

- h. The company has commenced commercial operations since April 2007.
- i. The right to use agreement for power plant executed during 1994 is for a period of thirty years and the supplementary agreement executed in the year 2003 also is for a period of thirty years and provides for transfer of the Power Plant in favour of the user at an agreed salvage value of Rs 10,000,000. The owner has agreed to effect the conveyance of power plant in favour of the user at the end of the agreed period.

3. During the year the Company has provided depreciation on Power Plant, as required by the resolution passed by CERC dated 29.03.2004, effective from 01.04.2004. The rate of Depreciation specified in the Appendix II of the said circular is 3.6% p.a. on the straight-line basis on historical value less 10% residual value of the asset.

4. The quantum of banked power as on 31.03.2011 was 5,52,22,736 units (previous year 2,56,22,579 units) which has been shown as stocks in hand at Cost amounting to Rs 18,75,31,994.79 (Previous Year Rs 11,04,99,621). The stock of Raw Material as on 31.03.11 is 1801.08 MT (previous year 1154.14 MT) aggregating to Rs 21.88 lacs (Previous year Rs 18.73 lacs). The stock of consumables as on balance sheet date is Rs 41.95 lacs (Previous year Rs 10.42 lacs)

5. Deferred Tax liability of Rs. 1,21,70,174 (Previous Year Deferred Tax Asset of Rs. 6,04,419) for the current year has been recognized in books of accounts during the year. Deferred Tax Liability booked in the accounts is mainly on account of timing difference in Depreciation charged under the Income Tax Act and the Companies Act.

6. During the year Yes Bank Limited sanctioned sales invoice discounting facility of Rs 500,000,000. The facility was secured by way of first and exclusive charge on Company's moveable and immoveable assets, both present and future, including receivables, personal guarantee of the promoters of the Company and pledge of 30% of the shareholdings of the Company. The facility has since been repaid and as on 31<sup>st</sup> March 2011, there are no outstanding dues.

7. The Company is enjoying a overdraft facility / Stand by letter of credit facility / letter of credit / Bank guarantee limit of Rs 300,000,000 secured by way of 100% margin in the form of Fixed Deposit Receipts (FDRs), placed with Yes Bank Limited, in the name of the Company to the extent of facility utilized.

8. Contingent Liability for Capital Account Contracts - As on 31.03.2011 the Company has no Material Contracts pending for execution.

9. During the year the company bankers have issued letters of credit in favour of its suppliers, all of which are against 100% margin of Fixed Deposits of the Company. The Commission paid to the bank during the year for opening of stand by LCs are debited to profit and loss account.

10. The Company has an ongoing arbitration against Karnataka Power Transmission Company Limited with regard to cancellation of Power Purchase Agreement. The matter is pending before the arbitrator.

11. Payment to Auditors:

	Current Year	Previous Year
- Audit fees (exclusive of Service Tax)	Rs. 15,00,000	Rs.15,00,000
- Other Matters	Rs. Nil	Rs. 15,160

12. During the year the company made provisions for Gratuity for an amount of Rs. 3,94,943 (previous year Rs 20,65,950) as per the actuarial Valuation obtained by the company. The has been consistent in paying its EPF and ESI liabilities.

13. In the opinion of the Board of Directors, the Current Assets, Loans & Advances are having the value at which they are stated in the Balance Sheet if realized in the ordinary course of business.

14. Some sundry debtors and creditors and certain assets and liabilities are subject to reconciliation and confirmation.


  
 For GLOBAL ENERGY PRIVATE LIMITED
   
 Authorised Signatory



GLOBAL ENERGY PRIVATE LIMITED

Rs in lacs

As at 31.03.2011	As at 31.03.2010
------------------	------------------

(15) Value of imports on C.I. F. basis	NIL	NIL
(16) Expenditure in foreign Currencies	1,057.73	397.86
(17) Earning in Foreign Currencies	NIL	NIL
(18) Managerial Remuneration	737.04	507.67

(19) Details of Raw Material Consumption & Stocks

	Qty. (M T)	Rupees (in lacs)	Qty. (M T)	Rupees (in lacs)
(a) Raw Material Consumed (major Raw Materials - Bagasse, Rice Husk and Coal)	18,481.09	301.56	17,133.32	269.47
(b) Imported & Indigenous Raw Material Consumption				
Imported	NIL	NIL	NIL	NIL
Indigenous	100%	301.56	100%	269.47

(20) Details of Licence & Installed Capacity, Production & Turnover

Class of Goods	Qty	Rupees (in lacs)	Qty	Rupees (in lacs)
(1) Electricity Generation & Trading *				
(i) Licensed Capacity	20 Megawatts		20 Megawatts	
(ii) Installed Capacity	5 Megawatts		5 Megawatts	
(iii) Generation & Purchase	Units	185,841.80	1,379,286,899	84,675.04
(iv) Stock at Closure of Banked Electricity	units	1,875.32	25,622,579	1,105.00
(v) Turnover **	Units	210,722.40	1,362,977,329	96,945.56

The Company is maintaining proper records of inventory. The raw material for generation of electricity being bulky in nature, the inventory is maintained based on the physical verification and visual estimation.

\* Since the Company operates across the entire holistic supply chain of electricity, the figures have been clubbed together.

\*\* Subject to transmission losses / surpluses and retention by state utility for banking facility



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For GLOBAL ENERGY PRIVATE LIMITED

Authorized Signatory



GLOBAL ENERGY PRIVATE LIMITED									
(21) Related Party Disclosure									
Name of the Party	Harry Dhaul	Saxmi Dhaul	Karan Dhaul	Mikhail Dhaul	BhaktiVeda Dhaul	Shrestha Dhaul	Juhi Dhaul	Indian Electron Exchange Ltd.	Fusion Energy Technologies
Relationship	Promoter, Shareholder	Promoter Shareholder	Director	Director	Relative of Director	Relative of Director	Relative of Director	Associate Company	Associate Company
Nature	Remuneration	Remuneration	Remuneration	Remuneration	Remuneration	Remuneration	Remuneration	Payments made / expenses incurred by reporting enterprise towards application of shares	
a) Remuneration									
b) Payment of Lease rental for property taken on lease by reporting enterprise	Payment of Lease rental for property taken on lease by reporting enterprise	Payment of Lease rental for property taken on lease by reporting enterprise	Payment of Lease rental for property taken on lease by reporting enterprise	Payment of Lease rental for property taken on lease by reporting enterprise	Payment of Lease rental for property taken on lease by reporting enterprise	Payment of Lease rental for property taken on lease by reporting enterprise	Payment of Lease rental for property taken on lease by reporting enterprise	Consultancy fees paid by reporting enterprise	
c) Interest paid by reporting enterprise									
d) Loan accepted by reporting enterprise									
e) Loan repaid by reporting enterprise									
Amount	a) 4,980,000 b) 10,118,000 c) 3,697,994 d) 50,000,000 e) 12,900,000	3,600,000 5,294,400	15,697,348 500,000	15,356,725 600,000	588,000 3,000,000	588,000	588,000	2,611,372 900,000	
Outstanding Balances	37,466,773	41,342	5,077,094	5,143,960	71,849	Nil	Nil	17,032,282	Nil
Amount Written off	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1,840,573

Note: Only current year transactions are disclosed.



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For GLOBAL ENERGY PRIVATE LIMITED

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Authorised Signatory



GLOBAL ENERGY PRIVATE LIMITED (21) Related Party Disclosures		Belgundi Cements Pvt. Ltd		Pall Dhaul		Suresh V		Unnikrishnan		I.M. Dhaul		Mr. Gen. M.S. Pathania (Retd)		Essence X Publications Pvt. Ltd		Indian Eye Security Private Limited		Shiv Shakti Private Limited		
Name of the Party	Relationship	Subsidiary	Promoter Shareholder	Director	Director	Promoter Shareholder	Director	Director	Director	Promoter Shareholder	Director	Director	Associate Company	Associate Company	Associate Company	Associate Company	Associate Company	Associate Company	Associate Company	
Nature	Lease Rental Paid	Rental Charges paid by reporting Enterprise	Remuneration	Remuneration	Remuneration	Rental Charges paid by reporting Enterprise	Remuneration	Remuneration	Remuneration	Rental Charges paid by reporting Enterprise	Remuneration	Remuneration	Consistency charges paid by reporting enterprise	Payments made / expenses incurred by reporting enterprise towards application of states	Professional fees paid by reporting enterprises	Professional Fees paid by reporting enterprises				
Amount	12,000,000	930,000	20,650,000	20,650,000	20,650,000	930,000	1,355,000	120,000	21,191,635	250,000	12,000,000	930,000	1,355,000	120,000	21,191,635	250,000				
Outstanding Balances	12,090,047	Nil	10,223,905	10,248,292	Nil	Nil	Nil	521,294	794,160	25,000	12,000,000	930,000	1,355,000	120,000	21,191,635	250,000				
Amount Written off	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil				

Note: Only current year fig.



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For GLOBAL ENERGY PRIVATE LIMITED

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Authorised Signatory



22. The Company is not having complete data on the status of the suppliers registered under the Micro, Small and Medium Enterprises Development Act (MSMED) Act, 2006. Hence it is not possible to state the unpaid overdue amount as on 31.03.2011 to small scale and / or ancillary industrial suppliers on account of principle amount.

23. During the year the Company has entered into an agreement for taking on lease a guest house at Mumbai from promoter Shareholder.

24. During the year the Company has credited Belgundi Cement Private Limited's account with Rs 1.20 crores (previous year Rs 1.20 crores) towards lease rentals payable to them as per right to use agreements. The principal amount payable to them is Rs 7.53 lacs (Previous year Rs 6.82 lacs) which is capitalized as Power Plant in the books of accounts and the balance amount of Rs112.46 lacs (Previous year 113.17 lacs) is payable towards interest. The Company has debited their account for payments made and expenses incurred on their behalf for Rs139 lacs (Previous year Rs 40.25 lacs). The outstanding balance on account of lease rentals as at the end of the year is Rs 120.90 lacs (previous year 139.91 lacs), including opening payable balance of Rs139.91 lacs(Previous year Rs 60.16 lacs).

25. The investments made by the Company during the year are as under –

- a. India Electron Exchange Limited – The Company during the year has paid / incurred expenses of Rs 26,11,371 treated as application for shares of India Electron Exchange Limited, which is treated as investment as per the agreement entered into with them. The aggregate share application money paid by the Company as on 31.03.2011 is Rs 170.32 lacs. (Previous year Rs 144.21 lacs).
- b. Indian Eye Security Private Limited - During the year the company paid / incurred expenses of Rs 2,11,91,634.91,(Previous year Rs 95,00,000) treated as share application money for the shares of Indian Eye Security private Limited, which is disclosed as Investment in the books of the Company.
- c. The other investments appearing in the financials as on 31.03.2010 are as under
  - 1. Sukhashanti Estates Private Limited – 350,500 Fully paid equity shares of Rs 10 each aggregating to Rs 961 lacs (previous year Rs 961 lacs)
  - 2. Gold Bullion with ICICI Bank (100 Gram Bar – 24 Carat -99.90) Rs 65.08 lacs, at cost
  - 3. Belgundi Cements Private Limited (Subsidiary Company) – 2,85,000 preference shares of Rs 100 each aggregating to Rs 285 lacs and 14,970 equity shares of Rs 100 each aggregating to Rs 1441.42

26. During the year the Company booked the accrued income of dividend of Rs 11.40 lacs (Previous year Rs 11.40 Lacs) on the 4% cumulative preference shares of its subsidiary company Belgundi Cements Private Limited.

27. During the year the Company has written off the advance amount of Rs 18,40,573 paid to an associate company, Fusion Energy Technology Private Limited, since the name of the Fusion Energy Technology has been stricken off the register maintained by the Registrar of the Companies.

28. The company operates across the entire holistic supply chain of electricity comprising the business of generation, trading, banking, brokerage of electricity in addition to trading in energy certificates and energy derivatives. The operations of the Company are integrated and the entire Revenues of the Company are from this holistic supply chain of Electricity. The Company does not perceive itself as operating into different segments.

29. The company has incurred foreign currency and rupee expenditure on business promotion by sponsoring events where Indian Policy makers and regulators have participated thereby creating a brand image of the company translating into a higher turnover on year on year basis, benefitting from the knowledge and the access available to the company through these events. The company has been able to take advantage of the new business opportunities that are arising out of the regulatory and policy initiatives in the energy sector.

30. The company operates across the entire holistic supply chain of electricity comprising the business of Generation, trading, banking, brokerage of electricity in addition to trading in energy certificates and energy derivatives. The input include the purchases for the entire holistic supply chain of electricity. The Income from operation is aggregate of sale across the holistic chain of electricity including the net discounts earned.

31. During the year the Company commenced the operations of its Homeland Security Division.



For GLOBAL ENERGY PRIVATE LIMITED

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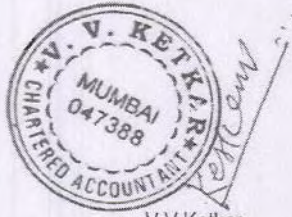
# GLOBAL ENERGY PRIVATE LIMITED

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32. Schedule Nos. 1 to 18 form an integral part of the Balance Sheet and Profit & Loss Account.

33. Previous years' figures have been regrouped and recast wherever necessary

As per our report attached



V V Ketkar  
Chartered Accountant  
Membership 047388

For and on behalf of the Board of Directors

Maj. Gen N S Pathania (Retd.)  
(Managing Director)

Unnikrishnan K Vishwanathan V Suresh  
(Director)

(Director)

Karan Dhaul  
(Director)

M Dhaul  
(Director)

Vikas Gupta  
(Co. Secretary)

Place: New Delhi  
Date: 02/9/11

A S Baweja  
(Chief Financial Officer)

Vikram Khosla  
(Financial Controller)

For GLOBAL ENERGY PRIVATE LIMITED

Authorised Signatory



GLOBAL ENERGY PRIVATE LIMITED

Balance Sheet Abstract and Company's General Business Profile (Part IV)

31.03.2011

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I. Registration Details

Registration No.	1663
State Code.	24
Balance Sheet Date	31.03.2011

II. Capital Raised during the year ended 31st March, 2011 (Rs. In Lacs)

Public Issue	Nil
Rights Issue	Nil
Bonus Issue	Nil
Private Placement	Nil
Others (against share application money)	Nil

III. Position of Mobilisation and Deployment of funds as at 31st March, 2011

Rupees in lacs

Total Liabilities	11,742.31
Total Assets	11,742.31
<b>Sources of funds</b>	
Paid up Capital	2,959.16
Reserves & Surplus	5,505.64
Share Application Money	3.40
Secured Loans	2,933.15
Unsecured Loans	-
Deferred Creditors	296.17
Deferred Tax Liability	44.78
	<u>11,742.30</u>
<b>Application of Funds</b>	
Net Fixed Assets	5,952.77
Investments	2,991.72
Net Current Assets	2,797.81
Miscellaneous Expenditure	-
Deferred Tax Asset	-
	<u>11,742.30</u>

IV. Performance of the Company for year Ended 31st March, 2011

(i) Turnover (Net Income from Operations and other income)	211,026.50
(ii) Total Expenditure	206,339.11
(iii) Profit before Tax	4,687.38
(iv) Profit after Tax	3,181.97
(v) Earning per Share (in Rs.)	10.80
(vi) Dividend Rate%	0%

V. Products of the Company

Item Code No.(ITC Code)

Product Description

Generation of Electricity & Trading in Electricity

Notes :

(1) The above particulars should be read alongwith the Balance Sheet as at 31st March, 2011 the Profit & Loss Account for the year on that date and the Schedules forming part thereof.

For and on behalf of board of Directors

Maj. Gen. N. S. Pathania(Retd) (Managing Director)	Unnikrishnan K. Viswanathan (Director)	Suresh V (Director)
Karan Dhaut (Director)	Mikhail Dhaut (Director)	Vikas Gupta (Company Secretary)
A.P. Bhatnagar (Chief Electrical Officer)	Vikram Khosla (Financial Controller)	

02/04/11

For GLOBAL ENERGY PRIVATE LIMITED

Authorised Signatory

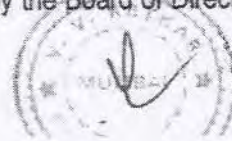


AUDIT REPORT

To,

THE MEMBERS OF  
GLOBAL ENERGY PRIVATE LIMITED

- 1) We have audited the attached Balance Sheet of Global Energy Private Ltd. As at 31<sup>st</sup> March, 2010 and also the Profit and loss Account for the year on the 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.
- 2) We have 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 amount 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.
- 3) As required by the companies (Auditors Report) Order, 2003 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 paragraph 4 & 5 of the said order.
- 4) 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 purpose of our audit.
  - ii. In our opinion proper books of accounts as required by law have been kept by the company, so far as appears from our examination of these books.
  - iii. The Balance Sheet, Profit & Loss Account dealt with by this report are in agreement with the books of account.
  - iv. In our opinion, the Balance Sheet and Profit and Loss Account 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 the written representation received from the directors, as on 31<sup>st</sup> March 2010 and taken on record by the Board of Directors we report that none of the



For GLOBAL ENERGY PRIVATE LIMITED

Authorized Signatory




directors is disqualified as on 31<sup>st</sup> March 2010 from being appointed as a directors in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.

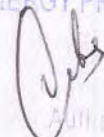
- a) In our opinion and to the best of our information and according to the explanation given to us, the said accounts, read together with the significant Accounting policies and notes appearing thereon as contained in Schedule 18, give the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, subject to **Non Disclosure of Segment Reporting as required by AS 17 refer to note no31 of Notes to accounts.**
- A. In the case of the Balance Sheet of the State of affairs of the Company as at 31<sup>st</sup> March 2010,
- B. In the case of the Profit and loss Account, of the profit for the year ended on that date.
- C. In the case of cash flow statement, of the cash flows for the year ended on that date.

Place: New Delhi  
Date: 14.09.2010

*Ketkar*  
Sd/-  
V V Ketkar  
Chartered Accountant  
Membership No 047388



For GLOBAL ENERGY PRIVATE LIMITED



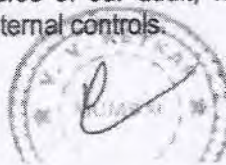
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ANNEXURE TO THE AUDITORS REPORT

(Referred to in Paragraph 3 of our Report of even date)

- i.
  - a) The Company has maintained proper records to show full particulars, including quantitative details and situation of the fixed assets.
  - b) According to the information and explanations given to us all the assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
  - c) In our opinion according to the information and explanations given to us, the company has not disposed off a major or any part of plant and machinery during the year.
  
- ii.
  - a) As per the information and explanations given to us, the inventory has been physically verified by the management during the year. However in certain items the inventories were verified by the management on visual estimation, which have been relied upon by us. In our opinion, the frequency of the verification is reasonable, but the system of verifications requires further improvements.
  - b) In our opinion, the procedure of the physical verification of the inventories followed by the company is reasonable and adequate in relation to the size of the company and the nature of its business.
  - c) On the basis of examination of the records of the company, we are of the opinion that the company is maintaining proper records of inventory. However in certain cases of raw material for generation of electricity, the raw material being bulky, the inventory and consumption records are based on visual estimation for the other inventory no material discrepancies are noticed on verification between the physical stocks and the book records. The discrepancies noted based on physical and visual verifications, if any as compared to the book records were not material in nature and have been properly dealt with in the books of accounts.
  
- iii.
  - a) During the year the Company has not granted Loans / Advances to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
  - b) During the year the company has not taken any secured or unsecured loan from the companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956.
  - c) Since the company has not taken any secured or unsecured loans from the companies, firms or other parties covered under the register maintained under section 301 of the Companies Act 1956, Clause (III) (f) and (g) of the order are not applicable.
  
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to sale of goods. During the course of our audit, we have not observed any continuing failure to correct weakness in internal controls.



For GLOBAL ENERGY PRIVATE LIMITED

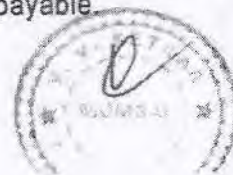
Authorised Signatory



- v. a) Based on the audit procedure applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the values of Rupees 500,000 only, in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time except the transactions which are unique in nature, detailed as under –

Sr No	Number of Entities	Nature of Transaction	Amount (Rs.)
1	1	Lease Rentals for Right to use Agreement	1,20,00,000

- vi. The company has not accepted deposits from public under section 58A & 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 and the rules framed there under.
- vii. In our opinion, the company has an adequate system of internal audit commensurate with size and nature of its business.
- viii. We have broadly reviewed the books of accounts maintained by the Company in respect of Electricity Generation activity where pursuant to the Rules made by the Central Government, the maintenance of Cost Records has been prescribed under section 209(1) (d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- ix. a) According to the records of the company, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Cess and any other statutory dues with the appropriate authorities, though there has been slight delay in few cases. In few cases tax to be deducted at source was not deducted and deposited in time and in some cases service tax was not paid in time. The aggregate amount outstanding at the end of the year and due for more than 6 months is Rs.36,78,469 on account of TDS (Tax deducted at Source) and Rs 57,943 on account of service tax, which has since been paid.
- b) According to information and explanations given to us, there were no undisputed amounts payable in respect of Provident fund, Employees State Insurance, Income tax, Sales tax, Wealth Tax, Service Tax, Customs duty, Excise Duty, Cess, Works Contract and other material statutory dues applicable to it, which have remained outstanding as at 31st March, 2010 for a period of more than six months from the date they became payable.



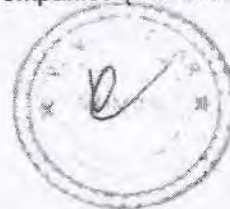
For GLOBAL ENERGY PRIVATE LIMITED

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Authorised Signatory



- (c) According to information and explanations given to us, there were no dues of Provident fund, Employees State Insurance, Income tax, Sales tax, Wealth tax, Service Tax, Customs duty, Cess, Works Contract and other material statutory dues applicable to it, which has been not deposited on account of any dispute as at the last day of the financial year.
- x. The Company has no accumulated losses and has not incurred cash losses during the financial year covered by our audit or in the immediately preceding financial year.
- xi. The Company has taken loans from banks and there are no defaults on account of repayment of principal and interest, the Company has not issued debentures.
- xii. In our opinion and according 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. In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xiv. The Company is not dealing in or trading in shares securities debentures and other investments accordingly the provisions of clause 4 (xiv) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
- xv. The Company has not given guarantees, for the loans taken by others, from banks or financial institutions.
- xvi. The company has obtained term loans from banks or financial institutions and the loans have been used for the purpose for which they were obtained.
- xvii. During the year the Company did raise short term loans. Funds raised for short term were not been used for long term purposes.
- xviii. During the year the Company has not made any preferential allotment of shares and warrants to parties covered in the register maintained under section 301 of the Act.
- xix. During the period covered by the audit report, the company has not issued any debentures, accordingly provisions of clause 4 (xix) of the Companies (Auditors Report) Order 2003 are not applicable to Company.
- xx. During the year under reporting, the company has not raised any money by way of public issue accordingly provisions of clause 4 (xx) of the Companies (Auditors Report) Order 2003 are not applicable to Company.



For GLOBAL ENERGY PRIVATE LIMITED

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Authorised Signatory



- 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.

Place: New Delhi  
Date: 14.09.2010

*Ketkar*

V V Ketkar  
Chartered Accountant  
Membership No 047388



For GLOBAL ENERGY PRIVATE LIMITED

Authorised Signatory



31.03.2010

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I. Registration Details

Registration No. 1663  
 State Code. 24  
 Balance Sheet Date 31.03.2010

II. Capital Raised during the year ended 31st March, 2010 (Rs. In Lacs)

Public Issue Nil  
 Rights Issue Nil  
 Bonus Issue Nil  
 Private Placement Nil  
 Others (against share application money) Nil

III. Position of Mobilisation and Deployment of funds as at 31st March, 2010

	<u>Rupees in lacs</u>
Total Liabilities	11,742.31
Total Assets	11,742.31
Sources of funds	
Paid up Capital	2,959.16
Reserves & Surplus	5,505.64
Share Application Money	3.40
Secured Loans	2,933.16
Unsecured Loans	-
Deferred Creditors	296.17
Deferred Tax Liability	44.78
	<u>11,742.31</u>
Application of Funds	
Net Fixed Assets	5,952.77
Investments	2,991.72
Net Current Assets	2,797.82
Miscellaneous Expenditure	-
Deferred Tax Asset	-
	<u>11,742.31</u>

IV. Performance of the Company for year Ended 31st March, 2009

(i) Turnover (Net Income from Operations and other income)	99,124.60
(ii) Total Expenditure	94,443.85
(iii) Profit before Tax	4,680.72
(iv) Profit after Tax	3,126.86
(v) Earning per Share (in Rs.)	10.57
(vi) Dividend Rate%	25%

V. Products of the Company

Item Code No.(ITC Code)

Product Description

Generation of Electricity & Trading in Electricity

Notes :

(1) The above particulars should be read alongwith the Balance Sheet as at 31st March, 2010 the Profit & Loss Account for the year on that date and the Schedules forming part thereof.

As per our attached Report of even date

V V Kerkar  
 Chartered Accountant  
 M. No. 047385  
 Place : New Delhi  
 Date: 14.09.2010



For and on behalf of board of Directors

Maj. Gen. N. S. Pathania (Retd) Managing Director  
 Umakrishnan K. Vasanthanathan Director  
 Suresh V Director  
 Karan Dhaval Director  
 Mihir Dhaval Director  
 N.K. Mishra (Company Secretary)  
 A.S. Sawaja (Chief Financial Officer)

For GLOBAL ENERGY PRIVATE LIMITED

*[Signature]*  
 Authorised Signatory



GLOBAL ENERGY PRIVATE LIMITED

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Balance Sheet As At 31.03.2010

Particulars	Schedules	As at 31st Mar, 2010 Amount (Rs.)	As at 31st March, 2009 Amount (Rs.)
<b>SOURCES OF FUNDS</b>			
<b>Shareholders Funds</b>			
Share Capital	1	295,916,260	(295,916,260)
Reserves & Surplus	2	550,564,100	324,428,210
Share Application Money		340,056	340,056
<b>Loan Funds</b>			
Secured Loans	3	293,314,844	74,622,936
Unsecured Loans	4	.	375,000
Deferred Creditors		29,617,300	29,617,300
Deferred Tax Liability		4,478,149	5,082,568
<b>Total</b>		<b>1,174,230,709</b>	<b>730,382,330</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block		748,405,342	632,668,076
Less: Depreciation		153,128,330	104,148,384
Net Block		595,277,012	528,519,692
Investments		299,171,731	288,441,201
<b>Current Assets, Loans &amp; Advances</b>			
Inventories		113,414,224	49,268,867
Cash & Bank Balances	6	376,988,541	444,858,488
Sundry Debtors	7	197,157,268	175,174,338
Loans & Advances	8	284,290,089	176,112,634
		971,850,122	845,414,327
Less: Current Liabilities & Provisions	9	692,068,156	931,992,889
Net Current Assets		279,781,966	(86,578,562)
<b>Total</b>		<b>1,174,230,709</b>	<b>730,382,330</b>

As per our attached Report of even date

*KVK*  
  
 V.V. Kelkar  
 Chartered Accountant  
 M. No. 047388  
 Place : New Delhi  
 Date: 16.09.2010

For and on behalf of board of Directors

*[Signature]*  
 Maj. Gen. N. S. Pathania (Retd) (Managing Director)

*[Signature]*  
 Unnikrishnan K. Vowwanathan (Director)

*[Signature]*  
 Suresh V (Director)

*[Signature]*  
 Karan Dhaut (Director)

*[Signature]*  
 Mihir Dhaut (Director)

*[Signature]*  
 N.K. Mishra (Company Secretary)

*[Signature]*  
 A.S. Beweja (Chief Financial Officer)



For GLOBAL ENERGY PRIVATE LIMITED  
  
 Authorised Signatory



GLOBAL ENERGY PRIVATE LIMITED

Schedules Forming Part of Balance Sheet as at 31.03.2010

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	As at 31st Mar, 2010 Amount (Rs.)	As at 31st March, 2009 Amount (Rs.)
<b>Schedule " 1"</b>		
<b>Share Capital</b>		
<b>Authorised Capital</b>		
3,00,00,000 Equity Shares of Rs. 10/- Each	300,000,000	300,000,000
<b>Issued, Subscribed &amp; Paid up Capital</b>		
2,95,91,26 Equity Shares of Rs. 10/- each fully paid up		
(2,95,91,26 Equity Shares of Rs. 10/- each fully paid up previous year)	295,916,260	295,916,260
<b>Total</b>	<b>295,916,260</b>	<b>295,916,260</b>
<b>Share Application Money</b>	<b>340,056</b>	<b>340,056</b>
<b>Schedule " 2"</b>		
<b>Reserves &amp; Surplus</b>		
General Reserve	60,496,653	29,227,883
Share Premium Account	90,000,000	90,000,000
Profit & Loss Account	400,067,447	205,200,327
<b>Total</b>	<b>550,564,100</b>	<b>324,428,210</b>
<b>Schedule " 3"</b>		
<b>Secured Loans</b>		
Third party	-	7,697,000
(Secured against the mortgage of immovable properties of the promoters)		
Property Loans	16,875,572	17,987,376
(Secured against mortgage of Immovable property of the Company)		
Bank Loans	194,907,584	-
(Secured against the Fixed Deposit of the Company)		
Vehicle Loans	81,531,688	48,938,560
(Secured against hypothecation of cars of the Company)		
<b>Total</b>	<b>293,314,844</b>	<b>74,622,936</b>
<b>Schedule " 4"</b>		
<b>Unsecured Loans</b>		
From Directors & Relatives	-	375,000
Intercompany Deposits	-	375,000
<b>Total</b>	<b>-</b>	<b>375,000</b>
<b>Schedule " 6"</b>		
<b>Cash &amp; Bank Balances</b>		
Cash in Hand	1,434,559	2,376,760
Cash At Bank	375,553,982	442,481,728
(Including Current Account balances & Fixed Deposits. Rs. 1 Crore Fixed Deposit is under Lien of Haryana Power Generation Corp Ltd)		
<b>Total</b>	<b>376,988,541</b>	<b>444,858,488</b>

For GLOBAL ENERGY PRIVATE LIMITED

Authorised Signatory



Schedule 5: FIXED ASSETS

Particulars	Gross Block				Depreciation				Net Block	
	Cost as on 1-Apr-09	Additions during the year	Reduction During the year	Cost as on 31-Mar-10	As on 1-Apr-09	Depreciation for the year	Adjustment of Dep.	As on 31-Mar-10	W.D.V. as on 31-Mar-10	W.D.V. as on 31-Mar-09
Leasehold Land	1,000,000.00	-	-	1,000,000.00	-	-	-	-	1,000,000.00	1,000,000.00
Land / Land Development	51,244,977.00	6,210,100.00	-	57,455,077.00	-	-	-	-	57,455,077.00	51,244,977.00
Power Plant	356,294,608.99	19,958,207.00	-	376,252,770.99	71,296,166.39	11,208,691.67	82,975.00	82,975.00	293,556,972.93	285,367,997.00
Computers	15,613,927.00	4,471,986.40	120,000.00	19,865,913.40	6,506,921.00	6,030,372.80	82,975.00	13,353,918.80	6,613,694.60	9,199,406.00
Office Equipment	12,884,929.37	8,319,955.00	-	21,204,884.37	2,263,616.81	2,444,894.67	-	4,698,511.48	16,516,372.89	10,817,312.00
Motor Car	79,471,411.00	57,600,596.00	1,791,388.00	134,280,619.00	21,654,039.00	24,517,212.91	1,357,321.00	44,814,072.91	89,526,586.00	54,817,373.00
ICB for Plant	2,006,902.00	1,793,200.00	-	3,790,102.00	697,799.00	620,046.93	-	1,291,835.93	2,478,266.07	1,349,113.00
Plant & Machinery	6,495,543.00	4,835,791.00	-	10,531,334.00	327,759.00	1,285,612.81	-	1,563,371.81	8,967,962.19	6,167,204.00
Building (Including Factory Bus	29,690,631.72	6,285,221.82	-	35,975,853.54	716,694.00	1,467,702.59	-	2,204,396.59	33,771,456.95	28,973,907.00
Furniture & Fixtures	4,234,226.50	6,913,287.00	-	10,278,013.50	645,900.00	1,410,608.49	-	2,056,408.49	8,221,605.01	3,588,936.00
Capital WIP	72,170,026.00	-	-	72,170,026.00	-	-	-	-	72,170,026.00	72,170,026.00
Capital WIP Building	2,068,919.82	1,624,213.83	-	4,444,706.00	-	-	-	-	4,444,706.00	2,068,919.82
Capital WIP, Bus	-	4,544,023.00	-	4,544,023.00	-	-	-	-	4,544,023.00	-
<b>Grand Total</b>	<b>602,669,077.40</b>	<b>117,589,652.40</b>	<b>1,851,368.00</b>	<b>748,495,341.80</b>	<b>104,148,384.20</b>	<b>50,420,282.27</b>	<b>1,440,296.00</b>	<b>153,128,300.47</b>	<b>595,277,011.33</b>	<b>528,519,691.00</b>

*Signature*

*Signature*



For GLOBAL ENERGY PRIVATE LIMITED  
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Schedule " 1"  
**Sundry Debtors**  
(Unsecured and considered good)  
More than six months  
others

	31,025,696	31,171,307
	166,131,572	144,003,031
<b>Total</b>	<b>197,157,268</b>	<b>175,174,338</b>

**Schedule " 8"**

**Loans & Advances**  
(Unsecured and considered good)  
Advances recoverable in cash or in kind or for value to  
be received

Loans, Advances & Other Current Assets	31,281,349	36,456,611
Security Deposits	33,169,344	21,682,916
Advance Income Tax & FBT	219,839,396	117,973,107
<b>Total</b>	<b>284,290,089</b>	<b>176,112,634</b>

**Schedule " 9"**

**Current Liabilities & Provisions**

**Current Liabilities**

Sundry Creditors	228,684,849	511,837,942
Other Current liabilities	58,682,997	61,943,992
<b>Provisions</b>		
Provision for Income Tax	311,667,613	170,720,807
Provision for Wealth Tax	207,266	361,406
Provision for Interim Dividend & Dividend Tax	86,551,807	178,530,465
Provision for FBT	6,273,624	8,598,277

<b>Total</b>	<b>692,068,156</b>	<b>931,992,889</b>
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H. S. Jainani

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For GLOBAL ENERGY PRIVATE LIMITED

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Schedule-18: Significant Accounting Policies and Note to Accounts:

1) SIGNIFICANT ACCOUNTING POLICIES:

1. Accounting Convention:

The Accounts have been prepared under the historical cost convention on accrual basis in accordance with applicable accounting standards issued by Institute of Chartered Accountants of India and relevant provisions of The Companies Act, 1956. Accounting Policies are consistent with those used in the previous year.

The preparation of financial statements requires management to make Estimates and Assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the year reported. Actual results could differ from those of estimates. Any revision to accounting estimates is recognized in accordance with the requirement of the respective accounting standard.

2. Revenue Recognition:

Revenue from the sale of power is recognized upon flow of power from one destination to the other destination and billing is based upon the readings provided by the Regional Load Dispatch Centre and Final Billing is done based upon the reading of the Regional Energy Accounts.

Other Income is accounted on accrual basis.

The Company is banking some of the power purchased. The term banking means the Company supplies some of the power purchased to a Utility and the same power is subsequently supplied back to a nominee customer of the company on mutually agreed terms. As regards the banking transactions the supply and sale of power to the nominee customer and purchase of power from buyer is taken as sale and purchases respectively, in the books of the Company.

3. Expenses

Expenses incurred during the year are accounted on accrual basis.

4. Fixed Assets:

Fixed Assets acquired are stated at cost of acquisition. Cost is inclusive of freight, installation, duties and other incidental expenditure. However, Power Plant as per the right to use agreement entered with Belgundi Cements Ltd. is recorded at value of the securities/deposit.

5. Depreciation:

The Company has provided depreciation on Assets put to use, on pro-rata basis on the written down value method, at rates prescribed under schedule XIV of the Companies Act, 1956, except for depreciation on Power Plant.

Power plant acquired under the right to use agreement is depreciated on pro-rata basis using Straight Line Method, at rates prescribed in Appendix II of the regulation passed by Central Electricity Regulatory Commission (CERC) dated 29.03.2004 which came into effect from 1<sup>st</sup> April 2004. The individual low cost assets acquired for less than Rs. 5,000 are not depreciated within a year of acquisition.

6. Inventories:

Raw Materials are valued at cost, except waste/ scrap which is valued at net realizable value. The banked power is valued at cost.









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**7. Retirement Benefit:**

The Company has made provision for the Gratuity plan based on the actuarial valuation, in terms of Accounting Standard AS 15 (revised 2005) issued by the Institute of Chartered Accountants of India.

**8. Taxes on Income:**

Provisions for Current Tax are made on the basis of estimated taxable income for the current accounting period and in accordance with provisions of the income Tax Act, 1961. The Differences between the profit for income taxes and profit as per the financial statement are identified and deferred tax asset or deferred tax liability are recognized in the books of accounts based on the timing differences.

**9. Events after Balance Sheet Date**

Material events occurring after the Balance Sheet are taken into cognizance. Accounting policies not referred to specifically otherwise are consistent with generally accepted principles.

**10. Foreign Currency Transactions**

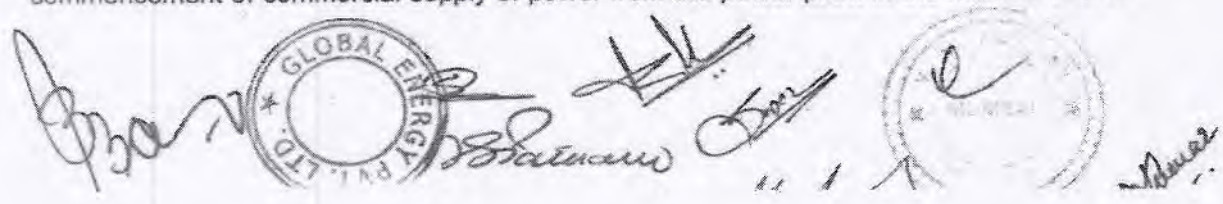
The Company recognizes foreign exchange gain or loss on the foreign exchange expenses in its books, except the foreign exchange spent on traveling abroad, the reason being, the expenses are incurred mainly for business promotion and business development, and the time gap between the date of purchase of currency and the date of transaction is minimal, and therefore, no significant fluctuation in the rates of currency. The Company does not have any foreign currency income. The Company does not hold any foreign currency monetary assets or liabilities as on 31.03.2010. The company has not entered into forward exchange contracts during the year.

**11. Contingencies / provision**

Provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. A contingent liability is disclosed unless the possibility of an outflow of resources embodying the economic benefit is remote.

**II) NOTES TO ACCOUNTS**

1. Fixed Assets include, Power Plant acquired by the Company from Belgundi Cement Ltd. on right to use basis for a period of 30 years beginning from November 1994 and is recorded at a value of Rs 150,000,000. Based on opinion report taken by the Company with regard to assets acquired on right to use basis (leased assets), these assets are classified as fixed assets.
2. For the Power Plant taken on Right to use agreement from Belgundi Cement Limited the total of minimum lease payments due at the balance sheet date is Rs. 35.36 Crores and the net present value of the minimum lease payments are as under -
  - a. Not later than one year Rs. 1.0885 Crores
  - b. Later than one year and not later than five years Rs 5.643 Crores
  - c. Later than five years Rs 6.323 Crores
  - d. Land for the power plant was taken on lease from the Promoters and shareholders. The lease amount paid during the year is Rs 111.27 Lakhs.
  - e. The power plant has been taken on a financial lease from Belgundi Cements Limited, which can be read with the agreement dated 1994, 1995 and the parallel agreements of 1998 and 2003 and 2006.
  - f. The Lease payments to Belgundi Cements Limited are scheduled as under – Rs 1.2 Crores payable per annum during the term of the agreement commencing from the date of commercial operation of Power Plant, towards lease rentals.
  - g. Rs 3 Crores, is payable as per the supplementary right to use agreement executed in the year 2003, to Belgundi Cements Limited within a period of five years from the date of commencement of commercial supply of power from the power plant in the manner and or



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