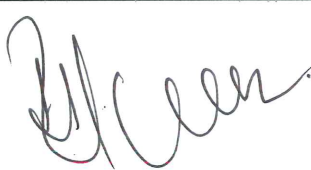

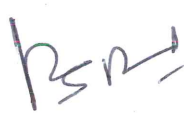
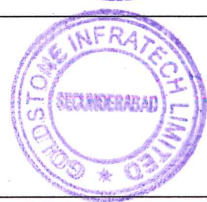

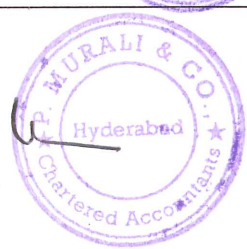
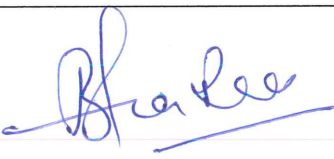



## FORM-A

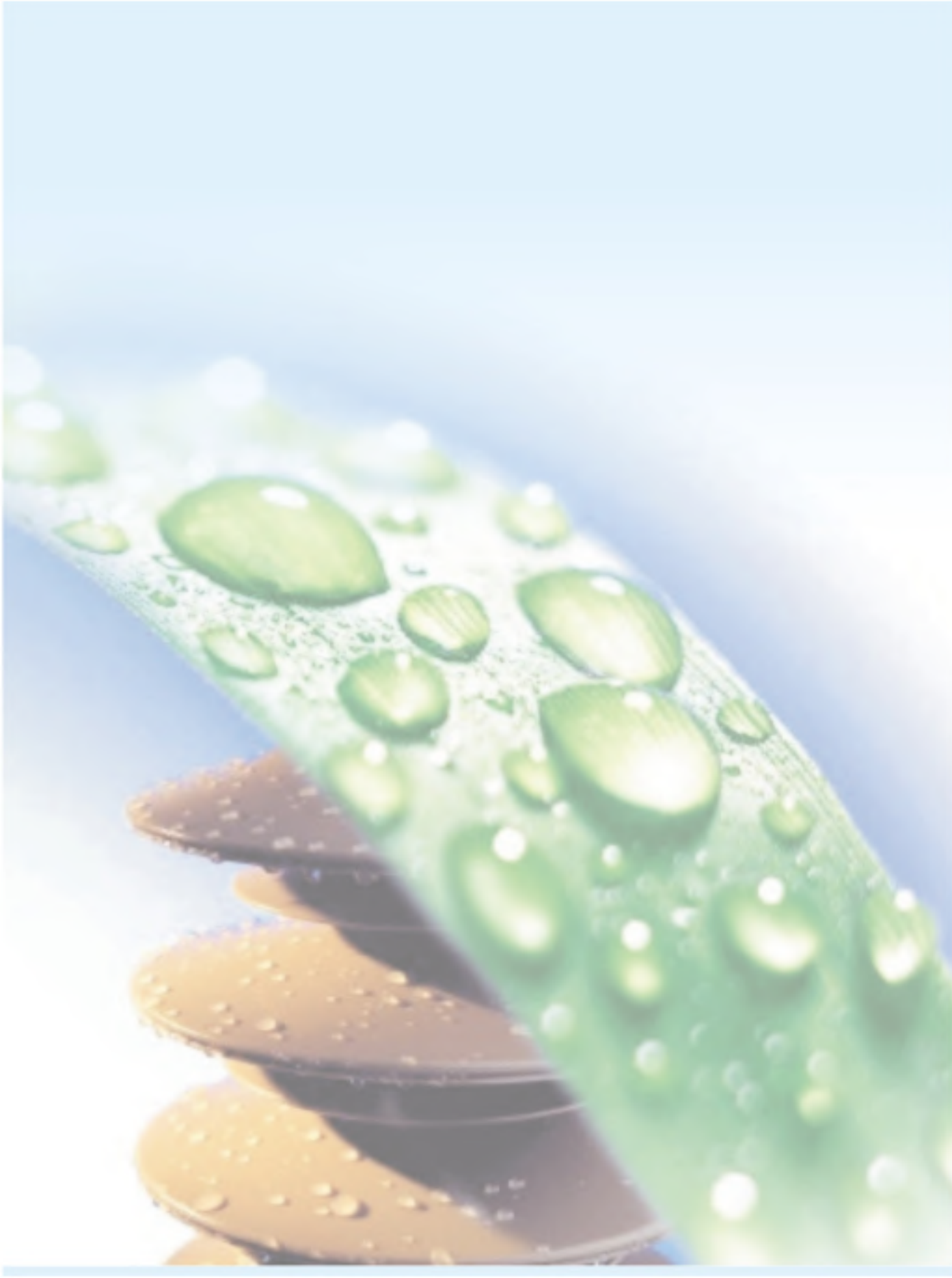
### Format of Covering Letter of the Annual Audit Report to be filed with the Stock Exchanges

1.	Name of the Company	GOLDSTONE INFRATECH LIMITED
2.	Annual Financial Statements for the year ended	March 31, 2015
3.	Type of Audit observation	NIL
4.	Frequency of observation	Not Applicable
5.	To be Signed by	
	Mr. L.P.Sashikumar Managing Director	 
	Mr.P.Syam Prasad Chief Financial Officer (CFO)	 
	Mr. P. Murali Mohana Rao Partner Membership No : 023412 For P. Murali & Co., Chartered Accountants FRN: 007257S Statutory Auditors	 
	Mr. B.Apparao Chairman of the Audit Committee	 



Goldstone Infratech Limited

*15<sup>th</sup> Annual Report 2014-15*





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**CORPORATE INFORMATION**

**Board of Directors:**

Mr. M. Gopalakrishna, IAS (Retd.)  
 Mr. B. Appa Rao  
 Mr. S. Murali Krishna  
 Mrs. Mahita Caddell  
 Mr. L P Sashikumar (Managing Director)

**Board Committees**

**Audit Committee:**

Mr. B. Appa Rao  
 Mr. S. Murali Krishna  
 Mr. M. Gopalakrishna

**Nomination and Remuneration Committee:**

Mr. M. Gopalakrishna  
 Mr. S. Murali Krishna  
 Mr. B. Appa Rao

**Stakeholders Relationship Committee:**

Mr. S. Murali Krishna  
 Mr. B. Appa Rao  
 Mr. L P Sashikumar

**Management Team:**

Mr. N. Nagasatyam  
 (Vice President, Business Development)  
 Mr. N. Sudhakar Reddy (AVP, Operations)  
 Mr. D P K Udas (VP, Sales & Marketing)  
 Mr. P. Syam Prasad (Chief Financial Officer)  
 Mr. B. Kiran Kumar Reddy (AGM, Production)  
 Mr. P. Hanuman Prasad  
 (Company Secretary & Compliance Officer)

**Statutory Auditors:**

M/s. P. Murali & Company,  
 Chartered Accountants, 6-3-655/2/3,  
 Somajiguda, Hyderabad – 500 082.

**Principal Bankers:**

State Bank of Hyderabad

**Registrars & Share Transfer Agents:**

M/s. Aarthi Consultants Private Limited,  
 1-2-285, Domalguda,  
 Hyderabad – 500 029

**Stock Exchanges where Company's Securities are listed:**

Bombay Stock Exchange Limited  
 National Stock Exchange of India Limited

**Registered Office:**

9-1-83 & 84, Amarchand Sharma Complex  
 S.D. Road, Secunderabad – 500 003  
 Telangana, INDIA .  
 Tel. 91-40-27807640 / 0742 / 1910.  
 www. goldstonepower.com,  
 E-Mail; info@goldstone.net  
 CIN : L64203TG2000PLC035451

**Factory:**

- 1) Plot No. 1&9, IDA, Phase II, Cherlapally, Hyderabad – 500 051.
- 2) Plot No.8, IDA, Gaddapotharam, Jinnaram Mandal, Medak Dist., T.S.



## NOTICE TO SHAREHOLDERS

Notice is hereby given that the 15<sup>th</sup> Annual General Meeting of the Company will be held on Tuesday, 29<sup>th</sup> day of September, 2015 at 04.00 P.M. at Plot No. 1 & 9, IDA, Phase II, Cherlapally, Hyderabad - 500 051 to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2015 and Statement of Profit and Loss for the year ended as on that date along with Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Mrs. Mahita Caddell, (DIN No. 01436123) who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Statutory Auditors and to fix their remuneration and for this purpose to consider and if thought fit to pass with or without modifications, the following resolution as an Ordinary Resolution:

**"RESOLVED** that pursuant to the provisions of the Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed there under, as amended from time to time M/s. P. Murali & Company (FRN: 007257S), Chartered Accountants, Hyderabad, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the company at such remuneration as may be mutually agreed between the Board of Directors of the Company and Auditors".

**BY ORDER OF THE BOARD**

**For GOLDSTONE INFRATECH LIMITED**

**Sd/-**

**P. Hanuman Prasad**

Company Secretary

Place: Secunderabad

Date: 06<sup>th</sup> August, 2015



## NOTES :

1. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a Member of the Company.** The instrument appointing the proxy, in order to be effective, must be deposited at the Company's registered office, duly completed and signed, not less than FORTY EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A Proxy form for the AGM is enclosed.
  2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
  3. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
  4. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Numbers in the attendance slip for attending the Meeting.
  5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
  6. The Register of Members and Transfer Books of the Company shall remain closed from 23<sup>rd</sup> September, 2015 to 29<sup>th</sup> September, 2015(both days inclusive) for the purpose of ensuing Annual General Meeting.
  7. Queries on accounts and operations of the Company, if any, may please be sent to the Company at least seven days in advance of the meeting so that the answers may be made readily available at the meeting.
  8. As on 31<sup>st</sup> March, 2015 ₹ 2,24,140.00 was unclaimed out of the dividend declared on 30<sup>th</sup> September, 2008 for the financial year 2007-08; ₹ 2,19,954.00 was unclaimed out of the dividend declared on 30<sup>th</sup> September, 2009 for the financial year 2008-09; ₹ 1,29,768.00 was unclaimed out of the dividend declared on 29<sup>th</sup> September, 2010 for the financial year 2009-10; ₹ 1,31,219.00 was unclaimed out of the dividend declared on 30<sup>th</sup> September, 2011 for the financial year 2010-11 and ₹1,08,923.00 was unclaimed out of the dividend declared on 29<sup>th</sup> September, 2012 for the financial year 2011-12. Members who have not claimed the dividend are advised to claim the same at the earliest. In accordance with the provisions of Section 124(5) of the Companies Act, 2013 aforesaid unclaimed dividend amounts shall be liable to be transferred to Investor Education and Protection Fund on 31<sup>st</sup> October, 2015, 31<sup>st</sup> October, 2016, 30<sup>th</sup> October, 2017, 31<sup>st</sup> October, 2018 and 30<sup>th</sup> October, 2019 respectively.
- During the year as per the provisions of the Section 125 (5) of the Companies Act, 2013 the Company has transferred the



amount of ₹ 2,07,645.60 which was laying in unclaimed dividend Account for the year 2006-07 to the Investor Education and Protection Fund (IEPF).

9. The Annual Report of the Company for the year 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. The Annual Report of the Company for the year 2014-15 circulated to the Members of the Company is available on the Company's website, viz. [www.goldstonepower.com](http://www.goldstonepower.com).
10. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the e-mail address through the following link; <http://www.aarthiconsultants.com/GoGreen.php>. Please note that as a Member of the Company, you are entitled to receive all such communication in physical form, upon request.

#### 11. E-VOTING

The business as set out in the Notice may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate to its members to cast their votes electronically on all resolutions set forth in the Notice convening the 15th Annual General Meeting. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-

voting facility.

The Members whose names appear in the Register of Members / List of Beneficial Owners as on 22<sup>nd</sup> September, 2015 (record date), are entitled to vote on the resolutions set forth in this Notice.

The e-voting period will commence on Saturday, 26th September, 2015 (09:00 hrs) and will end on Monday, 28th September, 2015 (17:00 hrs). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the record date may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Members will not be able to cast their votes electronically beyond the date & time mentioned above.

The Company has appointed M/s. Prathap Satla & Associates, Practicing Company Secretaries (CP No. 11879), to act as Scrutinizer to conduct and scrutinize the electronic voting process and poll at the Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.

12. The e-voting facility will be available at the link [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
13. The procedure and instructions for e-voting are as follows:
  - A. **In case of members receiving e-mail (for members whose e-mail address are registered with the Company/Registrars)**
    - i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
    - ii) Click on "Shareholders" tab.
    - iii) Now Enter your User ID





- a) CDSL: 16 digits beneficiary ID,
- b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv) Next enter the Image Verification as displayed and Click on Login.
- v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vi) If you are first time user follow the steps given below.

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- vii) After entering these details appropriately, click on "SUBMIT" tab.
- viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other

person and take utmost care to keep your password confidential.

- ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x) Click on the EVSN for the relevant <Goldstone Infratech Limited> on which you choose to vote.
- xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii) Note for Non – Individual

Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- B. In case of members receiving the physical copy of notice of 15th Annual General Meeting (for members whose e-mail ids are not registered with the Company/ Depositories):
  - i. Please follow all the steps from S.No.(i) to S.No. (xvii) to cast vote



### **C. General Instructions:**

- i. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 22nd September, 2015.
- ii. Members can opt for only one mode of voting, i.e., either by physical poll or e-voting. In case Members cast their votes through both the modes, then voting done by such member will be treated as invalid.
- iii. Members who do not have access to e-voting facility have been additionally provided the facility through Ballot Form. They may send duly completed Ballot Form to the Scrutinizer, M/s. Prathap Satla & Associates, Practicing Company Secretaries (CP No. 11879) having its office at H.No.6-3-1238/15/1, Flat No.301, 3<sup>rd</sup> Floor, Elite Heights, Somajiguda, Hyderabad-500082 so as to reach on or before the conclusion of the 15th Annual General Meeting or can carry the same to the AGM and deposit in the Ballot Box during the Meeting. Members have the option to request for physical copy of Ballot Form by sending an e-mail to [cs@goldstone.net](mailto:cs@goldstone.net) by mentioning their Folio No. / DP ID and Client ID.
- iv. The facility for voting through polling paper shall also be made available at the meeting and the members attending the meeting who have not already cast their vote by e-voting shall be able to exercise their right at the meeting.
- v. The member who cast their vote by e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their vote again.
- vi. The Scrutinizer, after scrutinizing the votes cast at the meeting through poll and through e-voting will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.goldstonepower.com](http://www.goldstonepower.com) and on the website of [www.aarthiconsultants.com](http://www.aarthiconsultants.com). The results shall simultaneously be communicated to the Stock Exchanges.
- vii. The result of the voting on the Resolutions at the Meeting will be announced by the Chairman or any other person authorized by him within three days of the AGM.

**BY ORDER OF THE BOARD**  
**For GOLDSTONE INFRATECH LIMITED**

**Sd/-**  
**P. Hanuman Prasad**  
Company Secretary

Place: Secunderabad  
Date: 06<sup>th</sup> August, 2015



**ADDITIONAL INFORMATION ON DIRECTORS SEEKING APPOINTMENT /  
RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING:**

(Pursuant to Clause 49 of the Listing Agreement)

Name of Director	<b>Mrs. Mahita Caddell</b>
Date of Birth	01 <sup>st</sup> December 1975
Date of Appointment	29 <sup>th</sup> May, 2004
Qualifications	MS(International Business Administration and Information Systems).
Expertise in specific functional areas	Over 12 Years of experience in industry and business.
List of other companies in which directorship held	1. Trinity Infraventures Limited. 2. Shepherd Properties Pvt Ltd
List of the Committees of other Companies in which chairmanship/membership held	Nil
Chairman/Member of the Committees of the Company	Nil
Shareholding in the Company	Nil
Relationship between Directors inter-se	Relative of Mr. L P Shashikumar



## Director's Report

To  
The Members  
Goldstone Infratech Limited

Your Directors have pleasure in presenting the 15<sup>th</sup> Annual Report together with the Audited Statements of Accounts of the company for the financial year ended 31<sup>st</sup> March, 2015.

### Financial Results:

The summarized financial results (Standalone) of the Company for the year ended 31<sup>st</sup> March, 2015 as compared to the preceding year are as under:

(₹ in Lakhs)

Particulars	2014-15	2013-14
Gross Sales	<b>9951.19</b>	8738.96
Net Sales	<b>9215.13</b>	8032.47
Other Income	<b>133.68</b>	69.77
Total Income	<b>9348.81</b>	8102.24
Total Expenditure	<b>7546.03</b>	6933.33
Operating Profit (PBITD)	<b>1802.78</b>	1168.91
Interest	<b>578.30</b>	578.68
Depreciation and Write Offs	<b>564.80</b>	239.78
Profit before Tax	<b>659.68</b>	350.45
Provision for taxation		
– Current	<b>200.00</b>	25.00
– Deferred	<b>(48.90)</b>	69.52
Extra-Ordinary Items	<b>16.65</b>	44.10
Net Profit After Tax	<b>491.93</b>	211.83
Surplus brought forward from previous year	<b>421.55</b>	209.72
Less : Depreciation adjustment	<b>67.90</b>	-
Balance available for appropriation	<b>845.58</b>	421.51
• Proposed Dividend on Equity Shares	-	-
• Provision for Dividend Tax	-	-
• Transfer to General Reserves	-	-
• Others	-	-
Surplus carried forward to Balance Sheet	<b>845.58</b>	421.55
Equity Share Capital (3,60,80,737 Shares of ₹ 4/- each)	<b>1443.23</b>	1443.23
E.P.S (After Prior Period Items) (₹)	<b>1.36</b>	0.59
Net Worth	<b>8040.27</b>	7616.24
Book Value in rupees (Face Value of ₹ 4/- each)	<b>22.28</b>	21.11

### **Review of Operations:**

During the year under review, your Company has achieved a gross turnover of ₹ 9951.19 lakhs as against ₹ 8738.96 lakhs for the previous financial year. The Net Profit has increased from ₹ 211.83 Lakhs for the year ended 31<sup>st</sup> March, 2014 to ₹ 491.93 Lakhs during the Current Year. During the year under review, the Company has got approval and started supplying its 800kV insulators for Transmission Lines.

### **Dividend:**

In order to conserve resources for future requirements and development of export markets the Board has decided to retain the profits generated and consequently, your Board has not recommend any dividend for the financial year 2014-15.

### **Share Capital :**

The Paid up capital as on 31st March 2015 was ₹14,43,22,948 (having 3,60,80,737 Equity Shares @Rs 4/- each) . During the year under review the company has not issued any shares either to the public or to the promoters. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2015, none of the Directors of the Company hold shares or convertible instruments of the Company except Mr. L.P.Sashi Kumar Managing Director of the Company.

### **Finance :**

Cash and cash equivalents as at 31st March 2015 was ₹ 919.28 Lakhs. The Company continuous to focus on judicious management of its working capital, receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

### **Fixed Deposits:**

The Company has not accepted any fixed deposits from the public, and as such, no amount of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

### **Directors:**

Mrs. Mahita Caddell, Director, who retires by rotation at the 15<sup>th</sup> Annual General Meeting and being eligible, offer herself for re-appointment.

Mr.M.Gopala Krishna, Mr. B.Appa Rao, Mr. S.Murali Krishna were appointed as independent directors of the Company for a term of 5 (Five) years from 27th September 2014 to 26th September, 2019 not liable to retire by rotation.

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

### **Board Evaluation :**

Pursuant to the Provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

### **Remuneration Policy :**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.



### **Meetings:**

During the year Six Board Meetings and Four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Listing Agreement.

### **Meeting of Independent Directors :**

The details on the separate meeting of Independent Directors is reported in the Corporate Governance Report.

### **Familiarization Programme for Independent Directors :**

The details on the familiarization programme for Independent Directors is reported in the Corporate Governance Report.

### **Board Diversity :**

The Policy on Board diversity of the company devised by the Nomination and Remuneration Committee and approved by the Board is disseminated at the website of the company at [www.goldstonepower.com](http://www.goldstonepower.com).

### **Director's Responsibility Statement:**

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or loss of the Company for the year under review.

- iii) The directors have 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 have 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 system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

### **Consolidated Financial Statements:**

During the year the Board of Directors ('the Board') reviewed the affairs of the Subsidiary. In accordance with Section 129 (3) of the Companies Act, 2013 and applicable Accounting Standards we have prepared consolidated financial statements of the Company and its subsidiaries which will form part of the Annual Report. Further a statement containing the salient features of the financial statements of our subsidiary in the prescribed format AOC-1 is appended as Annexure to the Board's report.

In accordance with Section 136 of the Companies Act, 2013 the Audited financial statements including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries are available on website of the Company [www.goldstonepower.com](http://www.goldstonepower.com). These documents will also be available for the inspection during the business hours at the registered office of the Company.



### **Subsidiaries and Associates;**

As on 31<sup>st</sup> March, 2015 the Company is having one wholly owned subsidiary namely **TF Solar Power Private Limited**. The Company does not have any other Associates or Joint Ventures.

Further as per the revised Clause 49 of the Listing Agreement the Company has framed a policy on Material Subsidiaries as approved by the Board same has been uploaded on the Company's website [www.goldstonepower.com](http://www.goldstonepower.com)

Till date, the Subsidiary Company (M/s. TF Solar Power Private Limited) has no business operations.

During the year no further investment was made by the Company in subsidiary.

### **Statement containing salient features of financial statements of subsidiary:**

Pursuant to sub-section (3) of Section 129 of the Act, the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures is in the prescribed format AOC-1 are appended as **Annexure-1** to the Board's report.

### **Report on the performance of Subsidiaries, Joint Ventures and associates:**

Till date the Subsidiary Company (M/s. TF Solar Power Private Limited) has no business operations and the Company has no associates as well as Joint Ventures.

### **Internal control systems and their adequacy:**

The Company has an Internal Audit and Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

### **Insurance:**

All the properties of your Company including its building, plant & machinery and stocks have been adequately insured.

### **Statutory Auditors:**

M/s. P. Murali & Company (FRN: 007257S), Chartered Accountants, Hyderabad, Statutory Auditors of the Company holds office in accordance with the provisions of the Companies Act, 2013 up to the conclusion of forth-coming Annual General Meeting and are eligible for re-appointment. Pursuant to the provisions of the Section 139 (2) of the Companies Act, 2013 and based on recommendations of the Audit Committee they being eligible, offer themselves for re-appointment. They have furnished a certificate stating that their re-appointment, if made, will be within the limits laid down under Section 141 (3) (g) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014.

The Audit Committee of your Company meets periodically with Statutory Auditors and Internal Auditors to review the performance of the Internal Audit, to discuss the nature and scope of statutory auditors functions, and to discuss auditing, internal control and financial reporting issues. To ensure complete



independence, the statutory auditor and the internal auditor have full access to the Members of the Audit Committee to discuss any matter of substance.

#### **Cost Auditors:**

As per the Companies (Cost Records and Audit) Rules, 2014 read with Companies (Cost Records and Audit) Amendment Rules, 2014 our company come under the ambit of the industry which is subject to maintenance of Cost Records and Cost Audit. However since the Company's turnover for the FY 2014-15 was below the threshold limits, therefore appointment of Cost Auditor and conducting of cost audit on cost records is not applicable to the Company for the Financial Year 2015-16.

#### **Particulars of Loans, Guarantees or Investments:**

During the year under review the Company has not given any Loans, Guarantees or any Investments.

#### **Related Party Transactions:**

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website [www.goldstonepower.com](http://www.goldstonepower.com) none of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The details of contacts or arrangements with related parties made by the company during the year 2014-15 is enclosed in form AOC-2 as **Annexure-2** to the Board's Report.

#### **Secretarial Audit:**

Pursuant to provisions of Section 204 of the Companies Act, 2013, read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s. Prathap Satla and Associates, Practising Company Secretaries, (CP No. 11879) in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "**Annexure 3** to the Board's Report"

#### **Risk Management Policy :**

In terms of the requirements of Section 134 (3) (n) and clause 49 of the Listing Agreement read with relevant provisions of the Companies Act, 2013 the Company has developed and implemented the Risk Management Policy and constituted the Risk Management Committee and the Committee reviews the same periodically. The details of the Policy are reported in the Report on Corporate Governance which forms part of the Director's Report.

The details of the committee and its terms of reference are set out in the corporate governance report forming part of the Board's Report.

At present the company has not identified any element of risk which may threaten the existence of the company.

#### **Code of Conduct:**

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the

Board is known as “code of business conduct” which forms an Appendix to the Code. The Code has been posted on the Company’s website [www.goldstonepower.com](http://www.goldstonepower.com).

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. In addition to the above as per Clause 49 of the Listing Agreement read with Schedule IV of the Companies Act, 2013 duties of the Independent Directors and code of Independent Directors have been placed on the website of the Company [www.goldstonepower.com](http://www.goldstonepower.com)

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

Declaration given by Managing Director of the Company regarding compliance of Code of Conduct enclosed as Annexure to the Corporate Governance Report.

#### **Prevention of Insider Trading:**

In Pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company has framed and adopted the following policies for regulating, monitoring and reporting of trading by Insiders and uploaded in website of the Company.

- i) Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders;
- ii) Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information;

The Board is responsible for implementation of the Code. All Board of Directors and the designated employees have confirmed the compliance with the Code.

#### **Vigil Mechanism / Whistle Blower Policy:**

As per the provisions of the Section 177 (9) & (10) of the Companies Act, 2013 read with amended Clause 49 of the Listing Agreement, the Board had its meeting held on 17<sup>th</sup> May, 2014 adopted a Vigil Mechanism called ‘Whistle Blower Policy’ for directors and employees to report the management /Audit Committee instances of unethical behavior, actual or suspected, fraud or violation of company’s code of conduct or ethics policy. The Vigil Mechanism also provided adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases further it has also been uploaded in the Company’s web site; [www.goldstonepower.com](http://www.goldstonepower.com).

#### **Extract of Annual Return:**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as “**Annexure 4** to the Board's Report”.

#### **Stock Exchange Listing:**

Presently, the equity shares of the Company are listed on National Stock Exchange of India Limited (NSE) and the Bombay Stock Exchange Limited (BSE). The Company confirms that it has paid Annual Listing Fees due to all the Stock Exchanges where the Company’s securities are listed for the year 2015-16.

#### **Corporate Governance and Management Discussion & Analysis Reports :**

As per the Clause 49 of the Listing Agreement the Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report, are set out as



separate Annexures, together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

**Managing Director and CFO Certification:**

As required under the SEBI Guidelines, the Managing Director and the CFO Certification is attached to Corporate Governance Report.

**Material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year i.e.31.3.2015, to which financial statements relate and the date of the Board's Report:**

Subject to approval of the Members, the Board of Directors of the Company in their meeting held on 11th July, 2015 have approved the proposal to sell and transfer, the Company's undertaking comprising the business of manufacture and sale of composite polymer insulators ('Insulators Division') along with the specified assets and liabilities related to the 'Insulators Division' including but not limited to manufacturing, marketing and trading assets along with all licenses, permits, intellectual property rights, consents, employees and approvals whatsoever, relating thereto ('Business Undertaking') in the manner and as per terms and conditions as deemed fit in the interests of the Company, as agreed between the Company and MPS Mauritius Holding, a subsidiary of MacLean Power LLC, USA on a slump sale basis to the Indian subsidiary of MPS Mauritius Holding for a lumpsum cash consideration of ₹ 1,080 million (Rupees One Billion and Eighty million only), subject to customary purchase price adjustments for net working capital,

which consideration represents a fair value for the sale of the Business Undertaking having regard to the independent valuation carried out by one of the big Four Global Accounting Firms.

**Particulars of Conservation of energy / technology absorption, foreign exchange earnings and outgoings:**

Information required to be furnished as per the Companies (Disclosure of particulars in the Directors Report) Rules, 1998 is furnished below:

**1. CONSERVATION OF ENERGY**

**a. Energy Conservation Measures taken or under implementation**

During the period the company had:

- 1) Improved the production process to reduce the cycle time.
- 2) Reconditioned the existing moulding machines to save the power consumption.
- 3) Implemented the energy audit system as a part of waste and power control measures.
- 4) Introduced new material / processes and rearranged the existing process to reduce power consumption.
- 5) Ensured proper and timely maintenance of plant & equipment.

**b. Additional investment and proposals if any, being implemented for reduction of consumption of energy**

Additional/new measures will be initiated for further reduction in energy consumption based on technical evaluation and study of the measures already implemented.

**c. Impact of measures at (a) and (b) for reduction of energy consumption and consequent impact on the cost of production of goods**

The measures taken during the year has ensured optimum use of energy and increased efficiency and ensured lower use of energy per insulator.

**d. Consumption of Energy Particulars.**

<b>Electricity</b>	<b>2014-15</b>	<b>2013-14</b>
<b>A. Purchased</b>		
Units – KWH	<b>29,46,042</b>	24,42,117
Total Amount – In ₹	<b>2,18,07,148</b>	2,19,36,511
Rate/Unit – In ₹	<b>7.40</b>	8.98
<b>B. Own Generation through Diesel Generator</b>		
Units – KWH	<b>2,00,115</b>	1,77,412
Total Amount – In ₹	<b>37,97,546</b>	32,64,598
Rate/Unit – In ₹	<b>18.98</b>	18.40

**2. TECHNOLOGY ABSORPTION:**

**Research and Development:**

**a. Specific Areas in which R & D carried out by the company:**

The Company has been continuing its Research and Development process to optimize the productivity and performance. The designs of Insulators have been optimized for improvement in quality, standardization and value engineering. The continuous research has helped in introducing new material of FRP for higher performance and conservation of energy.

**b. Benefits derived as results of the above R & D:**

- Successfully produced and supplied 800kV insulators for transmission lines.
- First Indian Company to supply 800kV Insulators.
- Optimized designs to be competitive in the market with world class quality products.
- Improvement in the Product Performance.

**c. Future Plan of Action:**

- The designs for manufacturing the related products would be developed in the In-house R & D centre.
- Focus to improve the existing process technology and development of new base input material.



### 3. FOREIGN EXCHANGE EARNINGS AND OUT GO:

(₹ In lakhs)

Particulars	2014-15	2013-14
a) Value of Imports on CIF Basis		
➤ Raw Materials	<b>1729.33</b>	1331.96
➤ Capital Goods	<b>69.65</b>	85.74
b) Expenditure in Foreign Currency		
➤ Traveling Expenses	<b>1.23</b>	3.79
➤ Others	<b>32.50</b>	1.52
c) Earnings in Foreign Currency (on receipt basis)		
➤ Export of Goods (FOB Basis)	<b>47.34</b>	376.05
➤ Deemed Exports	<b>640.33</b>	—

#### Details of significant and material orders passed by the regulators, courts, tribunals impacting the going concern status and company's operations in future :

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

#### Particulars of employees:

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is enclosed as **Annexure 5** to the Board's report.

None of the employees are drawing remuneration in excess of limits as prescribed under Section 197 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### Personnel:

Personnel relations have remained very cordial during the period.

#### Acknowledgements:

Your Directors convey their sincere thanks to State Bank of Hyderabad, for their support, guidance and assistance.

Your Company and its Directors wish to extend their sincere thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous cooperation and assistance.

#### For and on behalf of the Board

Sd/-	Sd/-
<b>L P Sashikumar</b>	<b>B. Apparao</b>
Managing Director	Director
DIN : 00016679	DIN: 00004309

Place: Secunderabad  
Date: 06<sup>th</sup> August, 2015

**Form No. AOC-I**

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of  
Subsidiaries/ Associate Companies/ Joint Ventures

**Part "A": Subsidiaries**

<b>Name of the subsidiary</b>	<b>TF Solarpower Private Limited.</b>
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-Not Applicable-
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	-Not Applicable-
3. Share Capital	₹ 6,10,00,000
4. Reserves & surplus	NIL
5. Total assets	₹ 9,92,36,723
6. Total Liabilities	₹ 9,92,36,723
7. Investments	NIL
8. Turnover	NIL
9. Profit before taxation	NIL
10. Provision for taxation	NIL
11. Profit after taxation	NIL
12. Proposed Dividend	NIL
13. % of shareholding	100%

**Part "B": Associates and Joint Ventures:** Not Applicable



**Form No. AOC-2**

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 :

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

- |    |   |   |     |
|----|---|---|-----|
| 1. | Details of contracts or arrangements or transactions not at arm's length basis  | : | NIL |
|    | (a) Name(s) of the related party and nature of relationship   | : | Nil |
|    | (b) Nature of contracts/arrangements/transactions   | : | Nil |
|    | (c) Duration of the contracts / arrangements/transactions   | : | Nil |
|    | (d) Salient terms of the contracts or arrangements or transactions including the value, if any                        | : | Nil |
|    | (e) Justification for entering into such contracts or arrangements or transactions                                    |   |     |
|    | (f) date(s) of approval by the Board  | : | NA  |
|    | (g) Amount paid as advances, if any   | : | NA  |
|    | (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 | : | NA  |
| 2. | Details of material contracts or arrangement or transactions at arm's length basis                                    | : | NA  |

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

[Pursuant to Section 204 (1) of the Companies Act, 2013 and the Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
The members of  
GOLDSTONE INFRATECH LIMITED  
Secunderabad

1. We have conducted Secretarial Audit pursuant to Section 204 of the Companies Act, 2013 on the compliance of applicable Statutory Provisions and the adherence to good corporate practices by M/s. Goldstone Infratech Limited (hereinafter called as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
2. Based on our verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
3. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015. ("Audit Period") according to the provisions of:
  - i) The Companies Act, 2013 (the Act) and the rules made there under;
  - ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
  - iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
  - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading ) Regulations, 1992;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the audit period);
  - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the audit period);
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period);
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2009 (Not applicable to the Company during the audit period);
- vi) Factories Act, 1948:
  - vii) Payment of Wages Act, 1936, and rules made thereunder:
  - viii) The Minimum Wages Act, 1948, and rules made thereunder:
  - ix) Employees State Insurance Wages Act, 1948, and rules made thereunder:
  - x) The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and rules made thereunder:
  - xi) The Payment of Bonus Act, 1965, and rules made thereunder:
  - xii) Payment of Gratuity Act, 1972, and rules made thereunder:
  - xiii) The Water (Prevention & Control of Pollution Act, 1974, read with Water (Prevention & Control of Pollutin Rules, 1975:
  - xiv) The Listing Agreements entered into by the Company with Stock Exchange(s) :

We report that during the period under review the company has complied with provisions of the Act, Rules, Regulation, guidelines etc., mentioned above:

4. We, further report that:

- (a) Secretarial Standards were not considered in the Audit, as the same were not notified during the period considered for Audit.



5. We, further report that:
- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
  - (b) All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.
  - (c) It is also noted that the Company has an Internal Audit System to constantly monitor the process for efficient compliances.
6. We further report that the Company has complied with other laws applicable to the Company as per the representations made by the Management.

**For PRATHAP SATLA & ASSOCIATES  
COMPANY SECRETARIES**

Place: Hyderabad  
Date: 06<sup>th</sup> August, 2015

Sd/-  
**PRATHAP SATLA**  
Proprietor  
ACS No.25595  
CPNO.11879



## Annexure -4

### Form No. MGT-9 EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31<sup>st</sup> March, 2015  
of

#### **GOLDSTONE INFRATECH LIMITED**

[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### **I. REGISTRATION AND OTHER DETAILS:**

- |      |   |  |
|------|---|--|
| i)   | CIN   | L64203TG2000PLC035451  |
| ii)  | Registration Date   | 11 <sup>th</sup> October, 2000   |
| iii) | Name of the Company   | GOLDSTONE INFRATECH LIMITED  |
| iv)  | Category / Sub-Category of the Company                                      | Public Limited/Limited by shares   |
| v)   | Address of the Registered Office and contact details :<br>Registered Office | 9-1-83 & 84,<br>Amarchand Sharma Complex,<br>S D Road, Secunderabad 500003,<br>Phone Nos : 040 27807640/0742<br>Email Id : info@goldstone.net<br>Website : www. goldstonepower.com |
| vi)  | Whether listed company  | Yes  |
| vii) | Name, Address and contact details of Registrar & Transfer Agents (RTA),     | Aarthi Consultants Private Limited,<br>1-2-285, Domalaguda,<br>Hyderabad 500 029.<br>Phone No-040-27638111/4445<br>Fax: 040-27632184<br>E-mail id : info@aarthiconsultants.com     |

#### **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 and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Polymer Insulators	2610 Electrical Insulators	99.50%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	<b>TF Solarpower Private Ltd.,</b> Address : 9-1-83&84, Amarchand Sharma Complex, SD Road, Secunderabad - 500 003.	U40106TG2007 PTC0055617	Subsidiary	100%	2 (87 ) (ii)

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as % of total Equity)

Category of shareholders	No of shares held at the beginning of the year				No of shares held at the end of the year				% change the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A Promoter</b>									
<b>(1) Indian</b>									
a. Individual/HUF	571350	0	571350	1.58	571350	0	571350	1.58	0
b. Central Government	0	0	0	0	0	0	0	0	0
c. State Government	0	0	0	0	0	0	0	0	0
d. Bodies Corp.	17776165	0	17776165	49.27	17776165	0	17776165	49.27	0
e. Banks /FI	0	0	0	0	0	0	0	0	0
f. Any others	0	0	0	0	0	0	0	0	0
Sub-Totals (A) (1)	18347515	0	18347515	50.85	18347515	0	18347515	50.85	0
<b>2. Foreign</b>									
a. NRIs Individuals	0	0	0	0	0	0	0	0	0
b. Other individuals	0	0	0	0	0	0	0	0	0
c. Bodies Corp.	0	0	0	0	0	0	0	0	0
d. Banks/Fiis	0	0	0	0	0	0	0	0	0
e. Any Others	0	0	0	0	0	0	0	0	0
Sub Totals (A) (2)	0	0	0	0	0	0	0	0	0
<b>Total Shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	18347515	0	18347515	50.85	18347515	0	18347515	50.85	0
<b>Public Shareholding Institutions</b>									
a. Mutual Funds	0	0	0	0	0	0	0	0	0
b. Banks/Financial Institutions	100459	0	100459	0.28	100459	0	100459	0.28	0

Category of shareholders	No of shares held at the beginning of the year				No of shares held at the end of the year				% change the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
c. Central Govt	0	0	0	0	0	0	0	0	0
d. State Govt	0	0	0	0	0	0	0	0	0
e. Venture Capital Funds	0	0	0	0	0	0	0	0	0
f. Insurance Companies	0	0	0	0	0	0	0	0	0
g. FIs	0	0	0	0	0	0	0	0	0
h. Foreign Ventures Capital Investors	0	0	0	0	0	0	0	0	0
i. Other (Specify)	0	0	0	0	0	0	0	0	0
Sub total B (1)	100459	0	100459	0.28	100459	0	100459	0.28	0
<b>2. Non-Institutions</b>									
a. Bodies Corporate									
i. Indian	7084668	0	7084668	19.64	7596334	0	7596334	21.05	1.41
ii. Overseas	0	0	0	0	0	0	0	0	0
b. Individuals									
i. Individual shareholding nominal share Capital upto ₹ 1 lakh	5288836	238554	5527390	15.32	5059126	236054	5295180	14.68	0.64
ii. Individual shareholding nominal share Capital excess of ₹ 1 lakh	4499668	0	4499668	12.47	4417745	0	4417745	12.24	0.23
<b>c. Others (specify)</b>									
Foreign Bodies									
i) Non Resident Indian	162440	0	162440	0.45	179085	0	179085	0.50	0.05
ii) Clearing Members	358597	0	358597	0.99	144419	0	144419	0.40	0.59
iii) Trusts	0	0	0	0	0	0	0	0	0
SUB TOTALS B(2)	17394209	238554	17632763	48.87	17396709	236054	17632763	48.87	0
<b>TOTAL PUBLIC SHAREHOLDING (B)=B(1)+B(2)</b>	17494668	238554	17733222	49.15	17497168	236054	17733222	49.15	0
C. Shares held by Custodian For GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	35842183	238554	36080737	100.00	35844683	236054	36080737	100.00	0



**ii) Shareholding of Promoters**

SI No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2014			Share holding at the end of the Year 31.03.2015			% 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	
1	M/s Trinity Infraventures Limited	1,77,76,165	49.27	0	1,77,76,165	49.27	0	0
2	Mr. L P Sashikumar	5,34,350	1.48	1.38	5,34,350	1.48	1.38	0
3	Mr. P S Parthasarathy	37,000	0.10	0	37,000	0.10	0	0

**iii) Change in Promoter's Shareholding : NIL**

S.No	Name of the Promoter	Change in %
1.	Trinity Infraventures Limited	Nil
2.	Mr. L P Shashikumar	Nil
3.	Mr. P S Parthasarathy	Nil



**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

Sl. No	Name of the Shareholders	Shareholder at the beginning of the year as on 1.4.2014		Shareholder at the end of the year as on 31-3-2015		Changing in share holding during the year	
		No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
1	* LSRD Global Holding Pvt Ltd	2410208	6.68	-	-	2410208)	(6.68)
2	& Rajasthan Global Securities Limited	-	-	2834415	7.86	2834415	7.86
3	Globe Capital Market Ltd	1027404	2.85	1011824	2.80	(15580)	(0.05)
4	Smridhi Farms Private Limited	566862	1.57	442174	1.23	(124688)	(0.34)
5	Agarwal Rakesh	436525	1.21	436525	1.21	-	-
6	Kuntal M Vardhan (HUF)	303177	0.84	305677	0.85	(2500)	(0.01)
7	Mangal Keshav Capital Ltd	320000	0.89	305000	0.85	(15000)	(0.04)
8	Anil Jindal HUF	316319	0.88	227680	0.63	(88639)	(0.25)
9	Ashok Kumar Sharma	350576	0.97	215000	0.60	(135576)	(0.37)
10	& Supreme Portfolio Pvt Ltd	-	-	215220	0.60	215220	0.60
11	Anil Jindal	320200	0.89	175786	0.49	(144414)	(0.40)
12	* Suresh Ramniklal Shah	271000	0.75	-	-	(271000)	(0.75)

\* Ceased to be list of Top 10 Shareholders as on 31-03-2015. The same reflected above since the shareholders was one of the Top 10 Shareholders as on 01.04.2014.

& Not in the List of Top 10 Shareholders as on 01-04-2014. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2015.

**(v). Shareholding of Directors and Key Managerial Personnel:**

The details of the shareholding of Directors and Key Managerial Persons of the Company are as under:

Sl. No.	For each of the Directors & Key Managerial Persons	Shareholding at the beginning of the year		Date	Increase/ Decrease	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
<b>A</b>	<b>DIRECTORS</b>							
1.	Mr. L.P. Sashikumar	534350	1.48	01-04-14 to 31-03-15	Nil	NA	534350	1.48
2.	Mrs. Mahita Prasad Caddell	Nil	NA	01-04-14 to 31-03-15	Nil	NA	Nil	NA
3.	Mr. S Murali Krishna	Nil	NA	01-04-14 to 31-03-15	Nil	NA	Nil	NA
4.	Mr.MGopalakrishna	Nil	NA	01-04-14 to 31-03-15	Nil	NA	Nil	NA
5.	Mr. B Appa Rao	Nil	NA	01-04-14 to 31-03-15	Nil	NA	Nil	NA
<b>B.</b>	<b>KEYMANAGERIAL PERSON (KMP)</b>							
1.	Mr. P. Syam Prasad (CFO)	Nil	NA	01-04-14 to 31-03-15	Nil	NA	Nil	NA
2.	Mr. P. Hanuman Prasad (Company Secretary)	Nil	NA	01-04-14 to 31-03-15	Nil	NA	Nil	NA



## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(In ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	26,72,33,611	-	-	26,72,33,611
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	7,78,968	-	-	7,78,968
<b>Total (i+ii+iii)</b>	<b>26,80,12,579</b>			<b>26,80,12,579</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	3,87,76,008			3,87,76,008
• Reduction	4,35,42,468			4,35,42,468
<b>Net Increase/(Decrease)</b>	<b>(47,66,460)</b>			<b>(47,66,460)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	26,27,06,058	-	-	26,27,06,058
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	5,40,061	-	-	5,40,061
<b>Total (i+ii+iii)</b>	<b>26,32,46,119</b>	<b>-</b>	<b>-</b>	<b>26,32,46,119</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(In ₹)

Sl. No	Particulars of Remuneration	*Name of MD Mr. L P Sashikumar	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under	26.00 - -	26.00 - -
2.	Stock Option	NA	NA
3.	Sweat Equity	NA	NA
4.	Commission as % of profit	-	-
5.	Others, please specify	-	-
	Total	26.00	26.00
	Ceiling as per the Act	-	-

### B. Remuneration to other directors:

₹ in lakhs

Sl. No.	Particulars of Remuneration	Name of the Independent Director			Name of the Non Executive & Non Independent Director	Total Amount
1.	Directors	Mr. M Gopala Krishna	Mr. B Appa Rao	Mr.S Murali Krishna	Mrs. Mahita Prasad Caddell	
	• Fee for attending board / committee meetings	1.55	1.55	0.30	0.00	3.40
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total Managerial Remuneration	1.55	1.55	0.30	0.00	3.40
	Overall Ceiling as per the Act	-	-	-	0.00	-



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

₹ in lakhs

Sl. No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	8.91	18.21	27.12
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - Others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	-	<b>8.91</b>	<b>18.21</b>	<b>27.12</b>

**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)
<b>A.COMPANY</b>					
Penalty	-	NIL	-	-	-
Punishment	-	NIL	-	-	-
Compounding	-	NIL	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	NIL	-	-	-
Punishment	-	NIL	-	-	-
Compounding	-	NIL	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	NIL	-	-	-
Punishment	-	NIL	-	-	-
Compounding	-	NIL	-	-	-



## Annexure -5

Information as required under Section 197 of the Act read with Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**a) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;**

<b>Non Executive Director</b>	<b>Ratio to Median Remuneration</b>
*Mr. M. Gopala Krishna	Not Applicable
*Mr. B. Appa Rao	Not Applicable
*Mr. S. Muralikrishna	Not Applicable
*Mrs. Mahita Prasad Caddell	Not Applicable
<b>Executive Director</b>	
Mr. L.P. Sashikumar	16.72:1

\* Non Executive directors are not having any specific remuneration other than receiving sitting fees for attending the Board Meetings.

**b) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;**

<b>Name of the Person</b>	<b>Percentage of increase in remuneration</b>
Mr. L.P. Sashikumar	Nil
Mr. P. Syam Prasad (CFO)	Not Applicable
Ms. P. Hanuman Prasad (Company Secretary)	10%

\* Mr. P.Syam Prasad, Chief Financial Officer of the Company has been appointed as on 01.04.2014.

**c) The percentage increase in the median remuneration of employees in the financial year. 11.36%**

**d) The number of permanent employees on the rolls of company: 192**

**e) The explanation on the relationship between average increase in remuneration and company performance;**

On an average, employees received an increase of 11.74%. The increase in remuneration is in line with the market trends. In order to ensure that remuneration reflects company performance, the performance pay of some of the employees is linked to organization performance.

**f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;**

Particulars	
Remuneration of Key Managerial Personnel (KMP) during financial year 2014-15 (aggregated) (₹ In Lakhs)	53.12
Revenue from operations (₹ In Lakhs)	9348.81
Remuneration (as % of revenue)	0.57
Profit before tax (PBT)	659.68
Remuneration (as % of PBT)	8.05

**g) Variations in the market capitalization 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 in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year;**

Particulars	Unit	As at 31 <sup>st</sup> March, 15	As at 31 <sup>st</sup> March, 14	Variation %
Closing rate of share at BSE	₹	16.00	7.07	44.19
EPS (Consolidated)	₹	1.36	0.59	43.38
Market Capitalization	₹	57,72,91,792	25,50,90,810	44.19
Price Earnings ratio	Ratio	11.76	11.98	(0.22)

**h) 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 salaries of employees other than managerial personnel in 2014-15 was 11.74%. Percentage increase in the managerial remuneration for the year was 10.00%.

**i) Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company.**

Particulars	Managing Director	Chief Financial Officer	Company Secretary
Remuneration (₹ Lakhs)	26.00	18.21	8.91
Revenue (₹ Lakhs)	9348.81	9348.81	9348.81
Remuneration (as % of revenue)	0.28	0.19	0.10
Profits before tax (PBT) (₹ Lakhs)	659.68	659.68	659.68
Remuneration (as % of PBT) (₹ Lakhs)	3.94	2.76	1.35



- j) **The key parameters for any variable component of remuneration availed by the directors;**

Not Applicable.

- k) **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.

- l) **Affirmation that the remuneration is as per the remuneration policy of the Company**

The Company's remuneration policy is driven by the performance of the individual employees and the Company. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms remuneration is as per the remuneration policy of the Company. The nomination and remuneration committee continuously reviews the compensation of our Managing Director and senior executives to align both the short-term business objective of the Company and to link compensation with the achievement of measurable performance goals.

## **MANAGEMENT DISCUSSION ANALYSIS AND BUSINESS OUTLOOK**

### **A. INDUSTRY OVERVIEW:**

There has been significant change in Power Sector scenario in last one year. The generation grew 8.5% and peak deficit is down to 3.5% in 2014-15 as compared to 4.5% in 2013-14. The coal production and availability has also improved. This has resulted in availability of more power and need to evacuate the same. This has necessitated more green- field projects and hence more demand for insulators.

There are plans to add about 135 GW of power generation capacity before 2017 to satisfy the projected demand. This additional generation capacity will require matching transmission network. State run Power Grid Corporation of India has recently approved six new investment plans worth ₹ 5,500 crores.

The total investment of ₹ 1,00,000 crores is envisaged by PGCIL for development of interstate transmission lines. There is also proposal for interconnection between India and Bangladesh which will be also handled by Power Grid.

We are also observing enhanced spending by state utilities for intrastate transmission networks. Earlier there was lack of financial resources and financial crunch. However now resources are being planned as it has become need of hour. The capex of state utilities is likely to match with that of PGCIL.

At state level our home state of Telangana is planning to invest ₹ 45,000 crores in next 5 years out of which ₹ 19,000 crores shall be in Transmission Sector. The North East states have been specially focused by GOI for development of Power Sector and an investment of ₹ 30,000 crores has been earmarked in Transmission Sector.

The Union Budget has been also supportive of Power Sector. It has proposed 5 new ultra mega power projects each of 4000 MW each. This will require matching T&D investment. There is also proposal to add 1.75 lakh MW in form of renewable energy. Your company is

already supplier to Wind Mill companies and shall benefit from the same.

There is huge target to add AC transmission lines by end of 12th Plan which shall be 31st March, 2017.

765 kV lines which are currently at 16,292 ckm are likely to be doubled to 32,250 ckm in next 2 years.

Similarly HVDC lines which are currently at 9432 ckms are likely to become 16,872 ckms.

Another opportunity is participation of private sector in Indian Power Sector. It is estimated that 45% of new transmission lines will be laid by Private Players. The model is based on viability gap funding and tariff based competitive bidding. This will open up additional demand for products of company.

### **B. OPPORTUNITIES AND THREATS**

#### **Opportunities**

- 1) In addition to demand of green field projects there is demand for replacement insulators which your company's product will witness.
- 2) The Government policies of "Make in India" would give further impetus to domestic capability.
- 3) Necessary steps taken by Government to overcome fuel shortage / linkage issues, statutory approvals, Skill India will help.

#### **Threats**

- 1) Cheap Imports continue to rise. In 2014-15 the growth in imports of insulators has been 15% as against export growth of mere 1.2%
- 2) Poor financial health of Discoms.
- 3) Delays in Project Execution faced by EPC contractors which delays off take of insulators.

### **C. SEGMENT OR PRODUCT WISE PERFORMANCE:**

Keeping in view the industry overview as discussed in (A) above, the performance of the Company's product is reasonably good.



During the year under review, in spite of intense competition, dollar fluctuations, increase in imports, reduction in margins due to inflationary trends and slow pace of implementation of EPC contracts, the Company was able to record a gross turnover of ₹ 99.51 Crores as against ₹ 87.39 Crores in the previous year. During the year under review, the Company started Commercial production of 800kV insulators for transmission lines.

#### **D. OUTLOOK:**

The Electrical Equipment industry witnessed growth of 9.98% last year. The growth in last quarter of 2014-15 was 13%.

The Generation capacity of about 30,000 MW is likely to be added in next 2 years. Also during 13th Plan (2017-22) there is total capacity addition of 93,400 MW proposed as follows,

Thermal –	63,400 MW
Hydro -	12,000 MW
Nuclear -	18,000 MW
Total -	93,400 MW

This will require matching growth in transmission & distribution sector leading to increased demand for insulators.

The insulators are also used for evacuation of Power from Wind Farms, Solar Plants etc. The Government has set up ambitious target of addition of 1, 00,000 MW for solar in next 5 years.

There is going to be emphasis on alternative source of energy and this will have good demand of Insulators.

#### **E. RISKS AND CONCERNS:**

Intense competition from Chinese manufacturers, Dollar fluctuations and increase in costs of raw materials are the major risks and concerns that the Industry is facing now.

The availability of funds with transmission utilities and Discoms continues to be short. The payment of supplies made are inordinately delayed sometime. This is adding to interest costs. Many foreign players are likely to open shops in India. This will have enhanced flow

of goods in India market. The aggressive pricing strategy by Chinese manufacturers is making overseas market not so attractive.

#### **F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The internal audit and other internal checks implemented in the Company are adequate and commensurate with the size and nature of operations providing sufficient assurance and safe guarding all assets, authorizing all transactions and its recording and timely reporting.

#### **G. DISCUSSION OF FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE :**

During the year, the Company has achieved a gross turnover of ₹ 99.51 Crores as against ₹ 87.39 Crores during the previous financial year. Considering the average industry growth, the financial/ operational performance of the Company was good.

#### **H. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES /INDUSTRIAL RELATIONS FRONT:**

Industrial relations are harmonious. The company recognizes the importance and contribution of the human resources for its growth and development.

As on 31<sup>st</sup> March, 2015 the Company has total strength of 192 employees.

#### **CAUTIONERY STATEMENT:**

The Statement in this section describes the Company's objectives projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates changes in the Government regulations, tax laws and other incidental factors.

## CORPORATE GOVERNANCE

### 1. Company's Philosophy:

The Company envisages the attainment of highest level of transparency in all facets of its operations and in all its interactions with its shareholders, employees and the Company.

The Company is committed to the best governance norms. It strongly believes in setting the high standards in all its endeavors.

### 2. Board of Directors:

The Board comprised of five directors as on 06<sup>th</sup> August, 2015 out of which one Director is Executive Director and the

remaining Directors are Non Executive Directors. Out of the four Non Executive Directors, three are Independent. Mr. L P Sashikumar, the Managing Director of the Company is a Promoter Director. The Directors bring with them rich and varied experience in different fields of corporate functioning.

The Board held Six meetings during the period ended 31<sup>st</sup> March, 2015, i.e. on (i) 17<sup>th</sup> May, 2014, (ii) 04<sup>th</sup> August, 2014, (iii) 08<sup>th</sup> November, 2014, (iv) 24<sup>th</sup> January, 2015, (v) 06<sup>th</sup> February, 2015 and (vi) 31<sup>st</sup> March, 2015.

**Attendance at the meetings of the Board and at the last Annual General Meeting was as follows:**

Name of the Director	Category	No. of Meetings attended	Last AGM attendance (YES/NO)
Mr. L P Sashikumar	Promoter, Managing Director	6	Yes
Mrs. Mahita Caddell	Promoter, Non-Executive Director	1	No
*Mr. M Gopalakrishna	Independent Director	6	Yes
*Mr. B Appa Rao	Independent Director	6	Yes
*Mr. S Murali Krishna	Independent Director	2	Yes

The letter(s) of appointment(s) to the above Independent Directors were issued by the Company after their appointment and the same have been disclosed on the website of the company i.e. [www.goldstonepower.com](http://www.goldstonepower.com)

\* Appointed as Independent Directors with effect from 27<sup>th</sup> September, 2014.

**Number of other Board or Board Committees of which the Company's Directors are Members:**

Name of the Director	No. of outside Directorships held		No. of other Board Committees he/she is a Member / Chairman of *	
	Public	Private	Member	Chairman
Mr. L P Sashikumar	1	7	1	Nil
Mr. B Appa Rao	Nil	2	Nil	Nil
Mr. S Murali Krishna	Nil	2	Nil	Nil
Mrs. Mahita Caddell	1	1	Nil	Nil
Mr. M Gopalakrishna	6	3	3	0

\* viz., the Audit Committee and the Stakeholders Relationship Committee

\* Only Indian Companies are considered.

### **3. Audit Committee :**

The terms of reference stipulated by the Board of Directors to the Audit Committee as contained in Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013, are as follows:

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient & credible;
- b. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of statutory auditors, fixation of audit fees and also approval for payment for any other services;
- c. Reviewing with management, the quarterly and annual financial statements before submission to the Board, focusing primarily on:
  - i. Matters required to be included in the Directors responsibility statement to be included in the Directors Report in terms of clause (2AA) of Section 135 of the Companies Act, 2013;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Qualifications in draft audit report;
  - v. Significant adjustments made in the financial statements arising out of audit findings;
  - vi. The going concern assumption;
  - vii. Compliance with accounting standards;
  - viii. Compliance with stock exchange and legal requirements concerning financial statements; and,
  - ix. Disclosure of any related party transactions i.e., transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of the Company at large.
- d. Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- e. Reviewing with the management, performance of statutory and internal auditors, the adequacy and compliance of internal control systems;
- f. Reviewing the adequacy of internal audit function, if any including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- g. Discussion with internal auditors any significant findings and follow up thereon;
- h. Reviewing the findings of internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

- i. Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- j. Reviewing the Company's financial and risk management policies;
- k. Review of information by Audit Committee:
  - i. Management Discussion & Analysis of financial condition and results of operations;
  - ii. Statement of significant related party transactions submitted by the management;
  - iii. Management letters/letters of internal control weaknesses issued by the statutory auditors;
  - iv. Internal audit reports relating to internal control weaknesses;
  - v. The appointment, removal and terms of remuneration of the chief internal auditor.
- l. Examine the reasons for substantial defaults in the payment to the depositors, Members (in case of non-payment of declared dividends) and creditors.
- m. Reviewing the functioning of whistle blower mechanism, in case the same exists.
- n. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc of the candidate.
- o. Reviewing with the Management, the statement of uses / application of

funds raised through an issue (public issue, rights issue, preferential issue, etc), the statement of funds utilized for purpose other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

● **Composition, Name of Members and Chairman**

Mr. B Appa Rao	Chairman	Independent Director
Mr. M. Gopalakrishna	Member	Independent Director
Mr. S Murali Krishna	Member	Independent Director

The Committee held four meetings during the period ended 31<sup>st</sup> March, 2015, i.e., on (i) 17<sup>th</sup> May, 2014, (ii) 04<sup>th</sup> August, 2014, (iii) 08<sup>th</sup> November, 2014 and (iv) 06<sup>th</sup> February, 2015.

**Attendance at the meetings of the Audit Committee was as follows:**

Name of the Director	Category	No. of meetings attended
Mr. B Appa Rao	Independent Director	4
Mr. M. Gopalakrishna	Independent Director	4
Mr. S Murali Krishna	Independent Director	1

**4. Nomination and Remuneration Committee:**

The Remuneration/ Compensation Committee was rechristened as Nomination and Remuneration



Committee by the Board at its meeting held on 17<sup>th</sup> May, 2014. The terms of reference stipulated by the Board of Directors to the Nomination and Remuneration Committee as contained in Clause 49 of the Listing Agreement and Sub Section (1) of Section 178 of the Companies Act, 2013 are as follows;

- Formulate the criteria for determining qualifications, attributes, and independence of a director.
- Identify the persons who are qualified to become directors and who may be appointed in senior management in accordance with criteria laid down, recommend to the Board their appointment and removal.
- Recommend to the Board appointment and removal of directors and senior management and carryout evaluation of every director's performance.
- Review the remuneration policy of the company, relating to the remuneration for the directors, Key Managerial Persons and other employees from time to time.
- **Composition, Name of Members and Chairman**

Mr. M. Gopalakrishna	Chairman	Independent Director
Mr. S Murali Krishna	Member	Independent Director
Mr. B Appa Rao	Member	Independent Director

- **Meetings and Attendance during the Year**

During the year under review, the Committee held two meetings during the period ended 31<sup>st</sup> March, 2015 i.e., on (i) 04<sup>th</sup> August, 2014 (ii) 31<sup>st</sup> March, 2015.

**Attendance at the meetings of the Nomination and Remuneration Committee was as follows:**

Name of the Director	Category	No. of meetings attended
Mr. B Appa Rao	Independent Director	2
Mr. M.Gopalakrishna	Independent Director	2
Mr. S Murali Krishna	Independent Director	1

**Policy for selection and appointment of Directors/KMPs and their Remuneration;**

The Nomination and Remuneration Committee has adopted a policy namely Nomination and Remuneration Policy which, inter alia, deals with the manner of selection of Board of Directors, Managing Director & KMPs, evaluation of their performance, and their remuneration.

**Criteria of selection of Non Executive Directors**

The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the Nomination and Remuneration Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

The Nomination and Remuneration Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

The Nomination and Remuneration Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- i. Qualification, expertise and experience of the Directors in their respective fields;
- ii. Personal, Professional or business standing;
- iii. Diversity of the Board.

In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

#### **Remuneration**

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board meetings. Commission may be paid with in monitoring limit approved by the shareholders subject to the limit not exceeding 1% of the profits of the Company computed as per applicable provisions of the Act.

A Non Executive Director shall be entitled to receive sitting fees for each meeting of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

#### **CEO / Managing Director - Criteria for selection / appointment**

For the purpose of selection of the CEO / MD, the Nomination and Remuneration Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board. The Committee will also ensure that the incumbent

fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

#### **Remuneration for the CEO / Managing Director**

At the time of appointment or re-appointment, the CEO / Managing Director shall be paid as may be recommended by the Nomination and Remuneration Committee and such remuneration as may be mutually agreed between the Company and the CEO / Managing Director within the overall limits prescribed under the Companies Act, 2013.

The remuneration shall be subject to the approval of the Members of the Company (if necessary) in General Meeting.

The remuneration of the CEO / Managing Director comprises only of fixed component. The fixed component comprises salary, allowances, perquisites, amenities and retiree benefits.

#### **Remuneration Policy for the Senior Management Employees**

In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the Nomination and Remuneration Committee shall ensure the relationship of remuneration and performance benchmark is clear.

The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the Nomination and Remuneration Committee for its review and approval.



## Remuneration of Directors

Details of remuneration paid to Directors during the financial year 2014-15:

(In ₹)

Name of the Director	Category	Sitting fee	Salary	Benefits	Total
Mr. L P Sashikumar	Promoter, Managing Director	0	24,00,000	2,00,000	26,00,000
Mr. B Appa Rao	Independent Director	1,55,000	0	0	1,55,000
Mr. S Murali Krishna	Independent Director	30,000	0	0	30,000
Mr. M Gopalakrishna	Independent Director	1,55,000	0	0	1,55,000
Mrs. Mahita Caddell	Promoter Non Executive Director	0	0	0	0

Benefits include contribution to provident fund, gratuity fund, payment of perquisites and commission.

There was no Employee Stock Option Scheme during the financial year ended 31<sup>st</sup> March, 2015.

### Evaluation :

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees.

A structured questionnaire was prepared after taking into consideration various parameters such as attendance and participation in meetings, monitoring corporate governance practices, independence of judgment, culture, execution and performance of specific duties, obligations and safeguarding the interests of the company etc.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the

Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

### i) Separate Meeting of Independent Directors:

The Independent directors of the Company at its meeting held on 31.03.2015 (a) reviewed the performance of the non-independent directors and Board, (b) reviewed the performance of the Chairperson of the Company and (c) assessed the quality, quantity and timeliness of flow of information between the company management and the Board. All the Independent Directors as on 31.03.2015 attended the meeting.

A structured questionnaire was prepared after taking into consideration various parameters such as attendance and participation in meetings, monitoring corporate governance practices, independence of judgment, safeguarding the interests of the company etc. and the evaluation was made. The Members of the Committee evaluated all the directors. The Independent Directors decided that since the performance of the Non-Independent Directors is good, the term of their appointment be continued.

The Independent Directors after review the performance of the Chairman expressed that the Chairman has good experience, knowledge and understanding of the Board's functioning and his performance is good. The Independent Directors expressed that the information flow between the Company's Management and the Board is good.

#### **ii) Evaluation by Board:**

The Board has carried out the annual performance evaluation of its own performance, the Directors individually (excluding the director being evaluated) as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, effectiveness in developing Corporate governance structure to fulfill its responsibilities, execution and performance of specific duties etc. The Board expressed that the performance of individual directors, its own performance and working of the committees is good.

All Independent Directors have furnished a declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

#### **Familiarization Programme for Independent Directors:**

The Independent directors of Company are eminent personalities having wide experience in the field of business, finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions.

Independent Directors have been appointed as per the applicable provisions of the Companies Act, 2013 as well as amended Clause 49 of the Listing Agreement, after considering their management expertise and wide range of experience. All Independent Directors who have been reappointed by the Members are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters, business operations, their roles, rights, responsibilities in the company, nature of the industry in which the company operates etc., through various meetings of the Board as well as Committees thereof including creation of awareness by devising separate code of Independent Directors, reappointments of all Independent directors, issuance of fresh appointment Letters covering all terms and conditions with their roles, rights, responsibilities in the company. All Independent Directors were also requested to access the necessary documents / brochures, Code of Conducts, Letter of Appointments, Annual Reports and internal policies available at our website [www.goldstonepower.com](http://www.goldstonepower.com) to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made by Senior Management, and Internal Auditors at the Board/Committee meetings on business and performance updates of the Company, global business environment, business risks and its mitigation strategy, impact of regulatory



changes on strategy etc. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent directors.

#### **Board Diversity:**

Pursuant to the relevant provisions of the Companies Act, 2013 as well as various clauses of the Listing Agreement the Company has framed a policy on Board diversity pursuant to that devised policy of the company is having optimum combination of Directors from the different areas / fields like Productions, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development, Human Resources etc. Further Board also having an woman director, three independent directors having vast experience in different areas including finance.

#### **5. Stakeholders Relationship Committee**

The Stakeholders Relationship Committee is to perform all the functions relating to handling of all sorts of shareholder's grievances like non-transfer of shares, loss of share certificates, non-receipt of notices/annual reports etc., and to look after share transfers/transmissions periodically. The Committee inter-alia also approves issue of duplicate share certificates

and oversees and reviews all matters connected with the securities transfers.

#### **● Composition, Name of Members and Chairman**

Mr. S Murali Krishna	Chairman	Independent Director
Mr. B Appa Rao	Member	Independent Director
Mr. L P Sashikumar	Member	Managing Director

The Committee held four meetings during the period ended 31<sup>st</sup> March, 2015, i.e. on (i) 17<sup>th</sup> May, 2014, (ii) 04<sup>th</sup> August, 2014, (iii) 08<sup>th</sup> November, 2014 and (iv) 06<sup>th</sup> February, 2015.

#### **Attendance at the meetings of the Committee was as follows:**

Name of the Director	Category	No. of meetings attended
Mr. B Appa Rao	Independent Director	4
Mr. L P Sashikumar	Managing Director	4
Mr. S Murali Krishna	Independent Director	1

#### **Number of shareholder complaints received, number solved and number of pending complaints as on 31<sup>st</sup> March, 2015:**

Opening Balance as on 01.04.2014	Received during the period 01.04.2014 to 31.03.2015	Resolved during the period 01.04.2014 to 31.03.2015	Closing Balance as on 31.03.2015
Nil	1	1	Nil

#### **● Name and Designation of Compliance Officer:**

➤ Mr. P.Hanuman Prasad, Company Secretary

#### **6. The company has formed a business risk evaluation/ management committee consisting of the following members.**

Business Risk Evaluation and Management (BRM) is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor

and minimize risks as also identify business opportunities.

Name of the Member	Category	No. of meetings attended
Mr. B Appa Rao	Independent Director	1
Mr. L P Sashikumar	Managing Director	1
Mr. N Sudhakar Reddy	AVP (Operations)	1

The objectives and scope of the Risk

Management Committee broadly comprise of

1. Oversight of risk management performed by the executive management;
2. Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;
3. Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
4. Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.

## 7. General Body Meetings

i) Location, date and time of last three Annual General Meetings:

Year	Location	Date	Time
2014	Plot No. 1 & 9, IDA, Phase II Cherlapally, Hyderabad – 500 051.	27.09.2014	03.30 P.M
2013	Plot No. 1 & 9, IDA, Phase II Cherlapally, Hyderabad – 500 051.	28.09.2013	03.00 P.M
2012	Plot No. 1 & 9, IDA, Phase II Cherlapally, Hyderabad – 500 051.	29.09.2012	03.30P.M

ii) Special resolutions passed in previous three AGM's were:

AGM	Special Resolution
2013	(1) Re-appointment of Mr. L P Sashikumar as the Managing Director of the Company.

iii) Resolutions passed last year through Postal Ballot:

### Postal Ballot:

During the year, the company has successfully completed the Postal Ballot process to seek the consent of its members for the following Special Business:

- (i) To authorize the Board or a Committee thereof to borrow up to ₹150 crores.
- (ii) To authorize the Board or a Committee thereof to sell, lease, mortgage or otherwise dispose of the whole or substantially the whole of the undertaking(s) of the Company, both present and future;
- (iii) Giving Loans/Guarantees, providing of Securities and Making of Investments in Securities:
- (iv) Authorization for Related Party Transactions.



M/s. Puttaparthi Jagannatham & Co., Practicing Company Secretaries, Hyderabad were appointed as Scrutinizer to conduct the said postal ballot process in a fair and transparent manner. The said process was completed on 09.10.2014 wherein all the resolutions as proposed in the Postal Ballot Notice were passed by way of requisite majority. The Postal Ballot results were announced on 10.10.2014. The details of the voting are as under:

Details of the combined result of e-voting and poll is as below for the special resolutions passed:

Resolution	Mode	Number of Valid Votes	Favour		Against	
			Votes	% of Valid Votes	Votes	% of Valid Votes
Approval for authorizing Board of Directors for borrowing powers as per Section 180 (1) (c) of Companies Act, 2013	Electronic & Poll	19362789	19362739	99.9998	50	0.0002
Approval for authorizing Board of Directors for mortgage and /or create charge on the assets of the Company as per Section 180 (1) (a) of Companies Act, 2013	Electronic & Poll	19362804	19362664	99.9993	140	0.0007
Approval for authorizing Board of Directors for giving Loans/Guarantees, providing of Securities and/or making of Investments in Securities as per Section 186 of Companies Act, 2013	Electronic & Poll	19362794	19362744	99.9998	50	0.0002
Approval for authorizing Board of Directors for giving authorization to enter into Related Party Transactions as per Section 186 of Companies Act, 2013	Electronic & Poll	1015289	1015239	99.996	50	0.004

## 8. Disclosures

- As required by the Accounting Standards, issued by the Institute of Chartered Accountants of India, details of related-party transactions are at Schedule 38 of Notes to Accounts.
- There were no instances of non-compliances by the Company, no penalties were imposed or strictures passed against the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
- Whistle Blower Policy;** As per the provisions of the Section 177 (9) & (10) of the Companies Act, 2013 read with amended Clause 49 of the Listing Agreement, the



Board had its meeting held on 17<sup>th</sup> May, 2014, adopted a Vigil Mechanism called 'Whistle Blower Policy' for directors and employees to report the management /Audit Committee instances of unethical behavior, actual or suspected, fraud or violation of company's code of conduct or ethics policy. The Vigil Mechanism also provided adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit committee in exceptional cases further it has also been uploaded in the Company's web site; [www.goldstonepower.com](http://www.goldstonepower.com).

- iv. Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement.
- v. **Share Capital Audit:** A firm of qualified Company Secretaries is conducting the Share Capital Audit on quarterly basis to reconcile the total admitted equity capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity capital. The Secretarial Audit Report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- vi. **Code of conduct:** The Code of Ethics and Business Conduct as adopted by the Board of directors is applicable to all directors, senior management and employees in above officers' level. The prime purpose of the code

is to create an environment wherein all the Board Members and Senior Management of the Company maintain ethical standards and to ensure compliance to the laid down ethical standards. The code is available on the Company's website: [www.goldstonepower.com](http://www.goldstonepower.com). In addition to the above as per Clause 49 of the Listing Agreement read with Schedule IV of the Companies Act, 2013 duties of the Independent Directors and code of Independent Directors have been placed on the website of the Company [www.goldstonepower.com](http://www.goldstonepower.com).

- vii. A declaration signed by the Managing Director regarding affirmation of the compliance with the Code of Conduct by Board and senior management is appended to this report.
- viii. **Compliance:** At every Board meeting, a statement of Compliance with all laws and regulations as certified by the Managing Director was placed before the Board for its review. The Board reviews the compliance of all the applicable laws and gives appropriate directions wherever necessary.

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years; no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or by any other statutory authorities relating to the above.

- ix. **Risk Management:** Business risk evaluation and management is an



ongoing process within the organization. The Board of Directors reviews the reports of compliance to all applicable laws and regulations on a quarterly basis. Any non-compliance is seriously taken up by the Board and the action taken for rectification of non-compliance is reported to the Board.

- x. **Preferential Issue Proceeds:** The Company did not raise any funds during the year under preferential issue mode.
- xi. **CEO & CFO Certificate:** The Certificate as per requirement of Clause 49 of the Listing Agreement was given by Managing Director and Asst. General Manager (Accounts) of the company and the same was placed before the Board for its noting in its meeting held for approval of the Audited Financial Results for the year ended 31<sup>st</sup> March 2015.
- xii. **Remuneration Policy;** The remuneration policy is to pay compensation and benefits adequately, so as to attract, motivate and retain talent. The Company follows a compensation of fixed pay. Performance of the individuals measured through the annual appraisal process. There was no Employee Stock Option Scheme during the financial year ended March 31, 2015.

## 9. Means of Communication

- a. In compliance with the requirements of Listing Agreement, the Company regularly intimates Un-audited as well as Audited Financial Results to the Stock Exchanges immediately after they are taken on record by the Board. These financial results are

normally published in The Financial Express (National newspaper) and Surya (regional newspaper). This information will also be uploaded on the Company's website [www.goldstonepower.com](http://www.goldstonepower.com).

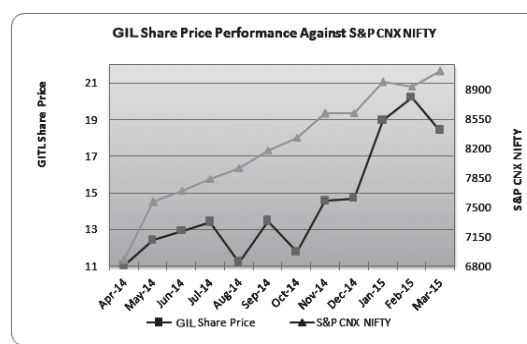
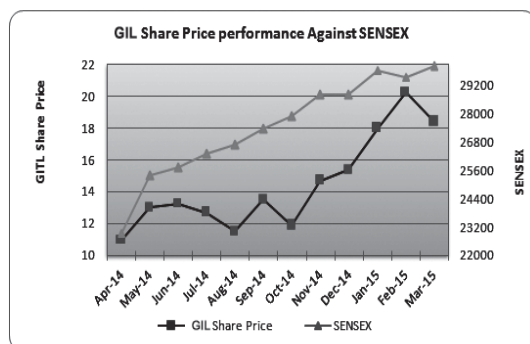
- b. Management Discussion & Analysis Report forms part of Report of Directors.

## 10. General Information for Shareholders

- i) **Annual General Meeting** will be held on 29<sup>th</sup> September, 2015 at 04.00 P.M at Plot No. 1 & 9 IDA, Phase II, Cherlapally, Hyderabad – 500 051.
- ii) **Financial Year** of the Company is 1<sup>st</sup> April to 31<sup>st</sup> March.
- iii) **Financial Reporting** for the quarter ending 30<sup>th</sup> September, 2015, 31<sup>st</sup> December, 2015, 31<sup>st</sup> March, 2016 and 30<sup>th</sup> June, 2016 will be within forty five days from the closure of the quarter.
- iv) **Dates of Book Closure** will be from 23<sup>rd</sup> September, 2015 to 29<sup>th</sup> September, 2015 (both days inclusive).
- v) **Company's shares are listed** on the Bombay Stock Exchange and National Stock Exchange of India Limited.
- vi) **Stock Code** of the Company's scrip is 532439 in BSE and GOLDINFRA in NSE
- vii) **ISIN Code** is INE260D01016
- viii) **Market Price Data:** High, Low (Based on the closing prices) and number of shares traded during each month in the last financial year on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

2014-15 Month	BSE			NSE		
	High	Low	Volume (Nos.)	High	Low	Volume (Nos.)
Apr,14	10.94	7.35	1,20,867	11.00	7.30	315,818
May,14	12.99	7.70	2,35,619	12.40	7.55	5,65,153
June,14	13.24	10.66	1,38,798	12.90	10.20	2,58,486
July,14	12.69	10.75	72,449	13.40	10.55	1,70,266
Aug,14	11.49	9.74	46,028	11.20	9.75	1,01,242
Sept,14	13.49	10.50	91,260	13.45	10.10	3,01,201
Oct,14	11.90	8.55	39,220	11.75	10.40	1,53,052
Nov,14	14.70	10.27	3,67,308	14.55	10.70	2,29,462
Dec,14	15.37	12.25	2,82,953	14.70	12.10	2,93,821
Jan,15	17.99	13.06	2,41,418	18.95	13.05	4,76,563
Feb,15	20.25	15.10	4,49,478	20.20	14.65	5,53,288
Mar 15	18.40	15.60	4,38,967	18.40	15.50	3,42,440

- ix) **Performance of the Share Price of the Company in comparison to the BSE Sensex and NSE Nifty;**



- x) **Registrar & Share Transfer Agents** of the Company is Aarthi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad – 500 029, Ph. No. 040-27638111; 27634445; Fax.No. 040-27632184.  
Mail: info@aarthiconsultants.com.
- xi) **Share Transfer System:** The Registrar and Share Transfer Agents, Aarthi Consultants Private Limited, handle share transfers under the overall supervision of the Stakeholders Relationship Committee.



xii) **Shareholding as on March 31, 2015.**

a) **Category of Shareholders**

Category	No. of shares	% to share capital
Promoters	1,83,47,515	50.85
Mutual Funds and UTI	0	0
Insurance Companies	0	0
Banks	1,00,459	0.28
FII's	0	0
Private Corporate Bodies	75,96,334	21.05
Indian Public	97,12,925	26.92
NRI's / OCB's	1,79,085	0.50
Trust	0	0
Clearing Members	1,44,419	0.40
<b>Grand Total</b>	<b>3,60,80,737</b>	<b>100.00</b>

b) **Distribution of Shareholding**

Category	No. of Shareholders		No. of Shares	
	Total	%	Total	%
Up to- 5000	7,925	89.25	20,65,518	5.72
5001 – 10000	425	4.79	7,83,670	2.17
10000 – 20000	224	2.52	8,39,659	2.33
20000 – 30000	77	0.87	4,82,851	1.34
30001 – 40000	64	0.72	5,72,447	1.59
40001 – 50000	21	0.24	2,34,143	0.65
50001 – 100000	59	0.66	11,03,234	3.06
100001 and above	85	0.96	2,99,99,215	83.14
<b>TOTAL</b>	<b>8,880</b>	<b>100.00</b>	<b>3,60,80,737</b>	<b>100.00</b>

xiii) **Dematerialization of Shares & Liquidity:** To facilitate trading in dematerialized form, the Company has entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shares of the Company are actively traded on the Bombay Stock Exchange Limited. As on 31<sup>st</sup> March, 2015, 99.34% shares were held in dematerialized form.

xiv) **Compliance Officer:**

Mr. P. Hanuman Prasad, Company Secretary

Ph. 040 – 27807640, e-mail: cs@goldstone.net

xv) **Plant Locations:** 1) Plot No. 1 & 9, IDA Phase II, Cherlapally, Hyderabad – 500 051;  
2) Plot No.8, IDA, Gaddapotharam, Jinnaram Mandal, Medak Dist.TS.



- xvi) **Address for Correspondence:** Goldstone Infratech Limited, Shares Department, 9-1-83 & 84, Amarchand Sharma Complex, S D Road, Secunderabad – 500 003 Tel.No. 040-27807640, e-mail: cs@goldstone.net.
- xvii) **Investor Relations:** All the queries received from shareholders during the Financial Year 2014-15 have been responded to. The Company generally replies to the queries within a week of their receipt.
- xviii) **Nomination Facility:** Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to contact the Company's Share Transfer Agents Aarthi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad – 500 029.

## 10. Compliance

In compliance with the terms of the Listing Agreement, a certificate from a Practicing Chartered Accountant regarding compliance of the provisions of Clause 49 of the Listing Agreement is annexed to this Report.

### For and on behalf of the Board

Sd/-  
**L P Sashikumar**  
Managing Director

Sd/-  
**B.Apparao**  
Director

Place: Secunderabad  
Date: 06<sup>th</sup> August, 2015

### ANNUAL DECLARATION BY THE MANAGING DIRECTOR PURSUANT TO CLAUSE 49 (I) (D) (ii) OF THE LISTING AGREEMENT

As the Managing Director of Goldstone Infratech Limited and as required by Clause 49 of the Listing Agreement with the Stock Exchanges, I hereby declare that all the Board members and senior management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the Financial Year 2014-15.

For **Goldstone Infratech Limited**

Place: Secunderabad  
Date: 06<sup>th</sup> August, 2015

Sd/-  
**L P Sashikumar**  
Managing Director  
DIN No. 00016679



## **Certificate on Compliance of Corporate Governance**

**To**  
**The Members of**  
**Goldstone Infratech Limited**

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance of conditions of Corporate Governance by Goldstone Infratech Limited ("the Company") for the year ended on 31<sup>st</sup> March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of the conditions of the Corporate Governance is the responsibility of the management. Our examination, conducted in the manner described in the "Guidance note on Certification of Corporate Governance" issued by the Institute of Chartered Accountants of India was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us and based on our examination described above, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We further certify that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**P. Murali & CO.,**  
Chartered Accountants  
Firm Registration No : 007257S  
Sd/-  
**Mukund Vijayrao Joshi**  
Partner  
M.No. 024784

Place: Hyderabad  
Date: 06<sup>th</sup> August, 2015

### **Certificate from the Managing Director & Chief Financial Officer**

We, L P Sashikumar, Managing Director and P. Syam Prasad Chief Financial Officer of Goldstone Infratech Limited, responsible for the finance function, certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2015 and that to the best of our knowledge and belief, we state that:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
  - (ii) These statements give a true and fair view of the Company's affairs and of the results of operations and cash flow. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have not noticed any deficiency that need to be rectified or disclosed to the Auditors and the Audit Committee.
- (d) During the year under reference -
  - (i) there were no significant changes in the internal control and overall financial reporting;
  - (ii) no significant changes in accounting policies were made that require disclosure in the notes to the financial statements; and
  - (iii) no instance of significant fraud and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting, has come to our notice.

Sd/-  
**L P Sashikumar**  
Managing Director  
DIN : 00016679

Sd/-  
**P. Syam Prasad**  
CFO

Place: Secunderabad  
Date: 23<sup>rd</sup> May, 2015



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**M/S GOLDSTONE INFRATECH LIMITED**

### **Report on the Standalone Financial Statements**

We have audited the accompanying financial statements of Goldstone Infratech Limited ("the Company") which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of 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 Companies (Accounts) Rules, 2014. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are 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 there under.

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 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 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 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 31<sup>st</sup> March 2015, its profit 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 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 paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we further 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 purpose 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 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 aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
  - E) On the basis of written representations received from the directors as on March 31, 2015, and 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 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 has been no delay in transferring amounts, required to be transferred, to the investor Education and Protection Fund by the company.

For **P. Murali & Co.,**  
Chartered Accountants  
Firm's Registration Number: 007257S  
Sd/-  
**(P. Murali Mohana Rao)**  
Partner  
Membership Number : 023412

Place : Hyderabad  
Date : 23<sup>rd</sup> May, 2015





Annexure referred to in paragraph 1 of Our Report of even date to the members of Goldstone Infratech Limited on the accounts of the company for the year ended 31<sup>st</sup> March, 2015 Under "Report on other Legal & Regulatory Requirements"

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- B. As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us material discrepancies were noticed on such verification.
- ii) (a) The inventory has been physically verified during the year by the Management and in our opinion, the frequency of verification is reasonable.
- b) In our opinion, the procedures of the 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) The Company is maintaining proper records of inventory and as explained to us, no material discrepancies were noticed on physical verification of stocks as compared to book records.
- iii) The company has not granted any loans, secured or unsecured to companies, firms or Other parties covered in the register maintained under section 189 of the Companies Act 2013.
- iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, no major weakness has been noticed or reported.
- v) The company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.
- vi) We have broadly verified the books of accounts and records maintained by the company relating to the manufactures of insulators, pursuant to the order made by the Central Government for maintenance of cost records under sub- section (1) of SECTION 148 of the Act, 2013, and are of the opinions that, prima facie, the prescribed accounts and records have been made and maintained.
- vii) a) According to the information and explanations given to us based on the records of the company examined by us, the company is regular in depositing the undisputed stator dues, including Provident Fund, Employees State Insurance, income – tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India;
- b) There were no undisputed amounts payable in respect of provident

- Fund, Employees State insurance, Income tax, Service tax, Custom Duty, Excise Duty and other material statutory dues in arrears as 31st March 2015 for a period of more than 6 months for the date they became payable.
- c) According to the information and explanations given to us based on the records of the company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes.
- d) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
- viii) The Company does not have accumulated losses at the end of the financial year and the company has not incurred cash losses during the financial year covered by our audit 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 financial institution / banks. The company has not issued any debentures.
- x) In our opinion, and according to the information and explanations given to us, the terms and conditions of guarantees given by the Company for loan taken by others from bank or financial institutions are not prejudicial to the interest of the company.
- xi) In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis for the purpose for which they were obtained.
- xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the company has been noticed or reported during the year.

For **P. Murali & Co.,**  
Chartered Accountants  
Firm's Registration Number: 007257S  
Sd/-  
**(P. Murali Mohana Rao)**  
Partner  
Membership Number : 023412

Place : Hyderabad  
Date : 23<sup>rd</sup> May, 2015

### Balance Sheet as at March 31, 2015

Particulars	Note No	As at 31/03/2015 ₹	As at 31/03/2014 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	14,43,22,948	14,43,22,948
(b) Reserves and Surplus	2	65,97,04,351	61,73,01,227
(c) Money received against share warrants		-	-
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	3	13,24,61,537	17,99,79,457
(b) Deferred tax liabilities (Net)	4	5,88,03,362	6,69,54,125
(c) Other Long term liabilities	5	5,68,15,074	7,45,80,451
(d) Long term provisions	6	1,16,73,602	94,31,873
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	7	26,44,66,625	25,02,62,954
(b) Trade payables	8	19,13,81,403	14,49,68,793
(c) Other current liabilities	9	1,61,67,107	2,13,20,878
(d) Short-term provisions	10	6,23,40,281	3,00,59,571
<b>Total</b>		<b>1,59,81,36,290</b>	<b>1,53,91,82,277</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	11&12	78,77,80,481	83,65,67,616
(ii) Intangible assets		13,60,489	13,60,489
(iii) Capital work-in-progress		8,89,28,280	8,89,28,280
(iv) Intangible assets under development		-	-
(b) Non-current investments	13	6,01,00,000	6,01,00,000
(c) Long term loans and advances	14	1,71,10,453	1,84,12,157
(d) Other non-current assets	15	-	-
<b>(2) Current assets</b>			
(a) Inventories	16	16,80,60,368	17,84,34,410
(b) Trade receivables	17	34,59,00,211	26,12,33,279
(c) Cash and cash equivalents	18	9,19,28,731	5,95,10,375
(d) Short-term loans and advances	19	39,63,390	69,72,232
(e) Other current assets	20	3,30,03,887	2,76,63,439
<b>Total</b>		<b>1,59,81,36,290</b>	<b>1,53,91,82,277</b>

Summary of Significant Accounting Policies

Notes on Financial Statement

AS PER OUR REPORT OF EVEN DATE

**For P. Murali & Co.,**

Firm Regn. No: 007257S

Chartered Accountants

Sd/-

**P. Murali Mohana Rao**

Partner

M.No. 023412

Place : Secunderabad

Date : 23rd May, 2015

1 to 49

**For and on behalf of the board**

Sd/-

**L P Sashikumar**

Managing Director

Sd/-

**B Appa Rao**

Director

Sd/-

**P Syam Prasad**

CFO

Sd/-

**P. Hanuman Prasad**

Company Secretary

### Statement of Profit and Loss for the year ended March 31, 2015

Particulars	Note No	For the year ended 31.03.2015 ₹	For the year ended 31.03.2014 ₹
I. Revenue from operations	21	92,15,13,392	80,32,46,934
II. Other Income	22	1,33,67,793	69,77,017
<b>III. Total Revenue (I + II)</b>		<b>93,48,81,185</b>	<b>81,02,23,951</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	23	58,34,91,808	49,95,54,415
Purchase of Stock-in-Trade	24	-	4,00,10,962
Changes in inventories of Finished, WIP and Stock-in-Trade	25	(22,33,986)	(92,22,153)
Employee benefit expenses	26	8,32,14,795	6,40,12,460
Other operating expenses	27	4,52,17,279	5,01,51,415
Administrative Expenses	28	4,49,13,386	4,88,26,360
Financial costs	29	5,78,29,683	5,78,67,584
Depreciation and amortization expenses	11&12	5,64,79,891	2,39,77,794
Other expenses	30	-	-
<b>Total Expenses</b>		<b>86,89,12,856</b>	<b>77,51,78,837</b>
V. Profit before exceptional and extraordinary items and tax ( III - IV)		6,59,68,329	3,50,45,114
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		6,59,68,329	3,50,45,114
VIII. Prior Period adjustments & Extraordinary Items		(16,64,866)	(44,09,937)
IX. Profit before tax (VII - VIII)		<b>6,43,03,463</b>	<b>3,06,35,177</b>
X. Tax expense:			
(1) Current tax		2,00,00,000	25,00,000
(2) Deferred tax		(48,89,684)	69,52,226
XI. Profit after tax		4,91,93,147	2,11,82,951
XII. Profit/(Loss) for the period		<b>4,91,93,147</b>	<b>2,11,82,951</b>
XIII. Earning per equity share: ( Refer Note No. 39 )			
(1) Basic		1.36	0.59
(2) Diluted		1.36	0.59

Summary of Significant Accounting Policies

Notes on Financial Statement

AS PER OUR REPORT OF EVEN DATE

**For P. Murali & Co.,**

Firm Regn. No: 007257S

Chartered Accountants

Sd/-

**P. Murali Mohana Rao**

Partner

M.No. 023412

Place : Secunderabad

Date : 23rd May, 2015

1 to 49

**For and on behalf of the board**

Sd/-

**L P Sashikumar**  
Managing Director

Sd/-

**B Appa Rao**  
Director

Sd/-

**P Syam Prasad**  
CFO

Sd/-

**P. Hanuman Prasad**  
Company Secretary

## **SIGNIFICANT ACCOUNTING POLICIES**

### **a) Preparation of financial statements**

The financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost conversion on accrual basis, except certain tangible assets which are being carried at revalued amounts. Pursuant to section 133 of the Companies Act 2013 read with Rule 7 of Companies (Accounts) Rules 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act 1956, shall continue to apply. Consequently these financial statements have been prepared to comply in all material respects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 (Companies Accounting Standards Rules, 2006 as amended) and the relevant provisions of the Companies Act, 2013 ('the Act'). The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

### **b) Method of Accounting**

The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis.

### **c) Fixed Assets**

Fixed Assets are stated at their original cost of acquisition, net of accumulated depreciation and CENVAT credit, and include taxes, freight and other incidental expenses related to their acquisition/

construction/ installation. Pre-operative expenses relatable to a specific project are capitalised till all the activities necessary to prepare the qualifying asset for its intended use are completed. Expenses capitalized also include applicable borrowing costs. Fixed Assets are impaired when there is no possibility of using them further.

During the year the Company has provided Depreciation on Fixed Assets based on the Useful life in the manner prescribed in Schedule II Part C to the Companies Act, 2013.

### **d) Investments**

Investments are classified into current and long-term investments. Current Investments are carried at lower of cost or fair market value. Any diminution in their value is recognized in the profit and loss account. Current & Non-Current investments, including investment in subsidiaries, are carried at cost. Diminution of temporary nature in the value of such long-term investments is not provided for except when such diminution is determined to be of a permanent nature.

### **e) Inventories**

Inventories are valued at cost or net realizable value, whichever is less. Cost comprises of expenditure incurred in the normal course of business in bringing such inventories to its their location. Finished goods at the factory are valued at cost in all applicable cases. Obsolete, non-moving and defective inventories are identified at the time of physical verification of inventories and adequate provision, wherever necessary, is made for such inventories.

**f) Intangible Assets**

Intangible Assets are recognized in the Balance Sheet at cost, net of any accumulated amortization / impairment. Preliminary expenses are amortized over a period of time. De-merger expenses are amortized over a period of ten years.

**g) Research and Development**

Capital expenditure on Research and Development is included in the Schedule of Fixed Assets. Revenue expenditure relating to the Research phase is charged to the Profit and Loss account. Revenue Expenditure relating to the Development phase is amortized over the period in which the future economic benefits are expected to accrue to the Company, but not exceeding a period of five years, and the amortization commences from the year in which the company realizes these benefits for the first time.

**h) Revenue Recognition**

Income is recognized when the goods are dispatched in accordance with terms of sale. Sale is exclusive of excise duty.

In respect of income from services, income is recognized as and when the rendering of services is complete. Revenue from time period services is recognized on the basis of time incurred in providing such services.

**i) Retirement Benefits**

Company makes monthly contribution to the Employees Provident Fund and Pension Fund under the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952. Company provides for accrued liability in respect of gratuity and leave encashment on actuarial valuation.

**j) Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of cost of such asset. Other borrowing costs are treated as a period cost and are expensed in the year of occurrence.

**k) Depreciation**

- i) Depreciation on Fixed Assets is provided on straight-line method.
- ii) Effective from 1st April 2014, the Company depreciates its fixed assets over the useful life as prescribed in Schedule II of the Act 2013, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956.

**l) Foreign Currency Transaction**

Foreign currency transactions, being in the nature of integral operations, are accounted for at the rates of exchange prevailing as on the date of transaction. Gains and losses resulting from settlement of such transactions and from translation of monetary assets and liabilities denominated in foreign currencies are recognized in the profit and loss account. Exchange differences relating to fixed assets are adjusted to the cost of the asset.

**m) Government Grants / Incentives**

Amounts receivable from Government by way of Grants / Incentives are accounted for on receipt basis and same is to adjust against the cost of the assets. Incentives by way of Sales tax deferment are recognized as loan to the extent of their utilization.



**n) Impairment of assets**

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired.

**o) Income and Deferred Tax**

The provision made for income tax in the accounts comprises both the current and deferred tax. Current tax is provided for on the taxable income for the year. The deferred tax assets and liabilities for the year arising on account of timing differences (net) are recognized in the Profit and Loss account and the cumulative effect thereof is reflected in the Balance Sheet.

**p) Contingent Liabilities and Contingent Assets**

Liabilities, which are contingent in nature, are not recognized in the books of account but are disclosed separately in the Notes. Contingent Assets are neither recognized nor disclosed in the books of account.

**q) Claims**

Claims made by the Company are recognized to the extent the Company deems them recoverable. Claims against the Company, including liquidated damages, are recognized only on acceptance basis.

**NOTES TO BALANCE SHEET AS AT MARCH 31, 2015**

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
<b>NOTE NO.1 : SHARE CAPITAL</b>		
I Share Capital :		
(a) Authorised : 6,16,25,000 No. of Equity Shares @ ₹ 4/- each	24,65,00,000	24,65,00,000
(b) Issued: 3,60,80,737 No. of Equity Shares @₹4/- each fully paid up	14,43,22,948	14,43,22,948
(c) Subscribed & fully paid up : 3,60,80,737 No. of Equity Shares @ ₹ 4/- each.	14,43,22,948	14,43,22,948
(d) Subscribed & not fully paid up	-	-
(e) Par value per share ₹ 4/-		
<b>Total Equity Share capital:</b>	<b>14,43,22,948</b>	<b>14,43,22,948</b>
II Preference shares at the beginning as per class of shares	-	-
<b>Total Share capital (Equity and Preference)</b>	<b>14,43,22,948</b>	<b>14,43,22,948</b>
III Calls unpaid :	-	-
IV Forfeited shares (amount originally paid up)	-	-
V <b>A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:</b>	<b>Number of Shares</b>	
Equity Shares of ₹ 4/- Each, Fully paid up :		
At the Beginning	3,60,80,737	3,60,80,737
Issued during the year	-	-
Forfeited / Bought Back during the year	-	-
At the end	3,60,80,737	3,60,80,737
VI <b>Details of Shareholder holding more than 5% shares of the Company</b>	<b>% of Share Holding</b>	
<b>Equity Shares of ₹ 4/- each Held By</b>		
Trinity Infraventures Limited		
-1,77,76,165 Nos. (1,77,76,165 Nos.)	49.27%	49.27%
Rajasthan Global Securities Limited		
- 28,32,302 Nos. (Nil)	7.85%	-
LRSD Global Holdings Pvt. Ltd - NIL		
(26,68,999 Nos.)	-	7.40%



Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
<b>NOTE NO. 2 : RESERVES AND SURPLUS</b>		
a) Securities Premium Reserve		
As at the commencement of the year	42,65,13,494	42,65,13,494
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
	<b>42,65,13,494</b>	<b>42,65,13,494</b>
b) General Reserves		
As at the commencement of the year	14,86,32,346	14,86,32,346
Add: Additions during the year	-	-
Less: Utilised	-	-
	<b>14,86,32,346</b>	<b>14,86,32,346</b>
c) Surplus :		
Opening Balance - Profit and Loss Account	4,21,55,385	2,09,72,436
Add: Transfer from Profit & Loss Account	4,91,93,147	2,11,82,951
Less: Transfer To General Reserve	-	-
Less: Dividend and Dividend Tax	-	-
Less: Bonus shares	-	-
Less: Prior period taxes	-	-
Less: Depreciation Adjustments	67,90,021	-
	8,45,58,511	4,21,55,387
<b>Total Reserves and Surplus</b>	<b>65,97,04,351</b>	<b>61,73,01,227</b>
<b>NOTE NO. 3 : LONG TERM BORROWINGS</b>		
Long Term borrowings		
a) Term loans:		
From banks: ( Refer Note No. 31 (a) & ( c ) )		
Secured - State Bank of Hyderabad and others	56,66,157	2,77,68,442
Unsecured	-	-
From other parties:		
Secured - Technology Development Board	-	-
Unsecured - Others	12,67,95,380	15,22,11,015
<b>Notes :</b>		
Securities and Personal Guarantees details given in the Note to Financial Statement		
<b>Total long term borrowings</b>	<b>13,24,61,537</b>	<b>17,99,79,457</b>

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
<b>NOTE NO. 4 : DEFERRED TAX LIABILITY ( NET )</b>		
Opening Deferred tax Liability	6,69,54,125	6,00,01,899
Add: Deferred Tax Liability for the year ( Due to SLM and WDV Difference )	(48,89,684)	69,52,226
Less: Deferred tax adjustment on Depreciation	(32,61,079)	-
<b>Gross Deferred tax Liability</b>	<b>5,88,03,362</b>	<b>6,69,54,125</b>
Opening Deferred tax Asset	-	-
Deferred Tax Assets for the year	-	-
<b>Gross Deferred tax Asset</b>	<b>-</b>	<b>-</b>
<b>Deferred Tax Liability/ ( Asset ) - Net</b>	<b>5,88,03,362</b>	<b>6,69,54,125</b>
<b>NOTE NO. 5 : OTHER LONG TERM LIABILITIES</b>		
a) Others - Sales Tax Deferment Loan ( interest free ) ( Refer Note No. 32 )	5,68,15,074	7,45,80,451
<b>Total other long term liabilities</b>	<b>5,68,15,074</b>	<b>7,45,80,451</b>
<b>NOTE NO. 6 : LONG TERM PROVISIONS</b>		
a) Provisions for employee benefits ( Refer Note No. 36 )		
- Provision for Gratuity	94,53,721	66,61,318
- Provision for Leave Encashment	18,31,803	23,50,527
b) Others - Bonus	3,88,078	4,20,028
<b>Total Long Term Provisions</b>	<b>1,16,73,602</b>	<b>94,31,873</b>
<b>NOTE NO. 7 : SHORT TERM BORROWINGS</b>		
Short term borrowings		
a) Working Capital from banks ( Refer note No. 31 (b) )		
Secured - State Bank of Hyderabad	22,93,05,615	20,13,33,055
b) Term Loans repayable with in 12months:		
From banks		
Secured	3,51,61,010	3,82,07,839
Unsecured	-	-
From other parties		
Secured	-	-
Unsecured	-	1,07,22,060
c) Loans and advances from other parties		
Secured	-	-
Unsecured	-	-
<b>Total short term borrowings</b>	<b>26,44,66,625</b>	<b>25,02,62,954</b>

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
<b>NOTE NO. 8 : TRADE PAYABLES</b>		
a) Trade Payables	9,90,16,256	9,08,09,517
b) Liabilities to Transporters	75,33,152	1,09,16,144
c) Liabilities to Consultants and individuals	20,12,955	22,67,724
d) Liabilities to Capital purchases	6,90,30,537	2,72,57,281
e) Liabilities to Miscellaneous Creditors	1,37,88,503	1,37,18,127
<b>Total Trade Payables</b>	<b>19,13,81,403</b>	<b>14,49,68,793</b>
<b>NOTE NO. 9 : OTHER CURRENT LIABILITIES</b>		
a) Interest accrued but not due on borrowings	5,40,061	7,78,968
b) Advances received from Customers.	1,56,27,046	2,05,41,910
<b>Total other current liabilities</b>	<b>1,61,67,107</b>	<b>2,13,20,878</b>
<b>NOTE NO. 10 : SHORT TERM PROVISIONS</b>		
a) Provisions for employee benefits		
PF Payable	5,33,896	12,11,693
ESI Payable	71,983	77,104
Salaries Payable	55,11,373	38,22,158
b) Others		
Statutory Liabilities	1,18,37,227	97,46,733
Provision for Expenses	57,89,774	16,03,233
Provision for Late Delivery Charges	1,60,96,028	1,10,98,650
Provision for income tax	2,25,00,000	25,00,000
Provision for Dividend	-	-
<b>Total short term provisions</b>	<b>6,23,40,281</b>	<b>3,00,59,571</b>
<b>NOTE NO. 13 : NON- CURRENT INVESTMENTS</b>		
Non- Current Assets		
1) Investment in Subsidiaries		
a) Equity Shares		
TF Solarpower Private Limited 100% holding	6,01,00,000	6,01,00,000
<b>Total Non Current Investments</b>	<b>6,01,00,000</b>	<b>6,01,00,000</b>
<b>Less: Provision for Diminution in Investments</b>	<b>-</b>	<b>-</b>
<b>Total Non - Current Assets ( Net )</b>	<b>6,01,00,000</b>	<b>6,01,00,000</b>
<b>Notes :</b>		
II Detailed note given in the Notes to Account No.35		

**NOTE NO. 11 & 12 : FIXED ASSETS AS AT MARCH 31, 2015**

Particulars	Gross Block				Depreciation / Amortization				Net Block as on 31-03-2015	Net Block as on 31-03-2014
	As on 01-04-2014	Additions during the year	Sale / Deletions during the year	As on 31-03-2015	Depreciation as on 01-04-2014	Adjustment to Reserves	Depreciation for the year 2014-2015	Depreciation reserve on Deletion	Total Depreciation	
LAND & LAND DEVELOPMENT	42,75,05,488			42,75,05,488	-					42,75,05,488
BUILDING	7,66,81,554			7,66,81,554	1,76,24,470		21,42,462		1,97,66,932	5,90,57,084
PLANT & MACHINERY	39,86,56,882	1,06,50,804		40,93,07,686	7,57,88,674	81,91,760	4,95,11,579		13,34,92,013	32,28,68,208
ELECTRICAL EQUIPMENT	1,00,56,232			1,00,56,232	20,12,588	2,56,963	14,07,587		36,77,138	80,43,644
LABORATORY EQUIPMENT	1,53,41,403	34,72,309		1,88,13,712	26,06,329	9,87,627	18,21,945		54,15,901	1,27,35,074
OFFICE EQUIPMENT	20,69,501	49,399		21,18,900	9,48,587	3,17,331	3,92,792		16,58,710	11,20,914
COMPUTERS	1,35,35,993	2,78,832		1,38,14,825	1,35,35,993		30,822		1,35,66,815	-
FURNITURE	45,08,573	55,063		45,63,636	39,30,431		1,15,089		40,45,520	5,78,142
VEHICLES	1,33,68,398	34,92,673	475,000	1,63,86,071	1,33,68,398		3,27,515	1,81,242	1,35,14,671	-
GENERATOR	78,64,549			78,64,549	38,55,299	2,97,420	6,08,848		47,61,567	40,09,250
LEASEHOLD IMPROVEMENTS	5,75,290			5,75,290	3,53,338		47,921		4,01,259	2,21,952
AIR CONDITIONERS	4,23,755			4,23,755	1,00,110		65,884		1,65,994	3,23,645
TOOLS AND SPARES	1,13,073	38,535		1,51,608	8,858		7,447		16,305	1,04,215
TEMPORARY SHEDS	-			-	-		-		-	-
INTANGIBLE FIXED ASSETS	1,360,489			13,60,489	-		-		-	13,60,489
CAPITAL WORK IN PROGRESS	88,928,280			8,89,28,280	-		-		-	8,89,28,280
<b>TOTAL</b>	<b>1,06,09,89,460</b>	<b>1,80,37,615</b>	<b>4,75,000</b>	<b>1,07,85,52,075</b>	<b>13,41,33,075</b>	<b>1,00,51,101</b>	<b>5,64,79,891</b>	<b>1,81,242</b>	<b>20,04,82,825</b>	<b>92,68,56,385</b>
Previous Year	1,03,29,93,672	4,90,55,659	2,10,59,871	1,06,09,89,460	11,01,55,281	-	2,39,77,794	-	13,41,33,075	92,28,38,391

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
<b>NOTE NO. 14 : LONG TERM LOANS AND ADVANCES</b>		
Long - term loans and advances:		
a) Capital advance		
Secured	1,34,74,595	1,52,81,258
Unsecured	-	-
Doubtfull	-	-
b) Security Deposit		
Secured	36,35,858	31,30,899
Unsecured	-	-
Doubtfull	-	-
Total Long term loans & advances	1,71,10,453	1,84,12,157
Less : Provision for Doubtfull Debts	-	-
 Total Long term loans & advances( net )	<b>1,71,10,453</b>	<b>1,84,12,157</b>
<b>NOTE NO.15 : OTHER NON-CURRENT ASSETS</b>		
Unamortised Expenses	-	-
Interest Accrued on Deposits	-	-
Insurance Claims	-	-
Total other non current assets	-	-
Less : Provision for Bad and Doubtful debts	-	-
<b>Total non - current assets( net )</b>	<b>-</b>	<b>-</b>
<b>NOTE NO. 16 : INVENTORIES</b>		
Inventories :		
a) Raw materials		
- Silicon Rubber	78,19,228	3,52,78,149
- Hardware items	1,50,37,127	1,22,58,495
- FRP materials	68,80,194	44,16,954
- Others	2,52,80,955	1,56,71,933
Sub Total	5,50,17,504	6,76,25,531
b) Work - in - progress		
- Railway Insulators	3,11,570	4,89,865
- Transmission & Distribution Insulators	11,27,31,294	11,03,19,014
Sub Total	11,30,42,864	11,08,08,879
<b>Total Inventories</b>	<b>16,80,60,368</b>	<b>17,84,34,410</b>

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
<b>NOTE NO. 17 : TRADE RECEIVABLES</b>		
<b>I Outstanding for a period exceeding six months from the date they are due for payment</b>		
Secured, Considered Good	-	-
Unsecured, Considered Good	34,49,272	51,37,900
Doubtful	-	-
	<b>34,49,272</b>	<b>51,37,900</b>
<b>II Other Receivables:</b>		
Secured, Considered Good	-	-
Unsecured, Considered Good	34,24,50,939	25,60,95,379
Doubtful	-	-
	34,24,50,939	25,60,95,379
<b>Total trade recivable</b>	<b>34,59,00,211</b>	<b>26,12,33,279</b>
Less : Allowance for bad & doubtful debts	-	-
<b>Total Trade Receivables(net)</b>	<b>34,59,00,211</b>	<b>26,12,33,279</b>
<b>NOTE NO. 18 : CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents :		
a) Balances with banks :		
1) On Current Accounts	11 84,930	6,35,503
2) Bank Deposits against BG & LC with less than 12 months maturity	1,14,21,097	70,47,287
3) Bank deposits against BG & LC with more than 12 months maturity	7,46,11,490	5,01,14,385
4) Interest accrued on Fixed Deposits	45,82,623	16,71,622
b) Cheques, Draft on hand	-	-
c) Cash on hand	1,28,591	41,578
<b>Total Cash and Cash Equivalents</b>	<b>9,19,28,731</b>	<b>5,95,10,375</b>
<b>NOTE NO. 19 : SHORT TERM LOANS AND ADVANCES</b>		
short - term loans and advances:		
a) Other loans And advances		
Unsecured:		
- for Staff Advances	95,627	2,84,132
- for Suppliers	25,38,778	17,16,739
- for Others	13,28,985	49,71,361
Total short term loans & advances	39,63,390	69,72,232
Less : Provision for Doubtfull Debts	-	-
<b>Total short term loans &amp; advances( net )</b>	<b>39,63,390</b>	<b>69,72,232</b>

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
<b>NOTE NO.20 : OTHER CURRENT ASSETS</b>		
I TDS Receivable & Advance Taxes	98,08,246	25,22,365
Prepaid Expenses	77,00,578	79,52,705
Balances with Government Departments	1,54,95,063	1,71,88,369
	<b>3,30,03,887</b>	<b>2,76,63,439</b>
<b>Notes to Statement of Profit and Loss for the year ended March 31, 2015</b>		
Particulars	For the year ended 31.03.2015 ₹	For the year ended 31.03.2014 ₹
<b>NOTE NO. 21 : REVENUE FROM OPERATIONS</b>		
Revenue from operations		
(a) Sale of Products	99,51,19,298	87,38,95,673
Less: Excise Duties	7,36,05,906	7,06,48,739
<b>Total Revenue from Operations</b>	<b>92,15,13,392</b>	<b>80,32,46,934</b>
<b>NOTE NO. 22 : OTHER INCOME</b>		
(a) Interest income	55,23,876	31,98,607
(b) Other non-operating income	78,43,917	37,78,410
<b>Total Other Income</b>	<b>1,33,67,793</b>	<b>69,77,017</b>
<b>NOTE NO. 23 : COST OF MATERIALS CONSUMED</b>		
Material - Silicon Rubber	23,25,83,144	21,95,75,346
Material - Hardware items	12,07,82,402	14,56,75,316
Material - FRP materials	5,47,12,810	4,05,36,345
Other Material	17,54,13,452	9,37,67,408
<b>Total Cost Of Material Consumed</b>	<b>58,34,91,808</b>	<b>49,95,54,415</b>
<b>NOTE NO. 24 : PURCHASE OF STOCK IN TRADE</b>		
Materials - Insulators	-	4,00,10,962
<b>Total Trade Purchases</b>	<b>-</b>	<b>4,00,10,962</b>
<b>NOTE NO. 25 : CHANGE IN INVENTORIES &amp; WIP.</b>		
<b>Work in Progress</b>		
Work in progress at the beginning of the year	11,08,08,878	10,15,86,726
Less : work in progress at the end of the year	11,30,42,864	11,08,08,879
<b>(Increase) / Decrease in Inventories</b>	<b>(22,33,986)</b>	<b>(92,22,153)</b>
<b>NOTE NO. 26 : EMPLOYEE BENEFIT EXPENSES</b>		
(a) Salaries & Wages	7,84,59,954	6,03,80,280
(b) Contribution to Provident & Other Funds	28,76,267	22,25,656
(c) Staff Welfare Expenses	18,78,574	14,06,524
<b>Total Employee Benefit Expenses</b>	<b>8,32,14,795</b>	<b>6,40,12,460</b>

Particulars	For the year ended 31.03.2015 ₹	For the year ended 31.03.2014 ₹
<b>NOTE NO. 27 : OTHER OPERATING EXPENSES</b>		
(a) Consumption of Stores & Spares	30,99,138	20,33,312
(b) Power & Fuel	2,59,40,930	2,52,01,109
(c) Repairs to Building	6,04,162	3,82,315
(d) Repairs to Machinery	26,93,653	19,23,622
(e) Insurance	4,38,438	6,13,127
(f) Testing and Inspection charges	1,24,40,958	1,99,97,930
<b>Total Other operating Expenses</b>	<b>4,52,17,279</b>	<b>5,01,51,415</b>
<b>NOTE NO. 28 : ADMINISTRATIVE EXPENSES</b>		
(a) Telephone, Postage and Others	15,81,094	14,76,754
(b) Business Promotion Expenses	27,20,074	27,96,335
(c) Conveyance	10,06,646	9,69,185
(d) Office Maintenance	11,86,642	16,36,187
(e) Printing & Stationery Expenses	5,78,027	5,21,004
(f) Security Charges	14,32,765	13,71,862
(g) Rates & Taxes (excluding Income Tax)	17,42,262	12,23,169
(h) Managerial Remuneration	27,40,000	26,20,000
(i) Consultancy Charges	27,76,453	34,48,411
(j) Rent	34,57,590	34,14,230
(k) Office Electricity charges	5,00,935	4,81,009
(l) Travelling expenses	46,01,320	45,28,900
(m) Vehicle Maintenance	16,34,903	22,06,900
(n) Advertisement expenses	1,17,800	82,396
(o) Commission Paid	9,86,023	10,97,056
(p) Exhibition Expenses	2,17,800	12,48,322
(q) Ocean Freight & Charges	21,92,738	26,17,377
(r) Legal Fees	96,210	2,84,000
(s) Listing Fees	2,20,000	1,25,034
(t) Gifts and Donations	40,000	67,500
(u) Liquidated Damage Charges	49,97,379	59,31,942
(v) Miscellaneous Expenses	49,10,272	46,59,881
(w) Loss on Sale of investments/ Assets	43,758	-
(x) Repairs and Maintenance Others	32,11,502	41,08,072
(y) Auditors Remuneration	4,60,000	6,20,000
(z) Insurance Charges	14,61,193	13,10,834
<b>Total Administrative Expenses</b>	<b>4,49,13,386</b>	<b>4,88,46,360</b>



Particulars	For the year ended 31.03.2015 ₹	For the year ended 31.03.2014 ₹
<b>NOTE NO. 29 : FINANCE COST</b>		
(a) Interest Expenses :		
- Interest on Cash Credit	2,95,76,194	2,78,33,862
- Interest on Term Loan	90,34,568	1,21,45,100
- Bank charges,Commission & Financial charges	1,92,18,921	1,78,88,622
<b>Total Finance Cost</b>	<b>5,78,29,683</b>	<b>5,78,67,584</b>
<b>NOTE NO. 30 : OTHER EXPENSES</b>		
Miscellaneous expenditure written off during the year	-	-
<b>Total Other expenses</b>	<b>-</b>	<b>-</b>

## NOTES TO FINANCIAL STATEMENT

### 31: Long Term & Short Term Borrowings

- a) Term Loan from State Bank of Hyderabad is secured by
  - i) Hypothecation of plant and machinery acquired out of the said loan.
  - ii) Hypothecation against first charge on all unencumbered fixed assets of the company both present and future.
  - iii) Equitable Mortgage of immovable property of M/s Goldstone Technologies Limited
  - iv) Corporate Guarantees of M/s Trinity Infraventures Limited & M/s Goldstone Technologies Limited.
  - v) Personal guarantee of a promoter director of the company.
- b) Working Capital Facilities from State Bank of Hyderabad are secured by:
  - i) Hypothecation against first charge on Current Assets of the company both present and future.
  - ii) Equitable Mortgage of immovable property of M/s Goldstone Technologies Limited.
  - iii) Corporate Guarantee given by M/s Trinity Infraventures Limited & M/s Goldstone Technologies Limited for above loan.
  - iv) Personal guarantee of a promoter director of the company.
- c) Vehicles loans availed are secured by hypothecation of vehicles acquired out of the said loans.

### 32. Other Long Term Liabilities:

The Company has availed Sales Tax

deferment of ₹ NIL/- during the year (Previous Year: ₹ NIL/-). During this financial year the company has repaid an amount of ₹ 1,07,82,935/- (Previous year : ₹ 89,72,704/-)

### 33. Confirmation of Balances with Sundry Debtors and Sundry Creditors

Company has taken necessary steps to get the confirmation of balances from the parties.

34. During the year company has computed Depreciation on Fixed Assets based on the useful life in the manner prescribed in part C of Schedule II of new companies Act 2013. In accordance with the transitional provisions under note 7(b) to Part C of Schedule II of the act, ₹ 67,90,021/- (net of deferred tax of ₹ 32,61,079/-) has been adjusted against retained earnings pertaining to assets whose balance useful life was NIL as at 1<sup>st</sup> April 2014.

### 35. Investments:

Company has invested ₹ 6.01 Cr (Previous year ₹ 6.01 Cr) in TF Solar Power Private Limited towards Equity Share Capital and allotted 60,10,000 shares @ ₹ 10/- each.

### 36. Employee Benefits ( AS-15 )

Retirement benefits to employees the Company has made provision based on actuarial valuation in respect of Gratuity and Leave Encashment as per AS15. The details are as follows:

Particulars	31.03.2015 ₹	31.03.2014 ₹
Gratuity	28,89,629	9,40,762
Leave Encashment	38,286	10,58,196
Bonus	3,88,078	4,20,028

### Defined contribution plan

During year ended March 31, 2015, the company contributed ₹ 22,87,034/- to Provident fund & Pension Fund.



### Defined benefit plan – gratuity

The amounts recognized in the balance sheet as at March 31, 2015 are as follows:

The valuation has been carried out using the projected Unit Credit Method.

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
Present value of funded obligation	-	-
Fair value of plan assets	-	-
Present value of Unfunded obligations	<b>94,53,721</b>	66,61,318
Unrecognized Past Service cost	-	-
Amount not Recognized as an asset		
(limit in Para59(b))	-	-
Net liability	<b>94,53,721</b>	66,61,318
<b>Amounts in Balance Sheet</b>		
Liability – Current	<b>20,03,590</b>	17,72,526
Liability – Non Current	<b>74,50,131</b>	48,88,792
Asset	-	-
Net Liability	<b>94,53,721</b>	66,61,318

**The amounts recognized in the profit and loss account for the year ended March 31, 2015 are as follows:**

Particulars	March 31, 2015 ₹	March 31, 2014 ₹
Current service cost	<b>6,52,763</b>	6,28,539
Interest on Defined Benefit Obligation	<b>6,01,001</b>	4,80,424
Expected return on plan assets	-	-
Net Actuarial Losses/(Gains) Recognized in Year	<b>16,35,865</b>	(1,68,201)
Past Service Cost	-	-
Losses/(Gains) on "Curtailements & Settlements"	-	-
Losses/(Gains) on "Acquisition/Divestiture"	-	-
Effects of the limit in Para 59 (b)		
Total, included in "Employee Benefit Expense"	<b>28,89,629</b>	9,40,762
Actual Return on Plan Assets		

The assumptions used in accounting for the gratuity plan are set out as below:

Particulars	March 31, 2015	March 31, 2014
Discount Rate	<b>7.95%</b>	9.35%
Expected return on plan assets	<b>0.00%</b>	0.00%
Salary Escalation	<b>7.00%</b>	7.00%

**Discount Rate:**

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for estimated term of the obligations.

**Expected Rate of Return on Plan Assets:**

This is based on our expectation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

**Salary Escalation Rate:**

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors

**37. Segment Reporting (AS – 17)**

Since the Company Operate in one segment in manufacturing activities – Composite Polymer Insulators, segment reporting as required under Accounting Standard – 17 is not applicable.

**38. Related Party Transactions ( AS – 18)**

(₹ In lakhs)

SL No.	Name of the Party	Nature of Transaction	2014-15	2013-14
1	LP Sashikumar	MD Remuneration, and Other benefits.	<b>26.00</b>	26.00

**39. Earnings Per Share (EPS) ( AS – 20 )**

Calculation of EPS

	2014-15	2013-14
Profit after tax during the year (₹)	<b>4,91,93,147</b>	2,11,82,951
Earnings available to Equity Shareholders for Basic & Diluted EPS (₹)	<b>4,91,93,147</b>	2,11,82,951
Weighted Average Number of Shares taken for computation of EPS		
- Basic	<b>3,60,80,737</b>	3,60,80,737
- Diluted	<b>3,60,80,737</b>	3,60,80,737
Earning per Share		
- Basic (₹)	<b>1.36</b>	0.59
- Diluted (₹)	<b>1.36</b>	0.59
Face Value of the Share (₹)	<b>4.00</b>	4.00



#### 40. Deferred Tax Assets & Liabilities ( AS – 22 )

In accordance with Accounting Standard 22 (AS22) issued by the ICAI, the Company has accounted for deferred income tax during the year. The deferred income tax provision for the current year amounting to the ₹ **48,89,684/-** towards deferred Income Tax Asset. (Previous year ₹ 69,52,226/- towards Deferred Tax Asset). An amount of ₹ **32,61,079/-** has been adjusted towards deferred tax asset (Net) which has been calculated in the manner prescribed in Part C of Schedule II of new companies Act 2013.

#### 41. Impairment of Assets (AS – 28) Nil

#### 42. Remuneration:

##### Managing Director

( ₹ In lakhs )

	Year ended 31.03.2015	Year ended 31.03.2014
Salary	26.00	26.00
Reimbursements and others	-	-
Total	26.00	26.00

#### Auditors Remuneration

( ₹ In lakhs )

	Year ended 31.03.2015	Year ended 31.03.2014
Statutory Audit Fee	2.50	2.50
Tax Audit Fee	0.50	0.50
Total	3.00	3.00

43. During the year Company has made an additional provision of ₹ 49.97 lacs for Late Delivery charges.

#### 44. Prior Period Adjustments & Extra ordinary items: (AS - 5)

Prior period adjustment of ₹ **(16,64,866)** ( Previous year ₹ **44,09,937** ) shown in the Profit and Loss account is the net amount of the debits and credits pertaining to previous years, which were not provided during those periods.

**45. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPHS 5 OF SCHEDULE III TO THE COMPANIES ACT, 2013:**

Particulars	2014-15		2013-14	
<b>a. Licensed Capacity</b>	NA		NA	
<b>b. Installed capacity</b>				
- Polymer Insulators	Depends on product mix		Depends on product mix	
	<b>Quantity</b>	<b>Value (₹)</b>	<b>Quantity</b>	<b>Value (₹)</b>
<b>c. Production</b>				
- Polymer Insulators(Nos.)	2,46,629		2,47,602	
<b>d. Net Sales</b>				
- Polymer Insulators	2,46,497	89,56,04,082	2,47,368	74,60,60,075
- Others		2,59,09,309		5,71,86,859
<b>Total</b>		92,15,13,391		80,32,46,934
<b>e. Material consumption</b>				
- Silicon Rubber		23,25,83,144		21,95,75,346
- FRP material		5,47,12,810		4,05,36,345
- Hardware items		12,07,82,402		14,56,75,316
- Others		17,54,13,452		9,37.67,408
		58,34,91,808		49,95,54,415
<b>f. Break-up of material consumption (excluding trading material )</b>				
Indigenous	70.05%	40,87,12,693	47.28%	23,62,16,401
Imported	29.95%	17,47,79,115	52.72%	26,33,38,014
	100.00%	58,34,91,808	100.00%	49,95,54,415
<b>g. Earnings in Foreign currency</b>				
Export of goods		47,33,828		3,76,05,476
Deemed Export of Goods		6,40,32,996		-
<b>h. Value of imports on CIF Basis</b>				
- Materials including trading materials		17,29,33,185		13,31,95,582
- Capital Goods		69,65,002		85,73,880
<b>i. Expenditure in foreign currency</b>				
On travel		1,23,452		3,78,847
Others		32,50,298		1,52,152



**46. Contingent Liabilities not provided for**

- a) Letter of credit – ₹ **892.18 lakhs** (Previous year: ₹ 802.53 lakhs)
- b) Bank Guarantees – ₹ **3,069.54 lakhs** (Previous year: ₹ 2,087.48 lakhs)
- c) Commitments on capital contracts remaining to be executed ₹ **230.00 lakhs** (Previous year: ₹ 170.00 lakhs)
- d) Un-claimed dividend amount for the years 2007-08, 2008-09, 2009-10, 2010-2011 and 2011-12 is lying in the Dividend Account at Axis Bank for an amount of ₹ 2,24,140, ₹ 2,19,954, ₹ 1,29,968, ₹ 1,31,219 and ₹ 1,08,923 respectively.

**47.** During the year company has not made any provision for Intangible Assets – Goodwill.

**48.** Figures have been rounded off to the nearest rupee.

**49.** Previous year's figures have been regrouped / rearranged wherever necessary.

AS PER OUR REPORT OF EVEN DATE

**For P. Murali & Co.,**

Firm Regn. No: 007257S

Chartered Accountants

Sd/-

**P. Murali Mohana Rao**

Partner

M.No. 023412

Place : Secunderabad

Date : 23rd May, 2015

**For and on behalf of the board**

Sd/-

**L P Sashikumar**  
Managing Director

Sd/-

**B Appa Rao**  
Director

Sd/-

**P Syam Prasad**  
CFO

Sd/-

**P. Hanuman Prasad**  
Company Secretary

## Cash Flow Statements as at March 31, 2015

( ₹ In lakhs )

Particulars	31.03.2015	31.03.2014
<b>A. Cash Flow from operating activity</b>		
Net Profit before tax	643.03	306.35
<b>Adjustments for:</b>		
Depreciation Adjustment	-	-
Miscellaneous expenditure written off	-	-
Provision for Gratuity & Earned Leave & others	94.33	73.30
Loss on sale of Assets/ Investments	0.44	-
Other Income	(133.68)	(69.77)
Operating Profit before working capital changes	<b>604.13</b>	<b>309.88</b>
<b>Adjustments for:</b>		
Trade and other receivables	(846.67)	(763.79)
Inventories	103.74	(61.79)
Trade advances	62.56	(26.77)
Trade Payable	525.33	251.69
<b>Cash generated from operations</b>	<b>449.09</b>	<b>(290.77)</b>
Direct Taxes paid (net)	(72.86)	(38.87)
Gratuity, EL encashment & others Paid	(61.85)	(52.41)
Cashflow before extraordinary items	314.38	(382.05)
<b>Net Cash flow from operating activity</b>	<b>314.38</b>	<b>(382.05)</b>
<b>B. Cash Flow from Investing Activity</b>		
Fixed assets	387.36	(178.76)
Capital work in progress	-	138.58
Investments	-	-
Other income	133.68	69.77
Loss on Sale of Assets/ Investments	(0.44)	-
<b>Net Cash used for investing activity</b>	<b>520.60</b>	<b>29.59</b>
<b>C. Cash Flow from financing activities</b>		
Long term borrowings	(475.18)	320.05
Short Term borrowings	72.21	262.76
Deferred sales tax loan payment	(107.83)	(89.73)
Dividend paid	-	-
<b>Net cash generated from financing activity</b>	<b>(510.80)</b>	<b>493.08</b>
Cash and cash equivalents (Opening Balance)	595.10	454.48
Net increase in Cash & Cash equivalents (A+B+C)	324.18	140.62
Cash and cash equivalents (Closing Balance)	919.29	595.10

AS PER OUR REPORT OF EVEN DATE

**For P. Murali & Co.,**

Firm Regn. No: 007257S

Chartered Accountants

Sd/-

**P. Murali Mohana Rao**

Partner

M.No. 023412

Place : Secunderabad

Date : 23rd May, 2015

**For and on behalf of the board**

Sd/-

**L P Sashikumar**  
Managing Director

Sd/-

**B Appa Rao**  
Director

Sd/-

**P Syam Prasad**  
CFO

Sd/-

**P. Hanuman Prasad**  
Company Secretary





## **INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

To the Members of  
**M/s. Goldstone Infratech Limited**

### **Report on the consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **Goldstone Infratech Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Consolidated 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated 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 Companies (Accounts) Rules, 2014. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are 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 consolidated 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 consolidated 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 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 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 Company's Directors, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS)-21-Consolidated Financial Statements, and Accounting Standard (AS) 27-Financial Reporting of Interest in Joint Ventures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014

### **Other Matter**

We did not audit the financial statements of one Subsidiary Company included in the

consolidated financials whose interim financial statements reflect total assets Rs. 30,29,89,963/- as at 31/03/2015 as well the total revenue of Rs. 41,87,08,580/- as at 31/03/2015. These interim financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinions on the year to date results, to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

For **P. Murali & CO.,**  
Chartered Accountants  
Firm Registration No : 007257S  
Sd/-  
**P. Murali Mohana Rao**  
Partner  
M.No. 023412

Place: Hyderabad  
Date: 23<sup>rd</sup> May, 2015

### Consolidated Balance Sheet as at 31st March, 2015

Particulars	Note No	As on 31/03/2015 ₹	As on 31/03/2014 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	14,43,22,948	14,43,22,948
(b) Reserves and Surplus	2	65,97,80,109	61,73,51,822
(c) Money received against share warrants			
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	3	13,24,61,537	19,38,13,455
(b) Deferred tax liabilities (Net)	4	5,87,27,604	6,69,03,530
(c) Other Long term liabilities	5	5,68,15,074	7,45,80,451
(d) Long term provisions	6	1,16,73,602	94,31,873
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	7	26,44,66,625	25,02,62,954
(b) Trade payables	8	22,59,92,811	16,57,21,203
(c) Other current liabilities	9	1,61,67,107	2,13,20,878
(d) Short-term provisions	10	6,58,97,651	3,36,16,941
<b>Total</b>		<b>1,63,63,05,068</b>	<b>1,57,73,26,055</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	11&12	78,80,38,971	83,70,59,604
(ii) Intangible assets		13,60,489	13,60,489
(iii) Capital work-in-progress		18,78,73,814	18,76,02,957
(iv) Intangible assets under development			
(b) Non-current investments	13	-	-
(c) Long term loans and advances	14	1,61,17,508	17,44,19,212
(d) Other non-current assets	15	21,268	21,268
<b>(2) Current assets</b>			
(a) Inventories	16	16,80,60,368	17,84,34,410
(b) Trade receivables	17	34,59,00,211	26,12,33,279
(c) Cash and cash equivalents	18	9,19,65,162	5,95,59,165
(d) Short-term loans and advances	19	39,63,390	69,72,232
(e) Other current assets	20	3,30,03,887	2,76,63,439
<b>Total</b>		<b>1,63,63,05,068</b>	<b>1,57,73,26,055</b>

Summary of Significant Accounting Policies

Notes on Financial Statement 1 to 49

AS PER OUR REPORT OF EVEN DATE

**For P. Murali & Co.,**

Firm Regn. No: 007257S

Chartered Accountants

Sd/-

**P. Murali Mohana Rao**

Partner

M.No. 023412

Place : Secunderabad

Date : 23rd May, 2015

**For and on behalf of the board**

Sd/-

**L P Sashikumar**  
Managing Director

Sd/-

**B Appa Rao**  
Director

Sd/-

**P Syam Prasad**  
CFO

Sd/-

**P. Hanuman Prasad**  
Company Secretary

### Consolidated Profit and Loss statement for the year ended 31st March, 2015

Particulars	Note No	As on 31/03/2015 ₹	As on 31/03/2014 ₹
I. Revenue from operations	21	92,15,13,392	80,32,46,934
II. Other Income	22	1,33,67,793	69,77,017
<b>III. Total Revenue (I + II)</b>		<b>93,48,81,185</b>	<b>81,02,23,951</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	23	58,34,91,808	49,95,54,415
Purchase of Stock-in-Trade	24	-	4,00,10,962
Changes in inventories of Finished, WIP and Stock-in-Trade	25	(22,33,986)	(92,22,153)
Employee benefit expense	26	8,32,14,795	6,40,12,460
Other operating expenses	27	4,52,17,279	5,01,51,415
Administrative Expenses	28	4,49,13,386	4,88,26,360
Financial costs	29	5,78,29,683	5,78,67,584
Depreciation and amortization expense	11&12	5,64,79,891	2,39,77,794
Other expenses	30	-	-
<b>Total Expenses</b>		<b>86,89,12,856</b>	<b>77,51,78,837</b>
V. Profit before exceptional and extraordinary items and tax ( III - IV)		6,59,68,329	3,50,45,114
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		6,59,68,329	3,50,45,114
VIII. Prior Period adjustments & Extraordinary Items		(16,64,866)	(44,09,937)
IX. Profit before tax (VII - VIII)		<b>6,43,03,463</b>	<b>3,06,35,177</b>
X. Tax expense:			
(1) Current tax		2,00,00,000	25,00,000
(2) Deferred tax		(49,65,442)	69,01,631
XI. Profit after tax		4,92,68,905	2,12,33,546
XII. Profit/(Loss) for the period		<b>4,92,68,905</b>	<b>2,12,33,546</b>
XIII. Earning per equity share: ( Refer Note No. 38 )			
(1) Basic		1.37	0.59
(2) Diluted		1.37	0.59

Summary of Significant Accounting Policies  
Notes on Financial Statement 1 to 49  
AS PER OUR REPORT OF EVEN DATE

**For P. Murali & Co.,**  
Firm Regn. No: 007257S  
Chartered Accountants  
Sd/-

**P. Murali Mohana Rao**  
Partner  
M.No. 023412  
Place : Secunderabad  
Date : 23rd May, 2015

**For and on behalf of the board**

Sd/-  
**L P Sashikumar**  
Managing Director

Sd/-  
**B Appa Rao**  
Director

Sd/-  
**P Syam Prasad**  
CFO

Sd/-  
**P. Hanuman Prasad**  
Company Secretary

**NOTES TO BALANCE SHEET AS AT MARCH 31, 2015**

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
<b>NOTE NO.1 : SHARE CAPITAL</b>		
I Share Capital :		
(a) Authorised : 6,16,25,000 No. of Equity Shares @ ₹ 4/- each	24,65,00,000	24,65,00,000
(b) Issued: 3,60,80,737 No. of Equity Shares @₹4/- each fully paid up	14,43,22,948	14,43,22,948
(c) Subscribed & fully paid up : 3,60,80,737 No. of Equity Shares @ ₹ 4/- each.	14,43,22,948	14,43,22,948
(d) Subscribed & not fully paid up		
(e) Par value per share ₹ 4/-		
<b>Total Equity Share capital:</b>	<b>14,43,22,948</b>	<b>14,43,22,948</b>
II Preference shares at the beginning as per class of shares	-	-
<b>Total Share capital (Equity and Preference)</b>	<b>14,43,22,948</b>	<b>14,43,22,948</b>
III Calls unpaid :	-	-
IV Forfeited shares (amount originally paid up)	-	-
V <b>A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:</b>	<b>Number of Shares</b>	
Equity Shares of ₹ 4/- Each, Fully paid up :		
At the Beginning	3,60,80,737	3,60,80,737
Issued during the year		
Forfeited / Bought Back during the year		
At the end	3,60,80,737	3,60,80,737
VI <b>Details of Shareholder holding more than 5% shares of the Company</b>	<b>% of Share Holding</b>	
<b>Equity Shares of ₹ 4/- each Held By</b>		
Trinity Infraventures Limited		
-1,77,76,165 Nos. (1,77,76,165 Nos.)	49.27%	49.27%
Rajasthan Global Securities Limited	7.85%	-
- 28,32,302 Nos. (Nil)		
LRSD Global Holdings Pvt. Ltd - NIL	-	7.40%
(26,68,999 Nos.)		

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
<b>NOTE NO. 2 : RESERVES AND SURPLUS</b>		
a) Securities Premium Reserve		
As at the commencement of the year	42,65,13,494	42,65,13,494
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
	<b>42,65,13,494</b>	<b>42,65,13,494</b>
b) General Reserves		
As at the commencement of the year	14,86,32,346	14,86,32,346
Add: Additions during the year	-	-
Less: Utilised	-	-
	<b>14,86,32,346</b>	<b>14,86,32,346</b>
c) Surplus :		
Opening Balance - Profit and Loss Account	4,21,55,385	2,09,72,436
Add: Transfer from Profit & Loss Account	4,92,68,905	2,12,33,546
Less: Transfer To General Reserve	-	-
Less: Dividend and Dividend Tax	-	-
Less: Bonus shares	-	-
Less: Prior period taxes	-	-
Less: Depreciation Adjustments	67,90,021	-
	8,46,34,021	4,22,05,982
<b>Total Reserves and Surplus</b>	<b>65,97,80,109</b>	<b>61,73,51,822</b>
<b>NOTE NO. 3 : LONG TERM BORROWINGS</b>		
Long Term borrowings		
a) Term loans:		
From banks: ( Refer Note No. 31 (a) & ( c ) )		
Secured - State Bank of Hyderabad and others	56,66,157	2,77,68,442
Unsecured	-	-
From other parties:		
Secured - Technology Development Board	-	-
Unsecured - Others	12,67,95,380	16,60,45,013
<b>Notes :</b>		
Securities and Personal Guarantees details given in the Note to Financial Statement		
<b>Total long term borrowings</b>	<b>13,24,61,537</b>	<b>19,38,13,455</b>

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
<b>NOTE NO. 4 : DEFERRED TAX LIABILITY ( NET )</b>		
Opening Deferred tax Liability	6,69,54,125	6,00,01,899
Add: Deferred Tax Liability for the year		
( Due to SLM and WDV Difference )	(49,65,442)	69,01,631
Less: Deferred tax adjustment on Depreciation	(32,61,079)	-
<b>Gross Deferred tax Liability</b>	<b>5,87,27,604</b>	<b>6,69,03,530</b>
Opening Deferred tax Asset	-	-
Deferred Tax Assets for the year	-	-
<b>Gross Deferred tax Asset</b>	<b>-</b>	<b>-</b>
<b>Deferred Tax Liability/ ( Asset ) - Net</b>	<b>5,87,27,604</b>	<b>6,69,03,530</b>
<b>NOTE NO. 5 : OTHER LONG TERM LIABILITIES</b>		
a) Others - Sales Tax Deferment Loan ( interest free ) ( Refer Note No. 32)	5,68,15,074	7,45,80,451
<b>Total other long term liabilities</b>	<b>5,68,15,074</b>	<b>7,45,80,451</b>
<b>NOTE NO. 6 : LONG TERM PROVISIONS</b>		
a) Provisions for employee benefits ( Refer Note No. 36)		
- Provision for Gratuity	94,53,721	66,61,318
- Provision for Leave Encashment	18,31,803	23,50,527
b) Others - Bonus	3,88,078	4,20,028
<b>Total Long Term Provisions</b>	<b>1,16,73,602</b>	<b>94,31,873</b>
<b>NOTE NO. 7 : SHORT TERM BORROWINGS</b>		
Short term borrowings		
a) Working Capital from banks ( Refer note No. 31 (b) )		
Secured - State Bank of Hyderabad	22,93,05,615	20,13,33,055
b) Term Loans repayable with in 12months:		
From banks		
Secured	3,51,61,010	3,82,07,839
Unsecured	-	-
From other parties		
Secured	-	-
Unsecured	-	1,07,22,060
c) Loans and advances from other parties		
Secured	-	-
Unsecured	-	-
<b>Total short term borrowings</b>	<b>26,44,66,625</b>	<b>25,02,62,954</b>

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
<b>NOTE NO. 8 : TRADE PAYABLES</b>		
a) Trade Payables	9,90,16,256	9,08,09,517
b) Liabilities to Transporters	75,33,152	1,09,16,144
c) Liabilities to Consultants and individuals	20,12,955	22,67,724
d) Liabilities to Capital purchases	8,97,82,947	4,80,09,691
e) Liabilities to Miscellaneous Creditors	2,76,47,501	1,37,18,127
<b>Total Trade Payables</b>	<b>22,59,92,811</b>	<b>16,57,21,203</b>
<b>NOTE NO. 9 : OTHER CURRENT LIABILITES</b>		
a) Interest accrued but not due on borrowings	5,40,061	7,78,968
b) Advances received from Customers.	1,56,27,046	2,05,41,910
<b>Total other current liabilities</b>	<b>1,61,67,107</b>	<b>2,13,20,878</b>
<b>NOTE NO. 10 : SHORT TERM PROVISIONS</b>		
a) Provisions for employee benefits		
PF Payable	5,33,896	12,11,693
ESI Payable	71,983	77,104
Salaries Payable	55,11,373	38,22,158
b) Others		
Statutory Liabilities	1,53,94,597	1,33,04,103
Provision for Expenses	57,89,774	16,03,233
Provision for Late Delivery Charges	1,60,96,028	1,10,98,650
Provision for income tax	2,25,00,000	25,00,000
Provision for Dividend	-	-
<b>Total short term provisions</b>	<b>6,58,97,651</b>	<b>3,36,16,941</b>
<b>NOTE NO. 13 : NON- CURRENT INVESTMENTS</b>		
Non- Current Assets		
1) Investment in Subsidiaries		
a) Equity Shares		
TF Solarpower Private Limited 100% holding	-	-
<b>Total Non Current Investments</b>	-	-
<b>Less: Provision for Diminution in Investments</b>	-	-
<b>Total Non - Current Assets ( Net )</b>	-	-
<b>Notes :</b>		
II Detailed note given in the Notes to Account No.35		



**NOTE NO. 11 & 12 : FIXED ASSETS AS AT MARCH 31, 2015**

Particulars	Gross Block			Depreciation / Amortization					Net Block as on 31-03-2015	Net Block as on 31-03-2014
	As on 01-04-2014	Additions during the year	Sale / Deletions during the year	As on 31-03-2015	Depreciation as on 01-04-2014	Adjustment to Reserves	Depreciation for the year 2014-2015	Depreciation reserve on Deletion		
LAND & LAND DEVELOPMENT	₹ 42,75,05,488	-	-	₹ 42,75,05,488	-	-	-	-	₹ 42,75,05,488	₹ 42,75,05,488
BUILDING	7,66,81,554	-	-	7,66,81,554	1,76,24,470	-	21,42,462	-	5,69,14,622	5,90,57,084
PLANT & MACHINERY	39,86,56,882	1,06,50,804	-	40,93,07,686	7,57,88,674	81,91,760	4,95,11,579	-	27,58,15,673	32,28,68,208
ELECTRICAL EQUIPMENT	1,00,56,232	-	-	1,00,56,232	20,12,588	2,56,963	14,07,587	-	63,77,138	80,43,644
LABORATORY EQUIPMENT	1,53,41,403	34,72,309	-	1,88,13,712	26,06,329	9,87,627	18,21,945	-	54,15,901	1,27,35,074
OFFICE EQUIPMENT	20,98,521	49,399	-	21,47,920	9,57,213	3,17,331	4,13,186	-	16,87,730	11,41,308
COMPUTERS	1,38,69,399	2,78,832	-	1,41,48,231	1,38,69,399	-	30,822	-	1,39,00,221	-
FURNITURE	45,44,773	55,063	-	45,99,836	39,50,077	-	1,31,643	-	5,18,116	5,94,696
VEHICLES	1,47,64,694	34,92,673	4,75,000	1,77,82,367	1,43,68,781	-	4,64,938	1,81,242	31,29,890	3,95,913
GENERATOR	78,64,549	-	-	78,64,549	38,55,299	2,97,420	6,08,848	-	31,02,982	40,09,250
LEASEHOLD IMPROVEMENTS	5,75,290	-	-	5,75,290	3,53,338	-	47,921	-	1,74,031	2,21,952
AIR CONDITIONERS	5,10,768	-	-	5,10,768	1,27,996	-	1,25,011	-	2,57,761	3,82,772
TOOLS AND SPARES	1,13,073	38,535	-	1,51,608	8,858	-	7,447	-	1,35,303	1,04,215
TEMPORARY SHEDS	-	-	-	-	-	-	-	-	-	-
INTANGIBLE FIXED ASSETS	13,60,489	-	-	13,60,489	-	-	-	-	13,60,489	13,60,489
CAPITAL WORK IN PROGRESS	18,76,02,957	2,70,857	-	18,78,73,814	-	-	-	-	18,78,73,814	18,76,02,957
TOTAL	1,16,15,46,072	1,83,08,472	4,75,000	1,17,93,79,544	13,55,23,022	1,00,51,101	5,67,13,389	1,81,242	97,72,73,274	1,02,60,23,050
Previous Year	1,13,33,49,358	4,92,56,585	2,10,59,871	1,16,15,46,072	11,13,89,286	-	2,41,33,736	-	1,02,60,23,050	1,02,19,60,072

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
<b>NOTE NO. 14 : LONG TERM LOANS AND ADVANCES</b>		
Long - term loans and advances:		
a) Capital advance		
Secured	1,24,81,650	1,42,88,313
Unsecured	-	-
Doubtfull	-	-
b) Security Deposit		
Secured	36,35,858	31,30,899
Unsecured	-	-
Doubtfull	-	-
Total Long term loans & advances	1,61,17,508	1,74,19,212
Less : Provision for Doubtfull Debts	-	-
Total Long term loans & advances( net )	<b>1,61,17,508</b>	<b>1,74,19,212</b>
<b>NOTE NO.15 : OTHER NON-CURRENT ASSETS</b>		
Unamortised Expenses	21,268	21,268
Interest Accrued on Deposits	-	-
Insurance Claims	-	-
Total other non current assets	21,268	21,268
Less : Provision for Bad and Doubtful debts	-	-
<b>Total non - current assets( net )</b>	<b>21,268</b>	<b>21,268</b>
<b>NOTE NO. 16 : INVENTORIES</b>		
I Inventories :		
a) Raw materials		
- Silicon Rubber	78,19,228	3,52,78,149
- Hardware items	1,50,37,127	1,22,58,495
- FRP materials	68,80,194	44,16,954
- Others	2,52,80,955	1,56,71,933
Sub Total	5,50,17,504	6,76,25,531
b) Work - in - progress		
- Railway Insulators	3,11,570	4,89,865
- Transmission & Distribution Insulators	11,27,31,294	11,03,19,014
Sub Total	11,30,42,864	11,08,08,879
<b>Total Inventories</b>	<b>16,80,60,368</b>	<b>17,84,34,410</b>

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
<b>NOTE NO. 17 : TRADE RECEIVABLES</b>		
<b>I Outstanding for a period exceeding six months from the date they are due for payment</b>		
Secured, Considered Good	-	-
Unsecured, Considered Good	34,49,272	51,37,900
Doubtful	-	-
	<b>34,49,272</b>	<b>51,37,900</b>
<b>II Other Receivables:</b>		
Secured, Considered Good	-	-
Unsecured, Considered Good	34,24,50,939	25,60,95,379
Doubtful	-	-
	34,24,50,939	25,60,95,379
<b>Total trade recivable</b>	34,59,00,211	26,12,33,279
Less : Allowance for bad & doubtful debts	-	-
<b>Total Trade Receivables(net)</b>	<b>34,59,00,211</b>	<b>26,12,33,279</b>
<b>NOTE NO. 18: CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents :		
a) Balances with banks :		
1) On Current Accounts	12,21,361	6,84,293
2) Bank Deposits against BG & LC with less than 12 months maturity	1,14,21,097	70,47,287
3) Bank deposits against BG & LC with more than 12 months maturity	7,46,11,490	5,01,14,385
4) Interest accrued on Fixed Deposits	45,82,623	16,71,622
b) Cheques, Draft on hand	-	-
c) Cash on hand	1,28,591	41,578
<b>Total Cash and Cash Equivalents</b>	<b>9,19,65,162</b>	<b>5,95,59,165</b>
<b>NOTE NO. 19 : SHORT TERM LOANS AND ADVANCES</b>		
short - term loans and advances:		
a) Other loans And advances		
Unsecured:		
- for Staff Advances	95,627	2,84,132
- for Suppliers	25,38,778	17,16,739
- for Others	13,28,985	49,71,361
<b>Total short term loans &amp; advances</b>	39,63,390	69,72,232
Less : Provision for Doubtfull Debts	-	-
<b>Total short term loans &amp; advances( net )</b>	<b>39,63,390</b>	<b>69,72,232</b>

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
<b>NOTE NO.20 : OTHER CURRENT ASSETS</b>		
I TDS Receivable & Advance Taxes	98,08,246	25,22,365
Prepaid Expenses	77,00,578	79,52,705
Balances with Government Departments	1,54,95,063	1,71,88,369
	<b>3,30,03,887</b>	<b>2,76,63,439</b>
Particulars	For the year ended 31.03.2015 ₹	For the year ended 31.03.2014 ₹
<b>NOTE NO. 21 : REVENUE FROM OPERATIONS</b>		
Revenue from operations		
(a) Sale of Products	99,51,19,298	87,38,95,673
Less: Excise Duties	7,36,05,906	7,06,48,739
<b>Total Revenue from Operations</b>	<b>92,15,13,392</b>	<b>80,32,46,934</b>
<b>NOTE NO. 22 : OTHER INCOME</b>		
(a) Interest income	55,23,876	31,98,607
(b) Other non-operating income	78,43,917	37,78,410
<b>Total Other Income</b>	<b>1,33,67,793</b>	<b>69,77,017</b>
<b>NOTE NO. 23 : COST OF MATERIALS CONSUMED</b>		
Material - Silicon Rubber	23,25,83,144	21,95,75,346
Material - Hardware items	12,07,82,402	14,56,75,316
Material - FRP materials	5,47,12,810	4,05,36,345
Other Material	17,54,13,452	9,37,67,408
<b>Total Cost Of Material Consumed</b>	<b>58,34,91,808</b>	<b>49,95,54,415</b>
<b>NOTE NO. 24 : PURCHASE OF STOCK IN TRADE</b>		
Materials - Insulators	-	4,00,10,962
<b>Total Trade Purchases</b>	<b>-</b>	<b>4,00,10,962</b>
<b>NOTE NO. 25 : CHANGE IN INVENTORIES &amp; WIP.</b>		
Work in Progress		
Work in progress at the beginning of the year	11,08,08,878	10,15,86,726
Less : work in progress at the end of the year	11,30,42,864	11,08,08,879
<b>(Increase) / Decrease in Inventories</b>	<b>(22,33,986)</b>	<b>(92,22,153)</b>
<b>NOTE NO. 26 : EMPLOYEE BENEFIT EXPENSES</b>		
(a) Salaries & Wages	7,84,59,954	6,03,80,280
(b) Contribution to Provident & Other Funds	28,76,267	22,25,656
(c) Staff Welfare Expenses	18,78,574	14,06,524
<b>Total Employee Benefit Expenses</b>	<b>8,32,14,795</b>	<b>6,40,12,460</b>

Particulars	For the year ended 31.03.2015 ₹	For the year ended 31.03.2014 ₹
<b>NOTE NO. 27 : OTHER OPERATING EXPENSES</b>		
(a) Consumption of Stores & Spares	30,99,138	20,33,312
(b) Power & Fuel	2,59,40,930	2,52,01,109
(c) Repairs to Building	6,04,162	3,82,315
(d) Repairs to Machinery	26,93,653	19,23,622
(e) Insurance	4,38,438	6,13,127
(f) Testing and Inspection charges	1,24,40,958	1,99,97,930
<b>Total Other operating Expenses</b>	<b>4,52,17,279</b>	<b>5,01,51,415</b>
<b>NOTE NO. 28 : ADMINISTRATIVE EXPENSES</b>		
(a) Telephone, Postage and Others	15,81,094	14,76,754
(b) Business Promotion Expenses	27,20,074	27,96,335
(c) Conveyance	10,06,646	9,69,185
(d) Office Maintenance	11,86,642	16,36,187
(e) Printing & Stationery Expenses	5,78,027	5,21,004
(f) Security Charges	14,32,765	13,71,862
(g) Rates & Taxes (excluding Income Tax)	17,42,262	12,23,169
(h) Managerial Remuneration	27,40,000	26,20,000
(i) Consultancy Charges	27,76,453	34,48,411
(j) Rent	34,57,590	34,14,230
(k) Office Electricity charges	5,00,935	4,81,009
(l) Travelling expenses	46,01,320	45,28,900
(m) Vehicle Maintenance	16,34,903	22,06,900
(n) Advertisement expenses	1,17,800	82,396
(o) Commission Paid	9,86,023	10,97,056
(p) Exhibition Expenses	2,17,800	12,48,322
(q) Ocean Freight & Charges	21,92,738	26,17,377
(r) Legal Fees	96,210	2,84,000
(s) Listing Fees	2,20,000	1,25,034
(t) Gifts and Donations	40,000	67,500
(u) Liquidated Damage Charges	49,97,379	59,31,942
(v) Miscellaneous Expenses	49,10,272	46,59,881
(w) Loss on Sale of investments/ Assets	43,758	-
(x) Repairs and Maintenance Others	32,11,502	41,08,072
(y) Auditors Remuneration	4,60,000	6,20,000
(z) Insurance Charges	14,61,193	13,10,834
<b>Total Administrative Expenses</b>	<b>4,49,13,386</b>	<b>4,88,46,360</b>

Particulars	For the year ended 31.03.2015 ₹	For the year ended 31.03.2014 ₹
<b>NOTE NO. 29 : FINANCE COST</b>		
(a) Interest Expenses :		
- Interest on Cash Credit	2,95,76,194	2,78,33,862
- Interest on Term Loan	90,34,568	1,21,45,100
- Bank charges,Commission & Financial charges	1,92,18,921	1,78,88,622
<b>Total Finance Cost</b>	<b>5,78,29,683</b>	<b>5,78,67,584</b>
<b>NOTE NO. 30 : OTHER EXPENSES</b>		
Miscellaneous expenditure written off during the year	-	-
<b>Total Other expenses</b>	<b>-</b>	<b>-</b>



## NOTES TO FINANCIAL STATEMENT

### 31: Long Term & Short Term Borrowings

- a) Term Loan from State Bank of Hyderabad is secured by
  - i) Hypothecation of plant and machinery acquired out of the said loan.
  - ii) Hypothecation against first charge on all unencumbered fixed assets of the company both present and future.
  - iii) Equitable Mortgage of immovable property of M/s Goldstone Technologies Limited
  - iv) Corporate Guarantees of M/s Trinity Infraventures Limited & M/s Goldstone Technologies Limited.
  - v) Personal guarantee of a promoter director of the company.
- b) Working Capital Facilities from State Bank of Hyderabad are secured by:
  - i) Hypothecation against first charge on Current Assets of the company both present and future.
  - ii) Equitable Mortgage of immovable property of M/s Goldstone Technologies Limited.
  - iii) Corporate Guarantee given by M/s Trinity Infraventures Limited & M/s Goldstone Technologies Limited for above loan.
  - iv) Personal guarantee of a promoter director of the company.
- c) Vehicles loans availed are secured by hypothecation of vehicles acquired out of the said loans.

### 32. Other Long Term Liabilities:

The Company has availed Sales Tax deferment of ₹ NIL/- during the year

(Previous Year: ₹ NIL/-). During this financial year the company has repaid an amount of ₹ 1,07,82,935/- (Previous year : ₹ 89,72,704/-)

### 33. Confirmation of Balances with Sundry Debtors and Sundry Creditors

Company has taken necessary steps to get the confirmation of balances from the parties.

34. During the year company has computed Depreciation on Fixed Assets based on the useful life in the manner prescribed in part C of Schedule II of new companies Act 2013. In accordance with the transitional provisions under note 7(b) to Part C of Schedule II of the act, ₹ 67,90,021/- (net of deferred tax of ₹ 32,61,079/-) has been adjusted against retained earnings pertaining to assets whose balance useful life was NIL as at 1<sup>st</sup> April 2014.

### 35. Investments:

Company has invested ₹ 6.01 Cr (Previous year ₹ 6.01 Cr) in TF Solar Power Private Limited towards Equity Share Capital and allotted 60,10,000 shares @ ₹ 10/- each. Company incurred ₹ 9,89,45,534/- on capitol work in progress till March 31, 2015.

### 36. Employee Benefits ( AS-15 )

Retirement benefits to employees the Company has made provision based on actuarial valuation in respect of Gratuity and Leave Encashment as per AS15. The details are as follows:

Particulars	31.03.2015 ₹	31.03.2014 ₹
Gratuity	28,89,629	9,40,762
Leave Encashment	38,286	10,58,196
Bonus	3,88,078	4,20,028

### Defined contribution plan

During year ended March 31, 2015, the company contributed ₹ 22,87,034/- to Provident fund & Pension Fund.

**Defined benefit plan – gratuity**

The amounts recognized in the balance sheet as at March 31, 2015 are as follows:

The valuation has been carried out using the projected Unit Credit Method.

<b>Particulars</b>	<b>March 31, 2015</b>	<b>March 31, 2014</b>
Present value of funded obligation	-	-
Fair value of plan assets	-	-
Present value of Unfunded obligations	<b>94,53,721/-</b>	66,61,318/-
Unrecognized Past Service cost	-	-
Amount not Recognized as an asset (limit in Para59(b))	-	-
Net liability	<b>94,53,721/-</b>	66,61,318/-
<b>Amounts in Balance Sheet</b>		
Liability – Current	<b>20,03,590/-</b>	17,72,526/-
Liability – Non Current	<b>74,50,131/-</b>	48,88,792/-
Asset	-	-
Net Liability	<b>94,53,721/-</b>	66,61,318/-

**The amounts recognized in the profit and loss account for the year ended March 31, 2015 are as follows:**

<b>Particulars</b>	<b>March 31, 2015 ₹</b>	<b>March 31, 2014 ₹</b>
Current service cost	<b>6,52,763</b>	6,28,539
Interest on Defined Benefit Obligation	<b>6,01,001</b>	4,80,424
Expected return on plan assets	-	-
Net Actuarial Losses/(Gains) Recognized in Year	<b>16,35,865</b>	(1,68,201)
Past Service Cost	-	-
Losses/(Gains) on “Curtailments & Settlements”	-	-
Losses/(Gains) on “Acquisition/Divestiture”	-	-
Effects of the limit in Para 59 (b)		
Total, included in “Employee Benefit Expense”	<b>28,89,629</b>	9,40,762
Actual Return on Plan Assets		





**The assumptions used in accounting for the gratuity plan are set out as below:**

Particulars	March 31, 2015	March 31, 2014
Discount Rate	<b>7.95%</b>	9.35%
Expected return on plan assets	<b>0.00%</b>	0.00%
Salary Escalation	<b>7.00%</b>	7.00%

**Discount Rate:**

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for estimated term of the obligations.

**Expected Rate of Return on Plan Assets:**

This is based on our expectation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

**Salary Escalation Rate:**

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors

**37. Segment Reporting (AS – 17)**

Since the Company Operate in one segment in manufacturing activities – Composite Polymer Insulators, segment reporting as required under Accounting Standard – 17 is not applicable.

**38. Related Party Transactions ( AS – 18)**

(₹ In lakhs)

SL No.	Name of the Party	Nature of Transaction	2014-15	2013-14
1	LP Sashikumar	MD Remuneration, and Other benefits.	<b>26.00</b>	26.00

**39. Earnings Per Share (EPS) ( AS – 20 )**

Calculation of EPS

	2014-15	2013-14
Profit after tax during the year (₹)	<b>4,91,93,147</b>	2,11,82,951
Earnings available to Equity Shareholders for Basic & Diluted EPS (₹)	<b>4,91,93,147</b>	2,11,82,951
Weighted Average Number of Shares taken for computation of EPS		
- Basic	<b>3,60,80,737</b>	3,60,80,737
- Diluted	<b>3,60,80,737</b>	3,60,80,737
Earning per Share		
- Basic (₹)	<b>1.36</b>	0.59
- Diluted (₹)	<b>1.36</b>	0.59
Face Value of the Share (₹)	<b>4.00</b>	4.00

**40. Deferred Tax Assets & Liabilities ( AS – 22 )**

In accordance with Accounting Standard 22 (AS22) issued by the ICAI, the Company has accounted for deferred income tax during the year. The deferred income tax provision for the current year amounting to the ₹ **49,65,442/-** towards deferred Income Tax Asset. (Previous year ₹ 69,01,631/- towards Deferred Tax Asset). An amount of ₹ **32,61,079/-** has been adjusted towards deferred tax asset (Net) which has been calculated in the manner prescribed in Part C of Schedule II of new companies Act 2013.

**41. Impairment of Assets (AS – 28) Nil**
**42. Remuneration:**
**Managing Director**

( ₹ In lakhs )

	Year ended 31.03.2015	Year ended 31.03.2014
Salary	26.00	26.00
Reimbursements and others	-	-
Total	26.00	26.00

**Auditors Remuneration**

( ₹ In lakhs )

	Year ended 31.03.2015	Year ended 31.03.2014
Statutory Audit Fee	2.50	2.50
Tax Audit Fee	0.50	0.50
Total	3.00	3.00

**43.** During the year Company has made an additional provision of ₹ 49.97 lacs for Late Delivery charges.

**44. Prior Period Adjustments & Extra ordinary items: (AS - 5)**

Prior period adjustment of ₹ **(16,64,866)** ( Previous year ₹ **44,09,937**) shown in the Profit and Loss account is the net amount of the debits and credits pertaining to previous years, which were not provided during those periods.



**45. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPHS 5 OF SCHEDULE III TO THE COMPANIES ACT, 2013:**

Particulars	2014-15		2013-14	
<b>a. Licensed Capacity</b>	NA		NA	
<b>b. Installed capacity</b>				
- Polymer Insulators	Depends on product mix		Depends on product mix	
	<b>Quantity</b>	<b>Value (₹)</b>	<b>Quantity</b>	<b>Value (₹)</b>
<b>c. Production</b>				
- Polymer Insulators(Nos.)	<b>2,46,629</b>		2,47,602	
<b>d. Net Sales</b>				
- Polymer Insulators	<b>2,46,497</b>	<b>89,56,04,082</b>	2,47,368	74,60,60,075
- Others		<b>2,59,09,309</b>		5,71,86,859
<b>Total</b>		<b>92,15,13,391</b>		<b>80,32,46,934</b>
<b>e. Material consumption</b>				
- Silicon Rubber		<b>23,25,83,144</b>		21,95,75,346
- FRP material		<b>5,47,12,810</b>		4,05,36,345
- Hardware items		<b>12,07,82,402</b>		14,56,75,316
- Others		<b>17,54,13,452</b>		9,37.67,408
		<b>58,34,91,808</b>		<b>49,95,54,415</b>
<b>f. Break-up of material consumption (excluding trading material )</b>				
Indigenous	<b>70.05%</b>	<b>40,87,12,693</b>	47.28%	23,62,16,401
Imported	<b>29.95%</b>	<b>17,47,79,115</b>	52.72%	26,33,38,014
	<b>100.00%</b>	<b>58,34,91,808</b>	<b>100.00%</b>	<b>49,95,54,415</b>
<b>g. Earnings in Foreign currency</b>				
Export of goods		<b>47,33,828</b>		3,76,05,476
Deemed Export of Goods		<b>6,40,32,996</b>		-
<b>h. Value of imports on CIF Basis</b>				
- Materials including trading materials		<b>17,29,33,185</b>		13,31,95,582
- Capital Goods		<b>69,65,002</b>		85,73,880
<b>i. Expenditure in foreign currency</b>				
On travel		<b>1,23,452</b>		3,78,847
Others		<b>32,50,298</b>		1,52,152

**46. Contingent Liabilities not provided for**

- a) Letter of credit – ₹ **892.18 lakhs** (Previous year: ₹ 802.53 lakhs)
- b) Bank Guarantees – ₹ **3069.54 lakhs** (Previous year: ₹ 2087.48 lakhs)
- c) Commitments on capital contracts remaining to be executed ₹ **230.00 lakhs** (Previous year: ₹ 170.00 lakhs)
- d) Un-claimed dividend amount for the years 2007-08, 2008-09, 2009-10, 2010-2011 and 2011-12 is lying in the Dividend Account at Axis Bank for an amount of ₹ 2,24,140, ₹ 2,19,954, ₹ 1,29,968, ₹ 1,31,219 and ₹ 1,08,923 respectively.

**47.** During the year company has not made any provision for Intangible Assets – Goodwill.

**48.** Figures have been rounded off to the nearest rupee.

**49.** Previous year's figures have been regrouped / rearranged wherever necessary.

AS PER OUR REPORT OF EVEN DATE

**For P. Murali & Co.,**

Firm Regn. No: 007257S

Chartered Accountants

Sd/-

**P. Murali Mohana Rao**

Partner

M.No. 023412

Place : Secunderabad

Date : 23<sup>rd</sup> May, 2015

**For and on behalf of the board**

Sd/-

**L P Sashikumar**  
Managing Director

Sd/-

**B Appa Rao**  
Director

Sd/-

**P Syam Prasad**  
CFO

Sd/-

**Hanuman Prasad**  
Company Secretary



## Consolidated Cash Flow Statements as at March 31, 2015

( ₹ In lakhs )

Particulars	31.03.2015	31.03.2014
<b>A. Cash Flow from operating activity</b>		
Net Profit before tax	643.03	306.35
<b>Adjustments for:</b>		
Depreciation Adjustment	-	-
Miscellaneous expenditure written off	-	-
Provision for Gratuity & Earned Leave & others	94.33	73.30
Loss on sale of Assets/ Investments	0.44	-
Other Income	(133.68)	(69.77)
Operating Profit before working capital changes	<b>604.13</b>	<b>309.88</b>
<b>Adjustments for:</b>		
Trade and other receivables	(846.67)	(763.79)
Inventories	103.74	(61.79)
Trade advances	62.56	(26.75)
Trade Payable	663.92	250.50
<b>Cash generated from operations</b>	<b>587.68</b>	<b>(291.94)</b>
Direct Taxes paid (net)	(72.86)	(38.87)
Gratuity, EL encashment & others Paid	(61.85)	(52.41)
Cashflow before extraordinary items	452.97	(383.22)
<b>Net Cash flow from operating activity</b>	<b>452.97</b>	<b>(383.22)</b>
<b>B. Cash Flow from Investing Activity</b>		
Fixed assets	389.70	(177.20)
Capital work in progress	(2.71)	136.57
Investments	-	-
Other income	133.68	69.77
Loss on Sale of Assets/ Investments	(0.44)	-
<b>Net Cash used for investing activity</b>	<b>520.23</b>	<b>29.14</b>
<b>C. Cash Flow from financing activities</b>		
Long term borrowings	(613.52)	321.54
Short Term borrowings	72.21	262.76
Deferred sales tax loan payment	(107.83)	(89.73)
Dividend paid	-	-
<b>Net cash generated from financing activity</b>	<b>(649.14)</b>	<b>494.57</b>
Cash and cash equivalents (Opening Balance)	595.59	455.10
Net increase in Cash & Cash equivalents (A+B+C)	324.06	140.49
Cash and cash equivalents (Closing Balance)	919.65	595.59

AS PER OUR REPORT OF EVEN DATE

**For P. Murali & Co.,**

Firm Regn. No: 007257S

Chartered Accountants

Sd/-

**P. Murali Mohana Rao**

Partner

M.No. 023412

Place : Secunderabad

Date : 23rd May, 2015

**For and on behalf of the board**

Sd/-

**L P Sashikumar**  
Managing Director

Sd/-

**B Appa Rao**  
Director

Sd/-

**P Syam Prasad**  
CFO

Sd/-

**P. Hanuman Prasad**  
Company Secretary

 <b>Goldstone</b>	<b>GOLDSTONE INFRATECH LIMITED</b> CIN: L64203TG2000PLC035451 Regd. Office: 9-1-83 & 84, Amarchand Sharma Complex S D Road, Secunderabad – 500 003 Phone No. 91-40-27807640 E-mail id: info@goldstone.net website: www.goldstonepower.com
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**ATTENDANCE SLIP**  
(To be present at the entrance)

Regd. Folio/ : \_\_\_\_\_ Shares held: \_\_\_\_\_

Client ID/ DPID: \_\_\_\_\_

I hereby certify that I am registered shareholder/proxy/representatives of the registered shareholder (s) of Goldstone Infratech Limited.

I hereby record my presence at the 15<sup>th</sup> Annual General Meeting to be held on Tuesday, the September 29<sup>th</sup>, 2015 at 4.00 p.m. at Plot No. 1 & 9 IDA Phase II, Cherlapally, Hyderabad – 500 051.

Name of the Shareholder : \_\_\_\_\_

Name of the Proxy : \_\_\_\_\_

Signature of member/proxy : \_\_\_\_\_

- Note:
- 1) To be signed at the time of handing over this slip.
  - 2) Members are requested to register their names at least 15 minutes prior to the commencement of the meeting.

 <b>Goldstone</b>	<b>GOLDSTONE INFRATECH LIMITED</b> CIN: L64203TG2000PLC035451 Regd. Office: 9-1-83 & 84, Amarchand Sharma Complex S D Road, Secunderabad – 500 003 Phone No. 91-40-27807640 E-mail id: info@goldstone.net website: www.goldstonepower.com
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### FORM-No-MGT-11

#### Proxy Form

(Pursuant to Section 105 (6) of the Companies Act 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s):	
Registered Address:	
E-Mail Id:	
Folio No/Client Id:	
DP Id:	

I/We, being the member(s) of \_\_\_\_\_ Shares of the above named Company, hereby appoint

1. Name	
Address	
Email Id or failing him	Signature
2. Name	
Address	
Email Id or failing him	Signature
3. Name	
Address	
Email Id or failing him	Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Fifteenth Annual General Meeting of the Company to be held on Tuesday, September 29th, 2015 at 4.00 P.M. Plot No. 1 & 9, IDA, Phase II, Cherlapally, Hyderabad - 500 051 and at any adjournment thereof in respect of such resolutions as are indicated below:

S.No	Resolutions	For	Against
1.	Consider and Adopt Audited Financial Statement, Reports of the Board of Directors and Auditors		
2.	Re-Appointment of Mrs. Mahitha Caddell who retires by rotation.		
3.	Re-Appointment of Auditors and fixing of their remuneration.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015.

Signature of shareholder; \_\_\_\_\_ Signature of Proxy holder(s) \_\_\_\_\_

Affix  
Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before commencement of the Meeting.



# GOLDSTONE INFRATECH LIMITED

CIN: L64203TG2000PLC035451

Regd. Office: 9-1-83 & 84, Amarchand Sharma Complex  
S D Road, Secunderabad – 500 003 Phone No. 91-40-27807640  
E-mail id: info@goldstone.net website: www.goldstonepower.com

## FORM-No-MGT-12

### Polling Paper

(Pursuant to Section 109 (5) of the Companies Act 2013 and Rule 21 (1) (c) of the Companies (Management and Administration) Rules, 2014).

Name of the Company	GOLDSTONE INFRATECH LIMITED
Registered Address:	9-1-83 & 84, AMARCHAND SHARMA COMPLEX S D ROAD, SECUNDERABAD – 500 003
	BALLOT PAPER
Name of the First named Shareholder :	
Postal Address:	
Folio No/Client Id & DP Id:	
Class of Share	

I hereby exercise my vote in respect of Ordinary Resolutions enumerated to be considered in Fifteenth Annual General Meeting of the Company to be held on Tuesday, September 29th, 2015 at 4.00 p.m. Plot No. 1 & 9, IDA, Phase II, Cherlapally, Hyderabad - 500 051 by recording my assent or dissent to the said resolutions in the following manner.

No	Item No.	No. of Shares held by me	I Assent to the Resolution	I dissent to the Resolution
1.	Consider and Adopt Audited Financial Statement, Reports of the Board of Directors and Auditors.			
2.	Re-Appointment of Mrs. Mahita Caddell who retires by rotation.			
3.	Re-Appointment of Auditors and fixing of their remuneration.			

Place :

Date :

(Signature of the shareholder)





If undelivered please return to :



**Goldstone Infratech Limited**  
 Cin :L64203TG2000PLC035451  
 9-1-83 & 84 Amarchand Complex,  
 Sarojini Devi Road, Secunderabad - 500 003.  
 Ph. 040-27807640/0742  
 Email : [info@goldstone.net](mailto:info@goldstone.net)  
 Website : [www.goldstonepower.com](http://www.goldstonepower.com)

