

***TVS Energy Limited***

***Second Annual Report 2009- 2010***

## Board of Directors

VENU SRINIVASAN  
V. SUBRAMANIAN  
H. LAKSHMANAN  
C.N. PRASAD

## Audit Committee

VENU SRINIVASAN  
V. SUBRAMANIAN  
C.N. PRASAD

## Manager

G. R. V. RAJAN

## Auditors

SUNDARAM & SRINIVASAN  
Chartered Accountants,  
New No. 4 (Old No. 23) Sir C.P. Ramaswamy Road,  
Alwarpet, Chennai 600 018.

## Bankers

STATE BANK OF INDIA  
Corporate Accounts Group Branch  
Greaves Road, Chennai - 600 006.

## Registered office

Jayalakshmi Estates,  
29, Haddows Road,  
Chennai 600 006.

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## REPORT OF THE DIRECTORS TO THE SHAREHOLDERS

Your directors have pleasure in presenting the second annual report on the progress of the Company together with the audited statement of accounts for the year ended 31<sup>st</sup> March 2010.

### 1. FINANCIAL RESULTS

The Company earned an income of Rs.4.20 lakhs by way of sale of investments held in liquid funds. The Company also incurred expenses of Rs. 23.97 lakhs towards statutory filing fees for increase of its share capital.

### 2. CAPITAL

During the year, the entire paid up equity capital of the Company consisting of 10,000 equity shares of Rs.10/- each aggregating to Rs.1,00,000/- was acquired by M/s TVS Motor Company Limited (TVS Motor).

Consequent upon this acquisition of the entire paid up capital of the Company by TVS Motor, the Company became a wholly owned subsidiary of TVS Motor effective 3<sup>rd</sup> December 2009, thereby the status of the Company stood changed as a public limited Company in terms of Section 3(1)(iv) of the Companies Act, 1956 (the Act).

During the year, the board of directors also increased the authorized and paid up capital from the existing amount of Rs.1,00,000 consisting of 10,000 equity shares of Rs.10/- each to Rs.5,00,000 consisting of 50,000 equity shares of Rs 10/- each, effective 15<sup>th</sup> December 2009 and the same was issued to the holding company.

The Authorised share capital of the Company was further increased from Rs.5,00,000 consisting of 50,000 equity shares of Rs 10/- each to Rs. 45,00,00,000 divided into 4,50,00,000 equity shares of Rs. 10/- each, with the approval of the shareholders on 2<sup>nd</sup> February 2010.

The holding Company namely TVS Motor was further allotted 3,74,50,000 equity shares of Rs.10/- each aggregating to Rs.37,45,00,000 on 13<sup>th</sup> February 2010.

During the year under review, the Company also obtained the approval of the shareholders in terms of Section 81(1A) of the Companies Act, 1956 read with the Unlisted Public Companies (Preferential Allotment) Rules, 2003, to offer, issue and allot on a preferential basis upto 45,00,000 equity shares of face value of Rs.10/- each for cash at par aggregating to Rs.4,50,00,000/- to M/s Sundaram-Clayton Limited, Chennai.

Consequent upon the approval of the shareholders, the board of directors of the Company allotted the said 45,00,000 equity shares of the face value of Rs.10/- each for cash at par aggregating to Rs.4,50,00,000/- to M/s Sundaram-Clayton Limited, Chennai on 5<sup>th</sup> July 2010.

### 3. PERFORMANCE

During the year under review, the Company entered into Engineering, Procurement and Construction (EPC) agreements with Enercon (India) Ltd for setting up of 14.4 MW Wind power generation capacity at Vagaikulam in Tirunelveli District.

Subsequently, the Company has also entered into EPC agreements with Gamesa Wind Turbines Pvt Ltd for setting up of 9.35 MW Wind power generation capacity at Gandamanur in Theni District, on 21<sup>st</sup> April 2010.

The power generated from Theni Unit is proposed to be sold to Sundaram-Clayton Limited, the ultimate Holding Company and the power generated from Vagaikulam

Unit is proposed to be sold to Tamil Nadu Electricity Board (TNEB) as per the Energy Purchase Agreement to be entered into with TNEB.

The Company appointed WinDForce Management Services Pvt. Ltd as 'Owner's Engineer' to monitor execution of the wind energy projects at Vagaikulam and Theni. The Company appointed Emergent Ventures India (EVI) as advisors for registration of the wind energy projects with United Nations Framework Convention on Climate Change (UNFCCC) for Carbon Credits.

### 4. DIRECTORS

During the year, Mr V N Venkatanathan, resigned as director of the Company effective 3<sup>rd</sup> December 2009 for personal reasons. The board of directors of the Company wishes to place on record their appreciation for the valuable service rendered by Mr V N Venkatanathan during his tenure as a director of the Company.

Effective 3<sup>rd</sup> December 2009 and 15<sup>th</sup> December 2009, Mr C N Prasad and Mr V Subramanian, were co-opted as additional directors of the Company respectively. In terms of Section 260 of the Companies Act, 1956, they will hold office only upto the date of this annual general meeting.

Notice has been received from members of the Company signifying their intention to propose the appointment of Mr C N Prasad and Mr V Subramanian as directors of the Company in terms of section 257 of the Companies Act, 1956 along with the requisite deposit of Rs.500/- each.

In terms of Article 19 of the Articles of Association of the Company, all the other directors of the Company viz., Mr Venu Srinivasan and Mr H Lakshmanan, retire from the office at the ensuing annual general meeting and being eligible, offer themselves for re-appointment.

The Board at its meeting held on 5<sup>th</sup> July 2010 appointed Mr V Subramanian as Chairman of the Board for a period of five years effective from the date of the said meeting i.e. 5<sup>th</sup> July 2010 and he will not be liable to retire by rotation during his tenure as Chairman.

### 5. DEPOSITS

The Company has not accepted any deposit from the public within the meaning of Section 58-A of the Companies Act, 1956 during the year ended 31<sup>st</sup> March 2010.

### 6. AUDITORS

Messrs. Sundaram & Srinivasan, Chartered Accountants, Chennai who were re-appointed as statutory auditors at the last annual general meeting held on 24<sup>th</sup> September 2009 to hold office till the conclusion of the ensuing annual general meeting have expressed their inability to continue as statutory auditors of the Company due to other pressing commitments.

In view thereof, the directors recommend that Messrs. V. Sankar Aiyar & Co. Chartered Accountants, Mumbai having firm registration no 109208N be appointed as the Company's auditors to hold office from the conclusion of the ensuing annual general meeting until the conclusion of the next following annual general meeting.

The Directors place on record their deep appreciation for the valuable services rendered by Messrs. Sundaram & Srinivasan, Chartered Accountants as Auditors of the Company.

## 7. AUDIT COMMITTEE

During the year, the Company, consequent to the increase in the paid up capital of the Company from Rs.5,00,000 to Rs. 37.50 Cr, was required to have an audit committee of directors in compliance to the provisions of section 292A of the Companies Act 1956. Accordingly, the board of directors of the Company at its meeting held on 5<sup>th</sup> July 2010 constituted an audit committee with the following non-executive directors as its members, namely M/s Venu Srinivasan, V Subramanian and C N Prasad effective from the date of the said meeting.

## 8. APPOINTMENT OF MANAGERIAL PERSON

During the year, Mr G R V Rajan, President of the Company was appointed as Manager under the Companies Act, 1956 effective 13<sup>th</sup> February 2010 for a period of five years, without remuneration, subject to the approval of the shareholders in the ensuing annual general meeting of the Company on such terms and conditions as explained in the explanatory statement attached to the notice convening the annual general meeting of the Company.

## 9. STATUTORY STATEMENTS

### INFORMATION AS PER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956

As the Company has not yet started its business activities, the information as required under Section 217(1)(e) of the Companies Act, 1956, relating to conservation of energy or technology absorption is not applicable. The Company does not have any foreign exchange earnings or outgo.

### INFORMATION AS PER SECTION 217(2A) OF THE COMPANIES ACT, 1956

Since there is no employee receiving remuneration in the Company during the period under review, statement pursuant to Section 217(2A) of the Companies Act, 1956 has not been appended.

## INFORMATION AS PER SECTION 217(2AA) OF THE COMPANIES ACT, 1956

### Directors' Responsibility Statement

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed

- i. that in the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departure.
- ii. that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2010 and of the loss of the Company for the year ended on that date.
- iii. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. that the directors had prepared the annual accounts on a going basis.

FOR AND ON BEHALF OF THE BOARD

Chennai  
5<sup>th</sup> July 2010

V Subramanian  
Chairman

## AUDITORS' REPORT TO THE SHAREHOLDERS OF TVS ENERGY LIMITED, CHENNAI FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2010.

We have audited the attached balance sheet of M/s TVS Energy Limited, Chennai 600 006 as at 31<sup>st</sup> March 2010 and the profit and loss account and the cash flow statement for the year ended 31<sup>st</sup> March 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
2. As the Company has not commenced any commercial activity/transaction and has no employee on its rolls, reporting on the matters specified in Companies (Auditors' Report) Order, 2008 issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 does not arise.
3. However, we state that -
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purpose of our audit;
  - (ii) 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 such books;
  - (iii) The balance sheet, profit and loss account and the cash flow statement dealt with by this report are in agreement with the books of account;

- (iv) In our opinion, the balance sheet dealt with by this report comply with the accounting standards to the extent applicable, referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors, as on 31<sup>st</sup> March 2010 and taken on record by the board of directors, we report that no director is disqualified from being appointed as a director of the Company in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956; and
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India
  - (a) in so far as it relates to the balance sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2010;
  - (b) in so far as it relates to the profit and loss account, of the loss of the Company for the year ended on that date; and
  - (c) in so far as it relates to cash flow statement, of the cash flows of the Company for the year ended on that date.

For SUNDARAM & SRINIVASAN  
Chartered Accountants  
Firm Registration No. : FRN 004207S

Chennai  
5<sup>th</sup> July 2010

M Balasubramaniyam  
Partner  
Membership No.F7945

# TVS ENERGY LIMITED

## Balance Sheet as at 31<sup>st</sup> March 2010

	Schedule Number	In Rupees	
		As at 31-03-2010	As at 31-03-2009
<b>I SOURCES OF FUNDS</b>			
1 Shareholders' funds			
Capital	I	375,000,000	100,000
2 Reserves and Surplus		-	-
		<u>375,000,000</u>	<u>100,000</u>
<b>II APPLICATION OF FUNDS</b>			
3 Investments	II	140,419,613	-
4 Current Assets, Loans and Advances			
i. Cash and bank balances	III	1,432,619	83,939
ii. Loans and Advances	IV	229,500,000	-
Total (A)		<u>230,932,619</u>	<u>83,939</u>
Less : Current Liabilities and Provisions			
i. Current liabilities	V	5,515	5,515
Total (B)		<u>5,515</u>	<u>5,515</u>
NET CURRENT ASSETS (A-B)		<u>230,927,104</u>	<u>78,424</u>
5 Miscellaneous Expenditure (to the extent not written off or adjusted)	VI	1,676,076	21,576
6 Profit and Loss Account Debit Balance		1,977,207	-
Notes on accounts	VIII	<u>375,000,000</u>	<u>100,000</u>

V Subramanian  
Chairman

H Lakshmanan  
Director

G R V Rajan  
Manager & President

Chennai  
5<sup>th</sup> July 2010

As per our report annexed  
For SUNDARAM & SRINIVASAN  
Chartered Accountants  
Firm Registration No. : FRN 004207S

M BALASUBRAMANIAM  
Partner  
Membership No: F7945

## Profit and Loss Account for the year ended 31<sup>st</sup> March 2010

	Schedule Number	In Rupees	
		Year ended 31-03-2010	Year ended 31-03-2009
<b>I INCOME</b>			
a. Other Income :			
Profit on sale of Investments		419,613	-
<b>TOTAL</b>		<u>419,613</u>	<u>-</u>
<b>II EXPENSES</b>			
Other Expenses	VII	2,396,820	-
<b>TOTAL</b>		<u>2,396,820</u>	<u>-</u>
Profit / (Loss) for the year		(1,977,207)	-
Less : Provision for taxation		-	-
Profit / (Loss) after tax		<u>(1,977,207)</u>	<u>-</u>
Balance carried forward to Balance Sheet		(1,977,207)	-
Total		<u>(1,977,207)</u>	<u>-</u>
Basic earnings per share in rupees on 3,75,00,000 shares		(0.05)	-
Diluted earnings per share in rupees		(0.05)	-

V Subramanian  
Chairman

H Lakshmanan  
Director

G R V Rajan  
Manager & President

Chennai  
5<sup>th</sup> July 2010

As per our report annexed  
For SUNDARAM & SRINIVASAN  
Chartered Accountants  
Firm Registration No. : FRN 004207S

M BALASUBRAMANIAM  
Partner  
Membership No: F7945

## Schedules

	As at/ Year ended 31-03-2010	In Rupees As at/ Year ended 31-03-2009
<b>I CAPITAL</b>		
Authorised		
4,50,00,000 Equity shares of Rs.10/- each (Last year 10,000 equity shares Rs.10/- each)	<u>450,000,000</u>	<u>100,000</u>
Issued, subscribed and paid up		
3,75,00,000 Equity shares of Rs.10/- each fully paid (Last year 10,000 equity shares Rs.10/- each fully paid)	<u>375,000,000</u>	<u>100,000</u>
(All the above shares are held by the holding company viz. TVS Motor Company Limited, Chennai and its nominees)		
	<u>375,000,000</u>	<u>100,000</u>
<b>II INVESTMENTS ( At Cost)</b>		
<b>Non-trade-quoted (fully paid up) - Short term</b>		
1. HDFC Mutual Fund, Mumbai - 64,18,565.508 Units in HDFC FRIF Short Term - Growth Option	100,183,538	-
2. Reliance Mutual Fund, Mumbai - 21,18,535.582 Units in Reliance Medium Term Fund - Growth Option	40,236,075	-
	<u>140,419,613</u>	<u>-</u>
Market Value of Quoted Investments :	141,100,666	
<b>III CASH AND BANK BALANCES</b>		
Balance with scheduled banks in current account	1,432,619	83,939
	<u>1,432,619</u>	<u>83,939</u>
<b>IV LOANS &amp; ADVANCES</b>		
<b>- UNSECURED, CONSIDERED GOOD</b>		
Advances recoverable in cash or in kind or for value to be received	229,500,000	-
	<u>229,500,000</u>	<u>-</u>
<b>V CURRENT LIABILITIES</b>		
Sundry creditors	5,515	5,515
	<u>5,515</u>	<u>5,515</u>
<b>VI MISCELLANEOUS EXPENDITURE</b>		
(to the extent not written off or adjusted)		
Rates & Taxes	5,300	5,300
Bank Charges	195	195
Printing & Stationary	9,566	9,566
Legal & Retainer Fee	1,000	1,000
Audit Fees - as Auditors	5,515	5,515
Upfront Fee on Term Loan *	1,654,500	-
	<u>1,676,076</u>	<u>21,576</u>
* Term Loan availed subsequent to Balance Sheet date		
<b>VII OTHER EXPENSES</b>		
Audit fees - as Auditors (including service tax )	5,515	-
Legal Fees & Retainers	9,500	-
Printing & Stationary	4,026	-
Bank Charges	14,079	-
General Charges	7,500	-
Rates & Taxes	2,356,200	-
	<u>2,396,820</u>	<u>-</u>

**Schedules** (continued)

Rupees in lakhs

Rupees in lakhs

As at /  
Year ended  
31-03-2010

As at /  
Year ended  
31-03-2009

As at /  
Year ended  
31-03-2010

As at /  
Year ended  
31-03-2009

**VIII NOTES ON ACCOUNTS**

**1 ACCOUNTING STANDARDS (AS) Compliance**

(a) AS - 1 Disclosure of accounting policies :-

The accounts are maintained on accrual basis as a going concern.

(b) AS - 2 Valuation of inventories :-

Since the company does not hold any inventory, this Standard is not applicable.

(c) AS - 3 Cash flow statements :-

The cash flow statement is prepared under "indirect method" and the same is annexed.

(d) AS - 4 Contingencies and Events Occurring After the Balance Sheet Date :-

i) Subsequent to the Balance Sheet date, the company has received Rs.4,50,00,000/- from M/s Sundaram Clayton Limited, Chennai towards Share Allotment.

ii) The Term Loan from company's bankers was availed from 7<sup>th</sup> June 2010.

(e) AS - 5 Net profit or loss for the period, prior period items and changes in accounting policies. NIL

(f) AS - 6 Depreciation accounting :-

Since there are no fixed assets, this Standard does not apply.

(g) AS 7 - Accounting for Construction contracts :-  
Not Applicable.

(h) AS 8 - Accounting for Research and Development :-  
The accounting standard is withdrawn.

(i) AS - 9 Revenue recognition :-

The revenue and expenditure are accounted on a going concern basis

(j) AS - 10 Accounting for Fixed assets :-

Since there are no fixed assets, this Standard does not apply.

(k) AS - 11 Accounting for effects of changes in foreign exchange rates :-

During the year there are no transactions in foreign currency.

(l) AS 12 - Accounting for Government grants :-

The company has not received any grant from Government during the year.

(m) AS - 13 Accounting for Investments :-

Investments are valued at cost.

Investments Movement during the year:

Sl No.	Name of Mutual Fund	Investments made during the year (Rs.)	Investments redeemed during the year - Cost (Rs.)	Cost of held as at Balance Sheet date (Rs.)
1	<b>HDFC Asset Management Limited, Mumbai</b> HDFC FRIF Short Term - Growth Option	200,000,000	99,816,462	100,183,538
2	<b>Reliance Capital Asset Management Limited, Mumbai</b> Reliance Liquid Fund - Institutional Growth	170,000,000	170,000,000	-
	Reliance Medium Term Fund - Retail Plan - Growth Plan - Growth Option	170,016,726	129,780,651	40,236,075
	<b>Total</b>	<b>540,016,726</b>	<b>399,597,113</b>	<b>140,419,613</b>

n) AS - 14 Accounting for amalgamation :-

During the year, there was no amalgamation.

o) AS - 15 Accounting for Retirement Benefits in the Financial Statements of employer :-

Not applicable as there are no employees on the rolls.

p) AS - 16 Borrowing cost :-

During the year, there were no borrowings attributable to qualifying assets.

q) AS - 17 Segment reporting :-

The company is not a listed company and the turnover during the accounting period is not in excess of Rs 50 crores. Hence, this standard is not applicable

r) AS - 18 Related party disclosure :-

Disclosure is made as per the requirements of the standard and the same is furnished below.

Reporting entity	TVS Energy Limited, Chennai
Holding company	TVS Motor Company Limited, Chennai
Ultimate holding companies	T V Sundram Iyengar & Sons Limited, Madurai Sundaram-Clayton Limited, Chennai
Fellow subsidiaries	Anusha Investments Limited, Chennai Sundaram Auto Components Limited, Chennai TVS Motor (Singapore) Pte. Limited, Singapore TVS Motor Company (Europe) B V, Amsterdam PT.TVS Motor Company, Indonesia, Jakarta TVS Investments Limited, Chennai TVS Electronics Limited, Chennai Tumkur Property Holdings Limited, Chennai Prime Property Holdings Limited, Chennai TVS-E Access (India) Limited, Chennai TVS-E Servicetec Limited, Chennai TVS Capital Funds Limited, Chennai Sraavanaa Properties Limited, Chennai Southern Roadways Limited, Madurai Sundaram Industries Limited, Madurai The Associated Auto Parts Limited, Mumbai TVS Interconnect Systems Limited, Madurai TVS Logistics Services Limited, Madurai Lucas-TVS Limited, Chennai Sundaram Textiles Limited, Madurai NSM Holdings Limited, Madurai TVSNet Technologies Limited, Madurai TOR Projects & Services Limited, Madurai NK Telecom Products Limited, Madurai NK Telesystems Limited, Madurai TVS Automotive Europe Limited, UK TVS C J Components Limited, UK TVS Logistics Iberia S.L., Spain TVS Logistics Siam Limited, Thailand TVS Autoserv GmbH, Germany TVS Logistics Investment UK Limited, UK YeleStre Holdings Limited, UK Multipart (Holdings) Limited, UK Multipart Solutions Limited, UK IH Crick Property Co Limited, UK Msys Software Solutions Limited, UK Globe Dynamics Limited, UK Globe Transport Products Limited, UK TVS Dynamic Global Freight Services Limited, Chennai TVS Commutation Solutions Limited Lucas Indian Services Limited, Chennai TVS Automotive Systems Limited, Chennai Iranian Automotive Systems, Iran

# TVS ENERGY LIMITED

## Schedules (continued)

		Rupees in lakhs	
		As at / Year ended 31-03-2010	As at / Year ended 31-03-2009
Associate company	Nil		
Key Management personnel	Mr G.R.V.Rajan, Manager and President		
Particulars of transactions with related parties		As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
Capital contribution by holding Company		374,900,000	-
s) AS - 19 Accounting for leases :-	The company has not entered into any Financial lease agreement during the year.		
t) AS - 20 Earnings per share :-	Disclosure is made in the Profit & Loss Account as per the requirements of the standard.		
u) AS - 21 Consolidated financial statements:-	Since the company does not have any subsidiary, this standard is not applicable.		
v) AS - 22 Accounting for taxes on income:-	Since the company does not have any taxable income, no provision for current tax is made. Deferred Tax Asset and Deferred Tax Liability do not exist		
w) AS - 23 Accounting for Investments in Associates in Consolidated Financial Statements :-	As the company is not required to prepare consolidated financial statement under AS - 21, requirement of this standard does not arise.		
x) AS 24 - Discontinuing operations :-	The company has not discontinued any operations during the year.		
y) AS 25 - Interim Financial Reporting :-	This standard is not applicable as the company is not a listed company.		
z) AS - 26 Intangible assets :-	The company does not have any intangible asset requiring compliance of the Standard.		
aa) AS - 27 Financial Reporting of Interests in Joint ventures :-	Not applicable as the company has no joint venture		
ab) AS 28 - Impairment of assets :-	The company does not have any fixed asset as at the balance sheet date.		
ac) AS - 29 Provisions, contingent liabilities and contingent assets :-			
i) Provisions	The requirements of Accounting Standard 29 are not applicable to the operations of the Company. Accordingly, no provision is created		
ii) Contingent liabilities -			
- Capital commitments not provided for		535,500,000	-
2 The directors have waived their sitting fees.			
3 Miscellaneous Expenditure not written off			
(a) Expenditure incurred in raising term loan will be written off over the period of the loan			
(b) Other preliminary expenditures will be written off against profits			

V Subramanian  
Chairman

G R V Rajan  
Manager & President  
Chennai  
5<sup>th</sup> July 2010

H Lakshmanan  
Director

Vide our report of over date  
For SUNDARAM & SRINIVASAN  
Chartered Accountants  
Firm Registration No. FRN 004207S

M. BALASUBRAMANIAM  
Partner  
Membership No: F7945

## Cash Flow Statement for the year ended 31st March 2010

	As at 31-03-2010	In Rupees As at 31-03-2009
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax and extraordinary items	(1,977,207)	-
Adjustments for:		
Profit on Sale on Investments (net)	(419,613)	-
Preliminary Expenses	-	(21,576)
Operating profit before working capital changes	(2,396,820)	(21,576)
Adjustments for:		
Loans and advances	(229,500,000)	-
Current Liabilities	-	5,515
	(229,500,000)	5,515
Net cash from operating activities	(A) (231,896,820)	(16,061)
<b>B CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of investments	(540,016,726)	-
Redemption of investments	400,016,726	-
Net cash from investing activities	(B) (140,000,000)	-
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Share Capital	374,900,000	100,000
Upfront Fee on Term Loan	(1,654,500)	-
Net cash from financing activities	(C) 373,245,500	100,000
<b>D NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	(A+B+C) 1,348,680	83,939
Opening cash and cash equivalents 31.3.2009	83,939	-
Closing cash and cash equivalents 31.3.2010	1,432,619	83,939

### Notes :

- The above statement has been prepared in indirect method investments which has been considered on the basis of actual movement of cash.
- Cash and cash equivalents include cash & bank balances.

V Subramanian  
Chairman

H Lakshmanan  
Director

Vide our report of over date  
For SUNDARAM & SRINIVASAN  
Chartered Accountants  
Firm Registration No. FRN 004207S

G R V Rajan  
Manager & President  
Chennai  
5<sup>th</sup> July 2010

M BALASUBRAMANIAM  
Partner  
Membership No: F7945

# TVS ENERGY LIMITED

## Balance Sheet abstract and Company's general business profile vide notification dated 15.5.95 issued by the Ministry of Corporate Affairs

### I. Registration details:

Registration / CIN no. U 40109 TN 2008 PLC 069101

State code 1 8

Balance sheet date 3 1 0 3 2 0 1 0  
Date Month Year

### II. Capital raised during the year (Amount in Rs.'000)

Public issue Nil Rights issue 3 7 4 9 0 0  
Bonus issue Nil Private placement Nil

### III. Position of mobilisation and deployment of funds (Amount in Rs.'000)

Total liabilities 3 7 5 0 0 0 Total assets 3 7 5 0 0 0

#### Sources of Funds

Paid up capital 3 7 5 0 0 0 Reserves and surplus Nil  
Secured loans Nil Unsecured loans Nil

#### Application of Funds

Net fixed assets Nil Investments 1 4 0 4 2 0  
Net current assets 2 3 0 9 2 7 Misc. Expenditure 1 6 7 6  
Accumulated losses 1 9 7 7

### IV. Performance of the company (Amount in Rs. '000)

Turnover 4 2 0 Total Expenditure 2 3 9 7  
(includes other income)  
Profit/(loss) before tax ( 1 9 7 7 ) Profit / (loss) after tax ( 1 9 7 7 )  
Earnings per share (Rs) ( 0 . 0 5 ) Dividend rate (%) Nil

### V. Generic names of three principal products/services of Company (as per monetary terms)

Item Code NO. (ITC Code) (NIC Code 2004) : 40108  
Product Description Generation of Electricity from other Non Conventional sources

V Subramanian H Lakshmanan G R V Rajan  
Chairman Director Manager & President

Place: Chennai  
Date: 5<sup>th</sup> July 2010