

TATA POWER GREEN ENERGY LIMITED

TATA POWER GREEN ENERGY LIMITED

DIRECTORS REPORT

To The Members

TATA POWER GREEN ENERGY LIMITED

The Directors hereby present their Second Annual Report on the business of the Company and the Statement of Accounts for the year ended 31st March, 2013.

1. OPERATIONS

The Company has not started any Commercial Operations till date.

4. DIRECTORS

In accordance with the Companies Act, 1956 and the Articles of Association of the Company, Mr Sanjay Dube retires by rotation and is eligible for re-appointment.

6. AUDITORS

M/s Deloitte Haskins and Sells, Chartered Accountants, the existing Auditors of the Company, hold office till the conclusion of the Annual General Meeting.

Members are requested to appoint Auditors for the current year and to fix their remuneration. M/s Deloitte Haskins and Sells, Chartered Accountants, the existing Auditors, have under section 224(1) of the Companies Act, 1956, indicated their eligibility for re-appointment.

7. PARTICULARS OF EMPLOYEES

The Company had no employees of the category specified under section 217(2A) of the Companies Act, 1956.

8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Conservation of Energy : The Disclosures required in Form A of Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 pertaining to conservation of energy are not applicable to the Company.

Technology Absorption : Nil

Foreign Exchange earnings and outgo : Nil

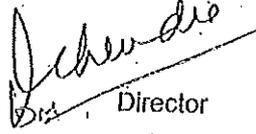
9. DIRECTORS' RESPONSIBILITY STATEMENT

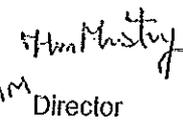
Pursuant to Section 217(2AA) of the Companies Act, 1956, the Board, based on the representations received from the Directors, hereby confirms that :

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departure;
- ii) they have, in the selection of the accounting policies consulted the Statutory Auditors and have 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 of the Company for that period;

- iii) they have taken proper and sufficient care, to the best of knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv). they have prepared the annual accounts on a going concern basis;

On behalf of the Board of Directors,


Mrs. Director


Mr. Director

Mumbai, 24th May, 2013.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
TATA POWER GREEN ENERGY LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **TATA POWER GREEN ENERGY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st 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 Company's 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 Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. 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 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the 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.

Deloitte Haskins & Sells

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the loss 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 in terms of Section 227(4A) 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, the 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, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No. 117366W)

R. K. Banga
R. A. BANGA
Partner

(Membership No. 37915)

MUMBAI, 24th April, 2013

Deloitte Haskins & Sells

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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

Having regard to the nature of the Company's business/activities/results during the year, clauses (i), (ii), (iv), (vi), (vii), (viii), (x), (xi), (xii), (xiii), (xiv), (xv), (xvi), (xvii), (xviii), (xix) and (xx) of paragraph 4 of the Order are not applicable.

- (i) According to the information and explanations given to us, the Company has neither granted nor taken any loans secured or unsecured, to or from Companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (ii) According to the information and explanations given to us, the Company has not entered into any contracts or arrangement with parties, which needs to be entered in the Register maintained under Section 301 of the Companies Act, 1956.
- (iii) According to information and explanations given to us in respect of Statutory dues,
 - (a) The Company has been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Income-tax, Sales tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2013 for a period of more than six months from the date of they became payable.
 - (c) According to information and explanation given to us, there are no unpaid disputed amounts payable in respect of Income-tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty and Cess, as at 31st March, 2013.
- (iv) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No. 117366W)

R. A. BANGA

R. A. BANGA
Partner
(Membership No. 37915)

MUMBAI, 24th April, 2013

**TATA POWER GREEN ENERGY LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2013**

	Notes	As at March 31, 2013 Rupees	As at March 31, 2012 Rupees
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	500,000	500,000
Reserves and Surplus	4	(150,018)	(107,692)
Total Shareholders' Funds		<u>349,982</u>	<u>392,308</u>
Current Liabilities			
Trade Payables		30,337	30,337
Other Current Liabilities	5	3,371	3,371
Total Current Liabilities		<u>33,708</u>	<u>33,708</u>
Total		<u><u>383,690</u></u>	<u><u>426,016</u></u>
II. ASSETS			
Current Assets			
Cash and bank balances	6	383,690	426,016
Total Current Assets		<u>383,690</u>	<u>426,016</u>
Total		<u><u>383,690</u></u>	<u><u>426,016</u></u>

III. See accompanying notes forming part of the Financial Statements

In terms of our report attached
FOR DELOITTE HASKINS & SELLS
Chartered Accountants

R. A. Banga

R. A. Banga
Partner

For and on behalf of the Board of Directors

Sanjay Dube
Sanjay Dube
Director

Deepak Mahendra
Deepak Mahendra
Director

Hanoz Mistry
Hanoz Mistry
Director

MUMBAI, 4 April, 2013

MUMBAI, 4 April, 2013

TATA POWER GREEN ENERGY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

	Notes	For the year ended	For the period ended
		March 31, 2013	March 31, 2012 (From 5th Jan 2011 to 31st March 2012)
		Rupees	Rupees
I. Expenses			
Operation and other expenses	7	42,326	107,692
		42,326	107,692
II. Loss before tax		(42,326)	(107,692)
III. Loss for the year		(42,326)	(107,692)
IV. Earnings per equity share Basic and Diluted Rupees (face value of Rs. 10 each)	8	(0.85)	(2.58)
V. See accompanying notes forming part of the Financial Statements			

In terms of our report attached
FOR DELOITTE HASKINS & SELLS
Chartered Accountants

R.K. Banga
R. A. Banga
Partner

For and on behalf of the Board of Directors

Sanjay Dubey
Sanjay Dubey
Director

Deepak Mahendra
Deepak Mahendra
Director

Hanoz Mistry
Hanoz Mistry
Director

MUMBAI April, 2013

MUMBAI April, 2013

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TATA POWER GREEN ENERGY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1) CORPORATE DISCLOSURES

Tata Power Green Energy Limited was originally incorporated on 5th January, 2011 under the Companies Act, 1956 as Tata Power Green Energy Private Limited. It was later incorporated as Tata Power Green Energy Limited on 19th May, 2011.

The Principal business of the Company is to engage in all aspects of the business of generation, including captive generation and sale of electrical energy, and all form of energy.

Its registered office is at B Block, Corporate Centre, 34, Sant Tukaram Road, Carnac Bunder, Mumbai-400009.

2) SIGNIFICANT ACCOUNTING POLICIES

(a) Basis for accounting and preparation of financial statements:

The financial statements are prepared under historical cost convention on accrual basis and comply in all material respects with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(b) Use of estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

(c) Going Concern :

In view of the planned future operations/ business activities, with the support of the ultimate holding Company, the accounts of the Company have been prepared on a going concern basis.

(d) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(e) Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provision of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

(f) Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present values and are determined based on the best estimate required to settle the obligations at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements and are disclosed in the Notes. A contingent asset is neither recognised nor disclosed in the financial statements.

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TATA POWER GREEN ENERGY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3) SHARE CAPITAL

	Number of shares	As at March 31, 2013 Rupees	Number of shares	As at March 31, 2012 Rupees
Authorized				
Equity share of Rs.10 each	50,000	500,000	50,000	500,000
Issued, subscribed and fully paid-up				
Equity share of Rs.10 each	50,000	500,000	50,000	500,000
Total Issued, subscribed and fully paid-up	50,000	500,000	50,000	500,000

a. Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each equity shareholder is eligible for one vote per share held. Each equity shareholder is entitled to dividends as and when the Company declares and pays dividend after obtaining shareholders approval. Dividends are paid in Indian Rupees.

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

- b.** The Company is a wholly owned subsidiary of Af-Taab Investment Company Limited, the ultimate Holding Company, being The Tata Power Company Limited.

4) RESERVES AND SURPLUS

	As at March 31, 2013 Rupees	As at March 31, 2012 Rupees
(Deficit) In Statement of Profit and Loss		
Opening balance	(107,692)	-
Loss for the year	(42,326)	(107,692)
(Deficit) at the end of the year	(150,018)	(107,692)

5) OTHER CURRENT LIABILITIES

	As at March 31, 2013 Rupees	As at March 31, 2012 Rupees
Other liabilities		
Statutory Liabilities	3,371	3,371
	3,371	3,371

6) CASH AND BANK BALANCES

	As at March 31, 2013 Rupees	As at March 31, 2012 Rupees
Balances with banks:		
In Current Accounts	383,690	426,016
	383,690	426,016

Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is

383,690	426,016
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TATA POWER GREEN ENERGY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

7) OPERATION AND OTHER EXPENSES

	For the year ended March 31, 2013	For the period ended March 31, 2012 (From 5th Jan 2011 to 31st March 2012)
	Rupees	
(a) Legal Expenses	1,800	1,200
(b) Professional Fees	6,818	43,605
(c) Share Issue expenses	-	13,000
(d) Auditors Fees	33,708	33,708
(e) Preliminary expenses	-	10,900
(f) Miscellaneous Expenses	-	5,279
	42,326	107,692

Payment to auditors

As statutory auditors:
Audit fees

	March 31, 2013 Rupees	March 31, 2012 Rupees
	33,708	33,708
	33,708	33,708

8) EARNINGS PER SHARE (EPS)

	March 31, 2013	March 31, 2012
Loss attributable to equity shareholders (Rupees)- (A)	(42,326)	(107,692)
The weighted average number of equity shares (Nos.)- (B)	50,000	41,681
The nominal value per equity shares (Rupees)	10	10
Basic Earnings Per Share = (A)/(B)	(0.85)	(2.58)

9) MICRO, SMALL AND MEDIUM ENTERPRISES DISCLOSURES

During the period there are no transactions with 'suppliers' as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

10) SEGMENT DISCLOSURES

As the Company has not commenced commercial operations, Accounting Standard 17 on "Segment Reporting" is not applicable for the current period.

11) RELATED PARTY DISCLOSURE

Disclosure as required by Accounting Standard 18 (AS-18) "Related Party Disclosures" are as follows:

a) Name of the related parties and description of relationship

1. Holding Company : Af-Taab Investment Company Limited
2. Ultimate Holding Company : The Tata Power Company Limited

b) Details of Transactions with Holding Company

1. Equity Contribution received : Rs. Nil (31st March, 2012 Rs. 500,000).

12) Previous period/year's figures have been regrouped/reclassified wherever necessary to correspond with the current period/year's classification/disclosure. Previous year's figures are for the period from 5th January, 2011 (being the date of incorporation) to 31st March, 2012 being the first financial year and hence not comparable.