

TATA POWER GREEN ENERGY LIMITED

Fatehi & Co.
CHARTERED ACCOUNTANTS

60 / 62 Sarang Street,
1st Floor,
Mumbai - 400 003.

INDEPENDENT AUDITOR'S 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 March 31, 2015, the Statement of Profit and Loss, 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 Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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 financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, its loss and its cash flows for the year ended on that date.

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 in term of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in 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 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 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.
- (f) 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, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

For FATEHI & CO
Chartered Accountants
Firm Regn No.: 102841W



CA M. H. Fatehi
Partner
Membership No.: 32566

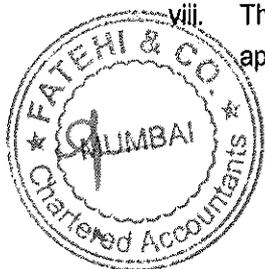


Place: Mumbai
Date: May 15, 2015

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 to the members of Tata Power Green Energy Limited on the financial statements for the year ended March 31, 2015)

- i. The Company did not have any fixed assets during the year and hence this clause is not applicable.
- ii. The Company did not have any inventory during the year and hence this clause is not applicable.
- iii. The Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties listed in the Register maintained under Section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business for purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination, and according to the information and explanations given to us, we have neither come across nor have we been informed of any instance of major weaknesses in the aforesaid internal control system.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India and the provision of Section 73 to 76 or any other relevant provisions of the Act, and the Companies (Acceptance of Deposits) Rules, 2014 and rules framed there under.
- vi. No cost records have been specified by the Central Government under Section 148(1) of the Act and hence this clause is not applicable.
- vii. According to the information and explanations given to us in respect of statutory dues:
 - a. The company has been generally regular in depositing undisputed statutory dues, including income tax, sales tax, service tax, wealth tax, cess and any other material statutory dues applicable to it with the appropriate authorities during the year.
 - b. There were no undisputed amounts payable in respect of income tax, sales tax, service tax and cess in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company:
- viii. The Company has been registered for a period of less than 5 years and hence this clause is not applicable.



- ix. The Company did not have any dues from a financial institution or bank or debenture holder and hence this clause is not applicable.
- x. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions and hence this clause is not applicable.
- xi. The Company did not have any term loans during the year and hence this clause is not applicable.
- xii. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

For FATEHI & CO
Chartered Accountants
Firm Regn No.: 102841W



CA M. H. Fatehi
Partner
Membership No.: 32566



Place: Mumbai
Date: May 15, 2015

TATA POWER GREEN ENERGY LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2015

| | Notes | As at March 31, 2015 Rupees | As at March 31, 2014 Rupees |
|----------------------------------|-------|-----------------------------------|-----------------------------------|
| I. EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| Share Capital | 3 | 500,000 | 500,000 |
| Reserves and Surplus | 4 | (248,941) | (199,781) |
| Total Shareholders' Funds | | 251,059 | 300,219 |
| Current Liabilities | | | |
| Trade Payables | | 10,112 | 30,337 |
| Other Current Liabilities | 5 | 1,124 | 3,371 |
| Total Current Liabilities | | 11,236 | 33,708 |
| Total | | 262,295 | 333,927 |
| II. ASSETS | | | |
| Current Assets | | | |
| Cash and bank balances | 6 | 262,295 | 333,927 |
| Total Current Assets | | 262,295 | 333,927 |
| Total | | 262,295 | 333,927 |

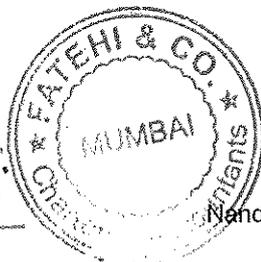
III. See accompanying notes forming part of the Financial Statements

In terms of our report attached

For FATEHI & CO
Chartered Accountants
Firm Regn No.: 102841W



CA M. H. Fatehi
Partner
Membership No.: 32566



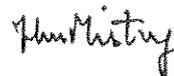
For and on behalf of the Board of Directors



Nandakumar Tirumalai
Director



Deepak Mahendra
Director



Hanoz Mistry
Director

MUMBAI, ^{15th} 11th May, 2015



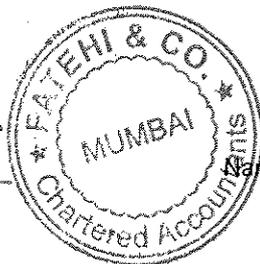
MUMBAI, 11th May, 2015

TATA POWER GREEN ENERGY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

| | Notes | For the year ended March 31, 2015 Rupees | For the year ended March 31, 2014 Rupees |
|--|-------|--|--|
| I. Expenses | | | |
| Operation and other expenses | 7 | 49,160 | 49,763 |
| Total Expenses | | 49,160 | 49,763 |
| II. Loss before tax | | (49,160) | (49,763) |
| III. Loss for the year | | (49,160) | (49,763) |
| IV. Earnings per equity share Basic and Diluted Rupees (face value of Rs. 10 each) | 9 | (0.98) | (1.00) |
| V. See accompanying notes forming part of the Financial Statements | | | |

In terms of our report attached

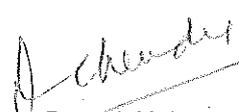
For FATEHI & CO
Chartered Accountants
Firm Regn No.: 102841W



CA M. H. Fatehi
Partner
Membership No.: 32566

For and on behalf of the Board of Directors


Sandakumar Tirumalai
Director


Deepak Mahendra
Director


Hanoz Mistry
Director

MUMBAI, ^{15th} 11th May, 2015

MUMBAI, 11th May, 2015

TATA POWER GREEN ENERGY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

| | For the year ended March 31, 2015 Rupees | For the year ended March 31, 2014 Rupees |
|--|--|--|
| A. Cash Flow from Operating Activities | | |
| Loss before Tax | (49,160) | (49,763) |
| Adjustments for change in working capital : | | |
| Trade Payable | (20,225) | - |
| Other current liabilities | (2,247) | - |
| Net Cash used in Operating Activities | (71,632) | (49,763) |
| B. Cash Flow from Investing Activities | | |
| Net Cash from Investing Activities | - | - |
| C. Cash Flow from Financing Activities | | |
| Net Cash from Financing Activities | - | - |
| Net Decrease in Cash and Cash Equivalents | (71,632) | (49,763) |
| Cash and Cash Equivalent as at 1st April (Opening Balance) | 333,927 | 383,690 |
| Cash and Cash Equivalent at the 31st March (Closing Balance) | 262,295 | 333,927 |

Cash and Cash Equivalents comprises of

| | | |
|-------------------------------------|---------|---------|
| Current Account with Scheduled Bank | 262,295 | 333,927 |
|-------------------------------------|---------|---------|

See accompanying notes forming part of the Financial Statements

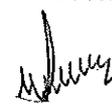
In terms of our report attached

For FATEHI & CO
Chartered Accountants
Firm Regn No.: 102841W

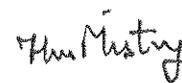


CA M. H. Fatehi
Partner
Membership No.: 32566

For and on behalf of the Board of Directors


Nandakumar Tirumalai
Director


Deepak Mahendra
Director


Hanoz Mistry
Director

15th
MUMBAI, 14th May, 2015



MUMBAI, 11th May, 2015

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 Companies Act, as applicable 1956. 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 :

The financial statements have been prepared on a going concern basis as the Ultimate Holding Company has confirmed its intent to provide financial and other support as may be required to enable the Company to set up its business activities and to settle its obligations as they fall due.

(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, 2015 Rupees | Number of shares | As at March 31, 2014 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. 50,000 shares (31st March, 2014 - 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, 2015 Rupees | As at March 31, 2014 Rupees |
|--|-----------------------------------|-----------------------------------|
| (Deficit) in Statement of Profit and Loss | (199,781) | (150,018) |
| Loss for the year | (49,160) | (49,763) |
| (Deficit) at the end of the year | (248,941) | (199,781) |

5) OTHER CURRENT LIABILITIES

| | As at March 31, 2015 Rupees | As at March 31, 2014 Rupees |
|--------------------------|-----------------------------------|-----------------------------------|
| Other liabilities | | |
| Statutory Liabilities | 1,124 | 3,371 |
| | 1,124 | 3,371 |

6) CASH AND BANK BALANCES

| | As at March 31, 2015 Rupees | As at March 31, 2014 Rupees |
|-----------------------------|-----------------------------------|-----------------------------------|
| Balances with banks: | | |
| In Current Accounts | 262,295 | 333,927 |
| | 262,295 | 333,927 |
| | 262,295 | 333,927 |

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



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

7) OPERATION AND OTHER EXPENSES

| | For the year ended March 31, 2015 Rupees | For the year ended March 31, 2014 Rupees |
|--|--|--|
| (a) Professional Fees and Legal Expenses | 21,987 | 11,975 |
| (b) Auditors Fees | 11,236 | 33,708 |
| (c) Miscellaneous Expenses | 3,437 | 4,080 |
| (d) Profession Tax (refer note no 8) | 12,500 | - |
| | 49,160 | 49,763 |

Payment to auditors

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|------------------------------------|--------------------------|--------------------------|
| As statutory auditors: | | |
| Audit fees (Including service tax) | 11,236 | 33,708 |
| | 11,236 | 33,708 |

8) PRIOR PERIOD EXPENDITURE

| | For the year ended March 31, 2015 Rupees | For the year ended March 31, 2014 Rupees |
|----------------|--|--|
| Profession Tax | 10,000 | - |
| | 10,000 | - |

9) EARNINGS PER SHARE (EPS)

| | March 31, 2015 | March 31, 2014 |
|--|----------------|----------------|
| Loss attributable to equity shareholders (Rupees)- (A) | (49,160) | (49,763) |
| 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) | (0.98) | (1.00) |

10) 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.

11) SEGMENT DISCLOSURES

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

12) 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, 2014 Rs. Nil).



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, 2014.