

II) NOTES TO ACCOUNTS

1. Fixed Assets include, Power Plant acquired by the Company from Belgundi Cement Private Limited by foreclosing the Right to use Agreement under the financial lease at Rs 3,00,00,000/-. The entire power plant now stands capitalized in the books of the Company.

- a. Land for the power plant was taken on lease from the Promoters and shareholders. The lease amount paid during the year is Rs 86.03 lacs. (Previous year 86.03 lacs)
- b. The Lease payments to Belgundi Cements Private Limited- Rs 1.2 crores paid in terms of the Right to use agreement before the foreclosure of the same

2. 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.

3. The value of banked power and unadjusted credit note has been shown as stock in hand and is valued as on 31.03.2012 at Rs 26,47,74,509/- (Previous Year Rs 18,75,31,994.79). The stock of Raw Material as on 31.03.12 is Rs 55.09 lacs (Previous year Rs 21.88 lacs). The stock of consumables as on balance sheet date is Rs 14.57 lacs lacs (Previous Year Rs 41.95 lacs)

4. Net Deferred Tax liability of Rs. 29,57,271 (Previous Year Deferred Tax Liability of Rs. 1,21,70,174) 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.

5. The Cross Subsidy charges payable as per circular of Maharashtra State Electricity Distribution Company Limited by the final consumer for the power supplied from Sept 11 onwards has been passed by the consumers to the company. The company is hopeful of recovering 50% of the charges from the Generators. The wind power supplied during period 1st September 2011 to 31st March, 2012 is 4,35,73,165 units and the cross subsidy charges payable by the company amounts to Rs 50,10,914. During the year the company has made provision of Rs 2,95,73,904 on account of electricity duty and tax on sale of electricity levied by Govt of Maharashtra to be reimbursed to High Tension Generators on production of proof of payment to the government .

6. 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.

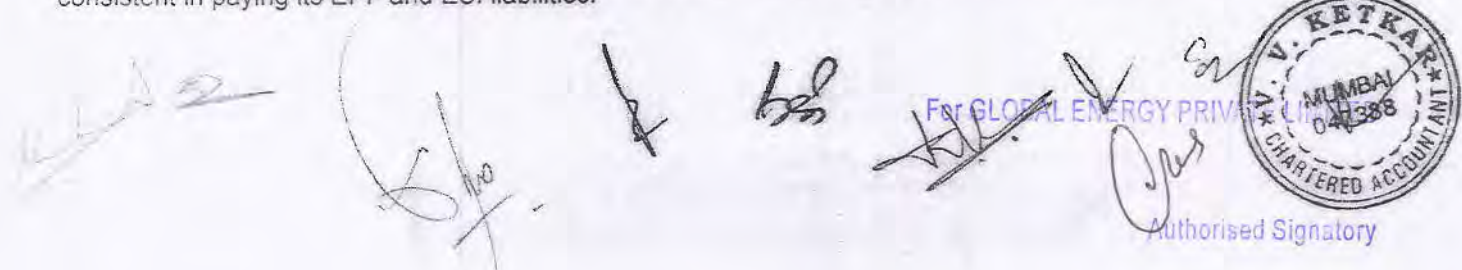
7. Contingent Liability for Capital Account Contracts - As on 31.03.2012 the Company has no Material Contracts pending for execution.

8. 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.

9. 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. Nil

10. During the year the company made provisions for Gratuity for an amount of Rs. 29,35,242 (Previous Year Rs 3,94,943) as per the actuarial Valuation obtained by the company. The has been consistent in paying its EPF and ESI liabilities.


 For GLOBAL ENERGY PRIVATE LIMITED
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11 . 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.

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

13 . 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.

14 . 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 agreement, before foreclosure of the financial lease. The principle amount payable to them is Rs 8.31 lacs (previous year Rs 7.53 lacs) which is capitalized as Power Plant in the books of accounts and the balance amount of Rs111.69 lacs (Previous year 112.46 lacs) is payable towards interest. The Company has also credited the account of Belgundi Cement private Limited by Rs 300 lacs towards foreclosure of the finance lease, which is capitalized as power plant in the books of the Company.

15 . The investments appearing in the balance sheet as on 31-3-12 are as under –

a. India Electron Exchange Limited –The Company during the year has paid / incurred expenses of Rs 1,35,97,490 (previous year Rs 26,11,371). India Electron Exchange Limited in turn has issued 30,62,978 shares of Rs 10 each aggregating to Rs 3,06,29,780 vide the agreement with the Company.

b. Indian Eye Security Private Limited - During the year the company paid / incurred expenses of Rs 5,66,10,059 (Previous year Rs 2,11,91,634.91) aggregating to Rs 8,73,01,693.91 as on 31.03.2012 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.

1. The other investments appearing in the financials as on 31.03.2010 are as under
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 lacs

16 . The Company holds preference shares issued by subsidiary Belgundi Cement Private Limited (BCPL). BCPL has accumulated losses and is not in a position to declare dividend. The Company during the year has not booked preference dividend.

17 . 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.

18. 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.

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19 . 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.

20. Foreign Currency expenses incurred during the year Rs 692.27 lacs. Foreign currency income during the year Rs Nil.

21. During the year the Company has opened its branch office in London (UK) to bring in financial resources and technical knowhow for business of energy trading and exchange and to enter into international arena for import of technology and collaboration in Homeland Security Division.

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

As per our report attached



For and on behalf of the Board of Directors

V V Ketkar
Chartered Accountant
Membership 047388

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

Unnikrishnan K Vishwanathan
(Director)

Suresh V
(Director)

Place: New Delhi
Date: 07/01/12

Karan Dhaul
(Director)

M Dhaul
(Director)

Vikas Gupta
(Co. Secretary)

Deepak Khanna
(V P F & A)

Vikram Khosla
(Financial Controller)

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 31st March, 2011 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 31st March 2011 and taken on record by the Board of Directors we report that none of the



A handwritten signature in blue ink, appearing to be "M. J.", written over a horizontal line.

For GLOBAL ENERGY PRIVATE LIMITED

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directors is disqualified as on 31st March 2011 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 number 28 of Notes to accounts.**

- A. In the case of the Balance Sheet of the State of affairs of the Company as at 31st March 2011,
- 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: 02/09/2011



Ketkar
V V Ketkar
Chartered Accountant
Membership No 047377

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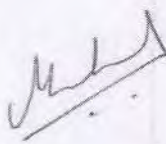
For GLOBAL ENERGY PRIVATE LIMITED

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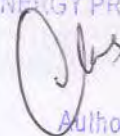
ANNEXURE TO THE AUDITORS REPORT

(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 granted advances to two companies covered in the register maintained under Section 301 of the Companies Act, 1956, the maximum amount outstanding during the year was 4,77,23,927.54 and the year end balance of such loan amounted to Rs 4,77,23,927.54.
 - b) The advances have been booked in the Company's books of the accounts as share application money and the company is not getting interest on them. In our opinion the terms and conditions on which the advances are granted to the Companies covered in the register maintained under section 301 of the Companies Act 1956 are not prejudicial to the interest of the Company.
 - c) Since these are treated as share application money the clause (iii)(c) and (iii)(d) of the order regarding payment of interest and repayment schedule and overdue amounts more than Rs 1,00,000 are not applicable.
 - d) During the year the company has taken unsecured loan from a party covered in the register maintained under section 301 of the Companies Act 1956. The maximum amount



For GLOBAL ENERGY PRIVATE LIMITED



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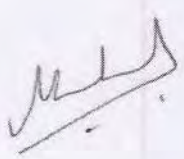
outstanding during the year was Rs 5,00,00,000 and the year end balance of such loan amounted to Rs 3,71,00,000

- e) In our opinion the rate of interest and other terms and conditions on which the loans are taken from the party covered in the register maintained under section 301 of the Companies Act 1956 are prima facie not prejudicial to the interest of the Company.
- g) In case of the loan taken the Company is regular in the payment of Interest, the terms of payment do not stipulate any repayment schedule and is repayable on demand.
- h) There are no overdue amounts more than Rs 1,00,000 in respect of the loan taken from the party covered in the register maintained under section 301 of the Companies Act 1956, Accordingly clause (iii)(d) of the order is not applicable.

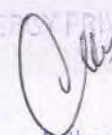
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to sale of goods. During the course of our audit, we have not observed any continuing failure to correct weakness in internal controls.
- 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
2	1	Professional fees	8,00,000
3	1	Interest Paid	36,97,994
4	1	Fees towards security charges	8,93,431

- 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



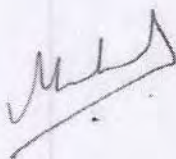
For GLOBAL ENERGY PRIVATE LIMITED



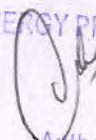
Authorised Signatory

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. In few cases correct amount of tax has not been deducted and paid and has been subsequently rectified. The aggregate amount calculated by us and outstanding at the end of the year and due for more than 6 months is Rs.1,60,971 on account of TDS (Tax deducted at Source) and Rs 40,663 on account of Professional Tax.
- 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, 2011 for a period of more than six months from the date they became payable.
- (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 not defaulted in repayment of any dues to financial institutions and banks. 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.



For GLOBAL ENERGY PRIVATE LIMITED



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- xvi. During the year the company has raised term loans (vehicle loans) from banks 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 for working capital, funds raised for short term have not been used for long term purposes. The loans have since been repaid.
- 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.
- 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: 02/09/2011



V V Ketkar
Chartered Accountant
Membership No 047377

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For GLOBAL ENERGY PRIVATE LIMITED

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Authorised Signatory

GLOBAL ENERGY PRIVATE LIMITED

85

Balance Sheet As At 31.03.2011

Particulars	Schedules	As at 31st Mar, 2011 Amount (Rs.)	As at 31st Mar, 2010 Amount (Rs.)
SOURCES OF FUNDS			
Shareholders Funds			
Share Capital	1	295,916,260	295,916,260
Reserves & Surplus	2	868,761,494	550,564,100
Share Application Money		340,056	340,056
Loan Funds			
Secured Loans	3	170,156,217	293,314,844
Unsecured Loans	4	37,100,000	-
Deferred Creditors		-	29,617,300
Deferred Tax Liability		16,648,323	4,478,149
Total		1,388,922,350	1,174,230,709
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	857,534,528	748,405,342
Less: Depreciation		192,778,443	153,128,330
Net Block		664,756,085	595,277,012
Investments		322,974,738	299,171,731
Current Assets, Loans & Advances			
Inventories		193,916,461	113,414,224
Cash & Bank Balances	6	383,360,071	376,988,541
Sundry Debtors	7	422,171,273	197,157,268
Loans & Advances	8	522,759,867	284,290,089
		1,522,207,672	971,850,122
Less: Current Liabilities & Provisions	9	1,121,016,145	692,068,156
Net Current Assets		401,191,527	279,781,966
Total		1,388,922,350	1,174,230,709

Notes to accounts
As per our attached Report of even date

18

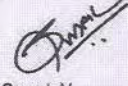
For and on behalf of board of Directors




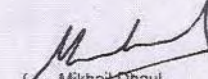
V V Ketkar
Chartered Accountant
M. No. 047388
Place : New Delhi
Date: 02/09/11



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

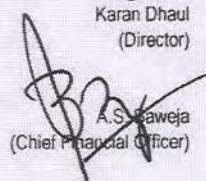

Unnikrishnan K. Miswanathan
(Director)

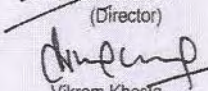

Suresh V
(Director)


Karan Dhaul
(Director)


Mikhai Dhaul
(Director)


Vikas Gupta
(Company Secretary)


A.S. Sawaja
(Chief Financial Officer)


Vikram Khosla
(Financial Controller)

For GLOBAL ENERGY PRIVATE LIMITED


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GLOBAL ENERGY PRIVATE LIMITED

Profit & Loss Account for the period ended 31.03.2011

Particulars	Schedules	As at 31st Mar, 2011 Amount (Rs.)	As at 31st Mar, 2010 Amount (Rs.)
INCOME			
Income from Operations	10	21,072,239,533	9,849,241,235
Other Income	11	30,410,173	43,338,852
Total		21,102,649,706	9,892,580,087
EXPENDITURE			
Cost of Sales	12	19,781,729,922	8,801,843,230
Personnel Expenses	13	161,030,282	100,437,583
Operating Expenses	14	177,398,326	117,027,021
Selling & Administration Charges	15	427,896,018	334,452,519
Interest & Financial Charges	16	35,003,858	20,327,211
Depreciation		50,852,892	50,420,242
Total		20,633,911,298	9,424,507,806
Profit / (Loss) Before Tax		468,738,408	468,072,281
Less: Provisions			
-Additional Tax Provision for Earlier years		-	(7,256,386)
-Income Tax		148,500,000	163,119,200
-Fringe Benefit Tax			126,189
-Provision for Wealth Tax		560,719	
Profit/(Loss) after Tax		319,677,689	312,083,278
Add/(Less) Prior Period Adjustments		10,689,879	
Add/(Less) Deferred Tax		(12,170,174)	604,419
		318,197,394	312,687,697
Add: Opening Balance		400,067,447	205,200,327
Profit after Taxation Available for Appropriation		718,264,841	517,888,024
Profit & Loss Appropriation			
Profit & Loss		718,264,841	517,888,024
Transferred to General Reserve		-	31,268,770
Interim Dividend		-	73,979,065
Dividend Tax		-	12,572,742
Profit Available for Appropriation		718,264,841	400,067,447
Basic Earning Per Share	17	10.80	10.57
Diluted Earning Per Share	17	10.80	10.57
Face / Nominal Value per share		10.00	10.00
As per our attached Report of even date			

For and on behalf of board of Directors



K. Kulkarni
Chartered Accountant
M. No. 047388
Place : New Delhi
Date: 09/04/11

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

Karan Dhaut
(Director)

A. S. Saweja
(Chief Financial Officer)

Unnikrishnan K Viswanathan
(Director)

Mikhail Dhaut
(Director)

Vikram Khosla
(Financial Controller)

Suresh V
(Director)

Vikas Gupta
(Company Secretary)

For GLOBAL ENERGY PRIVATE LIMITED

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GLOBAL ENERGY PRIVATE LIMITED

Schedules Forming Part of Balance Sheet as at 31.03.2011

Particulars	As at 31st Mar, 2011 Amount (Rs.)	As at 31st Mar, 2010 Amount (Rs.)
Schedule " 1"		
Share Capital		
Authorized Capital		
3,00,00,000 Equity Shares of Rs. 10/- Each	300,000,000	300,000,000
Issued, Subscribed & Paid up Capital		
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
Total	295,916,260	295,916,260
Share Application Money	340,056	340,056
Schedule " 2"		
Reserves & Surplus		
General Reserve	60,496,653	60,496,653
Share Premium Account	90,000,000	90,000,000
Profit & Loss Account	718,264,841	400,067,447
Total	868,761,494	550,564,100
Schedule " 3"		
Secured Loans		
Property Loans (Secured against mortgage of Immovable property of the Company)	15,632,550	16,875,572
Bank Loans (Secured against the Fixed Deposit of the Company)	99,932,703	194,907,584
Vehicle Loans (Secured against hypothecation of cars of the Company)	54,590,964	81,531,688
Total	170,156,217	293,314,844
Schedule " 4"		
Unsecured Loans		
From Directors & Relatives	37,100,000	-
Intercorporate Deposits	-	-
Total	37,100,000	-



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For GLOBAL ENERGY PRIVATE LIMITED

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Schedule 5: FIXED ASSETS

Particulars	Gross Block				Depreciation			Net Block		
	Cost as on 01-Apr-10	Additions during the year	Reduction During the year	Cost as on 31-Mar-11	As on 01-Apr-10	Depreciation for the year	Adjustment of Dep.	As on 31-Mar-11	W.D.V as on 31-Mar-11	W.D.V as on 31-Mar-10
Leasehold Land	1,000,000.00	-	-	1,000,000.00	-	-	-	-	1,000,000.00	1,000,000.00
Land / Land Development	57,465,077.00	3,950,000.00	-	61,415,077.00	-	-	-	-	61,415,077.00	57,465,077.00
Power Plant	376,732,771.00	74,168,063.00	-	450,899,834.00	83,165,858.06	9,767,930.11	2,313,236.06	90,620,552.11	360,279,281.89	293,556,912.94
Computers	19,967,913.00	6,221,866.97	-	26,189,779.97	13,353,918.80	4,588,036.60	2,602,608.80	15,339,346.60	10,850,433.37	6,613,934.20
Office Equipment	21,204,884.00	10,076,138.50	-	31,281,022.50	4,688,511.48	3,004,581.78	312,087.48	7,381,005.78	23,900,016.72	16,516,372.52
Motor Car	136,093,813.00	4,077,325.65	-	140,171,138.65	44,814,029.31	25,078,888.33	5,906,230.00	64,286,887.64	75,884,451.01	91,279,783.69
ICB for Plant	2,006,902.00	-	-	2,006,902.00	1,281,835.93	258,855.47	170,302.00	1,370,389.40	656,512.60	725,066.07
Plant & Machinery	10,531,354.00	6,374,302.00	-	16,905,656.00	1,563,371.81	2,017,273.00	45,590.81	3,535,054.00	13,370,602.00	8,987,982.19
Building (Including Factory Building)	35,975,854.00	16,864,657.00	-	52,840,511.00	2,204,396.59	3,092,762.60	35,833.00	5,261,324.19	47,579,226.81	33,771,457.41
Furniture & Fixtures	10,278,014.00	5,917,735.00	-	16,195,749.00	2,056,408.49	1,971,082.59	116,889.49	3,850,601.59	12,245,147.41	8,221,605.51
Leasehold Improvement	-	39,207,158.75	-	39,207,158.75	-	1,133,482.00	-	1,133,482.00	38,073,668.75	-
Painting	-	6,725,000.00	-	6,725,000.00	-	-	-	-	6,725,000.00	-
Total	671,246,582.00	173,582,278.87	-	844,828,860.87	153,126,330.47	50,852,892.48	11,202,779.64	192,778,443.31	652,050,417.56	518,116,251.53
Capital WIP	72,170,026.00	-	72,170,026.00	5,065,667.00	-	-	-	-	5,065,667.00	72,170,026.00
Capital WIP- Building	444,706.00	7,640,000.00	-	7,640,000.00	-	-	-	-	7,640,000.00	444,706.00
Capital WIP- Power Plant 1.25 MW	-	4,544,028.00	-	4,544,028.00	-	-	-	-	4,544,028.00	-
Capital WIP- Boiler	4,544,028.00	-	-	4,544,028.00	-	-	-	-	4,544,028.00	-
Grand Total	748,405,342.00	186,843,239.87	76,714,054.00	867,554,527.87	153,126,330.47	50,852,892.48	11,202,779.64	192,778,443.31	664,756,084.56	595,277,011.53



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For GLOBAL ENERGY PRIVATE LIMITED
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Schedule " 6"

Cash & Bank Balances

Cash in Hand	1,347,954	1,434,559
Cash At Bank	382,012,117	375,553,982
(Including Current Account balances & Fixed Deposits Rs. 1 Crore Fixed Deposit is under Lien of Haryana Power Generation Corp Ltd)		
Total	383,360,071	376,988,541

Schedule " 7"

Sundry Debtors

(Unsecured and considered good)

More than six months	29,714,936	31,025,696
others	392,456,337	166,131,572
Total	422,171,273	197,157,268

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	66,873,891	31,281,349
Security Deposits	56,244,688	33,169,344
Advance Income Tax & FBT	399,641,288	219,839,396
Total	522,759,867	284,290,089

Schedule " 9"

Current Liabilities & Provisions

Current Liabilities

Sundry Creditors	587,629,098	228,684,849
Other Current liabilities	66,304,014	58,682,997

Provisions

Provision for Income Tax	460,167,613	311,667,613
Provision for Wealth Tax	641,796	207,266
Provision for Interim Dividend & Dividend Tax	-	86,551,807
Provision for FBT	6,273,624	6,273,624

Total	1,121,016,145	692,068,156
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For GLOBAL ENERGY PRIVATE LIMITED

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GLOBAL ENERGY PRIVATE LIMITED

90

Schedules Forming Part of Profit & Loss Account

Particulars	As at 31st Mar, 2011 Amount (Rs.)	As at 31st Mar, 2010 Amount (Rs.)
Schedule " 10"		
Income from Operations	21,072,239,533	9,849,241,235
Total	21,072,239,533	9,849,241,235
Schedule " 11"		
Other Income		
Miscellaneous Income	2,915,946	11,451,274
Security Services Income	882,400	-
Interest Income	26,229,391	30,981,447
Miscellaneous Balance Written Back	382,436	906,131
Total	30,410,173	43,338,852
Schedule " 12"		
Cost of Sales		
Opening Stocks	113,414,224	49,268,866
Add: Cost of Purchases	18,554,023,869	8,643,141,963
Add: Incidental Expenses	1,308,208,290	222,846,625
	19,975,646,383	8,915,257,454
Less : Closing Stocks	193,916,461	113,414,224
Total	19,781,729,922	8,801,843,230
Schedule " 13"		
Personnel Expenses		
Staff Salaries	82,481,066	39,811,248
Directors Salaries & Incentives	73,704,073	50,766,855
Staff Welfare & Amenities	4,845,143	9,859,480
Total	161,030,282	100,437,583
Schedule " 14"		
Operating Expenses		
Telephone & Communication	9,984,397	7,684,957
Manufacturing Exp.	42,427,058	25,175,028
Electricity Charges	6,830,462	2,123,662
Rates & Taxes	7,901,569	6,883,261
Lease Rentals	11,246,715	11,317,347
Legal & Professional Fees	97,353,625	62,188,266
Auditors Remuneration	1,654,500	1,654,500
Total	177,398,326	117,027,021



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Schedule " 15"

Selling & Administrative Expenses

Traveling & Conveyance	176,468,401	135,821,684
Printing & Stationery	2,616,136	2,601,527
Repairs & Maintenance	12,275,492	12,137,020
Hotel & Guest House Expenses	3,253,466	1,637,480
Advertisement & Sponsorship Expenses	50,863,928	896,107
Computer & Data Processing Expenses	1,064,155	557,582
Vehicle Running & Maintenance Expenses	9,976,246	4,937,859
Business Promotion Expenses	7,933,895	42,625,668
Rent	122,294,682	77,794,369
Extra Ordinary Items	10,161,394	-
Miscellaneous Expenses	30,988,223	55,443,223
Total	427,896,018	334,452,519

Schedule " 16"

Interest & Financial Charges

Bank Charges	655,831	1,574,994
Interest on Secured loan	12,057,155	18,631,319
Other Interest	6,267,429	29,742
Interest on Bill Discounting	15,371,187	-
LC Charges	622,126	-
Other Finance Charges	30,130	91,156
Total	35,003,858	20,327,211

Schedule "17"

Earning Per Share

Net Profit before Tax	468,738,408	468,072,281
Adjustment for Taxes	149,060,719	155,384,584
Profit for calculation of EPS	319,677,689	312,687,697
Basic Earning Per Share	10.80	10.57
Diluted Earning Per Share	10.80	10.57



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

I) SIGNIFICANT ACCOUNTING POLICIES:

1. Accounting Convention:

The Accounts have been prepared under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles (GAAP) in India, mandatory accounting standards as specified in the Companies (Accounting Standard) Rules, 2006, 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 relevant Load Dispatch Centre and Final Billing is done based upon the reading of the Regional Energy Accounts.

Revenue from the sale of wind power is recognized only on the sale of energy and its derivatives.

The brokerage is recognized in the books on completion of sale and purchase transaction of energy at exchange.

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 to a nominee customer of the company on mutually agreed terms at a future date. The banked power is reflected as inventory in the books of accounts 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 under financial lease entered with Belgundi Cements Private Limited is recorded at value of the securities/deposit.

5. Depreciation:

The Company has provided depreciation on Assets, on pro-rata basis on the written down value method, at rates prescribed under schedule XIV of the Companies Act, 1956. However Power plant acquired under the right to use agreement – financial lease 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 1st 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.

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) as specified in the Companies (Accounting Standard) Rules, 2006.

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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 as per the income tax act 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 in accordance with the Accounting Standard AS 22.

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 hold foreign currency monetary liabilities as on 31.03.2011. The same are stated in the books of accounts at the exchange rates prevailing as on 31st March 2011. 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 Private Limited on right to use basis – financial lease 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 – financial lease from Belgundi Cement Private Limited the total of minimum lease payments due at the balance sheet date is Rs.31.20 crores (Previous Year Rs 35.36 crore) and the net present value of the minimum lease payments are as under -
 - a. Not later than one year Rs. 1.0879 Crores (Previous year Rs 1.0885 crores)
 - b. Later than one year and not later than five years Rs 3.4264 Crores (Previous year Rs 5.643 Crores)
 - c. Later than five years Rs 6.2167 Crores (Previous year 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 82.94 lacs. (Previous year 99.27 lacs)
 - e. The power plant has been taken on a financial lease from Belgundi Cements Private 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 Private 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 Private 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 on terms as may be mutually agreed by the Parties. The Company has paid Rs 2,96,17,300 (Previous year Rs 382,700) and balance amount payable as on the date of balance sheet is Rs Nil (Previous year Rs 2,96,17,300).



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