus Name	Nos. of units in parallel	Scheduled Real Power MW	Q-Max limit MVar	Q-Min limit MVar	Transient Reactance (Xd') P.U.	Sub-transient Reactance (Xd'') P.U.
TariniG1	2	1.5	0.75	-0.375	0.199	0.118
TariniG2	1	2.6	1.3	-0.65	0.199	0.118

3.5 LOAD DATA:

Loads have been adjusted corresponding to the total generation considered for March 2010 condition so as to have load generation balance.

\* \* \* \* \*

000562



## CHAPTER – 4

### LOAD FLOW STUDIES

**CHAPTER: 4****000563****4 LOAD FLOW STUDIES:****4.1 Results on the Single Line Diagram (SLD) shall be read as:**

- The power flow (or load) is marked as  $P + j Q$ , where  $P$  is the real power (or load) and  $Q$  is the reactive power (or load).
- Power flow (MW & MVar) away from the bus is negative.
- Power flow (MW & MVar) towards the bus is positive.

**4.2 The different case studies as stated in Chapter 2 and their analysis are furnished below:****4.2.1. Base Case:**

This is the base case for feasibility of evacuating the proposed Hydro generation of 5.6 MW through proposed grid connectivity to 66 KV Mota Pondha substation i.e.

- i) 66 KV Tarini Generating station – Mota Pondha (GETCO) substation D/C lines (24.5 Kms.)

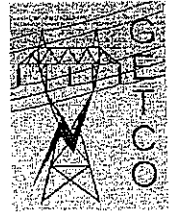
The line flows are quite normal and within limits. The power flows are shown on the SLD marked as Annexure – 2.

**4.2.2. Contingency Case – 1:**

In the Base Case, outage of one circuit of the proposed 66 KV Tarini Generating station – Mota Pondha (GETCO) substation D/C lines is considered. The line flows are more or less normal and within limits. The power flows are shown on the SLD marked as Annexure – 3.

\* \* \* \* \*

000564



## CHAPTER – 5

# SHORT CIRCUIT STUDIES





## CHAPTER: 5

000565

## 5 SHORT CIRCUIT STUDIES:

5.1 The short circuit studies have been carried out for determining the maximum three phase symmetrical fault level prior to and after implementation of the proposed generation of 5.6 MW  $[(2 \times 1.5 \text{ MW}) + (1 \times 2.6 \text{ MW})]$  in March-2010 condition.

5.1.1 The fault levels of important and connected substations are furnished below for both the conditions:

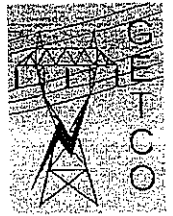
Sr. No.	Name of substation	Maximum Fault level			
		Prior to implementation of Tarini Hydro, 5.6 MW		After implementation of Tarini Hydro, 5.6 MW	
		KA	MVA	KA	MVA
1	66 KV Tarini6	-	-	2.34	267
2	66 KV Mota PONDHA S/S	3.12	357	3.37	385
3	66 KV Kaprada S/S	1.95	223	2.04	233
4	66 KV Vapi S/S	16.07	1837	16.32	1866
5	220 KV Vapi S/S	15.44	5883	15.51	5911

5.2 The above results reveal that after implementation of Tarini Hydro generation of 5.6 MW, there is increase in the fault levels of above mentioned substations; however, they are within limits.

\* \* \* \* \*



000566



## **CHAPTER – 6**

### **SYNOPSIS**

## CHAPTER: 6

000567

## 6 SYNOPSIS:

From the analysis of the Base Case and the Contingency Case studies, the observations are indicated as below:

1. 5.6 MW of power generated from Tarini small Hydro power project can be safely evacuated at 66 KV Mota Pondha substation with the following transmission system i.e.

- i) 66 KV Tarini Generating Station – Mota Pondha (GETCO) substation D/C lines (24.5 Kms.)

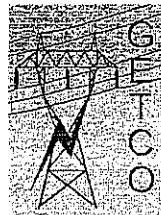
without much of a problem in the Base Case as well as Contingency Case with the network shown on Annexure – 2.

2. The bus voltage profile and the line flows are almost normal in all the case studies.
3. When generation is 5.6 MW, the 3.3/66 KV, GT of 6.3 MVA is loaded by 91.2%. Considering the outage of GT due to failure or maintenance, it is recommended to have one more identical GT of same capacity keeping in mind the safe evacuation of total power of 5.6 MW.
4. The short circuit studies reveal that after implementation of Tarini Hydro generation of 5.6 MW  $[(2 \times 1.5 \text{ MW}) + (1 \times 2.6 \text{ MW})]$ , there is increase in the fault levels of adjoining substations; however, they are within limits.
5. Whenever any contingency occurs at the evacuation lines as well as at the associated transmission network M/s. Tarini will have to back down their generation to avoid any overloading on the transmission network.

\* \* \* \* \*

ANNEXURE – 1

Bus Voltage	Bus Description	Bus Name Considered	Remark
3.3 KV	Generator Bus	TariniG	Tarini
66 KV	Bus for connectivity to Grid	Tarini6	Tarini
66 KV	Mota Pondha S/S	Motapon6	GETCO
66 KV	Kaprada S/S	Kaprada6	GETCO
66 KV	Vapi S/S	Vapi6	GETCO
220 KV	Vapi S/S	VAPI2	GETCO

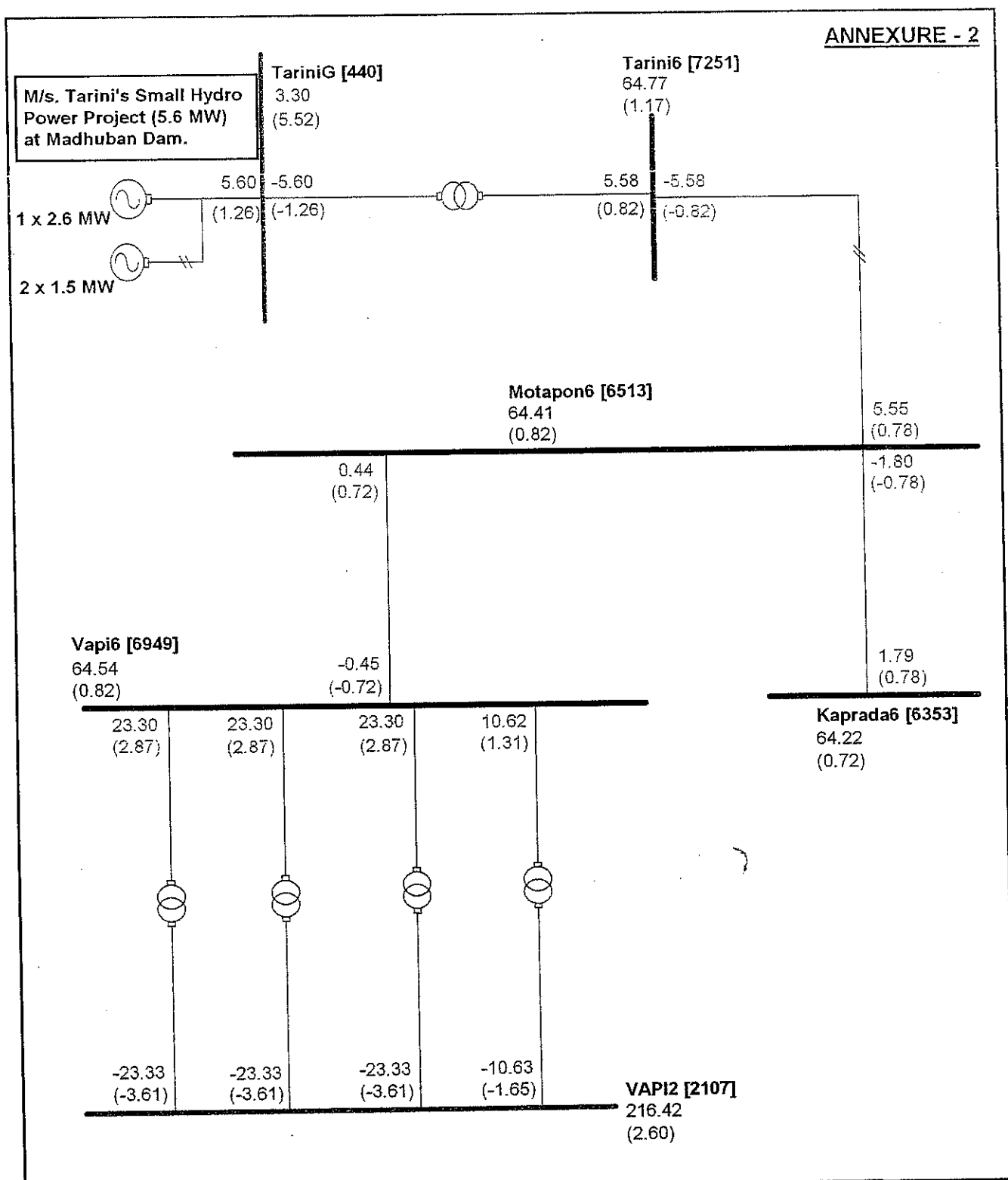



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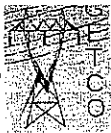
## STUDY RESULTS



000570



			SLD for Basecase	 <div>Gujarat Energy Transmission Corporation Limited, Sardar Patel Vidyut Bhavan, Race Course, Vadodara.</div>	
SLD for Basecase	0	29.03.2008	System Study for Evacuation of 5.6 MW [[2 x 1.5 MW) + (1 x 2.6 MW)] small hydro power plant of M/s. Tarini Infrastructure Ltd. at Madhuban Dam on river Damanganga in Dist: Valsad.	JOB. NO. 1.0	SCALE : N.T.S
DESCRIPTION	REV.	DATE		DWG. NO. 1.0	REV. 0

LOAD FLOW ANALYSIS

CASE NAME : Evacuation of 5.6 MW hydro power generated from M/s. Tarini's Small hydro project at Madhuban Dam on river Damanganga in Dist: Valsad.

CONTINGENCY NAME : Basecase

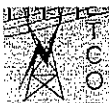
000571

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BUS VOLTAGES AND POWERS

NODE NO.	FROM NAME	V-MAG P.U.	ANGLE DEGREE	MW GEN	MVAR GEN	MW LOAD	MVAR LOAD	MVAR COMP
440	TariniG	1.0000	5.52	5.600	1.262	0.000	0.000	0.000
2107	VAPI2	0.9837	2.60	0.000	0.000	0.000	0.000	0.000
6353	Kaprada6	0.9730	0.72	0.000	0.000	0.000	0.000	0.000
6513	Motapon6	0.9759	0.82	0.000	0.000	0.000	0.000	0.000
6949	Vapi6	0.9779	0.82	0.000	0.000	0.000	0.000	0.000
7251	Tarini6	0.9813	1.17	0.000	0.000	0.000	0.000	0.000

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BUS WISE LINE FLOWS AND LINE LOSSES

FROM NODE	FROM NAME	TO NODE	TO NAME	FORWARD MW	FORWARD MVAR	LOSS MW	LOSS MVAR	CKT	RATING	%LOAD
440	TariniG	7251	Tarini6	5.600	1.262	0.022	0.44	1	6.30	91.1
2107	VAPI2	6949	Vapi6	23.333	3.612	0.037	0.75	1	98.37	24.0
2107	VAPI2	6949	Vapi6	23.333	3.612	0.037	0.75	1	98.37	24.0
2107	VAPI2	6949	Vapi6	23.333	3.612	0.037	0.75	1	98.37	24.0
2107	VAPI2	6949	Vapi6	10.632	1.646	0.017	0.34	1	49.19	21.9
2107	VAPI2	3022	TARAPUR2	29.462	-0.461	0.126	-10.43	1	204.62	14.4
2107	VAPI2	2016	KAKRAPA2	-112.991	-27.959	1.325	-26.56	2	409.23	28.4
2107	VAPI2	2170	CHIKHLI2	-8.209	23.744	0.065	-6.08	1	204.62	12.3
2107	VAPI2	2186	BHILAD2	8.291	-3.210	0.003	-3.28	1	204.62	4.3
2107	VAPI2	2197	Vapi4-2	-34.970	-17.743	0.037	-1.77	1	204.62	19.2
6353	Kaprada6	8587	11Kprad1	1.794	0.775	0.002	0.03	1	9.73	20.1
6353	Kaprada6	6513	Motapon6	-1.794	-0.775	0.004	0.01	1	33.08	5.9
6513	Motapon6	8872	11Mtpnd1	4.199	0.717	0.008	0.16	1	9.76	43.6
6513	Motapon6	6353	Kaprada6	1.798	0.781	0.004	0.01	1	33.18	5.9
6513	Motapon6	6949	Vapi6	-0.445	-0.717	0.001	0.00	1	33.18	2.5
6513	Motapon6	7251	Tarini6	-5.552	-0.780	0.026	0.04	2	66.36	8.4

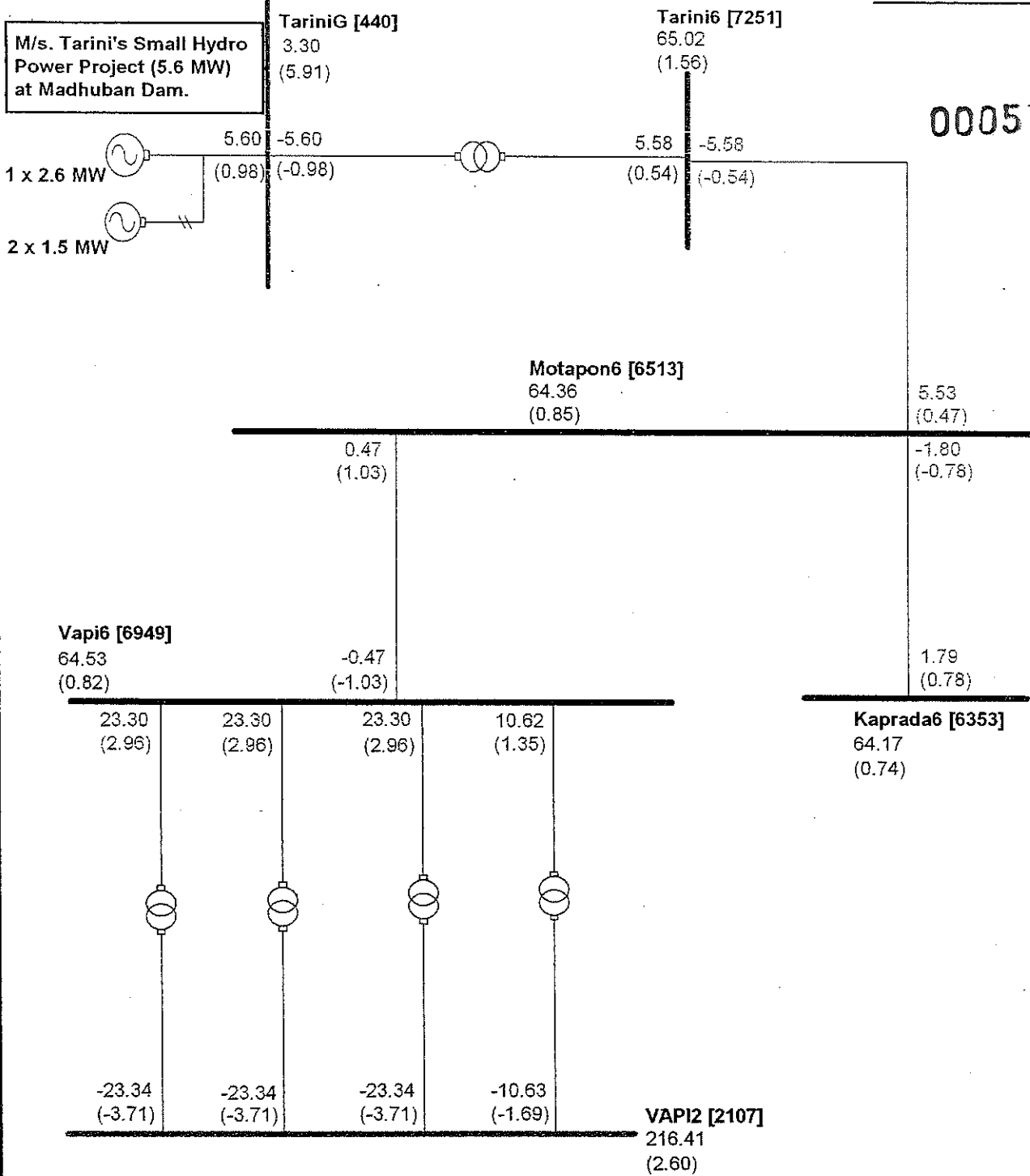



LOAD FLOW ANALYSIS

BUS WISE LINE FLOWS AND LINE LOSSES

FROM NODE	FROM NAME	TO NODE	TO NAME	FORWARD		LOSS		CKT	RATING	%LOAD
				MW	MVAR	MW	MVAR			
6949	Vapi6	2107	VAPI2	-23.296	-2.867	0.037	0.75	1	97.79	24.0
6949	Vapi6	9336	11Vapi1	5.969	2.711	0.012	0.25	1	14.67	44.7
6949	Vapi6	2107	VAPI2	-23.296	-2.867	0.037	0.75	1	97.79	24.0
6949	Vapi6	9337	11Vapi2	5.969	2.711	0.012	0.25	1	14.67	44.7
6949	Vapi6	2107	VAPI2	-23.296	-2.867	0.037	0.75	1	97.79	24.0
6949	Vapi6	9338	11Vapi3	3.585	1.616	0.007	0.13	1	9.78	40.2
6949	Vapi6	2107	VAPI2	-10.615	-1.306	0.017	0.34	1	48.90	21.9
6949	Vapi6	6644	RohitPa6	0.000	0.096	0.000	0.10	1	33.25	0.3
6949	Vapi6	6680	Sarigam6	0.000	0.096	0.000	0.10	1	33.25	0.3
6949	Vapi6	6513	Motapon6	0.446	0.719	0.001	0.00	1	33.25	2.5
6949	Vapi6	6183	DGngppr6	0.000	-0.000	0.000	0.00	1	33.25	0.0
6949	Vapi6	6243	GIDCPh36	14.351	5.435	0.079	0.16	1	41.07	37.4
6949	Vapi6	6244	GIDCPh46	7.197	2.038	0.019	0.04	1	41.07	18.2
6949	Vapi6	6361	Kashiga6	-0.000	0.000	0.000	0.00	1	41.07	0.0
6949	Vapi6	6182	DmnGnga6	17.709	5.885	0.168	0.24	1	33.25	56.1
6949	Vapi6	6799	T2-6	-0.002	0.001	0.000	0.00	1	41.07	0.0
6949	Vapi6	6950	VapiG6	8.398	2.578	0.018	0.03	1	33.25	26.4
6949	Vapi6	6950	VapiG6	8.398	2.578	0.018	0.03	1	33.25	26.4
6949	Vapi6	7136	chala6	8.485	2.570	0.012	0.02	1	33.25	26.7
7251	Tarini6	440	TariniG	-5.578	-0.818	0.022	0.44	1	6.18	91.2
7251	Tarini6	6513	Motapon6	5.578	0.818	0.026	0.04	2	66.73	8.4

000573



			SLD for Contingency Case : 1 In Basecase, outage of one circuit of proposed 66 KV Tarini Hydro Power Generating Station - Mota Pondha D/C lines is considered.	 Gujarat Energy Transmission Corporation Limited, Sardar Patel Vidyut Bhavan, Race Course, Vadodara.	
SLD for Contingency Case : 1	0	29.03.2008	System Study for Evacuation of 5.6 MW [(2 x 1.5 MW) + (1 x 2.6 MW)] small hydro power plant of M/s. Tarini Infrastructure Ltd. at Madhuban Dam on river Damanganga in Dist: Valsad.	JOB. NO. 1.0	SCALE : N.T.S
DESCRIPTION	REV.	DATE		DWG. NO. 2.0	REV. 0



000574



### LOAD FLOW ANALYSIS

CASE NAME : Evacuation of 5.6 MW hydro power generated from M/s. Tarini's Small hydro project at Madhuban Dam on river Damanganga in Dist: Valsad.

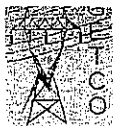
CONTINGENCY NAME : In Basecase, outage of one circuit of the proposed 66 KV Tarini Hydro Power Generating Station - Mota Pondha D/C lines is considered.

#### BUS VOLTAGES AND POWERS

NODE NO.	FROM NAME	V-MAG P.U.	ANGLE DEGREE	MW GEN	MVAR GEN	MW LOAD	MVAR LOAD	MVAR COMP
440	TariniG	1.0000	5.91	5.600	0.977	0.000	0.000	0.000
2107	VAPI2	0.9837	2.60	0.000	0.000	0.000	0.000	0.000
6353	Kaprada6	0.9722	0.74	0.000	0.000	0.000	0.000	0.000
6513	Motapon6	0.9751	0.85	0.000	0.000	0.000	0.000	0.000
6949	Vapi6	0.9778	0.82	0.000	0.000	0.000	0.000	0.000
7251	Tarini6	0.9852	1.56	0.000	0.000	0.000	0.000	0.000

#### BUS WISE LINE FLOWS AND LINE LOSSES

FROM NODE	FROM NAME	TO NODE	TO NAME	FORWARD MW	FORWARD MVAR	LOSS MW	LOSS MVAR	CKT	RATING	%LOAD
440	TariniG	7251	Tarini6	5.600	0.977	0.022	0.44	1	6.30	90.2
2107	VAPI2	6949	Vapi6	23.337	3.706	0.037	0.75	1	98.37	24.0
2107	VAPI2	6949	Vapi6	23.337	3.706	0.037	0.75	1	98.37	24.0
2107	VAPI2	6949	Vapi6	23.337	3.706	0.037	0.75	1	98.37	24.0
2107	VAPI2	6949	Vapi6	10.634	1.689	0.017	0.34	1	49.18	21.9
2107	VAPI2	3022	TARAPUR2	29.461	-0.470	0.126	-10.43	1	204.61	14.4
2107	VAPI2	2016	KAKRAPA2	-112.993	-28.031	1.325	-26.56	2	409.21	28.4
2107	VAPI2	2170	CHIKHLI2	-8.217	23.669	0.065	-6.08	1	204.61	12.2
2107	VAPI2	2186	BHILAD2	8.290	-3.266	0.003	-3.28	1	204.61	4.4
2107	VAPI2	2197	Vapi4-2	-34.969	-17.858	0.037	-1.77	1	204.61	19.2
6353	Kaprada6	8587	11Kprad1	1.793	0.775	0.002	0.03	1	9.72	20.1
6353	Kaprada6	6513	Motapon6	-1.793	-0.775	0.004	0.01	1	33.06	5.9
6513	Motapon6	8872	11Mtpnd1	4.196	0.718	0.008	0.16	1	9.75	43.7
6513	Motapon6	6353	Kaprada6	1.797	0.781	0.004	0.01	1	33.15	5.9
6513	Motapon6	6949	Vapi6	-0.465	-1.031	0.002	0.00	1	33.15	3.4
6513	Motapon6	7251	Tarini6	-5.527	-0.467	0.051	0.07	1	33.15	16.7



LOAD FLOW ANALYSIS

000575

BUS WISE LINE FLOWS AND LINE LOSSES

FROM NODE	FROM NAME	TO NODE	TO NAME	FORWARD		LOSS		CKT	RATING	%LOAD
				MW	MVAR	MW	MVAR			
6949	Vapi6 2107	VAPI2		-23.299	-2.960	0.037	0.75	1	97.78	24.0
6949	Vapi6 9336	11Vapi1		5.968	2.711	0.012	0.25	1	14.67	44.7
6949	Vapi6 2107	VAPI2		-23.299	-2.960	0.037	0.75	1	97.78	24.0
6949	Vapi6 9337	11Vapi2		5.968	2.711	0.012	0.25	1	14.67	44.7
6949	Vapi6 2107	VAPI2		-23.299	-2.960	0.037	0.75	1	97.78	24.0
6949	Vapi6 9338	11Vapi3		3.584	1.615	0.007	0.13	1	9.78	40.2
6949	Vapi6 2107	VAPI2		-10.617	-1.349	0.017	0.34	1	48.89	21.9
6949	Vapi6 6644	RohitPa6		0.000	0.096	0.000	0.10	1	33.24	0.3
6949	Vapi6 6680	Sarigam6		0.000	0.096	0.000	0.10	1	33.24	0.3
6949	Vapi6 6513	Motapon6		0.467	1.034	0.002	0.00	1	33.24	3.4
6949	Vapi6 6183	DGngppr6		0.000	-0.000	0.000	0.00	1	33.24	0.0
6949	Vapi6 6243	GIDCPh36		14.349	5.435	0.079	0.16	1	41.07	37.4
6949	Vapi6 6244	GIDCPh46		7.196	2.038	0.019	0.04	1	41.07	18.2
6949	Vapi6 6361	Kashiga6		-0.000	0.000	0.000	0.00	1	41.07	0.0
6949	Vapi6 6182	DmnGnga6		17.708	5.886	0.168	0.24	1	33.24	56.1
6949	Vapi6 6799	T2-6		-0.002	0.001	0.000	0.00	1	41.07	0.0
6949	Vapi6 6950	VapiG6		8.397	2.578	0.018	0.03	1	33.24	26.4
6949	Vapi6 6950	VapiG6		8.397	2.578	0.018	0.03	1	33.24	26.4
6949	Vapi6 7136	chala6		8.485	2.570	0.012	0.02	1	33.24	26.7
7251	Tarini6 440	TariniG		-5.578	-0.541	0.022	0.44	1	6.21	90.3
7251	Tarini6 6513	Motapon6		5.578	0.541	0.051	0.07	1	33.50	16.7



Bank of India  
The Guiding Star

ANNEXURE - P - 9CColly

000576

**Chennai Corporate Banking Branch**

IV Floor, Tarapore Towers  
826, Anna Salai,  
Chennai - 600 002

Phone: AGM :044-28513030

General nos. 28521185, 28521698

Fax No. 044-28521912

e-mail: boi8015@eth.net

Ref.No. CCBB:GDR:

Date : 23.01.2009

Tarini Infrastructure Ltd  
D-2, First Floor,  
Amar Colony,  
Lajpat Nagar -IV,  
New Delhi - 110 024

Sirs,

Sub: Disbursements under Term Loan sanctioned

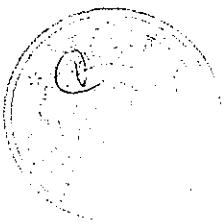
We refer to your letter dated 23.01.2009 for disbursement of Rs.79.81 lacs under term loan-II sanctioned. As per your request we enclose the demand draft as detailed below:

Sl.No	DD NO	Amount (Rs)	Favouring
1.	264341	2,31,207.00	Ladhbi Automation & Controls (Mumbai)
2	264342	9,98,928.00	Bilmat Engineering, Vadodara
3.	264343	9,00,000.00	Bilmat Engineering, Vadodara
4	264344	4,00,000.00	Bilmat Engineering, Vadodara
5	264345	2,97,915.00	Oblum Electrical Industries Pvt Ltd (Hyderabad)
6	264346	9,64,810.00	Star Industrial Corporation (Mumbai)
7	264347	4,00,000.00	Star Industrial Corporation (Mumbai)
8	264348	6,10,288.00	Vikram Infrastructure Company (Vapi)
9	264349	5,80,120.00	Royal Auto (Surat)
10	264351	9,50,120.00	M.V.Engineering Works
11	264353	4,00,000.00	M.V.Engineering Works
12	264352	9,00,000.00	M.V.Engineering Works
13	264350	1,22,229.00	Nilesh C.Pradhan (Vapi)
14	264354	1,54,623.00	Sanjay Khodaphai Dabhi (Bardoli)
15	264355	71,475.00	Shree Balaji Enterprises (Vapi)

Thanking you,

Yours faithfully,

Chief Manager





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Bank of India  
Relationships beyond Banking

Chennai Corporate Banking Branch Phone : AGM :044-28513030  
IV Floor, Tarapore Towers General nos. 28521185, 28521698  
826, Anna Salai, Fax No. 044-28521912  
Chennai – 600 002 e-mail: boi8015@eth.net

Ref No.CCBB:RGR: 1231

Date : 28.01.2008

*International Pvt.*

M/s. Tarini Infrastructure Ltd.,  
D-2, Amar colony, Lajpath Nagar IV,  
New Delhi 110 024.

**Chennai Office:**

#455, Amarasri, Anna Salai, 8<sup>th</sup> Floor,  
Teynampet,  
Chennai 600 018.

Dear Sirs,

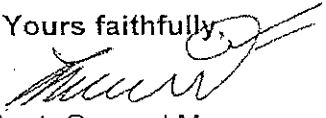
Re: Your request for Sanction of Rs.2472 lacs Loan  
for Setting up of Hydel Power Project at Daman  
Ganga Dam (SHP I & SHP II)

We invite reference to your letter of request dated 15.10.2007 and 27.12.2007 for credit facilities and are pleased to offer you, the credit facilities as per Annexure –I on the broad terms and conditions mentioned in Annexure – I&II of this letter. Notwithstanding anything to the contrary stated or suggested herein, the outstanding indebtedness, whether actual or contingent, under these facilities is subject to liquidation by you, on first demand by us.

This letter is issued in duplicate. Please return the duplicate copy duly signed by you in token of having accepted the terms and conditions.

Thanking you,

Yours faithfully,

  
Asst. General Manager

ANNEXURE I

ACCOUNT : M/S Tarini Infrastructure Limited

BRANCH : CHENNAI CORPORATE BANKING BRANCH

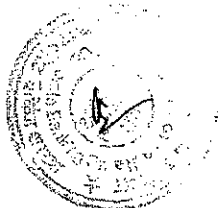
Limits Sanctioned

(Rs. in lakhs)				
Nature of Facility	Limit	Pricing ROI/Commission	Margin	
Fund Based Term Loan (For project related expenses)	2359	0.25% below our BPLR, present effective and minimum 13.00% p.a.(floating)*	30 %	
Non Fund Based Letter of Credit - Foreign DA 180 days (within Term Loan -for import of Machinery as envisaged in the project report)	1662	As per extant guidelines	Nil (However margin at 30% to be provided by the company at the time of retirmement of bills under L/C.)	
Guarantees	113	-do-	25%	
Total (Max)	2472			

\* pricing is subject to approval by the appropriate authority at our Head office. Till such time applicable rate of 3.25% over our BPLR minimum 16.50% would be charged.

Repayment

Advance is to be repaid in 96 monthly installments of Rs.24.57 lacs for the first 95 months , 96 th installment being Rs. 24.85 lacs. , with an initial moratorium of two years for the principal amount from the date of disbursement. Interest is to be serviced as and when applied. Door to door tenor of 10 years.



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## SECURITY FOR THE FACILITIES

(Rs. in lakhs)

Security	Particulars	Date of valuation report	Value	
			Proposed	
Principal	Hypothecation of Project Assets	Estimated ultimate value as per project report		3091
Collateral	Mortgage of Leasehold rights	28.12.2007.		123
	Equitable Mortgage of Office Property of Tarini International Private Limited at E 236. East of Kailash, New Delhi -- measuring 220 sq. yards -- valued at Rs.178 Lacs by our Bank's approved valuer M/s. Chhaddha Associates, Delhi.	31 <sup>st</sup> October 2007.		178
TDRs	Margin for guarantee			28
Total				3420

## Guarantors:

All Fund based and Non Fund Based facilities to be guaranteed (Joint and Several ) by

1. Mr. V. Chandrasekhar
2. Mr. V.S.Suresh
3. M/s. Tarini International Private Limited.

The company shall not pay any guarantee commission to the guarantors.



ANNEXURE-II

ALL OTHER TERMS, CONDITIONS AND COVENANTS, APPLICABLE TO THE PROPOSED FACILITIES –

A. Pre-disbursement conditions:

- 1) the Company to execute various Security Documents duly supported by Board Resolution as required by the Bank including creation of mortgages of properties envisaged as primary/collateral security.
- 2) Proposal processing and other charges to be recovered upon sanction of the proposal
- 3) The release of Credit Facilities is also subject to vetting of Securities by the Bank's advocate and Bank's internal procedure of Credit Process Audit. The charges for vetting of the documents by the Bank's advocate are payable by the Company.
- 4) Minimum DER of 2.36 to be maintained at each disbursement, in respect of the Proposed Term Loan of Rs.2359 lacs.
- 5) All the necessary approvals from various authorities to be in place.
- 6) Company to give an undertaking that all the covenants of the Concession Agreement would be duly met with by them.
- 7) TRA to be maintained at a Branch of our Bank to be approved by us.
- 8) Debt Service Retention Account of one quarter Installments and Interest to be maintained.
- 9) All Carbon Emission Rights proceeds under Clean Development Mechanism to be utilized for accelerating repayment of Term Loan. A Stamped undertaking to be executed by the company to that effect.
- 10) In respect of the Forex Exposure under Letter of Credit, the Company to book a suitable forward cover with our Bank to hedge the exposure.
- 11) In case of execution of certain civil works, disbursement by way of reimbursement would be considered for total amount not exceeding Rs. 200 lacs, subject to the bills/invoices being duly certified by the Independent Engineer/Auditor. In case of delay in appointment of the said Engineer/Auditor, it should be certified by Company's Statutory auditors and countersigned by our Bank's approved Architect/Valuer.



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B. Post-disbursement conditions:

- 1) Adequate Insurance cover for the securities should be ensured .
- 2) List of Properties charged to the bank should be submitted every year.
- 3) All Charges to be registered with ROC within the stipulated time.
- 4) Quarterly certification and utilization of funds disbursed by us by the Independent Engineer/Auditor. In case of delay in appointment of the said Engineer /Auditor , it should be certified by Company's Statutory auditors and countersigned by our Bank's approved Architect/Valuer.
- 5) An Independent Engineer and Independent Auditor to be appointed by the Company in consultation with the Govt. of Gujarat as per the Concession Agreement and details to be advised to us.
- 6) Company to facilitate for showing the original link documents within 30 days of execution of documents and creation of mortgage. A Stamped undertaking from the Company to be obtained to that effect.
- 7) Fixed Asset Coverage Ratio to be maintained at a minimum of 1.38 throughout implementation.
- 8) Power Purchase Agreement to be entered by the Company within 60 days of the first disbursement and the copy of the same to be handed over to the Bank for our perusal and record.
- 9) Company to submit their Statutory Auditor's Certificate certifying the Capital Infusion envisaged for the project and the same to be accompanied by Forms filed with ROC and copies of Bank Statement of Account s evidencing infusion of funds.
- 10) Subsidies for the project , as and when received, will be directly credited to the Term Loan account to reduce the outstanding.
- 11) In respect of Letter of Credit envisaged to be established by us for import of Machineries, etc. the company to provide the required margin of 30% at the time of payment of bills under the Letters of Credit.
- 12) The company to arrange to get the Bank guarantee for Rs.28 lacs issued favour of Executive Engineer, Damn Ganga Project Division I by HDFC Bank duly cancelled within a reasonable period from our issuing Bank Guarantee for Rs.113 lacs for the same purpose.
- 13) Final Valuation Certificate from the Independent Auditor , upon completion of the project to be submitted by the Company.





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C. OTHER TERMS, CONDITIONS & COVENANTS, ETC. APPLICABLE TO THE SANCTIONED FACILITY(IES) :-

1. The sanction is valid for a period of six months from the date of sanction and if facilities sanctioned to the firm not availed during this time, the same will lapse.
2. Without prejudice to the demand nature of the advance(s), the/these credit facility (ies) will remain in force for a period of one year and is/are subject to annual review. Next review will fall due on or before 24.01.2009.
3. The Company shall display bank's hypothecation plate/board at its Unit/business premises indicating that assets are hypothecated/ mortgaged to the Bank.
4. All the assets charged/to be charged to the Bank to be kept fully insured at all times against all risks (FRSD, Burglary, comprehensive risks etc.) and original Insurance cover note /policy in the name of the Bank a/c borrower firm with Bank's Hypothecation clause to be lodged with the Bank. Collateral security mortgaged/to be mortgaged to the bank shall also be insured by the borrowers/owners covering all probable risks. However, insurance of goods is not binding upon the Bank and is totally the responsibility of the Company.
5. Inspection will be done by bank's officials/representatives on regular basis or as and when required by the bank. The cost of such inspection shall be borne by the borrowers. The firm shall keep and maintain the machineries/ other assets charged to the bank in good working conditions and preserve the same at their cost. The Bank has the right of deputing its officials/person(s) (like qualified auditors or management consultants or technical experts) duly authorized by the Bank to inspect the unit, assets, books of accounts/records etc. from time to time. Also the Bank may appoint, at its sole discretion, stock/concurrent auditors, valuers, consultants for specific jobs relating to firm's/firm's activities, the cost of which will be borne by the firm.
6. Penal interest of 2% p.a. will be levied on the overdue amount for the period account remains overdrawn due to irregularities such as delay/non payment .of interest immediately on application, non payment of installments by due date. invocation of Guarantee. If the account continues to be overdrawn for a period of 90 days, the bank may consider initiation of other action also as deemed fit by the bank.



7. Processing charges at 1.2% of Total Loan plus service charges, Inspection charges of Rs.1740 per visit, . and Documentation charges of Rs.11480 and Equitable mortgage charges of Rs.11530 is to be paid for this year and such other charges as advised by the Bank from time to time shall be levied annually or at the time of next review whichever is earlier. Out of pocket expenses incurred/to be incurred towards title verification and valuation of property/assets, inspections will be recovered separately.
8. The credit facilities shall be utilized only for the purposes for which the same are granted and said facilities shall not be 'diverted' or 'siphoned off' or used for any other purposes.
9. In case of default in the repayment of loans/advances/above said facilities or in the repayment of interest thereon or any of the installment of Loan as per stipulated terms, or in the event of diversion or siphoning off or utilizing the said facilities for any other purpose other than for which it is granted, the Bank and/or the Reserve Bank of India (RBI) will have an unqualified right to disclose or publish the name of the firm/firm or its directors/partners as defaulters in such manner and through such medium as the Bank or RBI or such other agency authorized by them, in their absolute discretion may think fit.
10. Bank assumes no obligation whatsoever to meet further fund based or non fund based requirements on account of growth in business or otherwise without proper revision and sanction of credit limits decided at the sole discretion of the bank. Further, if sanction terms are not complied with by the firm or if account is classified as Non-performing Asset (NPA), then bank may not allow further withdrawals in the account.
11. Notwithstanding what is stated herein above, the bank shall:-
  - i) at any time and from time to time, be entitled to notify the firm and charge interest/commission/charges at such notified rates
  - ii) be entitled to debit the amounts of all costs, charges and expenses to firm's account and such amounts shall stand secured by all securities given to or created in bank's favour in connection with the facilities. The firm shall indemnify and keep the bank fully and completely indemnified from time to time against the liabilities including all costs, charges and expenses stipulated herein whether debited to firm's account or not.



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12. Any failure to exercise or delay in exercising any of bank's rights hereunder or under any other documents will not act as a waiver of that or any other right nor shall any single or partial exercise preclude any future exercise of that right.
13. So long as any monies are due to the bank from the firm under any of the facilities, the bank shall have a lien/charge for such amounts on all credit balances, deposits, securities or other assets with, any of the branches of Bank of India or of its subsidiaries upon the happening of any of the events of default referred herein, the bank shall be entitled to exercise a right of set off between the amounts due and payable to the bank and the said credit balances, deposits, securities and other assets.
14. Any default in complying with terms of sanction within the stipulated time will attract penal interest of 1% p.a. from the date of expiry of such time.
15. The Bank reserves the right to add, amend, alter, cancel and modify any of the terms and conditions stipulated herein above with or without any prior reference to the firm. Further, the bank's general rules governing advances shall also apply. The firm to abide by such terms and conditions as the bank may stipulate from time to time.
16. The bank reserves the right to discontinue any/all the credit facilities granted without giving any prior notice the firm in case of non-compliance and/or breach of any of the terms and conditions based on which the facilities have been sanctioned to the firm and/or if any information/particulars/documents furnished by the borrowers are found to be incorrect.
17. The company to declare/undertake to the bank as under:
  - ✓ to supply audited financial statements of the firm within 6 months from closure of financial year. Any delay in submitting these audited financial statements without bank's specific approval will attract penal interest @1%p.a. In case these statements are not received by the bank for a continuous period of 3 months, the bank may take further action as deemed fit by the bank.
  - ✓ to provide promptly information (along with comments/explanation) about all material and adverse changes in your project/business, ownership, management, liquidity, financial position etc.
  - ✓ that any liabilities or obligations under the facilities shall not, at any time, rank postponed in point and security to any other obligation or liabilities to other lending institutions or banks or creditors, unless expressly agreed or permitted by bank.



- ✓ not to create or permit to subsist any mortgage, charge (whether floating or specific), pledge, lien or other security interest on any of your undertakings, properties or assets, without our prior consent in writing.
20. Declare the relationship, if any, of the directors of the firm with the directors of the bank and senior officers of the bank.
21. A stamped undertaking to be submitted in favour of the Bank to the following effect that during the currency of bank's credit facilities, the firm shall not, without bank's permission in writing :-
- ✓ formulate any scheme of amalgamation or merger or reconstruction.
  - ✓ effect any adverse changes in Company's capital structure
  - ✓ implement any scheme of expansion or diversification or capital expenditure except normal replacements indicated in funds flow statement submitted to and approved by the Bank;
  - ✓ enter into any borrowing or non-borrowing arrangements either secured or unsecured with any other bank, financial institution, firm, firm or otherwise or accept deposits in excess of the limits laid down by Reserve Bank of India.
  - ✓ invest by way of share capital in or lent or advance funds to or place deposits with any other firm/firm/concern (including group companies/ associates)/persons. Normal trade credit or security deposit in the normal course of business or advance to employees can, however be extended.
  - ✓ undertake guarantee obligations on behalf of any other firm/firm/person.
  - ✓ declare dividend for any year except out of profits relating to that year after meeting all the financial commitments to the bank and making all due and necessary provisions.
  - ✓ make any drastic change(s) in its management set-up.
  - ✓ approach capital market for mobilizing additional resources either in the form of Debts or equity.
  - ✓ sell or dispose off or create security or encumbrances on the assets charged to the bank in favour of any other bank, financial institution, firm, firm, individual.
  - ✓ repay monies brought in by the promoters, partners, directors, share holders, their relatives and friends in the business of the firm/firm by way of deposits/loans/share application money etc.
22. The firm to take prior approval from bank for opening any account with any other bank/other branch of our bank.
23. The Company may be permitted to open/maintain C/D accounts (collection accounts) with branches of our bank for specified purposes subject to approval by us and submission of bank statements of these accounts to us every month/quarter for our perusal. Company will be required to close these accounts as and when required by bank.



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24. The Company to submit a stamped declaration cum undertaking to the effect that :-

- ✓ the Company or its directors/associate concerns of the company/company are not on ECGC Caution list/specific approval list, RBI's defaulters/caution list, COFEPOSA defaulters list or our bank's defaulters list, and that no director of the company is disqualified u/s 274 of the Companies Act. No legal case of any nature has been filed against the firm/its associates affecting the financial position substantially, and in case of any suit is/will be filed against the Company, the bank shall be kept informed;
- ✓ the company shall not induct a person who is/was a director in a company, which has been identified as a 'Willful defaulter' by the Bank, RBI or any Bank/FI. on company's Board and if such a person is found to be on the Company's Board, the company shall take expeditious and effective steps for removal of such person/s from Company's Board.

25. The Bank shall be entitled to debit the amounts of all costs, charges and expenses to Company's account and such amounts shall stand secured by all securities given to or created in bank's favour in connection with the facilities. The Company shall indemnify and keep the bank fully and completely indemnified from time to time against the liabilities including all costs, charges and expenses stipulated herein whether debited to your account or not.

26. The Company shall not, except after prior written permission from us, make any alterations in its constitution, controlling ownership or any documents relating to its constitution or any other material change in your management or in the nature of your business or operations during the period of the subsistence of facilities.

27. The Company will pay prepayment penalty charges of 1% of the amount paid beyond the normal prepayment proposed.

28.. Bank shall have the right to sell, transfer, assign or securitize the loan/advance sanctioned and disbursed to you.

29.. Any escalation in the project cost to be met by the promoters/company/firm from their own sources. The credit facilities shall be utilised only for the purposes for which same are granted and said facilities shall not be 'diverted' or 'siphoned off' or used for any other purposes.

30. In case of default in the repayment of loans/advances/above said facilities or in the repayment of interest thereon or any of the installment of Loan as per stipulated terms, or in the event of diversion or siphoning off or utilizing the said facilities for any other purpose other than for which it is granted, the Bank and/or the Reserve Bank of India (RBI) will have an unqualified right to disclose or



publish the name of the company/firm or its directors/partners as defaulters in such manner and through such medium as the Bank or RBI or such other agency authorized by them, in their absolute discretion may think fit. 000587

31. Bank assumes no obligation whatsoever to meet your further (fund based or non fund based requirements on account of growth in business or otherwise without proper revision and sanction of credit limits decided at the sole discretion of the bank. Further, if sanction terms are not complied with by you or if your account is classified as Non-performing Asset (NPA), then bank may not allow further withdrawals in the account.

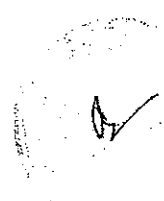
32.a) Notwithstanding what is stated herein above, we shall at any time and from time to time, be entitled to notify you and charge interest/commission/charges at such notified rates and this letter shall be construed as if such revised rates were mentioned herein.

b) You shall pay to or reimburse all costs, charges, expenses (including charges between the attorney or counsel and bank and those of our internal legal adviser/officer and other experts, consultants or professionals), disbursements, taxes, fees, stamp duties etc. whatsoever, incidental or to arising out of the facilities, their negotiation, the preparation, execution, registration and stamping of the documents relating thereto, the preservation or protection of our rights and interests of the enforcement or realization of any security or any demand or any attempted recovery of the amounts due from you.

33. We shall be entitled to debit the amounts of all costs, charges and expenses to your account and such amounts shall stand secured by all securities given to or created in our favour in connection with the facilities. You indemnify and keep us fully and completely indemnified from time to time against the liabilities including all costs, charges and expenses stipulated herein whether debited to your account or not.

34. Any failure to exercise or delay in exercising any of our rights hereunder or under any other documents will not act as a waiver of that or any other right nor shall any single or partial exercise preclude any future exercise of that right.

35. So long as any monies are due to us from you under any of the facilities, we shall have a lien/charge for such amounts on all your credit balances, deposits, securities or other assets with, any of the branches of Bank of India or of its subsidiaries any where in the world and upon the happening of any of the events of default referred herein, we shall be entitled to exercise a right of set off between the amounts due and payable to us and the said credit balances, deposits, securities and other assets.



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36. You shall not, except after prior written permission from us, make any alterations in your constitution, controlling ownership or any documents relating to its constitution or any other material change in your management or in the nature of your business or operations during the period of the subsistence of facilities.

37. The bank reserves the right to discontinue any/all the credit facilities granted without giving you any prior notice in case of non-compliance and/or breach of any of the terms and conditions based on which the facilities have been sanctioned to you and/or if any information/particulars/documents furnished by you are found to be incorrect.

38. The Bank carries out the credit rating exercise every year when the facilities are reviewed. However, it reserves the right to carry out the credit rating exercise of the facilities at frequencies considered necessary and the rate of interest chargeable to the facilities would depend upon the rating obtained by the borrowing firm/ Company.

39. The company/firm to ensure submission of statement of Assets & Liabilities in Bank's format CBD - 23 (duly certified by a C.A.) along with copies of Income Tax and Wealth Tax returns/assessment orders of all the partners and guarantors every year.

40. The company's/firm's entire banking business (including merchant banking, Dividend and interest payments) should be routed through us/ members of the consortium proportionate to the sharing of the working capital facilities.

41. The Bank reserves its right to appoint its nominee on Company's Board of Directors - part time/full time to oversee the functioning of the company/to look after bank's interests.

42. The Bank reserves the right to add, amend, alter, cancel and modify any of the terms and conditions stipulated herein above with or without any prior reference to you. Further, the bank's general rules governing advances shall also apply. The company/firm to abide by such terms and conditions as the bank may stipulate from time to time.

43. The company has to obtain External Credit Rating from the approved rating agency.





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**Bank of India**  
**Relationships beyond Banking**

**Chennai Corporate Banking Branch**  
IV Floor, Tarapore Towers  
826, Anna Salai,  
Chennai – 600 002

Phone : AGM :044-28513030  
General nos. 28521185, 28521698  
Fax No. 044-28521912  
e-mail: boi8015@eth.net

Ref No.CCBB:RGR:

Date : 16.12.2008

M/s. Tarini Infrastructure Ltd.,  
D-2, Amar colony, Lajpath Nagar IV,  
New Delhi 110 024.

**Chennai Office:**

#455, Amarasri, Anna Salai, 8<sup>th</sup> Floor,  
Teynampet,  
Chennai 600 018.

Dear Sirs,

Re: Your request for additional loan of Rs.350 lacs.  
For your Hydel Power Project at Daman Ganga Dam  
(SHP I & SHP II)

We invite reference to your letter of request dated 01.12.2008, and accordingly, we are pleased to offer you, the credit facility on one time basis as per Annexure –I on the broad terms and conditions mentioned in Annexure – I&II of this letter. Notwithstanding anything to the contrary stated or suggested herein, the outstanding indebtedness, whether actual or contingent, under these facilities is subject to liquidation by you, on first demand by us.

This letter is issued in duplicate. Please return the duplicate copy duly signed by you in token of having accepted the terms and conditions.

Thanking you,

**Yours faithfully,**

  
Chief Manager





**ACCOUNT** : M/S Tarini Infrastructure Limited

**BRANCH** : CHENNAI CORPORATE BANKING BRANCH

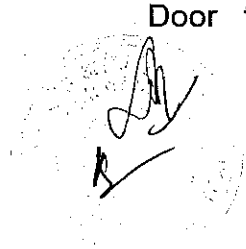
LIMITS Sanctioned

(Rs. in lakhs)

Nature of Facility	Limit	Pricing ROI/Com-mission	Margin
Fund Based Term Loan I	2359	0.25% below BPLR, Minimum 13.00 % p.a. ,present effective rate 13.50% p.a.(floating)	30 %
Term Loan II (additional now sanctioned)	350	-do-	30%
Total	2709		
Non Fund Based L/C Foreign DA 180 days (within Term Loan)	(1662 )	As per extant guidelines	Nil
Guarantees	113	-do-	25%
Total (Max)	2822		

**Repayment**

Term Loan I & II are to be repaid in 96 monthly instalments.,at Rs. 28.24 lacs p.m. for the first 12 months at Rs. 23.53 lacs p.m from the 13<sup>th</sup> month onwards till repayment of the loan. Moratorium of 24 months from the date of Term Loan I disbursement date shall continue. Interest to be serviced as and when applied. Door to door tenor of 10 years.



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## SECURITY : Primary

Sl. No.	Item
1	Hypothecation of Project Assets at Gujarat

## Collateral : Extension of mortgage of the proerties:

Sl. No.	Property details	Owned /Leased
1	Property at E 236, East of Kailash, New Delhi, measuring 220 sq yards.	M/s. Tarini International Limited
2	Mortgage of Leasehold rights of 4.8 hectares of Lands leased to the Company at Gujarat by Govt..of Gujarat	M/s. Tarini Infrastructure Limited

## Guarantors:

1. Mr. V.S. Suresh
2. Mr. V.Chandrasekhar
3. M/s. Tarini International Private Limited.

Pre-disbursement conditions:

- 1) The Company to execute necessary security documents for the additional limits duly supported by Board Resolution.
- 2) All the Mortgages to be extended before the release of limits.
- 3) Payment of processing charges of Rs. 617500.00 ,documentation charges of Rs. 17,250 , Mortgage charges of Rs.17,000 and inspection charges of Rs.3500/-
- 4) Vetting of Security documents by Bank's approved advocate.
- 5) CPA formalities as per Bank's norms.

Post-disbursement conditions:

- 1) Adequate Insurance cover for the securities should be ensured . Insurance of assets to be with National Insurance Co. Ltd.
- 2) List of assets charged to the bank should be submitted every year.
- 3) All Charges to be registered with ROC within the stipulated time.
- 4) Quarterly certification on progress and utilization of funds disbursed by us should be certified by Company's Statutory auditors.
- 5) Project DER should be maintained.
- 6) Statutory Auditor's Certificate for infusion of capital to be submitted.




## Annexure -II

## OTHER TERMS, CONDITIONS &amp; COVENANTS, ETC. APPLICABLE TO THE SANCTIONED FACILITY(IES) :-

1. The sanction is valid for a period of six months from the date of sanction and if facilities sanctioned to the firm not availed during this time, the same will lapse.
2. Without prejudice to the demand nature of the advance(s), the/these credit facility (ies) will remain in force for a period of one year and is/are subject to annual review.
3. The Company shall display bank's hypothecation plate/board at its Unit/business premises indicating that assets are hypothecated/ mortgaged to the Bank.
4. All the assets charged/to be charged to the Bank to be kept fully insured at all times against all risks (FRSD, Burglary, comprehensive risks etc.) and original Insurance cover note /policy in the name of the Bank a/c borrower firm with Bank's Hypothecation clause to be lodged with the Bank. Collateral security mortgaged/to be mortgaged to the bank shall also be insured by the borrowers/owners covering all probable risks. However, insurance of goods is not binding upon the Bank and is totally the responsibility of the Company.
5. Inspection will be done by bank's officials/representatives on regular basis or as and when required by the bank. The cost of such inspection shall be borne by the borrowers. The firm shall keep and maintain the machineries/ other assets charged to the bank in good working conditions and preserve the same at their cost. The Bank has the right of deputing its officials/person(s) (like qualified auditors or management consultants or technical experts) duly authorized by the Bank to inspect the unit, assets, books of accounts/records etc. from time to time. Also the Bank may appoint, at its sole discretion, stock/concurrent auditors, valuers, consultants for specific jobs relating to firm's/firm's activities, the cost of which will be borne by the firm.
6. Penal interest of 2% p.a. will be levied on the overdue amount for the period account remains overdrawn due to irregularities such as delay/non payment of interest immediately on application, non payment of installments by due date, invocation of Guarantee. If the account continues to be overdrawn for a period of 90 days, the bank may consider initiation of other action also as deemed fit by the bank.

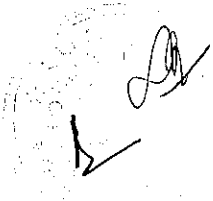


7. Proposal processing and other charges as advised by the Bank from time to time shall be levied annually or at the time of next review whichever is earlier. Out of pocket expenses incurred/to be incurred towards title verification and valuation of property/assets, inspections will be recovered separately.
8. The credit facilities shall be utilized only for the purposes for which the same are granted and said facilities shall not be 'diverted' or 'siphoned off' or used for any other purposes.
9. In case of default in the repayment of loans/advances/above said facilities or in the repayment of interest thereon or any of the installment of Loan as per stipulated terms, or in the event of diversion or siphoning off or utilizing the said facilities for any other purpose other than for which it is granted, the Bank and/or the Reserve Bank of India (RBI) will have an unqualified right to disclose or publish the name of the firm/firm or its directors/partners as defaulters in such manner and through such medium as the Bank or RBI or such other agency authorized by them, in their absolute discretion may think fit.
10. Bank assumes no obligation whatsoever to meet further fund based or non fund based requirements on account of growth in business or otherwise without proper revision and sanction of credit limits decided at the sole discretion of the bank. Further, if sanction terms are not complied with by the firm or if account is classified as Non-performing Asset (NPA), then bank may not allow further withdrawals in the account.
11. Notwithstanding what is stated herein above, the bank shall:-
  - i) at any time and from time to time, be entitled to notify the firm and charge interest/commission/charges at such notified rates
  - ii) be entitled to debit the amounts of all costs, charges and expenses to firm's account and such amounts shall stand secured by all securities given to or created in bank's favour in connection with the facilities. The firm shall indemnify and keep the bank fully and completely indemnified from time to time against the liabilities including all costs, charges and expenses stipulated herein whether debited to firm's account or not.
12. Any failure to exercise or delay in exercising any of bank's rights hereunder or under any other documents will not act as a waiver of that or any other right nor shall any single or partial exercise preclude any future exercise of that right.



13. So long as any monies are due to the bank from the firm under any of the facilities, the bank shall have a lien/charge for such amounts on all credit balances, deposits, securities or other assets with, any of the branches of Bank of India or of its subsidiaries upon the happening of any of the events of default referred herein, the bank shall be entitled to exercise a right of set off between the amounts due and payable to the bank and the said credit balances, deposits, securities and other assets.
14. Any default in complying with terms of sanction within the stipulated time will attract penal interest of 1% p.a. from the date of expiry of such time.
15. The Bank reserves the right to add, amend, alter, cancel and modify any of the terms and conditions stipulated herein above with or without any prior reference to the firm. Further, the bank's general rules governing advances shall also apply. The firm to abide by such terms and conditions as the bank may stipulate from time to time.
16. The bank reserves the right to discontinue any/all the credit facilities granted without giving any prior notice the firm in case of non-compliance and/or breach of any of the terms and conditions based on which the facilities have been sanctioned to the firm and/or if any information/particulars/documents furnished by the borrowers are found to be incorrect.
17. The company to declare/undertake to the bank as under:
  - ✓ to supply audited financial statements of the firm within 6 months from closure of financial year. Any delay in submitting these audited financial statements without bank's specific approval will attract penal interest @1%p.a. In case these statements are not received by the bank for a continuous period of 3 months, the bank may take further action as deemed fit by the bank.
  - ✓ to provide promptly information (along with comments/explanation) about all material and adverse changes in your project/business, ownership, management, liquidity, financial position etc.
  - ✓ that any liabilities or obligations under the facilities shall not, at any time, rank postponed in point and security to any other obligation or liabilities to other lending institutions or banks or creditors, unless expressly agreed or permitted by bank.
  - ✓ not to create or permit to subsist any mortgage, charge (whether floating or specific), pledge, lien or other security interest on any of your undertakings, properties or assets, without our prior consent in writing.



20. Declare the relationship, if any, of the directors of the firm with the directors of the bank and senior officers of the bank.
21. A stamped undertaking to be submitted in favour of the Bank to the following effect that during the currency of bank's credit facilities, the firm shall not, without bank's permission in writing :-
- ✓ formulate any scheme of amalgamation or merger or reconstruction.
  - ✓ implement any scheme of expansion or diversification or capital expenditure except normal replacements indicated in funds flow statement submitted to and approved by the Bank;
  - ✓ enter into any borrowing or non-borrowing arrangements either secured or unsecured with any other bank, financial institution, firm, firm or otherwise or accept deposits in excess of the limits laid down by Reserve Bank of India.
  - ✓ invest by way of share capital in or lent or advance funds to or place deposits with any other firm/firm/concern (including group companies/associates)/persons. Normal trade credit or security deposit in the normal course of business or advance to employees can, however be extended.
  - ✓ undertake guarantee obligations on behalf of any other firm/firm/person.
  - ✓ declare dividend for any year except out of profits relating to that year after meeting all the financial commitments to the bank and making all due and necessary provisions.
  - ✓ make any drastic change(s) in its management set -up.
  - ✓ approach capital market for mobilizing additional resources either in the form of Debts or equity.
  - ✓ sell or dispose off or create security or encumbrances on the assets charged to the bank in favour of any other bank, financial institution, firm, firm, individual.
  - ✓ repay monies brought in by the promoters, partners, directors, share holders, their relatives and friends in the business of the firm/firm by way of deposits/loans/share application money etc.
  - ✓ effect any adverse changes in company's capital structure.
  - ✓ To undertake any derivative transaction.
22. The firm to take prior approval from bank for opening any account with any other bank/other branch of our bank.
23. The Company is permitted to open/maintain C/D accounts (collection accounts) with branches of our bank for specified purposes subject to approval by us and submission of bank statements of these accounts to us every month/quarter for our perusal. Company will be required to close these accounts as and when required by bank.
- 

24. The Company to submit a stamped declaration cum undertaking to the effect that :-

- ✓ the Company or its directors/associate concerns of the company/company are not on ECGC Caution list/specific approval list, RBI's defaulters/caution list, COFEPOSA defaulters list or our bank's defaulters list, and that no director of the company is disqualified u/s 274 of the Companies Act.
- ✓ No legal case of any nature has been filed against the firm/its associates affecting the financial position substantially, and in case of any suit is/will be filed against the Company, the bank shall be kept informed;
- ✓ The Company shall not induct a person who is/was a director in a company, which has been identified as a "Wilful defaulter" by the Bank., RBI or any Bank/FI, on Company's Board, the Company shall take expeditious and effective steps for removal of such person/s from Company's Board.

25. The Bank shall be entitled to debit the amounts of all costs, charges and expenses to Company's account and such amounts shall stand secured by all securities given to or created in bank's favour in connection with the facilities. The Company shall indemnify and keep the bank fully and completely indemnified from time to time against the liabilities including all costs, charges and expenses stipulated herein whether debited to your account or not.

26. The Company shall not, except after prior written permission from us, make any alterations in its constitution, controlling ownership or any documents relating to its constitution or any other material change in your management or in the nature of your business or operations during the period of the subsistence of facilities.

27. The Company will pay a prepayment penalty charges of 1% of the amount paid beyond the normal prepayment proposed.

28. Any failure to exercise or delay in exercising any of our rights hereunder or under any other documents will not act as a waiver of that or any other right nor shall any single or partial exercise preclude any future exercise of that right.

29. So long as any monies are due to us from you under any of the facilities, we shall have a lien/charge for such amounts on all your credit balances, deposits, securities or other assets with, any of the branches of Bank of India or of its subsidiaries any where in the world and upon the happening of any of the events of default referred herein, we shall be entitled to exercise a right of set off between the amounts due and payable to us and the said credit balance, deposits, securities and other assets.

30. You shall not, except after prior written permission from us, make any alterations in your constitution, controlling ownership or any documents relating to


its constitution or any other material change in your management or in the nature of your business or operations during the period of the subsistence of facilities.

31. The Bank reserves the right to discontinue the credit facility granted without giving any prior notice in case of non-compliance and/or breach of any of the terms and conditions based on which the facilities have been sanctioned to you and /or if any information/particulars/documents furnished to you are found to be incorrect.

32. The Bank reserves the right to add, amend, alter, cancel and modify any of the terms and conditions stipulated herein above with or without any prior reference to you. Further, the Bank's general rules governing advances shall also apply. The Company to abide by such terms and conditions as the Bank may stipulate from time to time.

\*\*\*\*\*

कुते बैंक ऑफ इंडिया For Bank of India

  
मुख्य प्रबंधक Chief Manager  
चेन्नै कारपोरेट बैंकिंग शाखा, चेन्नै-600 002.  
Chennai Corporate Banking Branch, Ch-02.



कृषि बैंक ऑफ इंडिया BANK OF INDIA.

000598

मुख्य प्रबंधक General Manager.

Chennai Corporate Banking Branch,

चेन्नई - 600 002

### EXTENSION OF EQUITABLE MORTGAGE

Account : M/s Tarini International Ltd.

Sanction : GM, Southern Zones, dated

Limit - Bank of India : Rs. 28, 22, 00,000/-

Additional : Rs. 2, 90, 00,000/-

Total : Rs.31,12, 00,000/-

#### Extension of Equitable Mortgage:

Extension of equitable mortgage of the following properties belonging to M/s. Tarini International Limited, situated at E-236, East of Kailash, New Delhi 110 024, and in the Office of the Sub Registrar, Sub district V, New Delhi, admeasuring 200 sq. yards.

Mr.V.Chandrasekhar, Director of M/s. Tarini International Limited (hereinafter called "the guarantor company") called at the Bank today the 7<sup>th</sup> day of March 2009, pursuant to the resolution passed by the Board of Directors of the company on the 1<sup>st</sup> March, 2009 and orally assented to Bank of India, Chennai Corporate Banking Branch, continuing to hold the titles of the guarantor Company's properties as mentioned above as security not only for the original limit of Rs. 28,22,00,000/- granted to M/s. Tarni Infrasturcutre P Ltd. by the Bank but also for the increased limit of Rs.2,90,00,000/- granted by the Bank to M/s. Tarini Infrastructure P Limited and in all respects upon the terms set out in the Memorandum of Deposits under date 7<sup>th</sup> March, 2009 as fully and effectively to all intents and purposes as if the limit or advance therein mentioned was Rs.31,12,00,000/- and carried interest as above mentioned.

Relationship Manager

Chief Manager

Bank of India  
Chennai Corporate Banking Branch  
Date: 7<sup>th</sup> March 2009.

True Copy  
कृषि बैंक ऑफ इंडिया For Bank of India

मुख्य प्रबंधक Chief Manager  
चेन्नई कॉर्पोरेट बैंकिंग शाखा, चेन्नई-600 002

कृते बैंक ऑफ इंडिया BANK OF INDIA.

000599

उप महा प्रबंधक / General Manager.

Chennai Corporate Banking Branch,

7<sup>th</sup> March 2009

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Relationship Manager

Chief Manager

Bank of India  
Chennai Corporate Banking Branch  
Date: 7<sup>th</sup> March 2009.

True Copy  
कृते बैंक ऑफ इंडिया For Bank of India

मुख्य प्रबंधक Chief Manager  
चेन्नाई कॉर्पोरेट बैंकिंग शाखा, चेन्नाई-600 002.

000600

ANNEXURE-110



**Chennai Large Corporate Branch**

IV Floor, Tarapore Towers, 826, Anna Salai, Chennai – 600 002

Ph: 28521484, 28521185 - Fax: 28521912

e-mail: [Corpbanking.chennai@bankofindia.co.in](mailto:Corpbanking.chennai@bankofindia.co.in)

Ref No.CLCB/2013-14/26

Date: 14.05.2013

M/S Tarini Infrastructure Ltd,  
D-2, First Floor, Amar Colony, Lajpat Nagar-IV,  
New Delhi-110 024.

Fax:091-11-26477996

Dear Sirs,

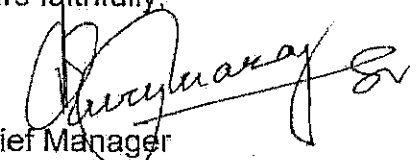
Ref: Your request for Credit Facility(ies)  
Sanction of Credit Facility(ies)

We invite reference to our sanction letter No.CCBB/RGR/ dated 13.04.2010, Ref No.CLCB/MD/ 522 dated 16.03.2013 and your request for enhancement and restructuring in credit facility(ies). We are pleased to offer you, the credit facility(ies) as per **Annexure – I** on the broad terms and conditions mentioned in **Annexure – I & II** of this letter. Notwithstanding anything to the contrary stated or suggested herein, the outstanding indebtedness, whether actual or contingent, under these facilities is subject to liquidation by you, on first demand by us.

This letter is issued in duplicate. Please **return duplicate** copy duly signed by an authorized signatory in token of having accepted the terms and conditions.




Yours faithfully,

  
Chief Manager

Encl : a/a

We agree and accept the terms and conditions  
as mentioned in Annexures I and II (pages 2 to 11 )

**For Tarini Infrastructure Ltd.**

  
Managing Director

Authorised Signatory

ANNEXURE - I**LIMITS SANCTIONED****A/C: Tarini Infrastructure Ltd****A) Limits Sanctioned:****(Rs. in crores)**

Limits	Existing	Proposed	Margin (%)	Rate of Interest/Commission
<b>Fund Based Limit:</b>				
Term Loan-I	23.59	22.20	43.90%	@2.75%% over base rate including tenor premium, presently 13.00% p.a.
Term Loan-II	3.50	3.25	--	
Term Loan-II	--	2.25	49.78%	
FITL	--	#7.65	--	@11% p.a fixed.
<b>Total FBL</b>	<b>27.09</b>	<b>35.35</b>	<b>--</b>	<b>--</b>
<b>Non Fund Based Limit:</b>				
NFBL L/C-DP- 90 days	--	(2.25)	--	As per extant guidelines.
One time SBLC/LC (foreign) for five years.	13.39 (Euro 2.038 Mio)	--	Nil	--
Max NFB	13.39	(2.25)	--	--
<b>Total Max.</b>	<b>40.48</b>	<b>35.35</b>	<b>--</b>	<b>--</b>

@ ROI will be reset annually.

# FITL : Funding of interest of TL I and TL II @13% p.a. fixed for the period January 2011 to March 2013

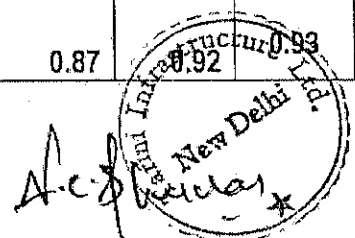
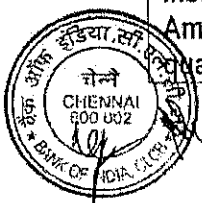
**B) Repayment Schedule of Term Loans:**

**Term Loan -I:** (Original limit Rs.23.59 crores) Repayable in total 96 monthly installments ie 95 monthly installments of Rs.24.57 Lakhs each and 96<sup>th</sup> installment of Rs.24.85 Lakhs commencing from June 2010. Door to door tenor is 123 months.

**Term Loan -I:(Proposed Limit under restructuring Rs.22.20 crores)** 32 structured unequal quarterly installments commencing from quarter ending June 2014 (last installment at March2022). Door to door tenor is 14.08 years from the date of first disbursement. Interest to be serviced monthly as and when applied from April 2013.

**(Rs. in crore)**

FY	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
%	2.36	9.74	11.67	12.65	14.62	15.60	16.58	16.58
Amount payable during the FY	0.52	2.16	2.59	2.81	3.25	3.46	3.68	3.73
Installment Amount per quarter	0.13	0.54	0.65	0.70	0.81	0.87	0.92	0.93



**Term Loan-II:** (Original limit Rs.3.50 crores) Repayable in 96 monthly installments of Rs.3.64 lakhs each commencing from June 2010. Door to door tenor is 113 months.

**Term Loan-II: (Proposed Limit under restructuring Rs.3.25 crores)** 32 structured unequal quarterly installments commencing from quarter ending June 2014 (last installment at March 2022). Door to door tenor is 13.25 years from the first date of disbursement. Interest to be serviced monthly as and when applied from April 2013.

(Rs. in crore)								
FY	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
%	2.36	9.74	11.67	12.65	14.62	15.60	16.58	16.58
Amount payable during the FY	0.077	0.317	0.379	0.411	0.475	0.507	0.539	0.545
Installment Amount per quarter	0.019	0.079	0.095	0.103	0.119	0.127	0.135	0.136

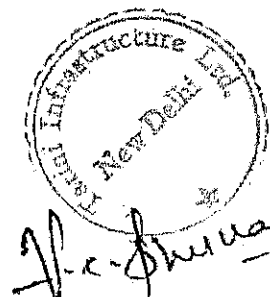
**Term Loan-III: (New Rs.2.25 crores)** 32 structured unequal quarterly installments commencing from quarter ending June 2014 (last installment at March 2022). Door to door tenor is 9 years from the date of first disbursement with one year moratorium. Interest to be serviced monthly as and when applied.

(Rs. in crores)								
FY	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
%	9.00	9.00	11.00	12.00	13.00	14.00	15.90	16.10
Amount payable during the FY	0.20	0.20	0.25	0.27	0.29	0.32	0.36	0.36
Installment Amount per quarter	0.05	0.05	0.0625	0.0675	0.0725	0.08	0.09	0.09

**FITL: (New Rs.7.65 crores)** Total limits for FITL arrived is Rs.7.65 crores out of the above company is to pay Rs.1.30 crores upfront and the balance of Rs.6.35 crores is proposed to be repaid as under;

(Rs. in crores)		
FY		Amount
2013-14	Quarterly installments of Rs.53 Lakhs each commencing from June '13	2.12
2014-15	Quarterly installments of Rs.53 Lakhs each	2.12
2015-16	Quarterly installments of Rs.52.75 Lakhs each	2.11
		6.35

MNRE subsidy as and when received should be appropriated towards the FITL quantum. The repayment will be adjusted in a inverse order of maturity, without prepayment penalty in the account.



**C) Security:**

Security	Particulars
Existing	
Principal	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. First charge on receivables from Gujarat State Electricity Board.
Collateral	Equitable mortgage of office property of the Group Company M/s. Tarini International Private Limited (Guarantor), at New Delhi measuring 220 square meters. Valuation by our Bank's approved valuer M/s.HCA technical services, Delhi dated 16 <sup>th</sup> March 2011.
Total	
<b>Additional Proposed</b>	
Collateral	Extension of EM of properties in the name of M/S Tarini International P Ltd (Guarantor) admeasuring 2.530 acre ,Must No.119,Kila No.13,14,17, Situated at village Dera Mandi,Hauz Khass,New Delhi. Valuation by our Bank's approved valuer M/s.HCA technical services, Delhi dated 29 <sup>th</sup> September 2010.

\*Property is presently mortgaged in personal loan account of Mr. V. Chandrasekhar and Ms. Anu Naidu with Mount Road Branch and proposed to be extended for additional limit of the company. **Extension of EM of properties to be completed before disbursement.**

**D) Continuation of personal guarantee and corporate guarantee for existing as well as proposed limit;**

Guarantors' name
Mr. V. Chandrasekhar
Mr. V. S. Suresh
Tarini International Pvt. Ltd.
Total

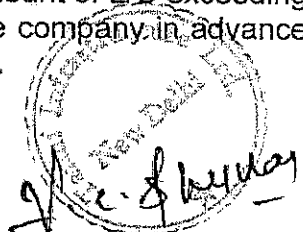
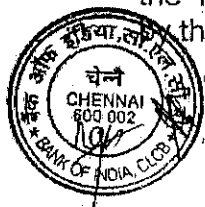
**Company to submit fresh CBD 23 before release of additional limits, duly supported with latest Balance Sheet as well as the CA Certificate of the company.**

**E) Processing Charges/TEV Charges:**

Processing charges	50% of Applicable charges + ST.
TEV Charges	Concessional charge of flat Rs. 1 Lakh + ST

**F) Letter of Credit (DP basis) Max 90 days:**

The new term loan is proposed to be disbursed by establishing an L/C in the first instance and payment to be made against the L/C after successful commissioning of the Unit II. Payment will be made direct to the equipment supplier. This will be a one time facility and the L/C will be paid by debiting the Term Loan. The amount of L/C exceeding the Term Loan amount of Rs.2.25 crores will be deposited by the company in advance the company, at the time of opening of L/C for the said purpose.



**G) Pre disbursement Conditions:**

1. Payment of processing/TEV charges upfront as mentioned above.
2. Fresh CBD 23, duly supported with latest balance sheet as well as CA certificate to be submitted by the company.
3. Company to execute a stamped declaration confirming the eligibility and availability of the MNRE subsidy to them.
4. Company to execute a stamped undertaking, for appropriation of the amount of the MNRE subsidy in the FITL account for accelerating the repayments in order to reduce the interest burden, if the same is received directly from MNRE.
5. Company to execute undertaking to deposit the entire compensation amount from GSEB into the loan accounts, in case the decision is arrived in favour of the company.
6. Company to execute undertaking to deposit the realization from sale of the carbon credit into the loan accounts.
7. Certification of additional project cost by Gujarat Government authorized Chartered Engineer.
8. Certification by a Chartered Accountant for the payment made or expenses incurred by the company for the additional project cost.
9. Company to perfect the ESCROW mechanism within 3 months time from the date of commercial operations of Unit II. Till that time company to execute an undertaking that they will deposit the cheque in the ESCROW account with the bank and draw only the predetermined amount towards operation and maintenance expenses.
10. Extension of EM of property proposed as additional security is to be completed before release of additional limits.
11. Due to the restructuring bank sacrifice arrived is Rs.2.98 crores. Promoters to bring in 15% of banks sacrifice, out of which 50% should be brought up front and balance amount to be brought within one year of implementation of the restructuring. Company should confirm the compliance vide Chartered Accountant certificate.
12. Credit process audit.

**H) Other Conditions:**

1. Company to submit fresh valuation report of the properties situated at New Delhi.
2. In case of increased cashflows out of the revenues or the compensation or sale of carbon credit, the company will be allowed to prepay the debt without prepayment penalty. In case of prepayment of the debt from any other source other than the above, the company shall pay prepayment penalty of 2% on the outstanding amount at the time of prepayment.
3. Company to perfect the ESCROW mechanism within 3 months time from the date of commercial operation of Unit II.
4. Right of recompense and Accelerated Payment: With improvement in cashflows of the company, the bank reserves the right of recompense for the concessions extended to the company. Upon receipt of compensation or higher tariff or any other revenue directly resulting from the company's operational revenues, any excess cashflow can be appropriate to the loan account without prepayment penalty.
5. Company to ensure that the amount over and above the LC amount be brought upfront from their own sources, at the time of crystallization.
6. Company to ensure that the forex exposure is hedged correctly along with the interest amount involved. The transactions should be strictly in accordance with RBI FEMA guidelines.



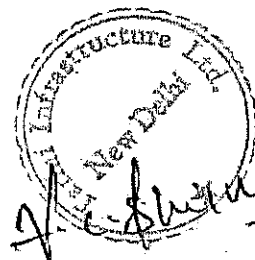
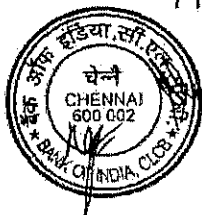
Infrastr. New Delhi  
H.C. Buttar

7. Company to obtain external rating before 30.06.2013 failing which penal at 1% will be charged for the delayed period.

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ANNEXURE – II**A/C: Tarini Infrastructure Ltd**OTHER TERMS, CONDITIONS & COVENANTS, ETC. APPLICABLE TO THE SANCTIONED FACILITY (IES):

1. Without prejudice to the demand nature of the advance(s), the / these credit facility(ies) will remain in force for a period of one year and is/are subject to annual review. Next review will fall due on or before 07.04.2014.
2. All the sanctioned/enhanced credit limits are to be utilized within a period of 6 months from the date of sanction (i.e. before 07.09.2013) failing which these facilities will lapse and any revalidation of the same will be considered at the sole discretion of the Bank.
3. The Company/Firm to execute necessary security documents/renewal documents for the sanctioned/enhanced limit(s) duly supported by Board Resolution and create and register stipulated charges with the authorities specified for the purpose within stipulated time limit before release of the sanctioned/enhanced limit(s).
4. The Company/Firm shall not pay any guarantee commission to the guarantor(s).
5. The release of credit facilities is also subject to vetting of security documents by the Bank's approved advocate and Bank's inter procedure of Credit Process Audit, if any. The charges for vetting of the documents by the Bank's advocate are payable by the Company/Firm.
6. The Company/Firm to display Bank's hypothecation plate/board at its Unit's business premises indicating that stocks/assets are hypothecated to the Banks.
7. All the assets charged/to be charged to the Consortium Bank to be kept fully insured at all times against all risks (FRSD, Burglary, comprehensive risks etc.) and original Insurance Cover Note/Policy in the name of the Bank account borrower Company/Firm with Bank's Hypothecation clause to be lodged with the Bank.
8. The Company/Firm to submit bills/receipts etc. as applicable to project expenditure. A certificate from the Bank's approved Chartered Accountant/Architect/Valuer towards expenses incurred on project/progress in implementation of the project. Any escalation in the project cost to be met by the Promoters/Company/Firm from their own sources.





9. The Company/Firm to submit a copy of the statutory permissions/clearances like "No Objection Certificate" from Pollution Control Board etc. and ensure for timely renewal of the same from time to time.
10. Inspection will be done on quarterly basis or as and when required by the bank. The Bank has the right of deputing its officials/person(s) (like qualified auditors or management consultants or technical experts) duly authorized by the Bank to inspect the unit, assets, books of accounts/records etc. from time to time. Also, the Bank may appoint, at its sole discretion, Stock / Concurrent Auditors, Valuers, Consultants for specific jobs relating to the Company's/Firm's activities the cost of which will be borne by the Company/Firm.
11. The bank reserves its right to charge the rate of interest based on the Base Rate and its changes from time to time. Monthly Interest to be recovered as and when applied.
12. Penal interest of 2% p.a. will be levied on the overdue amount for the period account remains overdrawn due to irregularities such as – non-payment of interest immediately on application, non-payment of instalments within one month of their falling due, reduction in drawing power/limit, excess borrowings due to over limit, devolvement of L/C, invocation of Guarantees etc. If the account continues to be overdrawn for a period of 90 days, the Bank may consider initiation of other action also as deemed fit by the Bank.
13. Any default in complying with terms of sanction within the stipulated time will attract penal interest of 2% p.a. from the date of expiry of such time.
14. Processing charges will be levied upfront. The annual processing charges will be levied on anniversary dates. Documentation charges of Rs.20,000/- and inspection charges @ Rs.5000/- per quarter/inspection are payable. Out of pocket expenses incurred towards title verification and valuation of property/assets, inspection/techno-economic appraisal of the project/unit will be recovered separately.
15. In case of default either in the payment of interest, the repayment of the principal amounts as and when due and payable or reimbursement of all costs, charges and the expenses when demanded, you shall pay additional interest at the rate of 2% above the interest rate for the facilities on the overdue interest, costs, charges or expenses and/or from the respective due dates for payment and/or repayment.
16. CMA data to be submitted at least one month before the annual due date of review. Any delay without specific approval from the Bank will attract penal rate @ 2% p.a. In case CMA data is not submitted for a continuous period of three months, the bank may take further action as deemed fit by the Bank.
17. The Company/Firm to ensure submission of Statement of Assets & Liabilities in Bank's format CBD – 23 (duly certified by a Chartered Accountant) along with copies of Income Tax and Wealth Tax returns/assessment orders of all the Promoter Directors and Guarantors every year.



18. The Company's/Firm's entire banking business (including merchant banking, Dividend and interest payments) should be routed through us / members of the consortium proportionate to the sharing of the working capital facilities.

19. The Company/Firm to declare/undertake to us:

a. to supply to us, audited financial statements of the Company/Firm within 6 months from closure of the financial year. Any delay in submitting these audited financial statements without the Bank's specific approval will attract penal interest @ 2% p.a.. In case these statements are not received by us for a continuous period of 3 months, the bank may take further action as deemed fit by the bank.

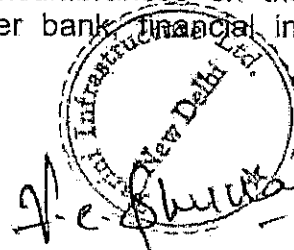
b. to provide to us promptly information (along with comments/explanations) about all material and adverse changes in your project/business, ownership, management, liquidity, financial position etc.

c. that any liabilities or obligations under the facilities shall not, at any time, rank postponed in point and security to any other obligation or liabilities to other lending institutions or banks or creditors, unless expressly agreed or permitted by bank.

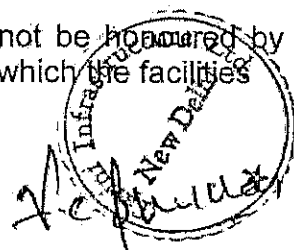
d. not to create or permit to subsist any mortgage, charge (whether floating or specific), pledge, lien or other security interest on any of your undertakings, properties or assets, without the Bank's prior consent in writing.

20. A stamped undertaking to be submitted in favour of the Bank to the following effect that during the currency of bank's credit facilities, the Company/Firm shall not, without the Bank's permission in writing:-

- i. effect any adverse changes in company's/firm's capital structure.
- ii. formulate any scheme of amalgamation or merger or reconstruction.
- iii. implement any scheme of expansion or diversification or capital expenditure except normal replacements indicated in funds flow statement submitted to and approved by the Bank.
- iv. enter into any borrowing or non-borrowing arrangements either secured or unsecured with any other bank, financial institution, company, firm or otherwise or accept deposits in excess of the limits laid down by Reserve Bank of India.
- v. invest by way of share capital in or lent or advance funds to or place deposits with any other Company/Firm/Concern (including group companies/associates)/persons. Normal trade credit or security deposits in the normal courses of business or advance to employees can, however, be extended
- vi. undertake guarantee obligations on behalf of any other Company/Firm/Person.
- vii. make any drastic change(s) in its management set-up.
- viii. approach capital market for mobilizing additional resources either in the form of debts or equity.
- ix. sell or dispose off or create security or encumbrances on the assets charged to the bank in favour of any other bank, financial institution, company, firm, individual.

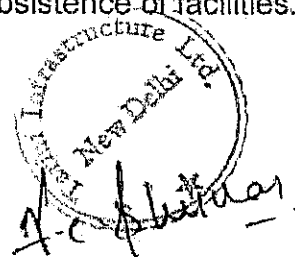


- x. repay monies brought in by the promoters, partners, directors, shareholders, their relatives and friends in the business of the Company/Firm by way of deposits/loans/share application money etc.
  - xi. use credit facilities for Capital Market exposure, Real Estate Business etc.,
21. The Company/Firm to declare the relationship, if any, of the directors of the company with the directors of the Bank and senior officers of the Bank.
22. The Bank reserves its right to appoint its nominee on the Company's Board of Directors – part time/full time to oversee the functioning of the Company/to look after the Bank's interest.
23. The Company/Firm to take prior approval from the Bank for opening any account with any other bank/other branch of our Bank.
24. The Company to submit a stamped declaration cum undertaking to the effect that:-
- a. the Company or its Directors / Promoters/guarantors/ associate concerns of the Company are not on ECGC Caution list / Specific Approval List, RBI's Defaulters/Caution list, COFEPOSA Defaulters List or our Bank's Defaulters List, and that no director of the company is disqualified u/s 274 of the Companies Act, 1956.
  - b. No legal case of any nature has been filed against the Company/its associates affecting the financial position substantially, and in case of any suit is/will be filed against the Company, the Bank shall be kept informed;
  - c. the Company shall not induct a person who is / was a director in a company, which has been identified as a 'Wilful Defaulter' by the Bank, RBI or any Bank/FI, on Company's Board and if such a person is found to be on the Company's Board, the company shall take expeditious and effective steps for removal of such person/s from Company's Board.
25. The credit facilities shall be utilised only for the purposes for which same are granted and said facilities shall not be 'diverted' or 'siphoned off' or used for any other purposes.
26. In case of default in the repayment of loans/advances/above said facilities or in the repayment of interest thereon or any of the instalment of loan as per stipulated terms, or in the event of diversion or siphoning off or utilising the said facilities for any other purpose other than for which it is granted, the Bank and/or the Reserve Bank of India (RBI) will have an unqualified right to disclose or publish the name of the company / firm or its directors / partners as defaulters in such manner and through such medium as the Bank or RBI or such other agency authorized by them, in their absolute discretion may think fit.
27. Please note that the cheques drawn by Company/Firm will not be honoured by Bank if in its view the payment is going towards a purpose for which the facilities



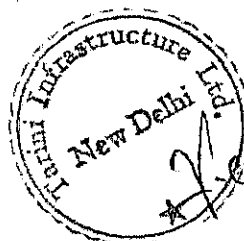
are not sanctioned. Further, please note that Bank will not allow cash withdrawals beyond **Rs.25,000/-** per cheque/per day if the cheques are presented without mentioning any reasons for such cash withdrawal.

28. The Bank assumes no obligation whatsoever to meet your further (fund based or non fund based requirements on account of growth in business or otherwise without proper revision and sanction of credit limits decided at the sole discretion of the bank. Further, if sanction terms are not complied with by you or if your account is classified as Non-performing Asset (NPA), then bank may not allow further withdrawals in the account.
29. a) Notwithstanding what is stated herein above, we shall at any time and from time to time, be entitled to notify you and charge interest/commission/charges at such notified rates and this letter shall be construed as if such revised rates were mentioned herein.
- b) You shall pay to or reimburse all costs, charges, expenses (including charges between the attorney or counsel and bank and those of our internal legal advisor/officer and other experts, consultants or professionals), disbursements, taxes, fees, stamp duties etc. whatsoever, incidental or to arising out of the facilities, their negotiation, the preparation, execution, registration and stamping of the documents relating thereto, the preservation or protection of our rights and interests of the enforcement or realization of any security or any demand or any attempted recovery of the amounts due from you.
30. We shall be entitled to debit the amounts of all costs, charges and expenses to your account and such amounts shall stand secured by all securities given to or created in our favour in connection with the facilities. You indemnify and keep us fully and completely indemnified from time to time against the liabilities including all costs, charges and expenses stipulated herein whether debited to your account or not.
31. Any failure to exercise or delay in exercising any of our rights hereunder or under any other documents will not act as a waiver of that or any other right not shall any single or partial exercise preclude any future exercise of that right.
32. So long as any monies are due to us from you under any of the facilities, we shall have a lien/charge for such amounts on all your credit balances, deposits, securities or other assets with, any of the branches of Bank of India or of its subsidiaries any where in the world and upon the happening of any of the events of default referred herein, we shall be entitled to exercise a right of set off between the amounts due and payable to us and the said credit balances, deposits, securities and other assets.
33. You shall not, except after prior written permission from us, make any alterations in your constitution, controlling ownership or any documents relating to its constitution or any other material change in your management or in the nature of your business or operations during the period of the subsistence of facilities.



34. The bank reserves the right to discontinue any/all the credit facilities granted without giving you any prior notice in case of non-compliance and/or breach of any of the terms and conditions based on which the facilities have been sanctioned to you and/of if any information/particulars/ documents furnished by you are found to be incorrect.
35. The Bank carries out the credit rating exercise every year when the facilities are reviewed. However, it reserves the right to carry out the credit rating exercise of the facilities at frequencies considered necessary and the rate of interest chargeable to the facilities would depend upon the rating obtained by the borrowing Company/Firm.
36. The Bank reserves the right to add, amend, alter, cancel and modify any of the terms and conditions stipulated herein above with or without any prior reference to you. Further, the bank's general rules governing advances shall also apply. The Company/Firm to abide by such terms and conditions as the Bank may stipulate from time to time.
37. Bank shall have the right to sell, transfer, assign or securitise the loan/advance sanctioned and disbursed to you.

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000611

ANNEXURE - P - 11

No. 7(151) 2010-SHP  
Government of India  
Ministry of New and Renewable Energy  
(SHP Division)

Telefax: 24368897

Block No. 14, CGO Complex  
Lodhi Road, New Delhi-110003  
Dated: 28<sup>th</sup> August, 2012

To,  
The Pay & Accounts Officer,  
Ministry of New and Renewable Energy  
New Delhi - 110 003

**Subject: Proposal for financial support for setting up of Daman Ganga (3.00 MW) SHP project in Valsad district, Gujarat submitted by M/s. Tarini Infrastructure Ltd., New Delhi.**

Sir,

With reference to the Application letter no. TIL/MNRE/Daman/005/2010 dated 5/6/2010 & 17/4/12 from M/s. Tarini Infrastructure Ltd., New Delhi, letter no. SCH/SLDC/F-26/T-370 dated 09/05/2012 from Gujarat Energy Transmission Corporation Ltd., Vadodara, AHEC's letter no. AHEC/C-631/677 dated 17/2/2012, letter no. CLCV/MSV:002 dated 16/4/2012 from Dy.GM. Bank of India, Chennai and in pursuance of this Ministry's scheme for financial support to set up new SHP projects upto 25MW capacity in the private, co-operative, joint sector, etc. circulated vide Ministry's letter no. 14(1)/2008-SHP dated 11/12/2009, I am directed to convey sanction of the President for the grant of eligible subsidy of ₹160.00 lakh (Rupees one crore sixty lakh only) for setting up of Daman Ganga (3.00 MW) SHP project in Valsad district, Gujarat submitted by M/s. Tarini Infrastructure Ltd., New Delhi for which the term loan has been sanctioned by the Bank of India, Chennai.

2. I am also directed to convey sanction of the President for the release of an amount of ₹160.00 lakh (Rupees one crore sixty lakh only) to the Bank of India, Chennai towards financial support for Daman Ganga (3.00 MW) SHP project in Valsad district, Gujarat submitted by M/s. Tarini Infrastructure Ltd., New Delhi. On receipt of the above subsidy amount, the Bank of India would reduce the loan provided to M/s. Tarini Infrastructure Ltd., New Delhi for setting up of above SHP project by equal amount as pre-payment of the loan.

3. The amount of ₹160.00 lakh (Rupees one crore sixty lakh only) will be drawn by the Drawing and Disbursing Officer of MNRE from the Pay & Accounts office of this Ministry and disbursed through RTGS as per details given below:

Name of the Account Holder	: M/s. Tarini Infrastructure Ltd., New Delhi.
Bank Name	: Bank of India,
Branch Office Address	: Chennai Large Corporate Branch, 4th Floor, Tarapore Towers, 826, Anna Salai, Chennai-600002
Account No.	: 801520110000060
MICR Code	: 600013008
IFSC Code	: BKID0008015

.....2/-

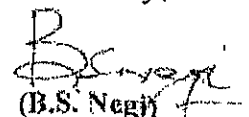
*[Handwritten Signature]*

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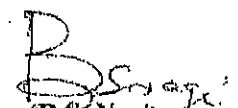
4. This amount is first and final release of subsidy on reimbursement basis and no previous UC is due since no amount has been released so far. The audited statement of expenditure has been received, therefore, the utilization certificate is not required against the release of above amount.
5. All the terms and conditions stipulated in administrative approval have been followed. The subsidy is being released to the Central Government PSU (Category 'F' as per PAO OM No. PAO/MNES/Sanction/2005-06 dated 11.7.2005).
6. The grantee organization is exempted from executing Bond as required under Government of India decision no. 5(a) under GFR-149. The accounts of grantee organization shall be open to inspection by the sanctioning authority and audit by C&AG and internal audit by the Principal Accounts Office of the Ministry, whenever organization is called upon to do so, in accordance with the provisions contained in Rule 211(1) of GFR, 2005.
7. The expenditure is debitable to the Head of Account: Demand No. 68-MNRE; '2810' (Major Head)-New and Renewable Energy; 00 (Sub-Major Head)-Others; 101 (Minor Head)-Grid Interactive and Distributed Renewable Power; 01(Sub-Head)-Grid Interactive Renewable Power; 01.02 - Hydro Power; 01.02.33-Subsidies-for the year 2012-13 (Plan).
8. This issue under the power delegated to this Ministry and with the concurrence of IFD, MNRE vide their Diary. No. IFD/656/12-13 dated 20/07/2012.
9. This sanction order has been noted at Sl. No. 27(page no. 215) in the Expenditure Control Register of SHP Division for the year 2012-13.

Yours faithfully,

  
(B.S. Negi)  
Scientist E

Copy to: -

- (i) Bank of India, Chennai Large Corporate Branch, 4th Floor, Tarapore Towers, 826, Anna Salai, Chennai-600002.
- (ii) M/s. Tarini Infrastructure Ltd., D-2, Amar Colony, Lajpat Nagar-IV, New Delhi-110024
- (iii) Principal Director, Office of the Comptroller and Auditor General of India, Scientific Departments, 9 Deen Dayal Upadhyaya Marg, New Delhi-110002.
- (iv) Adv (SHP)/Dir (SHP)/Dir (BKB)/US (IFD) MNRE, New Delhi.
- (v) Cash Section, MNRE, New Delhi (2 copies).
- (vi) Sanction Folder.

  
(B.S. Negi)  
Scientist E

000613

No. 7/152/2010-SHP  
Government of India  
Ministry of New and Renewable Energy  
(SHP Division)

Block No. 14, CGO Complex  
Lodhi Road, New Delhi - 110003  
Dated: 09/01/2017

To  
The Pay & Accounts Officer,  
Ministry of New and Renewable Energy  
New Delhi-110 003

**Subject: Proposal for sanction and release/ Reimbursement of eligible subsidy for setting up of Damanganga (2.6 MW) SHP project in Valsad district of Gujarat submitted by M/s. Tarini Infrastructure Ltd, New Delhi - reg.**

Sir,

With reference to letters No. TIL/MNRE/Daman/006/2010 dated 5/06/2010 & TIL/MNRE/DamanSHP II/018/2016 dated 08/06/2010 from M/s Tarini Infrastructure Ltd., New Delhi, MoU dated 27/08/2007 between Narmada Water Resources, Water Supply & Kalpasar department, Government of Gujarat and M/s Tarini Infrastructure Ltd, New Delhi, letter no.DPD 1/PB4/253 dated 3/2/2014, letter no. CCB8/RGR:1231 dated 28/1/2008 & CLCB/RR:16-17:71 dated 7/6/2018 from Bank of India, Chennai, letter no. AHEC/C-881/1351 dated June 1, 2016 from AHEC Roorkee and in pursuance of this Ministry's scheme for financial support to set up new SHP projects upto 25MW capacity in the private, co-operative, joint sector, etc. circulated vide Ministry's letter no.14/1/2008-SHP dated 11/12/2009 (Annexure - B of the scheme), I am directed to convey sanction of the President for the sanctioning of eligible subsidy of **Rs.1,52,00,000.00 (Rupees one crore fifty two lakh only)** for setting up of Damanganga (2.6 MW) SHP project in Valsad district of Gujarat submitted by M/s.Tarini Infrastructure Ltd, New Delhi.

2. Further, I am also directed to convey sanction of the President for the release/ reimbursement of sanctioned eligible subsidy of **Rs.1,52,00,000.00 (Rupees one crore fifty two lakh only)** during 2016-17 based on the submission of performance testing report from AHEC, IIT Roorkee, audited statement of expenditure and on submission of all requisite documents as envisaged in the SHP scheme circulated vide this Ministry's letter no.14 (1) 2008-SHP dated 11/12/2009 by M/s.Tarini Infrastructure Ltd, New Delhi. It is certified that NO unspent balance / UC pending with the project developer for this project. "NO" further UC is required from the developer for this release/ reimbursement amount under SHP programme. On receipt of the above subsidy amount Bank of India, Chennai would reduce the loan provided by them to M/s Tarni Infrastructure Ltd., New Delhi for setting up of Damanganga (2.6 MW) SHP project in Valsad district of Gujarat by equal amount as pre-payment of the loan.

3. The amount of **Rs.1,52,00,000.00 (Rupees one crore fifty two lakh only)** will be drawn by the Drawing and Disbursing Officer of MNRE from the Pay & Accounts office of this Ministry and disbursed through RTGS as per details given below:

Account Holder	TARINI INFRASTRUCTURE LIMITED
Bank Name	Bank of India.
Branch Office	Annasalai, Chennai
Bank Account No.	801520110000060
IFSC Code	BIID00008015
MICR Code	600013008




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-2-

4. The mandatory form for electronic clearing service (Credit clearing) / real time gross settlement (RTGS) facility for receiving payments as desired by PAO, MNRE is enclosed.
5. The sanction is further subject to (a) the general terms & conditions of the relevant scheme of SHP programme circulated vide letter no. 14(1)/2008-SHP dated 11/12/2009 (Annexure B). (b) the amount being utilized exclusively for the above SHP project and for works as approved by the Ministry. The Bank/ Developer may submit the UC for the release amount latest by 30/8/2015. The grant is being released to the Category 'F' organization (as per PAO OM No. PAO/MNES/Sanction/2005-06 dated 11.7.2005). The accounts of grantee organization shall be open to inspection by the sanctioning authority and audit by C&AG and internal audit by the Principal Accounts Office of the Ministry, whenever organization is called upon to do so, in accordance with the provisions contained in Rule 211(1) of GFR, 2005.
6. The expenditure is debit to the Head of Account: Demand No. 61-MNRE: '2810' (Major Head)-New and Renewable Energy; 00 (Sub-Major Head)-Others; 101 (Minor Head)-Grid Interactive and Distributed Renewable Power; 01(Sub-Head)-Grid Interactive Renewable Power; 01.02 - Hydro Power; 01.02.33-Subsidies-for the year 2016-17 (Plan). The fund will be released from NCEF.
7. With the release of above amount of Rs.152.00 lakh the total amount release on the project would be 152.00 lakh against the MNRE subsidy of 152.00 lakh for the project.
8. This issue under the power delegated to this Ministry and with the concurrence of IFD, MNRE vide their Diary. No.1516 dated 23/11/2016 and with the approval of Secretary, MNRE.
9. This sanction order has been noted at Sl. No.33 (page No.202) in the Expenditure Control Register of SHP Division for the year 2016-17.

Yours faithfully,

  
(Bhuwanesh Kumar Bhatt)  
Adviser/Scientist-'G'  
Telefax:011-24368901

Copy to: -

- (i) The Relationship Manager, Bank of India, Department of Banking Operations and Development,, 4<sup>th</sup> Floor, Tarapore Tower, 826, Annasalai, Chennai, Tamil Nadu-600002.
- (ii) M/s Tarini Infrastructure Ltd, D-2 Amar Colony, Lajpat Nagar-IV, New Delhi-24.
- (iii) Principal Director, Office of the Comptroller and Auditor General of India, Scientific Departments, 9 Deen Dayal Upadhyaya Marg, New Delhi-110002.
- (iv) PPS to Secretary, MNRE/ Adv (HRK)/ Sc'C' (SHP)/US (IFD)/ SHP Section, MNRE, New Delhi.
- (v) Cash Section, MNRE, New Delhi (2 copies).
- (vi) Sanction Folder.

  
(Bhuwanesh Kumar Bhatt)  
Adviser/Scientist-'G'

ANNEXURE-P-12

**TARINI INFRASTRUCTURE LTD.**  
D-2, AMAR COLONY, LAJPAT NAGAR-IV  
NEW DELHI



6/5

SIXTH ANNUAL REPORT

2009-2010

STATUTORY AUDITOR

**VCG & Co.**  
CHARTERED ACCOUNTANTS  
203, KUSAL BAZAR, 32-33,  
NEHRU PLACE, NEW DELHI-110019

# TARINI INFRASTRUCTURE LIMITED

Registered office: D-2, First Floor, Amar Colony, Lajpat Nagar-IV, New Delhi - 110024

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## **NOTICE:**

**NOTICE** is hereby given that the Extra Ordinary General Meeting of the Members of **TARINI INFRASTRUCTURE LIMITED** will be held on Friday, November 19, 2010 at 5.00 P.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 consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to provisions of Section 224(6) of the Companies Act, 1956 and other applicable provisions, if any, M/s. V.C.G. & CO., Chartered Accountants, New Delhi be and is hereby appointed as Statutory Auditors of the Company to fill up the casual vacancy caused by the verbal resignation of M/s. DINESH KUMAR GUPTA & ASSOCIATES, Chartered Accountant, New Delhi until the conclusion of the forthcoming Annual General Meeting of the Company at a remuneration to be fixed by the Board of Directors plus reimbursement of any out of pocket expenses that may be incurred, in connection with the audit."

**By Order of the Board**

Date: 18.11.2010

Place: New Delhi

*[Signature]*  
Director

## **NOTES** (forming part of the Notice):

1. Explanatory Statement pursuant to Section 173 (2) is enclosed herewith as part of Notice.
2. 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.
3. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting.

## **ANNEXURE TO NOTICE:**

**EXPLANATORY STATEMENT** pursuant to Section 173(2) of the Companies Act, 1956.

### **Item No. 1:**

M/s. DINESH KUMAR GUPTA & ASSOCIATES, Chartered Accountant, auditors of the Company since preoccupied in other assignments and was not able to conduct the statutory audit in spite of several requests and follow-ups and finally since has shown their unwillingness to continue to serve the Company as Statutory Auditors and resigned verbally from their office as Statutory Auditors of the Company in the evening on 18<sup>th</sup> November' 2010 and hence the casual vacancy has arisen. The Board of Directors in its urgent meeting through video conferencing has decided to appoint M/s. V.C.G. & CO., Chartered Accountant to act as Statutory Auditor of the Company to continue up to the conclusion at the ensuing Annual General Meeting.

Your Directors recommend the resolution to be passed as Ordinary Resolution.

None of the Directors are concerned or interested in the proposed resolution.

**By Order of the Board**

*[Signature]*  
Director

# **TARINI INFRASTRUCTURE LIMITED**

Registered office: D-2, First Floor, Amar Colony, Lajpat Nagar-IV, New Delhi - 110024

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**EXTRACT** of the Minutes of the Extra Ordinary General Meeting of the Members of **TARINI INFRASTRUCTURE LIMITED** held on Friday, November 19, 2010 at 5.00 P.M. at its Registered Office at D-2, First Floor, Amar Colony, Lajpat Nagar-IV, New Delhi - 110024:

**"RESOLVED THAT** pursuant to provisions of Section 224(6) of the Companies Act, 1956 and other applicable provisions, if any, M/s. V.C.G. & CO., Chartered Accountants, New Delhi be and is hereby appointed as Statutory Auditors of the Company to fill up the casual vacancy caused by the verbal resignation of M/s. DINESH KUMAR GUPTA & ASSOCIATES, Chartered Accountant, New Delhi until the conclusion of the forthcoming Annual General Meeting of the Company at a remuneration to be fixed by the Board of Directors plus reimbursement of any out of pocket expenses that may be incurred, in connection with the audit."

(Certified True Copy)  
For **TARINI INFRASTRUCTURE LIMITED**

*V.C.G. & CO.*

Director

# **TARINI INFRASTRUCTURE LIMITED**

Registered office: D-2, First Floor, Amar Colony, Lajpat Nagar-IV, New Delhi - 110024

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**EXPLANATORY STATEMENT** pursuant to Section 173(2) of the Companies Act, 1956.

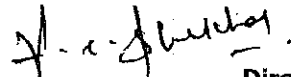
**Item No. 1:**

M/s. DINESH KUMAR GUPTA & ASSOCIATES, Chartered Accountant, auditors of the Company since preoccupied in other assignments and was not able to conduct the statutory audit in spite of several requests and follow-ups and finally since has shown their unwillingness to continue to serve the Company as Statutory Auditors and resigned verbally from their office as Statutory Auditors of the Company in the evening on 18<sup>th</sup> November 2010 and hence the casual vacancy has arisen. The Board of Directors in its urgent meeting through video conferencing has decided to appoint M/s. V.C.G. & CO., Chartered Accountant to act as Statutory Auditor of the Company to continue up to the conclusion at the ensuing Annual General Meeting.

Your Directors recommend the resolution to be passed as Ordinary Resolution.

None of the Directors are concerned or interested in the proposed resolution.

(Certified True Copy)  
For TARINI INFRASTRUCTURE LIMITED

  
Director

# TARINI INFRASTRUCTURE LIMITED

Registered office: D-2, First Floor, Amar Colony, Lajpat Nagar – IV, New Delhi - 110024

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## NOTICE:

**NOTICE** is hereby given that the Sixth Annual General Meeting of the Members of **TARINI INFRASTRUCTURE LIMITED** will be held on Tuesday, November 30, 2010 at 4.00 P.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 31<sup>st</sup> March' 2010 and the Balance Sheet as on that Date, together with the Report of the Board of Directors and Auditors thereon.
2. To appoint Director in place of Mrs. Anu Naidu who is retiring by rotation and being eligible, offers herself for re-election.
3. To appoint Director in place of Mr. Vellore Subramanian Saravanan who is retiring by rotation and being eligible, offers himself for re-election.
4. To appoint **M/s. V C G & CO.**, Chartered Accountants, New Delhi, the retiring Auditors, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.
5. To appoint **M/s BANSAL MANISH & CO.**, Company Secretaries, New Delhi as Secretarial Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

Date: 27.11.2010

Place: New Delhi

By Order of the Board

*H. C. Shukla*  
Director

## 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.

# TARINI INFRASTRUCTURE LIMITED

Registered office: D-2, First Floor, Amar Colony, Lajpat Nagar – IV, New Delhi - 110024

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## DIRECTORS' REPORT

Your Directors have pleasure in presenting their Sixth Annual Report and Audited Accounts for the year ended March 31st, 2010.

### **OPERATIONS & FUTURE PROSPECTS:**

During the year the company achieved the completion stage of its first small hydro project at Daman (Gujarat). Your Company spend Rs.13,808,651/- as preoperative expenses up to 31<sup>st</sup> March' 2010.

It is matter of immense pleasure that on 23<sup>rd</sup> July 2010, its first power generating plant has started with a high efficiency and accuracy leads your company's name to new horizon. Your Company has proved its technical and managerial expertise which will be evident in near future that the TARINI shall be a flagship name in Hydro Power Generation. Your Company is planning for Initial Public Offering in the forthcoming financial year and as on date of this report, your company has started generating revenues. Your power generating unit at Daman has been categorized one of the best plant in Hydro Engineering and that's the actual strength which we should cherish in our other projects.

The Company is now focusing towards other projects of its group/subsidiary companies as well as getting clearance and approval/signing of agreement for their future projects:

- i) The Company through its subsidiary abroad has signed Commission Agreement with Ministry of Natural Resources & Energy Department, Government of Lesotho for 70 MW Hydro Power Project for which survey and investigation has been carried out and the Detailed Project Report (DPR) is being analyzed for implementation;
- ii) The Company through its subsidiary abroad has also entered into an another concession agreement with Ministry of Natural Resources & Energy Department, Government of Lesotho for 15 MW Project named Quithing Hydro for which DPR prepared by University of Viena, Austria for implementation; and
- iii) A Memorandum of Understanding has been signed with Government of Gujarat under self identified scheme for small 4.5 MW Hydro Power project at Sabarmati for which DPR has been submitted for statutory clearances and approval. The Company is planning to take up the construction activities very soon after all approvals and clearances from government. Your Company is hopeful to start this project in 2011 with the target to complete the same by end of 2012.

It is evident from the growth path and recognition of the company at the world map that we are pioneer in Hydro with the expert technical know how for transmission lines and erection of electric sub-stations in India and abroad.

### **DIVIDEND:**

Due to no operations and profitability as on date of balance sheet, Your Directors didn't recommend any dividend for the financial year 2009-10.

### **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. Anu Naidu & Mr. Vellore Subramanian Saravanan retires 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, beside this there has been no change amongst the Board of Directors.

## STATUTORY AUDITORS:

The Company has, in its Extra Ordinary General Meeting held on 19<sup>th</sup> November' 2010, appointed **M/s. V C G & CO.,** Chartered Accountants as Statutory Auditor to conduct audit for the financial year 2009-10 to fill up the casual vacancy caused by the verbal resignation of Previous Auditors M/s DINESH KUMAR GUPTA & ASSOCIATES, Chartered Accountants, New Delhi who has shown their inability and unwillingness to conduct the audit for the financial year 2009-10 and resigned verbally on 18<sup>th</sup> November' 2010. The Company has taken appropriate steps to safeguard the interest and to come out from consequent jeopardy.

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

The Auditors of the Company **M/s. V C G & CO.,** Chartered Accountants, New Delhi, retire at the ensuing Annual General Meeting and have given their consent for re-appointment. A certificate under Section 224(1) of the Companies Act, 1956 regarding their eligibility for the proposed re-appointment has been obtained from them. Your Directors recommend their re-appointment.

## SECRETARIAL AUDITORS:

Towards the good gesture and strict adherence to the timely compliances and commitment for excellence, the Board of Directors of your Company appointed **M/S BANSAL MANISH & CO.,** Company Secretaries, New Delhi as Secretarial Auditors of the Company. They are on the job of taking the compliances and suggest & structure the Company for good corporate governance.

## CORPORATE GOVERNANCE & SOCIAL RESPONSIBILITY:

Your Company was basically in the business of erection of Electric transmission lines and substation with the consulting in hydro power projects. It gradually started dreaming to develop corporate culture with social responsibility towards global warming at its birth stage. The traditional power generation becoming a challenge to global warming and now every body has a concern towards the same and this is the starter point towards thinking of Hydro Projects means green energy or called renewal clean energy i.e. power without any pollution.

## PARTICULARS OF EMPLOYEES:

The Board of Directors wishes to express its appreciation to all the employees of the Company for their outstanding contribution to the operation of the Company. During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975 as amended by the Company's (Amendment) Act, 1988 and hence no particulars are required to be disclosed 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>2009-10</u>	<u>2008-09</u>
Foreign Exchange earning (Rs.) -	NIL	NIL
Foreign Exchange outgo (Rs.) -	NIL	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 31<sup>st</sup> March, 2010:

- (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 31<sup>st</sup> march, 2010 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.

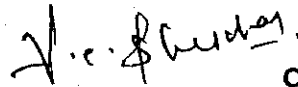
## **ACKNOWLEDGEMENT:**

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.

**For and on behalf of the Board of Directors**

**Date:** 27.11.2010

**Place:** New Delhi



**Chairman**

**VCG & Co.**  
Chartered Accountants



**000613**

**AUDITORS' REPORT**

**TO THE MEMBERS OF TARINI INFRASTRUCTURE LIMITED**

1. We have audited the attached Balance Sheet of TARINI INFRASTRUCTURE LIMITED as at March 31, 2010 and also the statement of expenditure during preoperative/construction period of the company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan & perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we annex hereto a statement for the year ended March 31, 2010 on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the annexure to in paragraph 3 above, we state 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 appears from our examination of these books;
  - c) the Balance Sheet and the statement of expenditure during preoperative/construction period dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the Balance Sheet and the statement of expenditure during preoperative/construction period dealt with by this report comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;



e) On the basis of the written representations received from the directors of the company and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956;

f) *Attention is invited to note 12 of Schedule 10 of Accounting Policies and Notes to Accounts, the company has changed the policy of charging depreciation on its fixed assets from Written Down Value method as prescribed in the Income tax Act, 1961 to Straight Line Method as prescribed in Companies Act, 1956 which resulted the depreciation write back amounting to Rs. 3.73 Lacs. Had the company been charged depreciation as per old policy, the preoperative expenditure of the company for the year 2009-10 would have lowered by Rs. 4.71 Lacs.*

g) Subject to Paragraph (f), in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;
- ii) in the case of the statement of expenditure during preoperative/construction period, of the expenditure incurred during the year ended on that date.

For V C G & Co.  
Chartered Accountants  
FRN: 021837N

(V. C. Gupta)  
M. No. 93908  
Partner



New Delhi, November 27, 2010

**VCG & Co.**  
Chartered Accountants

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(Annexure referred to in paragraph 3 of the Auditors' report to the Members of  
Tarini Infrastructure Limited on the financial statements for the year  
ended March 31, 2010)

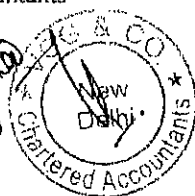
- 1 a) The Company is maintaining fixed assets records to show full particulars including quantitative details and situation of fixed assets.  
b) According to the explanations and information given to us, the fixed assets are periodically verified by the management  
c) In our opinion and according to the information and explanations given to us, a substantial part of the fixed assets has not been disposed off by the company during the year
- 2 a) As per information and explanations provided to us, the physical verification of inventory has been conducted at reasonable intervals by the management.  
b) According to the explanations and information given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
c) According to the explanations and information given to us, the company is maintaining proper records of inventory and no material discrepancy was found on physical verification of records.
- 3 a) According to the information and explanations given to us, the company has not granted any interest bearing loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Act, 1956.  
b) According to the information and explanations given to us, the company has taken Interest bearing 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. 328.72 Lacs was outstanding during the year from a person. The company has also 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. 111.90 Lacs was outstanding during the year from 5 persons. 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. 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 did not have internal audit during the year. However the company's internal control procedures together with the internal checks conducted by the staff of the Management during the year may be considered as an adequate internal audit system commensurate with the size and nature of its business. 000626
- 8 The Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
- 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 are no undisputed statutory dues as referred to above as of March 31, 2010 outstanding for the period of more than six months from the date they became payable.
- b) As on March 31, 2010 according to the information and explanations given to us, and records of the company, there are no undisputed 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, 2010. Further, the Company has not incurred any cash losses during the financial year ended March 31, 2010 and in the immediately preceding financial year.
- 11 According to the records of the company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks during the year.
- 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, 2010.

For V C G & Co.  
Chartered Accountants  
FRN: 021837M

(Vishal Gupta)  
M. No. 93908  
Partner



New Delhi, November 27, 2010

## BALANCE SHEET AS AT MARCH, 31 2010

	Schedule Reference	As at March 31, 2010 Amount (Rs.)	As at March 31, 2009 Amount (Rs.)
<b>SOURCES OF FUNDS</b>			
<b>Shareholders Funds :</b>			
Share Capital	1	186,162,570.00	99,444,330
Share Application Money		1,015,000.00	3,455,000
<b>Loan Fund :</b>	2		
Secured Loan		347,282,105.76	275,367,499
Unsecured Loan		51,261,353.15	15,484,221
		<u>585,721,029</u>	<u>393,751,050</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>	3		
Gross block		1,603,788.00	2,693,373
Less : Accumulated depreciation		327,615.00	394,571
Net block		1,276,173.00	2,298,802
Add: Capital work in progress	4	456,674,178.48	367,234,996
		457,950,351.48	369,533,798
Add: Pre-operative Expenditure pending allocation	5	116,105,698.95	52,785,650
		<u>574,056,050.43</u>	<u>422,319,448</u>
<b>Investment (Unquoted at cost)</b>		7,000.00	7,000.00
<b>Current Assets, Loans &amp; Advances</b>			
Inventories		1,166,943.73	1,680,024
Cash & Bank balances	6	930,346.62	1,737,325
Loans & Advances	7	49,624,758.15	40,041,627
		<u>51,722,048.50</u>	<u>43,458,976</u>
<b>Less : Current Liabilities &amp; Provisions</b>			
Current Liabilities	8	41,517,670.02	72,657,974
		<u>41,517,670.02</u>	<u>72,657,974</u>
<b>Net Current Assets</b>		10,204,378.48	(29,198,998)
<b>Miscellaneous Expenditure</b>	9	1,453,600.00	623,600
		<u>585,721,029</u>	<u>393,751,050</u>
<b>Significant Accounting Policies &amp; Notes to the Accounts</b>	10		

The Schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date attached,

For VCG & Co.  
Chartered Accountants  
Firm Registration No. 021837N

(Vishal Gupta)  
Partner  
Membership No. 093908

New Delhi  
Date: November 27, 2010



For and on behalf of the Board

*[Signature]*

Managing Director

Director

*[Signature]*  
Company Secretary

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**TARINI INFRASTRUCTURE LIMITED**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

Particulars	As at March 31, 2010 Amount (Rs.)	As at March 31, 2009 Amount (Rs.)
<b>SCHEDULE - 1</b>		
<b>SHARE CAPITAL</b>		
Authorised : 2,50,00,000 Equity Shares of Rs. 10/- each (Previous year 1,00,00,000 Equity Shares of Rs. 10/- each)	250,000,000	100,000,000
Issued, subscribed & paid up Capital: Equity shares of Rs. each fully paid up (Previous year Equity shares of Rs. Each)	186,162,570	99,444,330
Share Application Money	1,015,000 187,177,570	3,455,000 102,899,330
<b>SCHEDULE - 2</b>		
<b>SECURED</b>		
Term loan - I from Bank of India	175,374,370	175,249,847
Term Loan - II from Bank of India	35,954,428	35,511,464
(Secured by way of hypothecation of Plant & machinery, leased hold land, stocks, Book debts and Equitable mortgage of office property at E-236, East of Kailash, New Delhi)		
Custom Demand Loan - I from Bank of India	11,028,511	6,801,134
Custom Demand Loan - II from Bank of India	33,583,114	
(Secured by way of hypothecation of Plant & machinery, stocks, Book debts and Equitable mortgage of office property at E-236, East of Kailash, New Delhi)		
Buyer's Credit (Jersy)	52,295,396	29,585,520
Buyer's Credit (Paris)	39,046,287	28,219,534
	347,282,106	275,367,499
<b>Unsecured Loans</b>		
From Directors	9,722,518	8,659,077
From Others	41,538,835	6,825,144
	51,261,353	15,484,221



*Handwritten signatures and initials:*  
 T. S. & Co. & Co.  
 [Signature]  
 [Signature]

629000

TARINI INFRASTRUCTURE LIMITED  
Schedule to the Accounts

Schedule 3 : Fixed Assets

	Gross block (at cost)			Accumulated Depreciation					Net block		Amount in Rs.
	As at April 1, 2009	Additions	Deductions	As at March 31, 2010	As at April 1, 2009	Adjustment	For the year	Deductions	As at March 31, 2010	As at March 31, 2010	
Furniture & Fixtures	93,602	35,030	-	128,632	30,803	(10,930)	7,378	-	27,251	101,381	62,799
Plant & machinery	1,957,991	25,530	1,312,375	671,146	55,501	(47,093)	30,959	-	39,367	631,779	1,902,490
Office equipment	29,120	-	-	29,120	13,919	(9,058)	1,383	-	6,244	22,876	15,201
Computers	609,628	10,600	-	620,228	397,762	(282,733)	99,584	-	214,613	405,615	211,866
Vehicles	154,662	-	-	154,662	48,216	(22,770)	14,694	-	40,140	114,522	106,446
Total	2,845,003	71,160	1,312,375	1,603,788	546,201	(372,594)	153,998	-	327,615	1,276,173	2,298,802
Previous year				2,693,373					394,571	2,298,802	



V. G. Gupta

Am

Signature



SCHEDULE - 4

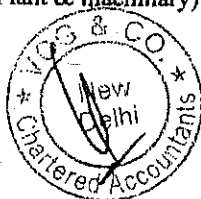
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CAPITAL WORK IN PROGRESS

Detailed engineering construction drawing		3,595,520	3,595,520
Civil designing & Execution expenditure		83,431,416	65,753,982
Hydro Mechanical expenditure		50,202,745	256,280,801
Roads & civil construction work in progress	4	13,084,436	13,084,436
Electro mechanical/transmission expenditure (Plant & machinery)	4	306,360,062	28,520,257

456,674,178

367,234,996



*Handwritten signatures and initials.*

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## TARINI INFRASTRUCTURE LIMITED

## SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

Particulars	As at	As at
	March 31, 2010	March 31, 2009
	Amount (Rs.)	Amount (Rs.)
<b>SCHEDULE - 5</b>		
<b>PRE-OPERATIVE EXPENDITURE PENDING ALLOCATION</b>		
Printing stationery	89,128	172,307
Salaries, wages & benefits	17,878,214	12,890,944
Power & Fuel	994,446	900,571
Travelling & conveyance	1,783,100	2,320,061
Telephone & Internet	354,794	347,454
Repair & maintenance	242,397	12,535
Vehicle maintenance	230,492	301,790
Insurance	921,882	816,488
Rent / Lease rent	221,225	225,045
Audit fee	165,450	165,450
Fee & Taxes	87,184	2,500
Security Guard expenses	-	248,682
Finance charges	39,758,719	21,077,788
Business promotion	6,057	300,486
Depreciation	153,998	394,571
Depreciation written back	(372,584)	-
Loss on sale of Bulldozer	387,375	-
Fringe benefit tax	-	132,500
Testing and inspection charges	289,291	39,080
Legal & Professional expenses	102,875	77,710
Miscellaneous expenses	577,631	217,804
	<u>63,871,675</u>	<u>40,643,765</u>
Less: Interest received on FDR	551,626	285,033
	<u>63,320,049</u>	<u>40,358,731</u>
Add: Brought forward from previous year	52,785,650	12,426,918
	<u>116,105,699</u>	<u>52,785,650</u>

Significant Accounting Policies &amp; Notes to the Accounts


10

As per our report of even date attached,

For VCG &amp; Co.

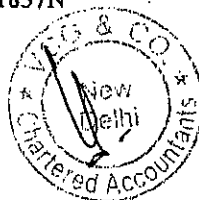
Chartered Accountants

Firm Registration No. 021837N



Partner

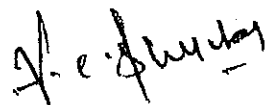
Membership No. 093908



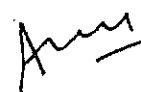
New Delhi

Date: November 27, 2010

For and on behalf of the Board



Managing Director



Director



Company Secretary

000632

**TARINI INFRASTRUCTURE LIMITED**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**SCHEDULES TO FINANCIAL STATEMENTS**

Particulars	As at March 31, 2010	As at March 31, 2009
	Amount (Rs.)	Amount (Rs.)
<b>SCHEDULE - 6</b>		
<b>CASH &amp; BANK BALANCES</b>		
Cash in hand (as certified by the management)	12,913	11,479
Balance with scheduled banks		
-In Current Account	618,322	1,447,019
-In Deposit Account	299,111	278,826
	<u>930,347</u>	<u>1,737,325</u>
<b>SCHEDULE - 7</b>		
<b>LOANS &amp; ADVANCES RECOVERABLE IN CASH OR KIND</b>		
Advances recoverable in cash or in kind or for value to be received	11,916,893	12,989,491
Tds receivable	105,503	75,414
Duty drawback receivable from JDGFT	-	18,902,772
Custom Duty Refund	33,472,149	-
Excise duty refund	3,016,713	3,899,122
Deposits - others	1,113,500	4,174,828
	<u>49,624,758</u>	<u>40,041,627</u>
<b>SCHEDULE - 8</b>		
<b>CURRENT LIABILITIES</b>		
Sundry creditors	41,517,670	72,657,974
Other liabilities		
	<u>41,517,670</u>	<u>72,657,974</u>
<b>Schedule 9 : Miscellaneous expenditure</b>		
Preliminary Expenses	33,600	33,600
Increase in authorised capital expenditure	1,420,000	590,000
	<u>1,453,600</u>	<u>623,600</u>



SCHEDULE - 10

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS

- 1 The accounts of the company have been prepared on the concept of going concern and on accrual basis.
- 2 **Fixed-Assets** : Fixed assets are stated at cost less accumulated depreciation. The cost of an assets comprise of purchase price and directly attributable cost of bringing the asset to its present condition for intended use.
- 3 **Depreciation** : Depreciation on Fixed Assets put to use has been provided on Straight Line Method at the rate in the manner prescribed under Schedule XIV of Companies Act, 1956.
- 4 **Deferred expenditure** : Deferred revenue expenditure shall be amortised over a period of ten years after commencement of commercial production
- 5 As there has been no operational activities, the company has prepared the statement of expenditure during preoperative / construction period in lieu of of profit and loss account. The necessary details as per part II of Schedule VI to the Companies Act, 1956 have been disclosed in the said statement.
- 6 No provision for payment of Gratuity has been made as the management has decided to account for Gratuity, as and when paid.
- 7 During the year the company has changed the policy of depreciation on the fixed asset on the basis of rates prescribed under Schedule XIV of Companies Act on Straight Line Method, which resulted the depreciation write back amounting to Rs. 372,584/- and adjusted with preoperative expenditure pending for allocation.
- 8 Auditor's remuneration - Rs. 165450/- (Previous year - Rs. 165450/-)
- 9 a) Based on information available with the Company as on March 31, 2010, there is no dues to Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.  
  
b) Based on information available with the Cimpany, there are no dues to Small Scale Industrial Undertakings as defined in the Small Scale and Ancillary Industrial undertakings Act, 1993 as at March 31, 2010

10 Related Party disclosure

Key Management Personnel - V. Chandrashekhar Naidu - Director, Anu Naidu - Director, V S Suresh - Director

Enterprises over which directors exercise significant influence / control

M/s Tarini International Private Limited,  
M/s Tarini Hydro Power Lesotho Limited  
M/s Real-Value Promoters Private Limited



*[Handwritten signatures]*

Transactions with Key Management personnel and the balance payable/receivable

- 000634

**Unsecured Loan**

- M/s Tarini International Private Limited - Rs.3,28,71,704/- (Previous year Rs.65,80,144/-)
- Mr. V Chandrashekhar - Rs.8,66,807/- (Previous year Rs. 60,22,457/-)
- Mr. V S Suresh - Rs.32,00,015/- (Previous year Rs. 25,91,620/-)

**Investment**

- M/s Tarini Hydro Power Lesotho Limited - Rs. 7,000/- (Previous year Rs. 7,000/-)

**Current account**

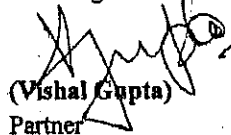
- M/s Real Value Promoters Private Limited - Rs.56,56,638/- (Previous year Rs.942/-)

- 11 In the opinion of the board, the current assets, loans and advances have a value on realisation in the ordinary course of business, at least equal to the amount shown in the balance sheet.
- 12 During the year the company has changed the policy of depreciation on the fixed asset on the basis of rates prescribed under Schedule XIV of Companies Act on Straight Line Method, which resulted the depreciation write back amounting to Rs. 3,72,584/-
- 13 Claims by/against the company arising on any account are provided in the account on receipt/acceptance.
- 14 Corresponding figures for the previous year have been regrouped/rearranged, wherever necessary to conform to current year classification.

For V C G & Co.

Chartered Accountants

Firm Registration No. 021837N

  
(Vishal Gupta)  
Partner

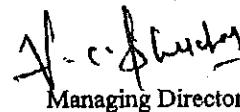

Membership No. 093908



New Delhi

Date: November 27, 2010

For and on behalf of the Board

   
Managing Director      Director

Company Secretary

• 000635

TARINI INFRASTRUCTURE LTD.  
D-2, AMAR COLONY, LAJPAT NAGAR-IV  
NEW DELHI

SEVENTH ANNUAL REPORT

2010-2011

STATUTORY AUDITOR

**VCG & CO.**  
CHARTERED ACCOUNTANTS  
203, KUSAL BAZAR, 32-33,  
NEHRU PLACE, NEW DELHI-110019

000636

## **TARINI INFRASTRUCTURE LIMITED**

Registered office: D-2, First Floor, Amar Colony, Lajpat Nagar – IV, New Delhi - 110024

**NOTICE** is hereby given that the Seventh Annual General Meeting of the Members of **TARINI INFRASTRUCTURE LIMITED** will be held on Friday, September 30, 2011 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 31<sup>st</sup> March' 2011 and the Balance Sheet as on that Date, together with the Report of the Board of Directors and Auditors thereon.
2. To appoint Director in place of Mr. Vellore Subramanian Suresh who is retiring by rotation and being eligible, offers himself to be re-appointed.
3. To appoint **M/s. V C G & CO.**, Chartered Accountants, New Delhi, the retiring Auditors, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

### **SPECIAL BUSINESS:**

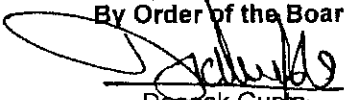
1. **To Consider and if thought fit, to pass, with or without modifications(s), the following resolution as an ordinary resolution:**

**"RESOLVED** that Mr. Tarun kumar Jayantilal Barot who was appointed as Additional Director by the Board pursuant to the Article of Association of the company and who hold office until the conclusion of this Annual General Meeting be and is hereby appointed as Director of the Company."

Date: 01.09.2011

Place: New Delhi

By Order of the Board

  
Deepak Gupta  
(Company Secretary)

### **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.

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS  
PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**

**ITEM NO. 1.**

With a View to strengthen the Board of Directors of the Company, Mr. Tarun kumar Jayantilal Barot was appointed as an Additional Director of the company by the Board pursuant to the Article of Association of the Company and who holds office until the conclusion of this Annual General Meeting. Mr. Tarun kumar Jayantilal Barot is a qualified and experienced person and the company will be benefited with his experience and accordingly approval of the shareholders is sought of his appointment.

Mr. Tarun kumar Jayantilal Barot is deemed to be concerned or interested in the resolution as it pertains to his appointment.



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**TARINI INFRASTRUCTURE LIMITED**

Registered office: D-2, First Floor, Amar Colony, Lajpat Nagar – IV, New Delhi - 110024

**DIRECTORS' REPORT**

Your Directors have pleasure in presenting their Seventh Annual Report and Audited Accounts for the year ended March 31st, 2011.

**OPERATIONS & FUTURE PROSPECTS:**

During the year the company has achieved the Turnover of Rs. 5,45,75,338/- from the sale of electricity to GUVNL from its 3 MW Damanganga Small Hydro Project I in Gujarat. We have pleasure to announce that the Plant is running full capacity and is expected to exceed the targeted annual generation by end of its first year of commissioning in August 2011 shortly.

The company envisages a fruitful year ahead as the 2.65 MW Daman Ganga Small Hydro Power Project II shall also be commissioned by end of December 2011 earning valuable additional revenue of approx. 55 / 60 Lakhs per month by the sale of electricity to the Gujarat Urja Vikas Nigam (GUVNL), Govt. of Gujarat. The additional revenue will be utilized for future growth and remedies of your company.

The Company is poised to further expand and strengthen its hydro business avenues in Gujarat by way of taking up implementation of 4.5 MW Sabarmati HEP in Gujarat by beginning of year 2012 (Subject to statutory clearances). The Memorandum of Understanding (MOU) has already been signed for this prestigious project with the Govt. of Gujarat and the Detailed Project Report (DPR) has been compiled and submitted to the concerned Govt. Dept. for approval.

On the Transmission & Distribution (T&D) front, the company, has been successfully in joining hands with world renowned Isolux Group (Spain) execution of major T&D Projects in Mozambique and Tanzania. The projects are in final negotiation stage and shall be taken up by the company in phased manner from October 2011 onwards.

Your company is planning to bid through international competitive bidding for Sardar Sarovar Narmada Nigam limited Government of Gujarat projects for about 42 MW capacity under DBFOT basis. The company is hopeful to bag some of the projects in the SSNL main canal region under the said bidding if successful.

**DIVIDEND:**

Your Directors didn't recommend any dividend for the financial year 2010-11.

**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, Mr. Vellore Subramanian Suresh retires 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, beside this there has been no change amongst the Board of Directors.

*V. S. Suresh*

## CORPORATE GOVERNANCE & SOCIAL RESPONSIBILITY:

Your Company was 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 Damam 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:

The Board of Directors wishes to express its appreciation to all the employees of the Company for their outstanding contribution to the operation of the Company. During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975 as amended by the Company's (Amendment) Act, 1988 and hence no particulars are required to be disclosed 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>2010-11</u>	<u>2009-10</u>
Foreign Exchange earning (Rs.) -	NIL	NIL
Foreign Exchange outgo (Rs.) -	NIL	Euro- 520,468.77

## 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 31<sup>st</sup> March, 2011:

- (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 31<sup>st</sup> march, 2011 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.

*H. R. Phule*

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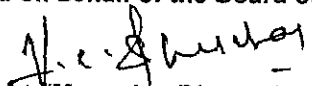
**ACKNOWLEDGEMENT:**

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.

For and on behalf of the Board of Directors

Date: 01.09.2011

Place: New Delhi

  
(Managing Director)

AUDITORS' REPORT

TO THE MEMBERS OF TARINI INFRASTRUCTURE LIMITED

1. We have audited the attached Balance Sheet of TARINI INFRASTRUCTURE LIMITED as at March 31, 2011 and also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan & perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we annex hereto a statement for the year ended March 31, 2011 on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the annexure to in paragraph 3 above, we state 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 appears from our examination of these books;
  - c) the Balance Sheet, Profit & Loss Account and Cash Flow Statement referred to in this report, are in agreement with the books of account;
  - d) in our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement referred to in this report comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;



- e) on the basis of the written representations received from the directors of the company and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956;
- f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with significant accounting policies and notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
  - ii) in the case of the Profit and Loss Account, of the profit of the company for the year ended March 31, 2011.
  - iii) in the case of Cash Flow Statement of the cash flows of the company for the year ended March 31, 2011.

For V C G & Co.  
Chartered Accountants  
FRN: 021837N

(V. C. Gupta)  
M. No. 93908  
Partner



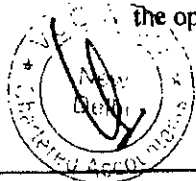
New Delhi, September 1, 2011

**VCG & Co.**  
Chartered Accountants

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(Annexure referred to in paragraph 3 of the Auditors' report to the Members of  
Tarini Infrastructure Limited on the financial statements for the year ended March 31, 2011)

- 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, a substantial part of the fixed assets has not 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 not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Act, 1956.  
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. 160.11 Lacs was outstanding at the year end from 3 persons (Maximum amount during the year Rs.495.02 Lacs from 4 persons). 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 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.



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- 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 are undisputed statutory dues of income tax amounting to Rs. 1.22 Lakhs of March 31, 2011 outstanding for the period of more than six months from the date they became payable.
- b) As on March 31, 2011 according to the information and explanations given to us, and records of the company, there are no undisputed 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, 2011. Further, the Company has not incurred any cash losses during the financial year ended March 31, 2011 and in the immediately preceding financial year.
- 11 According to the records of the company examined by us and the information and explanations given to us, the Company has defaulted in repayment of dues to financial institutions and banks during the year. The dues comprising principal and interest amounting to Rs. 320.82 Lacs became due and unpaid for 3 months as at March 31, 2011
- 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, 2011.

For V C G & Co.  
Chartered Accountants  
FRN: 021837N

(Vishal Gupta)  
M. No. 93908  
Partner



New Delhi, September 1, 2011

Tarini Infrastructure limited

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

	Year ended March 31, 2011 Rs.(Lacs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>	
Net profit/(loss) before tax	285,122
Adjustments for:	
Interest expense	35,001,964
Interest income	(957,798)
<b>Operating profit/(loss) before working capital changes</b>	<b>34,329,289</b>
Adjustments for change in :	
Trade and other receivables	27,878,350
Inventories	1,166,944
Trade payables	(2,481,705)
Cash generated from operations	60,892,877
<b>Net cash (used) / from operating activities</b>	<b>60,892,877</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>	
Purchase of fixed assets	(74,930,135)
Interest received	957,798
<b>Net cash used in investing activities</b>	<b>(73,972,337)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>	
Proceeds from right issue (including share premium, net of issue expenses)	93,801,430
Proceeds from long term borrowings (net of FCCB issue expenses)	(31,362,169)
Repayment of long term borrowings <i>(Principal)</i>	(11,028,511)
Interest paid	(35,001,964)
<b>Net cash from financing activities</b>	<b>16,408,785</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3,329,325</b>
Cash and cash equivalents (opening balance)	
Cash and bank balances	930,347
Cash and cash equivalents (closing balance)	
Cash and bank balances	4,259,672
<b>Total</b>	<b>3,329,325</b>

Per our report attached to the balance sheet

For V C G &amp; Co.

Chartered Accountants

Firm Registration No. 021837N

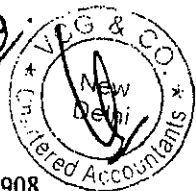
(Vishal Gupta)

Partner

Membership No. 093908

Date: September 1, 2011

Place: New Delhi

V.Chandrashekhar  
Managing DirectorV.Anu Naidu  
DirectorDeepak Gupta  
Company Secretary



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**TARINI INFRASTRUCTURE LIMITED**  
**BALANCE SHEET AS AT MARCH, 31 2011**

	Schedule no.	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
<b>SOURCES OF FUNDS</b>			
<b>Shareholders Funds :</b>			
Share capital	1	259,900,000	186,162,570
Reserves & surplus	2	257,521	-
Share application money		21,079,000	1,015,000
<b>Loan Fund :</b>			
Secured Loan	3	312,260,418	347,282,106
Unsecured Loan	4	19,499,401	51,261,353
		<u>612,996,341</u>	<u>585,721,029</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross block	5	369,598,272	1,603,788
Less : Accumulated depreciation		17,661,114	327,615
Net block		351,937,158	1,276,173
Add: Capital work in progress	6	188,345,760	456,674,179
		540,282,918	457,950,352
Add: Pre-operative Expenditure pending allocation	7	64,795,754	116,105,699
		<u>605,078,673</u>	<u>574,056,050</u>
<b>Investment (Unquoted at cost)</b>	8	17,396,000	7,000
<b>Current Assets, Loans &amp; Advances</b>			
Inventories		-	1,166,944
Cash & bank balances	9	4,259,672	930,347
Sundry debtors	10	3,826,367	-
Loans & advances	11	19,909,197	49,624,758
		<u>27,995,236</u>	<u>51,722,048</u>
<b>Less : Current Liabilities &amp; Provisions</b>			
Current Liabilities	12	39,030,848	41,517,669
		39,030,848	41,517,669
<b>Net Current Assets</b>		<u>(11,035,612)</u>	<u>10,204,379</u>
<b>Miscellaneous Expenditure</b>	13	1,557,280	1,453,600
		<u>612,996,341</u>	<u>585,721,029</u>

Significant Accounting Policies & Notes to the Accounts'

19

The Schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date attached,

For VCG & Co.

Chartered Accountants

Firm Registration No. 021837N

(Vishal Gupta)

Partner

Membership No. 093908

Date: September 1, 2011

For and on behalf of the Board

V.Chandrashekhar  
Managing Director

V.Anu Naidu  
Director

Deepak Gupta  
Company Secretary

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TARINI

## TARINI INFRASTRUCTURE LIMITED

## PROFIT &amp; LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

Schedule no.		Year Ended March 31, 2011	Year Ended March 31, 2010
		(Amount in Rs.)	(Amount in Rs.)
<b>INCOME :</b>			
Sale of Electrical Energy		55,004,515	
Less: Discount on Prompt payment		(405,843)	
Less: Unscheduled interchange charges		(23,334)	
Turnover(net)		54,575,338	
Other Income	14	26,740	-
<b>TOTAL</b>		<b>54,602,078</b>	<b>-</b>
<b>EXPENDITURE :</b>			
Personnel Expenses	15	6,025,890	-
Operation & Maintenance Expenses	16	5,351,014	-
Administration Expenses	17	8,913,370	-
Finance Charges	18	16,720,783	-
Depreciation		17,333,499	-
<b>TOTAL</b>		<b>54,344,556</b>	<b>-</b>
<b>PROFIT BEFORE TAX</b>		<b>257,522</b>	<b>-</b>
Provision For Tax			
Current Tax (MAT)		47,745	
Less: Credit Entitlement for MAT		(47,745)	
<b>PROFIT AFTER TAX</b>		<b>257,521</b>	<b>-</b>
Balance brought forward from previous year		-	-
Balance carried to Balance sheet		<b>257,521</b>	<b>-</b>
Basic and Diluted Earning per share (EPS)		0.03	-

Significant Accounting Policies &amp; Notes to the Accounts 19

The Schedules referred to above form an integral part of the Profit & Loss Account

As per our report of even date annexed

For V C G & Co.

Chartered Accountants

Firm Registration No. 021837N

(Vishal Gupta)

Partner

Membership No.093908

New Delhi

Date: September 1, 2011

For and on behalf of the Board

V.Chandrashekhar  
Managing Director

V.Anu Naidu  
Director

Company Secretary

## TARINI INFRASTRUCTURE LIMITED



## SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

Particulars	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
<b>Share Holder Fund</b>		
<b>SCHEDULE - 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorized :</b>		
2,60,00,000 Equity Shares of Rs. 10/- each	260,000,000	250,000,000
(Previous year 2,50,00,000 Equity Shares of Rs. 10/- each)		
<b>Issued, subscribed &amp; paid up Capital:</b>		
2,59,90,000 (Previous Year 1,86,16,257) Equity Share of Rs10/- each	259,900,000	186,162,570
(Includes, 12,78,700 Equity Share of Rs10/- issued at par in lieu of consideration for work excuted at hydro Power Project pursuant to Agreement dated August 08, 2008 with M/S Real value Promoters pvt ltd.		
	259,900,000	186,162,570
<b>SCHEDULE - 2</b>		
<b>Reserves &amp; Surplus</b>		
Transferred from Profit & :Loss A/c	257,521	
	257,521	
<b>Loan Fund</b>		
<b>SCHEDULE - 3</b>		
<b>SECURED</b>		
Term Loan - I from Bank of India	172,187,938	175,374,370
Term Loan - II from Bank of India	32,951,637	35,954,428
(Secured by way of hypothecation of Plant & machinery, Book debts, leased hold rights in land given by Government of Gujrat. The Loans are further Secured by Equitable mortgage of immovable property held by one of the shareholder, and personnel guarantee of founder promoters.		
<b>Custom Demand Loan - I from Bank of India</b>	-	11,028,511
<b>Custom Demand Loan - II from Bank of India</b>	8,173,754	33,583,114
(Secured by way of hypothecation of Plant & machinery, Book debts, leased hold rights in land given by Government of Gujrat. The Loans are further Secured by Equitable mortgage of immovable property held by one of the shareholder, and personnel guarantee of founder promoters.		
<b>Interest Accrued and Due</b>	7,368,993	-
<b>Buyer's Credit BOI Jersey (UK)</b>	58,388,813	52,295,396
<b>Buyer's Credit BOI Paris (France)</b>	33,189,283	39,046,287
(Foreign currency loans under Buyer's Credit are guaranteed by deffered payment guarantee issued by Bank of India)		
	312,260,418	347,282,106
<b>SCHEDULE - 4</b>		
<b>Unsecured Loans</b>		
From Directors	4,238,671	9,722,518
From Others	15,260,730	41,538,835
	19,499,401	51,261,353



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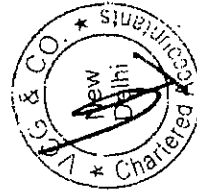
TARINI

Schedule 5 : Fixed Assets

Particulars	Gross block (at cost)			Accumulated Depreciation		Net block	
	As at April 1, 2010	Additions	Deductions	As at March 31, 2011	For the year	As at March 31, 2011	As at March 31, 2010
Roads		13,084,436	-	13,084,436	391,522	12,692,914	-
Plant & machinery							
Generating equipment		240,397,039	-	240,397,039	11,371,504	229,025,535	-
Transmission line & sub-station		114,388,605	-	114,388,605	5,410,926	108,977,679	-
Other Plant & Machinery	671,146	-	-	671,146	31,880	599,899	631,779
Office equipment	29,120	-	-	29,120	1,383	21,493	22,876
Computers	620,228	7,500	-	627,728	100,894	312,221	405,615
Furniture & Fixtures	128,632	116,904	-	245,536	10,696	207,589	101,381
Vehicles	154,662	-	-	154,662	14,694	99,828	114,522
Total	1,603,788	367,994,484	-	369,598,272	17,333,499	351,937,158	1,276,173
Previous year						1,276,173	

Note-1

Land admeasuring 4.8 Hectare for setting up the Captioned Hydro Power Project has been allotted by Government of Gujarat, on lease of 35 Years pursuant to the agreement dated August 27, 2007



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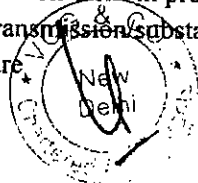


**TARINI INFRASTRUCTURE LIMITED** **TARINI**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

Particulars	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
<b>SCHEDULE - 6</b>		
<b>PRE-OPERATIVE EXPENDITURE PENDING ALLOCATION</b>		
Salaries, wages & benefits	4,603,898	17,878,214
Power & fuel	384,440	994,446
Traveling & conveyance	953,349	1,783,100
Telephone & Internet	61,083	354,794
Repair & maintenance	174,054	242,397
Printing stationery	54,000	89,128
Liquidated damages	2,799,000	-
Interest charges	10,130,976	39,758,719
Legal & professional expenses	6,777,930	102,875
Vehicle maintenance	-	230,492
Insurance	-	921,882
Rent / Lease rent	57,275	221,225
Audit fee	-	165,450
Fee & taxes	-	87,184
Bank Charges & other	893,335	-
Business promotion	-	6,057
Depreciation	-	153,998
Depreciation written back	-	(372,584)
Loss on sale of bulldozer	-	387,375
Testing and inspection charges	43,524	289,291
Miscellaneous expenses	144,555	577,631
Foreign exchange rate difference	975,610	-
	<b>21,876,205</b>	<b>63,871,675</b>
Less: Interest received on Custom & excise refund	931,058	551,626
	<b>20,945,147</b>	<b>63,320,049</b>
Add: Brought forward from previous year	116,105,699	52,785,650
	<b>137,050,846</b>	<b>116,105,699</b>
Less: Allocated to Power plant		
Generating equipment	58,298,380	-
Transmission line & Substation	20,133,535	-
Balance carried forward	<b>64,795,754</b>	<b>-</b>

**SCHEDULE - 7**  
**CAPITAL WORK IN PROGRESS**

Detailed engineering construction drawing	1,505,935	3,595,520
Civil designing & execution expenditure	32,969,589	83,431,416
Hydro Mechanical expenditure	33,775,138	50,202,745
Roads & civil construction work in progress	1,297,892	13,084,436
Electro mechanical/transmission/substation/power evacuation expenditure	118,797,206	306,360,062
	<b>188,345,760</b>	<b>456,674,179</b>



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**TARINI INFRASTRUCTURE LIMITED**  
**SCHEDULES TO FINANCIAL STATEMENTS**

**TARINI**

**SCHEDULE - 8 INVESTMENT IN SHARES / DEBENTURE (LONG TERM)**

Name of the Company	Face Value	As as March 31,2011		As as March 31,2010	
		No of Share /Debenture	Amount (Rs.)	No of Share /Debenture	Amount (Rs.)
<b>UNQUOTED EQUITY SHARES (OTHER THAN TRADE)</b>					
B.Soilmec India Pvt Ltd	10	335,000	3,350,000		
Venture Energy & Technologies Ltd	10	723,900	7,239,000		
Venture Infrastructure Ltd	10	680,000	6,800,000		
Tarini Hydro Power Lethso Ltd (Wholly owned subsidiary)	7	1,000	7,000	1,000	7,000.00
		1,739,900	17,396,000	1,000	7,000



*T. S. & Lethso. Ann.*  
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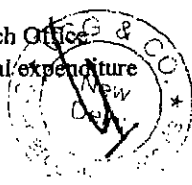
## TARINI INFRASTRUCTURE LIMITED



TARINI

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS  
SCHEDULES TO FINANCIAL STATEMENTS

Particulars	As at March 31, 2011	As at March 31, 2010
	Amount (Rs.)	Amount (Rs.)
<b>SCHEDULE - 9</b>		
<b>CASH &amp; BANK BALANCES</b>		
Cash in hand (as certified by the management)	3,739,583	12,913
Balance with scheduled banks		
-In Current Account	195,350	618,322
-In Deposit Account	324,739	299,111
	<u>4,259,672</u>	<u>930,347</u>
<b>SCHEDULE - 10</b>		
<b>Sundry Debtors</b>		
(Unsecured)		
Over Six month	-	-
Others		
Considered Good	3,826,367	-
	<u>3,826,367</u>	<u>-</u>
<b>SCHEDULE - 11</b>		
<b>LOANS &amp; ADVANCES RECOVERABLE IN CASH OR KIND</b>		
Advances recoverable in cash or in kind or for value to be received		
-Good	18,679,027	11,916,893
Receivable	68,925	105,503
Deposits - others	1,113,500	1,113,500
MAT credit entitlement	47,745	-
Custom Duty Refund	-	33,472,149
Excise duty refund	-	3,016,713
	<u>19,909,197</u>	<u>49,624,758</u>
<b>SCHEDULE - 12</b>		
<b>CURRENT LIABILITIES</b>		
Sundry creditors	32,403,959	41,517,669
Other liabilities	1,369,780	-
Provisions for MAT	47,745	-
Other Provisions	5,209,364	-
	<u>39,030,848</u>	<u>41,517,669</u>
<b>Schedule 13</b>		
<b>Miscellaneous expenditure</b>		
Preliminary Expenses	26,880	33,600
Preliminary Expenses-Branch Office	110,400	-
Increase in authorised capital/expenditure	1,420,000	1,420,000
	<u>1,557,280</u>	<u>1,453,600</u>



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**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**  
**SCHEDULES TO FINANCIAL STATEMENTS**

Particulars	As at March 31, 2011 Amount (Rs.)
<b>SCHEDULE - 14</b>	
<b>Other Income</b>	
FDR with Karur Bank*	20,296
FDR with Bank Of India	6,444
* TDS - Rs. 1112/-	
	<u>26,740</u>
<b>SCHEDULE - 15</b>	
<b>Personnel Expenses</b>	
Salary, wages & bonus	4,793,572
Staff welfare & other benefit	586,738
Gratuity	645,580
	<u>6,025,890</u>
<b>SCHEDULE - 16</b>	
<b>Operation &amp; maintenance expenses</b>	
Power & Fuel	229,617
Royalty Expenses	3,620,725
Repair & Maintenance	150,323
Inspection Charges	771,070
Site Expenditure	409,327
Rent charges for Staff Quarter	47,052
Lease rent	122,900
	<u>5,351,014</u>
<b>SCHEDULE - 17</b>	
<b>Administration expenses</b>	
Traveling & conveyance expenses	967,689
Vehicle running & maintenance	233,075
Postage & courier	50,584
Fees & taxes	90,009
Telephone & Internet expenses	292,900
Insurance	85,196
Legal & professional charges	2,212,315
<b>Auditor's fee</b>	
Statutory Audit Fees	220,600
Donation	500,000
Commission to directors	3,300,000
Miscellaneous expenses	926,683
Preliminary expenses written off	34,320
	<u>8,913,370</u>
<b>SCHEDULE - 18</b>	
<b>Finance charges</b>	
<b>Interest</b>	
Term Loan	11,495,870
Bank Charges	3,367,846
Guarantee Commission & Other Bank Charges	1,857,067
	<u>16,720,783</u>



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Y. E. Shcherbakov. Amur  
Shcherbakov



**e Revenue recognition**

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.

**f Sale of Electricity**

Basis of billable electricity to GUVNL which approximates the actual electricity transmitted.

**g Interest**

Revenue is recognized on a time proportion basis.

**h 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. The project has been approved in list of CDM projects under clean development mechanisms and reduction in carbon emissions. Only 25% shall be given to the utility and 75% shall be available to the company as per power purchase agreement by national CDM authority, Ministry of Environment and Forest, Government of India.

**i Investments**

Investments are stated at cost. Dividend is accounted for as and when secured.

**j 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.

**k 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 differed 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.

**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.

**l Retirement and Other employee Benefits**

Provision for Gratuity is determined on arithmetical calculation done on actual basis is charged off to the Profit and Loss Account.



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A. R. Bhattacharya  
A. R.



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**m 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.

**n Provisions**

A provision is recognized when an enterprise has 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.

3. 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.

**4. 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 not availed the tax holiday benefit up to accounting year 2010-11. The Company is liable to pay Income-tax for the year under the provisions of Section 115JB of the Income-Tax Act, 1961.

**5. 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.

6. 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 from the date of signature of agreement i.e. 27.08.2007, after negotiation of terms and conditions with GUVNL.

**7. Contingent Liabilities not provided for**

**Capital Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) Rs. 200 Lacs.

Guarantee issued by company's banker in form of Bank Guarantee of Rs 2.60 Lacs.(previous year Rs 2.60 lacs).

Mortgage of lease hold rights of 4.8 hectare of land lease to the company at project site in Gujarat, by Government of Gujarat.



TARINI

8. In the opinion of the Board of Directors the current assets, loans and advances have a value on realisation in the ordinary courses of business, at least equal to the amount at which they are stated in the balance Sheet.
9. The company has not received any information from suppliers regarding their status under Micro, Small & Medium Enterprises development Act, 2006.
10. The Company has started generation of Electrical energy w. e. f. August 5, 2010. Therefore corresponding figures of previous year in the profit and loss account is not there.
11. Deferred tax provision has not been made in view of the availability of tax holiday u/s 80-IA of Income tax Act, 1961
12. **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 and the company has made an application for availment of the capital subsidy of Rs 200 lacs (estimated).
13. An amount of Rs 1,652,240 has not been accounted for, 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 subject to outcome of Honorable Tribunal.

14. **Related Party Disclosures:**

(a) **Key Management Personnel –**

Director, V. Chandrashekhar Naidu.  
Director, Anu Naidu.  
Director, V S Suresh.  
Director, V S Sarvanan.

(b) **Enterprises over which directors exercise significant influence / control**

M/s Tarini International Private Limited,  
M/s Tarini Hydro Power Lesotho Limited

(c)	Mar-11	Mar-10	Mar-11	Mar-10
<b>Commission Paid</b>				
a) Mr. Vakamulla Chandrashekhar				
b) Mrs. Vakamulla Anu Naidu				
<b>Closing Balance at the year end.</b>				
a) Mr. Vakamulla Chandrashekhar	2,145,427	866,806		
b) Mrs. Vakamulla Anu Naidu	1,485,000	Nil		
c) Mr. Vellore Subramanian Suresh	3,591,243	8,855,771		
Tarini International Limited (formerly known as Tarini International P Ltd)			11,760,730	32,871,704
Venture Infrastructure Limited			280,479	Nil
B. Soilmec India Private Limited			140,504	Nil
Venture Energy & Technologies Limited			3,765,169	Nil
Tarini Sugars & Distilleries Limited			14,500	Nil

*V. Chandrashekhar Naidu*  
*Anu Naidu*



Tarini Overseas Mining and Operations Ltd.			231,500	Nil
Tarini Humanitarian Demining And Rehabilitation works.			153,500	Nil

15. 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)

Installed Annual Capacity-	5600 KW
SHPI under Generation	3000 KW
SHPII (Commercial production yet to come)	2600 KW
Actual Units generated- (SHP-I)	15.74 GWH

(During the period August 5, 2010 to March 31, 2011)

16. Corresponding figures for the previous year have been regrouped / rearranged, wherever necessary to conform to current year classification.

For V C G & Co.  
Chartered Accountants  
Firm Registration No. 021837N

(Vishal Gupta)  
Partner  
Membership No. 093908



V. Chandrashekhar  
Director

V. Anu Naidu  
Director

Deepak Gupta  
Company Secretary

New Delhi  
Date: September 1, 2011

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TARINI INFRASTRUCTURE LTD.  
D-2, AMAR COLONY, LAJPAT NAGAR-IV  
NEW DELHI



EIGHTH ANNUAL REPORT

2011-2012

STATUTORY AUDITOR

**VCG & CO.**  
CHARTERED ACCOUNTANTS  
203, KUSAL BAZAR, 32-33,  
NEHRU PLACE, NEW DELHI-110019

**TARINI INFRASTRUCTURE LIMITED**

Registered office: D-2, First Floor, Amar Colony, Lajpat Nagar – IV, New Delhi - 110024

**NOTICE** is hereby given that the Eighth Annual General Meeting of the Members of **TARINI INFRASTRUCTURE LIMITED** will be held on Saturday, September 29, 2012 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 31<sup>st</sup> March' 2012 and the Balance Sheet as on that Date, together with the Report of the Board of Directors and Auditors thereon.
2. To appoint Director in place of Mr. Vellore Subramanian Saravanan who is retiring by rotation and being eligible, offers himself to be re-appointed.
3. To appoint *M/s. V C G & CO.*, Chartered Accountants, New Delhi, the retiring Auditors, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.
4. To appoint *M/s BANSAL MANISH & CO.*, Company Secretaries, New Delhi as Secretarial Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

Date: 03.09.2012  
Place: New Delhi

By Order of the Board

  
Deepak Gupta  
(Company Secretary)

**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.

**TARINI INFRASTRUCTURE LIMITED**

Registered office: D-2, First Floor, Amar Colony, Lajpat Nagar - IV, New Delhi - 110024

**DIRECTORS' REPORT**

Your Directors have pleasure in presenting their Eighth Annual Report and Audited Accounts for the year ended March 31st, 2012.

**OPERATIONS & FUTURE PROSPECTS:**

During the year the company has achieved the Turnover of Rs. 6,67,37,748/- from the sale of electricity to GUVNL from its 3 MW Damanganga Small Hydro Project I in Gujarat

The company envisages a fruitful year ahead as the 2.65 MW Daman Ganga Small Hydro Power Project II shall also be commissioned by end of January 2013 earning valuable additional revenue of approx. 55 / 60 Lakhs per month by the sale of electricity to the Gujarat Urja Vikas Nigam (GUVNL), Govt. of Gujarat. The additional revenue will be utilized for future growth and remedies of your company.

The Company is poised to further expand and strengthen its hydro business avenues in Gujarat by way of taking up implementation of 4.5 MW Sabarmati HEP in Gujarat by beginning of year 2013 (Subject to statutory clearances). The Memorandum of Understanding (MOU) has already been signed for this prestigious project with the Govt. of Gujarat and the Detailed Project Report (DPR) has been compiled and submitted to the concerned Govt. Dept. for approval.

On the Transmission & Distribution (T&D) front, the company, has been successfully in joining hands with world renowned Isolux Group (Spain) execution of major T&D Projects in Mozambique and Tanzania. The projects are in final negotiation stage.

**DIVIDEND:**

Your Directors didn't recommend any dividend for the financial year 2011-12.

**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, Mr. Vellore Subramanian Saravanan 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.

**STATUTORY AUDITORS & BOARD'S CLARIFICATION ON AUDITOR'S REMARK:**

The Auditors Report along with Accounts and their Notes are self-explanatory except point no. 11 of Annexure to Auditor's Report with regard to repayment of dues to financial institutions and banks during the year. It is hereby clarified that the revenue of the Company is fully dependent upon the sale proceeds of electricity generation from the State Government of Gujarat, certain amount remain unpaid with the State Government of Gujarat and therefore there was delay in repayment of installment for the Bank which is beyond the control of the Company.

The Auditors of the Company M/s. V C G & CO., Chartered Accountants, New Delhi, retire at the ensuing Annual General Meeting and have given their consent for re-appointment. A certificate under Section 224(1) of the Companies Act, 1956 regarding their eligibility for the proposed re-appointment has been obtained from them. Your Directors recommend their re-appointment.

*V. C. G. & CO.*



**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 2011-12.

**SECRETARIAL AUDITORS:**

Towards the good gesture and strict adherence to the timely compliances and commitment for excellence, the Board of Directors of your Company appointed **M/S BANSAL MANISH & CO.,** Company Secretaries, New Delhi as Secretarial Auditors of the Company.

**CORPORATE GOVERNANCE & SOCIAL RESPONSIBILITY:**

Your Company was 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:**

The Board of Directors wishes to express its appreciation to all the employees of the Company for their outstanding contribution to the operation of the Company. During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975 as amended by the Company's (Amendment) Act, 1988 and hence no particulars are required to be disclosed 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>2011-12</u>	<u>2010-11</u>
Foreign Exchange earning (Rs.) -	NIL	NIL
Foreign Exchange outgo (Rs.) -	NIL	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.

*J. C. S.*

**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 31<sup>st</sup> March, 2012:

- (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 31<sup>st</sup> march, 2012 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.

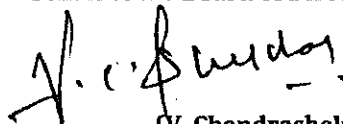
**ACKNOWLEDGEMENT:**

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.

Date: 03.09.2012

Place: New Delhi

For and on behalf of the Board of Directors



(V. Chandrashekhar)  
Chairman

**VCG & Co.**  
Chartered Accountants



**AUDITORS' REPORT**

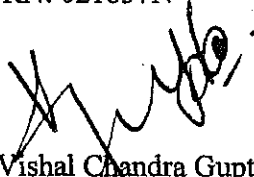
**TO THE MEMBERS OF TARINI INFRASTRUCTURE LIMITED**

1. We have audited the attached Balance Sheet of TARINI INFRASTRUCTURE LIMITED as at March 31, 2012 and also the Profit & Loss statement and the Cash Flow statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan & perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we annex hereto a statement for the year ended March 31, 2012 on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the annexure to in paragraph 3 above, we state 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 appears from our examination of these books;
  - c) the Balance Sheet, Profit & Loss statement and Cash Flow statement referred to in this report, are in agreement with the books of account;
  - d) in our opinion, the Balance Sheet, Profit & Loss statement and Cash Flow statement referred to in this report comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;



- e) on the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with significant accounting policies and notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
  - ii) in the case of the Profit and Loss statement, of the profit of the company for the year ended March 31, 2012.
  - iii) in the case of Cash Flow statement of the cash flows of the company for the year ended March 31, 2012.

For V C G & Co.  
Chartered Accountants  
FRN: 021837N

  
(Vishal Chandra Gupta)  
M. No. 92908  
Partner  
New Delhi, September 3, 2012



**VCG & Co.**  
**Chartered Accountants**

(Annexure referred to in paragraph 3 of the Auditors' report to the Members of  
Tarini Infrastructure Limited on the financial statements for the year ended March 31, 2012)

- 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, a substantial part of the fixed assets has not 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.62.27 Lacs was outstanding at the year end from 3 persons (Maximum amount during the year Rs. 62.27 Lacs from 3 persons). 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. 104.93 Lacs was outstanding at the year end from 5 persons (Maximum amount during the year Rs. 230.02 Lacs from 5 persons). 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 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 are no undisputed statutory dues as referred to above as of March 31, 2012 outstanding for the period of more than six months from the date they became payable.
- b) As on March 31, 2012 according to the information and explanations given to us, and records of the company, there were 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, 2012. Further, the Company has not incurred any cash losses during the financial year ended March 31, 2012 and in the immediately preceding financial year.
- 11 *According to the records of the company examined by us and the information and explanations given to us, the Company has defaulted in repayment of dues to financial institutions and banks during the year. The dues comprising principal amounting to Rs. 338.62 Lacs became due and unpaid for the full year and interest amounting to Rs 126.23 Lacs became due and unpaid for 3 months as at March 31, 2012.*
- 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. Therefore, paragraph 4(xii) of the order is not applicable.
- 13 In our opinion, as the company is not a chit fund/ nidhi / mutual benefit fund / societies. Therefore, paragraph 4(xiii) of the order is not applicable.
- 14 In our opinion, as the company is not dealing or trading in shares, securities, debentures and other investments. Therefore, paragraph 4(xiv) of the order 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. Therefore, paragraph 4(xv) of the order 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 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 and the information & 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, 2012.

For V C G & Co.  
Chartered Accountants  
FRN: 021837N

(Vishal Chandra Gupta)  
M. No. 093908  
Partner

New Delhi, September 3, 2012





TARINI

Tarini Infrastructure Limited

000669

Cash Flow Statement for the year ended March 31, 2012

(Amount in Rs.)		
Particulars	As at March 31, 2012	As at March 31, 2011
<b>A. Cash flow from Operating Activities</b>		
Profit after Tax	429,143	257,521
Adjustments for:		
Depreciation	19,343,461	17,333,499
Interest expenses	22,768,060	11,495,870
Interest income	(372,505)	(957,798)
Operating profit before working capital changes	42,168,159	28,129,092
<b>Working Capital Changes</b>		
Decrease/(Increase) in current assets	(5,685,029)	27,056,137
Increase/(Decrease) in current liab	(6,378,250)	(2,486,821)
<b>Cash flow from Operating Activities (A)</b>	<b>30,104,880</b>	<b>52,698,408</b>
<b>B. Cash flow from Investing Activities</b>		
Purchase of fixed assets	(580,625)	(367,994,484)
Capital expenditure pending allocation	(17,244,911)	319,638,363
Investment purchase	6,800,000	(17,388,999)
Interest Income	372,505	957,798
Increase in pre-operative Exp	(2,796,175)	(103,680)
<b>Cash flow from Investing Activities (B)</b>	<b>(13,449,206)</b>	<b>(64,891,002)</b>
<b>C. Cash flow from Financing Activities</b>		
Proceeds from issue (including share premium, net of issue expenses)	-	73,737,430
Proceeds from Share Application Money pending allotment	-	20,064,000
Proceeds/(Repayment) of secured Loan	4,157,314	(35,021,689)
Proceeds/(Repayment) of unsecured Loan	(840,535)	(31,761,952)
Interest exp	(22,768,060)	(11,495,870)
<b>Cash flow from Financing Activities (C)</b>	<b>(19,451,281)</b>	<b>15,521,919</b>
<b>Net Increase In Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(2,795,607)</b>	<b>3,329,325</b>
Opening cash & cash equivalents	4,259,672	930,347
Closing cash & cash equivalents	1,464,065	4,259,672

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: September 3, 2012



FOR AND ON BEHALF OF THE BOARD

*V. C. Chandrashekhar*  
Vakamulla Chandrashekhar  
Managing Director

*V. Anu Naidu*  
V. Anu Naidu  
Director

*Deepak Gupta*  
Deepak Gupta  
Company Secretary





**TARINI INFRASTRUCTURE LIMITED**  
Balance Sheet as at March 31, 2012

			(Amount in Rs.)
Particulars	Note Reference	As at March 31, 2012	As at March 31, 2011
<b>I EQUITY AND LIABILITIES</b>			
1 Shareholders' funds			
Share capital	2	259,900,000	259,900,000
Reserve and surplus	3	686,664	257,521
		260,586,664	260,157,521
2 Non-current liabilities			
Long - term borrowings	4	277,686,239	274,528,925
Long-term provisions	5	1,212,565	1,053,100
Total non-current liabilities		278,898,804	275,582,025
3 Current liabilities			
Short-term borrowings	4	11,266,359	15,999,401
Other current liabilities	6	98,524,248	99,090,496
Short-term provisions	5	118,785	1,197,745
Total current liabilities		109,909,392	116,287,642
<b>Total</b>		<b>649,394,861</b>	<b>652,027,189</b>
<b>II. ASSETS</b>			
1 Non-current assets			
Fixed assets			
- Tangible assets	7(a)	333,174,322	351,937,158
- Capital work in progress	7(b)	270,386,425	253,141,514
Non - current investments	8	10,596,000	17,396,000
Long - term loans and advances	9	11,067,794	17,580,892
Other non - current assets	10	4,353,455	1,557,280
Total non-current assets		629,577,997	641,612,845
2 Current assets			
Trade Receivables	11	7,826,583	3,826,367
Cash and cash equivalents	12	1,464,065	4,259,672
Short - term loans and advances	9	10,526,217	2,328,305
Total current assets		19,816,864	10,414,344
<b>Total</b>		<b>649,394,861</b>	<b>652,027,189</b>

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: September 3, 2012



FOR AND ON BEHALF OF THE BOARD

*Vakamulla Chandrashekhhar*  
Vakamulla Chandrashekhhar  
Managing Director

*V. Anu Naidu*  
V. Anu Naidu  
Director

*Deepak Gupta*  
Deepak Gupta  
Company Secretary



000671



**TARINI INFRASTRUCTURE LIMITED**  
**Profit and loss statement for the year ended March 31, 2012**

		(Amount in Rs.)	
Particulars	Note Reference	As at March 31, 2012	As at March 31, 2011
<b>Income</b>			
Revenue from operations	13	66,737,748	54,575,338
Other income	14	372,505	26,740
		<u>67,110,253</u>	<u>54,602,078</u>
<b>Expenditure</b>			
Employee benefit expenses	15	9,753,398	6,025,890
Finance costs	16	25,523,784	16,720,783
Depreciation and amortization expense	7(a)	19,343,461	17,333,499
Other expenses	17	12,060,467	14,264,384
		<u>66,681,110</u>	<u>54,344,556</u>
<b>Profit before tax</b>		429,143	257,522
<b>Tax expense:</b>			
	<u>Current year</u>	<u>Previous year</u>	
Current tax (MAT)	118,785	47,745	
Less: Credit Entitlement for MAT	(118,785)	(47,745)	
<b>Net profit for the year</b>		<u>429,143</u>	<u>257,522</u>
 Earning per Equity Share of Rs 10 each Basic and Diluted (Rupees)	 18	 0.05	 0.03

**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 VCG & CO.  
Chartered Accountants  
FRN - 021837N  
(Vishal Chandra Gupta)  
Partner  
Membership No. 093908  
New Delhi  
Date: September 3, 2012



**FOR AND ON BEHALF OF THE BOARD**

*Vakamulla Chandrashekhar*  
Vakamulla Chandrashekhar  
Managing Director

*V. Anu Naidu*  
V. Anu Naidu  
Director

*Deepak Gupta*  
Deepak Gupta  
Company Secretary



TARINI

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## TARINI INFRASTRUCTURE LIMITED

### 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.

#### 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.





TARINI

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## E Revenue recognition

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.

### i) Sale of Electricity

Basis of billable electricity to GUVNL which approximates 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. The project has been approved in list of CDM projects under clean development mechanisms and reduction in carbon emissions. Only 25% shall be given to the utility and 75% shall be available to the company as per power purchase agreement by national CDM authority, Ministry of Environment and Forest, Government of India.

## 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.

## 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.

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**I Retirement and other employee benefits**

Provision for Gratuity is determined on arithmetical calculation done on actual basis and charged off to the Statement of profit and loss.

**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 Provisions**

A provision is recognized when an enterprise has 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.

*Mahesh*

*2.1.9.*

*Amr*





**TARINI INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements**

(Amount in Rs.)

	As at March 31, 2012	As at March 31, 2011
--	-------------------------	-------------------------

**NOTE 2 - SHARE CAPITAL**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. 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.

- 12,78,700 ( Previous year - 12,78,700) equity shares allotted to shareholders of erstwhile M/S Real value Promoters Pvt Ltd at par in lieu of consideration for work executed at Hydro Power Project pursuant to Agreement dated August 08,2008.

ii. The reconciliation of number of shares outstanding is set out below

	As at March 31, 2012	As at March 31, 2011
<b>Equity Shares</b>		
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, 2012		As at March 31, 2011	
	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, 2012	As at March 31, 2011
<b>Surplus / (Deficit) - Balance in Statement of Profit and Loss</b>		
As per last Balance Sheet	257,521	-
Add: Transferred from Profit & Loss statement	429,143	257,521
<b>Total</b>	<b>686,664</b>	<b>257,521</b>





**TARINI INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements**

(Amount in Rs.)

**NOTE 4 - BORROWINGS**

	As at 'March 31, 2012		As at 'March 31, 2011	
	Long-term	Short-term	Long-term	Short-term
<b>Secured</b>				
Loans repayable on demand				
- From banks	-	-	8,173,754	-
Term loans				
- From banks	309,048,739	-	296,717,671	-
	<u>309,048,739</u>	<u>-</u>	<u>304,891,425</u>	<u>-</u>
<b>Unsecured</b>				
Loans and advances from related parties	-	9,765,417	-	15,999,401
Others	2,500,000	1,500,942	3,500,000	-
	<u>2,500,000</u>	<u>11,266,359</u>	<u>3,500,000</u>	<u>15,999,401</u>
Less:- Current maturities of long term debts	33,862,500		33,862,500	
<b>Total</b>	<u>277,686,239</u>	<u>11,266,359</u>	<u>274,528,925</u>	<u>15,999,401</u>

**i. Details of Term Loans:****From Banks-**

Loan(Rs in Lacs)	Security	Interest	Repayment Terms
2495.2	Secured by way of hypothecation of Plant & machinery, Book debts, leased hold rights in land given by Government of Gujarat. The Loans are further secured by equitable mortgage of immovable property held by one of the shareholder and personnel guarantee of founder promoters.	3% over base rate, presently 13.75%pa 16.75%	Repayable in 96 equal instalments payable on monthly basis started since 2008.
376.3	Secured by way of hypothecation of Projects assets, leased hold rights in land given by Government of Gujarat. The Loans are further secured by Equitable mortgage of immovable property held by one of the shareholder.	3% over base rate, presently 13.75%pa 16.75%	Repayable in 96 equal instalments payable on monthly basis started since 2008.

**NOTE 5 - PROVISIONS**

	As at 'March 31, 2012		As at 'March 31, 2011	
	Long-term	Short-term	Long-term	Short-term
<b>Provision for employee benefits</b>				
- Gratuity	1,212,565	-	1,053,100	-
<b>Others</b>				
- Taxation	-	118,785	-	47,745
- Warranties	-	-	-	1,150,000
<b>Total</b>	<u>1,212,565</u>	<u>118,785</u>	<u>1,053,100</u>	<u>1,197,745</u>

**NOTE 6 - OTHER CURRENT LIABILITIES**

	As at March 31, 2012	As at March 31, 2011
<b>Other payables</b>		
- Current maturities of long term borrowings*	33,862,500	33,862,500
- Share application money pending allotment	21,079,000	21,079,000
- Interest accrued and due (bank loan)	12,623,405	7,368,993
- Taxes and other statutory dues	103,710	724,279
- Employee dues	621,940	4,220,254
- Others <sup>1</sup>	30,233,693	31,835,470
<b>Total</b>	<u>98,524,248</u>	<u>99,090,496</u>

\*Current maturities include installment dues but not paid

<sup>1</sup>Others include non trade payables





**Notes to the Financial Statements**

**Note 7. (a). FIXED ASSETS**

Particulars	Gross carrying amount			Depreciation			Net carrying amount	
	As at 31.03.2011	Additions	Deductions	As at 31.03.2012	For the year	On deductions	As at 31.03.2012	As at 31.03.2011
<b>TANGIBLE ASSETS</b>								
<b>Roads</b>	13,084,436	-	-	13,084,436	437,020	-	12,255,894	12,692,914
<b>Plant and equipment</b>								
- Generating equipment	240,397,039	508,425	-	240,905,464	12,696,200	-	216,837,760	229,025,535
- Transmission line & sub-station	114,388,605	-	-	114,388,605	6,039,718	-	102,937,961	108,977,679
<b>Office equipment</b>	29,120	-	-	29,120	1,383	-	20,110	21,493
<b>Furniture and fixtures</b>	245,536	-	-	245,536	15,542	-	192,047	207,589
<b>Vehicles</b>	154,662	-	-	154,662	14,694	-	85,134	99,828
<b>Others</b>								
- Computer	627,728	72,200	-	699,928	107,024	-	277,397	312,221
- Other Plant & machinery	671,146	-	-	671,146	31,880	-	568,019	599,899
<b>Total Tangible Assets</b>	<b>369,598,272</b>	<b>580,625</b>	<b>-</b>	<b>370,178,897</b>	<b>19,343,461</b>	<b>-</b>	<b>333,174,322</b>	<b>351,937,158</b>
<b>Previous year</b>	<b>1,603,788</b>	<b>367,994,484</b>	<b>-</b>	<b>369,598,272</b>	<b>17,333,499</b>	<b>-</b>	<b>351,937,158</b>	<b>351,937,158</b>

Footnotes :

1 Land admeasuring 4.8 Hectare for setting up the Captioned Hydro Power Project has been allotted by Government of Gujarat, on lease of 35 Years pursuant to the agreement dated August 27, 2007

V.e.d. *[Signature]*

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**TARINI INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements**

(Amount in Rs.)


**NOTE 7(b) - FIXED ASSETS - CWIP**

	As at March 31, 2012	As at March 31, 2011
<b>CAPITAL WORK IN PROGRESS</b>		
Detailed engineering construction drawing	1,505,935	1,505,935
Civil designing & execution expenditure	33,588,819	32,969,589
Hydro Mechanical expenditure	33,775,138	33,775,138
Roads & civil construction work in progress	1,297,892	1,297,892
Electro mechanical/transmission/substation/power	118,797,206	118,797,206
Pre-operative expenditure pending allocation	81,421,435	64,795,754
<b>Total</b>	<b>270,386,425</b>	<b>253,141,514</b>

**NOTE 8 - NON CURRENT INVESTMENTS**

	As at March 31, 2012	As at March 31, 2011
<b>Long Term Investments (Non - Trade)</b>		
<b>Unquoted</b>		
B. Soilmech India Pvt Ltd		
335,000 (Previous year - 335,000) Equity shares of Rs. 10 each, fully paid-up	3,350,000	3,350,000
Venture Energy & Technologies Ltd		
723,900 (Previous year - 723,900) Equity shares of Rs. 10 each, fully paid-up	7,239,000	7,239,000
Venture Infrastructure Ltd		
Share application money pending allotment*		6,800,000
Tarini Hydro Power Lethso Ltd		
1,000 (Previous year - 1,000) Equity shares of Rs. 7 each, fully paid-up	7,000	7,000
<b>Total</b>	<b>10,596,000</b>	<b>17,396,000</b>

\* Called back during the year

 V. S. G. Anand





**TARINI INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements**

(Amount in Rs.)

**NOTE 9 - LOANS AND ADVANCES**  
(unsecured, considered good unless otherwise stated)

	As at 'March 31, 2012		As at 'March 31, 2011	
	Long-term	Short-term	Long-term	Short-term
Security deposits	113,500	-	113,500	-
Loan and advances to related parties	-	6,227,169	4,430,648	155,004
Other loans and advances				
- Advance tax	-	166,530	-	47,745
- Excise, Cenvat, Vat and other govt dues	-	38,841	-	68,925
- Dues from employees	-	652,507	-	686,699
- Other advances recoverable in cash or in kind or for the value to be received				
- Secured	-	-	-	-
- Unsecured - considered good*	10,954,294	3,441,170	13,036,744	1,369,932
	11,067,794	10,526,217	17,580,892	2,328,305
<b>Total</b>	<b>11,067,794</b>	<b>10,526,217</b>	<b>17,580,892</b>	<b>2,328,305</b>

\*Includes prepaid expenses Rs 212,863 ( Previous year Rs 11,345)

**NOTE 10 - NON CURRENT ASSETS**

	As at March 31, 2012	As at March 31, 2011
Deffered expenditure	3,110,495	-
Increase in authorised capital expenditure	1,136,000	1,420,000
Preliminary expenses	106,960	137,280
<b>Total</b>	<b>4,353,455</b>	<b>1,557,280</b>

**NOTE 11 - TRADE RECEIVABLES**

	As at March 31, 2012	As at March 31, 2011
Secured, considered good	-	-
Unsecured - considered good	7826583	3826367
<b>Total</b>	<b>7826583</b>	<b>3826367</b>

**NOTE 12 - CASH AND CASH EQUIVALENTS**

	As at March 31, 2012	As at March 31, 2011
Balances with banks	732,004	520,089
Cash on hand	732,061	3,739,583
<b>Total</b>	<b>1,464,065</b>	<b>4,259,672</b>

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**TARINI INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements**

(Amount in Rs.)

**NOTE 13 - REVENUE FROM OPERATIONS**

	As at March 31, 2012	As at March 31, 2011
Sale of Electrical energy	67,386,604	55,004,515
Less: Discount on prompt payment	(511,937)	(405,843)
Less: Unscheduled interchange charges	(136,919)	(23,334)
<b>Total</b>	<b>66,737,748</b>	<b>54,575,338</b>

**NOTE 14 - OTHER INCOME**

	As at March 31, 2012	As at March 31, 2011
Interest income*	372,505	26,740
<b>Total</b>	<b>372,505</b>	<b>26,740</b>

\* Tax deducted at source Rs 1,077 (Previous year- Rs 1,112 ).

**NOTE 15 - EMPLOYEE BENEFIT EXPENSES**

	As at March 31, 2012	As at March 31, 2011
Salaries , wages etc	9,412,164	4,793,572
Gratuity	159,465	645,580
Staff welfare expenses	181,769	586,738
<b>Total</b>	<b>9,753,398</b>	<b>6,025,890</b>

**NOTE 16 - FINANCE COST**

	As at March 31, 2012	As at March 31, 2011
Interest expense	22,768,060	11,495,870
Other borrowing costs	2,755,724	5,224,913
<b>Total</b>	<b>25,523,784</b>	<b>16,720,783</b>



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**TARINI INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements**

**NOTE 17 - OTHER EXPENSES**

(Amount in Rs.)

	As at March 31, 2012	As at March 31, 2011
Power and fuel.	103,178	229,617
Repairs		
- Plant and machinery	1,049,735	150,323
- Other repair	6,850	-
Lease rent	374,276	122,900
Royalties	4,440,933	3,620,725
Insurance	92,827	85,196
Travelling & conveyance expenses	1,208,536	1,200,764
Telephone & internet expenses	325,221	292,900
Legal & professional charges	694,812	2,212,315
Site expenditure	840,035	409,327
Auditors' remuneration		
- Audit fee	193,025	220,600
- Tax audit fee	38,605	-
Commission to directors	-	3,300,000
Inspection Charges	999,049	771,070
Preliminary expenses written off	319,320	34,320
Miscellaneous expenses	1,374,065	1,614,328
<b>Total</b>	<b>12,060,467</b>	<b>14,264,384</b>

**NOTE 18 - EARNING PER SHARE**

	As at March 31, 2012	As at March 31, 2011
Profit / (Loss) after tax as per profit and loss account (Rs.)	429143	257522
Weighted average number of Equity shares outstanding (Nos.)	25990000	25990000
Earnings per share - basic / diluted (face value - Rs. 10 per share) (Rs.)	0.05	0.03

*[Signature]*

*V. C. G.*

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TARINI

**ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS:**

19. The Company has obtained the concession from the Government of Gujarat to design, build, operate & maintain project and sell power for a period of thirty five years from the date of signature of agreement i.e. 27.08.2000 negotiation of terms and conditions with GUVNL
20. In the opinion of the management the balances shown under receivables, payables, loans and advances and other whether current or non current, have approximately the same realizable value as shown in the accounts. However 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 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 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 unequal depreciation in the initial years, the Company has not availed the tax holiday benefit up to accounting year 2011-12. Company is liable to pay Income-tax for the year under the provisions of Section 115JB of the Income-Tax Act, 1962.
- 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. Operation of the Branch office at south Africa is yet to be commenced.
- 25. Contingent Liabilities not provided for**
- Capital commitments - Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) Rs.250 Lacs (Previous year Rs. 200 Lacs).
  - Guarantee issued by company's banker in form of Bank Guarantee of Rs 2.60 Lacs (previous year Rs 2.60 lacs).
  - Mortgage of lease hold 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. The company has started generation of Electrical energy w.e.f. August 05, 2010. Therefore corresponding figures of previous year in the statement of profit and loss is not comparable.
28. Deferred tax provision has not been made in view of the availability of tax holiday u/s 80-IA of Income tax Act, 1962.





TARINI

**29. Subsidy eligibility:**

The project is eligible for capital subsidy in accordance with the policy of Ministry of Non-conventional Energy (MNES), Government of India and the company has made an application for availment of the capital subsidy second plant - Rs 160 lacs (estimated) .

30. An amount of Rs. 2,027,390 (Previous year Rs 1,652,240), Year to date total amount - Rs. 3,679,630/- has accounted for, on account of dispute for determination of tariff charges between the company and Gujarat Ur 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. Vakmulla Chandrashekhar  
Mrs. Anu Naidu  
Mr. Vellore Subramanian Suresh  
Mr. V S Sarvanan

**(b) Enterprises over which directors exercise significant influence / control**

Tarini International Limited, Venture Infrastructure Limited, B.Soilmec India Private Limited, Venture Energy & Technologies Limited, Tarini Sugars & Distilleries Limited, Real Value Promoters Private Lim Tarini Overseas Mining and Operations Limited, Tarini Humanitarian Demining and Rehabilitation Works

		(Amount (Rs.))	
(c)	Particulars	Mar-12	Mar-11
	<b>Commission Paid</b>		
	a) Mr.Vakamulla Chandrashekhar	-	1,650,000
	b) Mrs.Vakamulla Anu Naidu	-	1,650,000
	Rent paid to Tarini International Ltd	180,000	-
	<b>Closing Balance at the year end.</b>		
	<u>Payable</u>		
	a) Mr.Vakamulla Chandrashekhar	1,379,128	2,145,427
	b) Mrs.Vakamulla Anu Naidu	399,000	1,485,000
	c) Mr. Vellore Subramanian Suresh	5,391,243	3,591,243
	Tarini International Limited	1,822,575	11,760,730
	B.Soilmec India Private Limited	210,377	(140,504)
	Venture Infrastructure Limited	563,094	(280,479)
	<u>Receivable</u>		
	Venture Energy & Technologies Limited	5,832,169	3,765,169
	Tarini Sugars & Distilleries Limited	-	14,500
	Tarini Overseas Mining and Operations Ltd.	231,500	231,500
	Tarini Humanitarian Demining and Rehabilitation Works	163,500	153,500

*[Handwritten signatures and initials]*





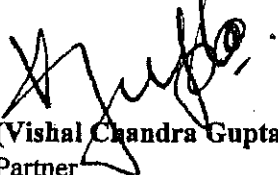
TARINI

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

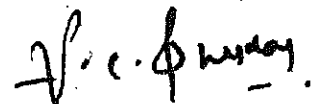
Capacity and production (as certified by the management)		Actual Production	
		2011-12	2010-11
Installed Annual Capacity-	5600 KW		
SHPI under Generation	3000 KW	19.52 GWH	15.74 GWH
SHPII (Commercial production yet to come)	2600 KW		


33. The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current presentation as the revised schedule VI has come in to force with effect from April 1, 2011 with more disclosure presentation in the financial statements

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

  
(Vishal Chandra Gupta)  
Partner  
Membership No. 093908  
New Delhi  
Date: September 3, 2012



  
Vakamulla Chandrashekhar  
Managing Director

  
V. Anu Naidu  
Director

  
Deepak Gupta  
Company Secretary

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TARINI INFRASTRUCTURE LTD.  
D-2, AMAR COLONY, LAJPAT NAGAR-IV  
NEW DELHI

NINTH ANNUAL REPORT

2012-2013

STATUTORY AUDITOR

**VCG & CO.**  
CHARTERED ACCOUNTANTS  
203, KUSAL BAZAR, 32-33,  
NEHRU PLACE, NEW DELHI-110019





## **TARINI INFRASTRUCTURE LIMITED**

Registered office: D-2, First Floor, Amar Colony, Lajpat Nagar - IV, New Delhi - 110024


NOTICE is hereby given that the Ninth Annual General Meeting of the Members of **TARINI INFRASTRUCTURE LIMITED** will be held on Monday, September 30, 2013 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 31<sup>st</sup> March' 2013 and the Balance Sheet as on that Date, together with the Report of the Board of Directors and Auditors thereon.
2. To appoint Director in place of Mr. Tarun Kumar Jayantilal Barot who is retiring by rotation and being eligible, offers himself to be re-appointed.
3. To appoint *M/s. V C G & CO.*, Chartered Accountants, New Delhi, the retiring Auditors, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

Date: 02.09.2013  
Place: New Delhi

By Order of the Board

  
Deepak Gupta  
(Company Secretary)

### **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.

**TARINI INFRASTRUCTURE LIMITED**

Registered office: D-2, First Floor, Amar Colony, Lajpat Nagar – IV, New Delhi - 110024

**DIRECTORS' REPORT**

Your Directors have pleasure in presenting their Ninth Annual Report and Audited Accounts for the year ended March 31st, 2013.

**OPERATIONS & FUTURE PROSPECTS:**

During the year the company has achieved the Turnover of Rs. 7,50,87,047/- from the sale of electricity to GUVNL from its 3 MW Damanganga Small Hydro Project I in Gujarat

The company envisages a fruitful year ahead as the 2.65 MW Daman Ganga Small Hydro Power Project II shall also be commissioned by end of November 2013 earning valuable additional revenue of approx. 55 / 60 Lakhs per month by the sale of electricity to the Gujarat Urja Vikas Nigam (GUVNL), Govt. of Gujarat. The additional revenue will be utilized for future growth and remedies of your company.

The Company extends its hearty thanks to Bank of India Chennai along with their officials for granting additional Term Loan as to enable your Company to commission the SHP II.

The Company is poised to further expand and strengthen its hydro business avenues in Gujarat by way of taking up implementation of 4.5 MW Sabarmati HEP in Gujarat by beginning of year 2014 (subject to approval of the Detailed Project Report applied with the concerned Dept. of Govt. of Gujarat). The Memorandum of Understanding (MOU) has already been signed for this prestigious project with the Govt. of Gujarat.

The Company is also envisaging another small hydro scheme adjacent to SHP I namely, Daman SHP III for which the pre feasibility report has been prepared and submitted to the concerned Dept. of Govt. of Gujarat for review and approval.

**DIVIDEND:**

Your Directors didn't recommend any dividend for the financial year 2012-13.

**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, Mr. Tarun Kumar Jayantilal Barot 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.

**STATUTORY AUDITORS:**

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

The Auditors of the Company M/s. V C G & CO., Chartered Accountants, New Delhi, retire at the ensuing Annual General Meeting and have given their consent for re-appointment. A certificate under Section 224(1) of the Companies Act, 1956 regarding their eligibility for the proposed re-appointment has been obtained from them. Your Directors recommend their re-appointment

*N. e. g.*

**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 2013-14.

**CORPORATE GOVERNANCE & SOCIAL RESPONSIBILITY:**

Your Company was 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:**

The Board of Directors wishes to express its appreciation to all the employees of the Company for their outstanding contribution to the operation of the Company. During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975 as amended by the Company's (Amendment) Act, 1988 and hence no particulars are required to be disclosed 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>2012-13</u>	<u>2011-12</u>
Foreign Exchange earning (Rs.) -	NIL	NIL
Foreign Exchange outgo (Rs.) -	NIL	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 31<sup>st</sup> March, 2013:

- (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 31<sup>st</sup> march, 2013 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.

*A. S. G.*

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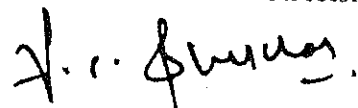
**ACKNOWLEDGEMENT:**

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.

**Date:** 02.09.2013

**Place:** New Delhi

For and on behalf of the Board of Directors



(V. Chandrashekhar)  
Chairman

**V C G & Co.**  
Chartered Accountants

1214A, 12<sup>th</sup> Floor, Ansal Tower,  
38, Nehru Place,  
New Delhi - 110019  
Tel : +91 11 4166 1214  
Email: admin@vcgco.in

**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 31<sup>st</sup> March, 2013, 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:



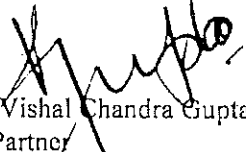


- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

#### 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 31<sup>st</sup> March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

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

  
(Vishal Chandra Gupta)  
Partner  
Membership No: 093908



Place: New Delhi  
Date: September 02, 2013



**V C G & Co.**  
Chartered Accountants

1214A, 12<sup>th</sup> Floor, Ansal Tower,  
38, Nehru Place,  
New Delhi - 110019  
Tel : +91 11 4166 1214  
Email: admin@vcgco.in

### 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.114.44 Lacs was outstanding at the year end from one person (Maximum amount during the year Rs. 115.44 Lacs ). 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. 65.70 Lacs was outstanding at the year end from 3 persons (Maximum amount during the year Rs. 86 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.

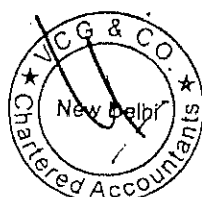




- 6 In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public. Consequently, the provisions of section 58A and 58AA of the Companies Act, 1956 the Companies (Acceptance of deposits) Rules, 1975 are not applicable.
- 7 In our 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 are undisputed statutory dues of income tax amounting to Rs. 1.92 Lakhs of March 31, 2013 outstanding for the period of more than six months from the date they became payable.
  - b) As on March 31, 2013 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, 2013. Further, the Company has not incurred any cash losses during the financial year ended March 31, 2013 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:

Installment (Rs.) comprising Principal & Interest	28.21 Lacs	28.21 Lacs	28.21 Lacs	28.21 Lacs	9.26 Lacs	8.54 Lacs	19.67 Lacs	2.33 Lacs	25.88 Lacs	28.21 Lacs	28.21 Lacs	9.70 Lacs	18.51 Lacs
Period of delay (Days)	123	92	62	31	85	54	97	67	120	89	58	30	31

- 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, 2013.

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

  
(Vishal Chandra Gupta)  
Partner  
Membership No: 093908



Place: New Delhi  
Date: September 02, 2013



TARINI

Tarini Infrastructure Limited

## Cash Flow Statement for the year ended March 31, 2013

Particulars	(Amount in Rs.)	
	As at March 31, 2013	As at March 31, 2012
<b>A. Cash flow from Operating Activities</b>		
Profit after Tax	453,315	429,143
<b>Adjustments for:</b>		
Depreciation	19,102,719	19,343,461
Interest expenses	24,445,684	22,768,060
Interest income	(34,083)	(372,505)
<b>Operating profit before working capital changes</b>	<b>43,967,635</b>	<b>42,168,159</b>
<b>Working Capital Changes</b>		
Decrease/(Increase) in current assets	(9,241,859)	(5,685,029)
Increase/(Decrease) in current liab	28,930,018	(6,378,250)
<b>Cash flow from Operating Activities (A)</b>	<b>63,655,794</b>	<b>30,104,880</b>
<b>B. Cash flow from Investing Activities</b>		
Purchase of fixed assets	9,992,816	(580,625)
Capital expenditure pending allocation	(30,596,052)	(17,244,911)
Investment purchase	-	6,800,000
Interest Income	34,083	372,505
Increase in pre-operative Exp	319,320	(2,796,175)
<b>Cash flow from Investing Activities (B)</b>	<b>(20,249,833)</b>	<b>(13,449,206)</b>
<b>C. Cash flow from Financing Activities</b>		
Proceeds/(Repayment) of secured Loan	(18,522,214)	4,157,314
Proceeds/(Repayment) of unsecured Loan	10,280	(840,535)
Interest exp	(24,445,684)	(22,768,060)
<b>Cash flow from Financing Activities (C)</b>	<b>(42,957,617)</b>	<b>(19,451,281)</b>
<b>Net Increase In Cash &amp; Cash Equivalents (A+B+C)</b>	<b>448,344</b>	<b>(2,795,607)</b>
Opening cash & cash equivalents	1,464,065	4,259,672
Closing cash & cash equivalents	1,912,408	1,464,065
	0	0

As per our report of even date attached.

For V C G &amp; CO.

Chartered Accountants

FRN - 021837N

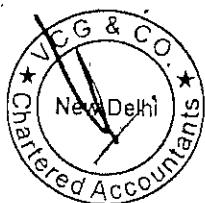
(Vishal) Chandra Gupta

Partner

Membership No. 093908

New Delhi

Date: September 2, 2013



FOR AND ON BEHALF OF THE BOARD

*V. C. Chandrasekhar*  
 Vakamulla Chandrasekhar  
 Managing Director

*V. Anu Naidu*  
 V. Anu Naidu  
 Director

*Deepak Gupta*  
 Deepak Gupta  
 Company Secretary

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TARINI

**TARINI INFRASTRUCTURE LIMITED**  
Balance Sheet as at March 31, 2013

			(Amount in Rs.)
Particulars	Note Reference	As at March 31, 2013	As at March 31, 2012
<b>I EQUITY AND LIABILITIES</b>			
1 Shareholders' funds			
Share capital	2	259,900,000	259,900,000
Reserve and surplus	3	1,139,978	686,664
		261,039,978	260,586,664
2 Non-current liabilities			
Long - term borrowings	4	259,164,026	277,686,239
Long-term provisions	5	1,222,845	1,212,565
Total non-current liabilities		260,386,871	278,898,804
3 Current liabilities			
Short-term borrowings	4	9,071,542	11,266,359
Other current liabilities	6	129,800,230	98,524,248
Short-term provisions	5	103,568.00	118,785
Total current liabilities		138,975,340	109,909,392
<b>Total</b>		<b>660,402,189</b>	<b>649,394,861</b>
<b>II. ASSETS</b>			
1 Non-current assets			
Fixed assets			
• Tangible assets	7(a)	304,078,787	333,174,322
• Capital work in progress	7(b)	300,982,477	270,386,425
Non - current investments	8	10,596,000	10,596,000
Long - term loans and advances	9	11,167,794	11,067,794
Other non - current assets	10	4,034,135	4,353,455
Total non-current assets		630,859,193	629,577,997
2 Current assets			
Trade Receivables	11	8,497,004	7,826,583
Cash and cash equivalents	12	1,912,408	1,464,065
Short - term loans and advances	9	19,133,584	10,526,217
Total current assets		29,542,996	19,816,864
<b>Total</b>		<b>660,402,189</b>	<b>649,394,861</b>

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 Chandka Gupta)  
Partner  
Membership No. 093908  
New Delhi  
Date: September 2, 2013



FOR AND ON BEHALF OF THE BOARD

Vakamulla Chandrashekhar  
Managing Director

V. Anu Naidu  
Director

Deepak Gupta  
Company Secretary

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TARINI

**TARINI INFRASTRUCTURE LIMITED**  
**Profit and loss statement for the year ended March 31, 2013**

Particulars	Note Reference	(Amount in Rs.)	
		As at March 31, 2013	As at March 31, 2012
<b>Income</b>			
Revenue from operations	13	75,087,047	66,737,748
Other income	14	34,083	372,505
		<u>75,121,130</u>	<u>67,110,253</u>
<b>Expenditure</b>			
Employee benefit expenses	15	8,509,442	9,753,398
Finance costs	16	24,445,684	25,523,784
Depreciation and amortization expense	7(a)	19,102,719	19,343,461
Other expenses	17	22,609,970	12,060,467
		<u>74,667,815</u>	<u>66,681,110</u>
<b>Profit before tax</b>		453,315	429,143
<b>Tax expense:</b>			
	<u>Current</u>	<u>Previous</u>	
	<u>year</u>	<u>year</u>	
Current tax (MAT)	103,568	118,785	
Less: Credit Entitlement for MAT	(103,568)	(118,785)	
<b>Net profit for the year</b>		<u>453,315</u>	<u>429,143</u>
 Earning per Equity Share of Rs 10 each Basic and Diluted (Rupees)	18	0.02	0.03

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: September 2, 2013



FOR AND ON BEHALF OF THE BOARD

Vakamulla Chandrashekhar  
Managing Director

V. Anu Naidu  
Director

Deepak Gupta  
Company Secretary



## TARINI INFRASTRUCTURE LIMITED

### 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.

#### 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.



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TARINI



#### E Revenue recognition

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.

##### i) Sale of Electricity

Basis of billable electricity to GUVNL which approximates 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. The project has been approved in list of CDM projects under clean development mechanisms and reduction in carbon emissions. Only 25% shall be given to the utility and 75% shall be available to the company as per power purchase agreement by national CDM authority, Ministry of Environment and Forest, Government of India.

#### 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.

#### 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.



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TARINI



**I Retirement and other employee benefits**

Provision for Gratuity is determined on arithmetical calculation done on actual basis and charged off to the Statement of profit and loss.

**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 Provisions**

A provision is recognized when an enterprise has 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.



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**TARINI INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements**

	(Amount in Rs.)	
	As at March 31, 2013	As at March 31, 2012
<b>NOTE 2 - SHARE CAPITAL</b>		
<u>Authorised</u>		
2,60,00,000 (Previous year- 2,60,00,000) equity shares of Rs. 10 each	260,000,000	260,000,000
<u>Issued, subscribed and fully paid up</u>		
2,59,90,000 (Previous year- 2,59,90,000) equity shares of Rs. 10 each, fully paid	259,900,000	259,900,000
<b>Total</b>	<b>259,900,000</b>	<b>259,900,000</b>

i. 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.

- 12,78,700 ( Previous year - 12,78,700) equity shares allotted to shareholders of erstwhile M/S Real value Promoters Pvt Ltd at par in lieu of consideration for work executed at Hydro Power Project pursuant to Agreement dated August 08, 2008.

ii. The reconciliation of number of shares outstanding is set out below

	As at March 31, 2013	As at March 31, 2012
<b>Equity Shares</b>		
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, 2013		As at March 31, 2012	
	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 Subramaniam 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, 2013	As at March 31, 2012
<b>Surplus / (Deficit) - Balance in Statement of Profit and Loss</b>		
As per last Balance Sheet	686,664	257,521
Add: Transferred from Profit & Loss statement	453,314	429,143
<b>Total</b>	<b>1,139,978</b>	<b>686,664</b>



*[Handwritten signatures and initials]*





TARINI



**TARINI INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements**

(Amount in Rs.)

**NOTE 4 - BORROWINGS**

	As at 'March 31, 2013		As at 'March 31, 2012	
	Long-term	Short-term	Long-term	Short-term
<b>Secured</b>				
Term loans				
- From banks	278,664,026	-	309,048,739	-
	278,664,026	-	309,048,739	-
<b>Unsecured</b>				
Loans and advances from related parties	-	6,570,600	-	9,765,417
Others	1,700,000	2,500,942	2,500,000	1,500,942
	1,700,000	9,071,542	2,500,000	11,266,359
Less:- Current maturities of long term debts	21,200,000	-	33,862,500	-
<b>Total</b>	<b>259,164,026</b>	<b>9,071,542</b>	<b>277,686,239</b>	<b>11,266,359</b>

**i. Details of Term Loans:****From Banks-**

Loan (Rs in Lacs)	Security	Interest	Repayment Terms
2363.6	Secured by way of hypothecation of Plant & machinery, Book debts, leased hold rights in land given by Government of Gujarat. The Loans are further secured by equitable mortgage of immovable property held by one of the shareholder and personnel guarantee of founder promoters.	3% over base rate, presently 13.75%pa 16.75%	Repayable in 96 equal instalments payable on monthly basis started since 2008.
376	Secured by way of hypothecation of Projects assets, leased hold rights in land given by Government of Gujarat. The Loans are further secured by Equitable mortgage of immovable property held by one of the shareholder.	3% over base rate, presently 13.75%pa 16.75%	Repayable in 96 equal instalments payable on monthly basis started since 2008.

**NOTE 5 - PROVISIONS**

	As at 'March 31, 2013		As at 'March 31, 2012	
	Long-term	Short-term	Long-term	Short-term
Provision for employee benefits				
- Gratuity	1,222,845	-	1,212,565	-
Others				
- Taxation	-	103,568	-	118,785
<b>Total</b>	<b>1,222,845</b>	<b>103,568</b>	<b>1,212,565</b>	<b>118,785</b>

**NOTE 6 - OTHER CURRENT LIABILITIES**

	As at March 31, 2013	As at March 31, 2012
Other payables		
- Current maturities of long term borrowings*	21,200,000	33,862,500
- Share application money pending allotment	21,079,000	21,079,000
- Interest accrued and due (bank loan)	57,008,352	12,623,405
- Taxes and other statutory dues	317,100	103,710
- Employee dues	651,341	621,940
- Others <sup>1</sup>	29,544,437	30,233,693
<b>Total</b>	<b>129,800,230</b>	<b>98,524,248</b>

\*Current maturities include installment dues but not paid

<sup>1</sup>Others include non trade payables

Handwritten signatures and initials:

- Signature: J.K.G.
- Signature: Am



TARINI

Notes to accounts (continued)

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

Particulars	Gross carrying amount			Depreciation			Net carrying amount	
	As at 31.03.2012	Additions	Deductions	As at 31.03.2012	For the year	On deductions	As at 31.03.2013	As at 31.03.2012
<b>Owned assets</b>								
Roads	13084436	-	-	828542	437020	-	11818874	12255894
<b>Plant and equipment</b>								
- Generating equipment	240905464	-	16000000	24067704	12229130	-	188608630	216837760
- Transmission line & sub-station	114388605	-	-	11450644	6039718	-	96898243	102937961
<b>Office equipment</b>								
	29120	10,000	-	9010	1849	-	28261	20110
<b>Furniture and fixtures</b>								
	245536	-	-	53489	15542	-	176505	192047
<b>Vehicles</b>								
	154,662	5,946,184	-	69528	248401	-	5782917	85134
<b>Others</b>								
- Computer	699,928	51,000	-	422531	99179	-	229218	277397
- Other Plant & machinery	671,146	-	-	103127	31880	-	536139	568019
<b>Total Tangible Assets</b>	<b>370,178,897</b>	<b>6,007,184</b>	<b>16,000,000</b>	<b>37,004,575</b>	<b>19,102,719</b>	<b>-</b>	<b>304,078,787</b>	<b>-</b>
Previous year	369,598,272	580,625	-	17,661,114	19,343,461	-	-	333,174,322

Footnotes :

- 1 Land admeasuring 4.8 Hectare for setting up the Captioned Hydro 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.



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TARINI

**TARINI INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements**

(Amount in Rs.)

**NOTE 7(b) - FIXED ASSETS - CWIP**

	As at March 31, 2013	As at March 31, 2012
<b>CAPITAL WORK IN PROGRESS</b>		
Detailed engineering construction drawing	1,505,935	1,505,935
Civil designing & execution expenditure	34,164,258	33,588,819
Hydro Mechanical expenditure	34,550,637	33,775,138
Roads & civil construction work in progress	1,297,892	1,297,892
Electro mechanical/transmission/substation/power	118,804,106	118,797,206
Pre-operative expenditure pending allocation	109,782,185	81,421,435
<b>Total</b>	<b>300,105,013</b>	<b>270,386,425</b>

**NOTE 8 - NON CURRENT INVESTMENTS**

	As at March 31, 2013	As at March 31, 2012
<b>Long Term Investments (Non - Trade)</b>		
<b>Unquoted</b>		
B. Soilme India Pvt Ltd		
335,000 (Previous year- 335,000) Equity shares of Rs. 10 each, fully paid-up	3,350,000	3,350,000
Venture Energy & Technologies Ltd		
723,900 (Previous year - 723,900) Equity shares of Rs. 10 each, fully paid-up	7,239,000	7,239,000
Tarini Hydro Power Lethso Ltd		
1,000 (Previous year - 1,000) Equity shares of Rs. 7 each, fully paid-up	7,000	7,000
<b>Total</b>	<b>10,596,000</b>	<b>10,596,000</b>

**NOTE 9 - LOANS AND ADVANCES**

(unsecured, considered good unless otherwise stated)

	As at 'March 31, 2013		As at 'March 31, 2012	
	Long-term	Short-term	Long-term	Short-term
Security deposits	213,500	-	113,500	-
Loan and advances to related parties	-	11,444,289	-	6,227,169
Other loans and advances	-	-	-	-
- Advance tax / MAT credit	-	270,098	-	166,530
- Excise, Cenvat, VAT and other Govt dues	-	76,125	-	38,841
- Dues from employees	-	214,522	-	652,507
- Other advances recoverable in cash or in kind or for the value to be received	-	-	-	-
- Secured	10,954,294	7,128,550	10,954,294	3,441,170
- Unsecured - considered good*	11,167,794	19,133,584	11,067,794	10,526,217
<b>Total</b>	<b>11,167,794</b>	<b>19,133,584</b>	<b>11,067,794</b>	<b>10,526,217</b>

\*Includes prepaid expenses Rs 338,947 ( Previous year Rs 212,863)



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TARINI

**TARINI INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements**

(Amount in Rs.)

**NOTE 10 - NON CURRENT ASSETS**

	As at March 31, 2013	As at March 31, 2012
Deferred expenditure	3,110,495	3,110,495
Increase in authorised capital expenditure	852,000	1,136,000
Preliminary expenses	71,640	106,960
<b>Total</b>	<b>4,034,135</b>	<b>4,353,455</b>

**NOTE 11 - TRADE RECEIVABLES**

	As at March 31, 2013	As at March 31, 2012
Secured, considered good	-	-
Unsecured - considered good	8,497,004	7,826,583
<b>Total</b>	<b>8,497,004</b>	<b>7,826,583</b>

**NOTE 12 - CASH AND CASH EQUIVALENTS**

	As at March 31, 2013	As at March 31, 2012
Balances with banks	1,604,018	732,004
Cash on hand	308,391	732,061
<b>Total</b>	<b>1,912,408</b>	<b>1,464,065</b>

**NOTE 13 - REVENUE FROM OPERATIONS**

	As at March 31, 2013	As at March 31, 2012
Sale of Electrical energy	75,880,204	67,386,604
Less: Discount on prompt payment	(710,584)	(511,937)
Less: Unscheduled interchange charges	(82,574)	(136,919)
<b>Total</b>	<b>75,087,047</b>	<b>66,737,748</b>

**NOTE 14 - OTHER INCOME**

	As at March 31, 2013	As at March 31, 2012
Interest income*	34,083	372,505
<b>Total</b>	<b>34,083</b>	<b>372,505</b>

\* Tax deducted at source Rs 3,976 (Previous year- Rs 1,112).

**NOTE 15 - EMPLOYEE BENEFIT EXPENSES**

	As at March 31, 2013	As at March 31, 2012
Salaries, wages etc	8,119,275	9,412,164
Gratuity	10,280	159,465
Staff welfare expenses	379,887	181,769
<b>Total</b>	<b>8,509,442</b>	<b>9,753,398</b>



*[Handwritten signatures and initials]*

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**TARINI INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements**

(Amount in Rs.)

**NOTE 16 - FINANCE COST**

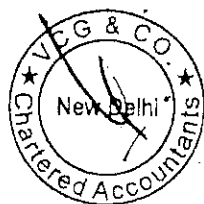
	As at March 31, 2013	As at March 31, 2012
Interest expense	23,775,500	22,768,060
Other borrowing costs	670,184	2,755,724
<b>Total</b>	<b>24,445,684</b>	<b>25,523,784</b>

**NOTE 17 - OTHER EXPENSES**

	As at March 31, 2013	As at March 31, 2012
Power and fuel	57,250	103,178
Repairs		
- Plant and machinery	1,689,583	1,049,735
- Other repair	206,462	6,850
Lease rent	852,490	374,276
Royalties	5,000,701	4,440,933
Insurance	352,276	92,827
Travelling & conveyance expenses	1,241,267	1,208,536
Telephone & internet expenses	256,333	325,221
Legal & professional charges	779,878	694,812
Site expenditure	816,246	840,035
Auditors' remuneration		
- Audit fee	196,630	193,025
- Tax audit fee	39,326	38,605
Inspection Charges	121,824	999,049
Maintenance of Substation & Transmission Line	6,910,140	-
Commission paid on guarantee	3,370,800	-
Preliminary expenses written off	319,320	319,320
Miscellaneous expenses	399,444	1,374,065
<b>Total</b>	<b>22,609,970</b>	<b>12,060,467</b>

**NOTE 18 - EARNING PER SHARE**

	As at March 31, 2013	As at March 31, 2012
Profit / (Loss) after tax as per profit and loss account (Rs.)	453315	429143
Weighted average number of Equity shares outstanding (Nos.)	25990000	25990000
Earnings per share - basic / diluted (face value - Rs. 10 per share) (Rs.)	0.02	0.02



*Handwritten signatures and initials:*  
 [Signature] V.C.G. [Signature]

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#### ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS:

19. 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 from the date of signature of agreement i.e. 27.08.2007, after negotiation of terms and conditions with GUVNL
20. 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 not availed the tax holiday benefit up to accounting year 2012-13. 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**
  - Capital commitments - Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) Rs.250 Lacs (Previous year Rs. 250 Lacs).
  - Guarantee issued by company's banker in form of Bank Guarantee of Rs 2.60 Lacs (previous year Rs 2.60 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 and the company has received the subsidy of Rs. 160 Lacs during the year which has been adjusted with the cost of plant.

29. An amount of Rs. 2,282,930/- (Previous year Rs 2,027,390), Year to date Rs 59,62,560/-, has not been accounted for, 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.

30. Related Party Disclosures:

(a) Key Management Personnel

Mr. Vakmulla Chandrashekhar  
Mrs. Anu Naidu  
Mr. Vellore Subramanian Suresh

(b) Enterprises over which directors exercise significant influence / control

Tarini International Limited, Venture Infrastructure Limited, B.Soilmec India Private Limited, Venture Energy & Technologies Limited, Tarini Sugars & Distilleries Limited, Real Value Promoters Private Limited Tarini Overseas Mining and Operations Limited, Tarini Humanitarian Demining and Rehabilitation Works

(Amount (Rs.))			
(c)	Particulars	Mar-13	Mar-12
	Expenses paid for to Tarini International Ltd		
	Maintenance charges for Substation & Transmission line	6,910,140	-
	Guarantee Commission	3,370,800	-
	Rent	674,160	180,000
	Closing Balance at the year end.		
	Payable		
	a) Mr.Vakamulla Chandrashekhar	260,378	1,379,128
	b) Mrs.Vakamulla Anu Naidu	468,979	399,000
	c) Mr. Vellore Subramanian Suresh	5,841,243	5,391,243
	B.Soilmec India Private Limited	-	210,377
	Venture Infrastructure Limited	-	563,094
	Receivable / (Payable)		
	Tarini International Limited	11,444,289	(1,822,575)
	Venture Energy & Technologies Limited	-	5,832,169
	Tarini Overseas Mining and Operations Ltd.	-	231,500
	Tarini Humanitarian Demining and Rehabilitation Works	-	163,500



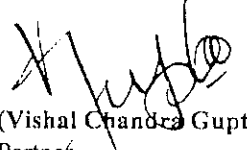
*[Handwritten signatures and initials]*



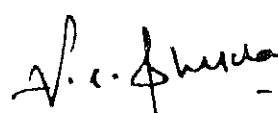
32. Additional information pursuant to the provision of paragraph 3 and 4 of part II of schedule VI to the companies Act, 1956:


Capacity and production (as certified by the management)	Actual Production	
	2012-13	2011-12
Installed Annual Capacity-	5600 KW	
SHPI under Generation	3000 KW	21.74 GWH
SHPII (Commercial production yet to come)	2600 KW	19.52 GWH

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

  
(Vishal Chandra Gupta)  
Partner  
Membership No. 093908  
New Delhi  
Date: September 2, 2013



  
Vakamulla Chandrashekhar  
Managing Director

  
V. Anu Naidu  
Director

  
Deepak Gupta  
Company Secretary

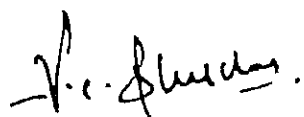


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## Tarini Infrastructure Ltd

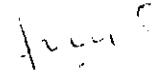
## Statement Pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies

S. No.	Particulars	Details
1	Name of the Subsidiary	B.Soilmec India Private Ltd
2	Financial year of the subsidiary ended on	31st March, 2013
3	Shares of the subsidiary held by the Company on above date	
	a) Number and Face Value	3,35,000/- Equity Shares of Rs. 10/- each, fully paid up
	b) Extent of holding	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	Rs. 433,549
	b) For the Previous Financial year of the Subsidiary	Rs. 247,313
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	Rs. NIL
	b) For the Previous Financial year of the Subsidiary	Rs. NIL



(V.chandrashekhar)  
MANAGING DIRECTOR

Tarini Infrastructure Ltd



(Anu Naidu)  
DIRECTOR



Deepak Gupta  
COMPANY SECRETARY



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# **TARINI INFRASTRUCTURE LIMITED**

**10<sup>TH</sup> ANNUAL REPORT  
(2013-2014)**

**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, 1<sup>st</sup> Floor, Amar Colony,  
Lajpat Nagar – IV, New Delhi - 110024  
Email: [tarini@nde.vsnl.net.in](mailto:tarini@nde.vsnl.net.in)  
Website: [www.tariniinfra.com](http://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



CONTENTS

- Notice of Annual General Meeting-----
- Directors Report-----
- Standalone Financial Statements
- Independent Audit Report-----
- Balance Sheet -----
- Statement of Profit & Loss-----
- Cash Flow Statements-----
- Notes to financial statements-----
- Statement under Section 129 (3) of Companies Act  
2013.....

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**TARINI INFRASTRUCTURE LIMITED**  
**(CIN: U45201DL2004PLC130447)**

Registered Office: D-2, 1<sup>st</sup> Floor, Amar Colony, Lajpat Nagar – IV, New Delhi - 110024  
Email: [tarini@nde.vsnl.net.in](mailto:tarini@nde.vsnl.net.in) Website: [www.tariniinfra.com](http://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 31<sup>st</sup> 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 15<sup>th</sup> 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 15<sup>th</sup> 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."

Date: 29.08.2014  
Place: New Delhi

By Order of the Board

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

**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.

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**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 15<sup>th</sup> 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.

Date: 29.08.2014  
Place: New Delhi

By Order of the Board

Deepak Gupta  
(Company Secretary)  
M. No. F4593

000719

**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 17<sup>th</sup> 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 13<sup>th</sup> Annual General Meeting, subject to the approval of shareholders.

*V. Anu Naidu*

*Am*

**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 31<sup>st</sup> 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 31<sup>st</sup> march, 2014 and the profit of the Company for the year ended on that date.

*Handwritten signature: A. S. Sharma*

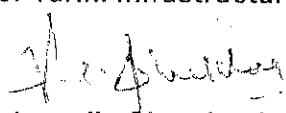
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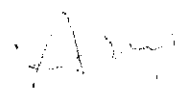
- (iii) That the Directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and preventing and detecting frauds and other irregularities.
- (iv) The annual accounts have been prepared 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

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203, Kirti Plaza, 12/11  
Nehru Place,  
New Delhi-110019  
Tel: +91 11 41407640  
Email: admin@vco.in

**V C G & Co.**  
Chartered Accountants

## 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 31<sup>st</sup> 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.



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## 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 31<sup>st</sup> 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

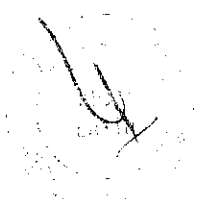
### Attention is invited to

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.

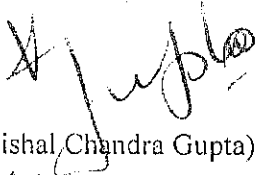


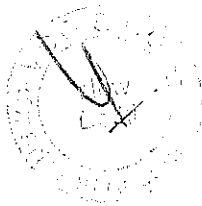
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(d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.

(e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> 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

**V C G & Co.**  
Chartered Accountants

203, Kunal Park, Vasant Vihar,  
New Delhi - 110014  
Tel. Nos. 11-41-41041  
Email: vcg@vccg.co.in

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



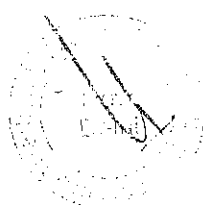


have been made at prevailing market prices at the relevant time.

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



TARINI

**TARINI INFRASTRUCTURE LIMITED**  
Balance Sheet as at March 31, 2014

(Amount in Rs.)			
Particulars	Note Reference	As at March 31, 2014	As at March 31, 2013
<b>I. EQUITY AND LIABILITIES</b>			
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	9,071,842
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
<b>Total</b>		<b>678,450,876</b>	<b>660,402,189</b>
<b>II. ASSETS</b>			
1 Non-current assets			
Fixed assets			
- Tangible assets	7(a)	600,008,194	304,078,787
- Capital work in progress	7(b)	877,464	300,982,177
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	1,912,108
Short - term loans and advances	9	27,872,992	19,133,581
Total current assets		53,854,609	29,542,996
<b>Total</b>		<b>678,450,876</b>	<b>660,402,189</b>

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 Chandrashekhhar

Managing Director

DIN - 00073657

CFO

V. Anand Naidu

Director

DIN - 00073661

Company Secretary

000729



**TARINI INFRASTRUCTURE LIMITED**  
Profit and loss statement for the year ended March 31, 2014

Particulars	Note Reference	(Amount in Rs.)	
		As at March 31, 2014	As at March 31, 2013
<b>Income</b>			
Revenue from operations	13	102,135,349	75,087,047
Other income	14	1,297,885	34,083
		<u>103,433,234</u>	<u>75,121,130</u>
<b>Expenditure</b>			
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
		<u>100,913,884</u>	<u>74,667,815</u>
<b>Profit before tax</b>		2,519,351	453,315
<b>Tax expense:</b>			
	<u>Current</u> <u>year</u>	<u>Previous</u> <u>year</u>	
Current tax (MAT)	514,000	103,568	
Less: Credit Entitlement for MAT	(514,000)	(103,568)	
<b>Net profit for the year</b>		<u>2,519,351</u>	<u>453,315</u>
 Earning per Equity Share of Rs 10 each Basic and Diluted (Rupees)	18	0.10	0.07

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

B.L. Jain  
CFO

V. Anu Naidu  
Director

DIN - 00073661

Deepak Gupta  
Company Secretary

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## Tarini Infrastructure Limited

## Cash Flow Statement for the year ended March 31, 2014

(Amount in Rs.)		
Particulars	As at March 31, 2014	As at March 31, 2013
<b>A. Cash flow from Operating Activities</b>		
Profit after Tax	2,519,351	453,313
<b>Adjustments for:</b>		
Depreciation	23,305,745	19,102,719
Interest expenses	36,790,164	24,445,684
Interest income	(75,040)	(34,083)
<b>Operating profit before working capital changes</b>	<b>62,540,220</b>	<b>43,967,633</b>
<b>Working Capital Changes</b>		
Decrease/(Increase) in current assets	(20,062,552)	(9,241,857)
Increase/(Decrease) in current liab	(59,473,300)	28,930,018
<b>Cash flow from Operating Activities (A)</b>	<b>(16,995,632)</b>	<b>63,655,794</b>
<b>B. Cash flow from Investing Activities</b>		
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		319,520
<b>Cash flow from Investing Activities (B)</b>	<b>(19,055,099)</b>	<b>(20,249,833)</b>
<b>C. Cash flow from Financing Activities</b>		
Proceeds/(Repayment) of secured Loan	75,002,636	(18,522,211)
Proceeds/(Repayment) of unsecured Loan		10,280
Interest exp	(36,790,164)	(24,445,684)
<b>Cash flow from Financing Activities (C)</b>	<b>38,212,472</b>	<b>(42,957,617)</b>
<b>Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>2,161,741</b>	<b>448,344</b>
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 &amp; 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.T. Jain

CFO

V. Anu Naidu

Director

DIN - 00073661

Deepak Gupta

Company Secretary



## TARINI INFRASTRUCTURE LIMITED

### 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 transmit 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

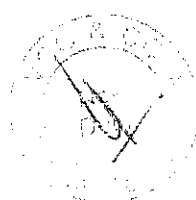
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

### 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.



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TARINI

**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

- Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
- 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.
- Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.



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TARINI

**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 if a virtual certainty of realization of such asset.

*Y. S. S. S. S.**Am. S. S.**Am. S. S.*



**TARINI INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements**

	As at March 31, 2014	As at March 31, 2013
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**NOTE 2 - SHARE CAPITAL**

**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

- ii. The reconciliation of number of shares outstanding is set out below:

	As at March 31, 2014	As at March 31, 2013
<b>Equity Shares</b>		
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 Subramanian Suresh	7,994,903	30.76	7,994,903	30.76
Mr. Vakannulla Chन्द्रashekhar	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
<b>Surplus / (Deficit) - Balance in Statement of Profit and Loss</b>		
As per last Balance Sheet	1,139,978	686,664
Add: Transferred from Statement of Profit & Loss	2,519,350	433,313
<b>Closing balance</b>	<b>3,659,329</b>	<b>1,139,978</b>

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TARINI

TARINI INFRASTRUCTURE LIMITED

Notes to the Financial Statements

Amount in Rs.

## NOTE 4 - BORROWINGS

	As at March 31, 2014		As at March 31, 2013	
	Long-term	Short-term	Long-term	Short-term
<b>Secured</b>				
Term loans				
- From banks	362,766,126	-	278,664,026	-
	362,766,126	-	278,664,026	-
<b>Unsecured</b>				
Loans and advances from related parties	-	14,512,973	-	6,870,000
Others	1,700,000	2,509,942	1,700,000	2,509,942
	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	-
<b>Total</b>	<b>334,166,662</b>	<b>17,013,915</b>	<b>280,164,026</b>	<b>9,071,542</b>

## 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	Repayable in 32 unequal quarterly installments from quarter ending June 2014 (last installment at March 2022)
T.L.-II	2.69	13.25 years	including tenor premium, presently 13.00% p.a.	
T.L.-III	2.25	9 years		
FTFL	9.71	2 years	11% p.a. fixed	Repayable in quarterly installments of Rs. 7 lakhs each commencing from June 2014

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
<b>Provision for employee benefits</b>				
- Gratuity	-	-	1,222,845	-
<b>Others</b>				
- Taxation	-	514,000	-	904,608
<b>Total</b>	-	<b>514,000</b>	<b>1,222,845</b>	<b>1,003,568</b>

## NOTE 6 - OTHER CURRENT LIABILITIES

	As at March 31, 2014	As at March 31, 2013
<b>Other payables</b>		
- Current maturities of long term borrowings*	30,299,464	21,200,000
- Share application monies pending allotment	21,079,000	21,079,000
- Interest accrued and due (bank loan)	-	1,608,333
- Taxes and other statutory dues	747,565	117,100
- Employee dues	835,680	670,341
- Others	9,845,882	29,744,132
<b>Total</b>	<b>63,196,970</b>	<b>129,800,230</b>

\*Current maturities include installment dues but not paid

Others include non trade payables

Notes in accounts (continued)

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



Particulars	Gross carrying amount				Depreciation		Impairment loss		Net carrying amount	
	As at 31.03.2013	under scheme	additions	deductions	As at 31.03.2013	For the year	On 31.03.2014	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
	Mean									
Owned assets	11,084,436	-	-	-	1,265,562	217,020	-	1,702,582	11,381,854	11,819,874
Roads										
Plant and equipment	224,905,464	-	-	-	16,296,814	1,875,069	-	48,171,843	176,733,621	188,608,639
- Generating equipment	114,388,605	-	-	-	17,490,362	6,039,718	-	23,530,080	96,858,525	99,898,241
- Transmission line & sub-station	-	-	-	-	-	3,205,631	-	4,205,631	314,869,421	-
- Plant II	39,120	39,120	92,060	-	10,859	2,568	-	13,427	117,691	28,261
Office equipment	245,536	-	-	-	69,031	15,542	-	84,573	160,963	176,505
Furniture and fixtures	6,160,846	-	54,466	-	317,929	580,318	-	898,247	5,256,969	5,782,917
Vehicles	750,928	-	75,700	-	521,710	120,059	-	641,769	184,359	229,218
Others	671,146	-	-	-	135,007	31,880	-	166,887	504,256	536,139
- Computer	-	-	-	-	-	-	-	-	-	-
- Other Plant & machinery	-	-	-	-	-	-	-	-	-	-
Total Tangible Assets	360,186,081	-	319,235,152	-	56,107,294	33,305,745	-	79,413,039	600,008,194	304,078,787
Previous year	370,178,897	-	11,997,184	-	37,604,575	15,162,719	-	56,107,294	-	-

Footnotes  
1 Land and buildings 1.8 Hectare for setting up the 1 approved Hydro 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

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TARINI

## TARINI INFRASTRUCTURE LIMITED

## Notes to the Financial Statements

(Amount in Rs.)

## NOTE 7(b) - FIXED ASSETS - CWIP

	As at March 31, 2014	As at March 31, 2013
<b>CAPITAL WORK IN PROGRESS</b>		
Detailed engineering construction drawing	-	1,508,033
Civil designing & execution expenditure	-	34,161,288
Hydro Mechanical expenditure	-	1,330,637
Roads & civil construction work in progress	-	1,997,892
Electro mechanical/transmission/substation/power	-	118,864,106
Pre-operative expenditure pending allocation	-	100,782,183
Machine for Prototype Test(R&D)	877,464	877,464
<b>Total</b>	<b>877,464</b>	<b>300,982,477</b>

## NOTE 8 - NON CURRENT INVESTMENTS

	As at March 31, 2014	As at March 31, 2013
<b>Long Term Investments (Non - Trade)</b>		
<b>Unquoted</b>		
B Soolmee 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 Lethosa Limited		
1,000 (Previous year - 1,000) Equity shares of Rs. 7 each, fully paid-up	7,000	7,000
<b>Total</b>	<b>10,596,000</b>	<b>10,596,000</b>

## 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	-	113,500	-
Loan and advances to related parties	-	19,993,449	-	11,444,289
Other loans and advances	-	-	-	-
- Advance tax - MAT credit	-	790,900	-	790,908
- Excise, Cenvat, VAF and other Govt dues	-	91,064	-	26,135
- Dues from employees	-	644,372	-	114,522
- Other advances recoverable in cash or in kind or for the value to be received	-	-	-	-
- Unsecured - considered good*	9,854,291	6,353,208	10,954,294	7,128,380
	<b>9,967,791</b>	<b>27,872,992</b>	<b>11,167,794</b>	<b>19,133,584</b>
<b>Total</b>	<b>9,967,791</b>	<b>27,872,992</b>	<b>11,167,794</b>	<b>19,133,584</b>

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



TARINI

**TARINI INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements**

(Amount in Rs.)

**NOTE 10 - NON CURRENT ASSETS**

	As at March 31, 2014	As at March 31, 2013
Deferred expenditure	3,117,215	3,116,195
Increase in authorised capital expenditure		852,000
Preliminary expenses	29,600	31,640
<b>Total</b>	<b>3,146,815</b>	<b>4,004,135</b>

**NOTE 11 - TRADE RECEIVABLES**

	As at March 31, 2014	As at March 31, 2013
Unsecured - considered good	21,907,468	8,127,004
<b>Total</b>	<b>21,907,468</b>	<b>8,497,004</b>

**NOTE 12 - CASH AND CASH EQUIVALENTS**

	As at March 31, 2014	As at March 31, 2013
Balances with banks	1,649,865	1,604,917
Cash on hand	2,124,284	315,560
<b>Total</b>	<b>4,074,149</b>	<b>1,920,477</b>

**NOTE 13 - REVENUE FROM OPERATIONS**

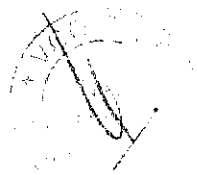
	As at March 31, 2014	As at March 31, 2013
Sale of Electrical energy	102,351,317	75,880,705
Less: Discount on prompt payment	(180,200)	(710,581)
Less: Unscheduled interchange charges	(115,768)	(82,371)
<b>Total</b>	<b>102,135,349</b>	<b>75,087,647</b>

**NOTE 14 - OTHER INCOME**

	As at March 31, 2014	As at March 31, 2013
Interest income	75,010	34,083
Excess provision writtenback	1,222,845	
<b>Total</b>	<b>1,297,885</b>	<b>34,083</b>

**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		40,280
Staff welfare expenses	492,310	379,387
<b>Total</b>	<b>7,560,292</b>	<b>8,509,442</b>



*Handwritten signature: J. e. Suresh. Ann. Dr. Ling*



TARINI

**TARINI INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements**

(Amount in Rs.)

**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	670,181
Foreign Exchange Rate Difference	3,270,698	-
<b>Total</b>	<b>41,172,077</b>	<b>24,445,681</b>

**NOTE 17 - OTHER EXPENSES**

	As at March 31, 2014	As at March 31, 2013
Power and fuel	19,028	57,530
Repairs		
- Plant and machinery	668,676	1,689,553
- Other repair	592,620	206,462
Lease rent	900,280	852,190
Royalties	6,745,213	5,000,701
Insurance	521,165	332,776
Travelling & conveyance expenses	2,848,787	1,241,267
Telephone & internet expenses	268,801	256,333
Legal & professional charges	468,177	7,90,878
Site expenditure	771,725	316,246
Auditors' remuneration		
- Audit fee	196,630	196,630
- Tax audit fee	39,326	39,326
Inspection Charges	53,908	121,821
Maintenance of Substation & Transmission Line	7,921,380	6,940,116
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	1,501,737	399,444
<b>Total</b>	<b>28,875,769</b>	<b>22,609,970</b>

**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	1,45,1315
Weighted average number of Equity shares outstanding (Nos.)	25990000	25990000
Earnings per share - basic / diluted (face value - Rs. 10 per share) (Rs.)	0.10	0.07



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 H. S. Phulekar, Anu. D. Singh, G. Singh



### ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS:

19. 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.
20. 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



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 H. S. Phulekar, Am., Dh, Bhug





## TARINI

### 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. Vakmulla 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
	<b>Expenses paid for to Tarini International Ltd</b>		
	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
	<b>Closing Balance at the year end.</b>		
	<b>Payable</b>		
	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	-
	<b>Receivable</b>		
	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	-

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TARINI

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

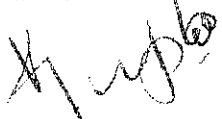
	2013-14	2012-13
- Consumables	108,915	-

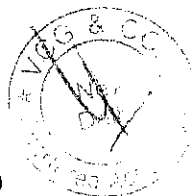
35 Expenses in Foreign currency

	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.

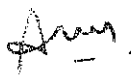
For V C G & CO.  
Chartered Accountants  
FRN - 021837N

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



  
Vakamulla Chandrashekhara  
Managing Director  
DIN - 00073657


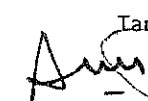
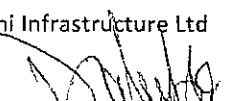

  
B.L. Jain  
CFO

  
V. Anu Naidu  
Director  
DIN - 00073661

  
Deepak Gupta  
Company Secretary

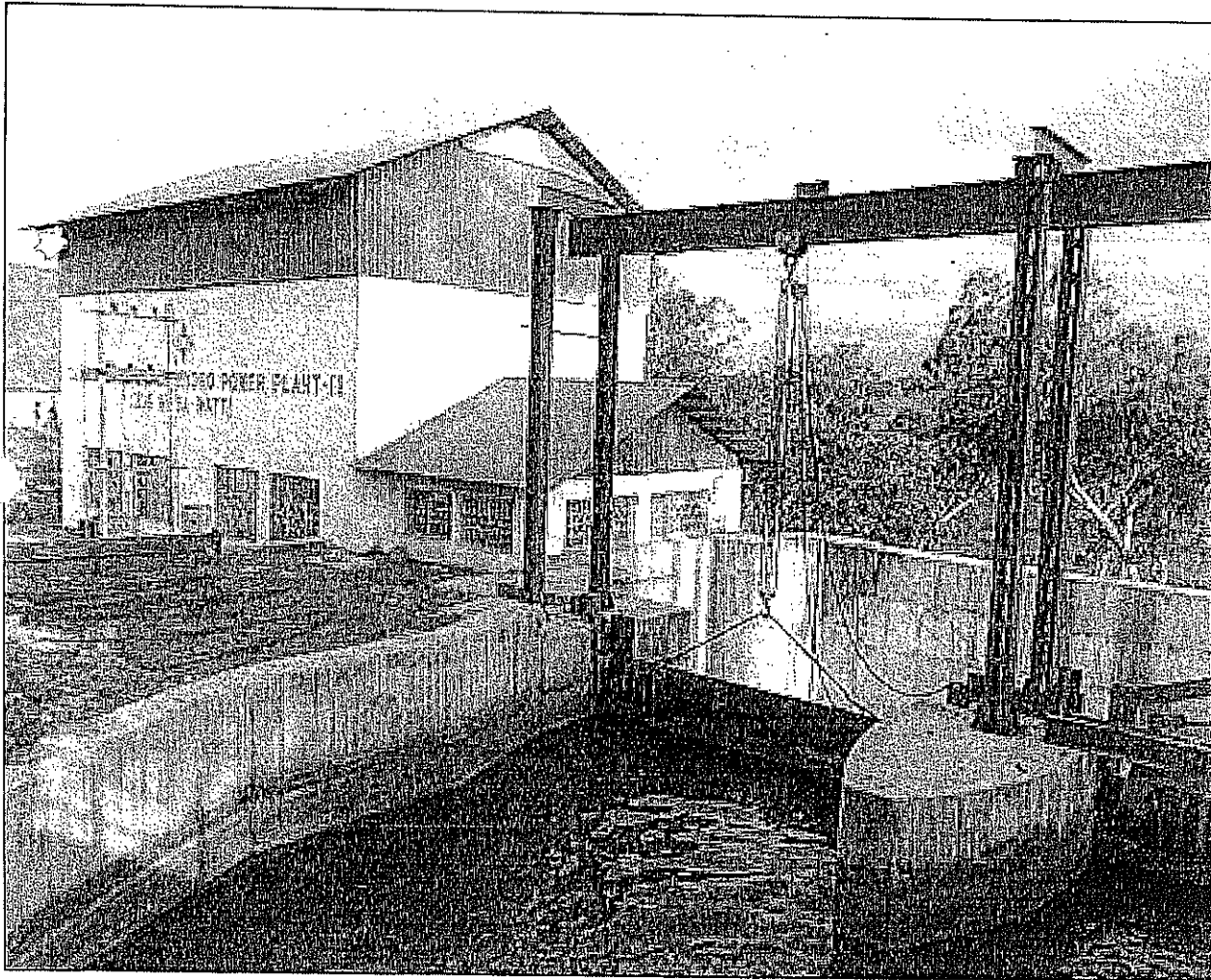
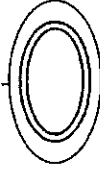
743A



Tarini Infrastructure Ltd		
Statement Pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies		
S. No.	Particulars	Details
1	Name of the Subsidiary	B. Soilmech 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	3,35,000/- Equity Shares of Rs. 10/- each, fully paid up
	b) Extent of holding	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	Rs. 661,070
	b) For the Previous Financial year of the Subsidiary	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	Rs. NIL
	b) For the Previous Financial year of the Subsidiary	Rs. NIL
<div> <div>   (V. Chandrashekhar)  MANAGING DIRECTOR </div> <div>   (Anu Naidu)  DIRECTOR </div> <div>   Deepak Gupta  COMPANY SECRETARY </div> <div>   B. L. Jain  CFO </div> </div>		



**Tarini Infrastructure Ltd.**



**0.6 MW Damanganga Small Hydro Power Projects (SHP I & II)**  
**Dist. Valsad , Gujarat**

**Annual Report 2014- 2015**

000745



# **TARINI INFRASTRUCTURE LIMITED**

## **11<sup>TH</sup> ANNUAL REPORT (2014-2015)**

## **Board of Directors**

**Mr. Vakamulla Chandrashekhar - Managing Director**  
**Mr. Vellore Subramaniyan Suresh - Director**  
**Mrs. V. Anu Naidu - Director**

000746



**Mr. Gurdip Singh Malia - Non Executive 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. Gurdip Singh Malia - Member**

## **Shareholder Grievance Committee**

**Mr. Ponnu Swami Sethu Seshan - Chairman**  
**Dr. Simhachalam Gedela - Member**  
**Mr. Gurdip Singh Malia - Member**

## **Nomination & Remuneration Committee**

**Mr. Ponnu Swami Sethu Seshan - Chairman**  
**Dr. Simhachalam Gedela - Member**  
**Mr. Gurdip Singh Malia - 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 - Managing Director**  
**Mr. Bhagwati Lal Jain - Chief Financial Officer**  
**Mr. Deepak Gupta - Company Secretary**

## **Registered Office**

**D-2, 1<sup>st</sup> Floor, Amar Colony,**  
**Lajpat Nagar - IV, New Delhi - 110024**  
**Email: [tarini@nde.vsnl.net.in](mailto:tarini@nde.vsnl.net.in)**  
**Website: [www.tariniinfra.com](http://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**



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Notes to financial statements-----	
➤ Consolidated Financial Statements	
Independent Audit Report-----	
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Cash Flow Statements-----	
Notes to financial statements-----	
Statement under Section 129 (3) of Companies Act 2013.....	

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**TARINI INFRASTRUCTURE LIMITED**

(CIN: U45201DL2004PLC130447)

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

Email: [tarini@nde.vsnl.net.in](mailto:tarini@nde.vsnl.net.in) Website: [www.tariniinfra.com](http://www.tariniinfra.com)

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

**NOTICE**

**NOTICE** is hereby given that the Eleventh Annual General Meeting of the Members of **TARINI INFRASTRUCTURE LIMITED** will be held on Wednesday, September 30, 2015 at 11.00 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 Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2015 including audited Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon and the audited consolidated financial statement of the Company for the financial year ended on March 31, 2015.
2. To re-appoint Mr. Vellore Subramaniyan Suresh. as Director (holding DIN 01553605) who retires by rotation and being eligible, offers himself 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 and all other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof) the appointment of M/s VCG & Co., Chartered Accountants (Registration No.021837N) the retiring Auditors, be and is hereby ratified as auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company for auditing the Accounts for the financial year 2015-2016 and the Board of Directors/Committee of the board be and is hereby authorised to fix their remuneration plus travelling and 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 appoint Mr. Gurdip Singh Malia (DIN: 03209544) as a Director and in this regard, to consider and if thought fit, to pass the following resolution, with or without modification, as an Ordinary Resolution:

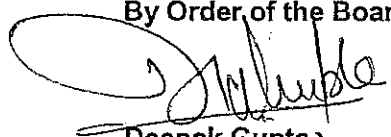
"RESOLVED THAT Mr. Gurdip Singh Malia (DIN: 03209544) who was appointed as an Additional Director of the Company by Board of Directors with effect from May 5, 2015 in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director under Section 160 of the Companies Act,



2013, be and is hereby appointed as Director of the Company, liable to retire by rotation.

000749

Date: 31.08.2015  
Place: New Delhi

By Order of the Board  
  
Deepak Gupta  
(Company Secretary)  
M. No. F4593

**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.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

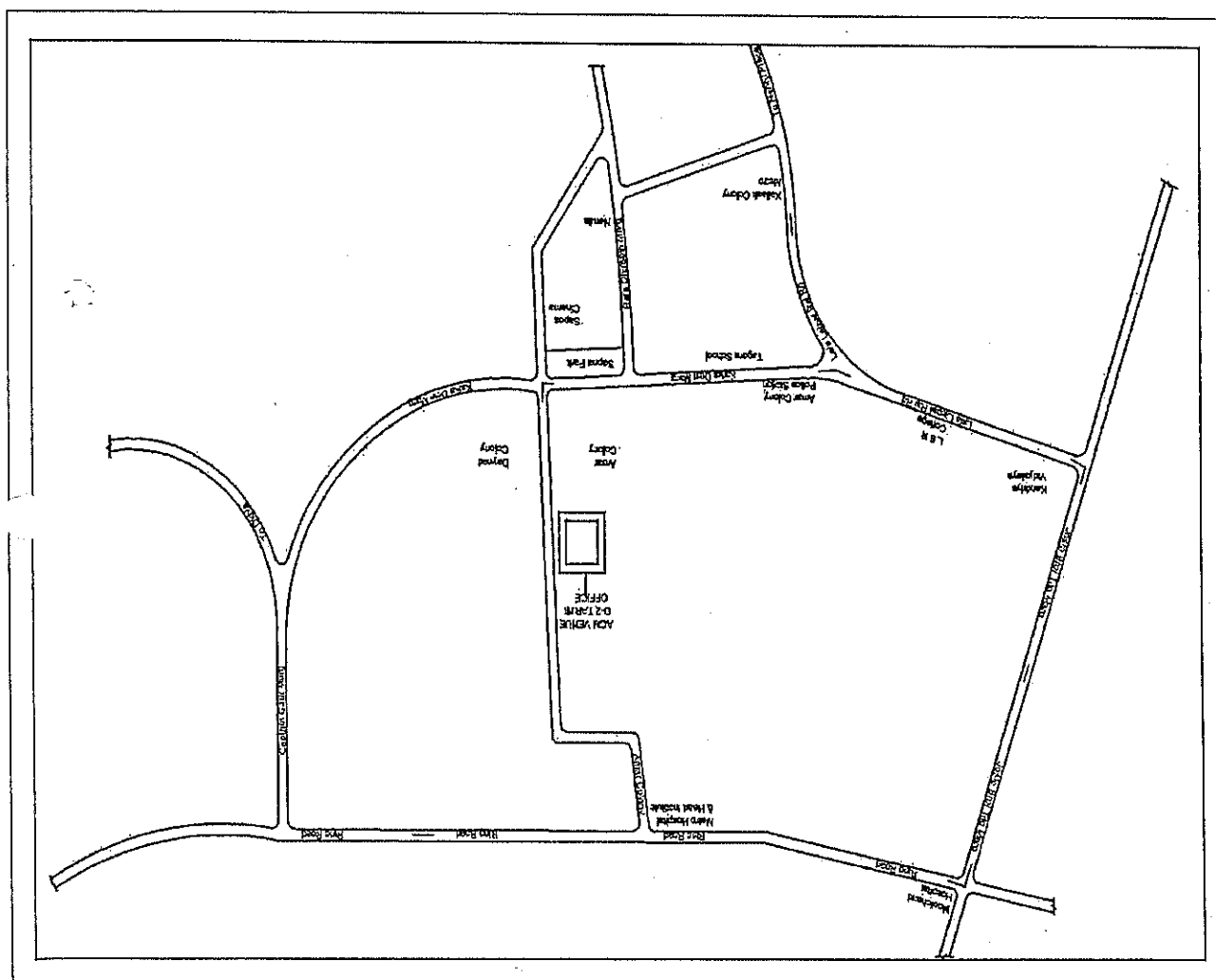
The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified

2. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting.
3. Corporate members are requested to send a duly certified copy of the Board resolution/ authority letter, authorizing their representative(s) to attend and vote on their behalf at the meeting.
4. Members are requested to intimate changes with respect to their bank account (viz., name and address of the branch of the bank, MICR code of branch, type of account and account number, mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. immediately to the Company.
5. Kindly register your email address and contact details with us, by writing to us addressed to the Secretarial Department at our corporate office, or at our e-mail ID: tarini@nde.vsnl.net.in. This will help us in prompt sending of notices, annual reports and other shareholder communications in electronic form.
6. The relevant explanatory statement pursuant to section 102 of the Companies Act, 2013, in respect of the Special businesses set out above is annexed hereto.

7. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
8. The route map of the venue for the Annual General Meeting is given herein below and also available on the website of the Company.

000750



**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**

Mr. Gurdip Singh Malia (DIN: 03209544) Non-Executive Director on the Board of the Company, was appointed as an Additional Director of the Company on May 5, 2015. His term of office will conclude on the date of the ensuing Annual General Meeting.

The Company has received a Notice in writing along with a deposit of Rs.1 Lac, under Section 160 of the Act, from a Member of the Company, who has nominated his as a Director on the Board of Directors of the Company, proposing his candidature for the office, liable to retire by rotation. Mr. Gurdip Singh has been recently inducted as Additional Director in the Company at its Board meeting held on 5<sup>th</sup> May 2015.

A post graduate in the Tourism Management, Mr. Gurdip Singh Malia has served Northern Railway for 35 years.

During his stint with the Railways, his responsibilities included welfare of the railway employee and recruitment of young and aspiring sportsmen to further strengthen and carry forward the Indian Railway sports legacy.

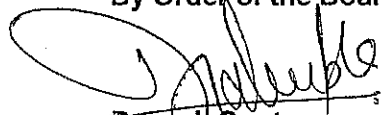
As Founder Secretary, he established "Northern Railway Trekking & Mountaineering Association" at HQ, New Delhi and organized several treks and camps during his tenure. He also has the honor of serving as Honorary Director of Gangotri Conservation Project – an initiative of Himalayan Environment Trust, New Delhi.

He is a member of the Audit Committee, Nomination and Remuneration Committee and the Shareholder Grievance Committee of the Board of the Company. He has submitted a declaration that he is not disqualified to become a Director as provided in Section 152(5) of the Act and that he is eligible for appointment. The documents referred to in this item are open for inspection at the Registered Office of the Company during the business hours on any working day (except Saturday, Sunday and Public Holiday) between 11.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting. He does not hold any shares in the Company.

The Board recommends the resolution as Ordinary Resolution for your approval. None of the Directors or Key Managerial Personnel or their relatives are interested in the resolution.

Date: 31.08.2015  
Place: New Delhi

By Order of the Board

  
Deepak Gupta  
(Company Secretary)  
M. No. F4593

**DIRECTORS' REPORT**  
**TO THE MEMBERS OF TARINI INFRASTRUCTURE LIMITED**

000752

Your Directors have pleasure in presenting their Eleventh Annual Report and Audited Accounts for the year ended March 31st, 2015.

**FINANCIAL RESULTS**

The Company's Financial Performances during the year 2014-15 as compared to the previous year 2013-14 is summarized below:-

Figure in Rs.

Particulars	STANDALONE for the year ended		CONSOLIDATED for the year ended	
	March 31, 2015	March 31,2014	March 31, 2015	March 31,2014
Total Revenue	10,34,73,814	10,21,35,349	10,34,73,814	N.A.
Total Profit before tax	27,79,488	25,19,351	36,69,952	N.A.
Total Profit after tax	27,79,488	25,19,351	36,69,952	N.A.

**RESERVES & SURPLUS**

The Company's reserve & surplus in the year 2015 has increased to Rs. 1,68,94,206 as compared to the previous year which was Rs. 36,59,329, resulting an increase of 361%.

**OPERATIONS & FUTURE PROSPECTS:**

During the year the company has produced 29.70 million units of electricity from Damanganga small hydro power projects (SHP I & II) generating a revenue of Rs 10.35 crores alone from the said projects.

The Company expresses its gratitude to the dedicated site team for their 24X7 relentless efforts with regards to upkeep / operation & maintenance of both the aforementioned plants.

Your Directors are further pleased to inform you that both the Plants are running successfully with optimum capacity and are expected to earn generous revenue in the forthcoming FY 2015-16 .

The Company informs that subsequent to signing of Memorandum of Understanding (MOU) for 4.5 MW Sabarmati project with the Govt. of Gujarat, the Company is likely to obtain the statutory clearance required from the concerned dept.- Govt. of Gujarat. In the meantime, the Company has placed orders for preparation of detailed designs and drawings and the preliminary works are scheduled to be taken up in the FY 2015-16.

The Company has also bid for various small hydro projects with varied capacities as EPC contractors in Africa sub continent. The Company is quite confident to emerge as winners and eagerly awaits the outcome.

**DIVIDEND**

With a view to provide a cushion for any financial contingencies in the near future and to strengthen the financial position of the Company, your Directors have decided not to recommend any dividend for the period under review.

*[Signature]*

*[Signature]*

## SUBSIDIARY COMPANIES

000753

The Company has (01) One subsidiary ie: B. Soilmec India Private Limited and (01) Wholly Owned Subsidiary ie: Tarini Hydro Power Lesotho Limited. There is (01) One associate company within the meaning of Section 2(6) of the Companies Act, 2013 (Act) ie: Venture Energy & Technologies Limited.

There has been no material change in the nature of the business of the subsidiaries and there is no company which have become or ceased to become subsidiary, joint-venture or Associate Company during the year.

Pursuant to Section 129(3) of the Companies Act, 2013 and Accounting Standard- 21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the Financial Statements of its Subsidiaries.

Further, a separate statement containing the salient features of the financial statements of subsidiaries of the Company in the prescribed form AOC-1 has been disclosed in the Consolidated Financial Statements. In terms of provisions of Section 136 of the Companies Act, 2013, the Company shall place separate audited accounts of the Subsidiary Companies on its website.

The Company will make available physical copies of these documents upon request by any shareholder of the Company/ subsidiary interested in obtaining the same.

These documents shall also be available for inspection at the registered office of the Company during business hours up to the date of ensuing AGM.

## PUBLIC DEPOSIT

The Company has not accepted any Public Deposit pursuant to provisions of section 73 of the Companies Act, 2013, during the period under review.

## AUDITORS

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 11<sup>th</sup> Annual General Meeting, subject to the approval of shareholders.

The Auditors have given certain observations in their Audit report as under:

- (a) *The company has made certain advances amounting to Rs.252 Lakhs for which documents related to such advances given by the company were not available as the documents were impounded by the income tax authorities as mentioned in note no 29 of the financial statements. Further, confirmation from the parties as at end of the year was not found on records. In view of non-availability of related documents and other alternate audit evidence to corroborate the management's assessment of recoverability of these advances, we are unable to comment on the extent to which these balances are recoverable.*

For the above observation, your Directors would like to state that the said parties could not give balance confirmation certificates in view of the fact that the Income Tax Authorities are conducting consequent inquiries with the respective Companies. However, your Directors are following up with the respective Companies for the Balance Confirmation Certificates and are hopeful to get the same as soon as possible.

*g.c.d. Am*

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

000754

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

## **EXTRACT OF THE ANNUAL RETURN**

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as Annexure I to the Board's Report.

## **NUMBER OF MEETINGS OF THE BOARD**

The Board met (13) Thirteen times during the financial year viz., on 03.04.2014, 26.04.2014, 01.05.2014, 18.07.2014, 29.08.2014, 21.10.2014, 08.11.2014, 13.11.2014, 01.12.2014, 11.12.2014, 21.01.2015, 30.01.2015 and 16.02.2015. The necessary quorum was present in all the meetings. The intervening gap between any two meetings was not more than one hundred and twenty days as prescribed by the Companies Act, 2013.

## **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, has been disclosed in the corporate governance report, which forms part of the Board's Report.

## **BOARD EVALUATION**

In pursuance to the provisions of the Companies Act, 2013, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of committees. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, board meetings and effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the compliance with the terms of reference of the committees, composition of committees, functions and duties, committee meetings & procedures, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and committee meetings, attendance, independent Judgment etc. In addition, the Chairman was also evaluated on the basis of criteria such as leadership, managing relationship, conducting board meetings etc.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the Board, its committees and individual directors was discussed.

*M. G. A.*

## COMMITTEES OF THE BOARD

The Board has three committee's viz., the audit committee, nomination and remuneration committee and Shareholders' / Investors' Grievance Committee

The details pertaining to composition of above committees are included in the Corporate Governance Report, which forms part of this report.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of the Act, effective from April 1, 2014, the appointments of Mr. Vakamulla Chandrashekhar, Managing Director, Mr. Bhagwati Lal Jain, Chief Financial Officer and Mr. Deepak Gupta, Company Secretary as key managerial personnel of the Company were formalized.

As per the provisions of the Companies Act 2013, Mr. Vellore Subramaniyan Suresh (DIN: 01553605), retires at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board recommends his re appointment.

Mr. Gurdip Singh Malia who was appointed as additional Director is being appointed as a regular Director of the Company, liable to retire by rotation.

The brief profile of the Directors who are to be re-appointed / appointed, are furnished in the notice of annual general meeting. The Board recommends re-appointments of above said directors.

## DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each independent director that he/she meets the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013.

## DIRECTORS' RESPONSIBILITY STATEMENT

The Audited Accounts for the financial year ended March 31, 2015 are in conformity with the requirements of the Companies Act, 2013. Pursuant to Section 134(5) of the Companies Act, 2013, your directors hereby confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The Directors had 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 at the end of the financial year and of the profit and loss account of the company for that period.
- iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) The Directors had prepared the annual accounts on a going concern basis.
- v) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

*M. C. S. Ann*

**PARTICULARS OF LOANS AND GUARANTEES**

Pursuant to the requirement under Section 134(3) (g) of the Companies Act, 2013 the particulars of loans, guarantees or investments under Section 186 of the Act as at end of the Financial Year 2014-15 are attached as Annexure – II, which forms part of this report.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The Company has not entered in any material related party transaction during the year.

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure 4 in Form AOC-2 and the same forms part of this report as per Annexure III.

Please refer Note No. 31 to the financial statement which sets out related party disclosures as prescribed under Accounting Standard 18.

**RISK MANAGEMENT**

The Audit Committee in supervision of Board of Directors is responsible for identifying, evaluating and managing all significant risks faced by the Company. The detailed statement indicating the development and implementation of risk management policy including identification therein of elements of risk has been covered in the management discussion and analysis, which forms part of this report.

**INTERNAL FINANCIAL CONTROL**

The Company has in place adequate internal financial controls with reference to financial statement, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

The detailed information about internal controls is set out in the Management Discussion & Analysis report which is attached and forms part of this Report.

**VIGIL MECHANISM**

The Company has implemented a Whistle Blower Policy and has established a vigil mechanism for employees and directors to report their genuine concerns. The Policy provides for a mechanism to report genuine concerns to Whistle Counselor or the Whistle Blower Committee and in exceptional cases, Chairman of the Audit Committee of the Company. The functioning of the Vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle Blowers have been denied access to the Audit Committee of the Board. The Whistle Blower Policy complies with the requirements of Vigil mechanism as stipulated under Section 177 of the Companies Act, 2013. The details of establishment of the Whistle Blower Policy/ Vigil mechanism have been disclosed on the website of the Company.

*M. A. J.*      *Am*



## **SIGNIFICANT AND MATERIAL ORDERS**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.



## **PARTICULARS OF EMPLOYEES**

000757

The information required under section 197 (12) of the Act Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company is appended as Annexure IV to the Board's report. As far as the disclosure with regard to Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the information may be treated as NIL.

## **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

Provisions of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 regarding Conservation of Energy and Technology Absorption does not apply to your Company.

## **FOREIGN EXCHANGE EARNINGS & OUTGO**

During the year under review the foreign exchange earnings and the expenditure was nil.

## **BUY BACK OF SECURITIES**

The Company has not made any offer for buy back of its securities during the year under review.

## **SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

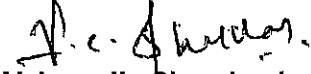
Your Company has in place a formal policy for prevention of sexual harassment of its women employees in line with "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

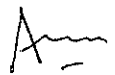
During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation for the whole hearted and sincere co-operation the Company has received from its banker, State Bank of India and various Government agencies. Your Directors also wish to thank all the employees for their co-operation.

By Order of the Board of Directors  
For Tarini Infrastructure Limited

  
Vakamulla Chandrashekhar  
Managing Director  
DIN 00073657

  
V. Anu Naidu  
Director  
DIN 00073661

Date: 31.08.2015

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration ) Rules, 2014.

000758

**I. REGISTRATION AND OTHER DETAILS:**

i	CIN	U45201DL2004PLC130447
ii	Registration Date	08/11/2004
iii	Name of the Company	TARINI INFRASTRUCTURE LIMITED
iv	Category/Sub-category of the Company	Company Limited by Shares/ Indian Non-Government Company
v	Address of the Registered office & Contact Details	D-2, 1 <sup>st</sup> Floor, Amar Colony, Lajpat Nagar – IV, New Delhi - 110024
vi	Whether listed company	No
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400078

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

SL No	Name & Description main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Generation of Hydro Power	4001	100%

**III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES –**

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/SU BSIDIARY/ ASSOCIATE	% OF SHARES HELD (directly)	APPLICA BLE SECTION OF COMPANI ES ACT, 2013
1.	B. Soilmec India Private Limited	U29199DL2002PTC1 18230	Subsidiary	59.82	2 (87) (ii)
2.	Tarini Hydro Power Lesotho Limited	2008/45 issued by Registrar General Lesotho	Wholly Owned Subsidiary	100	2 (87) (ii)
3.	Venture Energy & Technologies Limited	U40108DL2002PLC11 4585	Associate	45.41	2 (6)

*g.c.g. Amin.*

IV SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of total Equity)

(i). Category-wise Share Holding

000759

Category code (I)	Category of shareholder (II)	Number of shareholders (III)	Total number of shares (IV)	Number of Shares held in dematerialized form (V)	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	Number of Shares (VIII)	As a percentage (IX) = (VIII) / (IV) * 100
(A)	Promoter and Promoter Group							
(1)	Indian							
(a)	Individuals/ Hindu Undivided Family	4	12853463	NIL	47.53	47.53	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-
(c)	Bodies Corporate	3	11401650	NIL	42.16	42.16	-	-
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-
	Sub-Total (A)(1)	7	24255113	NIL	89.69	89.69	-	-
(2)	Foreign							
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-
(d)	Any Other (specify)	-	-	-	-	-	-	-

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Category code (I)	Category of shareholder (II)	Number of shareholders (III)	Total number of shares (IV)	Number of Shares held in dematerialized form (V)	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	Number of Shares (VIII)	As a percentage (IX)= (VIII) / (IV) * 100
	<b>Sub-Total (A)(2)</b>	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	7	24255113	NIL	89.69	89.69	-	-
<b>(B)</b>	<b>Public shareholding</b>							
<b>(1)</b>	<b>Institutions</b>							
(a)	Mutual Funds/UTI	-	-	-	-	-	N.A	N.A
(b)	Financial Institutions/ Banks	-	-	-	-	-	N.A	N.A
(c)	Central Government/ State Government(s)	-	-	-	-	-	N.A	N.A
(d)	Venture Capital Funds	-	-	-	-	-	N.A	N.A
(e)	Insurance Companies	-	-	-	-	-	N.A	N.A
(f)	Foreign Institutional Investors	-	-	-	-	-	N.A	N.A
(g)	Foreign Venture Capital Investors	-	-	-	-	-	NA	NA
(h)	Nominated investors (as defined in Chapter XA of SEBI (ICDR) Regulations)	-	-	-	-	-	NA	NA
(i)	Any Other	-	-	-	-	-	NA	NA

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Category code (I)	Category of shareholder (II)	Number of shareholders (III)	Total number of shares (IV)	Number of Shares held in dematerialized form (V)	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	Number of Shares (VIII)	As percentage (IX) = (VII) / (IV) * 100
	(specify)							
	Sub-Total(B)(1)	0	0	0	0	0	NA	NA
(2)	Non-institutions							
(a)	Bodies Corporate	-	-	-	-	-	-	-
(b)	Individuals-	-	-	-	-	-	-	-
	Individual shareholders holding nominal share capital up to Rs. 1lakh.	70	311064	NIL	1.15	1.15	N.A	N.A

	ii. Individual shareholders holding nominal share capital in excess of Rs. 1lakh.	42	2477773	NIL	9.16	9.16	N.A	N.A
(C)	Qualified Foreign Investor	0	0	0	0.00	0.00	N.A	N.A
(d)	Others							
	(1) Trusts	0	0	0	0.00	0.00	N.A	N.A
	(2) Director's Relatives	0	0	0	0.00	0.00	N.A	N.A
	(3) Foreign Nationals	0	0	0	0.00	0.00	N.A	N.A
	(4) Non Resident Indians	0	0	0	0.00	0.00	N.A	N.A
	(5) Hindu Undivided Families	0	0	0	0	0	N.A	N.A
	Sub-Total(B)(2)	112	2788837	NIL	10.31	10.31	N.A	N.A
	Total Public Shareholding (B) = (B)(1)+(B)(2)	112	2788837	NIL	10.31	10.31	N.A	N.A
	TOTAL (A)+(B)	119	27043950	NIL	100.00	100.00	N.A	N.A
(C)	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	N.A	-	N.A	N.A
	GRAND TOTAL (A)+(B)+(C)	119	27043950	NIL	100.00	100.00	N.A	N.A

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(ii) SHAREHOLDING OF PROMOTERS

Sr. No (I)	Name of Shareholder (II)	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
(A) PROMOTERS:								
1	Vakamulla Chandrashekar	2928400	11.267	-	3169400	11.719	-	0.452
2	Vakamulla Anu Naidu	703660	2.707	-	703660	2.602	-	(0.105)
3.	Vellore Subramanian Suresh	7994903	30.761	-	7994903	29.563	-	(1.178)
4.	Tarini International Limited	8436000	32.458	-	9462950	34.991	-	2.533
5.	Real Value Promoters Pvt Ltd	1928700	7.420	-	1928700	7.132	-	(0.288)
(B) PROMOTER GROUP:								
6.	V Ramalakshmi	10000	0.038	-	10000	0.037	-	(0.001)
7.	V. Hariharan	5000	0.019	-	5000	0.018	-	(0.001)
8.	Vakamulla Tarini Naidu	985500	3.791	-	985500	3.644	-	(0.147)
9.	Tarini Wilderness Innovations Pvt Ltd	N.A	N.A	-	10000	0.037	-	0.037
	TOTAL (A+B)	9019934	69.39	-	9019934	69.39	-	-

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(iii) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)

SL. No.	Particular	Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No.of Shares	% of total shares of the company	No.of Shares	% of total shares of the company
1.	Vakamulla Chandrashekhar	2928400	11.267	3169400	11.719
2.	Tarini International Limited	8436000	32.458	9462950	34.991

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(IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS & HOLDERS OF GDRS & ADRS)

SL. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No.of Shares	% of total shares of the company	No.of Shares	% of total shares of the company
1.	Mrs. A. KUMARI	340000	1.257	340000	1.257
2.	VIKRAMADITYA SINGH	300000	1.109	300000	1.109
3.	T.KUMAR	150500	0.557	150500	0.557
4.	TARUN KUMAR JAYANTIBHAI BAROT	108000	0.399	108000	0.399
5.	PALLAVIKABEN RAJANIKANT BAROT	108000	0.399	108000	0.399
6.	RAJANIKANT JAYANTIBHAI BAROT	108000	0.399	108000	0.399
7.	FALGUNUBEN TARUNKUMAR BAROT	108000	0.399	108000	0.399
8.	KHALIL ANWARY	98273	0.363	98273	0.363
9.	MANJU KUMAR RAO	75000	0.277	75000	0.277
10.	KAILASH PATHAK	50000	0.185	50000	0.185

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**(v) SHAREHOLDING OF DIRECTORS & KEY MANAGERIAL PERSONNEL**

Sl. No	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No.of shares	% of total shares of the company	No.of shares	% of total shares of the company
1.	Mr. Vakamulla Chandrashekhar (Managing Director)				
	At the beginning of the year	2928400	11.267	2928400	11.267
	At the end of the year	3169400	11.719	3169400	11.719
2.	Mr. Bhagwati Lal Jain Chief Financial Officer (CFO)				
	At the beginning of the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
3.	Mr. Deepak Gupta Company Secretary				
	At the beginning of the year	10000	0.037	10000	0.037
	At the end of the year	10000	0.037	10000	0.037

**V INDEBTEDNESS****(Rs. IN Lakhs)**

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans (PCFC + Bank Overdraft)	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	3627.66	17	-	3644.66
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	3627.66	17	-	3644.66
Change in Indebtedness during the financial year	-	-	-	-
Additions	931.89	-	-	-
Reduction	(1566.83)	-	-	-
Net Change	2992.71	-	-	-
Indebtedness at the				

*M. C. G. Am*



end of the financial year				
i) Principal Amount	2992.71	17		3009.71
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2992.71	17	-	3009.71

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## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl. No	Particulars of Remuneration	Name of the MD/WTd/Manager	Total Amount
1.	Gross salary	Mr. Vakamulla Chandrashekhar Managing Director	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	NIL	NIL
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2.	Stock option	-	-
3.	Sweat Equity	-	-
4.	Commission as % of profit others (specify)	-	-
5.	Others, please specify	-	-
	Total (A)		
	Ceiling as per the Act	NIL	NIL

### B. Remuneration to other Directors:

Sl. No	Particulars of Remuneration	Name of the Director
1.	Independent Directors	NIL
	(a) Fee for attending Board / Committee meetings	NIL
	(b) Commission	
	(c) Others, please specify	
	Total (1)	NIL

Y. C. J. A.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Company Secretary	CFO
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	N.A.	Rs. 10.22 Lacs	NIL
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	N.A.		
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N.A.		
2.	Stock Option	N.A.		
3.	Sweat Equity	N.A.		
4.	Commission	N.A.		
	- as % of profit	N.A.		
	- others, specify	N.A.		
5.	Others, please specify	N.A.		
	Total	N.A.	Rs. 10.22 Lacs	NIL

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	NONE				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NONE				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment					
Compounding					

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## Annexure II

Particulars of Loans, Guarantees or investments under section 186 of the Companies Act, 2013 as on 31.03.2015

Sl. No.	Name of the Body Corporate	Loans given	Investments	Guarantees given	Aggregate as on 31.03.2015
In subsidiaries & Wholly Owned Subsidiaries					
1.	B. Soilmec India Private Limited	NIL	33,50,000	NIL	33,50,000/-
2.	Tarini Hydro Power Lesotho Limited	NIL	7,000	NIL	7,000/-
In JV/ Associates					
3.	Venture Energy & Technologies Limited	NIL	72,39,000	NIL	72,39,000/-
In others					
	NIL	NIL	NIL	NIL	NIL

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PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188 (1) OF THE COMPANIES ACT, 2013	
Form No. AOC - 2	
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)	
Form for disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto	
1. Details of contracts or arrangements or transactions not at arm's length basis	Not Applicable
a Name(s) of the related party and nature of relationship	
b Nature of contracts/arrangements/transactions	
c Duration of the contracts / arrangements / transactions	
d Salient terms of the contracts or arrangements or transactions including the value, if any	
e Justification for entering into such contracts or arrangements or transactions	
f Date(s) of approval by the Board	
g Amount paid as advances, if any	
h Date of which the special resolution was passed in general meeting as required under first proviso to section 188	
2. Details of material contracts or arrangement or transactions at arm's length basis	
a Name(s) of the related party and nature of relationship	Tarini International Limited (Holding)
b Nature of contracts / arrangements / transactions	Equipment, Maintenance and Management Contract
c Duration of the contracts / arrangements / transactions	Valid up to September 2047
d Salient terms of the contracts or arrangements or transactions including the value, if any	Maintenance of Equipments
e Date(s) of approval by the Board, if any	
f Amount paid as advances, if any	NIL

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**A. The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:**

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the year 2014-15:

Sl. No.	Name of the Directors	Designation	Ratio
1.	Mr. Vakamulla Chandra Shekhar	Managing Director	N.A

The Non-Executive Independent Directors of the Company are entitled for sitting fees and reimbursement of expenses as per the statutory provisions and are within the prescribed limits. The details of sitting fees of independent directors are provided in the Corporate Governance Report forms a part of the Annual Report.

2. The increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Sl. No.	Name of the KMP	Designation	Remuneration paid during 2013-14 (Rs. In lacs)	Remuneration paid during 2014-15 (Rs. In lacs)
1.	Mr. Vakamulla Chandrashekhar	Managing Director	N.A	N.A
2.	Mr. Bhagwati Lal Jain	Chief Financial Officer	NIL	NIL
3.	Mr. Deepak Gupta	Company Secretary	7.8	10.20

\* Appointed during the financial year 2014-15

There is no change in sitting fees of the Non-Executive Independent Directors during the FY 2014-15.

3. The percentage increase in the median remuneration of employees in the financial year:

The percentage increase in the median remuneration of employees in the financial year was around 5%.

4. The number of permanent employees on the rolls of company: 3

5. The explanation on the relationship between average increase in remuneration and company performance:

On an average, employees received an increase in remuneration of 4%-5%. The revenue grew by 1.31% as compared to last year.

The increase in remuneration of employees is in line with the market trends and closely linked to corporate performance, business performance and individual performance.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;

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In the financial year 2014-15, though there was increase in the revenue of the company, there was an increase in the Profit After Tax. To take care of the increase in the cost of inflation index the employees other than KMP,s were given a minor increase in their remuneration.

7. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer: N.A

8. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

The average increase in percentile of salaries of employees other than managerial personnel in 2014-15 was 4%-5%. There was no increase in the Remuneration of Directors.

9. Comparison of remuneration of each of the Key Managerial Personnel against the performance of the Company.

The % of the remuneration of each KMP to the Revenue is given below:

Sl. No.	Name of the KMP	Designation	Percentage Compared Turnover as to
1.	Mr. Vakamulla Chandrashekhar	Managing Director	NIL
2.	Mr. Bhagwati Lal Jain	Chief Financial Officer	N.A
3.	Mr. Deepak Gupta	Company Secretary	0.98


10. The key parameters for any variable component of remuneration availed by the directors:

There is no variable component of remuneration paid to the Directors.

11. the ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year: Not applicable.

12. Affirmation that the remuneration is as per the remuneration policy of the company: Yes, the remuneration is as per the Remuneration Policy of the Company.

By Order of the Board of Directors  
For Tarini International Limited

  
Vakamulla Chandrashekhar  
Managing Director  
DIN 00073657

  
V. Anu Naidu  
Director  
DIN 00073661

Date: 31.08.2015

**INDEPENDENT AUDITORS' REPORT**

To the Members of **TARINI INFRASTRUCTURE LIMITED**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **TARINI INFRASTRUCTURE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, 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 standalone 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 and presentation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 standalone 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 standalone 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 thereunder. 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 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 standalone 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 standalone financial statements.

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#### Basis for qualified opinion

*The company has made certain advances amounting to Rs.252 Lakhs for which documents related to such advances given by the company were not available as the documents were impounded by the income tax authorities as mentioned in note no 29 of the financial statements. Further, confirmation from the parties as at end of the year was not found on records. In view of non-availability of related documents and other alternate audit evidence to corroborate the management's assessment of recoverability of these advances, we are unable to comment on the extent to which these balances are recoverable.*

#### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of matter described in basis for qualified opinion paragraph, the standalone 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 31<sup>st</sup> March, 2015;
- (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

1. We draw attention to the note 20 of the financial statements, in respect of trade receivables and trade payables external confirmations of the balances could not be obtained by the Company. Management does not expect any material adjustment in respect of these balances. Due to nonavailability of confirmation of balances, we are unable to quantify the impact, if any, arising from the confirmation of balances.
2. We draw attention to the note 29 of the financial statements regarding the survey operations carried out by the Income tax Authorities on the company during the previous year of which outcome is awaited. However, the management is confident about no such adverse impact due to such outcome.

Our opinion is not qualified in respect of these matters.

#### 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 the paragraph 3 and 4 of the Order, to the extent applicable.





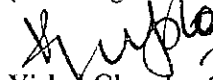
2. As required by section 143 (3) of the Act, we report that:

- a) we have sought and except for the matters described in the Basis for qualified opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) except for the possible effects of the matter described in the Basis for qualified opinion paragraph, 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 and proper returns adequate for the purpose of our audit have been received from the branches not visited by us.
- c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us.
- d) except for the possible effect of the matters described in the Basis for qualified opinion paragraph, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) on the basis of the written representations received from the directors as on March 31, 2015 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; and
- f) in our opinion and to the best of our information and according to the explanation given to us, we report as under 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:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 25 to the financial statements;
  - 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 VCG & CO.

Chartered Accountants

(Firm Registration No. 021837N)

  
Vishal Chandra Gupta  
Partner  
Membership No: 093908



Place: New Delhi

Date: May 30, 2015

**Annexure to the Auditors' Report**

The Annexure referred to paragraph (1) in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2015, we report that:

- i. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. A major portion of the fixed assets has been physically verified by the management during the year pursuant to a programme for physical verification of fixed assets, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- ii. As per the information and explanations provided to us, the company does not have any inventory, therefore, the provisions of clause 3 (ii) (a), (b) & (c) of the Companies (Auditors Report) Order, 2015 are not applicable to the company.
- iii. According to the information and explanations provided to us, the Company has not granted interest free loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 therefore, the provisions of clause 3 (iii) of the Companies (Auditors Report) Order, 2015 are not applicable to the company.
- i. In our opinion and according to the information and explanations provided to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have neither observed nor have been informed of any continuing failure to correct major weaknesses in internal control system of the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposit as per the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under. No order against the Company has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vi. According to the information and explanations given to us, the Company does not covered under specified category for the maintenance of cost records under Sub Section (1) of Section 148 of the Companies Act, 2013 as prescribed by the Central Government, therefore, clause 3 (vi) of the Companies (Auditors Report) Order, 2015 is not applicable to the company.
- a. According to the records of the company and Information & explanation provided to us, the Company, during the year, is generally regular in depositing undisputed statutory dues including provident fund, income tax, service tax and other statutory dues, as applicable with the appropriate authorities.
- b. According to the information and explanation given to us, there were no disputed amounts




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payable in respect of income tax, sales tax, service tax, duty of customs, value added tax or cess as at March 31, 2015 except for the following:

S. No	Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which amount relates	Forum where dispute is pending
I	Income tax Act	Income tax	58,740	A.Y. 2011-12	CIT – Appeals

- c. According to the information and explanations provided to us, the company does not have the required amount, which need to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder, therefore clause 3 (vii) (c) of the Companies (Auditors Report) Order, 2015 is not applicable to the company.
- viii. The Company does not have accumulated losses at the end of financial year March 31, 2015. The company has not incurred cash losses in this financial year and in the immediately preceding financial year.
- ix. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank. The Company has not issued any debentures.
- x. According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from bank or financial institutions. Accordingly, clause 3 (x) of the Companies (Auditors Report) Order, 2015 is not applicable to the company.
- According to the information and explanations given to us, term loans have been applied for the purpose for which the loans were obtained.
- xii. Based upon the audit procedures performed, information and explanations given to us, we report that to the best of our knowledge and belief and according to the information and explanations provided to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

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

  
Vishal Chandra Gupta  
Partner  
Membership No: 093908



Place: New Delhi  
Date: May 30, 2015

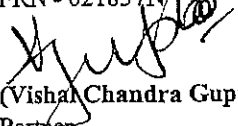
**TARINI INFRASTRUCTURE LIMITED**  
Balance Sheet as at March 31, 2015

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(Amount in Rs.)			
Particulars	Note Reference	As at March 31, 2015	As at March 31, 2014
<b>I EQUITY AND LIABILITIES</b>			
1 Shareholders' funds			
Share capital	2	270,439,500	259,900,000
Reserve and surplus	3	16,894,206	3,659,329
<b>Total Shareholder's funds</b>		<b>287,333,706</b>	<b>263,559,329</b>
2 Non-current liabilities			
Long - term borrowings	4	251,972,527	334,166,662
<b>Total non-current liabilities</b>		<b>251,972,527</b>	<b>334,166,662</b>
3 Current liabilities			
Short-term borrowings	4	59,621,063	17,013,915
Other current liabilities	6	66,192,276	63,196,970
Short-term provisions	5	541,100	514,000
<b>Total current liabilities</b>		<b>126,354,439</b>	<b>80,724,885</b>
<b>Total</b>		<b>665,660,673</b>	<b>678,450,876</b>
<b>II. ASSETS</b>			
1 Non-current assets			
Fixed assets			
- Tangible assets	7(a)	580,054,424	600,008,194
- Capital work in progress	7(b)	877,464	877,464
Non - current investments	8	10,596,000	10,596,000
Long - term loans and advances	9	15,247,207	9,967,794
Other non - current assets	10	2,784,700	3,146,815
<b>Total non-current assets</b>		<b>609,559,795</b>	<b>624,596,267</b>
2 Current assets			
Trade Receivables	11	24,239,582	21,907,468
Cash and cash equivalents	12	4,229,866	4,074,149
Short - term loans and advances	9	27,631,430	27,872,992
<b>Total current assets</b>		<b>56,100,878</b>	<b>53,854,609</b>
<b>Total</b>		<b>665,660,673</b>	<b>678,450,876</b>

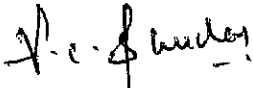
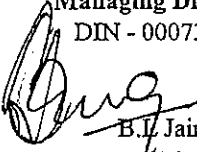
Significant Accounting Policies (Refer Note 1) and various notes on Financial Statements are an integral part of Financial statements

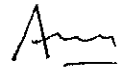
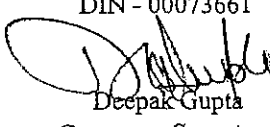
As per our report of even date attached.

For VCG & CO.  
Chartered Accountants  
FRN - 021837N  
  
(Vishal Chandra Gupta)  
Partner  
Membership No. 093908  
New Delhi  
Date: May 30, 2015



FOR AND ON BEHALF OF THE BOARD

  
Vakamulla Chandrashekhar  
Managing Director  
DIN - 00073657  
  
B.L. Jain  
CFO

  
V. Anu Naidu  
Director  
DIN - 00073661  
  
Deepak Gupta  
Company Secretary

**TARINI INFRASTRUCTURE LIMITED**  
**Profit and loss statement for the year ended March 31, 2015**

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Particulars	Note Reference	(Amount in Rs.)	
		As at March 31, 2015	As at March 31, 2014
<b>Income</b>			
Revenue from operations	13	103,473,814	102,135,349
Other income	14	404,492	1,297,885
		<u>103,878,306</u>	<u>103,433,234</u>
<b>Expenditure</b>			
Employee benefit expenses	15	13,789,817	7,560,292
Finance costs	16	28,767,188	41,172,077
Depreciation and amortization expense	7(a)	19,980,436	23,305,745
Other expenses	17	38,561,377	28,875,769
		<u>101,098,817</u>	<u>100,913,884</u>
<b>Profit before tax</b>		2,779,488	2,519,351
<b>Tax expense:</b>			
	<u>Current year</u>	<u>Previous year</u>	
Current tax (MAT)	541,100	514,000	
Less: Credit Entitlement for MAT	(541,100)	(514,000)	
	-	-	
<b>Net profit for the year</b>		<u>2,779,488</u>	<u>2,519,351</u>
<b>Earning per Equity Share of Rs 10 each</b>			
Basic and Diluted (Rupees)	18	0.10	0.10

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: May 30, 2015



FOR AND ON BEHALF OF THE BOARD

 Vakamulla Chandrashekhhar Managing Director DIN - 00073657  B.L. Jain CFO	 V. Anu Naidu Director DIN - 00073661  Deepak Gupta Company Secretary
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## Tarini Infrastructure Limited

## Cash Flow Statement for the year ended March 31, 2015

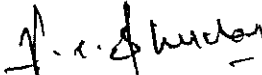
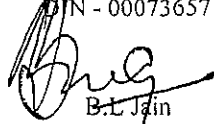
Particulars	(Amount in Rs.)	
	As at March 31, 2015	As at March 31, 2014
<b>A. Cash flow from Operating Activities</b>		
Profit after Tax	27,79,488	25,19,351
Adjustments for:		
Depreciation	1,99,80,436	2,33,05,745
Interest expenses	2,87,67,188	3,67,90,164
Foreign Exchange Rate Difference		
Interest income	(73,883)	(75,040)
Operating profit before working capital changes	5,14,53,229	6,25,40,220
<b>Working Capital Changes</b>		
Decrease/(Increase) in current assets	(70,07,850)	(2,00,62,552)
Increase/(Decrease) in current liab	4,56,29,554	(5,94,73,300)
<b>Cash flow from Operating Activities (A)</b>	<b>9,00,74,932</b>	<b>(1,69,95,632)</b>
<b>B. Cash flow from Investing Activities</b>		
Purchase of fixed assets	(1,10,777)	(1,91,30,139)
Interest Income	73,883	75,040
<b>Cash flow from Investing Activities (B)</b>	<b>(36,894)</b>	<b>(1,90,55,099)</b>
<b>Cash flow from Financing Activities</b>		
Proceeds from issue of shares (including share premium)	2,10,79,000	-
Proceeds/(Repayment) of secured Loan	(8,21,94,135)	7,50,02,636
Interest exp	(2,87,67,188)	(3,67,90,164)
<b>Cash flow from Financing Activities (C)</b>	<b>(8,98,82,322)</b>	<b>3,82,12,472</b>
<b>Net Increase In Cash &amp; Cash Equivalents (A+B+C)</b>	<b>1,55,715</b>	<b>21,61,741</b>
Opening cash & cash equivalents	40,74,149	19,12,408
Closing cash & cash equivalents	42,29,866	40,74,149

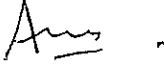

As per our report of even date attached.

For V C G & CO.  
Chartered Accountants  
FRN - 021837N  
  
(Vishal Chandra Gupta)  
Partner  
Membership No. 093908  
New Delhi  
Date: May 30, 2015



## FOR AND ON BEHALF OF THE BOARD

  
Vakamulla Chandrashekhar  
Managing Director  
DIN - 00073657  
  
B.L. Jain  
CFD

  
V. Anu Naidu  
Director  
DIN - 00073661  
  
Deepak Gupta  
Company Secretary

## TARINI INFRASTRUCTURE LIMITED

## 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 transmit the electricity so generated to state owned distribution company.

II. Significant accounting policiesA 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, 2013. 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 fixed assets is provided based on the useful life of assets as prescribed in Schedule II to the Companies Act 2013 except in respect of the assets related to power generating equipment and Plant & Machinery is provided over the period of 35 years pursuant to the agreement, which is different from prescribed useful life in Schedule II of Companies Act 2013.

E Revenue recognitioni) 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 is 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.

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**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 and 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.





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**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 if a virtual certainty of realization of such asset.

P. S. G.

B. G.

Amu

D. S.



NOTE 2 - SHARE CAPITAL

Authorised

30,000,000 (Previous year- 2,60,00,000) equity shares of Rs. 10 each

30,00,00,000

26,00,00,000

Issued, subscribed and fully paid up

2,70,43,950 (Previous year- 2,59,90,000) equity shares of Rs. 10 each, fully paid

27,04,39,500

25,99,00,000

Total

27,04,39,500

25,99,00,000

- 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.

ii. The reconciliation of number of shares outstanding is set out below


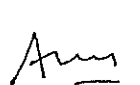

	As at March 31,2015	As at March 31,2014
<b>Equity Shares</b>		
Number of outstanding shares at the beginning of the year	2,59,90,000	2,59,90,000
Shares issued/ bought back during the year	10,53,950	-
Number of outstanding shares as at the end of the year	2,70,43,950	2,59,90,000


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

Name of the Shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	Percentage held	No. of Shares	Percentage held
M/s Tarini International Limited	94,62,950	34.99	84,36,000	32.46
Mr.Vellore Subramanion Suresh	79,94,903	29.56	79,94,903	30.76
Mr. Vakamulla Chandrashekhar	31,69,400	11.72	29,28,400	11.27
Real Value Promoters Private Limited	19,28,700	7.13	19,28,700	7.42

NOTE 3 - RESERVES AND SURPLUS

	As at March 31,2015	As at March 31,2014
<b>Share Premium</b>		
As per last Balance Sheet	-	-
Add: During the Year	1,05,39,500	-
	1,05,39,500	-
<b>Surplus / (Deficit) - Balance in Statement of Profit and Loss</b>		
As per last Balance Sheet	36,59,329	11,39,978
Add: Transferred from Statement of Profit & Loss	27,79,488	25,19,351
Less: Depreciation	(84,111)	-
Closing Balance	63,54,706	36,59,329
<b>Grand Total</b>	1,68,94,206	36,59,329

T. S. G.  Ann.  



## NOTE 4 - BORROWINGS

	As at 'March 31, 2015		As at 'March 31, 2014	
	Long-term	Short-term	Long-term	Short-term
<b>Secured</b>				
Term loans				
- From banks	29,92,71,991	-	36,27,66,126	-
	29,92,71,991	-	36,27,66,126	-
<b>Unsecured</b>				
Loans and advances from related parties	-	5,71,20,121	-	1,45,12,973
Others	17,00,000	25,00,942	17,00,000	25,00,942
	17,00,000	5,96,21,063	17,00,000	1,70,13,915
Less:- Current maturities of long term debts	4,89,99,464	-	3,02,99,464	-
<b>Total</b>	<b>25,19,72,527</b>	<b>5,96,21,063</b>	<b>33,41,66,662</b>	<b>1,70,13,915</b>

## i. Details of Term Loans:

Bank of India

Loan (Rs in Lacs)	Outstanding as on 31.03.2015 (Amount in lakhs)	Period of maturity w.r.t Balance sheet date	Interest	Repayable in
T.L.-I	2215.75	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	321.38	13.25 years		
T.L.-III	214.46	9 years		
FITL	215.63	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, 2015		As at 'March 31, 2014	
	Long-term	Short-term	Long-term	Short-term
Others				
- Taxation	-	5,41,100	-	5,14,000
<b>Total</b>	<b>-</b>	<b>5,41,100</b>	<b>-</b>	<b>5,14,000</b>

## NOTE 6 - OTHER CURRENT LIABILITIES

	As at March 31, 2015	As at March 31, 2014
<b>Other payables</b>		
- Current maturities of long term borrowings*	4,89,99,464	3,02,99,464
- Share application money pending allotment	-	2,10,79,000
- Taxes and other statutory dues	6,41,924	7,47,565
- Employee dues	1,48,000	5,35,584
- Others <sup>1</sup>	1,64,02,888	1,05,35,357
<b>Total</b>	<b>6,61,92,276</b>	<b>6,31,96,970</b>

\*Current maturities include installment dues but not paid

<sup>1</sup>Others include non trade payables

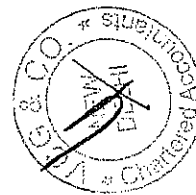
Handwritten signatures and initials: P. K. G., [Signature], Ann., [Signature]

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

Particulars	Gross carrying amount			Depreciation		Net carrying amount	
	As at 31.03.2014	Additions	Deductions	As at 31.03.2015	For the year	As at 31.03.2015	As at 31.03.2014
<b>Owned assets</b>							
Roads	1,30,84,436	-	-	1,30,84,436	17,59,023	34,61,605	1,13,81,854
<b>Plant and equipment</b>							
- Generating equipment	22,49,05,464	-	-	22,49,05,464	58,09,130	5,39,81,273	17,67,33,621
- Transmission line & sub-station	11,43,88,605	-	-	11,43,88,605	27,37,713	2,62,67,793	9,08,58,525
- Plant II	31,90,13,052	-	-	31,90,13,052	86,36,854	1,28,40,485	31,48,09,421
Office equipment	1,31,120	-	-	1,31,120	36,658	50,085	1,17,693
<b>Furniture and fixtures</b>							
	2,45,536	10,000	-	2,55,536	43,868	1,28,441	1,60,963
<b>Vehicles</b>							
	61,55,246	47,778	-	62,03,024	7,59,111	16,57,358	52,56,999
<b>Others</b>							
- Computer	8,26,628	52,999	-	8,79,627	1,17,711	7,59,480	1,84,859
- Other Plant & machinery	6,71,146	-	-	6,71,146	1,64,179	3,31,066	5,04,259
<b>Total Tangible Assets</b>	<b>67,94,21,233</b>	<b>1,10,777</b>	<b>-</b>	<b>67,95,32,010</b>	<b>2,00,64,547</b>	<b>9,94,77,586</b>	<b>-</b>
<b>Previous year</b>	<b>36,01,86,081</b>	<b>31,92,35,152</b>	<b>-</b>	<b>67,94,21,233</b>	<b>2,33,05,745</b>	<b>7,94,13,039</b>	<b>60,00,08,194</b>

## Footnotes :

- 1 Land admeasuring 4.8 Hectare for setting up the Captioned Hydro Power Project has been allotted by Government of Gujarat, on lease of 35 Years pursuant to the agreement dated August 27, 2007



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## NOTE 7(b) - FIXED ASSETS - CWIP

	As at March 31, 2015	As at March 31, 2014
<b>CAPITAL WORK IN PROGRESS</b>		
Machine for Prototype Test(R&D)	8,77,464	8,77,464
<b>Total</b>	<b>8,77,464</b>	<b>8,77,464</b>

## NOTE 8 - NON CURRENT INVESTMENTS

	As at March 31, 2015	As at March 31, 2014
<b>Long Term Investments (Non - Trade)</b>		
<b>Equity Share in Subsidiary Companies (Unquoted)</b>		
B. Soilmech India Private Limited 335,000 (Previous year- 335,000) Equity shares of Rs. 10 each, fully paid-up	33,50,000	33,50,000
Tarini Hydro Power Lethoso Limited 1,000 (Previous year - 1,000) Equity shares of Rs. 7 each, fully paid-up	7,000	7,000
<b>Equity Share in Associated Bodies Corporates</b>		
Venture Energy & Technologies Limited 723,900 (Previous year - 723,900) Equity shares of Rs. 10 each, fully paid-up	72,39,000	72,39,000
<b>Total</b>	<b>1,05,96,000</b>	<b>1,05,96,000</b>

## NOTE 9 - LOANS AND ADVANCES

(unsecured, considered good unless otherwise stated)

	As at 'March 31, 2015		As at 'March 31, 2014	
	Long-term	Short-term	Long-term	Short-term
Security deposits	1,13,500	-	1,13,500	-
Loan and advances to related parties	-	-	-	1,99,93,449
- Advance tax / MAT credit	-	13,45,852	-	7,90,900
- Excise, Cenvat, VAT and other Govt dues	-	89,971	-	91,064
- Dues from employees	-	-	-	6,44,372
- Other advances recoverable in cash or in kind or for the value to be received	-	-	-	-
- Unsecured - considered good*	1,51,33,707	2,61,95,607	98,54,294	63,53,208
	<b>1,52,47,207</b>	<b>2,76,31,430</b>	<b>99,67,794</b>	<b>2,78,72,992</b>
<b>Total</b>	<b>1,52,47,207</b>	<b>2,76,31,430</b>	<b>99,67,794</b>	<b>2,78,72,992</b>



## NOTE 10 - NON CURRENT ASSETS

	As at March 31, 2015	As at March 31, 2014
Deferred expenditure	27,84,700	31,17,215
Preliminary expenses	-	29,600
<b>Total</b>	<b>27,84,700</b>	<b>31,46,815</b>

## NOTE 11 - TRADE RECEIVABLES

	As at March 31, 2015	As at March 31, 2014
Unsecured - considered good	2,42,39,582	2,19,07,468
<b>Total</b>	<b>2,42,39,582</b>	<b>2,19,07,468</b>

## NOTE 12 - CASH AND CASH EQUIVALENTS

	As at March 31, 2015	As at March 31, 2014
Balances with banks	38,34,705	19,49,865
Cash on hand	3,95,161	21,24,284
<b>Total</b>	<b>42,29,866</b>	<b>40,74,149</b>

## NOTE 13 - REVENUE FROM OPERATIONS

	As at March 31, 2015	As at March 31, 2014
Sale of Electrical energy	10,36,52,269	10,23,51,317
Less: Discount on prompt payment	-	(80,200)
Less: Unscheduled interchange charges	(1,78,455)	(1,35,768)
<b>Total</b>	<b>10,34,73,814</b>	<b>10,21,35,349</b>

## NOTE 14 - OTHER INCOME

	As at March 31, 2015	As at March 31, 2014
Interest income	73,883	75,040
Excess provision written back	3,30,609	12,22,845
<b>Total</b>	<b>4,04,492</b>	<b>12,97,885</b>

## NOTE 15 - EMPLOYEE BENEFIT EXPENSES

	As at March 31, 2015	As at March 31, 2014
Salaries, wages etc	1,35,79,500	70,67,982
Staff welfare expenses	2,10,317	4,92,310
<b>Total</b>	<b>1,37,89,817</b>	<b>75,60,292</b>

*N. S. D.*

*Big*

*Am*

*Dr*



## NOTE 16 - FINANCE COST

	As at March 31, 2015	As at March 31, 2014
Interest expense	2,94,60,127	3,67,90,164
Other borrowing costs	1,46,776	11,11,215
Foreign Exchange Rate Difference	(8,39,715)	32,70,698
Total	2,87,67,188	4,11,72,077

## NOTE 17 - OTHER EXPENSES

	As at March 31, 2015	As at March 31, 2014
Power and fuel.	3,02,023	19,028
Repairs		
- Plant and machinery	28,60,021	6,68,676
- Other repair	17,30,685	5,92,620
Lease rent	3,19,565	9,00,280
Royalties	68,30,953	67,45,213
Insurance	6,58,132	5,21,465
Travelling & conveyance expenses	3,03,333	28,48,787
Telephone & internet expenses	3,07,812	2,68,801
Legal & professional charges	11,98,407	4,68,173
Site expenditure	1,02,416	7,74,725
Auditors' remuneration		
- Audit fee	1,96,630	1,96,630
- Tax audit fee	39,326	39,326
Inspection Charges	28,090	53,908
Maintenance of substation & transmission Line	2,02,24,800	79,21,380
Commission paid on guarantee	-	33,70,800
Bad debts	3,25,795	18,58,900
Preliminary expenses written off	29,600	35,320
Prior Period expenses	20,00,000	-
Miscellaneous expenses	11,03,790	15,91,737
Total	3,85,61,377	2,88,75,769

## NOTE 18 - EARNING PER SHARE

	As at March 31, 2015	As at March 31, 2014
Profit / (Loss) after tax as per profit and loss account (Rs.)	27,79,488	25,19,351
Weighted average number of Equity shares outstanding (Nos.)	2,70,43,950	2,59,90,000
Earnings per share - basic / diluted (face value - Rs. 10 per share) (Rs.)	0.10	0.10



## ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS:

19. 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.
20. In the opinion of the management the balances shown under receivables, 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 80-1A 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 :**  
Expense 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.
  - Income tax demand under appeal - Rs. 58,740 (Previous year Rs. 58,740)
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 80-1A 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. During the year ended 31 March 2015, pursuant to a survey conducted under Section 133A of the Income Tax Act, 1961 by the Income Tax Authorities in the Company's premises and certain documents were impounded. The outcome of such survey is awaited. However the management is confident that no adverse impact shall be transpired.





30. An amount of Rs. 3,118,440/- (Previous year Rs 3,078,468), 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. Vakmulla Chandrashekhar, Director  
Mrs. V. Anu Naidu, Director  
Mr. Vellore Subramanian Suresh, Director  
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 Scienses Limited  
M/s Tarini Wilderness & Innovations Private Limited

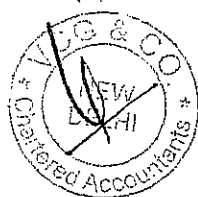
(Amount (Rs.))			
(c)	Particulars	Mar-15	Mar-14
	<b>Expenses paid for to Tarini International Ltd</b>		
	Maintenance charges for Substation & Transmission line	2,02,24,800	79,21,380
	Guarantee Commission	-	33,70,800
	Rent	-	6,74,160
	<b>Closing Balance at the year end.</b>		
	<b>Receivable / (Payable)</b>		
	a) Mr. Vakamulla Chandrashekhar	(75,68,000)	(21,16,158)
	b) Mrs. V. Anu Naidu	(14,06,000)	(15,31,294)
	c) Mr. Vellore Subramanian Suresh	(61,38,769)	(61,38,769)
	M/s Tarini International Limited (Current Account)	(59,93,931)	(47,26,750)
	M/s Tarini International Limited (Loan Account)	(4,20,07,351)	1,99,93,449

32. Additional information pursuant to the provision of paragraph 2 and 3 of III to the companies Act, 2013:

Capacity and production (as certified by the management)		Actual Production	
Installed Annual Capacity-	5600 KW	2014-15	2013-14
		29.70GWH	29.31GWH

33. Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in schedule-II except in respect of assets related to power generating equipments and plant & Machineries as disclosed in Accounting Policy on Depreciation. Accordingly the unamortised carrying value is being depreciated / amortised over the revised / remaining usefull lives. The written down value amounting to Rs. 84111/- of Fixed Assets whose lives have been expired as at 1st April 2014 have been adjusted in the opening balance of Profit and Loss Account.

H. C. S.



B. G.

A. S.

V. S.

## 34. CIF value of import

	2014-15	2013-14
- Consumables	-	108,915

## 35 Expenses in Foreign currency

	2014-15	2013-14
- Consumables	-	108,915
- Capital expenditure	-	26,099,281
- Travelling expenses	-	180,000

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

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



(Vishal Chandra Gupta)  
Partner  
Membership No. 093908  
New Delhi  
Date: May 30, 2015

*Vakamulla Chandrashekhar*  
Vakamulla Chandrashekhar  
Managing Director  
DIN - 00073657

*V. Anu Naidu*  
V. Anu Naidu  
Director  
DIN - 00073661

*B.L. Jain*  
B.L. Jain  
CFO

*Deepak Gupta*  
Deepak Gupta  
Company Secretary

**000791****INDEPENDENT AUDITORS' REPORT**

The Members of **TARINI INFRASTRUCTURE LIMITED**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **TARINI INFRASTRUCTURE LIMITED** (hereinafter referred to as "the Holding Company" or "the Company"), its subsidiaries (collectively, "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2015, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group, in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

#### Basis for qualified opinion

- (a) *The holding company and its subsidiaries has made certain advances amounting to Rs.301.50 Lakhs for which documents related to such advances given by the group companies were not available as the documents were impounded by the income tax authorities as mentioned in note no 29 of the financial statements. Further, confirmation from the parties as at end of the year was not found on records. In view of non-availability of related documents and other alternate audit evidence to corroborate the management's assessment of recoverability of these advances, we are unable to comment on the extent to which these balances are recoverable.*

#### Qualified opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated 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 consolidated state of affairs of the Group, its associates and jointly controlled entity as at March 31, 2015, of their consolidated profit & loss account and their consolidated cash flows for the year ended on that date.

#### Emphasis of Matters

1. We draw attention to the note 20 of the consolidated financial statements, in respect of trade receivables and trade payables external confirmations of the balances were not obtained by the Company. Management does not expect any material adjustment in respect of these balances. Due to non-availability of confirmation of balances, we are unable to quantify the impact, if any, arising from the confirmation of balances.
2. We draw attention to the note 29 of the consolidated financial statements regarding the survey operations conducted u/s 133A of income tax Act, 1961 by the Income tax Authorities in the company's premises during the previous year of which outcome is awaited. However, the management is confident about no adverse impact due to such outcome.

Our Opinion is not qualified in respect of these matters.



**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, based on the comments in the auditor's report of the Holding company, its subsidiaries, and associates incorporated in India, to whom the Order applies we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a. We have sought and except for the matters described in the Basis for Qualified Opinion paragraph, and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statement;
  - b. except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statement have been kept by the Company so far as appears from our examination of those books.
  - c. the consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d. except for the possible effect of the matters described in the Basis for qualified opinion paragraph, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. on the basis of the written representations received from the directors of the holding Company and its group companies as on March 31, 2015 taken on record by the Board of Directors of the holding Company, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - f. in our opinion and to the best of our information and according to the explanation given to us, we report as under 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:
    - i. The consolidated financial statements have disclosed the impact of pending litigations on its consolidated financial position of the group, and its associates in its consolidated financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



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- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its companies incorporated in India.

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

  
**VISHAL CHANDRA GUPTA**  
Partner  
Membership No. 093908



Place: New Delhi  
Date: May 30, 2015

**ANNEXURE REFERRED IN INDEPENDENT AUDITORS REPORT OF EVEN DATE**

The Annexure referred to paragraph (1) in our Independent Auditors' Report to the members of the Company on the consolidated financial statements for the year ended March 31, 2015 Tarini Infrastructure Limited ('Holding Company') and its group companies to whom the provisions of the Order apply (together referred to as "the Group entities" in this report), our reporting, hereunder, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors who audited the financial statements of these subsidiaries. We report that:

- i. a. The holding Company and covered entities, wherever applicable has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. The fixed assets has been physically verified by the management of holding company and covered entities, wherever applicable during the year, which in our opinion, is reasonable having regard to the size of the Company and covered entities and the nature of their assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- ii. As per the information and explanations provided to us, the holding company and covered entities do not have any inventory; therefore, the provisions of clause 3 (ii) (a), (b) & (c) of the Companies (Auditors Report) Order, 2015 are not applicable to the company.
- iii. According to the information and explanations provided to us, the holding Company has not granted interest free loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 therefore, the provisions of clause 3 (iii) of the Companies (Auditors Report) Order, 2015 are not applicable to the company.
- iv. In our opinion and according to the information and explanations provided to us and in the opinion of auditors of other covered entities, there exists an adequate internal control system commensurate with the size of the holding Company and covered entities and the nature of their business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of audit by us and by other auditors, no continuing failure was observed to correct any major weakness in the internal control system in respect of these areas.
- v. According to the information and explanations given to us and in the opinion of auditors of other covered entities, the holding Company and covered entities have not accepted any deposit as per the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under. No order against the holding Company and covered entities has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vi. According to the information and explanations given to us, the holding Company and covered entities do not covered under specified category for the maintenance of cost records



under Sub Section (1) of Section 148 of the Companies Act, 2013 as prescribed by the Central Government, therefore, clause (vi) of the Companies (Auditors Report) Order, 2015 is not applicable to the holding company and the covered entities.

- vii. a. According to the records of the holding company and covered entities and Information & explanation provided to us and the auditors of covered entities, the Company and covered entities, during the year, was generally regular in depositing undisputed statutory dues including provident fund, income tax, service tax and other statutory dues, as applicable with the appropriate authorities.
- b. According to the information and explanation given to us and the auditors of covered entities, there were no disputed amounts payable in respect of income tax, sales tax, service tax, duty of customs, value added tax or cess as at March 31, 2015 except for the following:

S. No	Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which amount relates	Forum where dispute is pending
1	Income tax Act	Income tax	58,740	A.Y. 2011-12	CIT – Appeals


- c. According to the information and explanations provided to us and the auditors of covered entities, the holding company and covered entities do not have the required amount, which need to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder, therefore clause 3 (vii) (c) of the Companies (Auditors Report) Order, 2015 is not applicable to the company.
- viii. The holding Company and covered entities except B Soilmec India Private Limited do not have accumulated losses at the end of financial year March 31, 2015. The holding Company and covered entities except B Soilmec India Private Limited have not incurred cash losses in this financial year and in the immediately preceding financial year. In case of B Soilmec India Private Limited, the subsidiary has the accumulated losses at the end of financial year March 31, 2015. The subsidiary has incurred cash losses in this financial year and in the immediately preceding financial year.
- ix. In our opinion and according to the information and explanations given to us and the auditors of covered entities, the holding Company and covered entities have not defaulted in repayment of dues to any financial institution or bank. The Company has not issued any debentures.
- x. According to the information and explanations given to us, the none of the Group companies has given guarantee for loans taken by others from bank or financial institutions. Accordingly, clause 3 (x) of the Companies (Auditors Report) Order, 2015 is not applicable.
- xi. According to the information and explanations given to us and the auditors of covered entities, wherever applicable, term loans have been applied for the purpose for which the loans were obtained.





- xii. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the consolidated financial statements and information and explanations given to us and the auditors of covered entities, we report that to the best of our knowledge and belief and according to the information and explanations provided to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

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

  
VISHAL CHANDRA GUPTA  
Partner  
Membership No. 093908



000191

Place: New Delhi  
Date: May 30, 2015

**TARINI INFRASTRUCTURE LIMITED**  
Consolidated Balance Sheet as at March 31, 2015

**000798**

Particulars	Note Reference	(Amount in Rs.) As at March 31, 2015
<b>I. EQUITY AND LIABILITIES</b>		
1 Shareholders' funds		
Share capital	2	270,439,500
Reserve and surplus	3	14,122,955
Minority Interest		986,709
<b>Total Shareholder's funds</b>		<b>285,549,164</b>
2 Non-current liabilities		
Long - term borrowings	4	251,972,527
<b>Total non-current liabilities</b>		<b>251,972,527</b>
3 Current liabilities		
Short-term borrowings	4	68,558,562
Other current liabilities	6	78,458,613
Short-term provisions	5	541,100
<b>Total current liabilities</b>		<b>147,558,275</b>
<b>Total</b>		<b>685,079,967</b>
<b>II. ASSETS</b>		
1 Non-current assets		
Fixed assets		
- Tangible assets	7(a)	580,054,424
- Capital work in progress	7(b)	877,464
Non - current investments	8	7,246,000
Long - term loans and advances	9	15,322,207
Other non - current assets	10	3,281,646
<b>Total non-current assets</b>		<b>606,781,741</b>
2 Current assets		
Trade Receivables	11	24,239,582
Cash and cash equivalents	12	4,452,137
Short - term loans and advances	9	49,606,507
<b>Total current assets</b>		<b>78,298,226</b>
<b>Total</b>		<b>685,079,967</b>

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: May 30, 2015



FOR AND ON BEHALF OF THE BOARD

*Vakamulla Chandrashekhar*  
Vakamulla Chandrashekhar  
Managing Director  
DIN - 00073657

*V. Anu Naidu*  
V. Anu Naidu  
Director  
DIN - 00073661

*B.L. Jain*  
B.L. Jain  
CFO

*Deepak Gupta*  
Deepak Gupta  
Company Secretary

000799

**TARINI INFRASTRUCTURE LIMITED**  
Consolidated Profit and loss statement for the year ended March 31, 2015

Particulars	Note Reference	As at March 31, 2015
<b>Income</b>		
Revenue from operations	13	103,473,814
Other income	14	1,757,861
		<u>105,231,675</u>
<b>Expenditure</b>		
Employee benefit expenses	15	14,197,282
Finance costs	16	28,767,188
Depreciation and amortization expense	7(a)	19,980,436
Other expenses	17	38,616,818
		<u>101,561,723</u>
<b>Profit before tax</b>		3,669,952
<b>Tax expense:</b>	<b>Current year</b> <b>Previous year</b>	
Current tax (MAT)	541,100 514,000	
Less: Credit Entitlement for MAT	(541,100) (514,000)	
<b>Net profit for the year</b>		<u>3,669,952</u>
<b>Earning per Equity Share of Rs 10 each</b>		
Basic and Diluted (Rupees)	18	0.14

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 VCG & CO.  
Chartered Accountants  
FRN - 021837N  
(Vishal Chandra Gupta)  
Partner  
Membership No. 093908  
New Delhi  
Date: May 30, 2015



FOR AND ON BEHALF OF THE BOARD

*Vakamulla Chandrashekhar*  
Vakamulla Chandrashekhar  
Managing Director  
DIN - 00073657

*V. Anu Naidu*  
V. Anu Naidu  
Director  
DIN - 00073661

*B.L. Jain*  
B.L. Jain  
CFO

*Deepak Gupta*  
Deepak Gupta  
Company Secretary

## Consolidated Cash Flow Statement for the year ended March 31, 2015

Particulars	(Amount in Rs.)
	As at March 31, 2015
<b>A. Cash flow from Operating Activities</b>	
Profit after Tax	3,669,952
Adjustments for:	
Depreciation	19,980,436
Interest expenses	28,767,188
Interest income	(1,420,184)
<b>Operating profit before working capital changes</b>	<b>50,997,392</b>
<b>Working Capital Changes</b>	
Decrease/(Increase) in current assets	(28,874,719)
Increase/(Decrease) in current liab	66,828,232
<b>Cash flow from Operating Activities (A)</b>	<b>88,950,904</b>
<b>B. Cash flow from Investing Activities</b>	
Purchase of fixed assets	(110,777)
Interest Income	1,420,184
<b>Cash flow from Investing Activities (B)</b>	<b>1,309,407</b>
<b>C. Cash flow from Financing Activities</b>	
Proceeds from issue of shares (including share premium, net of issue expenses)	21,079,000
Proceeds/(Repayment) of secured Loan	(82,194,135)
Interest expense	(28,767,188)
<b>Cash flow from Financing Activities (C)</b>	<b>(89,882,322)</b>
<b>Net Increase In Cash &amp; Cash Equivalents (A+B+C)</b>	<b>377,988</b>
Opening cash & cash equivalents	4,074,149
Closing cash & cash equivalents	4,452,137

As per our report of even date attached.

For VCG &amp; CO.

Chartered Accountants

FRN - 021837N

*Chaitra Gupta*  
Chaitra Chandra Gupta)  
Partner

Membership No. 093908

New Delhi

Date: May 30, 2015



## FOR AND ON BEHALF OF THE BOARD

*Vakamulla Chandrashekhar*  
Vakamulla Chandrashekhar  
Managing Director  
DIN - 00073657

*B/L Jain*  
B/L Jain  
CFO

*V. Anu Naidu*  
V. Anu Naidu  
Director  
DIN - 00073661

*Deepak Gupta*  
Deepak Gupta  
Company Secretary

000801

## TARINI INFRASTRUCTURE LIMITED

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

**I Significant accounting policies****A Basis of accounting and preparation of consolidated financial statements**

The consolidated 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, 2013. The consolidated 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 consolidated 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 consolidated 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 fixed assets is provided based on the useful life of assets as prescribed in Schedule II to the Companies Act 2013 except in respect of the assets related to power generating equipment and Plant & Machinery is provided over the period of 35 years pursuant to the agreement, which is different from prescribed useful life in Schedule II of Companies Act 2013.

**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 is 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 and 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 consolidated 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.

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#### 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 consolidated 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 if a virtual certainty of realization of such asset.

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(Amount in Rs.)

As at  
March 31, 2015

NOTE 2 - SHARE CAPITAL

Authorised

30,000,000 (Previous year- 2,60,00,000) equity shares of Rs. 10 each 300,000,000

Issued, subscribed and fully paid up

2,70,43,950 (Previous year- 2,59,90,000) equity shares of Rs. 10 each, fully paid 270,439,500

Total 270,439,500

- 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.

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.

- ii. The reconciliation of number of shares outstanding is set out below

	As at March 31, 2015
<b>Equity Shares</b>	
Number of outstanding shares at the beginning of the year	25,990,000
Shares issued/ bought back during the year	1,053,950
Number of outstanding shares as at the end of the year	27,043,950

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

Name of the Shareholder	As at March 31, 2015	
	No. of Shares	Percentage held
M/s Tarini International Limited	9,462,950	34.99
Mr. Vellore Subramanion Suresh	7,994,903	29.56
Mr. Vakamulla Chandrashekhar	3,169,400	11.72
Real Value Promoters Private Limited	1,928,700	7.13

NOTE 3 - RESERVES AND SURPLUS

	As at March 31, 2015
<b>Capital Reserve on account of consolidation</b>	
General Reserve	715,576.83
Capital Reserve	2,946,138.61
	3,661,715
<b>Share Premium</b>	
As per last Balance Sheet	-
Add: During the Year	10,539,500
	10,539,500
<b>Surplus / (Deficit) - Balance in Statement of Profit and Loss</b>	
As per last Balance Sheet	3,659,329
Add: Transferred from Statement of Profit & Loss	3,669,952
Less: Depreciation	(84,111)
Closing Balance	7,245,170
<b>Grand Total</b>	14,122,955

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#### NOTE 4 - BORROWINGS

		As at 'March 31, 2015	
		Long-term	Short-term
<b>Secured</b>			
Term loans			
- From banks		299,271,991	-
		<u>299,271,991</u>	<u>-</u>
<b>Unsecured</b>			
Loans and advances from related parties		-	66,057,620
Others		1,700,000	2,500,942
		<u>1,700,000</u>	<u>68,558,562</u>
Less:-	Current maturities of long term debts	48,999,464	-
	<b>Total</b>	<u>251,972,527</u>	<u>68,558,562</u>

#### i. Details of Term Loans:

##### Bank of India

Loan (Rs in Lacs)	Outstanding as on 31.03.2015 (Amount in lakhs)	Period of maturity w.r.t Balance sheet date	Interest	Repayable in
T.L.-I	2215.75	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	321.38	13.25 years		
T.L.-III	214.46	9 years		
FITL	215.63	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, 2015	
		Long-term	Short-term
Others			
- Taxation		-	541,100
<b>Total</b>		<u>-</u>	<u>541,100</u>

#### NOTE 6 - OTHER CURRENT LIABILITIES

		As at March 31, 2015
Other payables		
- Current maturities of long term borrowings*		48,999,464
- Advance from customer		12,000,000
- Taxes and other statutory dues		641,924
- Employee dues		212,000
- Others <sup>1</sup>		16,605,225
<b>Total</b>		<u>78,458,613</u>

\*Current maturities include installment dues but not paid

<sup>1</sup>Others include non trade payables

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

Particulars	Gross carrying amount			Depreciation			Net carrying amount	
	As at 31.03.2014	Additions	Deductions	As at 31.03.2015	As at 31.03.2014	For the year	As at 31.03.2015	As at 31.03.2014
<b>Owned assets</b>								
Roads	13,084,436	-	-	13,084,436	1,702,582	1,759,023	9,622,831	11,381,854
<b>Plant and equipment</b>								
- Generating equipment	224,905,464	-	-	224,905,464	48,171,843	5,809,430	170,924,191	176,733,621
- Transmission line & sub-station	114,388,605	-	-	114,388,605	23,530,080	2,737,713	88,120,812	90,858,525
- Plant II	319,013,052	-	-	319,013,052	4,203,631	8,636,854	306,172,567	314,809,421
Office equipment	131,120	-	-	131,120	13,427	36,658	81,035	117,693
<b>Furniture and fixtures</b>								
	245,536	10,000	-	255,536	84,573	43,868	127,095	160,963
<b>Vehicles</b>								
	6,155,246	47,778	-	6,203,024	898,247	759,111	4,545,666	5,256,999
<b>Others</b>								
- Computer	826,628	52,999	-	879,627	641,769	117,711	759,480	184,859
- Other Plant & machinery	671,146	-	-	671,146	166,887	164,179	340,080	504,259
<b>Total Tangible Assets</b>	<b>679,421,233</b>	<b>110,777</b>	<b>-</b>	<b>679,532,010</b>	<b>79,413,039</b>	<b>20,064,547</b>	<b>580,054,424</b>	<b>-</b>

## Footnotes :

- 1 Land admeasuring 4.8 Hectare for setting up the Captioned Hydro 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.



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## NOTE 7(b) - FIXED ASSETS - CWIP

000807

As at  
March 31, 2015

## CAPITAL WORK IN PROGRESS

Machine for Prototype Test(R&amp;D)

877,464

Total

877,464

## NOTE 8 - NON CURRENT INVESTMENTS

As at  
March 31, 2015

## Long Term Investments (Non - Trade)

## Equity Share in Subsidiary Companies (Unquoted)

Tarini Hydro Power Lethoso Limited

7,000

## Equity Share in Associated Bodies Corporates

Venture Energy &amp; Technologies Limited

7,239,000

Total

7,246,000

## NOTE 9 - LOANS AND ADVANCES

(unsecured, considered good unless otherwise stated)

As at 'March 31, 2015

Long-term

Short-term

Security deposits

113,500

- Advance tax / MAT credit

-

1,345,852

- Excise, Cenvat, VAT and other Govt dues

-

98,747

- Dues from employees

-

70,000

- Other advances recoverable in cash or in kind  
or for the value to be received

-

21,896,301

- Unsecured - considered good\*

15,208,707

26,195,607

15,322,207

49,606,507

Total

15,322,207

49,606,507



## NOTE 10 - NON CURRENT ASSETS

000808

As at  
March 31, 2015

Deffered expenditure	2,784,700
Preliminary expenses	9,860
Preoperative expenses	487,086
Total	3,281,646

## NOTE 11 - TRADE RECEIVABLES

As at  
March 31, 2015

Unsecured - considered good	24,239,582
Total	24,239,582

## NOTE 12 - CASH AND CASH EQUIVALENTS

As at  
March 31, 2015

Balances with banks	3,849,479
Cash on hand	602,658
Total	4,452,137

## NOTE 13 - REVENUE FROM OPERATIONS

As at  
March 31, 2015

Sale of Electrical energy	103,652,269
Less: Unscheduled interchange charges	(178,455)
Total	103,473,814

## NOTE 14 - OTHER INCOME

As at  
March 31, 2015

Interest income	1,420,184
Excess provision writtenback	330,609
Other income	7,068
Total	1,757,861

## NOTE 15 - EMPLOYEE BENEFIT EXPENSES

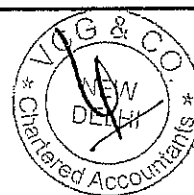
As at  
March 31, 2015

Salaries, wages etc	13,980,965
Staff welfare expenses	216,317
Total	14,197,282

P. A. S.

B. G.

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J. S.

## NOTE 16 - FINANCE COST

	As at March 31, 2015
Interest expense	2,94,60,127
Other borrowing costs	1,46,776
Foreign Exchange Rate Difference	(8,39,713)
Total	2,87,67,188

## NOTE 17 - OTHER EXPENSES

	As at March 31, 2015
Power and fuel.	3,02,023
Repairs	
- Plant and machinery	28,60,021
- Other repair	17,30,685
Lease rent	3,19,565
Royalties	68,30,953
Insurance	6,58,132
Travelling & conveyance expenses	3,03,333
Telephone & internet expenses	3,07,812
Legal & professional charges	12,09,643
Site expenditure	1,02,416
Auditors' remuneration	
- Audit fee	2,19,130
- Tax audit fee	39,326
Inspection Charges	28,090
Maintenance of substation & transmission Line	2,02,24,800
Bad debts	3,25,795
Preliminary expenses written off	42,503
Prior Period expenses	20,00,000
Miscellaneous expenses	11,12,591
Total	3,86,16,818

## NOTE 18 - EARNING PER SHARE

	As at March 31, 2015
Profit / (Loss) after tax as per profit and loss account (Rs.)	36,69,952
Weighted average number of Equity shares outstanding (Nos.)	2,70,43,950
Earnings per share - basic / diluted (face value - Rs. 10 per share) (Rs.)	0.14

A.C.G.

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**ADDITIONAL NOTES TO THE Consolidated FINANCIAL STATEMENTS:**

19. 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.
20. In the opinion of the management the balances shown under receivables, loans and advances and other assets whether current or non current in consolidated financial statement, 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
- Mortgage of leasehold rights of 4.8 hectare of land lease to the company at project site in Gujarat, by Government of Gujarat.
  - Income tax demand under appeal - Rs. 58,760
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. During the year ended 31 March 2015, pursuant to a survey conducted under Section 133A of the Income Tax Act, 1961 by the Income Tax Authorities in the group Company's premises and certain documents were impounded. The outcome of such survey is awaited. However the management is confident that no adverse impact shall be transpired.

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*



*[Handwritten signature]*

30. An amount of Rs. 3,118,440/- 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. Vakmulla Chandrashekhar, Director  
Mrs. V. Anu Naidu, Director  
Mr. Vellore Subramanian Suresh, Director  
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 & Distillaries Limited.  
M/s Tarini Life Scienses Limited  
M/s Tarini Wilderness & Innovations Private Limited

(c)	Particulars	(Amount (Rs.))	
		Mar-15	Mar-14
	<b>Expenses paid for to Tarini International Ltd</b>		
	Maintenance charges for Substation & Transmission line	20,224,800	79,21,380
	Guarantee Commission	-	3,370,800
	Rent	-	674,160
	<b>Closing Balance at the year end.</b>		
	<b>Receivable / (Payable)</b>		
	a) Mr. Vakamulla Chandrashekhar	(7,568,000)	(2,116,158)
	b) Mrs. V. Anu Naidu	(1,406,000)	(1,531,294)
	c) Mr. Vellore Subramanian Suresh	(6,138,769)	(6,138,769)
	<b>M/s Tarini International Limited (Current Account)</b>	<b>(5,993,931)</b>	<b>(4,726,750)</b>
	<b>M/s Tarini International Limited (Loan Account)</b>	<b>(42,007,351)</b>	<b>19,993,449</b>

32. Additional information pursuant to the provision of paragraph 2 and 3 of III to the companies Act, 2013:

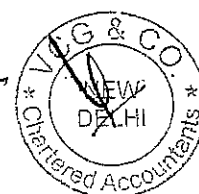
Capacity and production (as certified by the management)	Actual Production	
	2014-15	2013-14
Installed Annual Capacity- 5600 KW	29.70GWH	29.31GWH

33. Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in schedule-II except in respect of assets related to power generating equipments and plant & Machineries as disclosed in Accounting Policy on Depreciation. Accordingly the unamortised carrying value is being depreciated / amortised over the revised / remaining usefule lives. The written down value amounting to Rs. 84111/- of Fixed Assets whose lives have been expired as at 1st April 2014 have been adjusted in the opening balance of Profit and Loss Account.

*V. C. S.*

*Anu*

*[Signature]*



*[Signature]*

34. (i) The list of subsidiary companies which are included in the consolidation and the company's holdings therein are as under:

Name of subsidiaries	Ownership in %
subsidiaries through direct, indirect control	2014-15
(a) B.Soilmec India Private Limited	59.8%

(ii) Associates and Joint venture not included in consolidation

Name of the company	Share of Interest
(a) Venture Energy and Tech Limited	34.99%

35 Pursuant to the enactment of Companies Act 2013, The company is required to give Consolidated Financial Statements and this being the first year of requirement, previous year figures has not been compiled.

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



(Vishal Chandra Gupta)  
Partner  
Membership No. 093908  
New Delhi  
Date: May 30, 2015

Vakamulla Chandrashekhari  
Managing Director  
DIN - 00073657

B.L. Jain  
CFO

V. Anu Naidu  
Director  
DIN - 00073661


Deepak Gupta  
Company Secretary




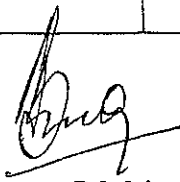
000813

STATEMENT PURSUANT TO FIRST PROVISIO TO SUB-SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES ACCOUNT RULES, 2014 RELATING TO SUBSIDIARY COMPANIES

NAME OF THE SUBSIDIARY	B.SOILMEC INDIA PRIVATE LIMITED
NUMBEROF SHARES HELD IN THE SUBSIDIRY COMPANY	335000,Equity shares of Rs. 10 each, fully paid-up
PERCENTAGE OF HOLDING IN THE SUBSIDIARY COMPANY	59.82%
FINANCIAL YEAR ENDED	March 31,2015
REPORTING CURRENCY	Amount in Rs.
SHARE CAPITAL	56,00,000
RESERVE & SURPLUS	(40,34,542)
TOTAL ASSETS	2,27,69,294
TOTAL LIABILITIES	2,27,69,294
INVESTMENT	-
TURNOVER (INCLUDING OTHER INCOME)	13,53,369
PROFIT BEFORE TAXATION	8,90,464
PROVISION FOR TAXATION	-
PROFIT AFTER TAXATION	8,90,464
PROPOSED DIVIDEND	-

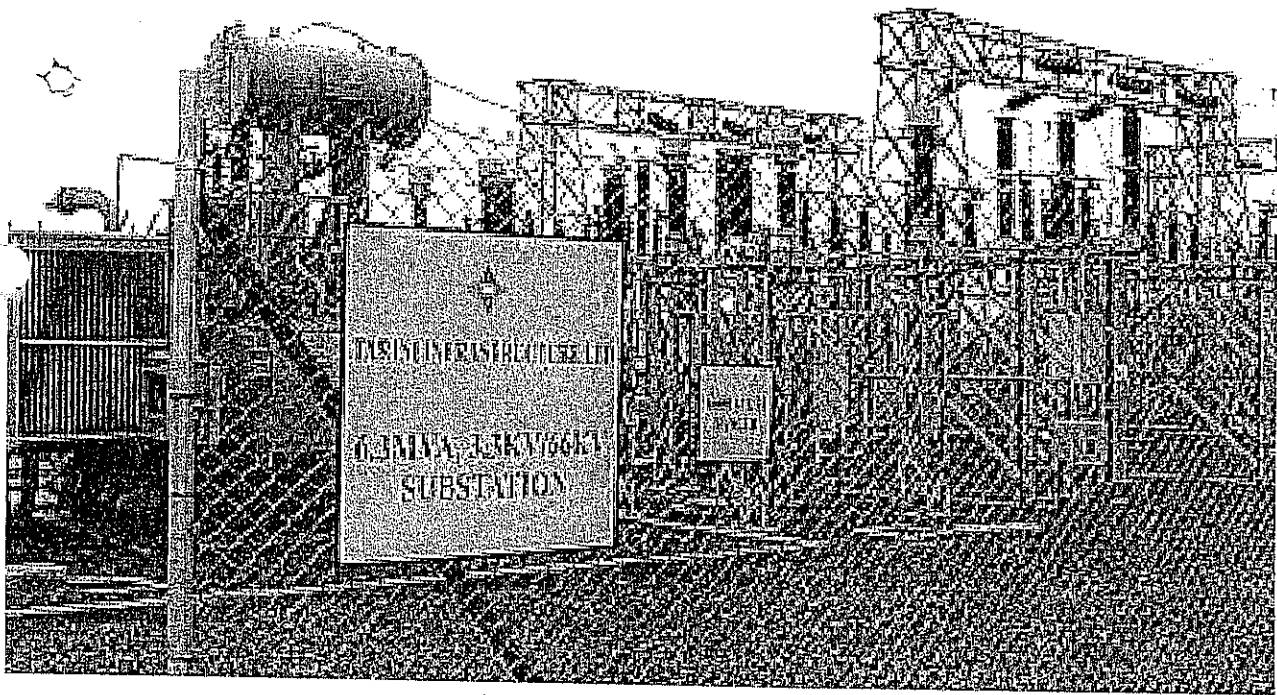
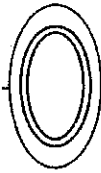
  
Vakamulla Chandrashekhar  
Managing Director  
DIN 00073657

  
V. Anu Naidu  
Director  
DIN 00073661

  
B.L Jain  
CFO

  
Deepak Gupta  
Company Secretary

000314



Regd. Office :

D2 , Amar Colony, Lajpat Nagar – IV, New Delhi -110024

☎ Phone Nos. : + 91 11 26479995, 26285364 Fax : +91 11 26477996

Email : [tarini@nde.vsnl.net.in](mailto:tarini@nde.vsnl.net.in) , [headoffice@tariniinfra.com](mailto:headoffice@tariniinfra.com)

Website : [www.tariniinfra.com](http://www.tariniinfra.com)

**finding solutions through Quality, Commitment & Competence**

ANNEXURE-P-13

000815

**Government of Gujarat**  
**Narmada Water Resources Water Supply & Kalpsar Department**

Telephone No: (0260)2640213

Fax No: (0260)2640213

Email Address: [icchaudhari29@gmail.com](mailto:icchaudhari29@gmail.com)



**Division Office Address:**

Office of Executive Engineer  
Damanganga Project Division No 1  
Madhuban Colony  
Pin Code: 396240

Letter No : DPD 1/PB-4/ 95

Date: 18/01/2013

✓ To,  
Tarini Infrastructure Ltd,  
D-2, First Floor,  
Amar Colony,  
Lajpat nagar IV,  
New Delhi-110024

Sub: Installation of Steel liner inside the RCC barrel at RBHR near SHP2


Dear Sir,

In connection with above cited subject, here by informed you that concessnaire has been started work for installation of GRP liner inside the RCC barrel in RBHR at the certain level. However after installation of One pipe having length of 6 meter ,it takes two attempt for better performance after getting canal closure but both time it shown very poor performance and number of layers from pipe has erected and push out from the barrel to canal.

At the initial stage where only one GRP pipe was installed and almost throughout the length of pipe was eroded and number of layer from the pipe has lost its position during the canal rotation then once if its install throughout the length of barrel then it will be harmful to the barrel, canal as well as for hydropower also.

Hence looking to the present situation and facts, Project authority has recommended installing Steel liner inside the Barrel instead of installing GRP liner. Hence unnecessary delay can be avoided.

Thanking You,

  
(Mr. J.C. Chaudhri)  
Executive Engineer

Damanganga Project Division No 1  
Madhuban Colony.

Copy to Site Engineer, Tarini Infrastructure Ltd, Madhuban Colony

Copy respectfully submitted to SE, DPC Valsad for information only.

ANNEXURE-P14

000816

Monthwise Unit Generation Data

Month	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
April	0	1203611	2247788	1957157	2140734	1699993	1423623	2675878
May	0	418790	166072	1778817	1619161	510049	0	
June	0	45238	121963	1499708	248827	472749	0	
July	0	1146487	936271	2080541	384447	2028237	2825379	
August	1617310	2487342	2479475	2386826	3582803	3722110	3981333	
September	2277010	2411287	2358907	2286789	3894724	2508268	3662385	
October	2384004	2500367	2328256	2450318	3470235	3450512	4038612	
November	2368952	1629947	2391585	2279659	3386806	3069466	3262265	
December	2018106	2420497	2492100	2768470	1975864	3522074	3515136	
January	2090726	832447	2386779	3561007	2796983	3246085	1927635	
February	1901432	1942183	1388692	3159452	2753540	2904585	2257443	
March	1078078	2242574	2420631	3117759	3413362	3330285	3204020	
Total	15735618	19280770	21718519	29326503	29667486	30464413	30097831	2675878
Net Power Exported to GUVNL	15735618	19280770	21718519	29326503	29667486	30464413	30097831	2675878

Rate per KVA(Rs) 3.49

## Bill Raised for Power Generation Data

Rs in Lacs

Month	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
April	0.00	42.01	78.45	68.30	74.71	59.33	49.68	93.39
May	0.00	14.62	5.80	62.08	56.51	17.80	0.00	0.00
June	0.00	1.58	4.26	52.34	8.68	16.50	0.00	0.00
July	0.00	40.01	32.68	72.61	13.42	70.79	98.61	0.00
August	56.44	86.81	86.53	83.30	125.04	129.90	138.95	0.00
September	79.47	84.15	82.33	79.81	135.93	87.54	127.82	0.00
October	83.20	87.26	81.26	85.52	121.11	120.42	140.95	0.00
November	82.68	56.89	83.47	79.56	118.20	107.12	113.85	0.00
December	70.43	84.48	86.97	96.62	68.96	122.92	122.68	0.00
January	72.97	29.05	83.30	124.28	97.61	113.29	67.27	0.00
February	66.36	67.78	48.47	110.26	96.10	101.37	78.78	0.00
March	37.62	78.27	84.48	108.81	119.13	116.23	111.82	0.00
Total	549.17	672.90	757.98	1023.49	1035.40	1063.21	1050.41	93.39
Net Power Exported to	549.17	672.90	757.98	1023.49	1035.40	1063.21	1050.41	93.39

## Amount Received from GUVNL

Month	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
April	0	4195630	4997734	0	5047992	9681435	11870955	11182030
May		1451003	170162	0	9347581	12210758	4129204	9250863
June		144913	0	6830478	7468328	5251261	0	
July		3994011	2462399	6208071	5639517	319339	0	
August	5644412	7249536	9203572	5233981	5630681	215825	10512492	
September	6971402	7927100	8740714	7261088	0	6545477	13894730	
October	8320173	7896711	8584610	8330023	12703009	13464214	12781360	
November	8267642	5756300	8420566	7980894	14235962	8564105	14094741	
December	7043190	8190035	8697430	8551610	12443352	12362617	11385305	
January	7296634	2456977	8329859	7956010	12158586	10860659	12267825	
February	6635998	10506955	4846535	9661811	6844483	12655367	6727399	
March	3762492	7826583	8448002	12427850	9677450	21726317	7876947	
Total	53941943	67595754	72901583	80441816	101196941	#####	105540958	20432893
	539.42	675.96	729.01	804.42	1011.97	1138.57	1055.41	204.33