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from dust.....



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' The practice of
conservation must spring from
a conviction of what is ethically and
aesthetically right, as well as what is
economically expedient.

A thing is right only when it tends to
preserve the integrity, stability and beauty
of the community, and the community
includes the soil, water, fauna and flora,
as well as people '

Chairman's Message

As I had predicted in my statement last year, the year that went by turned out to be one of the most challenging in recent times, both economically and politically. The India growth story showed distinct signs of unraveling, largely due to weak global macro economic factors aided by a perceived domestic inertia in executing much needed political, economical and social reforms.

One does not see the broad economic indicators changing for the better in the near term. In fact, we must be prepared to face some more worsening of the indicators before we see improvement. Towards this goal of weathering the volatile political and economic climate, we must consolidate our existing business profile, tighten our belts by adopting cost optimisation measures and investing wisely in technologies that will help in bringing in operating and financial efficiencies.

The renewable energy markets continued to be steady in the face of the global economic turmoil. The solar industry saw consolidation and stabilisation, largely from the technology perspective and partially from the economic viability perspective. As the cost differential between renewable energy and conventional energy keeps on reducing, the demand for renewable energy will keep on increasing.

Your company's confidence in its business model and the small successes that we keep on notching up each year will see your company emerge as a market leader in the near future.

As I do so every year, this year too I will request you to renew your pledge to our nation: let us all be Energy Efficient Indians (E Endians) and contribute to building a sustainable environment in which our future generations will prosper and flourish.

Yours in Energy Efficiency

Nikhil Morsawala
Chairman

Ecclesiastes 3:16 -22 (ESV)

From Dust to Dust

“.....I said in my heart, God will judge the righteous and the wicked, for there is a time for every matter and for every work..... So I saw that there is nothing better than that a man should rejoice in his work, for that is his lot, who can bring him to see what will be after him.....”

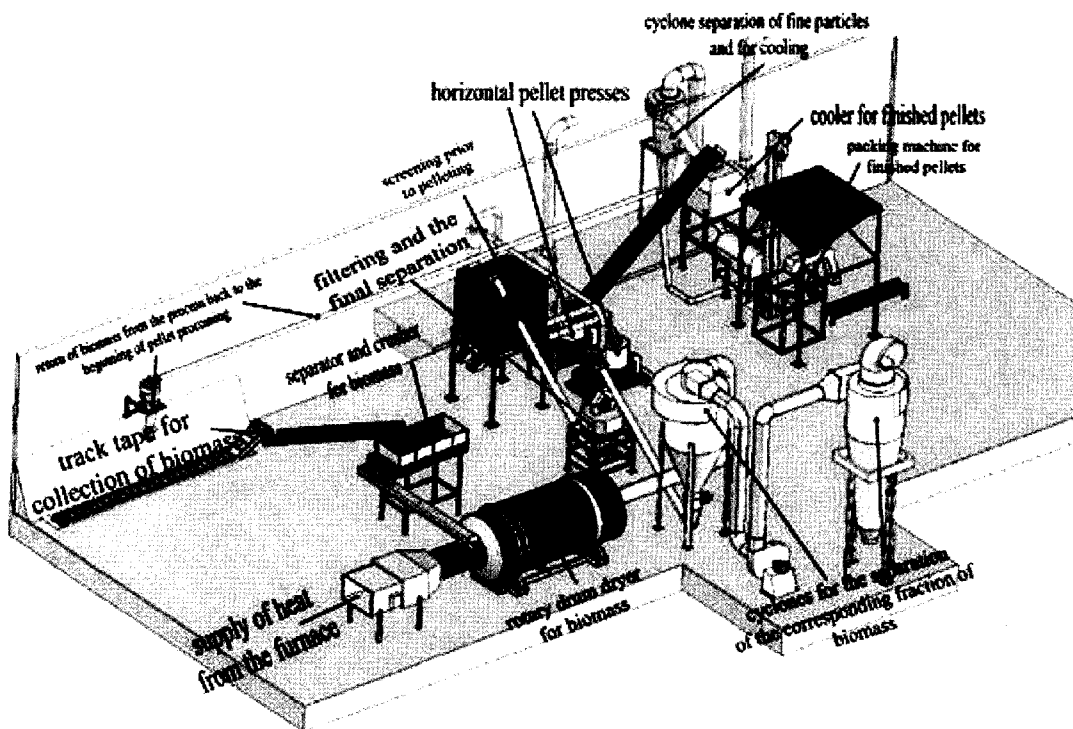
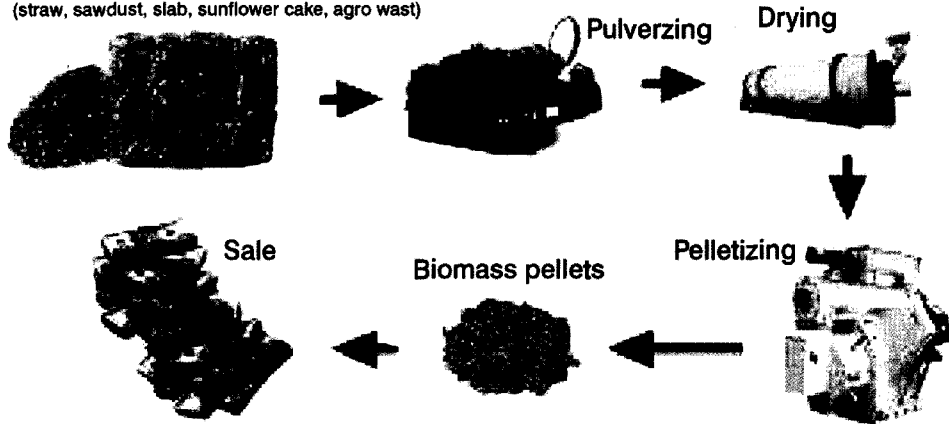
BIOMASS PELLETS

- ◆ Wood pellets are a product made simply by taking the bark from a tree which has moisture in excess of 45% and grinding, drying to moisture of 6% and densifying the fibre by a factor of 4 into a pea sized pellet. The wood pellet has a calorific value of approximately 8,500 BTU per pound (fuel oil has 13,700 and propane has 9,100).
- ◆ A premium quality pellet contains less than 1% dust and leaves a residual ash of less than 0.75%.
- ◆ Wood pellets are used in moderately expensive heating units which are given a life in excess of 10 years. Wood pellets are made from saw dust and are prime example of the phrase “.....from Dust to Dust.....”



Biomass Waste

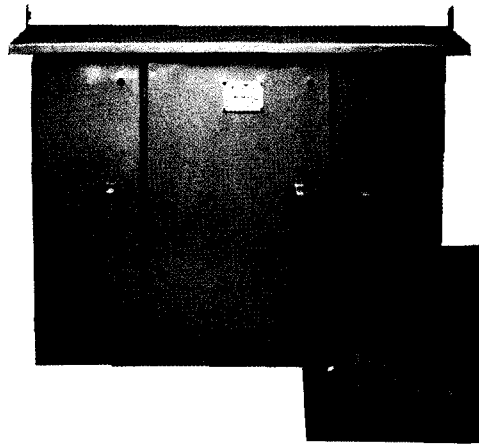
(straw, sawdust, slab, sunflower cake, agro wast)



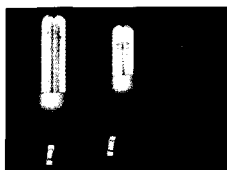
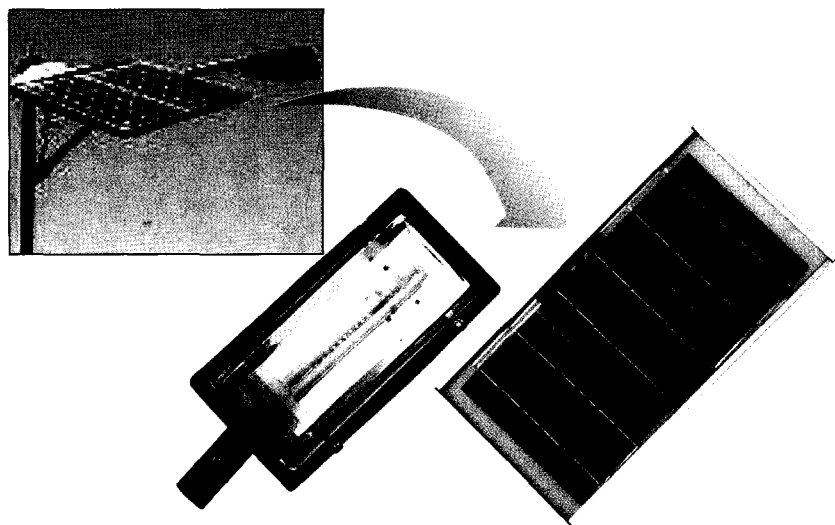
Energy Efficiency Products

IN INDIA

Guaranteed Savings of 15% to 30%



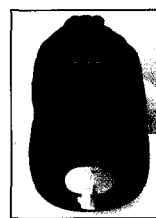
EPIC SOLAR PRODUCTS



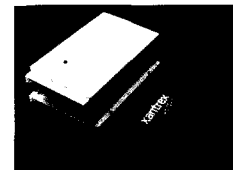
Home Lights



Torch



Cool Cap



Invertor



Radio + Torch

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Chairman

SANJAY GUGALE **ZUBIN PATEL**
Independent Non-Executive Director Independent Non-Executive Director

V CHANDRASEKHAR
Executive Director

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V CHANDRASEKHAR **HARSHAL GUNDE**
Executive Director Head - Environment & Innovation

C. S. NIGRE
Vendor Management (Domestic)

ENVIRONMENT MANAGER

Aruna Joshi

ENGINEERING TEAM

Satish Mahajan Ganesh Dumbre
Vijay Raorane Manoj Mistry
Mangesh Bahutule Suresh Solanki

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P MURALI MOHANA RAO & Co.

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National Offices at Coimbatore, Madurai and Pune
international Offices at U.S.A.

MANAGEMENT DISCUSSION AND ANALYSIS

A. Energy Efficiency in India

India has an installed power generating capacity of 225,793.10MW (as on 30.07..2013) of which the thermal power stations share is 153, 84799 MW (68.34%).

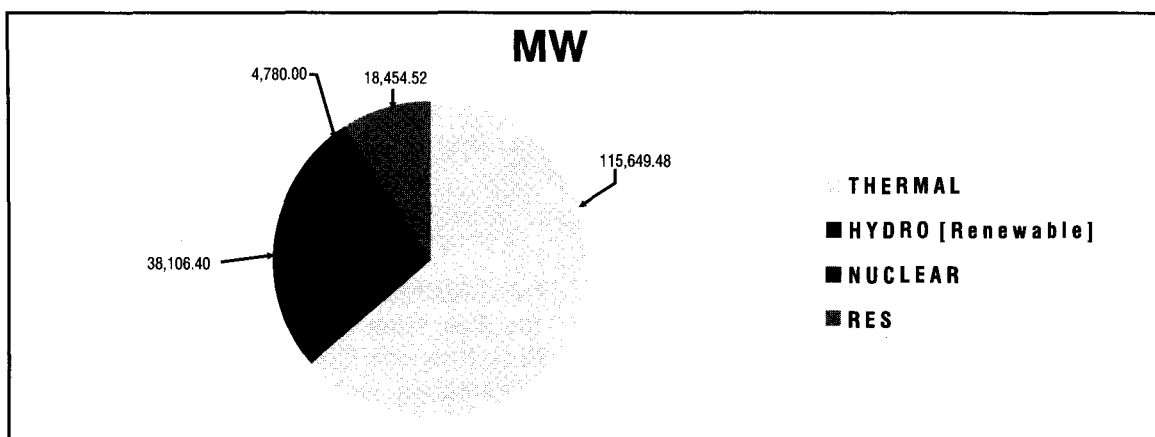
Total Installed Capacity

SECTOR	MW	%age
State	89,092.12	39.46
Central	65,612.94	29.06
Private	71,088.04	31.48
TOTAL	225,793.10	

FUEL	MW	%age
Total Thermal	153,847.99	68.14
Coal	132,288.39	58.59
Gas	20,359.85	9.02
Diesel	1,199.75	0.53
Hydro (Renewable)	39,623.40	17.55
Nuclear	4,780.00	2.12
RES 3 [MNRE]	27,541.71	12.20
TOTAL	225,793.10	100.00

**Renewable Energy Sources(RES) include SHP, BG, BP, U&I and Wind Energy.
 SHP = Small Hydro Project, , BG = Biomass Gasifier, , BP = Biomas Power,
 U&I = Urban & Industrial Waste Power, RES = Renewable Energy Resources

Installed Power Generating Capacity (INDIA)
FUEL TYPE WISE



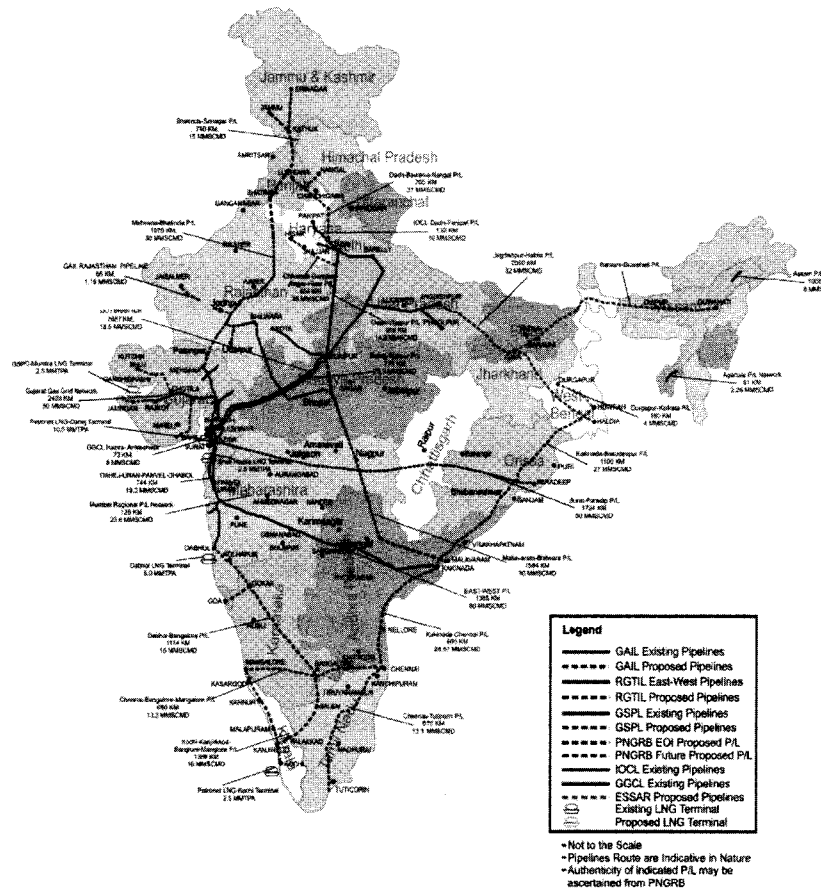
Overview of Energy Statistics

1. The Indian economy has experienced unprecedented economic growth over the last decade. Today, India is the ninth largest economy in the world, driven by a real GDP

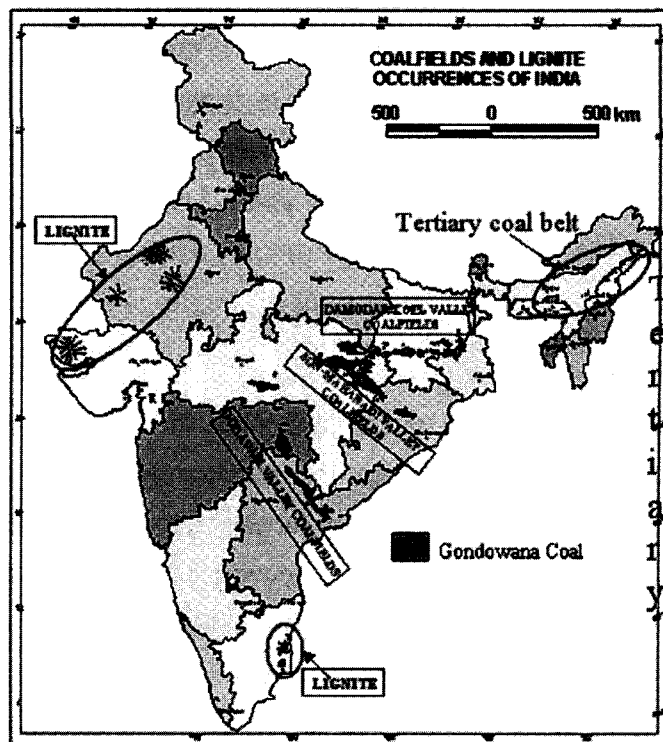
growth of 8.7% in the last 5 years (7.5% over the last 10 years). In 2010 itself, the real GDP growth of India was the 5th highest in the world. This high order of sustained economic growth is placing enormous demand on its energy resources. The demand and supply imbalance in energy is pervasive across all sources requiring serious efforts by Government of India to augment energy supplies as India faces possible severe energy supply constraints.

2. A projection in the Twelfth Plan document of the Planning Commission indicates that total domestic energy production of 669.6 million tons of oil equivalent (MTOE) will be reached by 2016-17 and 844 MTOE by 2021-22. This will meet around 71 per cent and 69 per cent of expected energy consumption, with the balance to be met from imports, projected to be about 267.8 MTOE by 2016-17 and 375.6 MTOE by 2021-22.
3. The share of Coal and petroleum is expected to be about 66.8 per cent in total commercial energy produced and about 56.9 per cent in total commercial energy supply by 2021-22. The demand for coal is projected to reach 980 MT during the Twelfth Plan period, whereas domestic production is expected to touch 795 MT in the terminal year (2016-17). Even though the demand gap will need to be met through imports, domestic coal production will also need to grow at an average rate of 8 per cent compared to about 4.6 per cent in the Eleventh Five Year Plan. The share of crude oil in production and consumption is expected to be 6.7 per cent and 23 per cent respectively by 2021-22.
4. In 2011-12, India was the fourth largest consumer in the world of Crude Oil and Natural Gas, after the United States, China, and Russia. India's energy demand continued to rise inspite of slowing global economy. Petroleum demand in the transport sector is expected to grow rapidly in the coming years with rapid expansion of vehicle ownership. While India's domestic energy resource base is substantial, the country relies on imports for a considerable amount of its energy use, particularly for Crude Petroleum.
5. As of March 2012, the per capita total consumption in India was estimated to be 879 kWh. India's electricity sector is amongst the world's most active players in renewable energy utilization, especially wind energy. As of March 2012, India had an installed capacity of about 24.9 GW of new and renewable technologies-based electricity. During the Eleventh Five Year Plan, nearly 55,000 MW of new generation capacity was created, yet there continued to be an overall energy deficit of 8.7 per cent and peak shortage of 9.0 per cent. Resources currently allocated to energy supply are not sufficient for narrowing the gap between energy needs and energy availability

Gas pipeline network in India:

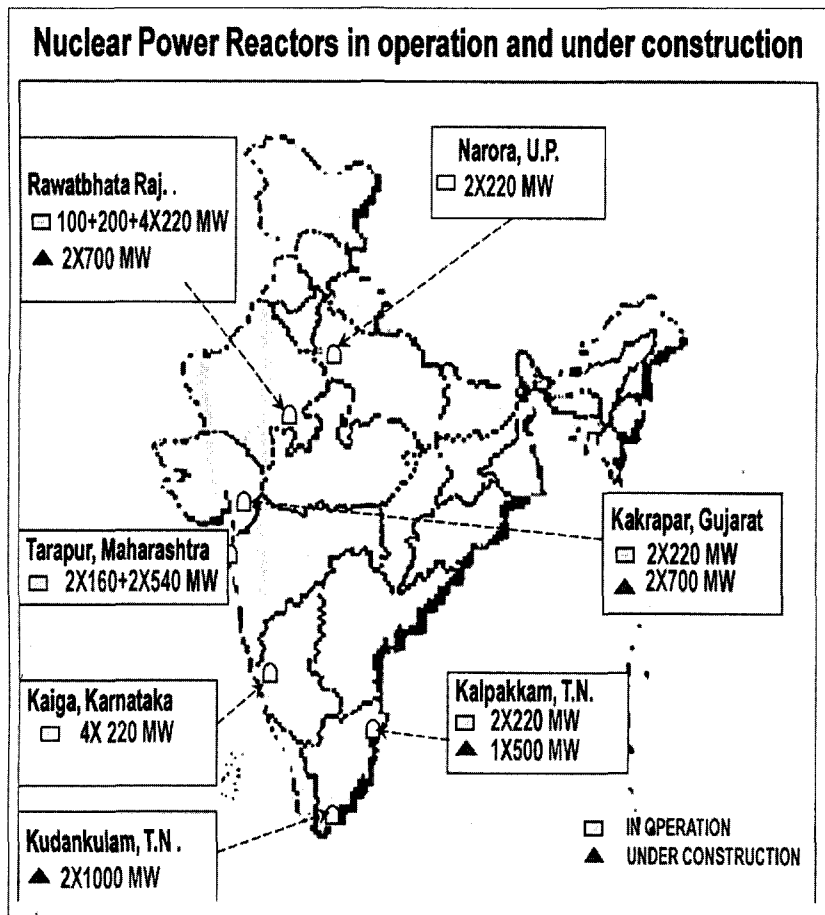


(Source: Petroleum & Natural Gas Regulatory Board (PNGRB))



(Source: Geological survey of India)

(Source : Nuclear Power Corporation of India Limited(NPCIL):



Generation of electricity

- The all India gross electricity generation from utilities, excluding that from the captive generating plants, was 55,828 Giga Watt-Hours (GWh) during 1970-71.(Table 3.7). It rose to 1,10,844 GWh during 1980-81, to 2,64,329 GWh during 1990-91 and to 9,23,203 GW during 2011-12.
- The production of electricity from utilities has increased from 8,44,846 GWh during 2010-11 to 9,23,203 GWh during 2011-12, registering an annual growth rate of about 9.27%.
- Total Electricity generation in the country, from utilities and non-utilities taken together, during 2011-12 was 10,51,375 GWh. Out of this 7,59,407 GWh was generated from thermal and 1,30,510 GWh was from hydro and 33,286 GWh was generated from nuclear sources. Total output from non-utilities was 1,28,172 Gwh.

Energy Efficiency

- Energy efficiency involves efficient utilization of resources, which is a key to sustainable development
- Improving energy efficiency increases productivity, significantly reduces green housegas (GHG) emissions, reduces solidwaste production and thermal pollution

Programmes used to improve energy efficiency

- Good housekeeping practices
- Regulation and/or standards
- Industrial cogeneration
- Fuel switching
- Fiscal policies like taxes, tax rebate
- Benchmarking
- Energy audits

Energy Efficiency - Indian Perspective

- 11th Five year plan proposes benchmarking of the energy intensive industries
- It also suggests demand sidemanagement specifically in the transport sector
- The target for energy savings in the 11th plan is 10,200 MW capacity excluding energy industries.

Energy Efficiency Policy in India – Significant Developments

- 1965 - Energy Survey Committee of India (ESCI)
- 1974 - Fuel Policy Committee (FPC)
- 1979 - Working Group on Energy Policy (WGEP)
- 1983 - Advisory Board on Energy (ABE)
- 1987 - Advisory Board on Energy Efficiency in Prime Minister's Office (PMO)

Recent Policy Initiatives

- 2001 - Energy Conservation Act (ECA) - Bureau of Energy Efficiency operationalised in 2002
- 2008 - National Mission for Enhanced Energy efficiency

Energy Efficiency in the National Action Plan on Climate Change

National Mission for Enhanced Energy Efficiency recently proposed an Energy Efficiency Action Plan

- Perform Achieve and Trade scheme - market-based mechanism to enhance energy efficiency
- Market Transformation for Energy Efficiency (MTEE) - CDM roadmap, Standards and Labeling, ESCO promotion, capacity-building
- Financing Energy Efficiency - Tax exemptions, revolving fund, Partial Risk Guarantee Fund
- Power Sector Technology Strategy - fuel-shifting, focus on new as well as old plants, IGCC demonstration plants, Development of know-how for advanced super-critical boilers

Energy Efficiency Potential in India

The Industrial Sector consumes about half of the total commercial energy available in India, 70% of which is in energy-intensive sectors - fertilizers, aluminum, textiles, cement, iron and steel, and paper - 15-25% of this is avoidable. 5 - 10% energy saving is possible simply by better housekeeping measures.

Another 10-15% is possible with small investment like low cost retrofits, use of energy efficient devices and controls etc. The quantum of saving is much higher if high cost measures are included (major retrofit, process modifications etc.)

Industry and transport sectors have the highest potential for energy savings.

SECTOR	2011	2021	2031
Industry	44%	42%	41%
Transport	41%	44%	47%

Market Drivers:

For India, the challenge will be to achieve rapid economic development - which implies a significant increase in energy demand for a growing population - with only a very small increase in CO2 emissions. Electricity demand will grow strongly and the need for huge additional capacity creates a unique opportunity to build a low-carbon electricity system. While India has some of the most efficient industrial plants in the world, it also has a large share of small-scale and inefficient plants. Thus, improving overall industrial efficiency will be a significant challenge. Rising incomes and increased industrial production will spur greater demand for transport in India, making it imperative to promote public transport and new, low-carbon vehicle technologies. The buildings sector will also see strong growth in energy demand: efficiency improvements in space cooling and appliances will be critical to restraining growth in energy consumption and emissions. The Government of India (GOI) is analyzing over 750 large energy users in an effort to reduce energy consumption by about 10000 MW per year. The targeted sectors include railways, aluminum, cement, chlor-alkali, pulp and paper, fertilizers, steel industries and power generation plants. The Bureau of Energy Efficiency (BEE) in India is mandating specific energy consumption decreases in these large energy-consuming industries. The market potential for industrial energy efficiency is approximately \$27 billion; The potential for green buildings is over \$3 billion. India suffers from obsolete technologies, high energy costs, limited natural resources and chronic power shortages in some areas. There is an increased awareness of benefits of energy efficiency and savings. Financing options for energy efficiency are available, such as the Small Industries Development Bank of India (SIDBI) programs

Energy Efficiency Market in India

Energy efficiency is of utmost urgency in India. The country needs to adopt more viable energy options which are supplemental, environmentally positive and cost competitive. To improve energy efficiency in various sectors of the economy, policy measures, institutional development and an integrated and coordinated approach towards technological improvements is necessary.

To promote energy conservation or efficiency, the Government of India initiated the National Mission on Enhanced Energy Efficiency (NMEEE). The purpose of this mission is to establish policies and regulations that will strengthen energy efficiency for smart grids, industries, buildings and appliances.

Overall Investment in NMEEE and Expected Impact					
S. No.	Initiative	Estimated Investment (USD billion)	Fuel Saving (million tonnes of oil equivalent)	GHG Emissions saving (million tonnes)	Avoided Capacity (MW)
1	Perform Achieve Trade (PAT)	5.61	9.78	26.21	5623
2	Demand Side Management (DSM)	8.07	13.22	72.75	14335

(Source: Bureau of Energy Efficiency)

Market Drivers

Equipment	Percentage of Energy Saving	Market Size
Electrical Systems	20-30 percent	NA
Electric Motors	30 -40 percent	NA
Fans and Pumps	30 to 50 percent	USD 220 million
Boilers	20 percent.	USD 1.1 billion
Compressed Air Systems	20 percent	USD 3.5 million
Lighting Systems	25 percent	NA
Furnaces	High-end Technologies - Energy Saving: 30-40 percent Low-end Technologies - Energy Saving: 20-25 percent	NA
HVAC and refrigeration	20-30 percent	NA
Insulation & refractory	Saving fuel oil 44695kg/year	NA
Cooling Towers	15-40 percent	Natural Draft(NDCT) – approx 8 to 10 tower per year Mechanical in Concrete- approx 30 tower per year FRP- approx 15 tower per year

Source: Bureau of Energy Efficiency

Benefits of Energy Efficient Lighting System

S.No.	Lighting System	Cost-Benefit Analysis of Electronic Retrofit Light		
1	ElectronicRetrofit Light	20 MW	15 MW	11 MW
2	Replace GLS	100W	75W	60W
3	Saving in Electricity consumption over 6000 hours	480KWH	360 KWH	294 KWH
4	Saving in Electricity bills per lamp@INR3.50 per KWH	INR1680	INR1260	INR1029
5	Cost of Electronic Retrofit Light	INR 150	INR 100	INR 100
6	Cost of 6GLS lamp	INR 66	INR 66	INR 66
7	Net saving per GLS point (4-5+6)	INR1596	INR1226	INR995

(Source: Electric Lamp & Component Manufacturers' Association of India)

Solar Market In india

India installed 980 MW in 2012, slightly lower than our forecast of 1,090 MW. This was largely due to delays in Gujarat to commission 144.5 MW of PV projects; most states missed their renewable portfolio obligations (RPO) goals as enforcement is almost non-existent. Cumulative installations to date in India now stand at over 1.2 GW. In addition, there are 340 MW of PV projects due to be connected to the grid in March 2013 under the Jawaharlal

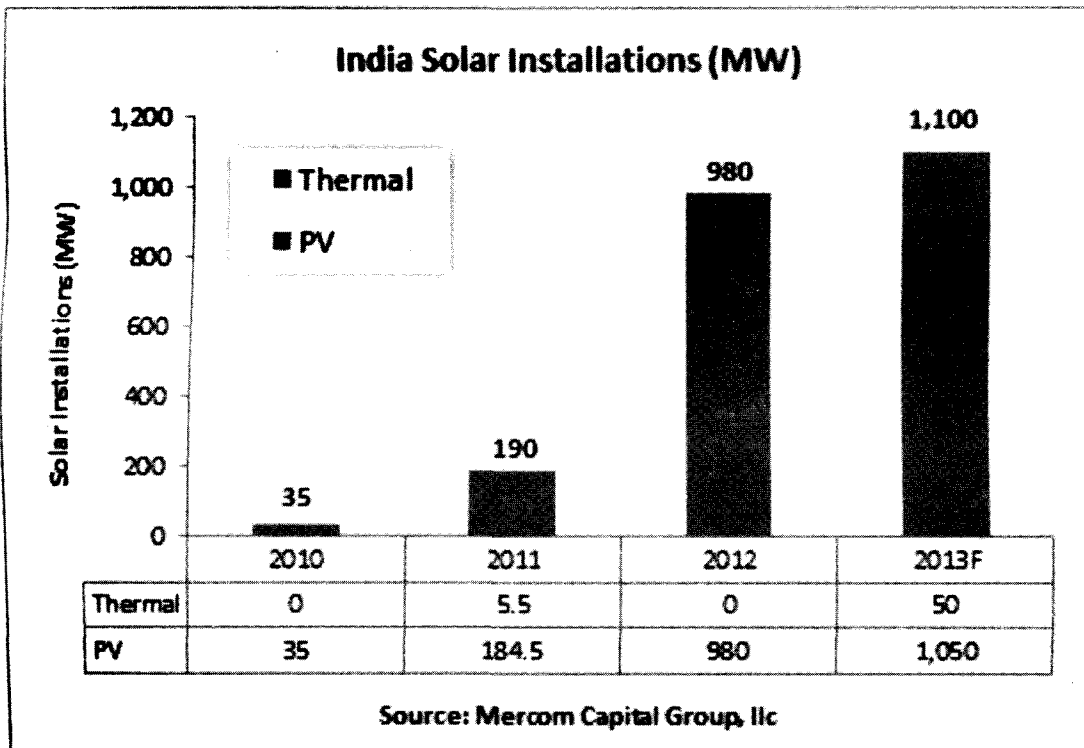
India: Solar Installation (MW)				
Year	2010	2011	2012	2013*
MW	35	190	980	1,350

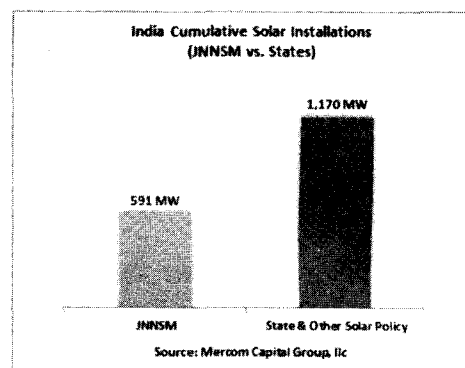
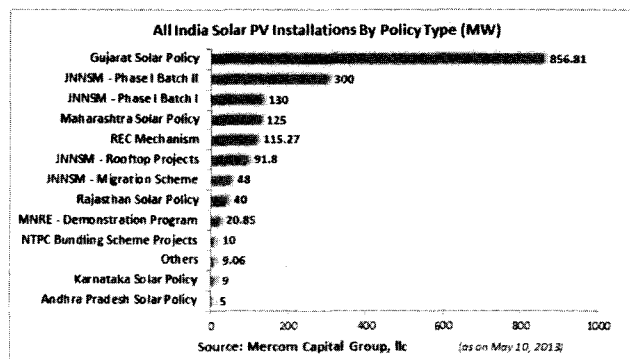
Source: MNRE (as on 31Dec 2012) * Mercom Capital Group Forecast

Nehru National Solar Mission (JNNSM) Phase I, Batch 2 policy. India will install another 1.3 to 1.4 GW in 2013.

The current uncertain economic climate is sure to add unwanted uncertainty to the young Indian market where financing is already a challenge as it is, and would make investors further skittish. It is surprising that a country with approximately 300-400 million people without power, about 9 percent power deficit and about 10 percent peak power shortage, has decided to go this route instead of an “all of the above policy” to meet the power requirement goals. It was only a few months ago that India faced one of the largest blackouts ever, when 600 million people went without power for several days due in large part to insufficient power generation.

Current cumulative solar installations in India stand at 1,761 MW with about 557 MW installed so far in 2013. With most of the CSP projects that were due to be commissioned in May 2013 delayed, the fore cast for installations in 2013 looks flat compared to 2012. Only about 60 percent of the targeted installation goal has been achieved so far despite the commissioning deadline of Phase 1 of JNNSM ending in May. India is an emerging solar market where the growth rate is expected to be much higher than other parts of the world. licy environment looks more like an experiment than a serious policy that will help solve the current power crisis in India.





Solar Technologies

Solar Thermal Technologies 6

Solar thermal technologies have a special relevance in India due to high availability of resource, average radiation is 4.5 - 6 kwh/m²/day with average 280 clear days. In view of the increasing energy demand in all the sectors there is immense potential especially in domestic and industrial sector to meet thermal energy demands. Activities in this field were started in India by Department of Non-Conventional Energy Sources (DNES), which was created in 1982 to facilitate developments in the field of renewable energy, by undertaking various R&D and demonstration projects in the field of solar thermal. Realizing the importance of role of renewable energy technologies, the DNES was upgraded to Ministry of Non-conventional Energy Sources (MNES) in 1992. The MNES had continued supporting solar thermal technologies with various promotional programmes. The solar thermal technologies, in different stages of commercialization or R&D, are listed below.

- Solar water heating using flat plate collector.
- Solar process heating using concentrating collectors for low (400C to 800C) and medium (800C to 2500C) temperature ranges.
- Solar thermal power generation
- Solar pond for process heating in low temperature range and for desalination.
- Solar cooker.
- Solar desalination
- Solar detoxification

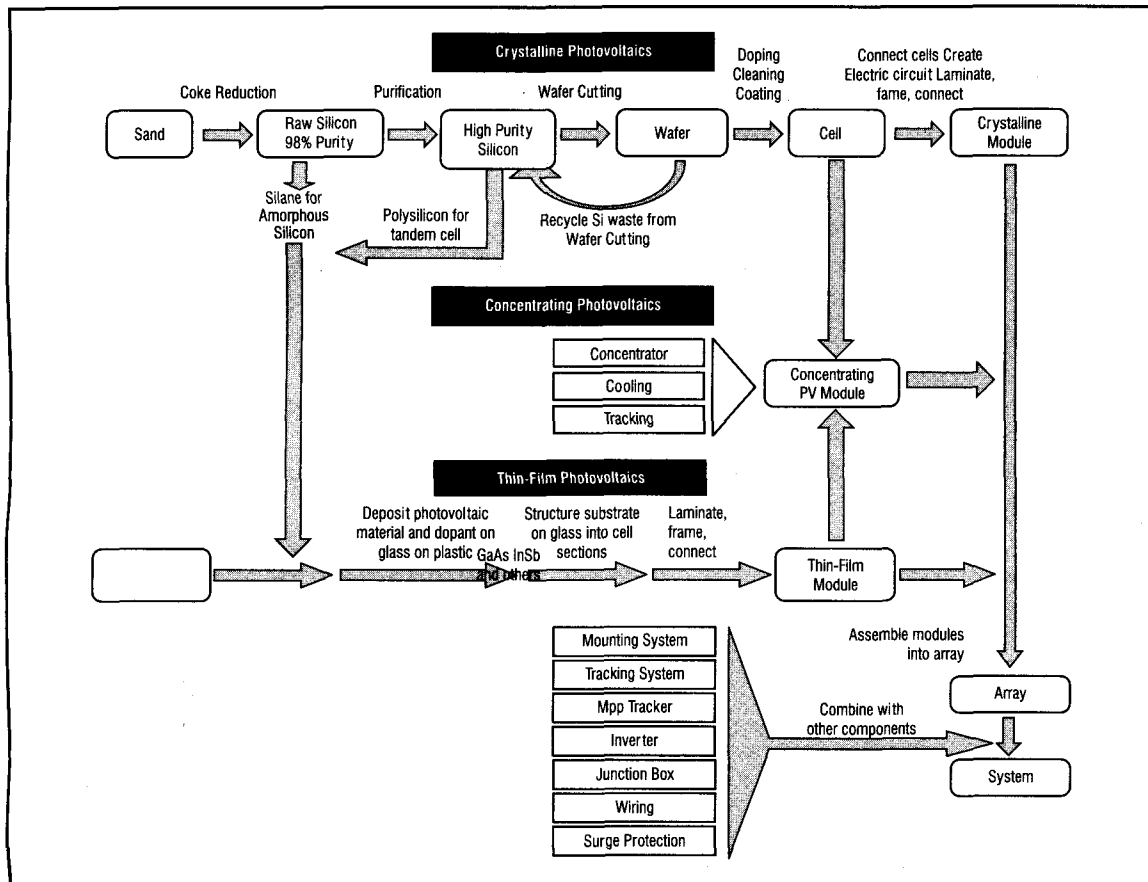
There are two distinct market segments for solar water heating systems (SWHS) in India, namely, (i) domestic and (ii) commercial and industrial. In commercial sector SWHS are used to meet the hot water demand e.g. in hotels and hospitals etc. while in industrial sector, these systems are used for preheating boiler feed water or to meet the process heating requirements. In domestic sector, SWHS are used to meet household hot water requirements. So far, the majority of installations in India are in the commercial and industrial sector, with 80% of the collector area installed in commercial and industrial sector. But as result of improved economics of solar systems, due to increase in electrical prices, the domestic market is increasing in India. As per MNES, the potential of solar water heating systems in the country is around 30 million m² of collector area. The MNES policy (draft) has set the goal of installing 5-million m² collector area during 2000- 2012, with equal distribution of collector area in domestic as well as commercial and industrial sector.

Policy and Promotional Measures

- Looking at vast potential and resource availability, the Government of India, through MNES, provided various interventions in terms of subsidy and other fiscal benefits for the promotion of solar water heating systems.

Solar PV Value Chain

The solar PV value chain consists of a number of specific and distinct steps from the production of silicon to the end use in solar power plants or in solar panels used for distributed power generation (e.g. solar panels on residence rooftops). **Range of business opportunities available along the entire value chain is explained in the report.** A detailed value chain of entire solar PV industry is given below



Key Facts about Solar PV in India

- While a majority of PV cells produced today use crystalline silicon, thin-film based solar PV is expected to grow from its 14% share in 2008 to 31% share in 2013.
- The top three states in India for solar PV potential are respectively Gujarat, Rajasthan and Madhya Pradesh
- PV constitutes a miniscule part in India's installed power generation capacity with grid connected solar PV generation at a mere 6 MW as of March 2010. Off-grid installed capacity of solar PV power plants including street lights are 100 MWp
- PV installations in India predominantly comprise of small capacity applications. These are most visibly seen in lighting applications (street lighting, and home lightning systems) in cities and towns, and in small electrification systems and solar lanterns in rural areas.
- By 2050, about 69% of the electricity produced in India will come from renewable energy sources, according to Greenpeace.
- Under the Jawaharlal Nehru National Solar Mission (JNNSM), India is expected to reach a total solar installed capacity (both PV and CSP) of 20,000 MW and a total electricity generation of 25-30 TWh per year by 2022.
- The JNNSM has proposed a feed in tariff rate of Rs 17.91 for solar PV power plants with a power purchase agreement for 20 years.
- Currently, the capital cost for a solar PV power plant is about Rs 16 crores per MW, with about 50% of it going towards solar panels, 25% towards inverters and balance of systems, and final 25% towards installation and other infrastructure.
- Capital cost for solar PV power plants is likely to be about Rs 8 crores per MW by 2020.
- Under the National Solar Mission, investors can expect an equity IRR of about 19% and project IRRs of about 15%. The payback period is about 6 years.
- In India, the electricity sector falls under the "Concurrent List". This means that both the central

- and state governments are involved in the legislation for the sector.
- A 1MW solar PV power plant can generate about 1.5-1.6 million units (kWh) of electricity per year.
- The levelized cost of electricity production from solar PV is about Rs 14 per kWh (including amortization costs).
- Prominent domestic banks that fund renewable projects are IDBI, ICICI, IFCI, SBI, and PNB among others.
- According to MNRE, the cost of power generation from solar PV is likely to be competitive with grid tariff by 2023 (“grid parity”) and with pure coal based power generation by 2026.
- On the technology part, in India, crystalline silicon technology accounts for most of the market, and currently, the market share of thin film technology, though fast increasing, is estimated at only about 10%.
- Currently, thin film technology has not reached the efficiency level of crystalline solar cells and is unlikely to be used for large-scale power production until 2012.
- Currently, India does not have any infrastructure for raw material production (polysilicon) and is entirely dependent on imports for the same
- India has always been a net exporter of solar PV technology, with about 66% of cumulative domestic PV production till 2009 catering to overseas markets
- Germany is the most preferred source for solar PV imports, followed by Taiwan. During 2008-09, about 80% of the total solar PV imports were from Germany and Taiwan
- Business opportunities in the solar PV industry go far beyond power plants; these opportunities are present in all three sectors: manufacturing, trading and services. Among these, the largest number of opportunities are present in the manufacturing segment, followed by services.

India's ambitious target of installing 20,000 MW of solar power by 2022 under the Jawaharlal Nehru National Solar Mission (JNNSM) seems to have struck a chord over the last two years with increase in installations and a commendable drop in the cost of the power.

Approving the country's solar power performance, the Council on Energy, Environment and Water and the Natural Resources Defense Council (NRDC) has said that the growth of Indian solar industry has been commendable, especially post the launch of JNNSM in 2010.

The government policy and various programmes have helped in creating a conducive environment and stimulating clean energy markets. The JNNSM has been successful in attracting new domestic and international players into the market, and today India is seen as a hot solar hub. As a result, the cumulative installed solar capacity surged from 17.8 MW to over 500 MW in the last two years. The drop in the solar prices is what has been the most startling thing that has happened to the sector. The price for solar energy has dropped faster than anyone anticipated; and it now costs nearly the same as energy from the conventional sources of energy such as coal and other dirty fossil fuels. “This price was impressively lower than many markets had predicted, suggesting that solar energy could attain grid parity with traditional energy sources sooner than initially anticipated.

Ministry of New and Renewable Energy (MNRE) has launched a program on “Development of Solar Cities”. The program assists Urban Local Governments in:

- Preparation of a master plan for increasing energy efficiency and renewable energy supply in the city
- Setting-up institutional arrangements for the implementation of the master plan.
- Awareness generation and capacity building activities.

The program aims at minimum 10% reduction in projected demand of conventional energy at the end of five years, which can be achieved through a combination of energy efficiency measures and enhancing supply from renewable energy sources.

The increasing share of renewables in power and transport is constrained primarily by the cost of scaling up in the world market:

- Renewables are generally more costly than other energy sources, although in some cases they

are competitive already (e.g. Brazilian biofuels, US onshore wind in the best locations). Policy support is assumed to remain in place to help the industry deploy new technologies and drive down costs.

- A key constraint on the pace of renewables penetration is the willingness and ability to meet the rapidly expanding cost of policy support as renewables scale up. By 2030 renewables supply 11% of world electricity. The EU leads the way, with 26% of power coming from renewables by 2030. The rest of the OECD follows with a lag, and then the non-OECD also starts ramping up the share of renewables in power.
- Renewables face a tougher challenge penetrating the transport fuels market. By 2030, 7% of world transport fuels come from renewable sources. Brazil has the highest penetration of biofuels (21% in 2010, rising to 39% by 2030), while the US leads the OECD in incentivizing biofuels (4% in 2010 to 15% by 2030).

COMPANY STRATEGY, BUSINESS FOCUS and ACQUISITIONS

Demand Side Management - Energy Efficiency

Your company/has clearly defined Energy Efficiency, or Demand Side Management, as one of its main business segments. Over the last few years, it has developed core competencies in the Technology Development, technology assimilation and commercial exploitation of Energy Saving Equipment. The company's products have consistently shown an Energy Savings performance of more than thirty percent in lighting loads and between ten and eighteen percent in mixed loads, which is considered to be very satisfactory. Pictorial depictions and technical specifications are available on your company's website www.epicenergy.biz.

Your company constantly strives to improve its technological edge over its competition by offering advanced features on its equipment. Your company offers equipment with GSM and GPRS capabilities which make Remote Energy Management simple and effective to use. This GSM and GPRS capability has given a cutting edge to the Energy Efficiency efforts of your company's customers, making it one of a select handful of companies capable of offering this in India.

Your company is shortlisted as an approved ESCO (Energy Services Company) by the BEE (www.beeindia.nic.in). In the year 2008, your company was also upgraded to Grade 2 by CRISIL indicating "High" ability to deliver and execute Energy Saving Project.

Renewable Energy Systems – Solar Cities

Your company is also recognized by the MNRE to act as Consultants for preparing Master Plans and implementation thereof under the Solar Cities Program of the MNRE.

Renewable Energy Systems - Solar Products

Due to the burgeoning energy crisis all over the world, there has been a renewed global focus on the use of Solar Products for energy needs of various segments of society. Your company has been making steady progress in this field over the last couple of years. Your company lays special emphasis on Solar Street Lights, Solar Hoarding Lights and Solar Road Studs.

Supply Side Management Energy Infrastructure

Your company's focus on Demand Side Management has made it a market leader in this segment. In order to provide all-round services to its customers, your company also offers Supply Side Services

This division of the company continues to gather good ground and has met with satisfactory response from its customers.

Energy Audits

Your company has successfully implemented various extremely prestigious Audit Assignments granted by Government Agencies. Your company expects to continue to play a major role in this segment also.

Subsidiaries

The Company had two subsidiaries during the year: Hydragen Infrastructures Pvt. Ltd. & Green

Energy Management Inc. USA. The Accounts of both these subsidiaries companies are available as per the requirements of the Companies Act. 1956.

FINANCIAL CONDITION

1. Share Capital

At present we have only one class of Shares: Equity shares of par value Rs. 10/- each. Our authorized capital is Rs. ten crores divided into one crore shares of Rs. 10/- each. During the year under report, there was no change in the Share Capital of the company.

2. Reserves and Surplus

a. Share Premium Account

During the year under report, there was no change in the Share Premium of the company

b. Profit and Loss Account

The company reported satisfying results during the year under review. Profit After Tax was Rs. 3,206,087. The book value per share as on 31st March, 2013, was Rs. 28.23 compared to Rs.27.75 as of the previous year end.

3. Fixed Assets

Your company has added capital assets of Rs. 341.53 lacs which mainly comprised acquisition of Land and Energy Saving Devices installed on BOOT basis. Capital work-in-progress at the end of the year was Rs. NIL lacs.

4. Inventories

The inventories of finished goods comprise of Epic Power Saver 1090 and Solar Products assembled/purchased by the company. The inventories of Work-In-Progress comprise Energy Saving Equipment which were in the process of being installed and commissioned at the year end. The inventories of spare parts are the maintenance spares which the company keeps to ensure uninterrupted functioning of its equipment.

5. Sundry Debtors

Sundry Debtors are the receivables arising mainly from the Energy Saving Business of the company.

E. RESULTS OF OPERATIONS

1. Income

Your company's main income is from the sales of Energy Saving Equipment, installation of such equipment on BOOT basis, sale of Solar Products and Sale of other Energy Appliances like UPS, Invertors, Automatic Timer Machines etc. The sales of Solar Products amounted to Rs 8,003,239 (Previous Year Rs. 9,924,826.)

2. Expenditure

Purchases represent the cost of inputs for assembling the Energy Products of your company. Maintenance Costs represent cost of spares consumed to keep the equipment & solar products in running condition. Employee Costs consist of Salaries paid to employees.

3. Net Profit

The company reported a Net Profit after tax of Rs. 3,206,087 (Previous Year Rs. 10,373,029).

4. Provision for Tax

The company has substantial depreciation and some carried forward tax losses from earlier years. The provision for tax of Rs.801,522 (Previous Year Rs. 25,93,244) represents the Minimum Alternate Tax payable by your company under the existing Tax laws.

OPPORTUNITIES AND THREATS

1. We have identified Energy Efficiency on the Demand Side as one of the main focus areas of our business. Substantial progress has been made in the last few years by implementing prestigious projects with marquee customers to establish the company as a leading implementer of Energy Efficiency Solutions.
2. Technological Evolution which gives the cutting edge advantage to your company's equipment has been a key factor of your company's R & D efforts. The company offers equipment with GSM and GPRS capabilities.
3. Your company has bagged several important projects in the Solar City Program of the Government of India. It expects to play a leading role in this Program.
4. Solar Products are also expected to play a major role in providing power to energy deficient areas

where sunshine is plentiful. In the Institutional Markets, your company is focused on Solar Street Lights, Solar Hoarding Lights, Solar Road Studs, whereas in the Commercial Segment, the focus is on the Home Products Market and the Solar Retail Market. Your company has a range of Solar products for Home Use.

5. Your company is in the process of implementing several EPC projects in the PV Solar space in North America. This is considered significant, as the USA and Canada are known to actively pursue the large scale implementation of such projects. Your company's presence in this geography is expected to be of great commercial importance in the near future.
- 6 Availability and Prices of Photo Voltaic Solar Panels largely depend on the supply and price of Silicon. Shortage of Silicon affects the cost and availability of Solar Panels.
- 7 The technology used in Energy Saving Equipment is continually evolving. Obsolescence is a major threat. Your company is constantly researching and studying the application of various technologies around the world to protect its business interests.
8. Competition is limited to the few players who have the technology to assemble, test and maintain the type of products dealt with by your company.

INTERNAL CONTROLS AND THEIR ADEQUACY

Your company has in place adequate systems of internal control procedures covering all financial and operating functions. The Audit Committee periodically reviews the adequacy of these procedures. Your company renewed its ISO 9001:2008 certification during the year and is committed to maintaining the highest standards of quality control at all levels of operations.

RISK CONCERNS AND RISK MANAGEMENT

The Risk Management Function is overseen by the Audit Committee. Risk Management Policies are designed after discussions with various constituents and experts. The following Risk Concerns have been identified and are being dealt with as explained against each concern:

a. Technology Risk:

The Technology used in Energy Saving Devices is constantly evolving. The introduction of newer and better techniques could render our products obsolete. To address this risk, your company is constantly researching and studying the application of various technologies across the world and has a separate team of people upgrading the technologies that we use. Technological Evolution which gives the cutting edge advantage to your company's equipment has been a key factor of your company's R&D efforts.

b. Concentration Risk:

Your company has a reasonable spread in terms of Demand Side Management and Supply Side Management Business. The company also has its business spread over about a dozen States in India. None of the customers have more than a five percent share in the revenues of the company.

c. Human Resources:

Your company depends to a large extent on trained engineers, both electronic and electrical. Whilst availability of manpower is not a concern, training and retention is a challenge. Your company has instituted various Employee Training and Retention schemes to mitigate this Risk. An ESOP scheme is also being implemented shortly

d. General Risk

Your company has adequate insurance policies in place for its equipment and inventories. Medical and Accident Insurance Policies for its employees have also been taken where required.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking" statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions, affecting demand, supply and price conditions in the markets in which the company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

CORPORATE GOVERNANCE REPORT

The Company is listed on the Bombay Stock Exchange Limited and is a part of Group S on the Exchange. Report on Corporate Governance as per Clause 49 of the Listing Agreement is given hereunder:

1) Company's Philosophy on Corporate Governance

Company's Philosophy on Code of Governance as adopted by its Board of Directors are as under:

- a) To maintain the highest standards of transparency in all aspects of our interactions and dealings.
- b) To ensure the core values of the company are protected.
- c) To ensure timely dissemination of all price sensitive information and matters of interest to our stakeholders.
- d) To ensure that the Board exercises its fiduciary responsibilities towards shareholders and creditors.
- e) To comply with all the laws and regulations as applicable to the Company.
- f) To promote the interest of all stakeholders including of customers, shareholders, employees, lenders, vendors and the Community.

2) Composition of Board of Directors

	Name of Director	ED/ NED/ ID*	Attendance in Board Meetings Held	Attended	Attendance in Last AGM	Other Board		
						Directorship **	Committee Chairmanship ***	Committee Membership
1	Nikhil Morsawala	NED	5	5	Present	6	0	3
2	Zubin Patel	ID & NED	5	4	Present	0	0	0
3	Sanjay Gugale	ID & NED	5	4	Present	0	0	0
4	V Chandrasekhar	ED	5	0	Present	0	0	0

ED- Executive Director, NED- Non Executive Director, ID- Independent Director

3) Details of Director seeking Re-appointment in the Annual General Meeting

Name	Zubin Phiroz Patel
Date of Birth	11 th August, 1968
Appointed on	31 st December, 2005
Qualification	M. Com., MBA
Expertise in Specific functional areas	Finance & HR
Directorship held in other Public Companies (excluding foreign companies)	Nil
Chairman/Member of the committees of the Board of Directors of other Companies in which he is a Director	Nil
Shareholding in the company	7,400 shares

4. Audit Committee

During the Financial Year the company has held four Audit Committee Meeting. The Minutes of meeting of the Audit Committee are in accordance with all the items listed in Clause 49 (II) (D) and (E) of the listing Agreement as follows:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the Annual financial statements before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
7. 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.
8. Discussion with internal auditors any significant findings and follow up thereon.
9. Reviewing the findings of any 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.
10. 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.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
14. Review the following information,
 1. Management discussion and analysis of financial condition and results of operations;
 2. Statement of significant related party transactions (as defined by the audit committee), submitted by management.
 3. Management letters/ letters of internal control weaknesses issued by the statutory auditors;
 4. Internal audit reports relating to internal control weaknesses; and
 5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

The Audit Committee has the following Powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Composition of Committee and Attendance of Members

S.No	Name of Director and Position	Meetings /Attendance.
1.	Mr. Zubin Patel, Chairman	4/4

2. Mr. Sanjay Gugale, Member 4/4
3. Mr. Nikhil Morsawala, Member 4/4

5. CEO/CFO Certification

As required by the revised clause 49 of the Listing agreement, the Certificate from CEO & CFO was placed before the Board of Directors at their meeting dated 30th May, 2013.

6. Code of Conduct

The company's Code of Conduct is displayed on the website of the company.

7. Remuneration Committee

The Remuneration Committee consists of two Independent Directors and one Executive Director. During the Financial year the company has not held any meetings of this Committee.

Remuneration Committee consists of Mr. V Chandrasekhar, Mr. Sanjay Gugale and Mr. Zubin Patel and is chaired by Mr. Sanjay Gugale.

Detail of Remuneration of all the Directors

The company has not paid any remuneration to any Non - Executive Director of the company.

Notes:

- 1) The company has not entered into any pecuniary relationship or transaction with the Non-executive directors.
- 2) The Company has not so far issued any stock options to executive directors.

8. Shareholder's Grievances Committees

Name of members : Mr. Sanjay Gugale, Mr Zubin Patel and Mr Nikhil Morsawala

Name of Independent Non Executive Director heading the Committee : Mr. Zubin Patel.

Name and Designation of Compliance Officer :Mr. Atul Mishra

Number of shareholder's Complaints Received During the year : 03.

Number of Complaints not solved to the satisfaction of Shareholders : 0.

Number of Pending Share Transfers: NIL

9. General Meetings

A) Location and time of three most recent AGM's

YEAR	2009 - 10	2010 - 11	2011 - 12
Date	29.09.2010	29.09.2011	29.09.2012
Venue	Hotel Solitaire Park, Andheri [E], Mumbai 400 099	Hotel Solitaire Park, Andheri [E], Mumbai 400 099	Hotel Solitaire Park, Andheri [E], Mumbai 400 099

10. Disclosures

- a) The company has not entered into related party transactions.
- b) The company has complied with the requirements of regulatory authorities on Capital Markets and no Penalties / Strictures have been imposed against, in the last 3 years on any matter related to Capital Markets.

11. Means of Communication

Quarterly Results

The unaudited / audited quarterly results along with notes were published in the newspapers as follows.

Newspapers	Date of Publication of results for the quarter ended			
	30.06.2012	30.09.2012	31.12.2012	31.03.2013
Free Press Journal	15.08.2012	16.11.2012	13.02.2013	01.06.2013
Navshakti	15.08.2012	16.11.2012	13.02.2013	01.06.2013

The Company's Annual Report also contains a detailed management discussion and analysis report on the Company's financial performance and operations.

12. INFORMATION TO SHAREHOLDERS

1. Date, Time & Venue of AGM : 10.00 am. Saturday 28th September, 2013
Hotel Solitaire Park, Andheri (E), Mumbai 400 099.
2. Dates of Book Closure : 22 / 09 / 2013 to 28 / 09 / 2013.
3. Financial Calendar : First quarterly Results on or before August, 14, 2013.
For FY 2013-14 : Second quarterly Results on or before November, 14, 2013.
Third quarterly Results on or before February, 14, 2014.
Fourth quarterly Results on or before May, 15, 2014.
4. Listing on Stock Exchange : Mumbai Stock Exchange Limited (BSE).
5. Listing Fee for 2013-14 : Paid to BSE.
6. Registered Office : A-304, Winsway Complex, Old Police Lane,
Andheri(East), Mumbai-400 069
7. Share Transfer Agent : Adroit Corporate Services Private Limited.
19, Jaferbhoy Industrial Estate, Makwana Road,
Marol Naka, Andheri(East), Mumbai-400 059.

Stock Market Data

Monthly high and low of closing quotations and volume of shares traded on Bombay Stock Exchange Limited [BSE] are given hereunder:

Month	High	High	Close	No. Of Shares Traded
April - 2012	16.75	12.50	14.38	47,836
May - 2012	14.99	10.62	12.00	31,920
June - 2012	13.47	09.53	11.60	36,534
July - 2012	12.69	10.01	10.98	20,968
Aug. - 2012	13.40	10.03	11.44	18,069
Sept. -2012	13.70	10.62	10.95	195,205
Oct. - 2012	14.70	11.05	11.99	302,937
Nov. - 2012	14.30	10.90	11.85	112,030
Dec. - 2012	12.74	11.05	11.49	35,022
Jan. - 2013	13.25	11.00	11.37	100,489
Feb. - 2013	12.00	09.91	10.49	40,647
Mar. - 2013	11.78	08.05	08.96	58,791

13. Legal Proceedings:

There are no proceedings pending against the companies that are material to effect adversely the profit or financial position of the company.

14. Distributions of Share Holding as on March 31, 2013

Distribution of Shares by Shareholders category

S.No.	Shareholders Category	No. Of Shareholders	Shares Held	Voting Strength
1	Promoters, Directors and their relatives	2	1,678,065	25.00%
2	Bodies Corporate (Domestic)	107	960,445	14.31%
3	Banks	Nil	Nil	Nil
4	Mutual Funds	Nil	Nil	Nil
5	Financial Institutions	Nil	Nil	Nil
6	Foreign Institutional Investors	Nil	Nil	Nil
7	Non Resident Individuals (NRIs)/Foreign Corporate Bodies / Overseas Corporate Bodies (OCBs)	27	68,623	1.02%
8	Resident Individuals	2909	4,004,212	59.66%
9	In Transit	2	155	0.00%
	Total	3047	67,11,500	100.00%

15. Dematerialisation of Shares and Liquidity

The shares of the Company are tradable both in dematerialized (electronic) as well as physical form and available for trading under both the depository systems in India- NSDL & CDSL. 63,11,265 shares of the company's share capital is held in electronic form on March 31, 2013.

16. Compliance Officer

Mr. Atul Mishra is the Compliance Officer under the clause 47 of the Listing Agreement with the Stock Exchanges.

17. Investor Correspondence

All shareholders Complaints/ Queries in respect of their shareholding may be addressed to the company's

Contact Person : Atul Mishra
A- 304, Winsway Complex, Old Police Lane,
Andheri (East) Mumbai 400 069

Telefax : (91) (22) 2682 2238

Website: : www.epicenergy.biz

18. Stock Exchange Codes

Stock Exchange : Mumbai Stock Exchange Limited (BSE)

Stock Code : 530407

Equity ISIN : INE 932F01015

19. Statutory Compliance

During the year the company has complied with the applicable provisions, filed all returns/forms and furnished all relevant particulars as required under the Companies Act, 1956 and allied Acts and Rules, The Securities Exchange Board of India (SEBI) Regulations and the Listing Agreements with the Stock Exchange.

20. Changes to Equity Share Capital during FY 2012-2013

Date	Particulars	No. of shares	Issue Price		Increase in Share Capital
			Face Value (Rs.)	Premium (Rs.)	
March 31, 2013	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil

P MURALI & Co.,
Chartered Accountants

AUDITORS' CERTIFICATE

To,
The Members of,
EPIC ENERGY LIMITED

We have examined the compliance of conditions of corporate governance by Epic Energy Limited for the year ended on 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchanges.

The compliance of conditions of 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.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the Board of Directors.

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

For **P MURALI & CO.,**
Chartered Accountants

P MURALI MOHANA RAO
Partner
Membership No. 023412
FRN No. 007257S

Place : Mumbai
Date: 30th May, 2013

DIRECTORS' REPORT

The Members

Epic Energy Limited

Your Directors take pleasure in presenting to you the Audited Annual Accounts for the year ended on 31st March, 2013.

FINANCIAL PERFORMANCE

	31st March 2013	31st March 2012
	Rupees	Rupees
Gross Revenues	226,758,000	315,041,744
Gross Profit	52,562,819	70,760,846
Depreciation	15,332,000	16,352,007
Net Profit before Tax	4,007,609	12,966,273
Provision for Tax	801,522	2,593,244
Net Profit/(Loss) after Tax	3,206,087	10,373,029
Proposed Dividend	-	50,33,625
Dividend Tax	-	855,716
Profit Carried Forward	3,206,087	4,483,688

DIVIDEND

Your Directors do not recommend any dividend for the year.

PERFORMANCE REVIEW

The company earned a Profit After Tax of Rs 3,206,087 on a gross turnover of Rs. 226,758,000. During the current year, to lead the Energy Efficiency Market in the organized sector. Your company continued to service prestigious customers like State Bank of India, Crompton Greaves Limited, Jamnabai Narsee School, Konkan Railway Corporation Your company's Remote Energy Management System [REMS] wrapped around GSM & GPRS platforms continued to receive excellent customer response. Your company wishes to acknowledge the Bureau of Energy Efficiency's continued efforts to promote energy efficiency in every walk of life, which has led to ESCOs gathering sufficient traction in the Indian Energy Market.

Further recognition of your company's successful Energy Savings efforts has come by way of your company being upgraded from Grade 3 to Grade 2 [indicating 'High' ability to execute ESCO projects] by CRISIL under a rating program jointly undertaken by BEE - CRISIL.

Also your company has been registered as an approved consultant for setting up Solar Cities by the Ministry of New and Renewable Energy [MNRE] for its program of setting up Solar Cities across India. Your company expects to undertake at least one such program during the current year.

FUTURE OUTLOOK

The company continues to be a significant player in the Energy Efficiency and Renewable Energy industry. The company continues to have alliances with accredited Energy Auditors which has enabled to consolidate its position in the Energy Efficiency business segment. Your company's Supply Side Management business continues to grow at a steady pace.

SUBSIDIARIES

As required by the Companies Act, 1956, The Audited Accounts of the subsidiaries M/s. Hydragen Infrastructures Pvt. Ltd. & Green Energy Management Inc., USA. are available as per the requirements of the Companies Act, 1956.

DIRECTORS

Mr. Zubin Patel, Director of the Company retires by rotation and being eligible offer himself for reappointment. Your Directors recommend his appointment.

AUDITORS

Members are requested to appoint Auditors for the current year.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

The company had no Foreign Exchange inflows or outflows during the year. Since the company did not own & operate any significant manufacturing facility that consumes significant power, during the year under report, the other particulars relating to conservation of energy and technology absorption stipulated in the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors state that:

1. In the preparation of the accounts, the applicable accounting standards have been followed.
2. Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made, so as to give a true and fair view of the state of affairs of the company as on 31st March, 2013, and for the profit of the company for the year ended on that date.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities.
4. The annual accounts of the company have been provided on a going concern basis.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In accordance with the listing agreement, the Management Discussion and Analysis Report forms a part of this report.

ACKNOWLEDGEMENTS

Your Directors wish to thank all its employees, bankers and customers who have played a key role in helping the company progress on its chosen path. And last but not the least the Directors wish to thank all the members who have been a constant source of encouragement and support.

FOR EPICENERGY LIMITED

NIKHIL MORSAWALA
CHAIRMAN

Place: Mumbai

Date: 30th May, 2013

P.MURALI & Co.,

Chartered Accountants

AUDITORS' REPORT

To,
The Members,
Epic Energy Limited

We have audited the attached Balance Sheet of Epic Energy Limited, as at March 31, 2013 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order. Further to our comments in the Annexure referred to above, we report that:

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- iii. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
- iv. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- v. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, we report that none of the directors was disqualified as on March 31, 2013, from being appointed as a director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013.
 - (b) In the case of Profit and Loss Account, of the Profit for the year ended on that date; and
 - (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **P.MURALI & CO.,**
Chartered Accountants

P.MURALI MOHANA RAO
Partner
Membership No. 023412
FRN No. 007257S

Place : Mumbai
Date : 30th May, 2013

P.MURALI & Co.,

Chartered Accountants

**Annexure to the Auditors' report of even date to the Members of
EPIC ENERGY LIMITED**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and the situation of its fixed assets ;
(b) The company has verified the fixed assets twice during the year. No discrepancies were noticed during this verification.
- (ii) (a) As explained to us, inventories have been physically verified by management at reasonable intervals during the year. In our opinion the frequency of such verification is reasonable.
(b) As per the information given to us, the procedures of physical verification of inventory followed by management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) (a) During the year, the Company has not granted loans to any Company listed in the register maintained under Section 301 of the Companies Act, 1956.
(b) The Company has not taken loans from Companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations provided to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, and fixed assets and for sale of goods and services.
- (v) (a) Based on the audit procedures applied by us and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
(b) In our opinion and according to the information and explanations given to us, there were no transactions required to be entered in the register maintained under Section 301 and exceeding the value of rupees five lakhs in respect of any party during the year.
- vi) The Company has not accepted any deposits from the public.
- vii) The Company has an internal audit system which is commensurate with the size and nature of its business.
- viii) According to the information and explanations given to us, the requirement for maintenance of cost records u/s 209 (1)(d) of the Companies Act, 1956 is not applicable to the Company.
- ix) (a) Based on test-verification of records and information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed amount of statutory dues including income- tax and sales-tax.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax and sales tax was outstanding as at 31st March, 2013 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, the Investor Education and Protection Fund, Employees State Insurance, Wealth-Tax, Customs Duty and Excise Duty are not applicable to the Company.
(d) According to the information and explanations given to us, there are no dues of sales tax, income tax, provident fund and profession tax, which have not been deposited, on account of any dispute.
- (x) In our opinion, the accumulated losses of the company are not more than 50% of its net worth. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

- (xi) Based on our audit procedures and on the information and explanations given by the Management, the Company has not defaulted in repayment of dues to any financial institution or bank and has not issued any debentures.
- (xii) Based on our examination of records and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit/ nidhi / mutual benefit fund/society and therefore provisions of clause 4 (xiii) of the Order are not applicable to the Company.
- (xiv) The Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) In our opinion and according to the information and explanations given to us, the term loan as applied by the company for the purpose for which it was taken.
- (xvii) According to the information and explanation given to us and on overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Act.
- (xix) The Company did not have any outstanding debentures at the year-end.
- (xx) The Company has not raised any money by public issues during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **P MURALI & CO.**,
Chartered Accountants

P MURALI MOHANA RAO
Partner
Membership No. 023412
FRN No. 007257S

Place : Mumbai
Date: 30th May, 2013

BALANCE SHEET AS AT 31ST MARCH, 2013

	NOTES	AS AT 31.03.2013 RS.	AS AT 31.03.2012 RS.
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
a) Share Capital	1	67,115,000	67,115,000
b) Reserves & Surplus	2	122,362,727	119,156,640
2 Share application money pending allotment			
3 Non-current liabilities			
a) Long-term borrowing	3	10,864,802	9,767,681
4 Current liabilities			
a) Short-term borrowing		1,450,202	
b) Trade payables		987,000	1,034,500
c) Other current liabilities	4	3,201,764	4,089,497
d) Short-term provisions	5	14,371,900	18,604,003
TOTAL		220,353,395	219,767,320
II ASSETS			
1 Non-current assets			
a) Fixed assets	6		
i) Tangible assets		105,278,552	86,457,721
ii) Capital work-in-progress			17,550,600
b) Non-current investments	7	1,250,000	1,250,000
c) Long-term loans & advanced	8	13,726,696	8,209,639
d) Other non-current assets	9	16,250,000	16,250,000
2 Current Assets			
a) Inventories	10	5,268,000	7,750,000
b) Trade receivables	11	77,036,350	80,877,141
c) Cash & cash equivalents	12	743,947	712,075
d) Short-term loans & advances	13	799,850	710,144
TOTAL		200,353,395	219,767,320

Significant Accounting Policies & other notes

19

Notes 1 to 18 & 19 from an integral part of this Accounts

For **P MURALI & CO.,**
Chartered Accountants

On behalf of the Board
EPIC ENERGY LIMITED

P MURALI MOHANA RAO
Partner
Membership No. 023412
FRN No. 007257S

NIKHIL MORSAWALA
Chairman

ZUBIN PATEL
Director

SANJAY GUGALE
Director

V CHANDRASEKHAR
Executive Director

Place : Mumbai

Date: 30th May, 2013

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2013

	NOTES	Current Year RS.	Previous Year RS.
INCOME			
Revenue from operations	14	226,758,000	315,041,744
Other Income			
Total Revenue		226,758,000	315,041,744
EXPENSES			
Purchases of Stock-in-Trade		174,195,181	244,280,898
Employee / Manpower Cost	15	12,663,000	12,286,340
Finance Costs	16	161,209	5,320,211
Depreciation & amortization expense	17	15,332,000	16,352,007
Other expenses	18	20,399,000	23,836,015
Total Expenses		222,750,391	302,075,471
Profit before exceptional and extraordinary items and tax		4,007,609	12,966,273
Exceptional items			
Profit before extraordinary items & tax		4,007,609	12,966,273
Extraordinary items			
Profit before tax		4,007,609	12,966,273
Tax Expense			
Income Tax paid for earlier years		801,522	2,593,244
Current Tax			
Deferred Tax			
Profit (Loss) for the period		3,206,087	10,373,029
Earnings per equity share			
1) Basic	Basic EPS	0.48	1.55
2) Diluted	Diluted EPS	0.48	1.55

Significant accounting policies and Notes to Accounts
Schedules form an integral part of Accounts
As per our report of even date

For **P MURALI & CO.,**
Chartered Accountants

On behalf of the Board
EPIC ENERGY LIMITED

P MURALI MOHANA RAO
Partner
Membership No. 023412
FRN No. 007257S

NIKHIL MORSAWALA
Chairman

ZUBIN PATEL
Director

SANJAY GUGALE
Director

V CHANDRASEKHAR
Executive Director

Place : Mumbai
Date: 30th May, 2013

NOTES FORMING PART OF BALANCE STATEMENTS**NOTE 1**

	AMOUNT RS.	AMOUNT RS.
SHARE CAPITAL	31.03.13	31.03.12
Authorised 1,00,00,000 Equity Shares of Rs. 10/- each (Previous Year 1,00,00,000)	100,000,000	100,000,000
	100,000,000	100,000,000
Issued Subscribed and paid up 67,11,500 (Previous Year 67,11,500) 67,11,500 Equity Shares of Rs. 10/- each fully paid up	67,115,000	67,115,000
TOTAL	67,115,000	67,115,000

a) Rights, preference and restrictions attached to shares**Equity Shares**

The company has only one class of equity shares having a par value of 10/- per share. Each shareholder is eligible for one Vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

b) Details of shares in the company held by each shareholder holding more than 5% shares:

Name of Shareholder	31.03.2013		31.03.2012	
	No. of shares held	% of holding	No. of shares held	% of holding
Mrs.venna Nikhil Morsawala	840,100	12.52%	840,100	12.52%
Mr. Nikhil Champaklal Morsawala	837,965	12.49%	837,965	12.49%
Mr. Behram Mehta	1,000,000	14.90%	1,000,000	14.90%
Mr. Chandrashekhar Lad	621,393	9.26%	689,615	10.28%
Mr. Narayan Securities Private Limited	547,122	8.15%	547,122	8.15%
	3,846,580	57.32%	3,914,802	58.34%

NOTE 2

RESERVES AND SURPLUS	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
Opening Balance	85,522,549	81,038,861
General Reserve	8,034,091	8,034,091
Share Premium Account	25,600,000	25,600,000
(+) Net Profit (Net Loss) for the current year	3,206,087	10,373,029
(-) Proposed Dividend	-	(5,033,625)
(-) Tax on Posed Proposed Dividend	-	(855,716)
Closing Balance	122,362,727	119,156,640

NOTE 3

LONG TERM BORROWINGS	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
Secured Borrowings from Banks	-	-
Secured Borrowings other than Banks	10,864,802	9,767,681
	10,864,802	9,767,681

NOTES FORMING PART OF BALANCE SHEET**NOTE 4**

OTHER CURRENT LIABILITIES	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
Expenses payable	3,146,513	3,972,643
Statutory Dues	55,251	116,854
	3,201,764	4,089,497

NOTE 5

SHORT TERM PROVISIONS	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
a) Provision for Employee benefits	-	-
b) Dividend Tax Payable	3,422,864	3,422,864
c) Dividend Payable	-	5,033,625
d) Unclaimed Dividend	300,675	300,675
e) Provision for Income Tax	10,648,361	9,846,839
Closing Balance	14,371,900	18,604,003

NOTE 6 & 7 On next page**NOTE 8**

LONG TERM LOANS AND ADVANCES (Unsecured and considered good)	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
Security Deposits	1,370,046	2,528,739
Other loans and advances	12,356,650	5,680,900
Closing Balance	13,726,696	8,209,639

NOTE 9

OTHER NON-CURRENT ASSETS Others (specify nature)	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
Shares Application Money		
(a) Hydragen Infrastructure Pvt. Ltd.	11,750,000	11,750,000
(b) Jaisons Realty (ASIA) Ltd.	1,500,000	1,500,000
(c) S S Hotels India Pvt. Ltd.	1,500,000	1,500,000
(D) Arihantsidh Properties Pvt. Ltd.	1,500,000	1,500,000
Closing Balance	16,250,000	16,250,000

NOTE 10

INVENTORIES	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
(a) Raw Materials and Components	-	-
(B) Work-in-progress	21,565	13,565
(b) Finished goods	1,230,800	3,509,209
(C) Stores & spares	4,015,635	4,227,226
Closing Balance	5,268,000	7,750,000

NOTE 11

TRADE RECEIVABLES (Unsecured and considered good)	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
Outstanding for a period exceeding 6 months	-	-
Other debts	77,036,350	80,877,141
Closing Balance	77,036,350	80,877,141

NOTE OF FIXED ASSETS ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2013

NOTE 6

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As on 01-04-2012 RS.	PURCHASED DURING THE YEAR RS.	SALES/TRF DURING THE YEAR RS.	As on 31-03-2013 RS.	UP TO 31.03.2012 RS	FOR THE YEAR RS.	UP TO 31.03.2013 RS.	TOTAL 31.03.2013 RS.	TOTAL 31.03.2012 RS.
Energy Saving Equipment	146,153,075	34,152,832	—	180,305,907	61,890,743	15,097,628	76,988,371	103,317,536	84,262,332
Computers	614,710	—	—	614,710	585,044	17,800	602,843	11,867	29,666
Furniture	2,309,245	—	—	2,309,245	921,673	138,757	1,060,430	1,248,815	1,387,572
Office Equipment	1,186,928	—	—	1,186,928	408,777	77,815	486,592	700,336	778,151
Land	—	—	—	—	—	—	—	—	—
TOTAL	150,263,958	34,152,832	—	184,416,790	63,806,237	15,332,000	79,138,237	105,278,552	86,457,721
PREVIOUS YEAR	164,629,794	22,634,164	37,000,000	150,263,958	47,454,230	16,352,007	63,806,237	86,457,721	117,175,564

NOTE 7

NON CURRENT INVESTMENTS	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
	Investment in Equity Shares of Hydrogen infrastructure Pvt. Ltd. (Non-trade investments, Quoted, Valued at Cost)	1,250,000
Closing Balance	1,250,000	1,250,000

NOTES FORMING PART OF BALANCE SHEET

NOTE 12

CASH AND CASH EQUIVALENTS	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
Balance with Banks	567,592	435,275
Cash on Hand	176,355	276,800
Closing Balance	743,947	712,075

NOTE 13

SHORT TERM LOANS AND ADVANCES (Unsecured and considered good)	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
Tax deducted at source	799,850	710,144
Closing Balance	799,850	710,144

NOTE 14

REVENUE FROM OPERATIONS	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
Energy Solution Division	226,758,000	315,041,744
Closing Balance	226,758,000	315,041,744

NOTE 15

EMPLOYEE BENEFITS EXPENSES	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
(a) Employee/Manpower Exp.[incl. Outsourcing exp.]	12,580,564	12,211,342
(b) Staff welfare expenses	82,436	74,998
Closing Balance	12,663,000	12,286,340

NOTE 16

FINANCE COSTS	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
Interest expense	161,209	5,320,211
Closing Balance	161,209	5,320,211

NOTE 17

DEPRECIATION AND AMORTIZATION EXPENSE	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
Depreciation (refer note no.6)	15,332,000	16,352,007
Closing Balance	15,332,000	16,352,007

NOTE 18

OTHER EXPENSES	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
Power & Fuel	1,332,805	1,633,739
Audit Fees	149,185	210,680
Legal & Professional Fees	8,780,596	9,716,354
Telephone & Internet Charges	2,919,885	3,600,023
Travelling Expenses	2,820,745	3,184,456
Business Promotion	1,016,754	1,332,341
Rent	1,132,456	1,364,278
Miscellaneous Expense	2,246,574	2,794,145
Closing Balance	20,399,000	23,836,015

YEAR ENDING 31ST MARCH, 2013**SCHEDULE FORMING PART OF ACCOUNTS****Schedule 'K'.****NOTES TO ACCOUNTS:****1. Significant Accounting Policies****(i) Basis of preparation of Financial Statements**

These financial statements have been prepared under the historical cost convention on accrual basis in accordance with the generally accepted accounting principles in India, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India (SEBI) and on the going-concern basis.

(ii) Use of Estimates

The preparation of financial statements requires estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Any revision to accounting estimates is recognized prospectively in current and future periods.

(iii) Fixed Assets

All fixed assets are stated at cost less accumulated depreciation. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their present working condition.

Advances given towards acquisition of fixed assets and the cost of fixed asset not yet ready for their intended use at the balance sheet date are disclosed under capital work-in-progress.

(iv) Depreciation

Depreciation on fixed assets, except energy saving equipments, is provided on Written down value at the rates prescribed under Income Tax Act, 1961. In respect of Energy Saving Equipments depreciation is written off equally over BOOT period.

(v) Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss, if any is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(vi) Foreign Currency Transactions/Translation:

- (a) Transactions denominated in foreign currencies are recorded at the rate of exchange prevailing on the date of transactions.
- (b) Monetary items denominated in foreign currencies at the year end are restated at year end rates.
- (c) Non monetary foreign currency items are carried at cost.
- (d) In respect of branches, which are non-integral operations, all assets and liabilities, both monetary and non-monetary, are translated at closing rate, while all income and expenses are translated at closing rate for the year..
- (e) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the profit and loss account except in cases where they relate to acquisition of fixed assets, in which they are adjusted to the carrying cost of such assets.

(vii) Investments:

Current investments are carried at the lower of the cost/fair value computed category wise. Long-term investments are stated at cost. Cost includes costs incidental to acquisition such as legal costs, investment banking fees etc. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

(viii) inventory:

Inventories are valued after providing for obsolescence, as under:

1. Finished Goods: At lower of weighted average cost or net realizable value
2. Work in Progress : at lower of cost (including related overheads) or net realizable value.
3. Spare Parts : At lower of weighted average cost or net realizable value

Income is generally accounted on accrual basis as they are earned.

(ix) Revenue Recognition:

Income is generally accounted on accrual basis as they are earned.

(x) Provision for Current and Deferred Tax:

Provision for Current tax is made after taking into consideration benefits admissible under the provisions of the Income tax Act, 1961. Deferred tax resulting from "timing differences" between taxable income and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

(xi) Provisions, Contingent liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

2.1 The previous year's figure has been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as integral part of the current year financial statements and are to be read in relation to the amount and other disclosure relating to the current year.

2.2 Micro and Small Scale Business Entities

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at 31st March, 2013. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

2.3 Payment to Auditors:

Particulars	(Amount in Rs.)	(Amount in Rs.)
	2012-2013	2011-2012
Audit Fees	149,185	210,680
Other Services	NIL	NIL
Total	149,185	210,680

2.4 As per the Accounting Standard 18, the disclosure of transactions with the related parties as defined in the accounting standards are given below:

- (i) List of the related parties where control exists and related parties with whom transactions have taken place and relationship:

Sr.No.	Name of the Related party	Relationship	Opening	Debit	Credit	Closing
1	Hydragen Infrastructure Private Limited	Subsidiary Company Advance Given & Refunded	639,631	2,483,520	2,589,820	533,331
2	Maxim Equifin Private Limited	Share holder-Advance Given & Refunded	408,876	4,105,500	152,500	4,361,376
3	Nikhil Morsawala	Chairman-Advance Taken & Repaid	8,412,245	503,621	370,000	8,546,046

2.5. Segment Reporting

The company has identified two reportable segments viz. Power conditioners & savers and Renewable Energy & energy saving appliances. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

The accounting policies adopted for segment reporting are in line with the accounting policy of the company with following additional policies for segment reporting.

- (a) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- (b) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Particulars	Power conditioners & savers		Renewable Energy & energy saving appliances		Total (Rs in Lakhs)	
	2013	2012	2013	2012	2013	2012
Revenue	1,929.36	2,664.26	338.22	486.15	2,267.58	3,150.41
Direct Allocable Costs	1,896.04	2,554.34	331.47	466.41	2,227.51	3,020.75
Segment results	33.32	109.92	6.75	19.74	40.08	129.66
Segment Capital Employed	1,306.83	1,278.84	341.44	331.72	1,648.27	1,610.56
Total Unallocated Capital					246.51	311.05

- 2.6 There is no small-scale undertakings to whom the company owes a sum exceeding Rs. 0.1 million which is outstanding for more than 30 days.
- 2.7 All advances, receivables and payables are subject to confirmation and reconciliation, if any.
- 2.8 Contingent liability - NIL.

2.9 Sales & Purchase quantitative details

The revenues of the company, except for the solar products, is not capable of quantification since it is based either on energy actually saved by the customer of the company or on a complete turnkey basis.

The quantitative details of Solar Products is as follows

Particulars	Opening Balance		Purchase		Sales		Closing Balance	
	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Solar Street Lights	-	-	402	792,744	402	841,260	-	-
Solar Lamps	-	-	356	378,072	356	407,401	-	-
Solar Home Lighting Systems	-	-	103	1,771,188	103	1,964,416	-	-
Solar Water Heating Systems	-	-	119	3,150,882	119	3,548,699	-	-
Solar Modules	-	-	142	1,207,142	142	1,241,463	-	-
	-	-	1,122	7,300,028	1,122	8,003,239	-	-

For **P MURALI & CO.**,
Chartered Accountants

On behalf of the Board
EPIC ENERGY LIMITED

P MURALI MOHANA RAO
Partner
Membership No. 023412
FRN No. 007257S

NIKHIL MORSAWALA
Chairman

ZUBIN PATEL
Director

SANJAY GUGALE
Director

V CHANDRASEKHAR
Executive Director

Place : Mumbai
Date: 30th May, 2013

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013
PURSUANT TO THE LISTING AGREEMENT WITH STOCK EXCHANGE**

	31.03.2013	31.03.2012
CASH FLOW FROM OPERATING ACTIVITY		
Net Profit after appropriation	3,206,087	4,483,688
Add(Less):		
Depreciation	15,332,000	16,352,007
Working Capital Changes	2,515,951	(14,890)
Net Cash from Operating Activity	21,054,038	20,820,805
CASH FROM INVESTMENT ACTIVITY		
Purchase of Fixed Assets	(16,602,232)	(20,927,504)
Sale of Fixed Assets	-	37,000,000
Investment	-	-
Net Cash from investment Activity	(16,602,232)	16,072,496
CASH FROM FINANCING ACTIVITY		
Loan Received / Repaid	(4,419,936)	(37,032,925)
Net Cash from Financing Activity	(4,419,936)	(37,032,925)
Net Changes in Cash and Cash Equivalent	31,871	(139,624)
Opening Cash Balance	712,075	851,699
Closing Cash Balance	743,946	712,075

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(As per Schedule VI, Part IV of the Companies Act, 1956)

I. Registration Details

State Code	11
Registration No.	63103
Balance Sheet Date	31.03.2013

II. Capital raised during the year (Amount in Thousands)

Further Issue	NIL
Bonus Issue	NIL
Private Placement	NIL

III. Position and Development of Fund Flow (Amount in Thousands)

Total Liabilities	220353	Total Assets	220353
Paid Up Capital	67115	Reserve & Surplus	122363

IV. Performance of the Company (Amount in Thousands)

Turnover	226758	Total Expenditure	222750
Profit Before Tax	4008	Profit After Tax	3206
Earnings Per Share	0.48	Dividend Rate	0

V. Generic Name Three Principal Products/Services of the Company

Item Code : N. A.

Description : Energy Saving Devices
Solar Energy Products

For **P MURALI & CO.,**
Chartered Accountants

On behalf of the Board
EPIC ENERGY LIMITED

P MURALI MOHANA RAO
Partner
Membership No. 023412
FRN No. 007257S

NIKHIL MORSAWALA
Chairman

ZUBIN PATEL
Director

SANJAY GUGALE
Director

V CHANDRASEKHAR
Executive Director

Place : Mumbai
Date: 30th May, 2013

**INFORMATION PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956,
SUBSIDIARY COMPANIES**

Name of Subsidiary	Hydragen Infrastructures Pvt Ltd	Green Energy Management Inc.
CiN	U40101KA2001PTC029826	
Financial year of subsidiary ended on	31st March, 2013	31st March, 2013
Shares of the subsidiary held by the company on the above date	100%	100%
Number of Shares	33,334	1,000
Face value	Rs.10/-	USD 1/-
Extent of holding		
I. The net Aggregate of profits or (Losses) for the current period of the Subsidiary Company so far as it concerns the members of the Holding Company		
a. Dealt with or provided for in the accounts of the Holding Company	Nil	Nil
b. not dealt with or provided for in the accounts of the Holding Company	Rs. 206,147	Rs. 6,404,574
II. The net aggregate of profits or losses for previous financial years of the subsidiary so far as it concerns the members of the holding company		
a. dealt with or provided for in the accounts of the holding company	Nil	NIL
b. not dealt with or provided for in the accounts of the holding company	Rs. 307,862	Rs. 16,272,984

**Details of subsidiaries under Section 212(8) of the Companies Act, 1956
for the Financial Year ending 31.03.2013**

		1	2
Srl.No.	Name of Subsidiary	Hydragen Infrastructures Pvt. Ltd.	Green Energy Management Inc.
A	Capital	500,000	41,500
	Paid up Capital	333,340	41,500
	Share Application	-	-
B	Reserves	5,087,918	123,003,553
C	Total Assets	17,171,258	123,045,053
D	Total Liabilities	17,171,258	123,045,053
E	Details of investments [except in case of investment in the subsidiaries)	-	
F	Turnover	2,992,654	268,527,346
G	Profit before taxation	257,684	8,005,718
H	Provision for taxation	51,537	1,601,144
I	Profit after taxation	206,147	6,404,574
J	Proposed dividend	-	-

**AUDITORS' REPORT TO THE BOARD OF DIRECTORS ON THE
CONSOLIDATED FINANCIAL STATEMENTS OF EPIC ENERGY LIMITED
AND ITS SUBSIDIARIES**

We have examined the attached Consolidated Balance Sheet of Epic Energy Limited ("the Company") and its subsidiaries (collectively called "the Group") as at March 31, 2013 & the Consolidated Profit and Loss Account for the year ended on that date.

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements, and it also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit proves a reasonable basis for our opinion.

We report that the Consolidated Financial Statements read with notes thereon, prepared by the Company's management, are, to material extent, in accordance with the requirements of Accounting Standards (AS) 21, 'Consolidated Financial Statements,' issued by the Institute of Chartered Accountants of India and are based on individual financial statements of the Company and its subsidiaries.

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated balance sheet, of the statement of affairs of the Group as at March 31, 2013.
- (b) in the case of consolidated profit and loss account, of the profit of the Group for the year ended on that date .
- (c) in the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

For **P MURALI & CO.**,
Chartered Accountants

P MURALI MOHANA RAO
Partner
Membership No. 023412
FRN No. 007257S

Place : Mumbai
Date: 30th May, 2013

CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2013

	NOTES	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
I. EQUITY AND LIABILITIES			
1.Shareholder's funds			
(a) Share Capital	1	67,115,000	67,115,000
(B) Reserves and Surplus	2	250,454,199	240,637,389
2.Share application money Pending amount		-	-
3.Non-current liabilities			
(a) Long-term borrowings	3	10,864,803	9,767,681
4.Current liabilities			
(a) Short-term borrowings		1,450,202	-
(b) Trade Payable		2,482,000	2,544,600
(c) Other current liabilities	4	6,703,924	6,821,296
(D) Short term provisions	5	36,778,436	39,357,859
	TOTAL	375,848,564	366,243,825
II. ASSETS			
1. Non-current assets			
(a) Fixed assets	6		
(i) Tangible assets		113,073,260	94,922,536
(ii) Capital work-in-progress		-	17,550,600
(b) Non-current investments		-	-
Goodwill on Consolidation		916,660	916,660
(c) Long-term loans and advances	7	92,735,804	91,645,370
(d) Other non-current assets	8	4,500,000	4,500,000
2. Current assets			
(a) Inventories	9	5,268,000	7,750,000
(b) Trade Receivables	10	156,991,699	146,702,031
(c) Cash and cash equivalents	11	849,901	821,609
(d) Short-term loans and advances	12	1,490,270	1,400,564
(E) Other Current Assets	13	22,970	34,455
	TOTAL	375,848,564	366,243,825

Significant accounting policies & other Notes 19

Notes 1 to 18 & 19 form an integral part of Accounts

AUDITOR'S REPORTAs per our separate report
of even date attachedFor **P. MURALI & CO.,**
Chartered Accountants**P. MURALI MOHANA RAO**
Partner
Membership No. 023412
FRN No. 007257SPlace : Mumbai
Date : 30.05.2013**For and behalf of the Board****NIKHIL MORSAWALA** - Chairman**V CHANDRASEKHAR** - Executive Director**ZUBIN RATEL** - Director**SANJAY GUGALE** - Director

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	NDTES	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
INCOME			
Revenue from operations	14	498,278,000	648,970,600
Other income		-	-
Total Revenue		498,278,000	648,970,600
Expenses			
Purchase of Stock-In-Trade		412,464,779	523,830,705
Employee / Manpower Cost	15	21,242,000	21,184,758
Finance costs	16	161,209	5,320,211
Depreciation and amortization expense	17	28,989,000	29,594,030
Other Expenses	18	23,150,000	35,348,840
Total Expenses		486,006,989	615,278,544
Profit before exceptional and Extraordinary items and tax		12,271,011	33,692,056
Exceptional items		-	-
Profit before extraordinary items and tax		12,271,011	33,692,056
Extraordinary items		-	-
Profit before tax		12,271,011	33,692,056
Tax Expense			
- Income Tax paid for earlier years		-	-
- Current Tax		2,454,202	6,737,580
- Deferred Tax		-	-
Profit (Loss) for the period		9,816,809	26,954,475
Earning per share			
(1) Basic		1.46	4.02
(2) Diluted		1.46	4.02

Significant accounting policies & other Notes 19
Notes 1 to 18 & 19 form an integral part of Accounts

AUDITOR'S REPORT

As per our separate report
of even date attached

For **P. MURALI & CO.,**
Chartered Accountants

P. MURALI MOHANA RAO

Partner
Membership No. 023412
FRN No. 007257S

For and behalf of the Board

NIKHIL MORSAWALA - Chairman

V CHANDRASEKHAR - Executive Director

ZUBIN PATEL - Director

SANJAY GUGALE - Director

Place: Mumbai
Date : 30.05.2013

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013**NOTE 1**

	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
SHARE CAPITAL		
AUTHORISED		
1,00,00,000 Equity Shares of Rs. 10/- each	100,000,000	100,000,000
	100,000,000	100,000,000
ISSUED SUBSCRIBED AND PAID UP		
67,11,500 Equity Shares of Rs. 10/- each	67,115,000	67,115,000
	67,115,000	67,115,000

a) Rights, Preferences & restrictions attached to shares**EQUITY SHARES**

The company has only one classes of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one Vote per Share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

Name of Shareholder	31.03.2013		31.03.2012	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Mrs. Veena Nikhil Morsawala	840.10	12.52 %	840.10	12.52 %
Mr. Nikhil Champaklal Morswala	837,965	12.49 %	837,965	12.49 %
Mr. Behram Mehta	1,000,000	14.90 %	1,000,000	14.90 %
Mr. Chandrashekar Lad	621,393	9.26%	689,615	10.28%
M/s. Narayan Securities Private Limited	547,122	8.15%	547,122	8.15%
	3,846,580	57.32%	3,914,802	58.34%

NOTE 2

	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
RESERVE AND SURPLUS		
Opening Balance	207,003,298	185,938,164
General Reserve	8,034,091	8,034,091
Share Premium account	25,600,000	25,600,000
(+) Net Profit/(Net Loss) for the current Year	9,816,809	26,954,475
(-) Proposed Dividend	-	(5,033,625)
(-) tax on proposed Dividend	-	(855,716)
Closing Balance	250,454,199	240,637,389

NOTE 3

	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
LONG TERM BORROWINGS		
Secured Borrowings from Banks	-	-
Un Secured Borrowings other than Banks	10,864,803	9,767,681
Closing Balance	10,864,803	9,767,681

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

NOTE 4

	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
OTHER CURRENT LIABILITIES		
Expenses Payable	6,648,673	6,704,442
Statutory Dues	55,251	116,854
Closing Balance	6,703,924	6,821,296

NOTE 5

	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
SHORT TERM PROVISIONS		
(a) Dividend tax payable	3,422,864	3,422,864
(b) Dividend Payable	-	5,033,625
(c) Unclaimed Dividend	300,675	300,675
(d) Provision for Income Tax	33,054,897	30,600,695
Closing Balance	36,778,436	39,357,859

NOTE 6 & 7... On next page

NOTE 8

	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
OTHER NON-CURRENT ASSETS		
<u>Others (specify nature)</u>		
Shares Application Money		
(a) Jaisons Realty (ASIA) Ltd.	1,500,000	1,500,000
(b) S S Hotels India Pvt. Ltd.	1,500,000	1,500,000
(C) Arihantsidh Properties Pvt. Ltd.	1,500,000	1,500,000
Closing Balance	4,500,000	4,500,000

NOTE 9

	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
INVENTORIES		
(a) Work-in-progress	21,565	13,565
(b) Finished goods	1,230,800	3,509,209
(C) Stores & spares	4,015,635	4,227,226
Closing Balance	5,268,000	7,750,000

NOTE 10

	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
TRADE RECEIVABLES		
(Unsecured and considered good)		
Outstanding for a period exceeding 6 months	-	-
Other debts	156,991,699	146,702,031
Closing Balance	156,991,699	146,702,031

NOTE 11

	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
CASH AND CASH EQUIVALENTS		
Balance with Banks	593,115	473,777
Cash on hand	256,786	347,832
Closing Balance	849,901	821,609

NOTES OF FIXED ASSETS ANNEXED TO AND FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

NOTE 6

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	AS ON 01-04-2012 (Rs.)	PURCHASED DURING THE YEAR (Rs.)	SALES/TRF DURING THE YEAR (Rs.)	AS ON 31-03-2013 (Rs.)	UP TO 01-04-2012 (Rs.)	FOR THE YEAR (Rs.)	DELETIONS (Rs.)	UP TO 31-03-2013 (Rs.)	TOTAL 31-03-2013 (Rs.)	TOTAL 31-03-2012 (Rs.)
Energy Saving Equipment	209,513,721	47,139,725	-	256,653,446	120,346,048	28,743,618	-	149,089,666	107,563,779	89,167,673
Computers	719,610	-	-	719,610	679,819	23,875	-	703,694	15,916	39,791
Furniture	2,317,505	-	-	2,317,505	924,094	139,341	-	1,063,435	1,254,070	1,393,411
Office Equipment	1,186,928	-	-	1,186,928	408,777	77,815	-	486,592	700,336	778,151
Vehicle	76,065	-	-	76,065	32,556	4,351	-	36,906	39,150	43,510
Land and Building	3,500,000	-	-	3,500,000	-	-	-	-	3,500,000	3,500,000
Total	217,313,829	47,139,725	-	264,453,554	122,391,294	28,989,000	-	151,380,294	113,073,260	94,922,536
Previous Year	219,203,069	35,110,760	37,000,000	217,313,829	92,797,264	29,594,030	-	122,391,294	94,922,536	126,405,806

NOTE 7

LONG TERM LOANS AND ADVANCES (Unsecured and considered good)	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012 [Rs.]
Security Deposit.	1,370,046	2,528,739
Other loans and advances	91,365,758	89,116,631
Closing Balance	92,735,804	91,645,370

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

NOTE 12	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
(Unsecured and considered good) Tax deducted at source	1,490,270	1,400,564
Closing Balance	1,490,270	1,400,564

NOTE 13	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
OTHER CURRENT ASSETS		
Misc. Expenses to the extent not written off	22,970	34,455
Closing Balance	22,970	34,455

NOTE 14	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
REVENUE FROM OPERATIONS		
Energy Solution Division	498,278,000	648,970,600
Closing Balance	498,278,000	648,970,600

NOTE 15	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
EMPLOYEE BENEFITS EXPENSES		
(a) Employee/Manpower Exp.[incl. Outsourcing exp.]	21,212,245	20,847,292
(b) Staff welfare expenses	29,755	337,466
Closing Balance	21,242,000	21,184,758

NOTE 16	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
FINANCE COSTS		
Interest expense	161,209	5,320,211
Closing Balance	161,209	5,320,211

NOTE 17	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation (refer note no.6)	28,989,000	29,594,030
Closing Balance	28,989,000	29,594,030

NOTE 18	AS AT 31.03.2013 [Rs.]	AS AT 31.03.2012[Rs.]
OTHER EXPENSES		
Power & Fuel	1,285,712	1,809,756
Outstanding Expenses	4,634,312	9,845,890
Audit Fees	193,876	277,680
Legal & Professional Fees	5,840,442	9,791,954
Telephone & Internet Charges	3,966,768	3,966,768
Travelling Expenses	2,358,401	3,513,406
Business Promotion	1,130,555	1,332,341
Rent	1,876,542	1,996,507
Miscellaneous Expenses	1,863,393	2,814,539
Closing Balance	23,150,000	35,348,840

YEAR ENDING 31ST MARCH, 2013**NOTE 19****Principles of consolidation:**

The accompanying financial statements include the accounts of Hydragen Infrastructure Private Limited, which is a 100 percent subsidiary of the company and Green Energy Management Inc, USA which is 100 percent subsidiary of Hydragen Infrastructure Private Limited

1. Significant Accounting Policies**(i) Basis of preparation of Financial Statements**

These financial statements have been prepared under the historical cost convention on accrual basis in accordance with the generally accepted accounting principles in India, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India (SEBI) and on the going-concern basis.

(ii) Use of Estimates

The preparation of financial statements requires estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Any revision to accounting estimates is recognized prospectively in current and future periods.

(iii) Fixed Assets

All fixed assets are stated at cost less accumulated depreciation. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their present working condition.

Advances given towards acquisition of fixed assets and the cost of fixed asset not yet ready for their intended use at the balance sheet date are disclosed under capital work-in-progress.

(iv) Depreciation

Depreciation on fixed assets, except energy saving equipments, is provided on Written down value at the rates prescribed under Income Tax Act, 1961. In respect of Energy Saving Equipments depreciation is written off equally over BOOT period.

(v) Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss, if any is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(vi) Foreign Currency Transactions/Translation:

- (a) Transactions denominated in foreign currencies are recorded at the rate of exchange prevailing on the date of transactions.
- (b) Monetary items denominated in foreign currencies at the year end are restated at year end rates.
- (c) Non monetary foreign currency items are carried at cost.
- (d) In respect of branches, which are non-integral operations, all assets and liabilities, both monetary and non-monetary, are translated at closing rate, while all income and expenses are translated at closing rate for the year..
- (e) Any income or expense on account of exchange difference either on settlement or

on translation is recognized in the profit and loss account except in cases where they relate to acquisition of fixed assets, in which they are adjusted to the carrying cost of such assets.

(vii) Investments:

Current investments are carried at the lower of the cost/fair value computed category wise. Long-term investments are stated at cost. Cost includes costs incidental to acquisition such as legal costs, investment banking fees etc. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

(viii) Inventory:

Inventories are valued after providing for obsolescence, as under:

1. Finished Goods: At lower of weighted average cost or net realizable value
2. Work in Progress : at lower of cost (including related overheads) or net realizable value.
3. Spare Parts : At lower of weighted average cost or net realizable value.

(ix) Revenue Recognition

Income is generally accounted on accrual basis as they are earned.

(x) Provision for Current and Deferred Tax:

Provision for Current tax is made after taking into consideration benefits admissible under the provisions of the Income tax Act, 1961. Deferred tax resulting from "timing differences" between taxable income and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

(xi) Provisions, Contingent liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

NOTES TO ACCOUNTS:

2.1 The previous year's figure has been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as integral part of the current year financial statements and are to be read in relation to the amount and other disclosure relating to the current year.

2.2 Micro and Small Scale Business Entities

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at 31st March, 2013. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

2.3 Payment to Auditors:

Particulars	(Amount in Rs.) 2012-2013	(Amount in Rs.) 2011-2012
Audit Fees	193,876	277,680
Other Services	NIL	NIL
Total	193,876	277,680

2.4 As per the Accounting Standard 18, the disclosure of transactions with the related parties as defined in the accounting standards are given below:

(i) **List of the related parties where control exists and related parties with whom transactions have taken place and relationship:**

Sr.No.	Name of the Related party	Relationship	Opening	Debit	Credit	Closing
1	Hydragen Infrastructure Private Limited	Subsidiary Company Advance Given & Refunded	639,631	2,483,520	2,589,820	533,331
2	Maxim Equifin Private Limited	Share holder-Advance Given & Refunded	408,876	4,105,500	152,500	4,361,376
3	Nikhil Morsawala	Chairman-Advance Taken & Repaid	8,412,245	503,621	370,000	8,546,046

2.5. Segment Reporting

The company has identified two reportable segments viz. Power conditioners & savers and Renewable Energy & energy saving appliances. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

The accounting policies adopted for segment reporting are in line with the accounting policy of the company with following additional policies for segment reporting.

- Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Particulars	Power conditioners & savers		Renewable Energy & energy saving appliances		Total (Rs in Lakhs)	
	2013	2012	2013	2012	2013	2012
Revenue	4,355.71	5,627.14	627.07	862.56	4,982.78	6,489.70
Direct Allocable Costs	4,251.21	5,341.61	608.86	811.17	4,860.07	6,152.78
Segment results	104.50	285.53	18.21	51.39	122.71	336.92
Segment Capital Employed	2,504.35	2,426.28	346.79	335.66	2,851.14	2,761.94
Total Unallocated Capital					324.56	374.47

2.6 There is no small-scale undertakings to whom the company owes a sum exceeding Rs. 0.1 million which is outstanding for more than 30 days.

2.7 All advances, receivables and payables are subject to confirmation and reconciliation, if any.

2.8 Contingent Liability - NIL

2.9 Sales & Purchase quantitative details

The revenues of the company, except for the solar products, is not capable of quantification since it is based either on energy actually saved by the customer of the company or on a complete turnkey basis.

The quantitative details of Solar Products is as follows:

Particulars	Opening Balance		Purchase		Sales		Closing Balance	
	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Solar Street Lights	-	-	402	792,744	402	841,260	-	-
Solar Lamps	-	-	356	378,072	356	407,401	-	-
Solar Home Lighting Systems	-	-	103	1,771,188	103	1,964,416	-	-
Solar Water Heating Systems	-	-	119	3,150,882	119	3,548,699	-	-
Solar Modules	-	-	142	1,207,142	142	1,241,463	-	-
	-	-	1,122	7,300,028	1,122	8,003,239		

For **P MURALI & CO.**,
Chartered Accountants

On behalf of the Board
EPIC ENERGY LIMITED

P MURALI MOHANA RAO
Partner
Membership No. 023412
FRN No. 007257S

NIKHIL MORSAWALA
Chairman

ZUBIN PATEL
Director

SANJAY GUGALE
Director

V CHANDRASEKHAR
Executive Director

Place : Mumbai
Date: 30th May, 2013

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013
PURSUANT TO THE LISTING AGREEMENT WITH STOCK EXCHANGE**

	31.03.2013	31.03.2012
CASH FLOW FROM OPERATING ACTIVITY		
Net Profit after appropriation	9,816,809	21,065,134
Add(Less):		
Depreciation	28,989,000	29,594,030
Misc. Expenses W / off	11,485	11,485
Working Capital Changes	(9,206,566)	(10,134,599)
Net Cash from Operating Activity	29,610,728	40,536,051
CASH FROM INVESTMENT ACTIVITY		
Purchase of Fixed Assets	(29,589,125)	(33,404,100)
Sales of Fixed Assets	-	(37,000,000)
Investment	-	-
Net Cash from investment Activity	(29,589,125)	3,595,900
CASH FROM FINANCING ACTIVITY		
Loan Received	6,688	(50,901,358)
Net Cash from Financing Activity	6,688	(50,901,358)
Net Changes in Cash and Cash Equivalent	28,291	(6,769,407)
Opening Cash Balance	821,609	7,591,016
Closing Cash Balance	849,901	821,609

For **P. MURALI & CO.**,
Chartered Accountants

On behalf of the Board
EPIC ENERGY LIMITED

P. MURALI MOHANA RAO
Partner
Membership No. 023412
FRN No. 007257S

NIKHIL MORSAWALA
Chairman

ZUBIN PATEL
Director

SANJAY GUGALE
Director

V CHANDRASEKHAR
Executive Director

Place : Mumbai
Date: 30th May, 2013

OUR MISSION

- TO BE A KEY PLAYER IN THE INTERNATIONAL MISSION OF REDUCING THE IMPACT OF GLOBAL WARMING BY...
- EMPOWERING EVERY CITIZEN OF THE WORLD WITH THE KNOWLEDGE & ABILITY TO USE PRODUCTS THAT SAVE POWER
- USING RENEWABLE ENERGY PRODUCTS IN DAY TO DAY LIFE BECAUSE...
- "I AM MYSELF & WHAT IS AROUND ME, AND IF I DO NOT SAVE IT, IT SHALL NOT SAVE ME"

"Energy Efficiency is the 'fifth fuel' after coal, gas, renewables and nuclear. Today, it is the lowest-cost alternative and is emissions free. It should be our first choice in meeting our growing demand for electricity, as well as in solving the climate challenge..."

"... Universal access to electricity was a 20th Century idea now it has to be universal access to energy efficiency..."

Registered Office

304 - A Wing, Winsway Complex, Old Police Lane, Opp. Andheri Station,
Andheri (East), Mumbai- 400 069.
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