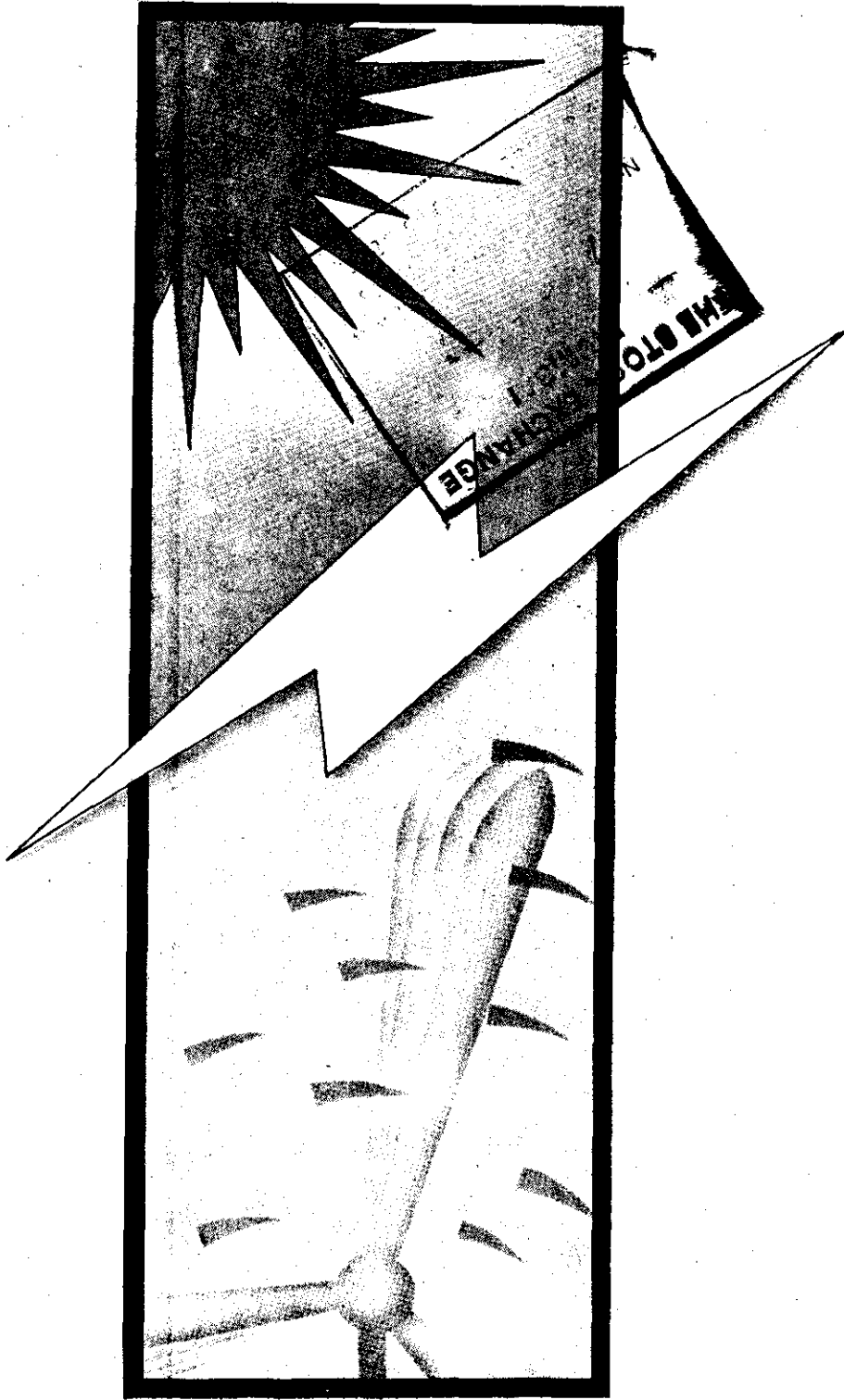
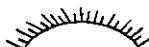


**"SOURCE THAT NEVER ENDS"**



**7<sup>TH</sup>**

**ANNUAL REPORT  
(YEAR ENDING 31ST MARCH, 1999)**

  
**SUN SOURCE**  
**(INDIA) LIMITED**

**Regd. Office :**  
**1, Sonal Industrial Estate, Khoda,**  
**Sanand-Viramgam Highway.**  
**Dist. : Ahmedabad - 382170**  
**Phone : 91 - 2717-73282**

# SUN SOURCE (INDIA) LIMITED

## BOARD OF DIRECTORS

	NAME	BACKGROUND	OTHER POSITIONS HELD
1.	Mr. Rajnikant J.Patel Chairman	Turnkey Project Engineer	Chairman-cum Managing Director M/s. Ecotech Consultant Pvt.Ltd.
2.	Mr. Ashok K. Gajjar Vice Chairman	Manufacturing & Export of Machineries	Managing Partner M/s.Laxmi Vijaya Brass & Iron Works Baroda.
3.	Ms. Nisha Patel Director	Overseas Investor	Represents NRI Investor Group from USA
4.	Mr. Bhalchandra Pandya Director	NRI Investor Group	Represents NRI Investor Group from USA.
	Mr. Mukund Purohit Alternate Director of Mr. Bhalchandra Pandya		Businessman
5.	Mr. Vishnu I. Patel Director	Businessman	Former President Vadodara - Stock Exchange Ltd.
6.	Mr. R.K.Gupta Director	Advocate	Director M/s. Indcon Management Services (P) Ltd. New Delhi.

### AUDITORS

M/s. N.N.Patel & Associates  
Chartered Accountants  
31, Vishwamitra Complex,  
Stadium Road,  
Navrangpura, Ahmedabad- 380 014.

### BANKERS

- (1) Vijaya Bank
- (2) State Bank of Saurashtra
- (3) State Bank of India
- (4) Oriental Bank of Commerce.

### REGD. OFFICE & FACTORY

One-Sonal Industrial Estate, **Khoda**  
Sanand - Viramgam Highway,  
Dist:Ahmedabad-382170 Gujarat,(INDIA)  
Phone : 91-2717-73203, 73282

# SUN SOURCE (INDIA) LIMITED

## DIRECTORS' REPORT

To  
Members of the Company  
**FINANCIAL RESULTS**

The year 1998-99 witnessed severe economic recession and your Company was also affected thereby having little business activity.

	1998-99	1997-98
The key performance parameters are as follows; (Amt.in rupees)	11,94,488	11,94,417
Expenses	9,92,886	6,32,334
Profit before taxation	2,01,602	5,62,083
Less: Provision for taxation	60,481	2,81,348
Profit after taxation	1,41,121	2,80,735
Balance carried to Balance Sheet	1,41,121	2,80,735

### **BADMER SOLAR PV PROJECT (WORLD LARGEST):**

The Company has been striving hard for Project Funding in short term as well as long term to implement 50,000 KW (50 MW) Solar PV Power Plant Project at Village : Agoria, Dist : Badmer, Rajasthan. Fortunately, we have received sympathetic consideration from the Government Officials of Rajasthan all along.

The Company at present has two offers, one for short term and one for long term Project Funding under active consideration and negotiations. The long term offer involves joint venture with our Company to implement the entire Project with the Funds (US Dollars 150 Million) arranged by the joint venture partners.

In fact, the short term funding for initial pilot plant of few KW has been arranged and initial construction at Badmer Plant Site has started under the supervision of **Shri M. S. Dadhich, Project Director of the Company.**

### **DIVIDEND :**

To enable future shareholders' value on the basis of present investments, your Directors recommended that no dividend be paid for the year ended 31ST MARCH, 1999

### **DIRECTORS :**

Shri Bhalchandra Pandya, Director, retires by rotation as required by the Articles of the Company, and being eligible, offers himself for re-appointment.

Shri R. K. Gupta, Director, retires by rotation as required by the Articles of the Company, and being eligible, offers himself for re-appointment.

### **AUDITORS OBSERVATION :**

The observations of the Auditors in their report are explained in the notes to the accounts which are self explanatory.

### **DEPOSIT :**

The Company has not accepted any deposits from the public.

### **PARTICULARS OF EMPLOYEE :**

None of the employee drawing remuneration exceeding Rs.50,000/- per month or Rs.6,00,000/- per annum was employed.

### **AUDITORS :**

M/s. N. N. Patel & Associates, Chartered Accountants, Ahmedabad the retiring auditors offer themselves for re-appointment.

### **ACKNOWLEDGEMENT :**

The Board of Directors wish to place on record their unsustained support, involvement, co-operation and assistance received from the Govt. of Rajasthan, Govt. of India, Bankers and Employees of the Company.

ON BEHALF OF THE BOARD

PLACE : KHODA, AHMEDABAD.  
DATE : 27:8:1999

(R. J. PATEL)  
CHAIRMAN

# SUN SOURCE (INDIA) LIMITED

## NOTICE

NOTICE is hereby given that the SEVENTH ANNUAL GENERAL MEETING of the Members of SUN SOURCE (INDIA) LIMITED will be held on Monday, 27th September, 1999 at 10.00 A.M. at our Registered Office at One-Sonal Industrial Estate (Khoda), Sanand-Viramgam Highway, Dist : Ahmedabad - 382 170, Gujarat (India), to transact the following business;

### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Statement of Accounts together with Directors' Report and the Auditor's report thereon for the year ended 31ST MARCH, 1999.
2. To appoint a Director in place of Shri Bhalchandra Pandya, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri R. K. Gupta, Who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint the Auditors of the Company, and fix their remuneration.

### **REGD. OFFICE & FACTORY**

1. Sonal Industrial Estate, Khoda,  
Sanand-Viramgam Highway,  
Dist : Ahmedabad - 382 170, Gujarat, (INDIA)  
Phone : 91-2717-73203, 73282

**ON BEHALF OF THE BOARD**

PLACE : **KHODA, AHMEDABAD.**  
DATE : **27:8:1999**

(R. J. PATEL)  
CHAIRMAN

### **NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.
2. The Register of Members and Share Transfer Book of the Company will remain closed from 27th September, 1999 to 30th September, 1999 (Both Days Inclusive)
3. Members are requested to advise the Company immediately of any change in their address.
4. As a measure of economy, members are requested to bring their copies of the Annual Report at the venue of the meeting.

**ON BEHALF OF THE BOARD**

PLACE : **KHODA, AHMEDABAD.**  
DATE : **27:8:1999**

(R. J. PATEL)  
CHAIRMAN

# SUN SOURCE (INDIA) LIMITED

## AUDITORS' REPORT

To,  
The Shareholders,  
**SUN SOURCE (INDIA) LIMITED**  
Ahmedabad

We have audited the attached Balance Sheet of **SUN SOURCE (INDIA) LIMITED, AHMEDABAD**, as at **31ST MARCH 1999** and also the Profit & Loss Account of the Company for the year ended on that date annexed thereto and report as under :

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of the books.
3. The Balance Sheet and Profit & Loss Account, dealt with by the report, are in agreement with the Books of Accounts.
4. In our opinion, and to the best of our information and according to the explanations given to us, the said accounts read with and subject to Note No.1 regarding non-confirmation of balances, Note No.19 regarding Advances and other notes thereon gives, the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
  - (i) In the case of the Balance Sheet of the State of affairs of the Company as at **31ST MARCH 1999**, and
  - (ii) In the case of the Profit & Loss Account of the **PROFIT** for the year ended on that date.

As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988 issued by the Company Law Board, in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and the information and explanation given to us in the normal course of the audit we further report that :

- (i) As informed to us, the company has maintained a fixed assets register showing full particulars including quantitative details and situation of fixed assets. As the acquisition and construction of fixed assets is still in progress, we are informed that the entries will be made on completion of construction, erection and acquisition. These fixed assets have been physically verified by the management at the end of the year and no material discrepancies were noticed on such verification by the management. However, no record for such physical verification was available for our verification.
- (ii) None of the fixed assets have been revalued during the year.
- (iii) Inventories of raw materials, stores and spare parts have been physically verified by the Management at the end of the year. In our opinion, the frequency of such verification is reasonable.
- (iv) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the company and nature of its business.
- (v) The discrepancies noticed on verification between physical inventories and book records were not material in relation to the operations of the company and the same have been properly dealt with in the books of accounts.
- (vi) In our opinion, the valuation of the above mentioned inventories is fair and proper in accordance with the normally accepted accounting principles.
- (vii) The Company has not taken any loan, secured or unsecured from the Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 and/or from the Companies under the same management as defined under section 370(1-B) of the Companies Act, 1956.
- (viii) The Company has not granted any loans to Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 and/or to the Companies under the same management as defined under subsection 1(B) of Section 370 of the Companies Act, 1956 (1 of 1956).
- (ix) In respect of loans and advances in the nature of loans given by the Company, the terms and conditions of repayment of principal amount and interest are not specified. Provision of interest on loans is not made. Confirmations of loans are not available. In view of this we are unable to express our opinion in this regard.
- (x) We are informed that the company is in the process of setting up an adequate Internal Control Procedure commensurate with the size of the Company and the nature of its business with regard to purchase of stores, raw materials including components, plant & machinery, equipment and other assets and with regard to the sale of goods.
- (xi) In our opinion and according to the information and explanation given to us, there were no transactions of purchase of goods and materials and sale of goods, materials and services, made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 aggregating during the current accounting year to Rs.50,000/- or more in respect of each party.
- (xii) The Company has not accepted any deposit from public.
- (xiii) The Company has not yet set up formal Internal Audit System commensurate with size and nature of business.
- (xiv) As informed to us, the Provident Fund and E.S.I. Scheme are not applicable to the Company.
- (xv) As informed to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Custom Duty and Excise duty which have remained outstanding as at last day of the financial year under report for a period of more than six months from the date they became payable.
- (xvi) On the basis of (i) the examination of the books of accounts of the company (ii) the vouchers have been examined by us on test check basis and (iii) the explanation given to us against our inquiries and to the best of our knowledge and belief, we have not come across any expenses charged to revenue account except for those which were either incurred under service contract obligation or in accordance with normally accepted business practices which in our opinion and judgement and to the best of our knowledge and belief could be regarded as personal expenses.
- (xvii) We have been informed by the Company that there is no by-product. Scrap is not generated by the manufacturing process of the Company.
- (xviii) The Company is not a Sick Industrial Company within the meaning of clause(O) of subsection (1) of section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

For, **N. N. PATEL & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

PLACE : **AHMEDABAD**  
DATE : **27.08.1999**

(**NAVIN PATEL**)  
**PROPRIETOR**

*Annual Report*

# SUN SOURCE (INDIA) LIMITED

BALANCE SHEET AS AT 31ST MARCH 1999

PARTICULARS	SCHEDULE	1998-99 AMOUNT[RS]	1997-98 AMOUNT[RS]
<b>SOURCES OF FUND</b>			
<b>SHAREHOLDERS' FUND</b>			
Share Capital	A	114,556,550	114,555,822
Reserves & Surplus	B	35,267,454	35,127,061
<b>LOANS FUND</b>			
Unsecured Loans	C	<u>135,000</u>	<u>135,000</u>
	<b>TOTAL RS :</b>	<u><b>149,959,004</b></u>	<u><b>149,817,883</b></u>
<b>APPLICATIONS OF FUND</b>			
<b>FIXED ASSETS</b>			
Gross Block	D	33,790,862	32,460,581
Less : Depreciation		<u>1,069,187</u>	<u>884,341</u>
<b>NET BLOCK</b>		<u><b>32,721,675</b></u>	<u><b>31,576,240</b></u>
<b>PRE-OPERATIVE PROJECT EXPENDITURE</b>			
<b>PENDING ALLOCATION</b>			
Opening Balance		24,656,244	23,238,534
Addition during the year		<u>243,778</u>	<u>1,417,710</u>
		<u><b>24,900,022</b></u>	<u><b>24,656,244</b></u>
<b>INVESTMENTS (UNQUOTED)</b>	E	939,900	939,900
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
<b>[A] CURRENT ASSETS</b>			
Stock in Trade		18,393,552	18,393,552
Cash & Bank Balances	F	10,278,816	11,016,096
Sundry Debtors	G	<u>1,891,800</u>	<u>1,891,800</u>
		<u><b>30,564,168</b></u>	<u><b>31,301,448</b></u>
<b>[B] LOANS &amp; ADVANCES</b>			
(Recoverable in cash or kind or for value to be received)	H	<u>53,788,628</u>	<u>54,799,400</u>
		<u><b>53,788,628</b></u>	<u><b>54,799,400</b></u>
	<b>TOTAL RS [A+B] :</b>	<u><b>84,352,796</b></u>	<u><b>86,100,848</b></u>
<b>Less :</b>			
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>			
[a] Current Liabilities	I	3,711,989	3,985,473
[b] Provisions		<u>232,747</u>	<u>459,222</u>
		<u><b>3,944,735</b></u>	<u><b>4,444,695</b></u>
<b>NET CURRENT ASSETS</b>		<u><b>80,408,061</b></u>	<u><b>81,656,153</b></u>
<b>MISCELLANEOUS EXPENDITURE</b>			
(To the extent not written off or adjusted)	J	<u>10,989,346</u>	<u>10,989,346</u>
		<u><b>149,959,004</b></u>	<u><b>149,817,883</b></u>
NOTES TO THE ACCOUNTS	O	(0)	

AS PER OUR REPORT OF EVEN DATE  
For, N. N. PATEL & ASSOCIATES  
CHARTERED ACCOUNTANTS

ON BEHALF OF THE BOARD

(NAVIN PATEL)  
PROPRIETOR

(R.J.PATEL)  
DIRECTOR

(A.K.GAJJAR)  
DIRECTOR

(N.R.PATEL)  
DIRECTOR

PLACE : AHMEDABAD  
DATE : 27.08.1999

PLACE : KHODA, AHMEDABAD  
DATE : 27.08.1999

**SUN SOURCE (INDIA) LIMITED**  
**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 1999**

PARTICULARS	SCHEDULE	1998-99 AMOUNT[RS]	1997-98 AMOUNT[RS]
<b>INCOME</b>			
Sales & Other Income	K	1,194,488	1,194,417
	<b>TOTAL RS :</b>	<b>1,194,488</b>	<b>1,194,417</b>
<b>EXPENDITURE</b>			
Payment to & Provision for Employees	L	359,716	107,840
Administrative & General Expenses	M	551,910	258,026
Financial Expenses	N	35,048	21,398
Loss on Sale of Fixed Assets		—	198,858
Depreciation	D	46,212	46,212
	<b>TOTAL RS :</b>	<b>992,886</b>	<b>632,334</b>
Profit before Taxation		201,602	562,083
Less : Provision for Taxation		60,481	260,000
Short Provision for Taxation		—	21,348
of earlier years			
Profit after Taxation		141,121	280,735
Balance carried to Balance Sheet		141,121	280,735
NOTES TO THE ACCOUNTS	O		

AS PER OUR REPORT OF EVEN DATE  
For, N. N. PATEL & ASSOCIATES  
CHARTERED ACCOUNTANTS

ON BEHALF OF THE BOARD

(NAVIN PATEL)  
PROPRIETOR

(R.J.PATEL)  
DIRECTOR

(A.K.GAJJAR)  
DIRECTOR

(N.R.PATEL)  
DIRECTOR

PLACE : AHMEDABAD  
DATE : 27.08.1999

PLACE : KHODA, AHMEDABAD  
DATE : 27.08.1999

# SUN SOURCE (INDIA) LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 1999.

PARTICULARS	1998-99 AMOUNT[RS]	1997-98 AMOUNT[RS]							
<b>SCHEDULE - A : SHARE CAPITAL</b>									
<b>AUTHORISED SHARE CAPITAL</b>									
15000000 Equity Shares of Rs.10/- each	150,000,000	150,000,000							
<b>ISSUED SHARE CAPITAL</b>									
14400000 Equity Shares of Rs.10/- each	144,000,000	144,000,000							
<b>SUBSCRIBED SHARE CAPITAL</b>									
14391461 Equity Shares of Rs.10/- each	143,914,610	143,914,610							
<b>PAID-UP SHARE CAPITAL</b>									
14391461 Equity Shares of Rs.10/- each fully paid-up.	143,914,610	143,914,610							
Less :									
Calls in Arrears	<u>29,358,060</u>	<u>29,358,788</u>							
<b>TOTAL RS :</b>	<u><b>114,556,550</b></u>	<u><b>114,555,822</b></u>							
<b>SCHEDULE - B</b>									
<b>RESERVES &amp; SURPLUS</b>									
1. Share Premium	47,957,305	47,957,305							
Less :									
Calls in Arrears	<u>14,566,373</u>	<u>14,565,645</u>							
<b>TOTAL RS [1] :</b>	<u><b>33,390,932</b></u>	<u><b>33,391,661</b></u>							
2. GENERAL RESERVE									
Opening Balance	<u>105,887</u>	<u>105,887</u>							
<b>TOTAL RS [2] :</b>	<u><b>105,887</b></u>	<u><b>105,887</b></u>							
3. PROFIT & LOSS ACCOUNT									
Opening Balance	1,629,514	1,348,779							
Add : Profit for the year	<u>141,121</u>	<u>280,735</u>							
<b>TOTAL RS [3] :</b>	<u><b>1,770,635</b></u>	<u><b>1,629,514</b></u>							
<b>TOTAL RS [1+2+3] :</b>	<u><b>35,267,454</b></u>	<u><b>35,127,062</b></u>							
<b>SCHEDULE - C : UNSECURED LOANS</b>									
Inter-Corporate Deposits	<u>135,000</u>	<u>135,000</u>							
<b>TOTAL RS :</b>	<u><b>135,000</b></u>	<u><b>135,000</b></u>							
<b>SCHEDULE : D : FIXED ASSETS :</b>									
Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As on 01-04-98 %	As on 31-03-99 (Rs.)	Addition (Deduction) During The Years	As on 01-04-98 (Rs.)	As on 31-03-99 (Rs.)	Provided During The Year (Rs.)	As on 31-03-99 (Rs.)	As At 31-03-99 (Rs.)	As on 31-03-98 (Rs.)
LAND & LAND DEVELOPMENT CHARGES	-	4928543	-	4928543	-	-	4928543	4928543	
LEASE HOLD LAND	-	899250	-	899250	9083	-	9083	890167	
BUILDING UNDER CONSTRUCTION	-	21217581	1330280	22547862	-	-	22547862	21217581	
OFFICE PREMISES	1.63	437500	-	437500	25535	7131	32666	404834	
PLANT & MACHINERY UNDER ERECTION	-	1865621	-	1865621	-	-	1865621	1865621	
OFFICE EQUIPMENT	4.75	51300	-	51300	16456	7486	23942	27358	
SOLAR SYSTEMS	4.75	1038825	-	1038825	149412	-	149412	889413	
MOTOR CAR	9.50	1387394	-	1387394	567087	131802	698889	688505	
FURNITURE & FIXTURES	6.33	634567	-	634567	116768	38427	155195	479372	
<b>TOTAL</b>	-	<u>32460581</u>	<u>1330280</u>	<u>33790862</u>	<u>884341</u>	<u>184846</u>	<u>1069187</u>	<u>32721675</u>	

Depreciation is not provided on the same are not used.

Note : Out of total depreciation provided Rs. 1,84,846/-, Rs. 46,212/- has been charged to profit & Loss Account and Rs. 1,38,634/- has been Capital transferred to P & P Expenses.



# SUN SOURCE (INDIA) LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 1999.

PARTICULARS	1998-99 AMOUNT[RS]	1997-98 AMOUNT[RS]
<b>SCHEDULE - E : INVESTMENTS (UNQUOTED)</b>		
9392 Equity Shares of Rs.100/- each of Sun Source Wind Parks Dev. Ltd.	939,200	939,200
70 Equity Shares of Rs.10/- each of Sun Source Energy Estate Ltd.	700	700
<b>TOTAL RS :</b>	<u>939,900</u>	<u>939,900</u>
<b>SCHEDULE - F : CASH &amp; BANK BALANCES</b>		
Cash on hand	894,252	1,025,291
<b>BALANCES WITH SCHEDULES BANKS</b>		
[1] (A) In FDR Accounts (Pledged with Bank against guarantee given)	7,500,000	7,500,000
(B) In FDR Accounts	1,700,000	2,200,000
[2] In Current Accounts	184,864	290,805
<b>TOTAL RS :</b>	<u>10,278,816</u>	<u>11,016,096</u>
<b>SCHEDULE - G : SUNDRY DEBTORS</b>		
(Unsecured, considered good)		
Outstanding for more than six months	1,891,800	1,891,800
<b>TOTAL RS :</b>	<u>1,891,800</u>	<u>1,891,800</u>
<b>SCHEDULE - H : LOANS &amp; ADVANCES</b>		
(Recoverable in cash on kind or for value to be received)		
[A] Advances for Capital Goods & Construction	16,216,258	17,193,419
[B] Advances for Land Acquisition	222,193	222,193
[C] Loans	32,119,025	32,119,025
[D] Staff Advances	14,758	17,366
[E] Advances for Expenses	98,111	87,600
[F] Deposits	2,509,000	2,530,000
[G] Other Advances/Receivables	344,684	365,199
[H] Advances to Subsidiaries Co's [for share capital pending allotment]	2,264,598	2,264,598
<b>TOTAL RS :</b>	<u>53,788,628</u>	<u>54,799,400</u>

# SUN SOURCE (INDIA) LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 1999.

PARTICULARS	1998-99 AMOUNT[RS]	1997-98 AMOUNT[RS]
<b>SCHEDULE - I : CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>[A] CURRENT LIABILITIES</b>		
Sundry Creditors	1,706,152	1,782,114
(For Goods & Expenses)		
Other Current Liabilities	1,994,837	2,192,359
Advances Against Order	11,000	11,000
<b>TOTAL RS [A] :</b>	<u>3,711,989</u>	<u>3,985,473</u>
<b>[B] PROVISIONS</b>		
Provision for Taxation	60,481	260,000
Provision for Expenses	172,266	199,222
<b>TOTAL RS [B] :</b>	<u>232,747</u>	<u>459,222</u>
<b>TOTAL RS [A+B] :</b>	<u>3,944,735</u>	<u>4,444,695</u>
 <b>SCHEDULE - J : MISCELLANEOUS EXPENDITURE</b>		
(To the extent not W/Off or adjusted)		
<b>[A] PRELIMINARY EXPENSES</b>	<b>1,042,505</b>	1,042,505
<b>[B] PUBLIC ISSUE/RIGHT ISSUE EXPENSES</b>	<b>9,946,841</b>	9,946,841
<b>TOTAL RS [A+B] :</b>	<u>10,989,346</u>	<u>10,989,346</u>
 <b>SCHEDULE - K : SALES AND OTHER INCOMES</b>		
Interest	1,159,909	1,191,747
Kasar - Vatav (Net)	34,579	2,466
Miscellaneous Income	--	204
<b>TOTAL RS :</b>	<u>1,194,488</u>	<u>1,194,417</u>
 <b>SCHEDULE - L : PAYMENT TO &amp; PROVISION FOR EMPLOYEES</b>		
Salary	225,127	81,519
Conveyance Allowance	12,526	4,576
Wages	67,000	2,210
Leave Encashment	2,375	--
Staff Welfare Expenses	4,471	4,074
City Compensatory Allowance	7,942	3,303
House Rent Allowance	25,775	9,958
Leave Travel Assistance Expenses	14,500	2,200
<b>TOTAL RS :</b>	<u>359,716</u>	<u>107,840</u>

**SUN SOURCE (INDIA) LIMITED**

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 1999.

PARTICULARS	1998-99	1997-98
	AMOUNT[RS]	AMOUNT[RS]
<b>SCHEDULE - M</b>		
<b>ADMINISTRATIVE &amp; GENERAL EXPENSES</b>		
Travelling Expenses	116,014	67,852
Printing & Stationery Expenses	80,354	19,297
Telephone, Telex & Fax Expenses	121,955	22,171
Postage Expenses	93,612	8,961
Advertisement Expenses	9,407	6,501
Auditors' Remuneration	17,850	4,750
Entertainment Expenses	5,856	3,679
Office Expenses	2,053	1,144
Filing Fees	580	360
Insurance Charges	5,077	3,867
Electricity Charges	210	145
Vehicle Expenses	11,068	6,959
Petrol Expenses	--	9,130
Conveyance Expenses	983	420
Meeting Expenses	340	2,378
Office Facilities Rent	4,000	24,500
Professional Tax	1,140	1,305
Rates & Taxes	10,000	2,214
Subscription Fees	1,500	2,655
Professional Fees	4,110	12,675
Refreshment Expenses	--	2,150
Site Expenses	9,801	437
Computer Media Charges	--	1,554
Sitting Fees	--	750
Security Services Charges	--	4,253
Visa Fees	--	2,425
Retainership Fees	20,000	7,088
Consultation fees	36,000	10,406
Transfer Service Charges	--	28,000
<b>TOTAL RS :</b>	<b>551,910</b>	<b>258,026</b>
<b>SCHEDULE - N</b>		
<b>FINANCIAL EXPENSES</b>		
Bank Interest	11,041	5,154
Bank Commission & Other Charges	502	15,525
Interest to Others	19,105	672
Financial Charges	4,400	47
<b>TOTAL RS :</b>	<b>35,048</b>	<b>21,398</b>

# SUN SOURCE (INDIA) LIMITED

## SCHEDULE - O

### NOTES FORMING PART OF THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1999

1. Debit and Credit balances of accounts under the heading of current assets, Loans and advances, bank accounts relating to share application refund account are subject to confirmation and reconciliation.
2. The figures in paisa have been rounded off to the nearest rupee.
3. Previous year's figures have been regrouped & re-arranged to make them comparable with current year's classification.
4. Fixed Deposit of Rs.75 lacs with Vijya Bank has been pledged with them as security for guarantee given by the bank.
5. Pre-operative Expenses are being carried forward to be allocated to suitable heads on completion of the Project.
6. **EXPENDITURE INCURRED ON EMPLOYEES BY THE COMPANY**
  - (i) If employed throughout the financial year and were in receipt of remuneration for the year which in aggregate was not less than Rs.6,00,000/- Rs.NIL.
  - (ii) If employed for a part of the financial year and were in receipt of remuneration for any part of that year at the rate which in aggregate was not less than Rs.50,000/- per month Rs.NIL.
7. **AUDITORS REMUNERATION:**

	1998-99	1997-98
(i) For Audit Fees	17,850	19,000
<b>TOTAL RS :</b>	<b>17,850</b>	<b>19,000</b>
8. Quantitative information required to be given under para 2 & 3 of part II of schedule VI (i) the Companies Act, 1956 to the extent relevant:
 

[A] SALES Nil	(Previous Year : Nil)						
[B] PURCHASE Nil	(Previous Year : Nil)						
[C] OPENING STOCK							
	<b>PRODUCT</b>	<b>YEAR</b>	<b>UNIT</b>	<b>QTY.</b>	<b>VALUE(Rs.)</b>		
(1)	Steel & Hardware items	1998-99	MT.	431	82,92,182		
		1997-98	MT.	431	82,92,182		
(2)	Wind Turbine	1998-99	SET	2	1,01,01,370		
		1997-98	SET	2	1,01,01,370		
[D] CLOSING STOCK							
	<b>PRODUCT</b>	<b>YEAR</b>	<b>UNIT</b>	<b>QTY.</b>	<b>VALUE</b>		
(1)	Steel & Hardware items	1998-99	MT.	431	82,92,182		
		1997-98	MT.	431	82,92,182		
(2)	Wind Turbine	1998-99	SET	2	1,01,01,370		
		1997-98	SET	2	1,01,01,370		
9. Earnings in Foreign Exchange : Rs. — NIL
10. Remittance in Foreign Exchange on account of Travelling Rs.Nil Previous Year on account of Travelling Rs.97,244/- (2525 U.S Dollars).
11. CIF value of Imports of Raw Materials & Components, Capital Goods etc. : Rs. — NIL. [Previous Year : Rs. — NIL.]
12. As the Company has not commenced manufacturing activities, Preliminary & Public/Right Issue expenses have not been written off during the year.
13. The Company has invested in subsidiary companies Rs.9,39,200/- in Equity Shares of Sun Source Wind Park Developers Limited, and Rs 700/- in Equity Shares of Sun Source Energy Estate Limited.
14. Sundry Debtors includes Rs.16.52 lacs due from subsidiary Company.
15. Contingent liabilities not provided for in respect of :
  - (i) Estimated amount of contracts worth Rs.15.03 Lacs remaining to be executed on Capital Account. (Previous year Rs.15.03 lacs), net of advances.
  - (ii) Guarantee amounting to Rs.75 lacs has been issued by the Company's bankers in lieu of development security payable by the Company.
16. The Company has provided "Development Security" of Rs.1 crore consisting of Rs.25 Lacs in form of deposit and Rs.75 Lacs in form of bank guarantee in favour of Rajasthan State Electricity Board(R.S.E.B.). This security will be refunded to the Company after successful completion of the Solar Project within the time frame as mentioned in the Power Purchase Agreement. As per Power purchase Agreement, the Company was to complete 0.25 MW Solar Project by 31.12.1998. The same is not completed by the Company.
17. Advances recoverable in cash or in kind includes Rs.165.03 lakhs payment made to suppliers/services providers as an advance, which is intended to be adjusted against the value of assets/services to be supplied/provided. As informed, the management is in touch with the suppliers. Realisation of these sums would depend upon factors like arrangement for balance payment, progress of project etc. In respect of these, the extent of doubtfulness is not ascertainable.
18. The payment of listing fees to Ahmedabad, Mumbai and Vadodara stock exchanges are in arrears for last 2, 2 and 3 yrs. respectively.
19. Allotment of shares to NRI's to the extent of Rs. 39,89,175/- is yet to be made for want of addresses, payment of balance allotment money and RBI permission, as explained by the management.
20. The Company has not complied with the requirements of clause 41 of the listing agreement by not submitting quarterly unaudited financial results.
21. The Company has not published their financial statement of accounts for the half year ended 30.09.1998 and 31.03.1999.
22. During the year, the company did not employ a whole-time company secretary as required by companies (Appointment & Qualification of Secretary) rules, 1988. However the Company has appointed a part time Company Secretary during the year.
23. **SIGNIFICANT ACCOUNTING POLICIES**
  - [A] BASIS OF ACCOUNTING  
The accounts of the Company are prepared under the historical cost convention and in accordance with applicable accounting standards except otherwise stated. Mercantile System of Accounting is followed during the year.
  - [B] FIXED ASSETS & DEPRECIATION  
Fixed Assets are capitalised at cost including all direct costs and expenses incurred in connection with acquisition of fixed assets appropriated thereto.
    - (i) Depreciation is provided on Straight Line Method basis on fixed assets at the rates prescribed under Schedule XIV of the Companies Act, 1956 on pro-rata basis with reference to the actual date of purchase/use.
    - (ii) Investments are stated at cost. Dividends are accounted for as and when received.
  - [D] TREATMENT OF EXPENDITURE DURING CONSTRUCTION PERIOD  
Expenditure during construction period are included under Pre-operative Expenses and the same are allocated to respective Fixed Assets on commencement of commercial production. Indirect expenses have been allocated between Pre-operative Expenses and revenue expenses on a Pre-determined ratio.
  - [E] INVENTORY  
The raw material inventory is valued at cost price.

AS PER OUR REPORT OF EVEN DATE  
FOR N. N. PATEL & ASSOCIATES  
CHARTERED ACCOUNTANTS

ON BEHALF OF THE BOARD

(NAVIN PATEL)  
PROPRIETOR  
PLACE : AHMEDABAD  
DATE : 27.08.1999

(R.J.PATEL) (A.K.GAJJAR) (N.R.PATEL)  
DIRECTOR, DIRECTOR, DIRECTOR  
PLACE : KHODA, AHMEDABAD  
DATE : 27.08.1999

# SUN SOURCE (INDIA) LIMITED

## STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY

### SUN SOURCE WIND PARK DEVELOPERS LIMITED

1. Financial year of the Subsidiary ended on	:	31.03.1999
2. Holding Company's interest :		
(i) Number of shares held by Sun Source (India) Limited. in subsidiary company	:	9392 equity shares of Rs.100/- each
(b) Extent of holding	:	99.87%
[C] The net aggregate of Profit/(Losses) of the subsidiary company so far it concerns the members of Sun Source (India) Limited.	:	NIL
(a) not dealt with in the accounts of Sun Source (India) Limited for the year ended 31st March 1996	:	NIL
(i) for the subsidiary's finan- Financial year ended as in (A) above	:	NIL
(ii) for the previous financial year of the subsidiary since it became the holding company's subsidiary	:	NIL
(b) dealt with the accounts of Sun Source (India) Limited for the year ended 31st March 1996 amounted to -	:	NIL
(i) for the subsidiary's financial years ended as in (A) above	:	NIL
(ii) for the previous financial years of the subsidiary since it became the holding company's subsidiary	:	NIL

ON BEHALF OF THE BOARD

(R.J.PATEL)  
DIRECTOR

(A.K.GAJJAR)  
DIRECTOR

(N.R.PATEL)  
DIRECTOR

PLACE : KHODA, AHMEDABAD  
DATE : 27.08.1999

## SUN SOURCE (INDIA) LIMITED

### STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY

#### SUN SOURCE ENERGY ESTATE LIMITED

1. Financial year of the Subsidiary ended on	: 31.03.1999
2. Holding Company's interest	:
(i) Number of shares held by Sun Source (India) Limited. in subsidiary company	: 70 equity shares of Rs.10/- each
(b) Extent of holding	: 14.89%
[C] The net aggregate of Profit/(Losses) of the subsidiary company so far it concerns the members of Sun Source (India) Limited.	: NIL
(a) not dealt with in the accounts of Sun Source (India) Limited for the year ended 31st March 1996	: NIL
(i) for the subsidiary's financial year ended as in (A) above	: NIL
(ii) for the previous financial year of the subsidiary since it became the holding company's subsidiary	: NIL
(b) dealt with the accounts of Sun Source (India) Limited for the year ended 31st March 1996 amounted to -	: NIL
(i) for the subsidiary's financial years ended as in (A) above	: NIL
(ii) for the previous financial years of the subsidiary since it became the holding company's subsidiary	: NIL

ON BEHALF OF THE BOARD

(R.J.PATEL)  
DIRECTOR

(A.K.GAJJAR)  
DIRECTOR

(N.R.PATEL)  
DIRECTOR

PLACE : KHODA, MUMBAI  
DATE : 27.08.1999

# SUN SOURCE (INDIA) LIMITED

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(Amt. in Rs.)

### (I) Registration Details :

Registration No. 17458 State Code : 04

Balance Sheet Date : 31.03.1999

### (II) Capital raised during the year

[Amt.in Rs.Thousand]

Public Issue. . . . .	NIL
Right Issue. . . . .	NIL
Bonus Issue. . . . .	NIL
Private Placement. . . . .	NIL

### (III) Position of Mobilisation & Deployment of Funds

Total Liabilities. . . . .	153,903,739/-
Total Assets. . . . .	153,903,739/-

### Sources of Fund :

Paid-up Capital. . . . .	114,556,550/-
Rese. & Sur. . . . .	35,267,454/-
Secured Loans. . . . .	NIL
Unsecured Loans. . . . .	135,000/-

### Applications of Fund :

Net Fixed Assets. . . . .	32,721,675/-
Investments. . . . .	939,900/-
Pre-operative Exps. . . . .	24,900,022/-

### Pending Allocation

Net Current Assets. . . . .	80,408,061/-
Misc. Exps. . . . .	10,989,346/-
Accumulated Losses. . . . .	NIL

### (IV) Performance of Company

Turnover/Income. . . . .	1,194,488/-
Total Exps. . . . .	992,886/-
Profit Before Tax. . . . .	201,602/-
Profit after tax. . . . .	141,121/-
Earning per Share in Rs. . . . .	NIL
Dividend Rate % . . . . .	NIL

### (V) Generic Names of Three Principal products/services of the Company (as per monetary terms).

(i) Item Code No. . . . . 8412

Product Description :

1. Concentrating Solar Collectors(Photovoltaic)
2. Silicon Solar Cells & Modules.
3. Goods & parts for manufacture of wind operated Turbines for Electricity Generation.
4. Concentrating Solar Collectors (Thermal)

**SUN SOURCE (INDIA) LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 1999**

(RS. IN LACS)

	1998-99	1997-98
<b>[A] CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit after tax	1.41	2.81
<b>ADD.: ADJUSTMENTS FOR :</b>		
(1) Provision for Income Tax	0.60	2.60
(2) Short revision for Income Tax	Nil	0.21
(3) Depreciation	0.46	0.46
(4) Loss on Sale of Vehicle	Nil	1.99
(5) Interest Expenses	0.35	0.07
(6) Interest Income	(11.60)	(11.92)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<u>(8.78)</u>	<u>(3.78)</u>
<b>ADJUSTMENTS</b>		
(1) Inventories	—	—
(2) Trade Receivables	—	—
(3) Interest Accrued	Nil	0.73
(4) Loans & Advances	(10.11)	0.45
(5) Current Liabilities	(2.73)	(4.24)
<b>CASH OUT FLOW FROM OPERATIONS</b> <b>A .....</b>	<u>(21.62)</u>	<u>(6.84)</u>
<b>[B] CASH FLOW FROM INVESTING ACTIVITIES</b>		
(1) Interest Received	11.59	11.92
(2) Interest Expenses	(0.35)	(0.06)
(3) Investments in Shares	—	—
(4) Investments in Fixed Assets	(13.30)	—
(5) Proceeds from Sale of Fixed Assets	—	0.60
(6) Increase in Pre-Operative Expenses	(2.44)	(13.03)
(7) Increase in MISC. Expenditure	—	—
<b>CASH OUT FLOW FROM INVESTING ACTIVITIES</b> <b>B.....</b>	<u>4.50</u>	<u>(00.57)</u>
<b>[C] CASH FLOW FROM FINANCING ACTIVITIES</b>		
(1) Repayment of Loans	Nil	(0.12)
(2) Proceeds from Calls in Arrears	Nil	0.74
<b>CASH FLOW FROM FINANCING ACTIVITIES</b> <b>C .....</b>	<u>Nil</u>	<u>0.62</u>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>26.12</u>	<u>7.41</u>
<b>CASH &amp; EQUIVALENT AT THE BEGINNING</b>	<u>110.16</u>	<u>116.95</u>
<b>CASH &amp; CASH EQUIVALENT AT THE END</b>	<u>102.79</u>	<u>110.16</u>

ON BEHALF OF THE BOARD

(R.J.PATEL)  
DIRECTOR

(A.K.GAJJAR)  
DIRECTOR

(N.R.PATEL)  
DIRECTOR

PLACE : KHODA, AHMEDABAD  
DATE : 27.08.1999

**AUDITORS REPORT ON CASH FLOW STATEMENT**

We have checked the annexed Cash flow statement of SUN SOURCE (INDIA) LIMITED for the year ended 31ST MARCH 1999 from the books and records maintained by the Company and found the same to be drawn in accordance therewith and also with the requirements of Clause 32 of the listing agreements with Stock Exchange.

FOR N. N. PATEL & ASSOCIATES  
CHARTERED ACCOUNTANTS

PLACE : AHMEDABAD  
DATE : 27.08.1999

(NAVIN PATEL)  
PROPRIETOR



## **NOTICE OF SPECIAL BUSINESS**

To  
The Members  
**SUN SOURCE (INDIA) LIMITED**

Subsequent to the Board Meeting dated 27/08/99 in which Annual Accounts of the Company for the year ended 31/03/1999 were approved, the Company has received a notice from Share-holders proposing the following item that will be moved in the ensuing Annual General Meeting. It is therefore, hereby informed that as per the provisions of the Companies Act, 1956, this will be taken on Special Business in the 7<sup>th</sup> Annual General Meeting.

### **ITEM NO.5 : SPECIAL BUSINESS :**

To consider & of thought fit to pass the following resolution with or without modification as Special Resolution.

**“RESOLVED** that the Board of Directors of the Company be and are hereby authorized to finalize the terms and conditions of the Joint Venture and/or Project Funding of 50 MW capacity Badmer Solar PV Power Plant Project in Rajasthan State.”

Members are requested to take note of this special item.

**PLACE : Ahmedabad.**  
**DATE : 10/9/99**

**By Order of the Board**  
**For SUN SOURCE (INDIA) LIMITED**

**COMPANY SECRETARY**



**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF COMPANIES ACT, 1956.**

**ITEM NO. 5**

**AUTHORITY TO BOARD TO FINDING TERMS AND CONDITIONS OF THE JOINT VENTURE PROJECT.**

The Company has received Notice from Share-holders of requisite voting power to move Resolution as per Item No. 5 of the Notice. The same has been included as Special Business.

Considering the interest of the Company, Directors recommended to pass the same as Special Resolution. None of the Directors are interested in the item.

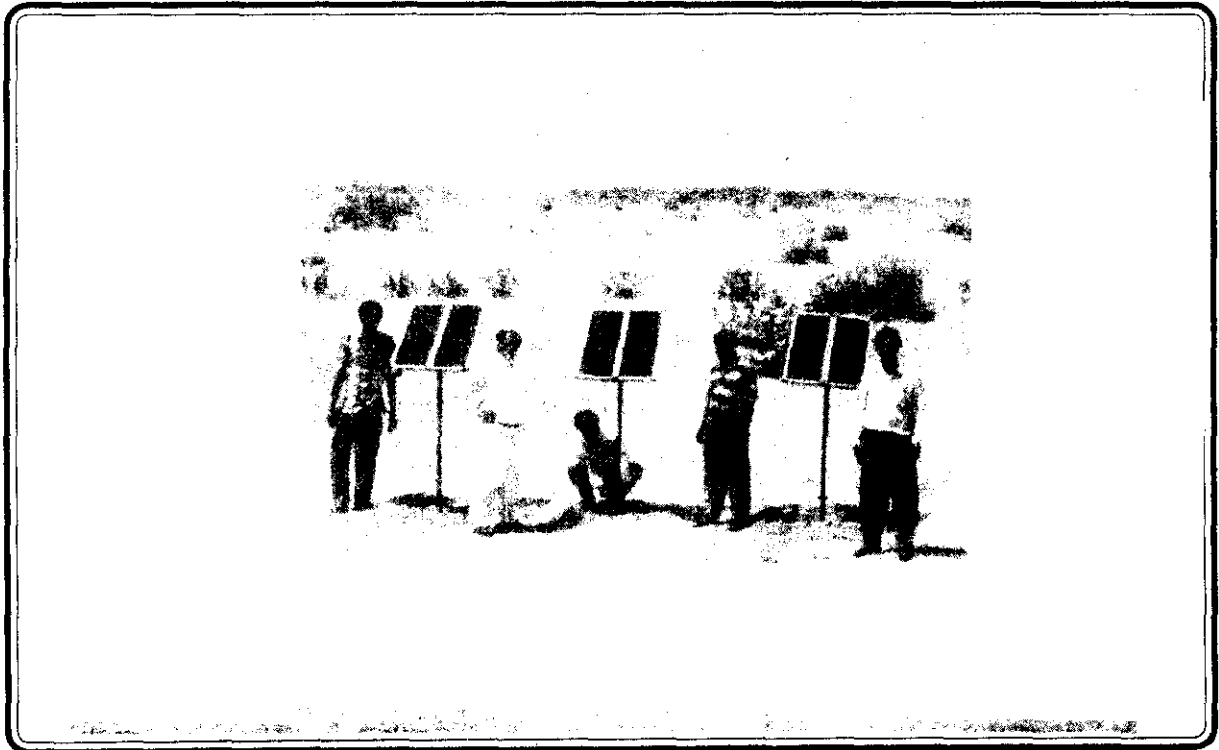
This is pertaining to joint venture proposal of the Company which is going on as mentioned in the Directors' Report. However, the finalization of same may take some time and therefore, in order to avoid frequent approach to Share-holders meeting, it is proposed to take consent of members at the insuring AGM, Authorize Board of Directors to finalize the terms and conditions of the Project.

## SUN SOURCE (INDIA) LIMITED



1. Board of Directors, valued Shareholders & Staff members viewing the Assembly unit seen on the Back.  
(seen from left to right)

**Mr. Devjibhai Patel-Shareholder, Mr. Madhu Sudden Dadhich-Project Director, Mr. Ashok Gajjar- Vice Chairman, Mr. N.N. Patel - Company Auditors, Mr. R.J. Patel - Chairman, Ms. Nisha Patel - Director**



2. Testing of Solar radiation at Barmer site being carried out by Company Engineers. The Company shall implement the 50 MW Solar Photovoltaic Power Project for the State Government of Rajasthan.



**B O O K - P O S T**  
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**SUN SOURCE**  
**(INDIA) LIMITED**

1, Sonal Industrial Estate, Khoda,  
Sanand-Viramgam Highway.  
Dist. : Ahmedabad - 382170  
Gujarat (INDIA)  
Phone : 91 - 2717-73282, 73282

To,

Empty rectangular box for recipient address.