



Goldstone



Goldstone Infratech Limited

14th Annual Report 2013-2014

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CORPORATE INFORMATION

Board of Directors:

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

Board Committees

Audit Committee :

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

Nomination and Remuneration Committee :

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

Stakeholders Relationship Committee:

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

Management Team:

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

Statutory Auditors:

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

Principal Bankers:

State Bank of Hyderabad

Registrars & Share Transfer Agents:

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

Stock Exchanges where Company's Securities are listed :

Bombay Stock Exchange Limited
 National Stock Exchange of India Limited

Registered Office :

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

Factory :

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

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 14th Annual General Meeting of the Company will be held on Saturday, 27th day of September, 2014 at 3.30 p.m. at Plot No. 1 & 9, IDA, Phase II, Cherlapally, Hyderabad - 500 051 to transact the following business:

ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Statement of Profit and Loss for the year ended as on that date along with Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Mrs. Mahitha Caddell, 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. Appointment of Mr. S. Murali Krishna (DIN; 00050507) as an Independent Director of the Company.

To Consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

"RESOLVED that Pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013, if any and the rules made there under, read with Schedule-IV to the Companies Act, 2013 (including statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr.S.Murali Krishna, Independent Director of the Company who under the provisions of the Companies Act, 1956 was liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013, signifying his intention to propose Mr.S.Murali Krishna as a candidate for the office of Director of the Company be and is hereby appointed as an Independent Director of the Company, for a term of five years from 27th September 2014 to 26th September 2019 not liable to retire by rotation."

"RESOLVED further that the Board of Directors and/or the Company Secretary, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

5. Appointment of Mr.M.Gopala Krishna (DIN; 00088454) as an Independent Director of the Company.

To Consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

"RESOLVED that Pursuant to Section 149, 150, 152 and other applicable provisions

of the Companies Act, 2013, if any, and the rules made there under read with Schedule-IV to the Companies Act, 2013, (including statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. M. Gopala Krishna, Independent Director of the Company who has submitted a declaration that he meets the criteria for Independence as provided in Section 149 (6) of the Act, in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose Mr.M.Gopala Krishna as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five years from 27th September 2014 to 26th September 2019 not liable to retire by rotation."

"RESOLVED further that the Board of Directors and/or the Company Secretary, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

6. Appointment of Mr. B. Appa Rao (DIN;00004309) as an Independent Director of the Company.

To Consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

"RESOLVED that Pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013, if any, and the rules made there under read with Schedule-IV to the Companies Act, 2013, (including statutory modification(s) or re-enactment thereof for the time being in

force), and Clause 49 of the Listing Agreement, Mr.B.Appa Rao, Independent Director of the Company who has submitted a declaration that he meets the criteria for Independence as provided in Section 149 (6) of the Act, in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose Mr.B.Appa Rao as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five years from 27th September 2014 to 26th September 2019 not liable to retire by rotation."

"RESOLVED further that the Board of Directors and/or the Company Secretary, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

**BY ORDER OF THE BOARD
For GOLDSTONE INFRA TECH LIMITED**

Sd/-

P. Hanuman Prasad
Company Secretary

Place : Secunderabad
Date : 04-08-2014

NOTES :

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act) in respect of the business under Item Nos. 4 to 6 of the Notice, is annexed hereto. The relevant details (as required under clause 49 of the Listing Agreements entered into with the Stock Exchanges) of persons seeking appointment/ re-appointment as Directors under Item No. 2 and 4 to 6 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 resolutions/ authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A Proxy form for the AGM is enclosed.
3. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
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 23rd September, 2014 to 27th September, 2014 (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 2014, Rs.2,07,645.60 was unclaimed out of the dividend declared on 28th September, 2007 for the financial year 2006-07; Rs. 2,24,540.00 was unclaimed out of the dividend declared on 30th September, 2008 for the financial year 2007-08; Rs. 2,19,954.00 was unclaimed out of the dividend declared on 30th September, 2009 for the financial year 2008-09; Rs. 1,29,968.00 was unclaimed out of the dividend declared on 29th September, 2010 for the financial year 2009-10; Rs. 1,31,419.00 was unclaimed out of the dividend declared on 30th September, 2011 for the financial year 2010-11 and Rs.1,09,123.00 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 29th October 2014; 31st October 2015 and 31st October 2016, 30th October 2017, 31st October 2018 and 30th October 2019 respectively.

10. The Annual Report of the Company for the year 2013-14 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 2013-14 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 their 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. Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, and as per Clause 35B of the Listing Agreement the Company is extending e-Voting facility for its Members to enable them to cast their vote electronically instead

of participating and voting physically in the Annual General Meeting. In this regard, the Company has appointed Mr. Prathap Satla Practicing Company Secretary, Hyderabad, having their office situated at H.No. 6-3-1238/15/1, Flat No. 301, 3rd Floor, Elite Heights, Somajiguda, Hyderabad - 500 082. Who in the opinion of the Board is a duly qualified person, as a Scrutinizer to collate the electronic voting process in a fair and transparent manner.

13. The e-voting facility will be available at the link <https://evoting.karvy.com> during the voting period.
14. Login ID and password for e-voting along with process, manner and instructions is being sent to the members individually at their registered e-mail IDs along with physical copy of the Notice.
15. Members are requested to note that the e-Voting period commences on Friday, September 19th, 2014 (10.30 a.m. IST) and ends on Monday, September 22nd, 2014 (6.00 p.m. IST). The e-Voting module shall be disabled by KARYV for voting thereafter.
16. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
17. The procedure and instructions for e-voting are as follows:
 - i. Open your web browser during the voting period and navigate to <https://evoting.karvy.com>

- ii. Enter the login credentials (i.e., user-id & password) provided to you as mentioned at point no. 14 supra.
- iii. In the event of any difficulty, please contact toll free No. 1-800-34-54-001 for any further clarifications.
- iv. After entering these details appropriately, click on "LOGIN".
- v. Members holding shares in Demat/ Physical form will then reach Password change menu wherein they are required to mandatorily change their login password in the new password field. The new password shall be minimum eight characters consisting of atleast one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this same password can be used by the Demat holders for voting in respect of other Companies also, provided that the other Company opts for e-Voting through Karvy e-Voting platform. Then, system will prompt you to change your contact details like mobile number, email ID etc on first login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. You need to login again with the new credentials.
- vii. On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.
- viii. If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and you have already casted your vote in respect of any company, then your existing login id and password are to be used.
- ix. On the voting page, you will see Resolution description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'.
- x. After selecting the resolution you have decided to vote on, then click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, then click on "OK", and in case, if you wish to modify your vote, then click on "CANCEL" and accordingly modify your vote.
- xi. Once you 'CONFIRM' your vote on the resolution, then in such case, you will not be allowed to modify your vote in any manner.
- xii. Corporate/Institutional Members (Corporate/FIs/FILs/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to gil.scrutinizer@gmail.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name_ Event no."
- xiii. Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.

Other Instructions:

- i) Members who do not have access to e-Voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company (Mr. Prathap Satla Practicing Company Secretary, (Membership No. 25595), having his office situated H.No. 6-3-1238/15/1, Flat No. 301, 3rd Floor, Elite Heights, Somajiguda, Hyderabad - 500 082) at the Registered Office of the Company not later than Monday, September 22nd, 2014 (6.00 p.m. IST).

Members have the option to request for physical copy of the Ballot Form by sending an e-mail to cs@goldstone.net by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Scrutinizer not later than Monday, September 22nd, 2014 (6.00 p.m. IST).

Ballot Form received after this date will be treated as invalid.

A Member can opt for only one mode of voting i.e. either through e-Voting or by Ballot. If a Member casts votes by both modes, then voting done through e-Voting shall prevail and Ballot shall be treated as invalid.

- ii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.goldstonepower.com and on the website of KARVY <https://evoting.karvy.com> within three days of the passing of the resolutions at the Fourteenth AGM of the Company on September 27, 2014 and communicated to the Bombay Stock

Exchange Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

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

ITEM NO.4

Mr.S.Murali Krishna is a Non-Executive (Independent) Director of the Company. He joined the Board of Directors in August 2013. Mr.S.Murali Krishna retires by rotation at the ensuing AGM under the provisions of the erstwhile Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr.S.Murali Krishna being eligible and willing to re-appointment, is proposed to be appointed as an Independent Director for a term of five years.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of requisite amount proposing the candidature of Mr.S.Murali Krishna for the office of Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr.S.Murali Krishna (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The Nomination and Remuneration Committee has recommended his appointment as Independent Director from 27th September, 2014 upto 26th September, 2019.

Brief resume of Mr. S.Murali Krishna, nature of his expertise in specific functional areas and names of Companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

A copy of the draft letter for the appointment of Mr.S.Murali Krishna as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days excluding Saturday up to the date of the AGM.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

In the opinion of the Board of Directors, Mr.S.Murali Krishna, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made there under and he is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr.S.Murali Krishna as Independent Director.

No director, key managerial personnel or their relatives, except Mr.S.Murali Krishna, to whom the resolution relates, is interested or concerned financial or otherwise in the resolution.

The Board recommends the resolution set forth in Item no. 4 for the approval of the members.

ITEM NO.5 & 6

Mr. M.Gopala Krishna and Mr. B.Appa Rao are Independent Directors of the Company and have held the positions as such for more than 5(five)

years. The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of Independent Directors by a listed company.

It is proposed to appoint Mr. M.Gopala Krishna and Mr. B.Appa Rao as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term from 27th September 2014 to 26th September 2019. The Company has received notices in writing from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Mr. M.Gopala Krishna and Mr. B.Appa Rao for the office of Directors of the Company.

The Nomination and Remuneration Committee has recommended the appointment of each of Mr. M.Gopala Krishna and Mr. B.Appa Rao as Independent Directors from 27th September 2014 upto 26th September 2019.

The Company has received from each of Mr. M.Gopala Krishna, and Mr. B.Appa Rao (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014 (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, each of these two directors fulfils the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and they are independent of the management.