

**Competent Solar Energy Private Limited**  
**Balance sheet as at March 31, 2017**  
(All amounts in rupees unless otherwise stated)

	Notes	As at March 31, 2017 (Rs.)	As at March 31, 2016 (Rs.)
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	4	100,000	100,000
Reserves and surplus	5	(1,192,599)	(1,171,939)
		<b>(1,092,599)</b>	<b>(1,071,939)</b>
<b>Current liabilities</b>			
Trade payables	6	69,644	57,494
Other current liabilities	7	1,082,649	1,074,139
		<b>1,152,293</b>	<b>1,131,633</b>
<b>Total equity and liabilities</b>		<b>59,694</b>	<b>59,694</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and bank balances	8	59,694	59,694
		<b>59,694</b>	<b>59,694</b>
<b>Total assets</b>		<b>59,694</b>	<b>59,694</b>

The accompanying notes 1 to 18 are an integral part of the financial statements.

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

For and on behalf of the board of directors of  
**Competent Solar Energy Private Limited.**

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

Sd/-  
**Deepak Puri**  
**Director**  
DIN No-00002189

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

Place: New Delhi  
Date: 22 May 2017

**Competent Solar Energy Private Limited**  
**Statement of profit and loss for year ended March 31, 2017**  
(All amounts in rupees unless otherwise stated)

	Notes	Year ended March 31, 2017 (Rs.)	Period ended March 31, 2016 (Rs.)
<b>INCOME</b>			
Other income	9	2,500	-
<b>Total revenue</b>		<b>2,500</b>	<b>-</b>
<b>EXPENSES</b>			
Other expenses	10	23,160	26,525
<b>Total expenses</b>		<b>23,160</b>	<b>26,525</b>
<b>Loss before tax</b>		<b>(20,660)</b>	<b>(26,525)</b>
<b>Loss for the year / period</b>		<b>(20,660)</b>	<b>(26,525)</b>
<b>Earnings per equity share:</b>			
Basic and diluted	11	(2.07)	(2.65)

The accompanying notes 1 to 18 are an integral part of the financial statements.

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**Competent Solar Energy Private Limited**  
**Cash flow statement for the year ended March 31, 2017**  
(All amounts in rupees unless otherwise stated)

	Year ended March 31, 2017 (Rs.)	Period ended March 31, 2016 (Rs.)
<b>Cash flow from operating activities:</b>		
Net (Loss) before tax	(20,660)	(26,525)
<b>Adjustment for changes in working capital:</b>		
Movement in other current liabilities	12,150	26,171
<b>Net cash from/ (used in) operating activities (A)</b>	<b>(8,510)</b>	<b>(354)</b>
<b>Cash flow from investing activities (B)</b>	-	-
<b>Cash flow from financing activities (C)</b>	-	-
Increase/ (decrease) in cash and cash equivalents <b>(A+B+C)</b>	(8,510)	(354)
Cash and cash equivalents at beginning of the period	59,694	60,048
<b>Cash and cash equivalents at end of the period</b>	<b>51,184</b>	<b>59,694</b>
<b>Components of cash and cash equivalents</b>		
Balance with scheduled banks on current accounts	59,694	59,694
<b>Total</b>	<b>59,694</b>	<b>59,694</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 18 are an integral part of the financial statements.

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Place: New Delhi  
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## **Competent Solar Energy Private Limited**

Summary of significant accounting policies and other explanatory informations to the financial statements for the year ended March 31, 2017

(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 period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

**Competent Solar Energy Private Limited**

Summary of significant accounting policies and other explanatory informations to the financial statements for the year ended March 31, 2017

(All amounts in rupees unless otherwise stated)

**4 Share capital**

	As at March 31, 2017 (Number)	As at March 31, 2017 (Rs.)	As at March 31, 2016 (Number)	As at March 31, 2016 (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 up	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**

Particulars	As at March 31, 2017		As at March 31, 2016	
	(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 share holder	As at March 31, 2017		As at March 31, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Helios Photo Voltaic Limited (formerly known as Moser Baer Photo Voltaic Limited)	10,000	100%	10,000	100%
The Ultimate Holding Company is Moser Baer India Limited				

**5 Reserves and surplus**

	As at March 31, 2017 (Rs.)	As at March 31, 2016 (Rs.)
<b>Deficit in the statement of profit or loss</b>		
Opening balance	(1,171,939)	(1,145,414)
Add: Net loss for the current period	(20,660)	(26,525)
<b>Closing balance</b>	<b>(1,192,599)</b>	<b>(1,171,939)</b>

**Competent Solar Energy Private Limited**

Summary of significant accounting policies and other explanatory informations to the financial statements for the year ended March 31, 2017

(All amounts in rupees unless otherwise stated)

	As at March 31, 2017	As at March 31, 2016
	(Rs.)	(Rs.)
<b>6 Trader Payable</b>		
Dues to others	69,644	57,494
	<u>69,644</u>	<u>57,494</u>
<b>7 Other current liabilities</b>		
Due to related parties	1,082,649	1,074,139
	<u>1,082,649</u>	<u>1,074,139</u>
<b>8 Cash and bank balances</b>		
Cash and cash equivalents		
Bank balances		
in current accounts	59,694	59,694
	<u>59,694</u>	<u>59,694</u>
<b>9 Other income</b>		
Balances written back	2,500	
	<u>2,500</u>	<u>-</u>

**Competent Solar Energy Private Limited**

Summary of significant accounting policies and other explanatory informations to the financial statements for the year ended March 31, 2017

(All amounts in rupees unless otherwise stated)

**10 Other expenses**

	Year ended March 31, 2017 (Rs.)	Period ended March 31, 2016 (Rs.)
Rates and taxes	4,910	3,071
Remuneration to auditors: for audit fees	17,250	12,500
Legal and professional	1,000	10,600
Others	-	354
	<b>23,160</b>	<b>26,525</b>

**11** 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.

**12** In accordance with Accounting Standard – 18 ‘Related Party Disclosures’ the names of the related parties where control /ability to exercise significant influence 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
Helios Photo Voltaic Limited (formerly known as Moser Baer Photo Voltaic Limited)	Holding Company
MB Solar Holdings Limited (formerly Moser Baer Solar PLC)	Intermediate Holding Company
Photovoltaic Holdings Limited (formerly known as Photovoltaic Holdings Plc)	Intermediate Holding Company
Moser Baer Solar Limited (Formerly Photovoltaic Technologies India Ltd)	Intermediate Holding Company
Moser Baer Investment Limited	Fellow subsidiary
Perafly Limited	Fellow subsidiary
Nicofly Limited	Fellow subsidiary
Value Solar Energy Private Limited	Fellow subsidiary
Pride Solar Systems Private Limited	Fellow subsidiary
Admire Energy Solutions Private Limited	Fellow subsidiary
Moser Baer Solar Systems 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	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 Photovoltaic Limited	Moser Baer India Limited	Total
Expenses incurred/ payment made by related party on behalf of the Company	3,600 (-)	4,910 (3,071)	8,510 (3,071)
<b>Outstanding liabilities</b>			
In respect of advance received/ expenses incurred	1,073,544 (1,069,944)	9,105 (4,195)	1,082,649 (1,074,139)

**Competent Solar Energy Private Limited**

Summary of significant accounting policies and other explanatory informations to the financial statements for the year ended March 31, 2017

(All amounts in rupees unless otherwise stated)

**13 Earnings per share (EPS)**

	As at March 31, 2017 (Number)	As at March 31, 2016 (Number)
Calculation of weighted average number of equity shares		
Total number of equity shares at the beginning of the Period	10,000	10,000
Total number of equity shares outstanding at the end of the Period	10,000	10,000
Weighted average number of equity shares outstanding during the Period	<u>10,000</u>	<u>10,000</u>
	<b>(Rs)</b>	<b>(Rs)</b>
Net loss after tax available for equity share holders	20,660	26,525
Basic and diluted earnings per share (face value per share Rs. 10 each)	<b>(2.07)</b>	<b>(2.65)</b>

- 14 Based on information available with the Company, as at March 31, 2017 there are no dues to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

**15 Segment information**

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

- 16 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.

- 17 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.

- 18 During the current period, the Company changed its financial year beginning from 1st. Jan to 1st. April and accordingly current period consist of 12 months from 1 April 2016 to 31 March 2017. Consequently, previous year figures (1 January 2015 to 31 March 2016) 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

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Place: New Delhi  
Date: 22 May 2017