Goldstone Infratech Limited
9-1-83 & 84, Amarchand Sharma Complex, S.D. Road, Secunderabad - 500 003. Telangana, INDIA
Tel : +91-40-2780 7640, 0742, 1910, Fax : +91-40-39100012, 39120023

3rd October, 2016

The Bombay Stock Exchange Limited
National Stock Exchange of India Limited

Dear Sirs,

Sub: Annual Report u/r 34 (1) of SEBI (LODR), Regulations, 2015

Scrip Code Number	:	**532439**
Name on the Bolt	:	**Goldstone Infratech Ltd.**
Scrip ID on Bolt	:	**GOLDINFRA**

Pursuant to Regulation 34(1) of the SEBI (LODR), Regulations, 2015, please find attached the Annual Report of the Company for the financial year 2015-2016 duly approved and adopted by the members of the Company at 16th Annual General Meeting of the Company held on 30th September, 2016 at 04.00 PM at Plot No.1 & 9, IDA, Phase II, Cherlapally, Hyderabad 500 051.

Kindly take on record the same.

Thanking You.

Yours sincerely,
For Goldstone Infratech Limited

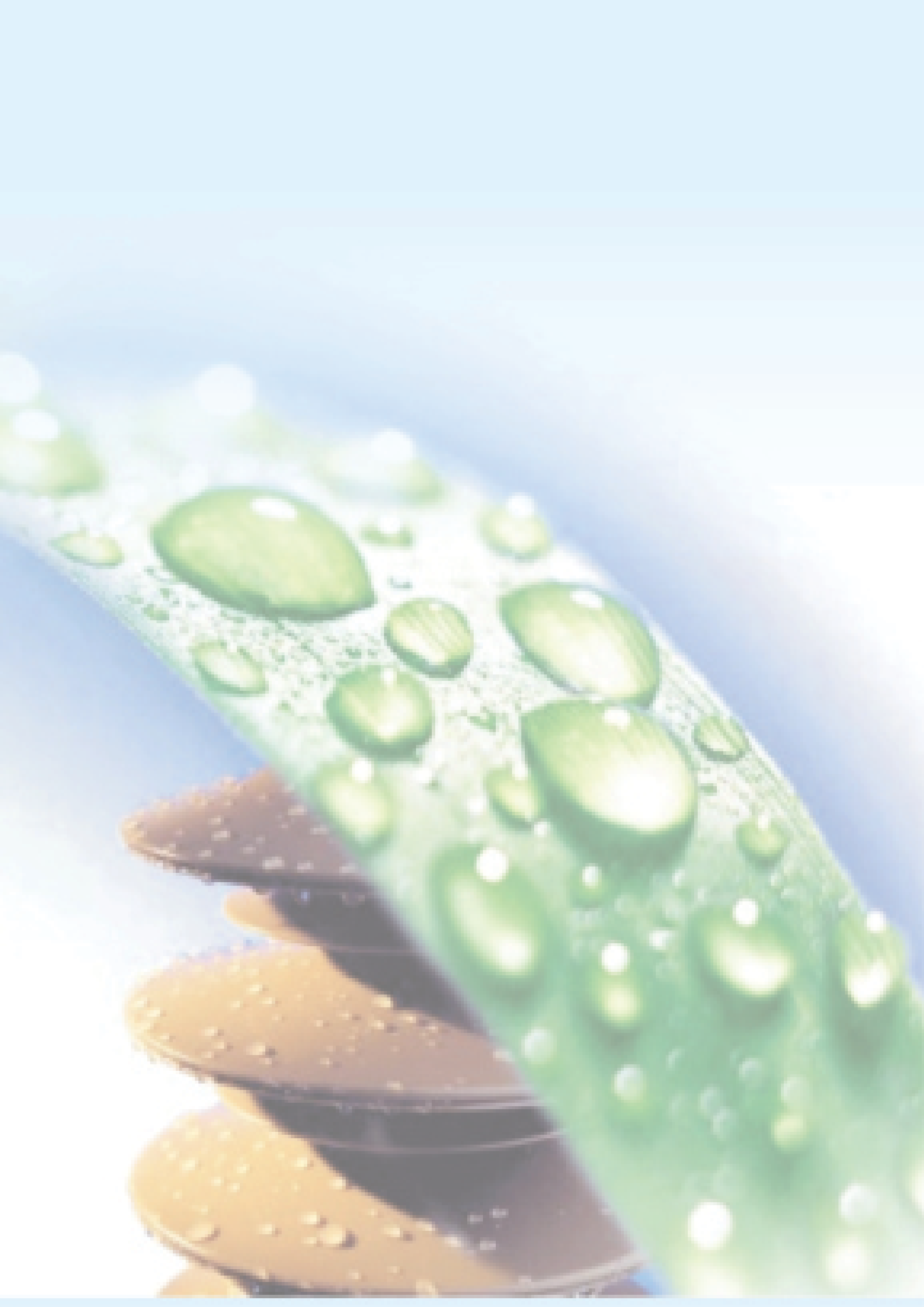
SEC'BAD

P.Hanuman Prasad
Company Secretary

Goldstone

Goldstone Infratech Limited

16th Annual Report 2015-16



Goldstone

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Goldstone

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
Mrs. Mahita Caddell ^

Nomination and Remuneration Committee:
Mr. M. Gopalakrishna
Mr. S. Murali Krishna*
Mr. B. Appa Rao
Mrs. Mahita Caddell ^

Corporate Social Responsibility Committee:
Mr. M. Gopalakrishna
Mr. B. Appa Rao
Mr. L P Sashikumar

Stakeholders Relationship Committee:
Mr. S. Murali Krishna*
Mr. B. Appa Rao
Mr. L P Sashikumar
Mr. M. Gopalakrishna ^

Key Managerial Personnel;
Mr. L P Sashikumar, Managing Director
Mr. P.Syam Prasad, Chief Financial Officer
Mr.Hanuman Prasad, Company Secretary & Compliance officer

Management Team:
Mr. N. Nagasatyam (Vice President-Business Development)
Mr. N. Sudhakar Reddy (AVP-Operations)
Mr. D P K Udas (VP-Sales & Marketing)
Mr. B. Kiran Kumar Reddy (AGM-Production)

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

Principal Bankers:
State Bank of Hyderabad
Syndicate Bank

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.
Fax No. : 91-40-39120012
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.

* Resigned w.e.f 01.07.2016
^ Member w.e.f. 11.08.2016

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 16th Annual General Meeting of the Company will be held on Friday, 30th day of September, 2016 at 04.00 P.M. at Plot No. 1 & 9, IDA, Phase II, Cherlapally, Hyderabad - 500 051 to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2016 and Statement of Profit and Loss for the year ended as on that date along with Directors' Report and Auditors' Report thereon.

2. To appoint a Director in place of Mrs. Mahitha Caddell, (DIN:01436127) 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".

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification(s),the following resolution as Special Resolution:

   "RESOLVED that subject to the provisions of Section 197, 198 and 203 read with provisions of Part-I, Section I and II of Part-II of Schedule-V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), subject to consents and permissions as may be necessary, Mr. L P Sashikumar (DIN:00016679) be and is hereby re-appointed as the Managing Director of the Company for a period of three years with effect from 1st April, 2016 on the following terms and conditions:

   1. Salary

   Salary of ₹ 1,60,000/- (Rupees One Lakh Sixty Thousand Only) per month.

   2. Perquisites

   The following perquisites may be allowed in addition to salary:

   Category A

   1. Housing: Rent Free Accommodation or House Rent Allowance – ₹ 50,000/- per month.(Rupees Fifty Thousand only)

   2. Other allowances/reimbursements like Maintenance, LTA, Gardener, Servant, Conveyance, Subscription to Professional Journals and Medical etc not exceeding ₹ 18,000/- per month. (Rupees Eighteen Thousand only)

   Category B

   Company's contribution towards Provident Fund and payment of Gratuity as per applicable laws. Company's contribution towards Medical Insurance Policy for self and family subject to a ceiling of ₹ 40,000/- (Rupees Forty Thousand only) per annum. One month leave for every completed year of service or payment in lieu thereof.

Category C

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purposes shall be billed by the Company.

3. Minimum Remuneration

In the event the company does not have profits or its profits are inadequate, Mr.L.P.Sashikumar shall be paid salary and perquisites not exceeding the statutory limits as may be prescribed from time to time pursuant to the provisions of Section 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013. However contribution to provident fund/annuity fund/ pension fund/gratuity and encashment of leave at the end of the tenure shall not be included in the ceiling of the salary.

"RESOLVED further that the Board of Directors be and are hereby authorized to alter or vary the terms and conditions of the said appointment so as not to exceed the limits specified in Section 197 read with Schedule V or other applicable provisions, if any, of the Companies Act, 2013 or any other amendments thereto, as may be agreed between the Board and Mr. L P Sashikumar."

"RESOLVED further that Mr. L P Sashikumar shall be entitled to an exgratia payment, subject to a maximum of one month gross salary."

"RESOLVED further that the Company Secretary and/or any Director of the Company be and is hereby authorized to file necessary forms with ROC and to certify the resolution and to do all other acts and things to bring effect to this resolution.".

BY ORDER OF THE BOARD

For GOLDSTONE INFRATECH LIMITED

Sd/-
P. Hanuman Prasad
Company Secretary

Place: Secunderabad
Date: 11.08.2016

NOTES :

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act) in respect of the business under Item No. 4 of the Notice is annexed hereto. The relevant details as required under regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of persons seeking appointment/ re-appointment as Directors under Item No. 2 and Item No.4 of the Notice are also annexed.

2. **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 resolution(s) 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.

3. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.

4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.

5. 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.

6. 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.

7. The Register of Members and Transfer Books of the Company shall remain closed from 24th September, 2016 to 30th September, 2016 (both days inclusive) for the purpose of ensuing Annual General Meeting.

8. 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.

9. As on 31st March 2016, ₹ 2,19,639.00 was unclaimed out of the dividend declared on 30th September, 2009 for the financial year 2008-09; ₹ 1,29,468.00 was unclaimed out of the dividend declared on 29th September, 2010 for the financial year 2009-10; ₹ 1,31,124.00 was unclaimed out of the dividend declared on 30th September, 2011 for the financial year 2010-11 and ₹1,08,848.00 was unclaimed out of the dividend declared on 29th 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 205C of the Companies Act, 1956 (corresponding 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 31st October, 2016, 30th October, 2017, 31st October, 2018 and 30th October, 2019 respectively.

During the year as per the provisions of the Section 124 (5) of the Companies Act, 2013 the Company has transferred the amount of ₹ 2,23,540.00 which was laying in unclaimed dividend Account for the year 2007-08 to the Investor Education and Protection Fund (IEPF).

10. The Annual Report of the Company for the year 2015-16 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 2015-16 circulated to the Members of the Company is available on the Company's website, viz. www.goldstonepower.com.

11. 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.

12. **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 Section108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 16th 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 23rd September, 2016 (cut-off date), are entitled to vote on the resolutions set forth in this Notice.

The e-voting period will commence on Tuesday, 27th September, 2016 (09:00 hrs) and will end on Thursday, 29th September, 2016 (17:00 hrs). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off 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.

Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

The Company has appointed M/s. Prathap Satla & Associates, Practicing Company Secretary, 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.

13. The e-voting facility will be available at the link www.evotingindia.com during the voting period.

14. 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.

(ii) Click on Shareholders.

(iii) Now Enter your User ID

a. For 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 and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • 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. • 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 100 then enter RA00000001 in the PAN field.
Date of Birth (DOB)	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. (or)
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter DOB or Dividend Bank Details in order to login .If both 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 (iii).

(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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvi) If a demat account holder has forgotten the login 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 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
- 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 linked in the login should be emailed to 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) Shareholders can also cast their vote using CDSL's mobile app "m-Voting"available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June, 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) 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, under help section or write an email tohelpdesk.evoting@cdslindia.com.

B. In case of members receiving the physical copy of notice of 16th Annual General Meeting (for members whose e-mail ids are not registered with the Company/Depositories):

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 23rd September, 2016.

(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. Pratap Satla & Associates, CP No. 11879, Practicing Company Secretary having his office at H.No.6-3-1238/15/1, Flat No.301, 3rd Floor, Elite Heights, Somajiguda, Hyderabad-500082 so as to reach on or before the conclusion of the 16th 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 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.comand on the website of www.cdslindia.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 two days of the AGM.

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013.

ITEM NO.4

As per recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on 26th May, 2016 re-appointed Mr. L.P. Sashikumar as Managing Director of the Company for a period of 3 years with effect from 1st April, 2016 subject to approval of members of the Company.

GENERAL INFORMATION;

The operations of the Company would come under the purview of manufacturing and distribution of Composite Insulators. The Company started its commercial operations on 11.10.2000. During the year under review, the turnover was ₹ 9295.92 Lakhs as against a turnover of ₹ 9215.13 Lakhs during the previous year. The Net Profit is ₹ 579.63 Lakhs during the year in comparison with Net profit ₹ 491.93 Lakhs during the previous year. The Company does not have any direct foreign investments. The Company has entered into an agreement with BYD Auto Co., China for introducing pure Electric Buses in India.

INFORMATION ABOUT APPOINTEE;

Mr. L.P.Sashikumar has about 33 years of experience in the Industry and Business Sector. He has no specific recognition or awards other than his rich experience as specified. He joined the Company on 11-10-2000 as an Additional Director of the Company. His immediate past assignment was as Managing Director of the Company with remuneration of ₹ 2,00,000 per month. Remuneration proposed for the re-appointment is ₹ 2,28,000/- per month. He has no other pecuniary relationship with management and the company either directly or indirectly. The Company re-appointed Mr. L.P. Sashikumar as a Managing Director to utilize his rich experience and expertise.

DISCLOSURE:

The Board has also, subject to approval of the shareholders, fixed the remuneration/ perquisites/ benefits payable to Mr. L.P. Sashikumar, Managing Director from 1st April, 2016, which, shall be as under:

1. Name of the appointee: Mr.L.P. Sashikumar
2. Designation: Managing Director
3. Tenure: Three (3) years from 1st April, 2016
4. Salary: ₹ 1,60,000/- p.m.
5. Perquisites;
   i) Perquisites include Housing: Rent Free Accommodation or House Rent Allowance – ₹ 50,000/-per month. (Rupees Fifty Thousand only)
   ii) Other allowances/reimbursements like Maintenance, LTA, Gardener, Servant, Conveyance, Subscription to Professional Journals and Medical etc. not exceeding ₹ 18,000/- per month. (Rupees Eighteen Thousand only)
6. Company's contribution towards Provident Fund, payment to Gratuity as per applicable laws. Company's contribution towards Medical Insurance Policy for self and family is subject to a ceiling of ₹ 40,000/- per annum. One month leave for every completed year of service or payment in lieu thereof and the same shall not be considered perquisites as aforesaid.
7. Provision of car for use on Company's business and telephone at residence will not be considered perquisites.Personal

long distance calls and use of car for private purpose shall be billed by the Company.

In the event of the Company has no profits or inadequate profits, the remuneration payable to Mr. L.P. Sashikumar shall be not exceeding the statutory limits as may be prescribed from time to time pursuant to the provisions of Section 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013. However, contribution to provident fund/annuity fund/pension fund/gratuity and encashment of leave at the end of the tenure shall not be included in the ceiling of the salary.

He shall be entitled to an exgratia payment, subject to a maximum of one month gross salary.

No stock options have been proposed or given to Mr. L.P. Sashikumar.

The above mentioned explanatory statement read together with the resolutions specified under SPECIAL BUSINESS as Item No. 4 of the Notice convening the Annual General Meeting may be considered as an abstract under Section 102 of the Companies Act, 2013, of the terms of revised remuneration and perquisites payable to the aforesaid Managing Director with effect from 1st April, 2016.

Your Directors recommend the resolution for your approval.

MEMORANDUM OF INTEREST

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution except to the extent of their shareholding in the Company, if any.

BY ORDER OF THE BOARD

For GOLDSTONE INFRATECH LIMITED

Sd/-

P. Hanuman Prasad

Company Secretary

Place: Secunderabad

Date: 11.08.2016

Goldstone

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

[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India. (Listing obligatios and Disclosure Requirements), Regulations, 2015]

Name of Director	**Mrs. Mahita Caddell**
Date of Birth	01st December 1975
Date of Appointment	29th May, 2004
Qualifications	MS (International Business Administration and Information Systems).
Expertise in specific functional areas	Over 13 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	Nil

Name of Director	**Mr. L. P. Sashikumar**
Date of Birth	25/10/1950
Date of Appointment	11/10/2000
No. of shares held (As on 11.08.2016)	5,34,350
Expertise in specific functional areas	Over 33 years of varied experience in the industry and business sectors.
List of other companies in which directorship Held	- Goldstone Technologies Ltd. - Goldstone Granites Pvt Ltd. - Staytop Systems and Software Pvt Ltd. - T F Solar Power Pvt. Ltd. - Goldstone Power Pvt. Ltd. - Trinity Transformers Pvt Ltd. - Skylark Estate Ventures Pvt Ltd.
Chairman/ Member of the Committee of the Board of Directors of Companies (other than Goldstone Infratech Limited) on which he/she is a Director	Member of Stakeholders Relationship Committee and Nomination & Remuneration Committee of Goldstone Technologies Ltd.
Chairman/Member of the Committees of the Company	Member of Stakeholders Relationship Committee of the Company.
Relationship between Directors inter-se	NIL

Goldstone

Directors' Report

To
The Members
Goldstone Infratech Limited

Your Directors have pleasure in presenting the 16th Annual Report together with the Audited Statements of Accounts of the company for the financial year ended 31st March 2016.

Financial Results:

The summarized financial results (Standalone) of the Company for the year ended 31st March, 2016 as compared to the preceding year are as under:

₹ in Lakhs

Particulars	2015-16	2014-15
Gross Sales	**10,142.09**	9,951.19
Net Sales	**9,295.92**	9,215.13
Other Income	**170.57**	133.68
Total Income	**9,466.49**	9,348.81
Total Expenditure	**7,454.43**	7,546.03
Operating Profit (PBIDT)	**2,012.06**	1,802.78
Interest	**574.28**	578.30
Depreciation and Write Offs	**546.81**	564.80
Profit before Tax	**890.97**	659.68
Provision for taxation		
– Current	**300.00**	200.00
– Deferred	**(61.02)**	(48.90)
Extra-Ordinary Items	**72.36**	16.65
Net Profit after tax	**579.63**	491.93
Surplus brought forward from previous year	**845.58**	421.55
Less : Depreciation adjustment	**0.00**	67.90
Balance available for appropriation	**1,425.21**	845.58
• Proposed Dividend on Equity Shares	**-**	-
• Provision for Dividend Tax	**-**	-
• Transfer to General Reserves	**-**	-
• Others	**-**	-
Surplus carried forward to Balance Sheet	**1,425.21**	845.58
Equity Share Capital		
(3,60,80,737 Shares of Rs 4/- each)	**1,443.23**	1,443.23
E.P.S (After Prior Period Items) (₹)	**1.61**	1.36
Net Worth	**8,619.90**	8,040.27
Book Value in rupees (face Value of Rs. 4/- each)	**23.89**	22.28

Review of Operations:

During the year under review, your Company has achieved a gross turnover of ₹ **10,142.09** lakhs as against ₹ 9,951.19 lakhs for the previous financial year. The Net Profit for the year ended 31st March, 2016 was ₹ **579.63** Lakhs as against ₹ 491.93 Lakhs for the year ended 31st March 2015.

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 recommended any dividend for the financial year 2015-16.

Share Capital:

The Paid up capital as on 31st March, 2016 was ₹ 14,43,22,948/- (having 3,60,80,737 Equity Shares @ ₹ 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 shares. As on March 31, 2016, 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, 2016 was ₹ **948.96 Lakhs.** The Company continues 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. Mahitha Caddell, Director, who retires by rotation at the 16th Annual General Meeting and being eligible, offers herself for re-appointment.

As per the recommendations of the Nomination & Remuneration Committee, subject to your approval, the Board of Directors in their meeting held on 26th May, 2016 have re-appointed Mr. L.P.Sashikumar as Managing Director of the Company for a period of 3 (Three) years with effect from 01st April, 2016.

Mr. S. Muralikrishna, Independent Director of the Company, tendered his resignation w.e.f.01.07.2016 from the position of Director in the Company.

Mr.M.Gopalakrishna, Mr. B. Appa Rao were appointed as Independent Directors of the Company for a term of 5 (Five) years from 27th September 2014 to 26th September, 2019 hence they are 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.

Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and as per the applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 is explained in the Corporate Governance Report.

Remuneration Policy:

The Board had 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, Seven Board Meetings, Six Audit Committee Meetings and Two Nomination and Remuneration 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.

Corporate Social Responsibility;

For the year ended 31st March, 2016 the provisions of Section 135 of the Companies Act, 2013 are applicable to the Company as the net profit of the Company for the year 2015-2016 is more than ₹ 5.00 Crores. The details pertaining to the utilization of the Profits towards the CSR Activities, CSR policy and the Corporate Social Responsibility Committee are given in the Corporate Governance Report annexed to this report.

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 on the website of the company at 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.These documents will also be available for inspection during the business hours at the registered office of the Company.

Subsidiaries and Associates :

As on 31st March, 2016, the Company has 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 applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has framed a policy on Material Subsidiaries as approved by the Board and the same has been uploaded on the Company's website 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 subsidiaries :

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 does not have any 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 hold 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 comes 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 2015-16 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 2016-17.

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. None of the Directors have any pecuniary relationships or transactions vis-à-vis the Company.

The details of contracts or arrangements with related parties made by the company during the year 2015-16 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 & Associates, a firm of Company Secretaries 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 requirement Section 134 (3) (n) and Regulation 21 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 Board'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 have 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 / behaviour 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.

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. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure. In addition to the above and pursuant to the applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 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

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 is 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 compliance with the Code.

Policies under SEBI (LODR) Regulations, 2015;

The Board adopted the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which came into force on 2nd December, 2015 in the Board Meeting held on14.11.2015 which replaced the erstwhile Listing Agreement.

Further, pursuant to the said regulations, the Company adopted the following policies

1. Archival Policy
2. Determination of Materiality of Events
3. Preservation of Documents Policy

All the above policies are hosted on the website of the Company www.goldstonepower.com

Vigil Mechanism / Whistle Blower Policy:

As per the provisions of the Section 177 (9) & (10) of the Companies Act 2013, read with Clause 49 of the erstwhile Listing Agreement the Board 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 provides 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 the Whistle Blower Policy has also been uploaded on the Company's website; 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 2016-17.

Corporate Governance and Management Discussion & Analysis Reports :

As per the Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 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.

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.31.3.2016, to which financial statements relate and the date of the Boards Report: NIL

OTHERS;

During the year under review, the Company had entered into a Business Transfer Agreement for sale and transfer of Insulator Division on 11th July, 2015 with M/s.MacLean Power (India) Private Limited,which has lapsed according to the terms of the Agrement.

The Board of Directors of the Company, accorded its consent for entering into the business of Electric Buses and approved the agreement with one of the largest manufacturers of Electric Buses from China for introducing pure Electric Buses in certain markets of India.

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

Information required to be furnished as per Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished below:

1. CONSERVATION OF ENERGY :

a. Energy Conservation Measures taken or under implementation

During the period the company had:

1) Ensured proper and timely maintenance of plant & equipment.

2) Improved processes to reduce cycle time.

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.

	Electricity	2015-16	2014-15
A.	**Purchased**		
	Units – KWH	**25,58,487**	29,46,042
	Total Amount – In ₹	**2,01,34,463**	2,18,07,148
	Rate/Unit – In ₹	**7.87**	7.40
B.	**Own Generation through Diesel Generator**		
	Units – KWH	**76,402**	2,00,115
	Total Amount – In ₹	**14,87,496**	37,97,546
	Rate/Unit – In ₹	**19.47**	18.98

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 activities to optimize the productivity and performance. The designs of Insulators have been optimized for improvement in quality, standardization and value engineering.

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

The company has reduced cost and wastages in production of the insulators.

c. Future Plan of Action:

The company plans to improve the existing process and continue with value engineering.

3. FOREIGN EXCHANGE EARNINGS AND OUT GO:

(₹ In lakhs)

	Particulars	2015-16	2014-15
a)	Value of Imports on CIF Basis		
	➢ Raw Materials	**2,077.06**	1,729.33
	➢ Capital Goods	**31.63**	69.65
b)	Expenditure in Foreign Currency		
	➢ Travelling Expenses	**4.16**	1.23
	➢ Others	**1.71**	32.50
c)	Earnings in Foreign Currency (on receipt basis)		
	➢ Export of Goods (FOB Basis)	**15.39**	47.34
	➢ Deemed Exports	**2,402.78**	640.33

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 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 read with notification dated 30th June, 2016 in respect of employees of the Company, is enclosed as **Annexure 5** to the Board's report.

Personnel:

Personnel relations have remained very cordial during the period.

Acknowledgements:

Your Directors convey their sincere thanks to State Bank of Hyderabad and Syndicate Bank 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/-
L P Sashikumar	**B. Apparao**
Managing Director	Director
DIN:00016679	DIN:00004309

Place: Secunderabad
Date: 11.08.2016

Form 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

	Name of the subsidiary	**TF Solarpower Private Limited.**
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	₹ 9,93,13,343
6.	Total Liabilities	₹ 3,92,13,343
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

Annexure -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 :

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	:	NA
	(b)	Nature of contracts/arrangements/transactions	:	NA
	(c)	Duration of the contracts / arrangements/transactions	:	NA
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	:	NA
	(e)	Justification for entering into such contracts or arrangements or transactions	:	NA
	(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		:	NIL

SERCRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

[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 31stMarch, 2016 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 31stMarch, 2016 ("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 and dealing with client;
      (c) The Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 1992 and 2015;
      (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);

(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 Pollution 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, Regulations, guidelines etc mentioned above.

4. We, further report that:

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India.

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) Adequate notice was given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance.

(c) 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.

(d) 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

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

Place: Hyderabad
Date: 11.08.2016

Annexure -4

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March, 2016
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	11th 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 :	
	Registered Office	9-1-83 & 84, Amarchand Sharma Complex, S D Road, Secunderabad 500003, Phone Nos : 040 27807640/0742 Fax No. 040 39120012 Email Id : info@goldstone.net Website : www. goldstonepower.com
vi)	Whether listed company	Yes
vii)	Name, Address and contact details of Registrar and Share Transfer Agents (RTA)	Aarthi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad 500 029. Phone No-040-27638111/4445 Fax: 040-27632184 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	98.20%

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.	**TF Solarpower Private Ltd.,** Address : 9-1-83&84, Amarchand Sharma Complex, SD Road, Secunderabad - 500 003.	U40106TG2007 PTC055617	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 01-04-2015				No of shares held at the end of the year 31-03-2016				% change the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A Promoter									
(1)Indian									
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. tate 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)	18347515	0	18347515	50.85	18347515	0	18347515	50.85	0
2. Foreign									
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 Total (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	18347515	0	18347515	50.85	18347515	0	18347515	50.85	0
Public Shareholding B(1) Institutions									
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 01-04-2015				No of shares held at the end of the year 31-03-2016				% 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. FIIs	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									
a. Bodies Corporate									
i. Indian	7596334	0	7596334	21.05	2621694	0	2621694	7.27	(13.78)
ii. Overseas	0	0	0	0	0	0	0	0	0
b. Individuals									
i. Individual shareholding nominal share Capital upto ₹ 1 lakh	5059126	236054	5295180	14.68	5061470	234754	5296224	14.68	0
ii. Individual shareholding nominal share Capital excess of ₹ 1 lakh	4417745	0	4417745	12.24	9462836	0	9462836	26.23	13.99
c. Others (specify)									
Foreign Bodies									
i) Non resident Indian	179085	0	179085	0.50	149298	0	149298	0.41	(0.09)
ii) Clearing members	144419	0	144419	0.40	102711	0	102711	0.28	(0.12)
iii) Trusts	0	0	0	0	0	0	0	0	0
SUB TOTALS B(2)	17396709	236054	17632763	48.87	17398009	234754	17632763	48.87	0
TOTAL PUBLIC SHAREHOLDING (B)=B(1)+B(2)	17497168	236054	17733222	49.15	17498468	234754	17733222	49.15	0
C. Share held by Custodian For GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	35844683	236054	36080737	100	35845983	234754	36080737	100	0

ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2015			Share holding at the end of the Year 31.03.2016			% 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	0	0
3	Mr. P S Parthasarathy	37,000	0.10	0	37,000	0.10	0	0

iii) Change in Promoter's Shareholding (please specify, if there is no change)

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	Shareholding at the beginning of the year i.e., 01-04-2015		Shareholding at the end of the year i.e., 31-03-2016		Change in the 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	&Malav Jayant Shah	——	—-	1396850	3.87	1396850	3.87
2	&Jayant Hiralal Shah	——	—-	1380000	3.82	1380000	3.82
3	&Heena Jayant Shah	——	—-	1087370	3.01	1087370	3.01
4	&Prachi Malav Shah	——	—-	1055188	2.92	1055188	2.92
5	Aggarwal Rakesh	436525	1.21	436525	1.21	0	0
6	Globe Capital Market Ltd	1011824	2.80	353273	0.97	(658551)	(1.83)
7	Kantilal M Vardhan (HUF)	305677	0.85	305677	0.85	0	0
8	Ishvam Portfolio Private Limited	—-	—-	218532	0.60	218532	0.60
9	Sai Pavan Estates Pvt Ltd	205900	0.57	205900	0.57	0	0
10	Janak D Jesrani	——	——	202000	0.60	202000	0.60
11	*Mangal Keshav Capital Ltd	305000	0.85	——	——	——	——
12	*Anil Jindal	175786	0.49	——	——	——	——
13	*Smridhi Farms Private Limited	442174	1.23	——	——	——	——
14	*Anil Jindal HUF	227680	0.63	——	——	——	——
15	*Rajasthan Global Securities Limited	2834415	7.86	——	——	——	——
16	*Supreme Portfolio Pvt Ltd	215220	0.60	——	——	——	——
17	*Ashok Kumar Sharma	215000	0.60	——	——	——	——

& Not in the List of Top 10 Shareholders as on 01-04-2015. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2016.

* Ceased to be in the List of Top 10 shareholders as on 31-03-2016.The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 01-04-2015.

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

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

Sl. No.	For each of the Directors & Key Managerial Personnel	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
A	**DIRECTORS**							
1.	Mr. L.P. Sashikumar	5,34,350	1.48	01-04-15 to 31-03-16	Nil	NA	5,34,350	1.48
2.	Mrs. Mahita Prasad Caddell	Nil	NA	01-04-15 to 31-03-16	Nil	NA	Nil	NA
3.	Mr. S Murali Krishna*	Nil	NA	01-04-15 to 31-03-16	Nil	NA	Nil	NA
4.	Mr.M Gopalakrishna	Nil	NA	01-04-15 to 31-03-16	Nil	NA	Nil	NA
5.	Mr. B Appa Rao	Nil	NA	01-04-15 to 31-03-16	Nil	NA	Nil	NA
B.	**KEY MANAGERIAL PERSONNEL [KMP]**							
1.	Mr. P. Syam Prasad (Chief Financial Officer)	Nil	NA	01-04-15 to 31-03-16	Nil	NA	Nil	NA
2.	Mr. P. Hanuman Prasad (Company Secretary)	Nil	NA	01-04-15 to 31-03-16	Nil	NA	Nil	NA

* Resigned w.e.f.01.07.2016

V. INDEBTEDNESS

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

Amount in ₹

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	26,27,18,319	—	—	26,27,18,319
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	5,40,061	—	—	5,40,061
Total (i+ii+iii)	**26,32,58,380**			**26,32,58,380**
Change in indebtedness during the financial year				
• Addition	42,94,492			42,94,492
• Reduction	(4,80,01,463)			(4,80,01,463)
Net Increase/(Decrease)	**(4,37,06,971)**			**(4,37,06,971)**
Indebtedness at the end of the financial year				
i) Principal Amount	21,95,51,409	—	—	21,95,51,409
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	**21,95,51,409**			**21,95,51,409**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

₹ in lakhs

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 NA NA	 26.00 NA NA
2.	Stock Option	NA	NA
3.	Sweat Equity	NA	NA
4.	. Commission - as % of profit - others, specify…	 — —	 — —
5.	Others (Employee Contribution to PF)	0.22	0.22
	Total (A)	26.22	26.22
	Ceiling as per the Act	NA	NA

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	2.25	2.25	1.35	0.00	5.85
	• Commission	—	—	—	—	—
	• Others, please specify	—	—	—	—	—
	Total Managerial Remuneration	2.25	2.25	1.35	0.00	5.85
	Overall Ceiling as per the Act	—	—	—	—	—

* Resigned w.e.f.01.07.2016

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

₹ 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	-	10.80	20.76	31.56
	(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	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - Others, specify…	-	-	-	-
5	Others (Employees Contribution to PF)	-	0.22	0.22	0.44
	Total	**-**	**11.02**	**20.98**	**32.00**

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)
A.COMPANY					
Penalty	-	NIL	-	-	-
Punishment	-	NIL	-	-	-
Compounding	-	NIL	-	-	-
B. DIRECTORS					
Penalty	-	NIL	-	-	-
Punishment	-	NIL	-	-	-
Compounding	-	NIL	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	NIL	-	-	-
Punishment	-	NIL	-	-	-
Compounding	-	NIL	-	-	-

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;

Non Executive Director	Ratio to Median Remuneration
Mr. M. Gopala Krishna	Not Applicable
Mr. B. Appa Rao	Not Applicable
Mr. S. Muralikrishna*	Not Applicable
Mrs. Mahita Prasad Caddell	Not Applicable
Executive Director	
Mr. L.P. Sashikumar	13.41: 1

Non Executive directors do not have any specific remuneration other than receiving sitting fees for attending the Board Meetings.

* Resigned w.e.f.01.07.2016

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;

Name of the Person	Percentage increase in remuneration
Mr. L.P. Sashikumar	**Nil**
Mr. P. Syam Prasad (CFO)	**10.13**
Ms. P. Hanuman Prasad (Company Secretary)	**24.15**

Percentage in brackets represents negative percentage.

c) The percentage increase in the median remuneration of employees in the financial year. - 29.64%

d) The number of permanent employees on the rolls of company: 172

e) 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 percentile increase in salaries of employees other than managerial personnel in 2015-16 was 11.31%. Percentage increase in the managerial remuneration for the year was 11.42%.

f) 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

The Union Budget this year has made substantial allocation of funds for the Power Sector. The government will offer ultra-mega power projects worth a total of ₹ 1.5 lakh crores in the current and next fiscal year. There is major focus on Transmission & Distribution.

The renewable energy development on big scale will also boost demand for company products further. The government has set up ambitious target of 175 GW of renewable generation by 2022. The government has identified 34 solar parks in 21 states and EHV transmission system for evacuation of bulk power from these solar parks.

Government of India has chalked out massive programme of enhancement of transmission capacity at an estimated investment of about ₹ 2,00,000 Crores is underway. This includes laying of 11 High Capacity Power Transmission Corridors (HCPTCs) being implemented matching with generation projects in Chhatisgarh, Odisha, Madhya Pradesh , Sikkim , Jharkhand , Tamil Nadu and Andhra Pradesh.

The country is having more than 298 GW of generation capacity. The generation of power is more concentrated in pockets. The Power Surplus regions do not have adequate power evacuation infrastructure. There is improved generation due to fuel issues getting sorted out and corresponding increase in transmission capacity is required. Your company products are widely used for the same.

The Government declared programme of 100% rural electrification of our villages by 1st May 2018.

The 12th plan (2012-17) has witnessed substantial addition of transmission lines particularly for 765 kV and 400 kV for which your company has requisite expertise. The company also developed import substitution product of 800 kV HVDC which has helped in meeting country's demand.

The rate of application of composite insulators has grown rapidly. In case of new lines the share is 50% and it is growing every month. The replacement demand is also on rise.

Launching of UDAY (Ujjwal Discom Assurance Yojana) will improve financial health of discoms and subsequently of transmission companies.

The Government ,in order to fulfil its mission of power for all is pumping major investments in transmission and distribution projects. It appears that the Government shall be able to meet its objective as they are moving at fast pace by the Ministry of Power's apex organizations like CEA, REA, PFC and PGCIL.

Another area which looks attractive for company products is its acceptability in International markets. The acceptability of composite insulators is increasing and usage in Africa, Middle East, America and South America is increasing and so also demand. The finance ministry has indicated its support for export sector.

B. Opportunities & Threats

Opportunities

1) Government policies are encouraging more participation of Private Sector in transmission projects.

2) Green energy corridors to transfer power from renewable energy sources are being developed in the form of inter-state / intra state transmission schemes.

3) The upcoming national grid comprising 53,150 MW of inter regional capacity that would increase to 72,250 MW by the end of 13th plan period would create good requirement of company products.

Threats

1) The liquidity of buyers continues to be an issue.

2) In smart cities it is encouraged to use underground electricity distribution which reduces need for insulators which are mainly used in overhead transmission.

3) The continuous rise in costs of fuel, power, raw materials and other inputs continue to be cause of concern for the industry.

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, inspite 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 ₹ 101.42 Crores as against ₹ 99.51 Crores in the previous year.

D. Outlook

Indian Insulator Industry is continuously keeping pace with technological advancement that is occurring globally. The domestic industry manufactures various types of insulators in all ranges for LT, HT and EHT. The industry is also manufacturing for the range up to 1200 kV. Vision 2022 is to make India the country of choice for the production of electrical equipment and reach an output of US$100 billion by balancing exports and imports. Goldstone has augmented its capacity to cater to growing market. We also intend to add more products as per customer requirement. After PGCIL, many state utilities are carrying out replacement of insulators which will boost demand.

The recent guideline from CEA to various utilities to buy in India by making payment in Indian Rupees will help domestic companies to cater to wider market.

Central power sector, state electricity boards, distribution companies, private sector power transmission companies, railways and telecom sector are all major customers for this industry. In order to meet the country's growing demand of up to 1200kV, your company strives to build sufficient swappable capacity of insulators since.

E. Risks and Concerns

The revenues of Indian manufactures of composite insulators have been eroded by the cheaper imports from China inspite of growth in overall transmission line network.

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 on Financial Performance with respect to operational performance

During the year, the Company has achieved a gross turnover of ₹ 101.42 Crores as against ₹ 99.51Crores during the previous financial year. Considering the average industry growth, the financial/ operational performance of the Company was good.

H. Material Developments in Human Resource / Industry Relations front, including number of people employed

Industrial relations are harmonious. The company recognizes the importance and contribution of the human resources for its growth and development. As on 31st March, 2016 the Company has total strength of 172 employees.

I. Cautionary 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.

Goldstone

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 four directors as on 11th August, 2016 out of which one Director is Executive Director and the remaining Directors are Non Executive Directors. Out of the three Non Executive Directors, two are Independent Directors. 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 Seven meetings during the period ended 31st March, 2016, i.e. on (i) 23rd May, 2015, (ii) 11th July, 2015, (iii) 6th August, 2015 (iv) 14th October, 2015, (v) 14th November, 2015 , (vi)13th February, 2016 and (vii) 31stMarch 2016.

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	7	Yes
Mrs. Mahita Caddell	Promoter, Non-Executive Director	6	No
Mr. M Gopalakrishna	Independent Director	7	Yes
Mr. B Appa Rao	Independent Director	7	Yes
*Mr. S Murali Krishna	Independent Director	4	Yes

The letter(s) of appointment(s) to the above Independent Directors and the details of the familiarization programmes imparted to the Independent Director are disclosed on the website of the company i.e. www.goldstonepower.com

*Resigned w.e.f 01.07.2016

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	6	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	7	3	6	1

viz., the Audit Committee and the Stakeholders Relationship Committee

^ Only Indian Companies are considered.

There are no Inter-Se relationships between the Board Members.

The Non-Executive Directors do not hold any shares in the Company.

The details of the Familiarization Programmes imparted to Independent Directors are disclosed on the website of the Company www.goldstonepower.com

3. Audit Committee

The terms of reference stipulated by the Board of Directors to the Audit Committee as contained in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 (c) of sub-section (3) of Section 134 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. review and monitor the auditor's independence and performance, and

m. effectiveness of audit process;

n. examination of the financial statement and the auditors' report thereon;

o. approval or any subsequent modification of transactions of the company with related parties;

p. scrutiny of inter-corporate loans and investments;

q. valuation of undertakings or assets of the company, wherever it is necessary;

r. evaluation of internal financial controls and risk management systems;

s. monitoring the end use of funds raised through public offers and related matters.

t. Examine the reasons for substantial defaults in the payment to the depositors, Members (in case of non-payment of declared dividends) and creditors.

u. Reviewing the functioning of whistle blower mechanism, in case the same exists.

v. 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.

w. 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
&Mrs. Mahita Caddell	Member	Non-Independent Director

*Resigned w.e.f 01.07.2016
& Member w.e.f. 11.08.2016

The Committee held six meetings during the period ended 31st March, 2016, i.e. on (i) 23rd May, 2015, (ii) 11th July, 2015, (iii) 6th August,2015, (iv)14thOctober, 2015 (v) 14th November,2015 and (vi) 13th February, 2016

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	6
Mr. M.Gopalakrishna	Independent Director	6
Mr. S Murali Krishna*	Independent Director	4

* Resigned w.e.f 01.07.2016

4. Nomination and Remuneration Committee;

The terms of reference stipulated by the Board of Directors to the Nomination and Remuneration Committee as contained in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 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.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors
- Devising a policy on diversity of Board of Directors
- 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.
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

- **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
&Mrs. Mahita Caddell	Member	Non Independent Director Non Executive Director

& Member w.e.f. 11.08.2016

* Resigned w.e.f 01.07.2016

- **Meetings and Attendance during the Year**

During the year under review, the Committee held Two meetings during the period ended 31st March, 2016, i.e. on (i) 6th August, 2015 and (ii) 31st March, 2016

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

* Resigned w.e.f 01.07.2016

Evaluation;

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 31.03.2016 (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. Two Independent Directors attended the meeting.

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

ii) Evaluation by Board:

The Board 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 decided 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 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

iii) 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 and the applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, after considering their management expertise and wide range of experience. All Independent Directors who are in the Board have been 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, Code for the Independent Directors and the Board Members, updates on business model, nature of industry, operations and financial performance of the Company along with the significant developments in the Company, policies of the Company on Corporate Social Responsibility, Remuneration Criteria, Vigil Mechanism, Related Party Transactions, Risk Management etc, updates on significant amendments in corporate and other laws and its impact on the Company. All Independent Directors were also requested to access the necessary documents / brochures, Code of Conducts, Letter of Appointments, Annual Reports andinternal policies available at our website 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.

iv) Board Diversity:

Pursuant to the relevant provisions of the Companies Act, 2013 and regulation 19(4) read with Part D of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,the Company has framed a policy on Board diversity, pursuant to that policy, the company is having optimum combination of Directors from the different areas / fields like Production, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development, Human Resources etc. Further ,Board also consists of a woman director, two Independent Directors having vast experience in different areas including finance.

5. Remuneration of Directors

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 & KMP's, evaluation of their performance and their remuneration. The

policy is hosted on the website of the Company www.goldstonepower.com

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 ofthe 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 within 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;

Apart from receiving the Sitting Fees from the Company the Non-Executive Directors do not have any Pecuniary relationship or transactions with the Company.

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.

Details of remuneration paid to Directors during the financial year 2015-16:

(In ₹)

Name of the Director	Category	Sitting fee	Salary	Benefits	Total
Mr. L P Sashikumar	Promoter, Managing Director	0	24,00,000	2,21,600	26,21,600
Mr. B Appa Rao	Independent Director	2,25,000	0	0	2,25,000
Mr. S Murali Krishna*	Independent Director	1,35,000	0	0	1,35,000
Mrs. Mahita Caddell	Promoter Non Executive Director	0	0	0	0
Mr. M Gopalakrishna	Independent Director	2,25,000	0	0	2,25,000

* Resigned w.e.f 01.07.2016

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 31st March, 2016.

6. Stakeholders Relationship Committee

The role of Stakeholders Relationship Committee is to perform all the functions relating to handling of all sorts of shareholders' 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
&Mr. M. Gopala Krishna	Member	Independent Director

& Member w.e.f. 11.08.2016
* Resigned w.e.f 01.07.2016

The Committee held four meetings during the period ended 31st March, 2016, i.e. on (i) 23rd May, 2015, (ii) 6th August, 2015, (iii) 14th November, 2015, and (iv)13th February, 2016

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	2

* Resigned w.e.f 01.07.2016

Number of shareholder complaints received, number solved and number of pending complaints as on 31st March, 2016:

Opening Balance as on 01.04.2015	Received during the period 01.04.2015 to 31.03.2016	Resolved during the period 01.04.2015 to 31.03.2016	Closing Balance as on 31.03.2016
Nil	4	4	Nil

- Name and Designation of Compliance Officer:
  - ➢ Mr. P.Hanuman Prasad, Company Secretary

7. Corporate Social Responsibility Committee

The provisions of Section 135 of the Companies Act, 2013 are applicable to the Company from the current Financial Year i.e. 2016-2017 as the net profit of the Company for the year 2015-2016 is more than Rs.5.00 Crores. The utilization of the 2% of the net profits towards the activities mentioned in the Companies (Corporate Social Responsibility Policy) Rules, 2014, will be taken up in the Financial Year 2016-2017.

In this regard, the Board of Directors constituted the Corporate Social Responsibility Committee consisting of

- Mr.L.P.Sashikumar
- Mr.M.Gopalakrishna
- Mr.B.Appa Rao

Further, the Board has approved and adopted the Corporate Social Responsibility Policy in the Board Meeting held on 11th August,2016.The same is hosted on the website of the Company www.goldstonepower.com

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

Business Risk Evaluation and Management 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.

9. General Body Meetings

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

Year	Location	Date	Time
2015	Plot No. 1 & 9, IDA, Phase II Cherlapally, Hyderabad – 500 051.	29.09.2015	04.00 P.M
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	03.00P.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:

(a) Postal ballot:

During the year under review, the approval of Members was sought by Postal Ballot to sell and transfer the Insulator Division of the Company. However, the said Postal Ballot was not carried with requisite majority.

Mr.S.Chidambaram, Practicing Company Secretary, Hyderabad was appointed as Scrutinizer to conduct the said postal ballot process in a fair and transparent manner. The said process was completed on 14-09-2015 wherein the resolution as proposed in the Postal Ballot Notice was not passed with the requisite majority. The Postal Ballot results were announced on 16-09-2015. The details of the voting are as under:

Details of the result of postal ballot is as below for the special resolution:

Resolution	Mode	Number of Valid Votes	Favour		Against	
			Votes	% of Valid Votes	Votes	% of Valid Votes
To authorize the Board or Committee thereof to sell and transfer the 'Insulator Division'	Postal Ballot/ Evoting	2,94,41,010	1,99,80,830	67.87	94,60,049	32.13

10. Means of Communication

a. In compliance with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 *Nava Telangana* (regional newspaper). This information will also be uploaded on the Company's website www.goldstonepower.com.

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

11. General Information for Shareholders

i) **Annual General Meeting** will be held on 30th September, 2016 at 04.00P.M. at Plot No. 1 & 9 IDA, Phase II, Cherlapally, Hyderabad – 500 051.

ii) **Financial Year** of the Company is 1st April to 31st March.

iii) **Financial Reporting** for the quarter ending 30th September, 2016, 31st December, 2016, and 30th June, 2017 will be within forty five days from the closure of the quarter. For the quarter and year ended 31st March, 2017 the Financial reporting will be within 60 days from the closure of the quarter and year end.

iv) **Dates of Book Closure** will be from 24th September, 2016 to 30th September, 2016 (both days inclusive).

v) **Company's shares are listed** on the Bombay Stock Exchange and National Stock Exchange. The Company has paid the Listing Fees for the period 1st April, 2016 to 31st March, 2017.

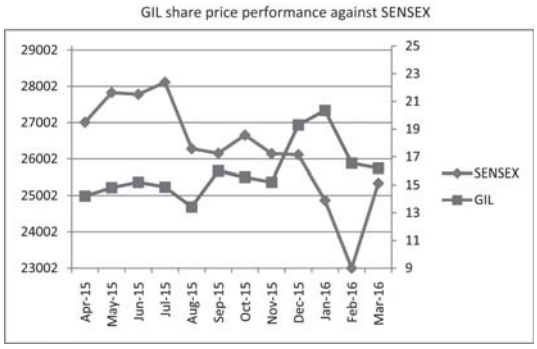
vi) **Stock Code** of the Company's scrip is 532439 in BSE and GOLDINFRA in NSE

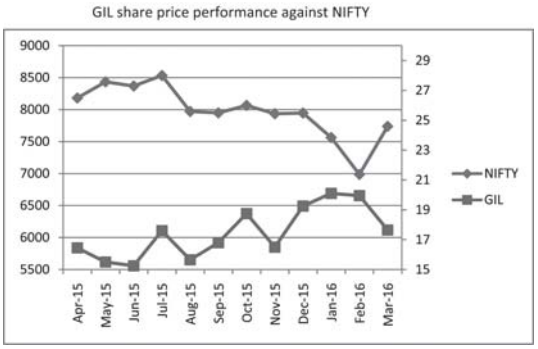
vii) **ISIN Code** is INE260D01016

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

2015-16	BSE			NSE		
Month	High	Low	Volume (Nos.)	High	Low	Volume (Nos.)
Apr,15	16.70	14.00	63,259	16.60	14.15	52,668
May,15	16.41	14.00	59,020	15.65	13.85	60,820
June,15	15.24	14.06	138,504	15.25	14.05	1,36,053
July,15	20.75	14.20	4,47,710	20.65	14.50	7,31,938
Aug,15	15.73	12.01	74,907	15.90	12.25	2,54,802
Sept,15	18.00	12.01	1,93,688	18.70	12.30	12,87,132
Oct,15	19.50	15.00	9,75,790	19.90	15.10	49,79,894
Nov,15	17.50	15.10	1,13,158	17.50	15.05	1,94,957
Dec,15	19.85	15.20	4,62,245	19.80	15.05	9,78,233
Jan,16	21.00	16.90	7,57,825	21.45	16.55	11,61,705
Feb,16	20.50	16.50	2,53,061	20.70	16.05	4,01,135
Mar 16	17.90	15.45	37,811	18.40	13.65	2,01,781

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 M/s. 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 Stake holders Relationship Committee.

xii) **Shareholding as on March 31, 2016.**

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
FIIs	0	0
Private Corporate Bodies	26,21,694	7.27
Indian Public	1,47,59,060	40.91
NRIs / OCBs	1,49,298	0.41
Trust	0	0
Clearing Members	1,02,711	0.28
Grand Total	**3,60,80,737**	**100.00**

b) Distribution of Shareholding

Category	No. of Shareholders		No. of Shares	
	Total	%	Total	%
Up to- 5000	7776	88.99	20,13,766	5.58
5001 – 10000	426	4.88	7,91,716	2.19
10001 – 20000	229	2.62	8,62,051	2.39
20001 – 30000	74	0.85	4,59,674	1.27
30001 – 40000	68	0.78	6,34,410	1.76
40001 – 50000	20	0.23	2,22,201	0.62
50001 – 100000	59	0.68	10,48,384	2.91
100001 and above	86	0.98	3,00,48,535	83.28
TOTAL	**8738**	**100**	**3,60,80,737**	**100.00**

xiii) Dematerialized shares: 3,58,45,983 i.e. 99.40% of the Paid up Capital is dematerialized

xiv) The Company has not issued any GDR,ADR, Warrants or any convertible instruments during the year ended 31st March, 2016

xv) Plant Location: Plot No.1 &9, IDA, Phase II, Cherlapally, Hyderabad 500 051

Plot No.8, IDA, Gaddapotharam, Jinnaram Mandal, Medak District, Telangana

xvi) Address for correspondence: Goldstone Infratech Limited, 9-1-83 & 84, Amarchand Sharma Complex, Sarojini Devi Road, Secunderabad 500 003 Tel No. 040 27807640/ 0742/1910 Fax No. 040 39120012 Email ID: cs@goldstone.net

12. Other Disclosures

i. 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.

ii. 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.

iii. Whistle Blower Policy;As per the provisions of the Section 177 (9) & (10) of the Companies Act, 2013, read with the Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board 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.

iv. Company has complied with all mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

v. The policy on determination of material subsidiaries is displayed on the website of the Company i.e. www.goldstonepower.com

vi. The policy on dealing with related party transactions is displayed on the website of the Company i.e. www.goldstonepower.com

vii. 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 (CSDL) 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.

viii. **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. In addition to the above as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 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

viii. 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.

ix. **Compliance:** At every Board meeting, a statement of Compliance with all laws and regulations as certified by the Managing Director and Chief Financial Officer is 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.

x. **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.

xi. **Preferential Issue Proceeds:** The Company did not raise any funds during the year under preferential issue mode.

xii. **CEO & CFO Certificate:** The Certificate as per requirement of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was given by Managing Director and Chief Financial Officer 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 31st March, 2016.

xiii. **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 is measured through the annual appraisal process. There was no Employee Stock Option Scheme during the financial year ended March 31, 2016.

13. Compliance

In compliance with the terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from auditor regarding compliance of the provisions of Corporate Governance of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Report.

14. Non-Mandatory Requirements

The Board has taken cognizance of the non-mandatory requirements of Regulation 27 of the Listing Regulations and shall consider adopting the same at an appropriate time.

The Company has complied with corporate governance requirements specified in regulation 17 to 27 and Clauses (b) to (m) of sub-regulation (2) of regulation 46 of the SEBI (ListingObligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board

Sd/-	Sd/-
L P Sashikumar	**B.Apparao**
Managing Director	Director
DIN:00016679	DIN:00004309

Place: Secunderabad
Date: 11.08.2016

ANNUAL DECLARATION BY THE MANAGING DIRECTOR PURSUANT TO REGULATION 34(3) READ WITH SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015,

As the Managing Director of Goldstone Infratech Limited and as required by Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 2015-16.

For **Goldstone Infratech Limited**

Sd/-
L P Sashikumar
Managing Director
DIN:00016679

Place: Secunderabad
Date: 11.08.2016

Goldstone

Certificate on Compliance of Corporate Governance

To
The Members of
Goldstone Infratech Limited

We have examined the compliance of conditions of Corporate Governance by Goldstone Infratech Limited ('the company'), for the year ended 31st March, 2016, as stipulated in clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period 01st April, 2015 to 30th November, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 01st December, 2015 to 31st March, 2016.

The Compliance of the Conditions of the Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement / Listing Regulations, as applicable.

We further state that such compliance is neither as assurance as to the future viability of the Company nor efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For P. Murali & Co.
Chartered Accountants
FRN: 007257S
Sd/-
P. Murali Mohana Rao
Partner
Membership No. 023412

Place: Hyderabad
Date: 11.08.2016

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 31st March, 2016 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 together present a true and fair view of the Company's affairs and are in compliance with the existing 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/-	Sd/-
L P Sashikumar	**P. Syam Prasad**
Managing Director	CFO
DIN : 00016679	

Place: Secunderabad
Date: 26.05.2016

Goldstone

INDEPENDENT AUDITOR'S REPORT

To the Members of
M/S GOLDSTONE INFRATECH LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Goldstone Infratech Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2016, 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 Standalone 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 and presentation of these standalone 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 standalone 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. 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 31st March 2016, 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, 2016 ("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, 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 standalone 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, 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 adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in ' Annexure B'; and
   g) 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 on 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 during the year ended 31st March 2016.

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

Place : Hyderabad
Date : 26.05.2016

ANNEXURE A TO THE AUDITORS' REPORT

Annexure referred to in Independent Auditors Report to the Members of Goldstone Infratech Limited on the standalone financial statements for the year ended 31st March 2016, 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 no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. The physical verification of inventory has been conducted at reasonable intervals by the management during the year and no material discrepancies were noticed on such verification.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said order are not applicable to the company.

iv. The Company has not granted any loans or made any Investments, or provided any guarantee or security to the parties covered under section 185 and 186 of the Act. Therefore, the provisions of clause 3(iv) of the said order are not applicable to the company.

v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 and rules framed there under to the extent notified.

vi. We have broadly verified the books of accounts and records maintained by the company in respect of products where, pursuant to the rules made by the central government of India, the maintenance of cost records has been specified under the sub-section (1) of section 148 of the Companies Act 2013, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examinations of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory 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 at 31st March 2016 for a period of more than 6 months for the date they became payable.

(c) According to the information and explanations given to us and 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.

viii. 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 or banks or Government or dues to debenture holders as at the balance sheet date.

ix. The Company has not raised any moneys by way of initial public officer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of this clause are not applicable to the Company.

x. According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our Audit.

xi. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandate by the provisions of section 197 read with schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the Provisions of clause 3(xii) of the order are not applicable to the company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting standard (AS) 18, related party disclosures specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has not made any preferential allotment of private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of The Reserve Bank of India Act 1934. Accordingly, the provisions of clause 3(xvi) of the order are not applicable to the Company.

For P. MURALI & CO.,
CHARTERED ACCOUNTANTS
FRN: 007257S
Sd/-
P. MURALI MOHANA RAO
PARTNER
MEMBERSHIP NO. 023412

PLACE : HYDERABAD
DATE : 26.05.2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under clause (i) of the Sub-section 3 of the Section 143 of the Companies Act, 2013 ('The Act')

We have audited the internal financial controls over financial reporting of Goldstone Infratech Limited ('the company') as of 31st march 2016 in conjunction with our audit of standalone financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Charted Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our Audit. We conducted our audit in accordance with the Guidance note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the standards on Auditing deed to be prescribed under section 143(10) of the Act to the extent applicable to an Audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. These standards and guidance note require that we comply with ethical requirements and plan and performed the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our Audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's Judgment, including the assessment of the risk of martial misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion and the company's internal financial control system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes these policies and procedures that (1) pertain to the maintenance of records that, in

reasonable detailed, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acqusition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitation of Internal Financial Controls over Financial Reporting

Because of the inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud my occur and not be deducted. Also, Projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become in adequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2016, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute Of Charted Accountants of India.

For P. MURALI & CO.,
CHARTERED ACCOUNTANTS
FRN: 007257S
Sd/-
P. MURALI MOHANA RAO
PARTNER
MEMBERSHIP NO. 023412

PLACE : HYDERABAD
DATE : 26.05.2016

Goldstone

BALANCE SHEET AS AT MARCH 31, 2016

Particulars	Note No	As at 31.03.2016 ₹	As at 31.03.2015 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	14,43,22,948	14,43,22,948
(b) Reserves and Surplus	2	71,76,67,245	65,97,04,351
(c) Money received against share warrants		-	-
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	27,47,60,306	13,24,61,537
(b) Defferred tax liabilities (Net)	4	5,27,01,624	5,88,03,362
(c) Other Long term liabilities	5	5,17,17,959	5,68,15,074
(d) Long term provisions	6	1,57,77,172	1,16,73,602
(3) Current Liabilities			
(a) Short-term borrowings	7	22,33,02,970	26,44,66,625
(b) Trade payables	8	15,75,20,366	19,13,81,403
(c) Other current liabilities	9	5,90,519	1,61,67,107
(d) Short-term provisions	10	6,29,53,533	6,23,40,281
Total		**1,70,13,14,642**	**1,59,81,36,290**
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11&12	75,72,81,931	78,77,80,481
(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	1,57,14,045	1,71,10,453
(d) Other non-current assets	15	-	-
(2) Current assets			
(a) Inventories	16	16,66,57,799	16,80,60,368
(b) Trade receivables	17	44,51,15,234	34,59,00,211
(c) Cash and cash equivalents	18	9,48,96,946	9,19,28,731
(d) Short-term loans and advances	19	3,77,98,370	39,63,390
(e) Other current assets	20	3,34,61,548	3,30,03,887
Total		**1,70,13,14,642**	**1,59,81,36,290**

Summary of Significant Accounting Policies
Notes on Financial Statement 1 to 48

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 : 26.05.2016

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

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

	Particulars	Note No	For the year ended 31.03.2016 ₹	For the year ended 31.03.2015 ₹
I.	Revenue from operations	21	92,95,92,375	92,15,13,392
II.	Other Income	22	1,70,56,958	1,33,67,793
III.	**Total Revenue (I +II)**		**94,66,49,333**	**93,48,81,185**
IV.	*Expenses:*			
	Cost of materials consumed	23	56,07,67,445	58,34,91,808
	Purchase of Stock-in-Trade	24	-	-
	Changes in inventories of Finished, WIP and Stock-in-Trade	25	1,01,79,131	(22,33,986)
	Employee benefit expense	26	9,15,45,724	8,32,14,795
	Other operating expenses	27	3,55,71,945	4,52,17,279
	Administrative Expenses	28	4,73,78,585	4,49,13,386
	Financial costs	29	5,74,28,038	5,78,29,683
	Depreciation and amortization expense	11&12	5,46,80,815	5,64,79,891
	Other expenses	30	-	-
	Total Expenses		**85,75,51,683**	**86,89,12,856**
V.	Profit before exceptional and extraordinary items and tax (III - IV)		8,90,97,650	6,59,68,329
VI.	Exceptional Items		-	-
VII.	Profit before extraordinary items and tax (V - VI)		8,90,97,650	6,59,68,329
VIII.	Prior Period adjustments & Extraordinary Items		(72,36,496)	(16,64,866)
IX.	Profit before tax (VII - VIII)		**8,18,61,154**	**6,43,03,463**
X.	Tax expense:			
	(1) Current tax		3,00,00,000	2,00,00,000
	(2) Deferred tax		(61,01,740)	(48,89,684)
XI.	Profit after tax		5,79,62,894	4,91,93,147
XII.	Profit/(Loss) for the period		**5,79,62,894**	**4,91,93,147**
XIII.	Earning per equity share: (Refer Note No. 38)			
	(1) Basic		1.61	1.36
	(2) Diluted		1.61	1.36

Summary of Significant Accounting Policies
Notes on Financial Statement 1 to 48

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 : 26.05.2016

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

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 brining such inventories to it's 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, 2016

	Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
	NOTE NO.1 : SHARE CAPITAL		
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/-		
	Total Equity Share capital:	**14,43,22,948**	**14,43,22,948**
II	Preference shares at the beginning as per class of shares	-	-
	Total Share capital (Equity and Preference)	**14,43,22,948**	**14,43,22,948**
III	Calls unpaid :	-	-
IV	Forfeited shares (amount originally paid up)	-	-
V	**A Reconcilation of the number of shares outstanding at the beginning and at the end of the reporting period:**	**Number of Shares**	
	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	**Details of Shareholder holding more than 5% shares of the Company**	**% of Share Holding**	
	Equity Shares of ₹ 4/- each Held By		
	Trinity Infraventures Limited -1,77,76,165 Nos. (1,77,76,165 Nos.)	49.27%	49.27%
	Rajasthan Global Securities Limited - Nil - (28,32,302 Nos.)	0.00%	7.85%

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
NOTE NO. 2 : RESERVES AND SURPLUS		
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	-	-
	42,65,13,494	**42,65,13,494**
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	-	-
	14,86,32,346	**14,86,32,346**
c) Surpuls :		
Opening Balance - Profit and Loss Account	8,45,58,511	4,21,55,385
Add: Transfer from Profit & Loss Account	5,79,62,894	4,91,93,147
Less: Transfer To General Reserve	-	-
Less: Dividend and Dividend Tax	-	-
Less: Bonus shares	-	-
Less: Prior period taxes	-	-
Less:Depreciation Adjustments	-	67,90,021
	14,25,21,405	8,45,58,511
Total Reserves and Surplus	**71,76,67,245**	**65,97,04,351**
NOTE NO. 3 : LONG TERM BORROWINGS		
Long Term borrowings		
a) Term loans:		
From banks: (Refer Note No. 31 (b))		
Secured - State Bank of Hyderabad and others	10,32,750	56,66,157
Unsecured		
From other parties:		
Secured -	-	-
Unsecured - Others	27,37,27,556	12,67,95,380
Notes :		
Securities and Personal Guarantees details given in the Note to Financial Statement		
Total long term borrowings	**27,47,60,306**	**13,24,61,537**

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
NOTE NO. 4 : DEFERRED TAX LIABILITY (NET)		
I Opening Deferred tax Liability	5,88,03,364	6,69,54,125
Add:		
Deferred Tax Liability for the year		
(Due to SLM and WDV Difference)	(61,01,740)	(48,89,684)
Less: Deferred tax adjustment on Depreciation	-	(32,61,079)
Gross Deferred tax Liability	5,27,01,624	5,88,03,362
Opening Deferred tax Asset	-	-
Deferred Tax Assets for the year	-	-
Gross Deferred tax Asset	-	-
Deferred Tax Liability/ (Asset) - Net	**5,27,01,624**	**5,88,03,362**
NOTE NO. 5 : OTHER LONG TERM LIABILITES		
a) Others - Sales Tax Deferment Loan (interest free) (Refer Note No. 32)	5,17,17,959	5,68,15,074
Total other long term liabilites	**5,17,17,959**	**5,68,15,074**
NOTE NO. 6 : LONG TERM PROVISIONS		
a) Provisions for employee benefits (Refer Note No. 36)		
- Provision for Gratuity	1,11,78,064	94,53,721
- Provision for Leave Encashment	36,59,358	18,31,803
b) Others - Bonus	9,39,750	3,88,078
Total Long Term Provisions	**1,57,77,172**	**1,16,73,602**
NOTE NO. 7 : SHORT TERM BORROWINGS		
Short term borrowings		
a) Working Capital from banks (Refer note No. 31 (a))		
Secured - State Bank of Hyderabad	21,36,00,107	22,93,05,615
b) Term Loans repayable with in 12months:		
From banks		
Secured	97,02,863	3,51,61,010
Unsecured	-	-
From other parties		
Secured	-	-
Unsecured	-	-
c) Loans and advances from other parties		
Secured	-	-
Unsecured	-	-
Total short term borrowings	**22,33,02,970**	**26,44,66,625**

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
NOTE NO. 8 : TRADE PAYABLES		
a) Trade Payables	13,98,50,136	9,90,16,256
b) Liabilities to Transporters	44,13,037	75,33,152
c) Liabilities to Consultants and individuals	22,55,783	20,12,955
d) Liabilities to Capital purchases	15,50,598	6,90,30,537
e) Liabilities to Miscellaneous Creditors	94,50,812	1,37,88,503
Total Trade Payables	**15,75,20,366**	**19,13,81,403**
NOTE NO. 9 : OTHER CURRENT LIABILITES		
a) Interest accured but not due on borrowings	-	5,40,061
b) Advances received from Customers.	5,90,519	1,56,27,046
Total other current liabilites	**5,90,519**	**1,61,67,107**
NOTE NO. 10 : SHORT TERM PROVISIONS		
a) Provisions for employee benefits		
PF Payable	5,87,499	5,33,896
ESI Payable	64,054	71,983
Salaries Payable	36,00,249	55,11,373
b) Others		
Statutory Liabilities	44,62,484	1,18,37,227
Provision for Expenses	76,09,829	57,89,774
Provision for Late Delivery Charges	1,66,29,418	1,60,96,028
Provision for income tax	3,00,00,000	2,25,00,000
Provision for Dividend	-	-
Total short term provisions	**6,29,53,533**	**6,23,40,281**
NOTE NO. 13 : NON- CURRENT INVESTMENTS		
Non- Current Assets		
1) Investment in Subsidiaries		
a) Equity Shares		
TF Solarpower Private Limited 100% holding	6,01,00,000	6,01,00,000
	6,01,00,000	6,01,00,000
Total Non Current Investments	6,01,00,000	6,01,00,000
Less: Provision for Diminution in Investments	**-**	**-**
Total Non - Current Assets (Net)	**6,01,00,000**	**6,01,00,000**
Notes :		
II Detailed note given in the Notes to Account No.34		

NOTE NO. 11 & 12 : FIXED ASSETS AS AT MARCH 31, 2016

(In ₹)

Particulars	Gross Block				Depreciation / Amortization					Net Block as at 31.03.2016 ₹	Net Block as at 31.03.2015 ₹
	As at 01.04.2015	Additions during the year	Sale / Deletions during the year	As at 31.03.2016	Depreciation as on 01.04.2015	Adjust-ment to Reserves	Depreciation for the year 2015-2016	Depreciation reserve on Deletions & Adj.	Total Depreciation		
LAND & LAND DEVELOPMENT	42,75,05,488			42,75,05,488	-		-		-	42,75,05,488	42,75,05,488
BUILDING	7,66,81,554	8,00,000		7,74,81,554	1,97,66,932		21,61,311		2,19,28,243	5,55,53,311	569,14,622
PLANT & MACHINERY	40,93,07,686	2,16,15,473		43,09,23,159	13,34,92,013		4,77,82,020		18,12,74,033	24,96,49,126	27,58,15,673
ELECTRICAL EQUIPMENT	1,00,56,232	1,78,170		1,02,34,402	36,77,138		11,80,960		48,58,098	53,76,304	63,79,094
LABORATORY EQUIPMENT	1,88,13,712	6,35,497		1,94,49,209	54,15,901		18,92,553		73,08,454	1,21,40,755	133,97,811
OFFICE EQUIPMENT	21,18,900	25,750		21,44,650	16,58,710		1,65,601		18,24,311	3,20,339	4,60,190
COMPUTERS	1,38,14,825	6,33,000		1,44,47,825	1,35,66,815		2,30,977		1,37,97,792	6,50,033	2,48,010
FURNITURE	45,63,636			45,63,636	40,45,520		1,17,284		41,62,804	4,00,832	5,18,116
VEHICLES	1,63,86,071		7,84,400	1,56,01,671	1,35,14,671		4,15,607	10,78,775	1,28,51,503	27,50,168	28,71,400
GENERATOR	78,64,549			78,64,549	47,61,567		6,10,516		53,72,083	24,92,466	31,02,982
LEASEHOLD IMPROVEMENTS	5,75,290			5,75,290	4,01,259		48,053		4,49,312	1,25,978	1,74,031
AIR CONDITIONERS	4,23,755			4,23,755	1,65,994		66,064		2,32,058	1,91,697	2,57,761
TOOLS AND SPARES	1,51,608			1,51,608	16,305		9,869		26,174	1,25,434	1,35,303
TEMPORARY SHEDS	-			-	-		-		-	-	-
INTANGIBE FIXED ASSETS	13,60,489			13,60,489	-		-		-	13,60,489	13,60,489
CAPITAL WORK IN PROGRESS	8,89,28,280	-		8,89,28,280	-		-		-	8,89,28,280	8,89,28,280
TOTAL	**1,07,85,52,075**	**2,38,87,890**	**7,84,400**	**1,10,16,55,565**	**20,04,82,825**	**-**	**5,46,80,815**	**10,78,775**	**25,40,84,865**	**84,75,70,700**	**87,80,69,250**
Previous Year	**1,06,09,89,460**	**1,80,37,615**	**4,75,000**	**1,07,85,52,075**	**13,41,33,075**	**1,00,51,001**	**5,64,79,891**	**1,81,242**	**20,04,82,825**	**87,80,69,250**	**92,68,56,385**

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
NOTE NO. 14 : LONG TERM LOANS AND ADVANCES		
Long - term loans and advances:		
a) Capital advance		
Secured	1,13,60,261	1,34,74,595
Unsecured	-	-
Doubtfull	-	-
b) Security Deposit		
Secured	43,53,784	36,35,858
Unsecured	-	-
Doubtfull	-	-
Total Long term loans & advances	1,57,14,045	1,71,10,453
Less : Provision for Doubtfull Debts	-	-
Total Long term loans & advances(net)	**1,57,14,045**	**1,71,10,453**
NOTE NO.15 : OTHER NON-CURRENT ASSETS		
Unamortised Expenses	-	-
Interest Accrued on Deposits	-	-
Insurance Claims	-	-
Total other non current assets	-	-
Less : Provision for Bad and Doubtful debts	-	-
Total non - current assets(net)	**-**	**-**
NOTE NO. 16 : INVENTORIES		
I Inventories :		
a) Raw materials		
- Chemicals & Rubber	2,01,12,236	78,19,228
- Hardware items	1,17,82,746	1,50,37,127
- FRP materials	79,87,052	68,80,194
- Others	2,39,12,032	2,52,80,955
Sub Total	6,37,94,066	5,50,17,504
b) Work - in - progress		
- Insulators	10,28,63,733	11,30,42,864
Sub Total	10,28,63,733	11,30,42,864
Total Inventories	**16,66,57,799**	**16,80,60,368**

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
NOTE NO. 17 : TRADE RECEIVABLES		
I Outstanding for a period exceeding six months from the date they are due for payment		
Secured, Considered Good	-	-
Unsecured, Considered Good	32,00,986	34,49,272
Doubtful	-	-
	32,00,986	**34,49,272**
II Other Receivables:		
Secured, Considered Good	-	
Unsecured, Considered Good	44,19,14,248	34,24,50,939
Doubtful	-	-
	44,19,14,248	34,24,50,939
Total trade recivable	44,51,15,234	34,59,00,211
Less : Allowance for bad & doubtful debts	-	-
Total Trade Receivables(net)	**44,51,15,234**	**34,59,00,211**
NOTE NO. 18 : CASH AND CASH EQUIVALENTS		
Cash and cash eqivalents :		
a) Balances with banks :		
1) On Current Accounts	29,04,088	11,84,930
2) Bank Deposits against BG & LC with less than 12 months maturity	8,87,14,504	1,14,21,097
3) Bank deposits against BG & LC with more than 12 months maturity	-	7,46,11,490
4) Interest accrued on Fixed Deposits	32,03,574	45,82,623
b) Cheques, Draft on hand	-	-
c) Cash on hand	74,780	1,28,591
Total Cash and Cash Equivalents	**9,48,96,946**	**9,19,28,731**
NOTE NO. 19 : SHORT TERM LOANS AND ADVANCES		
Short - term loans and advances:		
a) Other loans And advances		
Unsecured:		
- for Staff Advances	3,49,991	95,627
- for Suppliers	49,42,312	25,38,778
- for Others	3,25,06,067	13,28,985
Total short term loans & advances	3,77,98,370	39,63,390
Less : Provision for Doubtfull Debts	-	-
Total short term loans & advances(net)	**3,77,98,370**	**39,63,390**

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
NOTE NO.20 : OTHER CURRENT ASSETS		
I TDS Receivable & Advance Taxes	1,37,40,607	98,08,246
Prepaid Expenses	70,44,153	77,00,578
Balances with Government Departments	1,26,76,788	1,54,95,063
	3,34,61,548	**3,30,03,887**

NOTES TO STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

Particulars	For the year ended 31.03.2016 ₹	For the year ended 31.03.2015 ₹
NOTE NO. 21 : REVENUE FROM OPERATIONS		
Revenue from operations		
(a) Sale of Products	1,01,42,09,094	99,51,19,298
Less: Excise Duties	8,46,16,719	7,36,05,906
Total Revenue from Operations	**92,95,92,375**	**92,15,13,392**
NOTE NO. 22 : OTHER INCOME		
(a) Interest income	62,39,387	55,23,876
(b) Other non-operating income	1,08,17,571	78,43,917
Total Other Income	**1,70,56,958**	**1,33,67,793**
NOTE NO. 23 : COST OF MATERIALS CONSUMED		
Material - Chemicals, Rubber	22,32,25,031	23,25,83,144
Material - Hardware items	15,21,58,019	12,07,82,402
Material - FRP materials	6,81,55,177	5,47,12,810
Other Material	11,72,29,218	17,54,13,452
Total Cost Of Material Consumed	**56,07,67,445**	**58,34,91,808**
NOTE NO. 24 : PURCHASE OF STOCK IN TRADE		
Materials - Insulators	-	-
Total Trade Purchases	**-**	**-**
NOTE NO. 25 : CHANGE IN INVENTORIES & WIP.		
Work in Progress		
Work in progress at the beginning of the year	11,30,42,864	11,08,08,878
Less : work in progress at the end of the year	10,28,63,733	11,30,42,864
(Increase) / Decrease in Inventories	**1,01,79,131**	**(22,33,986)**
NOTE NO. 26 : EMPLOYEE BENEFIT EXPENSES		
(a) Salaries & Wages	8,60,78,298	7,84,59,954
(b) Contribution to Provident & Other Funds	32,68,343	28,76,267
(c) Staff Welfare Expenses	21,99,083	18,78,574
Total Employee Benefit Expenses	**9,15,45,724**	**8,32,14,795**

Particulars	For the year ended 31.03.2016 ₹	For the year ended 31.03.2015 ₹
NOTE NO. 27 : OTHER OPERATING EXPENSES		
(a) Consumption of Stores & Spares	36,61,307	30,99,138
(b) Power & Fuel	2,16,21,959	2,59,40,930
(c) Repairs to Building	1,77,549	6,04,162
(d) Repairs to Machinery	18,57,264	26,93,653
(e) Insurance	10,17,863	4,38,438
(f) Testing and Inspection charges	72,36,003	1,24,40,958
Total Other operating Expenses	**3,55,71,945**	**4,52,17,279**
NOTE NO. 28 : ADMINSTRATIVE EXPENSES		
(a) Telephone, Postage and Others	15,80,712	15,81,094
(b) Business Promotion Expenses	14,95,179	27,20,074
(c) Conveyance	10,00,868	10,06,646
(d) Office Maintenance	11,89,348	11,86,642
(e) Printing & Stationery Expenses	10,05,594	5,78,027
(f) Security Charges	20,95,754	14,32,765
(g) Rates & Taxes (excluding Income Tax)	12,63,337	17,42,262
(h) Managerial Remuneration	30,00,000	27,40,000
(i) Consultancy Charges	56,90,605	27,76,453
(j) Rent	32,31,040	34,57,590
(k) Office Electricity charges	5,43,120	5,00,935
(l) Travelling expenses	53,16,468	46,01,320
(m) Vehicle Maintenance	19,02,843	16,34,903
(n) Advertisement expenses	1,46,188	1,17,800
(o) Commission Paid	17,38,224	9,86,023
(p) Exhibition Expenses	5,59,038	2,17,800
(q) Ocean Freight & Charges	31,81,174	21,92,738
(r) Legal Fees	1,50,700	96,210
(s) Listing Fees	3,20,000	2,20,000
(t) Gifts and Donations	75,000	40,000
(u) Liquidated Damage Charges	8,13,049	49,97,379
(v) Miscellaneous Expenses	63,98,589	49,10,272
(w) Loss on Sale of investments/ Assets	-	43,758
(x) Repairs and Maintenance Others	31,17,155	32,11,502
(y) Auditors Remuneration	3,00,000	4,60,000
(z) Insurance Charges	12,64,600	14,61,193
Total Administrative Expenses	**4,73,78,585**	**4,49,13,386**

Particulars	For the year ended 31.03.2016 ₹	For the year ended 31.03.2015 ₹
NOTE NO. 29 : FINANCE COST		
(a) Interest Expenses :		
- Interest on Cash Credit	3,01,98,405	2,95,76,194
- Interest on Term Loan	29,27,200	90,34,568
- Bank charges, Commission & Financial charges	2,43,02,433	1,92,18,921
Total Finance Cost	**5,74,28,038**	**5,78,29,683**
NOTE NO. 30 : OTHER EXPENSES		
Miscellaneous expenditure written off during the year	-	-
Total Other expenses	**-**	**-**

NOTES TO FINANCIAL STATEMENT

31: Long Term & Short Term Borrowings

a) 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.

b) 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 ₹ **76,42,042/-** (Previous year: ₹ 1,07,82,935/-)

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. 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.

35. 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	31.03.2016 ₹	31.03.2015 ₹
Gratuity	**19,23,282**	28,89,629
Leave Encashment	**30,47,581**	38,286
Bonus	**9,39,750**	3,88,078

Defined contribution plan

During year ended March 31, 2016, the company contributed ₹ **27,43,682/-** (Previous year ₹ 22,87,034/-) to Provident fund & Pension Fund.

Defined benefit plan – gratuity

The amounts recognized in the balance sheet as at March 31, 2016 are as follows:

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

(Amount in ₹)

Particulars	March 31, 2016	March 31, 2015
Present value of funded obligation	**-**	-
Fair value of plan assets	**-**	-
Present value of Unfunded obligations	**1,11,78,064/-**	94,53,721/-
Unrecognized Past Service cost	-	-
Amount not Recognized as an asset (limit in Para59(b))	-	-
Net liability	**1,11,78,064/-**	94,53,721/-
Amounts in Balance Sheet		
Liability – Current	**20,50,065/-**	20,03,590/-
Liability – Non Current	**91,27,999/-**	74,50,131/-
Asset	-	-
Net Liability	**1,11,78,064/-**	94,53,721/-

The amounts recognized in the profit and loss account for the year ended March 31, 2016 are as follows:

Particulars	March 31, 2016 ₹	March 31, 2015 ₹
Current service cost		
Interest on Defined Benefit Obligation	**7,51,878/-**	6,01,001/-
Expected return on plan assets	-	-
Net Actuarial Losses/(Gains) Recognized in Year	**1,65,742/-**	16,35,865/-
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"	**19,23,282/-**	28,89,629/-
Actual Return on Plan Assets		

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

Particulars	March 31, 2016	March 31, 2015
Discount Rate	**8.00%**	7.95%
Expected return on plan assets	**0.00%**	0.00%
Salary Escalation	**7.00%**	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

36. 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.

37. Related Party Transactions (AS – 18)

(₹ In lakhs)

SL No.	Name of the Party	Nature of Transaction	2015-16	2014-15
1	LP Sashikumar	MD Remuneration, and Other benefits.	**26.00**	26.00

38. Earnings Per Share (EPS) (AS – 20)

Calculation of EPS

	2015-16	2014-15
Profit after tax during the year (₹)	**5,79,62,894/-**	4,91,93,147/-
Earnings available to Equity Shareholders for Basic & Diluted EPS (₹)	**5,79,62,894/-**	4,91,93,147/-
Weighted Average Number of Shares taken for computation of EPS		
- Basic	**3,60,80,737**	3,60,80,737
- Diluted	**3,60,80,737**	3,60,80,737
Earning per Share		
- Basic (₹)	**1.61**	1.36
- Diluted (₹)	**1.61**	1.36
Face Value of the Share (₹)	**4.00**	4.00

39. 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 **₹ 61,01,740/-** towards deferred Income Tax Asset. (Previous year ₹ 48,89,684/- towards Deferred Tax Asset).

40. Impairment of Assets (AS – 28) Nil

41. Remuneration:

Managing Director

(₹ In lakhs)

	Year ended 31.03.2016	Year ended 31.03.2015
Salary	**26.00**	26.00
Reimbursements and others	**-**	-
Total	**26.00**	26.00

Auditors Remuneration

(₹ In lakhs)

	Year ended 31.03.2016	Year ended 31.03.2015
Statutory Audit Fee	**2.50**	2.50
Tax Audit Fee	**0.50**	0.50
Total	**3.00**	3.00

42. During the year Company has made an additional provision of ₹ 8.13 lacs (Previous Year ₹ 49.97 lacs) for Late Delivery charges.

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

Prior period adjustment of **(₹ 88,85,568/-)** (Previous year **(₹ 16,64,866/-)**) 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.

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

Particulars	2015-16		2014-15	
a. Licensed Capacity	NA		NA	
b. Installed capacity				
- Polymer Insulators	Depends on product mix		Depends on product mix	
	Quantity	**Value (₹)**	**Quantity**	**Value (₹)**
c. Production				
- Polymer Insulators(Nos.)	**2,23,810**		2,46,629	
d. Net Sales				
- Polymer Insulators	**2,23,703**	**91,62,47,538**	2,46,497	89,56,04,082
- Others		**1,33,44,837**		2,59,09,309
Total		**92,95,92,375**		**92,15,13,391**
e. Material consumption				
- Chemicals & Rubber		**22,32,25,031**		23,25,83,144
- FRP material		**6,81,55,177**		5,47,12,810
- Hardware items		**15,21,58,019**		12,07,82,402
- Others		**11,72,29,218**		17,54,13,452
		56,07,67,445		**58,34,91,808**
f. Break-up of material consumption (excluding trading material)				
Indigenous	**52.92%**	**29,67,83,393**	70.05%	40,87,12,693
Imported	**47.08%**	**26,39,84,052**	29.95%	17,47,79,115
	100.00%	**56,07,67,445**	**100.00%**	**58,34,91,808**
g. Earnings in Foreign currency				
Export of goods		**15,38,960**		47,33,828
Deemed Export of Goods		**24,02,77,831**		6,40,32,996
h. Value of imports on CIF Basis				
- Materials including trading materials		**20,77,05,972**		17,29,33,185
- Capital Goods		**31,62,857**		69,65,002
i. Expenditure in foreign currency				
On travel		**4,16,490**		1,23,452
Others		**1,71,139**		32,50,298

45. Contingent Liabilities not provided for

a) Letter of credit – ₹ **712.45 lakhs** (Previous year: ₹ 892.18 lakhs)

b) Bank Guarantees – ₹ **3,521.31 lakhs** (Previous year: ₹ 3069.54 lakhs)

c) Commitments on capital contracts remaining to be executed ₹ **62.00 lakhs** (Previous year: ₹ 230.00 lakhs)

d) Un-claimed dividend amount for the years 2008-09, 2009-10, 2010-2011 and 2011-12 is lying in the Dividend Account at Axis Bank for an amount of ₹ 2,19,474/-, ₹ 1,29,468/-, ₹ 1,31,124/- and ₹ 1,08,848/- respectively. During the year Company has closed Dividend warrant account for the year 2007-2008 and DD bearing No. 062463 taken for ₹ 2,23,540/- in favour of Pay & Accounts officer , Ministry of Corporate Affairs, New Delhi. on dt 06.11.2015

e) Corporate Guarantee given to Trinity Infraventures Limited for availing Non Funded limits with Allahabad Bank, Himayat Nagar, Hyderabad for an amount of ₹ 900.00 lacs.

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

47. Figures have been rounded off to the nearest rupee.

48. 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 : 26.05.2016

For and on behalf of the board

Sd/-	Sd/-
L P Sashikumar	**B Appa Rao**
Managing Director	Director
Sd/-	Sd/-
P Syam Prasad	**Hanuman Prasad**
CFO	Company Secretary

CASH FLOW STATEMENTS AS AT MARCH 31, 2016

(₹ In lakhs)

	Particulars	31.03.2016	31.03.2015
A	**Cash Flow from operating activity**		
	Net Profit before tax	818.61	643.03
	Adjustments for:		
	Depreciation Adjustment	-	-
	Miscellaneous expenditure written off	-	-
	Provision for Gratuity & Earned Leave & others	101.62	94.33
	Loss on sale of Assets/ Investments	-	0.44
	Other Income	(170.57)	(133.68)
	Operating Profit before working capital changes	**749.67**	**604.12**
	Adjustments for:		
	Trade and other receivables	(992.15)	(846.67)
	Inventories	14.03	103.74
	Trade advances	(289.64)	62.56
	Trade Payable	(544.59)	525.33
	Cash generated from operations	**(1,062.69)**	**449.08**
	Direct Taxes paid (net)	(264.32)	(72.86)
	Gratuity, EL encashment & others Paid	(79.24)	(61.85)
	Cashflow before extraordinary items	(1,406.25)	314.38
	Net Cash flow from operating activity	**(1,406.25)**	**314.38**
B.	**Cash Flow from Investing Activity**		
	Fixed assets	304.99	387.36
	Capital work in progress	-	-
	Investments	-	-
	Other income	170.57	133.68
	Loss on Sale of Assets/ Investments	-	(0.44)
	Net Cash used for investing activity	**475.56**	**520.60**
C.	**Cash Flow from financing activities**		
	Long term borrowings	1,422.99	(475.18)
	Short Term borrowings	(411.64)	72.21
	Deferred sales tax loan payment	(50.97)	(107.83)
	Dividend paid	-	-
	Net cash generated from financing activity	**960.38**	**(510.80)**
	Cash and cash equivalents (Opening Balance)	919.28	595.10
	Net increase in Cash & Cash equivalents (A+B+C)	29.68	324.18
	Cash and cash equivalents (Closing Balance)	948.96	919.28

For and on behalf of the board

For P. Murali & Co.,
Firm Regn. No: 007257S
Chartered Accountants
Sd/-
P. Murali Mohana Rao
Partner
M.No. 023412
Place : Secunderabad
Date : 26.05.2016

Sd/-
L P Sashikumar
Managing Director

Sd/-
B Appa Rao
Director

Sd/-
P Syam Prasad
CFO

Sd/-
Hanuman Prasad
Company Secretary

Goldstone

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Members of
Goldstone Infratech Limited

Report on the consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Goldstone Infratech Limited** ("the Holding Company"), and its subsidiaries together referred to as " the Group" comprising the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as ' the consolidated financial statements')

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') 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. The Board of Directors of the Company is responsible for 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, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the rules made there under including the accounting standards and matters which are required to be included in audit report.

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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 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 consolidated state of the Company, as at 31st March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report, to the extent applicable 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 of the aforesaid consolidated financial statements;
   b) in our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as appears from our examination of those books;
   c) the Consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of our audit of the aforesaid consolidated financial statements;
   d) in our opinion, the aforesaid consolidated 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 of the Holding Company as on March 31, 2016, and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, 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 adequacy of the internal financial controls over financial reporting of the group and the operating effectiveness of such controls, refer to our separate report in ' Annexure A'; and
   g) 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 consolidated financial statements do not have any pending litigations which could have impact on its financial position.
      ii. The Holding 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 holding company and the subsidiary company incorporated in India.

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

Place : Hyderabad
Date : 26.05.2016

Annexure A to the Independent Auditor's Report

Report on the Internal Financial Controls under clause (i) of the Sub-section 3 of the Section 143 of the Companies Act, 2013 ('The Act')

In conjunction with our Audit of the consolidated financial statements of the company as of and for the year ended 31st March 2016, we have audited the internal financial controls over financial reporting of GOLDSTONE INFRATECH LIMITED ('the Holding company') and its subsidiary company companies which are incorporated in India, as of the date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary company, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Charted Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our Audit. We conducted our audit in accordance with the Guidance note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the standards on Auditing deed to be prescribed under section 143(10) of the Act to the extent applicable to an Audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. These standards and guidance note require that we comply with ethical requirements and plan and performed the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our Audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's Judgment, including the assessment of the risk of martial misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion and the company's internal financial control system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted

accounting principles. A Company's internal financial control over financial reporting includes these policies and procedures that (1) pertain to the maintenance of records that, in reasonable detailed, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted principles, and that receipts and expenditures of the Company are being made only in accordance with authorization of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acqusition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitation of Internal Financial Controls over Financial Reporting

Because of the inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud my occur and not be deducted. Also, Projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become in adequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, The Holding Company and its subsidiary company, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2016, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute Of Charted Accountants of India.

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

Place : Hyderabad
Date : 26.05.2016

Goldstone

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

Particulars	Note No	As at 31.03.2016 ₹	As at 31.03.2015 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	14,43,22,948	14,43,22,948
(b) Reserves and Surplus	2	71,76,67,245	65,97,80,109
(c) Money received against share warrants		-	-
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	27,47,60,306	13,24,61,537
(b) Defferred tax liabilities (Net)	4	5,27,01,624	5,87,27,604
(c) Other Long term liabilities	5	5,17,17,959	5,68,15,074
(d) Long term provisions	6	1,57,77,172	1,16,73,602
(3) Current Liabilities			
(a) Short-term borrowings	7	22,33,02,970	26,44,66,625
(b) Trade payables	8	19,21,83,394	22,59,92,811
(c) Other current liabilities	9	5,90,519	1,61,67,107
(d) Short-term provisions	10	6,65,10,903	6,58,97,651
Total		**1,73,95,35,040**	**1,63,63,05,068**
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11&12	75,72,81,931	78,80,38,971
(ii) Intangible assets		13,60,489	13,60,489
(iii) Capital work-in-progress		18,81,83,924	18,78,73,814
(iv) Intangible assets under development		-	-
(b) Non-current investments	13	-	-
(c) Long term loans and advances	14	1,47,21,100	1,61,17,508
(d) Other non-current assets	15	21,268	21,268
(2) Current assets			
(a) Inventories	16	16,66,57,799	16,80,60,368
(b) Trade receivables	17	44,51,15,234	34,59,00,211
(c) Cash and cash equivalents	18	9,49,33,377	9,19,65,162
(d) Short-term loans and advances	19	3,77,98,370	39,63,390
(e) Other current assets	20	3,34,61,548	3,30,03,887
Total		**1,73,95,35,040**	**1,63,63,05,068**

Summary of Significant Accounting Policies
Notes on Financial Statement 1 to 48

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 : 26.05.2016

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 PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	Particulars	Note No	For the year ended 31.03.2016 ₹	For the year ended 31.03.2015 ₹
I.	Revenue from operations	21	92,95,92,375	92,15,13,392
II.	Other Income	22	1,70,56,958	1,33,67,793
III.	**Total Revenue (I +II)**		**94,66,49,333**	**93,48,81,185**
IV.	*Expenses:*			
	Cost of materials consumed	23	56,07,67,445	58,34,91,808
	Purchase of Stock-in-Trade	24	-	-
	Changes in inventories of Finished, WIP and Stock-in-Trade	25	1,01,79,131	(22,33,986)
	Employee benefit expense	26	9,15,45,724	8,32,14,795
	Other operating expenses	27	3,55,71,945	4,52,17,279
	Administrative Expenses	28	4,73,78,585	4,49,13,386
	Financial costs	29	5,74,28,038	5,78,29,683
	Depreciation and amortization expense	11&12	5,46,80,815	5,64,79,891
	Other expenses	30	-	-
	Total Expenses		**85,75,51,683**	**86,89,12,856**
V.	Profit before exceptional and extraordinary items and tax (III - IV)		8,90,97,650	6,59,68,329
VI.	Exceptional Items		-	-
VII.	Profit before extraordinary items and tax (V - VI)		8,90,97,650	6,59,68,329
VIII.	Prior Period adjustments & Extraordinary Items		(72,36,496)	(16,64,866)
IX.	Profit before tax (VII - VIII)		**8,18,61,154**	**6,43,03,463**
X.	Tax expense:			
	(1) Current tax		3,00,00,000	2,00,00,000
	(2) Deferred tax		(61,01,740)	(49,65,442)
XI.	Profit after tax		5,79,62,894	4,92,68,905
XII.	Profit/(Loss) for the period		**5,79,62,894**	**4,92,68,905**
XIII.	Earning per equity share: (Refer Note No. 38)			
	(1) Basic		1.61	1.36
	(2) Diluted		1.61	1.36

Summary of Significant Accounting Policies
Notes on Financial Statement 1 to 48

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 : 26.05.2016

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

NOTES TO BALANCE SHEET AS AT MARCH 31, 2016

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
NOTE NO.1 : SHARE CAPITAL		
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/-	-	-
Total Equity Share capital:	**14,43,22,948**	**14,43,22,948**
II Preference shares at the beginning as per class of shares	-	-
Total Share capital (Equity and Preference)	**14,43,22,948**	**14,43,22,948**
III Calls unpaid :	-	-
IV Forfeited shares (amount originally paid up)	-	-
V **A Reconcilation of the number of shares outstanding at the beginning and at the end of the reporting period:**	**Number of Shares**	
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 **Details of Shareholder holding more than 5% shares of the Company**	**% of Share Holding**	
Equity Shares of ₹ 4/- each Held By		
Trinity Infraventures Limited -1,77,76,165 Nos. (1,77,76,165 Nos.)	49.27%	49.27%
Rajasthan Global Securities Limited - (Nil) (28,32,302 Nos.)	0.00%	7.85%

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
NOTE NO. 2 : RESERVES AND SURPLUS		
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	-	-
	42,65,13,494	**42,65,13,494**
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	-	-
	14,86,32,346	**14,86,32,346**
c) Surpuls :		
Opening Balance - Profit and Loss Account	8,45,58,511	4,21,55,385
Add: Transfer from Profit & Loss Account	5,79,62,894	4,92,68,905
Less: Transfer To General Reserve	-	-
Less: Dividend and Dividend Tax	-	-
Less: Bonus shares	-	-
Less: Prior period taxes	-	-
Less:Depreciation Adjustments	-	67,90,021
	14,25,21,405	8,46,34,269
Total Reserves and Surplus	**71,76,67,245**	**65,97,80,109**
NOTE NO. 3 : LONG TERM BORROWINGS		
Long Term borrowings		
a) Term loans:		
From banks: (Refer Note No. 31 (b))		
Secured - State Bank of Hyderabad and others	10,32,750	56,66,157
Unsecured	-	-
From other parties:		
Secured -	-	-
Unsecured - Others	27,37,27,556	12,67,95,380
Notes :		
Securities and Personal Guarantees details given in the Note to Financial Statement		
Total long term borrowings	**27,47,60,306**	**13,24,61,537**

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
NOTE NO. 4 : DEFERRED TAX LIABILITY (NET)		
Opening Deferred tax Liability	5,88,03,364	6,69,54,125
Add: Deferred Tax Liability for the year		
(Due to SLM and WDV Difference)	(61,01,740)	(49,65,442)
Less: Deferred tax adjustment on Depreciation	-	(32,61,079)
Gross Deferred tax Liability	5,27,01,624	5,87,27,604
Opening Deferred tax Asset	-	-
Deferred Tax Assets for the year	-	-
Gross Deferred tax Asset	-	-
Deferred Tax Liability/ (Asset) - Net	**5,27,01,624**	**5,87,27,604**
NOTE NO. 5 : OTHER LONG TERM LIABILITES		
a) Others - Sales Tax Deferment Loan (interest free) (Refer Note No. 32)	5,17,17,959	5,68,15,074
Total other long term liabilites	**5,17,17,959**	**5,68,15,074**
NOTE NO. 6 : LONG TERM PROVISIONS		
a) Provisions for employee benefits (Refer Note No. 36)		
- Provision for Gratuity	1,11,78,064	94,53,721
- Provision for Leave Encashment	36,59,358	18,31,803
b) Others - Bonus	9,39,750	3,88,078
Total Long Term Provisions	**1,57,77,172**	**1,16,73,602**
NOTE NO. 7 : SHORT TERM BORROWINGS		
Short term borrowings		
a) Working Capital from banks (Refer note No. 31 (a))		
Secured - State Bank of Hyderabad	21,36,00,107	22,93,05,615
b) Term Loans repayable with in 12months:		
From banks		
Secured	97,02,863	3,51,61,010
Unsecured	-	-
From other parties		
Secured	-	-
Unsecured	-	-
c) Loans and advances from other parties		
Secured	-	-
Unsecured	-	-
Total short term borrowings	**22,33,02,970**	**26,44,66,625**

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
NOTE NO. 8 : TRADE PAYABLES		
a) Trade Payables	13,98,50,136	9,90,16,256
b) Liabilities to Transporters	44,13,037	75,33,152
c) Liabilities to Consultants and individuals	22,55,783	20,12,955
d) Liabilities to Capital purchases	2,23,03,008	8,97,82,947
e) Liabilities to Miscellaneous Creditors	2,33,61,430	2,76,47,501
Total Trade Payables	**19,21,83,394**	**22,59,92,811**
NOTE NO. 9 : OTHER CURRENT LIABILITES		
a) Interest accured but not due on borrowings	-	5,40,061
b) Advances received from Customers.	5,90,519	1,56,27,046
Total other current liabilites	**5,90,519**	**1,61,67,107**
NOTE NO. 10 : SHORT TERM PROVISIONS		
a) Provisions for employee benefits		
PF Payable	5,87,499	5,33,896
ESI Payable	64,054	71,983
Salaries Payable	36,00,249	55,11,373
b) Others		
Statutory Liabilities	80,19,854	1,53,94,597
Provision for Expenses	76,09,829	57,89,774
Provision for Late Delivery Charges	1,66,29,418	1,60,96,028
Provision for income tax	3,00,00,000	2,25,00,000
Provision for Dividend	-	-
Total short term provisions	**6,65,10,903**	**6,58,97,651**
NOTE NO. 13 : NON- CURRENT INVESTMENTS		
Non- Current Assets		
1) Investment in Subsidiaries		
a) Equity Shares		
TF Solarpower Private Limited 100% holding	-	-
Total Non Current Investments	-	-
Less: Provision for Diminution in Investments	-	-
Total Non - Current Assets (Net)	**-**	**-**
Notes :		
II Detailed note given in the Notes to Account No.34		

NOTE NO. 11 & 12 : FIXED ASSETS AS AT MARCH 31, 2016

(In ₹)

Particulars	Gross Block				Depreciation / Amortization					Net Block as at 31.03.2016	Net Block as at 31.03.2015
	As at 01.04.2015	Additions during the year	Sale / Deletions during the year	As at 31.03.2016	Depreciation as at 01.04.2015	Adjust-ment to Reserves	Depreciation for the year 2015-2016	Depreci ation reserve on Deletion	Total Depreciation		
LAND & LAND DEVELOPMENT	42,75,05,488	-	-	42,75,05,488	-	-	-	-	-	42,75,05,488	42,75,05,488
BUILDING	7,66,81,554	8,00,000	-	7,74,81,554	1,97,66,932	-	21,61,311	-	2,19,28,243	5,55,53,311	5,69,14,622
PLANT & MACHINERY	40,93,07,686	2,16,15,473	-	43,09,23,159	13,34,92,013	-	4,77,82,020	-	18,12,74,033	24,96,49,126	27,58,15,673
ELECTRICAL EQUIPMENT	1,00,56,232	1,78,170	-	1,02,34,402	36,77,138	-	11,80,960	-	48,58,098	53,76,304	63,79,094
LABORATORY EQUIPMENT	1,88,13,712	6,35,497	-	1,94,49,209	54,15,901	-	18,92,553	-	73,08,454	1,21,40,755	1,33,97,811
OFFICE EQUIPMENT	21,47,920	25,750	-	21,73,670	16,87,730	-	1,65,601	-	18,53,331	3,20,339	4,60,190
COMPUTERS	1,41,48,231	6,33,000	-	1,47,81,231	1,39,00,221	-	2,30,977	-	1,41,31,198	6,50,033	2,48,010
FURNITURE	45,99,836	-	-	45,99,836	40,81,720	-	1,17,284	-	41,99,004	4,00,832	5,18,116
VEHICLES	1,77,82,367	-	7,84,400	1,69,97,967	1,46,52,477	-	6,74,097	10,78,775	1,42,47,799	27,50,168	31,29,890
GENERATOR	78,64,549	-	-	78,64,549	47,61,567	-	6,10,516	-	53,72,083	24,92,466	31,02,982
LEASEHOLD IMPROVEMENTS	5,75,290	-	-	5,75,290	4,01,259	-	48,053	-	4,49,312	1,25,978	1,74,031
AIR CONDITIONERS	5,10,768	-	-	5,10,768	2,53,007	-	66,064	-	3,19,071	1,91,697	2,57,761
TOOLS AND SPARES	1,51,608	-	-	1,51,608	16,305	-	9,869	-	26,174	1,25,434	1,35,303
TEMPORARY SHEDS	-	-	-	-	-	-	-	-	-	-	-
INTANGIBE FIXED ASSETS	13,60,489	-	-	13,60,489	-	-	-	-	-	13,60,489	13,60,489
CAPITAL WORK IN PROGRESS	18,78,73,814	3,10,110	-	18,81,83,924	-	-	-	-	-	18,81,83,924	18,78,73,814
TOTAL	**1,17,93,79,544**	**2,41,98,000**	**7,84,400**	**1,20,27,93,144**	**20,21,06,270**	**-**	**5,49,39,305**	**10,78,775**	**25,59,66,800**	**94,68,26,344**	**97,72,73,274**
Previous Year	**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**	**20,21,06,270**	**97,72,73,274**	**1,02,60,23,050**

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
NOTE NO. 14 : LONG TERM LOANS AND ADVANCES		
Long - term loans and advances:		
a) Capital advance		
Secured	1,03,67,316	1,24,81,650
Unsecured	-	-
Doubtfull	-	-
b) Security Deposit		
Secured	43,53,784	36,35,858
Unsecured	-	-
Doubtfull	-	-
Total Long term loans & advances	1,47,21,100	1,61,17,508
Less : Provision for Doubtfull Debts	-	-
Total Long term loans & advances (net)	**1,47,21,100**	**1,61,17,508**
NOTE NO.15 : OTHER NON-CURRENT ASSETS		
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	-	-
Total non - current assets(net)	**21,268**	**21,268**
NOTE NO. 16 : INVENTORIES		
I Inventories :		
a) Raw materials		
- Chemicals, Rubber	2,01,12,236	78,19,228
- Hardware items	1,17,82,746	1,50,37,127
- FRP materials	79,87,052	68,80,194
- Others	2,39,12,032	2,52,80,955
Sub Total	6,37,94,066	5,50,17,504
b) Work - in - progress		
- Insulators	10,28,63,733	11,30,42,864
Sub Total	10,28,63,733	11,30,42,864
Total Inventories	**16,66,57,799**	**16,80,60,368**

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
NOTE NO. 17 : TRADE RECEIVABLES		
I Outstanding for a period exceeding six months from the date they are due for payment		
Secured, Considered Good	-	-
Unsecured, Considered Good	32,00,986	34,49,272
Doubtful	-	-
	32,00,986	**34,49,272**
II Other Receivables:		
Secured, Considered Good	-	-
Unsecured, Considered Good	44,19,14,248	34,24,50,939
Doubtful	-	-
	44,19,14,248	34,24,50,939
Total trade recivable	44,51,15,234	34,59,00,211
Less : Allowance for bad & doubtful debts	-	-
Total Trade Receivables(net)	**44,51,15,234**	**34,59,00,211**
NOTE NO. 18:CASH AND CASH EQUIVALENTS		
Cash and cash eqivalents :		
a) Balances with banks :		
1) On Current Accounts	29,40,519	12,21,361
2) Bank Deposits against BG & LC with less than 12 months maturity	8,87,14,504	1,14,21,097
3) Bank deposits against BG & LC with more than 12 months maturity	-	7,46,11,490
4) Interest accrued on Fixed Deposits	32,03,574	45,82,623
b) Cheques, Draft on hand	-	-
c) Cash on hand	74,780	1,28,591
Total Cash and Cash Equivalents	**9,49,33,377**	**9,19,65,162**
NOTE NO. 19 : SHORT TERM LOANS AND ADVANCES		
short - term loans and advances:		
a) Other loans And advances		
Unsecured:		
- for Staff Advances	3,49,991	95,627
- for Suppliers	49,42,312	25,38,778
- for Others	3,25,06,067	13,28,985
Total short term loans & advances	3,77,98,370	39,63,390
Less : Provision for Doubtfull Debts	-	-
Total short term loans & advances(net)	**3,77,98,370**	**39,63,390**

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
NOTE NO.20 : OTHER CURRENT ASSETS		
I TDS Receivable & Advance Taxes	1,37,40,607	98,08,246
Prepaid Expenses	70,44,153	77,00,578
Balances with Government Departments	1,26,76,788	1,54,95,063
	3,34,61,548	**3,30,03,887**

NOTES TO STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

Particulars	For the year ended 31.03.2016 ₹	For the year ended 31.03.2015 ₹
NOTE NO. 21 : REVENUE FROM OPERATIONS		
Revenue from operations		
(a) Sale of Products	1,01,42,09,094	99,51,19,298
Less: Excise Duties	8,46,16,719	7,36,05,906
Total Revenue from Operations	**92,95,92,375**	**92,15,13,392**
NOTE NO. 22 : OTHER INCOME		
(a) Interest income	62,39,387	55,23,876
(b) Other non-operating income	1,08,17,571	78,43,917
Total Other Income	**1,70,56,958**	**1,33,67,793**
NOTE NO. 23 : COST OF MATERIALS CONSUMED		
Material - Chemicals, Rubber	22,32,25,031	23,25,83,144
Material - Hardware items	15,21,58,019	12,07,82,402
Material - FRP materials	6,81,55,177	5,47,12,810
Other Material	11,72,29,218	17,54,13,452
Total Cost Of Material Consumed	**56,07,67,445**	**58,34,91,808**
NOTE NO. 24 : PURCHASE OF STOCK IN TRADE		
Materials - Insulators	-	-
Total Trade Purchases	**-**	**-**
NOTE NO. 25 : CHANGE IN INVENTORIES & WIP.		
Work in Progress		
Work in progress at the beginning of the year	11,30,42,864	11,08,08,878
Less : work in progress at the end of the year	10,28,63,733	11,30,42,864
(Increase) / Decrease in Inventories	**1,01,79,131**	**(22,33,986)**
NOTE NO. 26 : EMPLOYEE BENEFIT EXPENSES		
(a) Salaries & Wages	8,60,78,298	7,84,59,954
(b) Contribution to Provident & Other Funds	32,68,343	28,76,267
(c) Staff Welfare Expenses	21,99,083	18,78,574
Total Employee Benefit Expenses	**9,15,45,724**	**8,32,14,795**

Particulars	For the year ended 31.03.2016 ₹	For the year ended 31.03.2015 ₹
NOTE NO. 27 : OTHER OPERATING EXPENSES		
(a) Consumption of Stores & Spares	36,61,307	30,99,138
(b) Power & Fuel	2,16,21,959	2,59,40,930
(c) Repairs to Building	1,77,549	6,04,162
(d) Repairs to Machinery	18,57,264	26,93,653
(e) Insurance	10,17,863	4,38,438
(f) Testing and Inspection charges	72,36,003	1,24,40,958
Total Other operating Expenses	**3,55,71,945**	**4,52,17,279**
NOTE NO. 28 : ADMINSTRATIVE EXPENSES		
(a) Telephone, Postage and Others	15,80,712	15,81,094
(b) Business Promotion Expenses	14,95,179	27,20,074
(c) Conveyance	10,00,868	10,06,646
(d) Office Maintenance	11,89,348	11,86,642
(e) Printing & Stationery Expenses	10,05,594	5,78,027
(f) Security Charges	20,95,754	14,32,765
(g) Rates & Taxes (excluding Income Tax)	12,63,337	17,42,262
(h) Managerial Remuneration	30,00,000	27,40,000
(i) Consultancy Charges	56,90,605	27,76,453
(j) Rent	32,31,040	34,57,590
(k) Office Electricity charges	5,43,120	5,00,935
(l) Travelling expenses	53,16,468	46,01,320
(m) Vehicle Maintenance	19,02,843	16,34,903
(n) Advertisement expenses	1,46,188	1,17,800
(o) Commission Paid	17,38,224	9,86,023
(p) Exhibition Expenses	5,59,038	2,17,800
(q) Ocean Freight & Charges	31,81,174	21,92,738
(r) Legal Fees	1,50,700	96,210
(s) Listing Fees	3,20,000	2,20,000
(t) Gifts and Donations	75,000	40,000
(u) Liquidated Damage Charges	8,13,049	49,97,379
(v) Miscellaneous Expenses	63,98,589	49,10,272
(w) Loss on Sale of investments/ Assets	-	43,758
(x) Repairs and Maintenance Others	31,17,155	32,11,502
(y) Auditors Remuneration	3,00,000	4,60,000
(z) Insurance Charges	12,64,600	14,61,193
Total Administrative Expenses	**4,73,78,585**	**4,49,13,386**

Particulars	For the year ended 31.03.2016 ₹	For the year ended 31.03.2015 ₹
NOTE NO. 29 : FINANCE COST		
(a) Interest Expenses :		
- Interest on Cash Credit	3,01,98,405	2,95,76,194
- Interest on Term Loan	29,27,200	90,34,568
- Bank charges,Commission & Financial charges	2,43,02,433	1,92,18,921
Total Finance Cost	**5,74,28,038**	**5,78,29,683**
NOTE NO. 30 : OTHER EXPENSES		
Miscellaneous expenditure written off during the year	-	-
Total Other expenses	**-**	**-**

NOTES TO FINANCIAL STATEMENT

31: Long Term & Short Term Borrowings

a) 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.

b) 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 ₹ 76,42,042/- (Previous year : ₹ 1,07,82,935/-)

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. 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 ₹ 9,92,55,644/- on capital work in progress till March 31,2016.

35. 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	31.03.2016 ₹	31.03.2015 ₹
Gratuity	**19,23,282/-**	28,89,629
Leave Encashment	**30,47,581/-**	38,286
Bonus	**9,39,750/-**	3,88,078

Defined contribution plan

During year ended March 31, 2016, the company contributed ₹ **27,43,682/- (Previous year ₹ 22,87,034/-)** to Provident fund & Pension Fund .

Defined benefit plan – gratuity

The amounts recognized in the balance sheet as at March 31, 2016 are as follows:

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

Particulars	March 31, 2016	March 31, 2015
Present value of funded obligation	-	-
Fair value of plan assets	-	-
Present value of Unfunded obligations	**1,11,78,064/-**	94,53,721/-
Unrecognized Past Service cost	-	-
Amount not Recognized as an asset		
(limit in Para59(b))	-	-
Net liability	**1,11,78,064/-**	94,53,721/-
Amounts in Balance Sheet		
Liability – Current	**20,50,065/-**	20,03,590/-
Liability – Non Current	**91,27,999/-**	74,50,131/-
Asset	-	-
Net Liability	**1,11,78,064/-**	94,53,721/-

The amounts recognized in the profit and loss account for the year ended March 31, 2016 are as follows:

Particulars	March 31, 2016 ₹	March 31, 2015 ₹
Current service cost	**10,05,662/-**	6,52,763/-
Interest on Defined Benefit Obligation	**7,51,878/-**	6,01,001/-
Expected return on plan assets	-	-
Net Actuarial Losses/(Gains) Recognized in Year	**1,65,742/-**	16,35,865/-
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"	**19,23,282/-**	28,89,629/-
Actual Return on Plan Assets		

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

Particulars	March 31, 2016	March 31, 2015
Discount Rate	**8.00%**	7.95%
Expected return on plan assets	**0.00%**	0.00%
Salary Escalation	**7.00%**	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

36. 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.

37. Related Party Transactions (AS – 18)

(₹ In lakhs)

SL No.	Name of the Party	Nature of Transaction	2015-16	2014-15
1	LP Sashikumar	MD Remuneration, and Other benefits.	**26.00**	26.00

38. Earnings Per Share (EPS) (AS – 20)

Calculation of EPS

	2015-16	2014-15
Profit after tax during the year (₹)	**5,79,62,894/-**	4,91,93,147/-
Earnings available to Equity Shareholders for Basic & Diluted EPS (₹)	**5,79,62,894/-**	4,91,93,147/-
Weighted Average Number of Shares taken for computation of EPS		
- Basic	**3,60,80,737**	3,60,80,737
- Diluted	**3,60,80,737**	3,60,80,737
Earning per Share		
- Basic (₹)	**1.61**	1.36
- Diluted (₹)	**1.61**	1.36
Face Value of the Share (₹)	**4.00**	4.00

39. 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 ₹ **61,01,740/-** towards deferred Income Tax Asset. (Previous year ' 48,89,684/- towards Deferred Tax Asset).

40. Impairment of Assets (AS – 28) Nil

41. Remuneration:

Managing Director

(₹ In lakhs)

	Year ended 31.03.2016	Year ended 31.03.2015
Salary	**26.00**	26.00
Reimbursements and others	**-**	-
Total	**26.00**	26.00

Auditors Remuneration

(₹ In lakhs)

	Year ended 31.03.2016	Year ended 31.03.2015
Statutory Audit Fee	**2.50**	2.50
Tax Audit Fee	**0.50**	0.50
Total	**3.00**	3.00

42. During the year Company has made an additional provision of ₹ 8.13 lacs (Previous Year ₹ 49.97 lacs) for Late Delivery charges.

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

Prior period adjustment of (₹ **88,85,568/-**) (Previous year (₹ **16,64,866/-**)) 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.

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

Particulars	2015-16		2014-15	
a. Licensed Capacity	NA		NA	
b. Installed capacity				
- Polymer Insulators	Depends on product mix		Depends on product mix	
	Quantity	**Value (₹)**	**Quantity**	**Value (₹)**
c. Production				
- Polymer Insulators(Nos.)	**2,23,810**		2,46,629	
d. Net Sales				
- Polymer Insulators	**2,23,703**	**91,62,47,538**	2,46,497	89,56,04,082
- Others		**1,33,44,837**		2,59,09,309
Total		**92,95,92,375**		**92,15,13,391**
e. Material consumption				
- Chemicals & Rubber		**22,32,25,031**		23,25,83,144
- FRP material		**6,81,55,177**		5,47,12,810
- Hardware items		**15,21,58,019**		12,07,82,402
- Others		**11,72,29,218**		17,54,13,452
		56,07,67,445		**58,34,91,808**
f. Break-up of material consumption (excluding trading material)				
Indigenous	**52.92%**	**29,67,83,393**	70.05%	40,87,12,693
Imported	**47.08%**	**26,39,84,052**	29.95%	17,47,79,115
	100.00%	**56,07,67,445**	**100.00%**	**58,34,91,808**
g. Earnings in Foreign currency				
Export of goods		**15,38,960**		47,33,828
Deemed Export of Goods		**24,02,77,831**		6,40,32,996
h. Value of imports on CIF Basis				
- Materials including trading materials		**20,77,05,972**		17,29,33,185
- Capital Goods		**31,62,857**		69,65,002
i. Expenditure in foreign currency				
On travel		**4,16,490**		1,23,452
Others		**1,71,139**		32,50,298

45. Contingent Liabilities not provided for

a) Letter of credit – ₹ **712.45 lakhs** (Previous year: ₹ 892.18 lakhs)

b) Bank Guarantees – ₹ **3521.31 lakhs** (Previous year: ₹ 3069.54 lakhs)

c) Commitments on capital contracts remaining to be executed ₹ **62.00 lakhs** (Previous year: ₹ 230.00 lakhs)

d) Un-claimed dividend amount for the years 2008-09, 2009-10, 2010-2011 and 2011-12 is lying in the Dividend Account at Axis Bank for an amount of ₹ 2,19,474/-, ₹ 1,29,468/-, ₹ 1,31,124/- and ₹ 1,08,848/- respectively. During the year Company has closed Dividend warrant account for the year 2007-2008 and DD bearing No. 062463 taken for ₹ 2,23,540/- in favour of Pay & Accounts officer , Ministry of Corporate Affairs, New Delhi. on dt 06.11.2015

e) Corporate Guarantee given to Trinity Infraventures Limited for availing Non Funded limits with Allahabad Bank, Himayat Nagar, Hyderabad for an amount of ₹ 900.00 lacs.

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

47. Figures have been rounded off to the nearest rupee.

48. 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 : 26.05.2016

For and on behalf of the board

Sd/-	Sd/-
L P Sashikumar	**B Appa Rao**
Managing Director	Director
Sd/-	Sd/-
P Syam Prasad	**Hanuman Prasad**
CFO	Company Secretary

Goldstone

CONSOLIDATED CASH FLOW STATEMENTS AS AT MARCH 31, 2016

(₹ In lakhs)

	Particulars	31.03.2016	31.03.2015
A	**Cash Flow from operating activity**		
	Net Profit before tax	818.61	643.03
	Adjustments for:		
	Depreciation Adjustment	-	-
	Miscellaneous expenditure written off	-	-
	Provision for Gratuity & Earned Leave & others	101.62	94.33
	Loss on sale of Assets/ Investments	-	0.44
	Other Income	(170.57)	(133.68)
	Operating Profit before working capital changes	**749.67**	**604.12**
	Adjustments for:		
	Trade and other receivables	(992.15)	(846.67)
	Inventories	14.03	103.74
	Trade advances	(289.64)	62.56
	Trade Payable	(544.07)	663.92
	Cash generated from operations	**(1,062.17)**	**587.67**
	Direct Taxes paid (net)	(263.57)	(72.86)
	Gratuity, EL encashment & others Paid	(79.24)	(61.85)
	Cashflow before extraordinary items	(1,404.98)	452.97
	Net Cash flow from operating activity	**(1,404.98)**	**452.97**
B.	**Cash Flow from Investing Activity**		
	Fixed assets	306.81	389.70
	Capital work in progress	(3.10)	(2.71)
	Investments	-	-
	Other income	170.57	133.68
	Loss on Sale of Assets/ Investments	-	(0.44)
	Net Cash used for investing activity	**474.28**	**520.23**
C.	**Cash Flow from financing activities**		
	Long term borrowings	1,422.99	(613.52)
	Short Term borrowings	(411.64)	72.21
	Deferred sales tax loan payment	(50.97)	(107.83)
	Dividend paid	-	-
	Net cash generated from financing activity	**960.38**	**(649.14)**
	Cash and cash equivalents (Opening Balance)	919.65	595.59
	Net increase in Cash & Cash equivalents (A+B+C)	29.68	324.06
	Cash and cash equivalents (Closing Balance)	949.33	919.65

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 : 26.05.2016

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

Goldstone

Goldstone	**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

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 16th Annual General Meeting to be held on Friday, the September 30th, 2016 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.

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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 Sixteenth Annual General Meeting of the Company to be held on Friday, September 30th, 2016 at 4.00 P.M. Plot No. 1 & 9, IDA, Phase II, Cherlapally, Hyderabad - 500 051and 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.		
4.	Re-Appointment of Mr.L.P.Sashikumar as the Managing Director of the Company for a period of 3 years with effect from 1st April, 2016		

Signed this ———— day of ————2016.

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.

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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 / Special resolution enumerated to be considered in Sixteenth Annual General Meeting of the Company to be held on Friday, September 30th, 2016 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.			
4.	Re-Appointment of Mr.L.P.Sashikumar as the Managing Director of the Company for a period of 3 years with effect from 1st April, 2016			

Place :

Date : (Signature of the shareholder)

Goldstone

if undeliverd please return to :

Goldstone Infratech Limited
Cin :L64203TG2000PLC035451
9-1-83 & 84 Amarchand Complex,
Sarojini Devi Road, Secenderabad - 500 003.
Ph. 040-27807640/0742
Email : info@goldstone.net
Website : www.goldstonepower.com

IRQS
A DEPARTMENT OF INDIAN REGISTER OF SHIPPING
MGMT. SYS.
RvA C 071
ISO 9001 : 2008 COMPANY