

SIMRAN WIND PROJECT PRIVATE LIMITED

STATUTORY AUDIT

Financial Year : 2010-2011

- Auditor's Report & CARO
- Financial Statements
- Notes to Accounts

S N K & Co.

CHARTERED ACCOUNTANTS

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Nr. Hotel Regency, Dhole Patil Road,

Pune 411001, Maharashtra , India

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AUDITORS' REPORT

To
The Members,
Simran Wind Project Private Limited

1. We have audited the attached Balance Sheet of **SIMRAN WIND PROJECT PRIVATE LIMITED** as at 31st March 2011 and Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
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 amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the management in the preparation of financial statements and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report is in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report complies with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that, none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the **Balance Sheet**, of the state of affairs of the Company as at **31st March, 2011**.
 - (b) in the case of the **Profit and Loss Account**, of the **profit** for the year ended on that date and
 - (c) in the case of the **Cash Flow Statement**, of the cash flows for the year ended on that date.

For, SNK & CO.
FRN: 109176W
Chartered Accountants


Jasmin B. Shah
Partner

M.No. 46238

Place: Pune

Date: 15/7/2011



ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of Auditors' Report to the members of **Simran Wind Project Private Limited** for the year ended on 31st March 2011)

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) All fixed assets have been physically verified by the management at reasonable intervals during the year. As informed, no material discrepancies were noticed on such verification.
(c) There was no disposal of fixed assets during the year.
- 2) The Company does not have any inventory. Hence, Clauses 4(ii)(a) to 4(ii)(c) of the Order are not applicable.
- 3) (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence, Clauses 4(iii)(b) to 4(iii)(d) of the order are not applicable.
(b) The company has taken unsecured loan from one party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved in the transaction during the year is Rs. 750.00 lacs and amount outstanding at the end of the year against such loan is Rs. 3.50 lacs.
(c) The rate of interest and other terms and conditions in respect of such loan prima facie are not prejudicial to the interest of the Company.
(d) The payment against the said loan is as per the terms mutually agreed upon.
- 4) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventories and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls in respect of these areas.
- 5) According to the information and explanations provided by management, we are of the opinion that there are no such transactions that need to be entered in the register required to be maintained under section 301 of the Companies Act, 1956. Hence, Clause 4(v)(b) of the order is not applicable.
- 6) The Company has not accepted any deposits from the public. Accordingly, clause 4(vi) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- 7) In our opinion and according to the information and explanations given to us, the company has an internal audit system commensurate with its size and nature of its business.
- 8) In our opinion and according to the information and explanations given to us, the Company is required to maintain cost records as per the provisions contained under section 209(1) (d) of the Companies Act, 1956. The company has maintained the cost records as required.



- 9) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income tax, Sales tax, Wealth Tax, Service Tax, Custom duty, Excise Duty, Cess and other material statutory dues applicable to it.
- (b) According to the information and explanation given to us, there are no dues respect of sales tax, income tax, custom duty, wealth tax, service tax, excise duty and cess, that have not been deposited on account of any dispute.
- 10) The Company has no accumulated losses at the end of the financial year. The company has also not incurred cash losses in the financial year under report or in the immediately preceding financial year.
- 11) Based on our audit procedures and as per the information and explanations given by the management and relevant confirmations from applicable banks and financial institutions, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions or banks or debenture holders.
- 12) According to the information and explanations given to us and based on the documents and records produced to us, the company has not granted any loans and advances on the basis of security by the way of pledge of shares, debentures, and other securities. Accordingly, clause 4(xii) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- 13) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Accordingly, clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- 14) In our opinion, the Company does not deal or trade in shares, securities, debentures and other investments. Accordingly, clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- 15) According to information and explanations given to us, the Company has not given guarantees for loans taken by other company from bank or financial institutions. Accordingly, clause 4(xv) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- 16) No term loan has been raised during the year. Accordingly, clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- 17) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term investment.
- 18) The Company has, during the year, not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, clause 4(xviii) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- 19) The Company has created securities in respect of debentures issued during the year.



- 20) The Company has not raised any money by way of public issue during the year ended on 31st March, 2011. Accordingly, clause 4(xx) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- 21) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanation given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For SNK & CO,
Chartered Accountants,
FRN: 109176W



Jasmin B. Shah
Partner

M.No. 46238

Place: Pune

Date: 15/7/2011



SIMRAN WIND PROJECT PRIVATE LIMITED

Balance sheet as at March 31, 2011

(All amounts in rupees unless otherwise stated)

	Particulars	Schedule	As at March 31,2011	As at March 31,2010
I.	SOURCES OF FUNDS			
	1. Shareholders' funds			
	(a) Share Capital	A	1,514,004,000	1,064,004,000
	(b) Reserves and Surplus	B	2,538,076,226	1,069,156,090
	Share Application Money pending Allotment		490,000,000	-
			4,542,080,226	2,133,160,090
	3. Loan funds			
	Secured Loan	C	509,090,908	800,000,000
	Unsecured Loan	C	350,000	-
			5,051,521,134	2,933,160,090
II.	APPLICATION OF FUNDS			
	1. Fixed Assets			
	Gross Block	D	3,917,144,312	3,037,576,872
	Less: Depreciation		426,885,685	269,760,141
	Net Block		3,490,258,627	2,767,816,731
	Capital Work-in-Progress		3,579,855,968	-
			7,070,114,595	2,767,816,731
	2. Current Assets, Loans and Advances			
	(a) Sundry Debtors	E	137,259,810	132,054,029
	(b) Cash and Bank balances		63,666,092	21,384,181
	(c) Loans and Advances		63,306,853	19,035,176
			264,232,755	172,473,386
	Less: Current Liabilities and Provisions	F	2,282,826,216	7,130,027
	Net current assets		(2,018,593,461)	165,343,359
			5,051,521,134	2,933,160,090
	Significant Accounting Policies and Notes to Accounts	L	-	-

The schedules referred to above and the notes to accounts form an integral part of the balance sheet.

As per our report of even date

For and on behalf of the Board of Directors of

For SNK & Co
Firm Regn. No. 109176W
Chartered Accountants

Jasmin B. Shah
Partner
Membership No. 46238



Simran Wind Project Private Limited

P. K. LOHIA

P. K. LOHIA
Director

Rajiv Agarwal

RAJIV AGARWAL
Director

Place : Pune

SIMRAN WIND PROJECT PRIVATE LIMITED
 Profit and loss account for the year ended March 31, 2011
 (All amounts in rupees unless otherwise stated)

Particulars		Schedule	April 1, 2010 to March 31, 2011	April 1, 2009 to March 31, 2010
I	INCOME			
	Operating Income	G	355,022,084	340,866,411
	Other Income	H	183,906	1,342,427
			355,205,990	342,208,838
II	EXPENDITURE			
	Operating and Other Expenses	I	10,707,895	15,083,955
	Employees' Remuneration and Benefits	J	360,000	66,277
	Financial Charges	K	67,022,844	102,638,765
	Depreciation	E	157,125,544	156,180,219
			235,216,283	273,969,216
	PROFIT/(LOSS) BEFORE TAXATION		119,989,707	68,239,622
	Current Tax		23,914,549	11,808,536
	MAT Credit		(22,864,040)	(11,616,189)
	Earlier Year Tax		19,062	476
	PROFIT/(LOSS) AFTER TAXATION		118,920,136	68,046,799
	Balance brought forward		32,525,526	(31,089,887)
	Amount Available for Appropriation		151,445,662	36,956,912
	Appropriations :			
	Dividend Paid on Preference Shares		-	3,787,671
	Dividend Tax		-	643,715
	Balance Carried to Balance Sheet		151,445,662	32,525,526
	Earning per Share (in Rs.) [Refer Schedule L, Note No. 7] (Face value of Rs. 10/-)		1.12	0.69
	Significant Accounting Policies and Notes to Accounts	L		

The schedules referred to above and the notes to accounts form an integral part of the profit and loss Account.

As per our report of even date

For and on behalf of the Board of Directors of

For SNK & Co
 Firm Regn. No. 109176W
 Chartered Accountants

Jasmin B. Shah
 Partner
 Membership No. 46238



Simran Wind Project Private Limited

P.K. Lohia

P. K. LOHIA
 Director

Rajiv Agarwal

RAJIV AGARWAL
 Director

Place : Pune

Dated : the 15th day of July, 2011

SIMRAN WIND PROJECT PRIVATE LIMITED
Schedules attached to the balance sheet as at March 31, 2011

Particulars	As at March 31, 2011	As at March 31, 2010
<u>SCHEDULE- A : SHARE CAPITAL</u>		
Authorised:		
195,000,000 (110,000,000) equity shares of Rs.10/- each	1,950,000,000	1,100,000,000
2,500,000 (2,500,000) preference shares of Rs. 100/- each	250,000,000	250,000,000
	2,200,000,000	1,350,000,000
Issued, subscribed and Paid-up		
151,400,400 (106,400,400) equity shares of Rs.10/- each fully paid-up (100% of equity shares held by Techno Electric & Engineering Co. Ltd)	1,514,004,000	1,064,004,000
	1,514,004,000	1,064,004,000
<u>SCHEDULE- B : RESERVES AND SURPLUS</u>		
Securities Premium	1,036,630,564	911,568,920
Add : Addition during the year	1,350,000,000	144,000,000
	2,386,630,564	1,055,568,920
Less : Premium on redemption of Preference Shares	-	18,938,356
	2,386,630,564	1,036,630,564
Profit and Loss account	151,445,662	32,525,526
	2,538,076,226	1,069,156,090
<u>SCHEDULE - C : LOANS</u>		
SECURED LOANS		
7.50% Non Convertible Debentures (Refer Schedule L, Note No. 4)	509,090,908	800,000,000
	509,090,908	800,000,000
UNSECURED LOANS		
Loan from Holding Company	350,000	
	350,000	-



SIMRAN WIND PROJECT PRIVATE LIMITED

Schedules attached to the Balance Sheet as at March 31, 2011

SCHEDULE - D : FIXED ASSETS

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS AT April 01, 2010	Additions	AS AT March 31, 2011	Up To April 01, 2010	For the year	Up To March 31, 2011	AS AT March 31, 2011	AS AT March 31, 2010
and Machinery (Wind mill)	64,510,104	-	64,510,104	-	-	-	64,510,104	64,510,104
Equipment	2,972,823,481	879,567,440	3,852,390,921	269,683,666	157,092,322	426,775,988	3,425,614,933	2,703,139,815
Computers and Computer Equipment	6,995	-	6,995	719	332	1,051	5,944	6,276
or Vehicles	155,645	-	155,645	56,896	25,229	82,125	73,520	98,749
	80,647	-	80,647	18,860	7,661	26,521	54,126	61,787
	3,037,576,872	879,567,440	3,917,144,312	269,760,141	157,125,544	426,885,685	3,490,258,627	2,767,816,731
ous year	2,663,978,316	373,598,556	3,037,576,872	113,579,922	156,180,219	269,760,141	2,767,816,731	-
al Work- in- Progress *	-	-	-	-	-	-	3,579,855,968	-
nd total	3,037,576,872	879,567,440	3,917,144,312	269,760,141	157,125,544	426,885,685	7,070,114,595	2,767,816,731

udes Capital Advance of Rs. 109,90,00,000/-




SIMRAN WIND PROJECT PRIVATE LIMITED
Schedules attached to the balance sheet as at March 31, 2011

Particulars	As at March 31, 2011	As at March 31, 2010
<u>SCHEDULE- E : CURRENT ASSETS, LOANS AND ADVANCES</u>		
CURRENT ASSETS		
(a) SUNDRY DEBTORS (Unsecured, considered good)		
Outstanding for a period exceeding six months	25,318,356	10,614,668
Others	111,941,454	121,439,361
	137,259,810	132,054,029
(b) CASH AND BANK BALANCES		
Cash in hand	4,074	4,224
Balances with scheduled banks		
In current accounts	63,662,018	21,379,957
	63,666,092	21,384,181
(c) LOANS AND ADVANCES		
Deposits	2,500	2,500
MAT credit entitlement	35,117,229	12,253,189
Advances recoverable in cash or in kind or for value to be received considered good	28,187,124	6,779,487
	63,306,853	19,035,176
<u>SCHEDULE- F : CURRENT LIABILITIES AND PROVISIONS</u>		
(a) Current Liabilities		
Sundry creditors	2,277,206,868	-
Interest accrued but not due	4,079,701	6,246,575
Other Liabilities	991,638	779,976
	2,282,278,207	7,026,551
(b) Provisions		
Provision for Income Tax [Net of Advance Tax of Rs. 2,33,70,681/- (previous year Rs.1,23,68,081/-)]	548,009	103,476
	548,009	103,476
	2,282,826,216	7,130,027



