

# **S. C. KWATRA & CO.**

## **CHARTERED ACCOUNTANTS**

303-A, SASCO BHAWAN, AZADPUR COMMERCIAL COMPLEX,

DELHI- 110 033 INDIA

PH.: 27676375, 27672646 FAX: 91-11-27676375

### **INDEPENDENT AUDITOR'S REPORT**

**To the Members of Admire Energy Solutions Private Limited**

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

We have audited the accompanying financial statements of **Admire Energy Solutions Private Limited** ("the Company") which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the fifteen months period 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 the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its loss and its cash flows for the period ended on that date.

## **Emphasis of Matter**

We draw attention to Note 14 of the financial statements in connection with the Company's operations. The Company is yet to commence its principal revenue generating activities and is currently dependent upon the financial support and assistance by its ultimate parent company. These conditions, along with the other matters referred in the note indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

## **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to the other matters to be included in the Auditors' 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 has no pending litigations, which could have any impact on its financial position in its financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

For S.C. Kwatra & Co.  
Chartered Accountants  
Firm's registration No. 004232N

Sd/-

Place: Delhi  
Date: 25 May 2016

M.M. Kwatra  
Partner  
(MembershipNo.083756)

**Admire Energy Solutions Private Limited****Balance sheet as at March 31, 2016**

(All amounts in rupees unless otherwise stated)

	Notes	As at March 31, 2016 (Rs.)	As at December 31, 2014 (Rs.)
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	4	100,000	100,000
Reserves and surplus	5	<u>(343,411)</u>	<u>(299,032)</u>
		<u><b>(243,411)</b></u>	<u><b>(199,032)</b></u>
<b>Current liabilities</b>			
Trade payables	6		
Payable to micro and small enterprises		-	-
Payable to others		72,669	33,894
Other current liabilities	7	<u>172,186</u>	<u>166,582</u>
		<u><b>244,855</b></u>	<u><b>200,476</b></u>
<b>Total equity and liabilities</b>		<u><b>1,444</b></u>	<u><b>1,444</b></u>
<b>Assets</b>			
<b>Current assets</b>			
Cash and bank balances	8	<u>1,444</u>	<u>1,444</u>
		<u><b>1,444</b></u>	<u><b>1,444</b></u>
<b>Total assets</b>		<u><b>1,444</b></u>	<u><b>1,444</b></u>

The accompanying notes 1 to 17 are an integral part of the financial statements.

**For S.C. KWATRA & Co.**

Chartered Accountants

Firm Registration No: 004232N

Sd/-

**M. M. KWATRA**

Partner

Membership Number-083756

For and on behalf of the board of directors of  
**Admire Energy Solutions Private Limited.**

Sd/-

**Sudhansu Sekhar Das**

Director

DIN No-07405878

Sd/-

**Nita Puri**

Director

DIN No-00002331

Place: New Delhi

Date: 25 May 2016

**Admire Energy Solutions Private Limited**  
**Statement of profit and loss for the period ended March 31, 2016**  
(All amounts in rupees unless otherwise stated)

	Notes	Period ended March 31, 2016 (Rs.)	Year ended December 31, 2014 (Rs.)
<b>EXPENSES</b>			
Other expenses	9	44,379	29,015
<b>Total expenses</b>		<b>44,379</b>	<b>29,015</b>
<b>Loss before tax</b>		<b>(44,379)</b>	<b>(29,015)</b>
Tax expense:			
Current tax		-	-
<b>Loss for the Period</b>		<b>(44,379)</b>	<b>(29,015)</b>
<b>Earnings per equity share:</b>	12		
Basic and diluted		<b>(4.44)</b>	<b>(2.90)</b>

The accompanying notes 1 to 17 are an integral part of the financial statements.

**For S.C. KWATRA & Co.**  
Chartered Accountants  
Firm Registration No: 004232N

Sd/-

**M. M. KWATRA**  
Partner  
Membership Number-083756

Place: New Delhi  
Date: 25 May 2016

For and on behalf of the board of directors of  
**Admire Energy Solutions Private Limited.**

Sd/-

**Sudhansu Sekhar Das**  
**Director**  
DIN No-07405878

Sd/-

**Nita Puri**  
**Director**  
DIN No-00002331

**Admire Energy Solutions Private Limited**  
**Cash flow statement for the period ended March 31, 2016**  
(All amounts in rupees unless otherwise stated)

Particulars	Period ended	Year ended
	March 31, 2016	December 31, 2014
	Rs.	Rs.
<b>Cash flow from operating activities:</b>		
Net loss before tax	(44,379)	(29,015)
<b>Adjustment for changes in working capital:</b>		
Movement in other current liabilities	44,379	20,769
<b>Net cash used in operating activities (A)</b>	<b>-</b>	<b>(8,246)</b>
<b>Cash flow from investing activities (B)</b>	-	-
<b>Cash flow from financing activities (C)</b>	-	-
Net decrease in cash and cash equivalents (A+B+C)	-	(8,246)
Cash and cash equivalents at beginning of the period	1,444	9,690
<b>Cash and cash equivalents at end of the period</b>	<b>1,444</b>	<b>1,444</b>
<b>Components of cash and cash equivalents</b>		
Cash balance on hand	1,444	1,444
Balance with a scheduled bank in current account	-	-
<b>Total</b>	<b>1,444</b>	<b>1,444</b>

Note:

The above Cash flow statement has been prepared under the indirect method set out in AS-3 (Revised).

The accompanying notes 1 to 17 are an integral part of the financial statements.

**For S.C. KWATRA & Co.**  
Chartered Accountants  
Firm Registration No: 004232N

Sd/-

**M. M. KWATRA**  
Partner  
Membership Number-083756

Place: New Delhi  
Date: 25 May 2016

For and on behalf of the board of directors of  
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Sd/-

**Sudhansu Sekhar Das**  
**Director**  
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Sd/-

**Nita Puri**  
**Director**  
DIN No-00002331

## **Admire Energy Solutions Private Limited**

Summary of significant accounting policies and other explanatory informations to the financial statements for the period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

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### **1 METHOD OF ACCOUNTING**

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting, unless stated otherwise and comply in all material aspects with the Accounting Standards ('AS') notified under section 133 of the Companies Act, 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.

### **2 USE OF ESTIMATES**

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Example of such estimates include provision for income taxes.

### **3.1 TAXATION**

#### **Current Tax:**

Provision is made for current income tax liability based on the applicable provisions of the Income Tax Act, 1961 for the income chargeable under the said Act.

#### **Deferred Tax:**

Deferred tax assets (DTA) and liabilities are computed on the timing differences at the balance sheet date between the carrying amount of assets and liabilities and their respective tax bases. DTA is recognized based on management estimates of reasonable/ virtual certainty that sufficient future taxable income will be available against which such DTA can be realized. The deferred tax charge or credit is recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

### **3.2 PROVISION AND CONTINGENT LIABILITY**

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### **3.3 EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, except where results would be anti-dilutive.

**Admire Energy Solutions Private Limited**

Summary of significant accounting policies and other explanatory informations to the financial statements for the period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

**4 Share capital**

	As at March 31, 2016 ( Number )	As at March 31, 2016 (Rs.)	As at December 31, 2014 ( Number )	As at December 31, 2014 (Rs.)
<b>Authorized</b>				
10,000 (previous year 10,000) equity shares of Rs. 10 each.	10,000	100,000	10,000	100,000
<b>Issued, Subscribed and Fully Paid up</b>				
Equity shares of Rs. 10 each fully paid	10,000	100,000	10,000	100,000
<b>Total</b>	<b>10,000</b>	<b>100,000</b>	<b>10,000</b>	<b>100,000</b>

**(A) Terms and rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.

**(B)** No shares have been issued for consideration other than cash or as bonus shares in the current reporting period or in last five years immediately preceding the current reporting period.**(C) Reconciliation of the number of shares outstanding**

	As at March 31, 2016		As at December 31, 2014	
	( Number )	(Rs.)	( Number )	(Rs.)
Shares outstanding at the beginning of the period	10,000	100,000	10,000	100,000
<b>Shares outstanding at the end of the period</b>	<b>10,000</b>	<b>100,000</b>	<b>10,000</b>	<b>100,000</b>

**(D) Shareholders holding more than 5 % of share capital**

Name of Shareholder	As at March 31, 2016		As at December 31, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares</b>				
Moser Baer Solar Limited	10,000	100	10,000	100

The Ultimate Holding Company is Moser Baer India Limited

**5 Reserves and surplus**

	As at March 31, 2016 (Rs.)	As at December 31, 2014 (Rs.)
<b>Deficit in the statement of profit or loss</b>		
Opening balance	(299,032)	(270,017)
Add: Net loss for the current period	(44,379)	(29,015)
<b>Closing balance</b>	<b>(343,411)</b>	<b>(299,032)</b>

**Admire Energy Solutions Private Limited**

Summary of significant accounting policies and other explanatory informations to the financial statements for the period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

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	<b>As at March 31, 2016 (Rs.)</b>	<b>As at December 31, 2014 (Rs.)</b>
<b>6 Trade Payable</b>		
Liability for expenses	72,669	33,894
	<u>72,669</u>	<u>33,894</u>
<b>7 Other current liabilities</b>		
Due to related parties	172,186	166,582
	<u>172,186</u>	<u>166,582</u>
<b>8 Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Cash on hand	1,444	1,444
Bank balances in current accounts	-	-
	<u>1,444</u>	<u>1,444</u>



## Admire Energy Solutions Private Limited

Summary of significant accounting policies and other explanatory informations to the financial statements for the period ended March 31, 2016  
(All amounts in rupees unless otherwise stated)

### 9 Other expenses

	Period ended March 31, 2016 (Rs.)	Year ended December 31, 2014 (Rs.)
Rates and taxes, excluding, taxes on income.	4,604	1,520
Remuneration to auditors:		
for audit fees	17,175	14,045
Legal and professional	22,600	5,204
Others	-	8,246
	<b>44,379</b>	<b>29,015</b>

10 In view of there being no taxable profit under the Income Tax Act, 1961, no provision for Income Tax is considered necessary for the current period. In absence of virtual certainty of realisability of brought forward business losses assessable under the Income Tax Act, deferred tax asset has not been recognized for the period.

11 In accordance with Accounting Standard – 18 'Related Party Disclosures' the names of the related parties where control / ability to exercise significant infrence exists along with description of relationship, the aggregate amount of transactions and period end balances with them as identified and certified by the management are given as follows:

#### a) Name of the related parties

Name of the related party	Nature of relationship
Moser Baer India Limited	Ultimate Holding Company
Moser Baer Solar Limited (Formerly Photovoltaic Technologies India Ltd)	Holding Company
Photovoltaic Holdings Limited (formerly known as Photovoltaic Holdings Plc)	Intermediate Holding
MB Solar Holdings Limited (formerly known as Moser Baer Solar PLC)	Intermediate Holding
Moser Baer Investments Limited	Fellow subsidiary
Perafly Limited	Fellow subsidiary
Nicofly Limited	Fellow subsidiary
Helios Photo Voltaic Limited (formerly known as Moser Baer Photo Voltaic Limited)	Fellow subsidiary
Value Solar Energy Private Limited	Fellow subsidiary
Pride Solar Systems Private Limited	Fellow subsidiary
Moser Baer Solar Systems Private Limited	Fellow subsidiary
Competent Solar Energy Private Limited	Fellow subsidiary
TIFTON Limited	Fellow subsidiary
Moser Baer Infrastructure and Developers Limited	Fellow subsidiary
European Optic Media Technology GmbH	Fellow subsidiary
Moser Baer Distribution Limited (formerly known as Moser Baer SEZ Developer Limited)	Fellow subsidiary
Solar Research Limited	Fellow subsidiary
Moser Baer Laboratories Limited	Fellow subsidiary
Moser Baer Entertainment Limited	Fellow subsidiary
Peraround Limited	Fellow subsidiary
Advoferm Limited	Fellow subsidiary
Cubic Technologies BV*	Fellow subsidiary
OM & T.B.V.**	Fellow subsidiary
Moser Baer Technologies Inc.***	Fellow subsidiary
Moser Baer Photovoltaic Inc. USA	Fellow subsidiary

\* Dissolved on 21 December 2015.

\*\* Declared as insolvent from October 1, 2013.

\*\*\* Dissolved on 22 April 2015.

#### Key Management Personnel \*

Mr. Deepak Puri (upto March 30, 2015)	Director
Mrs. Nita Puri	Director

\* The Key Managerial Personnel do not draw any remuneration from the Company.

#### b) Details of transactions with the related parties during the period in ordinary course of business along with period end balances are as follows:-

(figures in brackets are for the previous year)

Particulars	Moser Baer India Limited	Moser Baer Photo Voltaic Limited	Moser Baer Solar Limited	Total
Expenses incurred/ payment made by related party on behalf of the Company	4,604 (920)	- -	1,000 (40,950)	5,604 (41,870)
<b>Outstanding liabilities</b>				-
In respect of advance received /expenses incurred	5,728 (1,124)	115,334 (115,334)	51,124 (50,124)	172,186 (166,582)

**Admire Energy Solutions Private Limited**

Summary of significant accounting policies and other explanatory informations to the financial statements for the period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

**12 Earnings per share (EPS)**

	As at March 31, 2016 (Number)	As at December 31, 2014 (Number)
Calculation of weighted average number of equity shares		
Total number of equity shares at the beginning of the year	10,000	10,000
Total number of equity shares outstanding at the end of the year	10,000	10,000
<b>Weighted average number of equity shares outstanding during the year</b>	<b>10,000</b>	<b>10,000</b>
	<b>(Rs)</b>	<b>(Rs)</b>
Net Loss after tax available for equity share holders	(44,379)	(29,015)
Basic and Diluted Earnings per share (face value per share Rs. 10 each)	<b>(4.44)</b>	<b>(2.90)</b>

- 13** Based on information available with the Company, as at March 31, 2016 there are no dues to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

**14 Segment information**

As the Company is yet to commence commercial operations, there are no reportable segments within the meaning of AS-17 'Segment Reporting'.

- 15** The Company had been set up with the objective of dealing in products relating to solar/ photovoltaic energy inter alia; to manufacture thin and thick film based photovoltaic cells, modules and generation & distribution of solar power. The Company is yet to commence its principal revenue generating activities and it is presently dependent upon financial support from its ultimate parent company Moser Baer India Limited (MBIL). In view of the financial support provided by the ultimate parent company, management is of the opinion that it is appropriate to prepare accounts on a going concern basis. Accordingly, the financial statements continue to be prepared on a going concern basis and do not include any adjustments relating to the recoverability and classification of recorded asset amount and the classification of liabilities that might be necessary should the company be unable to continue as a going concern.
- 16** a) The Company does not have any pending litigation.  
b) The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
- 17** During the current period, the Company changed its financial year end from 31 December to 31 March and accordingly current period consist of 15 months from 1 January 2015 to 31 March 2016. Consequently, previous year figures (1 January 2014 to 31 December 2014) are not comparable with that of current period. Previous period figures have been regrouped / rearranged, wherever necessary, to conform to current year's classification.

**For S.C. KWATRA & Co.**  
Chartered Accountants  
Firm Registration No: 004232N

Sd/-

**M. M. KWATRA**  
**Partner**  
Membership Number-083756

Place: New Delhi  
Date: 25 May 2016

For and on behalf of the board of directors of  
**Admire Energy Solutions Private Limited.**

Sd/-

**Sudhansu Sekhar Das**  
**Director**  
DIN No-07405878

Sd/-

**Nita Puri**  
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