

**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 Third Annual Report on the business of the Company and the Statement of Accounts for the year ended 31<sup>st</sup> March, 2014.

#### 1. OPERATIONS

The Company has not started any Commercial Operations till date.

#### 4. DIRECTORS

Mr Deepak Mahendra retires by rotation and is eligible for re-appointment.

Mr Sanjay Dube resigned with effect from 10<sup>th</sup> February, 2014. The Board has placed on record its appreciation of the valuable contribution made to the Company by Mr Sanjay Dube.

Mr Nandakumar S Tirumalai was appointed as an Additional Director of the Company with effect from 5<sup>th</sup> February, 2014 in accordance with Section 260 of the Companies Act, Mr Nandakumar holds office only upto the date of the forthcoming Annual General Meeting (AGM) and a Notice under Section 160 (1) of the Companies Act 2013 has been received from a Member signifying its intention to propose Mr Nandakumar's appointment as a Director.

#### 6. AUDITORS

It is proposed to appoint Messers Fatehi & Company, Chartered Accountants as the Statutory Auditors of Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting. Fatehi & Co have also expressed their willingness to act as Auditors of the Company, if appointed, and have further confirmed that the said appointment will be in conformity with the provisions of Section 139(1) of the Companies Act, 2013.

#### 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

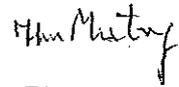
Pursuant to Section 217(2AA) of the Companies Act, 1956, the Board, based on the representations received from the Directors, hereby confirms that :

- 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 Loss 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,



Director



Director

Mumbai, 16th April, 2014

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# Deloitte Haskins & Sells LLP

Chartered Accountants  
Indiabulls Finance Centre  
Tower 3, 27th - 32nd Floor  
Senapati Bapat Marg  
Elphinstone Road (West)  
Mumbai - 400 013  
Maharashtra, India

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## 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 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 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 notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in term of General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs) 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.

### 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 31<sup>st</sup> March, 2014;
- (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 notified under the Act, (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in term of General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs).
  - (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 Section 274(1)(g) of the Act.

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W - 100018)

*R.K. Banga*  
R.A.BANGA  
Partner  
(Membership No. 37915)

MUMBAI, 16th April, 2014

**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), (iii), (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 to the company.

- (i) 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.
- (ii) According to information and explanations given to us in respect of Statutory dues,
  - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, 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, Service tax, Customs Duty Excise Duty, Cess in arrears as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable.
  - (c) According to information and explanation given to us, there are no dues of Income-tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty, Excise duty which have not been deposited on account of any dispute, as at 31<sup>st</sup> March, 2014.
- (iii) 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 LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W - 100018)

*R.K. Banga*

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

MUMBAI, 16th April, 2014

**TATA POWER GREEN ENERGY LIMITED  
BALANCE SHEET AS AT 31ST MARCH, 2014**

	Notes	As at March 31, 2014 Rupees	As at March 31, 2013 Rupees
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	500,000	500,000
Reserves and Surplus	4	(199,781)	(150,018)
<b>Total Shareholders' Funds</b>		<b>300,219</b>	<b>349,982</b>
<b>Current Liabilities</b>			
Trade Payables		30,337	30,337
Other Current Liabilities	5	3,371	3,371
<b>Total Current Liabilities</b>		<b>33,708</b>	<b>33,708</b>
<b>Total</b>		<b>333,927</b>	<b>383,690</b>
<b>II. ASSETS</b>			
<b>Current Assets</b>			
Cash and bank balances	6	333,927	383,690
<b>Total Current Assets</b>		<b>333,927</b>	<b>383,690</b>
<b>Total</b>		<b>333,927</b>	<b>383,690</b>

**III. See accompanying notes forming part of the Financial Statements**

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

*R. K. Banga*

R. A. Banga  
Partner

For and on behalf of the Board of Directors

*Nandakumar Tirumalai*

Nandakumar Tirumalai  
Director

*Deepak Mahendra*

Deepak Mahendra  
Director

*Hanoz Mistry*

Hanoz Mistry  
Director

MUMBAI, 16th April, 2014

MUMBAI, 16th April, 2014

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**TATA POWER GREEN ENERGY LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014**

	Notes	For the year ended March 31, 2014 Rupees	For the year ended March 31, 2013 Rupees
<b>I. Expenses</b>			
Operation and other expenses	7	49,763	42,326
<b>Total Expenses</b>		<u>49,763</u>	<u>42,326</u>
<b>II. Loss before tax</b>		<b>(49,763)</b>	<b>(42,326)</b>
<b>III. Loss for the year</b>		<u><b>(49,763)</b></u>	<u><b>(42,326)</b></u>
<b>IV. Earnings per equity share Basic and Diluted Rupees</b> (face value of Rs. 10 each)	8	(1.00)	(0.85)
<b>V. See accompanying notes forming part of the Financial Statements</b>			

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

*R. A. Banga*

R. A. Banga  
Partner

For and on behalf of the Board of Directors

*Nandakumar Tirumalai*  
Nandakumar Tirumalai  
Director

*Deepak Mahendra*  
Deepak Mahendra  
Director

*Hanoz Mistry*  
Hanoz Mistry  
Director

MUMBAI, 16th April, 2014

MUMBAI, 16th April, 2014

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**TATA POWER GREEN ENERGY LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

		For the year ended March 31, 2014 Rupees	For the year ended March 31, 2013 Rupees
<b>A. Cash Flow from Operating Activities</b>			
Loss before Tax		(49,763)	(42,326)
<b>Net Cash used in Operating Activities</b>	(A)	(49,763)	(42,326)
<b>B. Cash Flow from Investing Activities</b>			
Net Cash from Investing Activities	(B)	-	-
<b>C. Cash Flow from Financing Activities</b>			
Net Cash from Financing Activities	(C)	-	-
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(A+B+C)</b>	<b>(49,763)</b>	<b>(42,326)</b>
Cash and Cash Equivalent as at 1st April (Opening Balance)		383,690	426,016
Cash and Cash Equivalent at the 31st March (Closing Balance)		333,927	383,690

Cash and Cash Equivalents comprises of

Current Account with Scheduled Bank

333,927

383,690

See accompanying notes forming part of the Financial Statements.

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

*R. K. Banga*

R. A. Banga  
 Partner

For and on behalf of the Board of Directors

*Nandakumar Tirumalai*  
 Nandakumar Tirumalai  
 Director

*Deepak Mahendra*  
 Deepak Mahendra  
 Director

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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 or 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 of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/ 2013 Act, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. 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 value and are determined based on the 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 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.

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

**3) SHARE CAPITAL**

	Number of shares	As at March 31, 2014 Rupees	Number of shares	As at March 31, 2013 Rupees
<b>Authorized</b>				
Equity share of Rs.10 each	50,000	500,000	50,000	500,000
<b>Issued, subscribed and fully paid-up</b>				
Equity share of Rs.10 each	50,000	500,000	50,000	500,000
<b>Total issued, subscribed and fully paid-up</b>	<b>50,000</b>	<b>500,000</b>	<b>50,000</b>	<b>500,000</b>

**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. 50,000 shares (31st March, 2013 - 50,000 shares) being the entire share capital is held by the Af-Taab Investment Company Limited, the ultimate Holding Company, being The Tata Power Company Limited.

**4) RESERVES AND SURPLUS**

	As at March 31, 2014 Rupees	As at March 31, 2013 Rupees
<b>(Deficit) in Statement of Profit and Loss</b>		
Loss for the year	(150,018)	(107,692)
(Deficit) at the end of the year	(49,763)	(42,326)
	<b>(199,781)</b>	<b>(150,018)</b>

**5) OTHER CURRENT LIABILITIES**

	As at March 31, 2014 Rupees	As at March 31, 2013 Rupees
<b>Other liabilities</b>		
Statutory Liabilities	3,371	3,371
	<b>3,371</b>	<b>3,371</b>

**6) CASH AND BANK BALANCES**

	As at March 31, 2014 Rupees	As at March 31, 2013 Rupees
<b>Balances with banks:</b>		
In Current Accounts	333,927	383,690
	<b>333,927</b>	<b>383,690</b>
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	333,927	383,690

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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, 2014 Rupees	For the year ended March 31, 2013 Rupees
(a) Professional Fees and Legal Expenses	11,975	8,618
(b) Auditors Fees	33,708	33,708
(c) Miscellaneous Expenses	4,080	-
	<b>49,763</b>	<b>42,326</b>

**Payment to auditors**

	March 31, 2014 Rupees	March 31, 2013 Rupees
As statutory auditors:		
Audit fees (Including service tax)	33,708	33,708
	<b>33,708</b>	<b>33,708</b>

**8) EARNINGS PER SHARE (EPS)**

	March 31, 2014	March 31, 2013
Loss attributable to equity shareholders (Rupees)- (A)	(49,763)	(42,326)
The weighted average number of equity shares (Nos.)- (B)	50,000	50,000
The nominal value per equity shares (Rupees)	10	10
Basic Earnings Per Share = (A)/(B)	(1.00)	(0.85)

**9) MICRO, SMALL AND MEDIUM ENTERPRISES DISCLOSURES**

During the year 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 year.

**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 Related Parties**

1. Equity Contribution received : Rs. Nil ( 31st March, 2013 Rs. Nil).

**12) Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure. Previous year's figures are for the year ended 31st March, 2013.**

*Handwritten initials/signature*