

**MARUT SHAKTI ENERGY INDIA
LIMITED
FINANCIAL STATEMENTS**

2013-2014

Independent Auditor's report to the Members of Marut Shakti Energy India Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Marut Shakti Energy India Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2014;
- ii. in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Auditors' Report to the Members of Marut Shakti Energy India Limited (Continued)

Report on Other Legal and Regulatory Requirements:

1. 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 Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the order.
2. As required by section 227(3) of the Act, we report that:
 - a. 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.
 - b. In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - d. In our opinion, the Balance Sheet and Statement of Profit and Loss dealt with by this report comply with the accounting standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - e. On the basis of written representation received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

Other Matters

The financial statements of the Company for the year ended 31st March 2013 were audited by another auditor who expressed an unmodified opinion on those statements on 24th June 2013.

For Patankar & Associates
Chartered Accountants
Firm's Registration No: 107628W

Place: Pune
Date:

S S Agrawal
Partner
Membership No: 049051

Annexure to Independent Auditor's Report to the members of Marut Shakti Energy India Limited on the accounts for the year ended 31st March 2014 – referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

In terms of the Companies (Auditor's Report) Order, 2003, on the basis of information and explanations given to us and the books and records examined by us in the normal course of audit and such checks as we considered appropriate, to the best of our knowledge and belief, we state as under:

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. These fixed assets have been physically verified by the management at reasonable intervals and no discrepancies have been noticed on such verification. A substantial part of fixed assets are disposed off during the year. However, it does not affect the going concern.
2. In view of nature of the inventories viz. site development the provisions of clause 4(ii) of the Companies (Auditor's Report) Order, 2003 are considered as not applicable to the Company.
3. The Company has not granted any loan, secured or unsecured, to/from the parties covered in the register maintained under section 301 of the Companies Act, 1956.

The Company had taken loans from two parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved in such transactions at any time during the year Rs. 1,02,75,000 and the loans are repaid during the year. In our opinion the rate of interest and other terms and conditions on which these loans were taken, were not, *prima-facie*, prejudicial to the interest of the Company.

4. In our opinion, there are generally adequate internal control procedures commensurate with the size of the Company and nature of its business for purchase of inventory and fixed assets and for sale of goods. During the course of our audit, no major weakness has been noticed in the internal control systems in respect of these areas.
5. In our opinion, the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 are so entered.

In respect of the transactions made in pursuance of contract or arrangement entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding value of rupees five lacs in respect of any such party during the year, in view of unique and specialized nature of the items involved and absence of any comparable prices, we are unable to comment whether the transactions are made at a price which are, *prima-facie*, reasonable having regard to the prevailing market prices at the relevant time.

6. The Company has not accepted any deposits from the public within the meaning of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Rules framed there under and hence the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records 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.
9. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues in respect of income-tax, service tax and other material statutory dues applicable to it. No payments were due in respect of Provident Fund, Investor Education & Protection fund, Employee's State Insurance, Sales tax, wealth tax, Customs duty, Excise duty and Cess.

No undisputed amounts payable in respect of Income-tax, Wealth-tax, Sales-tax, Service tax, Customs duty, Excise duty and Cess were in arrears, as at the end of the year, for a period of more than six months from the date they became payable.

There are no dues of Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty or Cess which have not been deposited on account of disputes.

10. The accumulated losses of the Company at the end of the financial year are more than fifty per cent of its net worth. The Company has incurred cash losses during the current year and the Company had not incurred cash losses in the immediately preceding financial year.
11. The Company does not have any borrowings from financial institutions or bank or by way of debentures issued and hence the provisions of clause 4(xi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures or other securities.
13. 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.
14. The Company is not dealing or trading in shares, securities, debentures and other investments and hence the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. The Company has not given any guarantee for loans taken by others from banks and financial institutions.
16. The Company has not availed of any term loans during the year and hence the provisions of clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

17. The funds raised on short term basis have not been used for long term investment by the Company.
18. 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 Companies Act, 1956.
19. There are no debentures issued and outstanding during the year and hence the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
20. The Company has not raised any money by way of public issue during the year.
21. No fraud on or by the company was noticed or reported during the course of our audit.

For Patankar & Associates
Chartered Accountants
Firm Registration No.: 107628W

Place: Pune
Dated:

(S S Agrawal)
Partner
Mem. No. 049051

MARUT SHAKTI ENERGY INDIA LIMITED
Balance Sheet as at 31st March 2014

		(Amounts in Rs.)	
	Note No.	As at 31-Mar-2014	As at 31-Mar-2013
I. Equity & Liabilities			
1. Shareholders' Funds			
(a) Share capital	4	61,10,700	61,10,700
(b) Reserves and surplus	5	(35,63,226)	25,39,102
		25,47,474	86,49,802
2. Current Liabilities			
(a) Short-term borrowings	6	6,68,00,000	1,02,75,000
(b) Trade payables	7	56,180	3,37,059
(c) Other current liabilities	8	1,97,44,027	11,23,330
(d) Short-term provisions	9	-	1,20,520
		8,66,00,207	1,18,55,909
Total		8,91,47,681	2,05,05,711
II. Assets			
1. Non-Current Assets			
(a) Fixed assets			
Tangible assets	10	43,41,957	1,22,41,550
(ii) Capital work-in-progress		-	11,95,396
		43,41,957	1,34,36,946
(b) Long term loans and advances	11	25,12,571	-
(c) Other non currents assets	12	84,90,000	-
		1,53,44,528	1,34,36,946
2. Current Assets			
(a) Inventories	13	7,17,50,897	-
(b) Trade receivables	14	-	34,59,626
(c) Cash and bank balances	15	12,68,512	33,43,804
(d) Short-term loans and advances	16	7,83,744	2,65,335
		7,38,03,153	70,68,765
Total		8,91,47,681	2,05,05,711

The accompanying notes are integral part of the financial statements

As per our report of even date attached
For Patankar & Associates,
Chartered Accountants

For Marut Shakti Energy India Ltd.

(S S Agrawal)
Partner

Director

Director

Place:
Date:

Place:
Date:

MARUT SHAKTI ENERGY INDIA LIMITED
Statement of Profit and Loss for the year ended 31st March 2014

		(Amounts in Rs.)	
	Note No.	Year ended 31-Mar-2014	Year ended 31-Mar-2013
A. CONTINUING OPERATIONS			
Revenue			
Other income	17	7,34,237	32,30,000
Total revenue		7,34,237	32,30,000
Expenses			
Site Development expenses	18	6,92,60,876	-
Changes in Work-in-progress	19	(7,17,50,897)	-
Employee benefits expense	20	54,000	1,20,000
Finance costs	21	33,66,875	6,76,699
Depreciation expense	10	12,251	-
Other expenses	22	3,62,987	5,61,734
Total expenses		13,06,092	13,58,433
(Loss)/Profit before prior-period items and tax		(5,71,855)	18,71,567
Less: Prior period item	24	32,30,000	-
(Loss)/Profit before tax		(38,01,855)	18,71,567
Tax Expense			
- Current Tax		-	3,75,000
- Taxation pertaining to earlier year		-	1,313
		-	3,76,313
(Loss)/Profit for the year from contiuing operations		(38,01,855)	14,95,254
B. DISCONTINUING OPERATIONS			
Profit before tax from ordinary activities	23	1,18,648	6,00,252
Loss on disposal of fixed assets		(21,07,468)	-
(Loss)/Profit before tax from discontinuing operations		(19,88,820)	6,00,252
Tax Expense			
- Tax on ordinary activities - current tax		-	1,15,000
- Tax on disposal of fixed assets - current tax		17,59,000	-
- Taxation pertaining to earlier year - MAT credit entitlement recognized		(14,47,347)	-
		3,11,653	1,15,000
(Loss)/Profit for the year from discontinuing operations		(23,00,473)	4,85,252
C. TOTAL OPERATIONS			
(Loss)/Profit for the year		(61,02,328)	19,80,506
Basic and diluted earnings per equity Share of Rs. 10 each:			
- from continuing operations	29	(6.22)	2.45
- from total operations		(9.99)	3.24

The accompanying notes are integral part of the financial statements

As per our report of even date attached
For Patankar & Associates,
Chartered Accountants

For Marut Shakti Energy India Ltd.

(S S Agrawal)
Partner

Director

Director

Place:
Date:

Place:
Date:

MARUT SHAKTI ENERGY INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

	(Amounts in Rs.)	
	Year ended 31-Mar-2014	Year ended 31-Mar-2013
A Cash flow from operating activities		
Net (loss)/profit before tax from continuing operations	(38,01,855)	18,71,567
Net (loss)/profit before tax from discontinuing operations	(19,88,820)	6,00,252
	<u>(57,90,675)</u>	<u>24,71,819</u>
Adjustments for :		
Depreciation from continuing operations	12,251	-
Depreciation from discontinuing operations	1,93,072	5,79,216
Interest income	(7,33,619)	-
Loss on sale of fixed assets	21,07,468	-
Finance cost	33,66,875	6,76,699
Operating (loss)/profit before working capital changes	(8,44,628)	37,27,734
Adjustments for :		
Trade payables	(2,80,879)	13,488
Other current liabilities	1,64,38,660	4,08,840
Long term loans and advances	(1,13,077)	-
Inventories	(7,05,55,501)	-
Trade receivables	34,59,626	(22,44,893)
Short term loans and advances	(5,18,409)	4,75,462
Other current assets	-	24,646
Cash (used in)/from operations	(5,24,14,208)	24,05,277
Income-tax paid	(28,43,217)	(3,62,923)
Net cash (used in)/from operating activities	(5,52,57,425)	20,42,354
B Cash flow from investing activities		
Purchase of fixed assets	(12,83,198)	(28,80,179)
Sale of fixed assets	68,70,000	-
Changes in margin money deposits with bank	(84,90,000)	-
Interest received	7,33,619	-
Net cash (used in) investment activities	(21,69,579)	(28,80,179)
C Cash flow from financing activities		
Inter-corporate Deposit Received	6,68,00,000	-
Loan from directors (repaid)/received	(1,02,75,000)	44,75,000
Finance cost	(11,73,288)	(4,85,585)
Net cash generated from financing activities	5,53,51,712	39,89,415
Net increase/(decrease) in cash and cash equivalent	(20,75,292)	31,51,590
Cash and cash equivalents at the beginning of the year	33,43,804	1,92,214
Cash and cash equivalents at the end of the year	12,68,512	33,43,804

The accompanying notes are an integral part of the financial statements

As per our report of even date attached
For Patankar & Associates,
Chartered Accountants

For Marut Shakti Energy India Ltd.

(S S Agrawal)
Partner

Director

Director

Place:

Place:

Date:

Date:

MARUT SHAKTI ENERGY INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

1. Corporate Information

Marut Shakti Energy India Limited (the "Company") is a closely held public company engaged in the business of development of Wind Farm sites (also refer to Note no. 23 regarding discontinuation of business). The Company is a wholly owned subsidiary of Inox Wind Infrastructure Services Limited w.e.f. 13th September 2013. The area of operations of the Company is within India.

2. Basis of Preparation:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, under the historical cost convention and on accrual basis. These financial statements comply in all material respects with the applicable Accounting Standards notified under the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.

The figures for the previous year have been regrouped or rearranged, wherever necessary, to make them comparable with those of the current year.

3. Significant Accounting Policies

a) Revenue Recognition:

In respect of site development

Revenue from site development services is recognized to the extent the services are completed and sold in terms of the respective contracts.

Sale of power

Income from sale of electricity generated was recognized on the basis of actual units generated and transmitted to the purchaser.

Other Income

Interest income is recognized on time proportion basis.

b) Fixed Assets:

Fixed assets are carried at cost as reduced by accumulated depreciation, except freehold land, which is carried at cost. Cost comprises of cost of acquisition/construction and other direct attributable costs of bringing the asset to its working condition for its intended use and is net of credit for taxes paid, as applicable. Borrowing costs directly attributable to acquisition or construction of qualifying fixed assets are capitalized.

MARUT SHAKTI ENERGY INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

3. Significant Accounting Policies continued

c) Depreciation:

Depreciation on fixed assets, excluding freehold land, is provided on straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

d) Impairment of assets:

Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's assets and impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

e) Inventories:

Site development work in progress is valued at lower of cost and net realizable value. Cost includes all directly attributable expenses. Borrowing costs directly attributable to inventories, which are qualifying assets, are capitalized.

f) Borrowing Cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. All other borrowing costs are recognized as expenses in the Statement of Profit & Loss.

g) Taxes on income:

Income tax expense comprises of current tax and deferred tax charge. Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Minimum Alternate Tax (MAT) paid on the book profits, which gives rise to future economic benefits in the form of tax credit against future income-tax liability, is recognized as an asset in the Balance Sheet if there is convincing evidence that the Company will pay normal tax within the period prescribed for utilization of such credit.

MARUT SHAKTI ENERGY INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

3. Significant Accounting Policies continued

h) Provisions & Contingent Liabilities:

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is possible obligation or a present obligation in respect of which the likelihood of outflow of resource is remote, no provision or disclosure is made.

i) Use of estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported balances of assets and liabilities and disclosure of contingent liabilities, at the end of the accounting year and reported amounts of revenue and expenses during the year. Although these estimates are based on the management's knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

MARUT SHAKTI ENERGY INDIA LIMITED
Notes to financial statements for the year ended 31 March 2014

	(Amounts in Rs.)	
	As at 31 March 2014	As at 31 March 2013
4: Share capital		
Authorized share capital		
1,00,00,000 equity shares of Rs. 10/- each	10,00,00,000	10,00,00,000
Issued, subscribed and fully paid up capital		
6,11,070 equity shares of Rs. 10/- each	61,10,700	61,10,700
	61,10,700	61,10,700

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Equity Shares	As at 31 March 2014		As at 31 March 2013	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	6,11,070	61,10,700	6,11,070	61,10,700
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	6,11,070	61,10,700	6,11,070	61,10,700

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, in proportion of their shareholding.

c) Shares held by holding company

	As at 31 March 2014		As at 31 March 2013	
	No. of shares	Amount	No. of shares	Amount
Inox Wind Infrastructure Services Limited	6,11,070	61,10,700	-	-

d) Details of shareholders holding more than 5 % shares in Company:

	As at 31 March 2014		As at 31 March 2013	
	No. of shares	holding %	No. of shares	holding %
Inox Wind Infrastructure Services Limited	6,11,070	100%	-	-
Manan Kumar Deb	-		75,010	12.28%
Saibal Das Gupta	-		50,000	8.18%
T R Trehan Constructions Private Ltd.	-		1,00,000	16.36%

MARUT SHAKTI ENERGY INDIA LIMITED**Notes to financial statements for the year ended 31 March 2014**

	(Amounts in Rs.)	
	As at 31 March 2014	As at 31 March 2013
5: Reserves and surplus		
General Reserve		
As per last balance sheet	4,65,000	4,65,000
Surplus in the Statement of Profit and Loss		
As per last balance sheet	20,74,102	93,596
Add/Less: (Loss)/Profit for the year	<u>(61,02,328)</u>	<u>19,80,506</u>
	<u>(40,28,226)</u>	<u>20,74,102</u>
	<u>(35,63,226)</u>	<u>25,39,102</u>
6: Short-term borrowings		
Loans from Directors (unsecured)	-	1,02,75,000
Inter-corporate Deposits from Holding company (unsecured)	6,68,00,000	-
	<u>6,68,00,000</u>	<u>1,02,75,000</u>

Terms: Loans from directors were repayable on demand and carried interest @ 8% p.a.

Inter-corporate deposit from holding company is repayable on demand and carries interest @ 10% p.a.

MARUT SHAKTI ENERGY INDIA LIMITED**Notes to financial statements for the year ended 31 March 2014**

	(Amounts in Rs.)	
	As at 31 March 2014	As at 31 March 2013
7: Trade payables		
Dues to Micro, Small and Medium Enterprises	-	-
Others	56,180	3,37,059
	56,180	3,37,059

Note:

There is no amount due to "Micro or Small Enterprises" under Micro, Small and Medium Enterprises Act, 2006. 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 the information available with the Company. Further no interest is paid / payable in terms of section 16 of the said Act.

8: Other current liabilities

Interest accrued and due on borrowings	27,91,066	6,09,029
Payable to related parties (see note no. 27)		
- amount refundable on cancellation of orders	83,87,324	-
- other dues	84,07,960	-
Unpaid dividend	-	40,000
Statutory dues & taxes payable	1,57,677	4,74,301
	1,97,44,027	11,23,330

9: Short-term provisions

Provision for Taxation (net of taxes paid)	-	1,20,520
	-	1,20,520

MARUT SHAKTI ENERGY INDIA LIMITED
Notes to financial statements for the year ended 31 March 2014

10 : Fixed Assets

(Amounts in Rs.)

PARTICULARS	Gross block				Depreciation				Net block	
	As at 1-Apr-2013	Additions	Deduction(*)	As at 31-Mar-2014	As at 1-Apr-2013	For the Year	Deduction(*)	As at 31-Mar-2014	As at 31-Mar-2014	As at 31-Mar-2013
Tangible assets										
Freehold Land	33,71,010	-	3,00,000	30,71,010	-	-	-	-	30,71,010	33,71,010
Plant and equipments	1,09,70,000	12,83,198	1,09,70,000	12,83,198	20,99,460	2,05,323	22,92,532	12,251	12,70,947	88,70,540
Total	1,43,41,010	12,83,198	1,12,70,000	43,54,208	20,99,460	2,05,323	22,92,532	12,251	43,41,957	1,22,41,550
Previous Year	1,12,70,000	30,71,010	-	1,43,41,010	15,20,244	5,79,216	-	20,99,460		

(*) Deductions during the year are in respect of sale of fixed assets on discontinuation of operations (see note no. 23)

MARUT SHAKTI ENERGY INDIA LIMITED**Notes to financial statements for the year ended 31 March 2014**

	(Amounts in Rs.)	
	As at 31 March 2014	As at 31 March 2013
11: Long term loans and advances (unsecured, considered good)		
Income tax (net of provision)	23,99,494	-
Prepaid expenses	1,13,077	-
	25,12,571	-
12: Other non-current assets		
Non-current bank balances (from note no 15)	84,90,000	-
	84,90,000	-
13: Inventories (for basis of valuation please refer note no. 3(e))		
Site development work-in-progress	7,17,50,897	-
	7,17,50,897	-
14: Trade receivables (unsecured & considered good)		
Exceeding 6 months	-	-
Others	-	34,59,626
	-	34,59,626

MARUT SHAKTI ENERGY INDIA LIMITED**Notes to financial statements for the year ended 31 March 2014**

	(Amounts in Rs.)	
	<u>As at 31 March 2014</u>	<u>As at 31 March 2013</u>
15: Cash and bank balances		
Cash and Cash Equivalents		
- Balances with bank in current account	12,67,531	33,43,228
- Cash on Hand	981	576
Total cash and cash equivalents	<u>12,68,512</u>	<u>33,43,804</u>
Other Bank Balances		
Deposit account with original maturity for more than 12 months	84,90,000	-
Less: Amount disclosed under Note 12 - 'Other Non Current Assets'	<u>84,90,000</u>	<u>-</u>
	-	-

MARUT SHAKTI ENERGY INDIA LIMITED**Notes to financial statements for the year ended 31 March 2014**

	(Amounts in Rs.)	
	As at 31 March 2014	As at 31 March 2013
	<u>12,68,512</u>	<u>33,43,804</u>
Other bank balances include margin money deposits kept as security against bank guarantee as under:		
Deposit account with original maturity for more than 12 months	84,90,000	-
16: Short-term loans and advances (unsecured, considered good)		
Advance to suppliers	-	2,65,335
Service tax paid in advance	6,30,360	-
Advance for expenses	80,000	
Prepaid expenses	73,384	-
	<u>7,83,744</u>	<u>2,65,335</u>

MARUT SHAKTI ENERGY INDIA LIMITED**Notes to financial statements for the year ended 31 March 2014**

	(Amounts in Rs.)	
	<u>2013-2014</u>	<u>2012-2013</u>
17: Other income		
Interest on bank fixed deposits	7,33,619	-
Professional fees	-	32,30,000
Miscellaneous Income	618	-
	<u>7,34,237</u>	<u>32,30,000</u>
18: Site development expenses		
Fees for site identification, survey etc.	6,38,20,480	-
Project registration fees	42,45,000	-
Amount transferred from opening capital work in progress	11,95,396	-
	<u>6,92,60,876</u>	<u>-</u>
19: Changes in Work-in-Progress		
- Site development		
Work-in-progress at the beginning of the year	-	-
Work-in-progress at the end of the year	7,17,50,897	-
(Increase) in Work-in-progress	<u>(7,17,50,897)</u>	<u>-</u>
20: Employee benefits expense		
Managing Director's Remuneration	54,000	1,20,000
	<u>54,000</u>	<u>1,20,000</u>

MARUT SHAKTI ENERGY INDIA LIMITED

Notes to financial statements for the year ended 31 March 2014

	(Amounts in Rs.)	
	<u>2013-2014</u>	<u>2012-2013</u>
21: Finance costs		
Interest on		
- Deposits from Directors	2,78,546	6,76,699
- Inter-corporate deposit from holding company	30,67,562	-
Interest on income-tax	11,550	-
Other Interest costs	9,217	-
	<u>33,66,875</u>	<u>6,76,699</u>

Note: Out of total finance cost, interest amounting to Rs. 24,90,021 (previous year Rs. Nil) is transferred to work in progress

22: Other expenses

Rates & Taxes	2,500	1,236
Professional & Legal fees	66,980	2,59,956
Director's Sitting Fees	9,000	15,000
Miscellaneous expenses	2,84,507	2,85,542
	<u>3,62,987</u>	<u>5,61,734</u>