



Independent Auditor's Report

To the Members of Amravati Power Transmission Company Limited (Formerly Known as Poena Power Transmission Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of Amravati Power Transmission Company Limited (Formerly Known as Poena Power Transmission Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow statement 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 cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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 our 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, we consider 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 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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:



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- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, 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.

Report on Other legal and Regulatory Requirements

- i) 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.
- ii) 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 account.
 - d) in our opinion, the Balance Sheet, statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; read with commencement notification dated 12 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Sharma Goel & Co. LLP
Chartered Accountants
FRN:000643N

Rajesh Mittal
(Partner)
M.No.095681



Place: New Delhi
Date: May 5, 2014



Annexure to the Auditors' Report of even date to the members of Amravati Power Transmission Company Limited (Formerly Known as Poena Power Transmission Limited) on the financial statements for the year ended March 31, 2014 (Referred to in our report of even date)

Based on the Audit Procedures performed for the purpose of reporting a true and fair view on the financials statements of the company and taking into the consideration the information and explanation given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- i) In respect of Fixed Assets of the Company and in our opinion:
 - a. The Company has maintained proper records, showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Company has a programme of physical verification of its fixed assets by which they are verified annually. In accordance with this programme, fixed assets were verified during the year and no discrepancies were noticed on such verification. In our opinion, the frequency of the physical verification is reasonable having regards to the size of the company and nature of fixed assets.
 - c. The Company has not disposed off any fixed assets during the year.
- ii) The Company does not have any Inventory. Accordingly, the provisions of paragraph 4 clause (ii) of the Order are not applicable to the company.
- iii) The company has not granted any loan to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Also, the Company has not taken loan from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- iv) In our opinion, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchase of inventory and fixed assets and sale of goods & services. We have not observed any major weakness in the internal control system during the course of the audit.
- v) In our opinion, the Company has not entered into any contracts or arrangements referred to in Section 301 of the Companies Act, 1956, the particulars of which are required to be entered in the register, maintained section 301.
- vi) In our opinion, the Company has not accepted any deposits from the public within the meaning of section 58A and section 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.



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- vii) In our opinion the company has an internal audit system commensurate with the size and nature of its business.
- viii) In our opinion cost records as prescribed under section 209(1)(d) of the Companies Act, 1956, are applicable and the company has duly made and maintained such accounts and records.
- ix) In respect of disputed and undisputed Statutory Dues of the Company and according to information and explanations given to us and on the basis of our examination of the records of the Company
- a. Amounts deducted / accrued in the books of accounts in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and any other material Statutory Dues have generally been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable. There were no dues on account of Cess under Section 441A of the Companies Act, 1956 since the aforesaid section has not yet been made effective by the Central Government. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2014 for a period of more than six months from the date they became payable, wherever applicable.
- b. According to the information and explanations given to us and, There are no dues of Income-Tax, Sales Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty and Cess, as applicable to it, which have not been deposited on account of any dispute.
- x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current year and as well as immediately preceding financial year.
- xi) Based on our audit procedure the Company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.
- xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of paragraph 4 clause (xii) of the Order are not applicable to the company
- xiii) The Company is not a Chit Fund or a Nidhi/ Mutual Benefit fund/ Society. Accordingly, the provisions of paragraph 4 clause (xiii) of the Order are not applicable.
- xiv) In our opinion the company is not dealing or trading in shares, debentures, securities and other investments. Accordingly, the provisions of paragraph 4 clause (xiv) of the Order are not applicable.
- xv) In our opinion, the Company has not given any guarantee in terms of paragraph 4 clause (xv).





- xvi) In our opinion and to the best of our knowledge and belief, proceeds of term loans taken were, prima facie, applied for the purpose it was obtained.
- xvii) In our opinion and on an overall examination of the balance sheet of the Company, funds raised on short-term basis, prima facie, have not been used for the long-term investment by the Company.
- xviii) In our opinion, the Company has made preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix) In our opinion and the records examined by us, the Company has not any created charges in respect of debentures issued during the year.
- xx) The Company has not raised any monies by way of public issue during the year. Accordingly, the provisions of paragraph 4 clause (xx) of the Order are not applicable.
- xxi) In our opinion, no material fraud on or by the Company has been noticed or reported during the period covered in our audit.

For Sharma Goel & Co. LLP
Chartered Accountants
FRN:000643N



Rajesh Mittal
(Partner)
M.No.095681

Place: New Delhi
Date: May 5, 2014

Amravati Power Transmission Company Limited
(Formerly Known as Poena Power Transmission Limited)
Balance Sheet As at March 31, 2014

Amount in Rupees

	Note No.	As at March 31, 2014	As at March 31, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	7,403,750	500,000
Reserves and Surplus	4	687,147,865	1,138,195
Non Current Liabilities			
Long-term Borrowings	5	1,700,000,000	-
Deferred Tax Liabilities (Net)	6	803,227	60,137
Long-term provisions	7	625,807	913,648
Current Liabilities			
Other current liabilities	8	209,416,021	1,939,742,078
Short-term provisions	9	444,420	97,148
TOTAL		2,605,841,090	1,942,451,206
ASSETS			
Non-current assets			
Fixed assets (Net)	10		
Tangible assets		101,893,561	929,602
Capital work in progress		1,864,488,298	1,814,287,339
Long-term loans and advances	11	24,105,985	60,659,066
Expenditure During Construction Pending Capitalisation	12	424,876,093	46,282,901
Current assets			
Cash and Bank Balances	13	71,091,503	1,853,314
Short-term loans and advances	14	101,535,180	18,438,984
Other current assets	15	17,850,470	-
TOTAL		2,605,841,090	1,942,451,206

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N



Rajesh Mittal
Partner
Membership No.: 095681

For and on behalf of the Board

Rajesh Kumar
Whole Time Director

Reena Kori
Whole Time Director

Place: New Delhi
Date: May 5, 2014

Place: New Delhi
Date: May 5, 2014

Amravati Power Transmission Company Limited
(Formerly Known as Poena Power Transmission Limited)
Statement of Profit and Loss for the year ended March 31, 2014

	Note No	For the year ended March 31, 2014	Amount in Rupees For the year ended March 31, 2013
Revenue:			
Revenue from Operations	16	17,823,280	-
Other Income	17	1,567,481	670,891
Total Revenue		19,390,761	670,891
Expenses:			
Employee Benefits Expense	18	610,860	-
Finance Cost	19	9,800,036	2,998
Depreciation and Amortisation Expenses	10	4,618,298	-
Administrative and Other Expenses	20	668,606	148,041
Total Expenses		15,697,800	151,039
Profit before Tax		3,692,961	519,852
Tax Expense			
Current Tax		411,452	106,115
Less: Mat Credit Entitlement		-	36,869
Net Current Tax		411,452	69,246
Deferred Tax		743,089	29,052
Profit after Tax but before Prior year adjustments		2,538,420	421,554
Tax Adjustment in respect of earlier years		-	(50,129)
Profit for the Year		2,538,420	471,683
Earnings Per Equity Share:	25		
- Basic (Rs.)		7.78	9.43
- Diluted (Rs.)		7.78	9.43
Face value per Equity share (Rs.)		10	10

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

As per our report of even date


For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N

Rajesh Mittal
Partner
Membership No.: 095681



For and on behalf of the Board


Rajesh Kumar
Whole Time Director


Reena Kori
Whole Time Director

Place: New Delhi
Date: May 5, 2014

Place: New Delhi
Date: May 5, 2014

Amravati Power Transmission Company Limited
(Formerly Known as Poena Power Transmission Limited)
Cash Flow Statement for the year ended March 31, 2014

	Amount in Rupees	
	For the year ended March 31, 2014	For the year ended March 31, 2013
A Cash Flow From Operating Activities :		
Profit before tax	3,692,961	519,852
Adjustment for:		
Interest Income on Fixed Deposits	(30,211)	(670,876)
Depreciation	4,618,298	-
Employee benefits	4,599	-
Interest expense on Term Loan and Financing charges	9,796,440	-
Dividend Income on Unit of Mutual Funds	(1,537,270)	-
Operating Profit/ (Loss) before Working Capital Changes	16,544,817	(151,024)
Adjustments for:		
(Increase) in loans and advances	(83,096,196)	(7,559,828)
(Increase) in other current assets	(17,823,280)	-
(Decrease)/ Increase in Trade Payables and other liabilities	(1,730,326,058)	890,797,268
Net Cash generated from operations	(1,814,700,717)	883,086,416
Income Tax Paid/ (Retund Received), net	(35,563)	(96,926)
Net Cash (Used in)/ Generated From Operating Activities	(1,814,736,280)	882,989,490
B Cash Flow From Investing Activities		
Capital Work-in-Progress	(153,026,937)	(932,437,614)
Capital Advances	36,553,083	57,557,979
Incidental Expenditure during construction pending for capitalisation	(381,670,528)	(19,048,899)
Fixed deposit placed/ (reliesed) with bank having original maturity of more than 3 months	(1,630,000)	10,192,100
Interest received on Fixed Deposit	3,021	740,083
Dividend received on Unit of Mutual Funds	1,537,270	-
Net Cash Used in Investing Activities	(498,234,091)	(882,996,351)
C Cash Flow From Financing Activities		
Long-term Borrowings taken	1,700,000,000	-
Proceeds from issue of Share Capital (including Securities Premium)	690,375,000	-
Interest paid on Term Loan and Financing charges	(9,796,440)	-
Financing Charges	-	(1,248,334)
Net Cash Generated From/ (Used in) Financing Activities	2,380,578,560	(1,248,334)
D Net Increase/ (Decrease) in Cash and Cash equivalents (A+B+C)	67,608,189	(1,255,194)
E Cash and cash equivalents at the beginning of the year	1,853,314	3,108,508
F Cash and cash equivalents at the end of the year (D+E)	69,461,503	1,853,314

Note :

1 The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in Accounting Standard - 3 on Cash Flow Statements as notified under the Companies (Accounting Standards) Rules, 2006,as amended.

2 **Cash and cash equivalents at the end of the year include :**

Cash on Hand	6,340	8,152
Balance with scheduled banks		
- On Current Accounts	69,455,163	1,845,162
Total of Cash and cash equivalents	69,461,503	1,853,314

3 Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

As per our report of even date

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N

Rajesh Mittal
Partner
Membership No.: 095681

Place: New Delhi
Date: May 5, 2014



For and on behalf of the Board

Rajesh Kumar
Whole Time Director

Reena Kori
Whole Time Director

Place: New Delhi
Date: May 5, 2014

Amravati Power Transmission Company Limited (formerly Poena Power Transmission Limited)

Notes to Financial Statements for the year ended March 31, 2014

1. Overview:

Poena Power Transmission Limited ("the Company") was incorporated on July 8, 2008 as a wholly owned subsidiary of Indiabulls Power Services Limited ("IPSL"). As a result of the Scheme of Amalgamation (Scheme-I) of Indiabulls Power Services Limited ("IPSL") with Indiabulls Power Limited. ("IPL") with effect from April 1, 2008 as approved by the Hon'ble High Court of Delhi, IPL became the holding company of the Company.

In accordance with the provisions of Section 21 and other applicable provisions of the Companies Act, 1956, the members of the company at their Extraordinary General Meeting held on May 20, 2010, accorded their approval to change the name of the Company. The Company has since received fresh certificate of incorporation consequent upon change of name from the Registrar of Companies, National Capital Territory of Delhi & Haryana, dated June 8, 2010 in respect of the said change. Accordingly, the name of the Company was changed to Amravati Power Transmission Company Limited from Poena Power Transmission Limited.

Pursuant to and in terms of the Court approved Scheme of Arrangement (Scheme-II) under Section 391 to 394 of the Companies Act, 1956, by and among Indiabulls Real Estate Limited, Indiabulls Infrastructure and Power Limited, Indiabulls Builders Limited, Indiabulls Power Limited. (the Holding Company), Poena Power Supply Limited and their respective shareholders and creditors (Scheme), which had been approved by the Hon'ble High Court of Delhi vide its order dated October 17, 2011 and came into effect on November 25, 2011, with effect from the April 1, 2011 i.e. the Appointed Date, the Power business undertaking of Indiabulls Real Estate Limited ("IBREL") which included the IBREL investment in the Company, stood demerged from IBREL and transferred to and vested in favor of Indiabulls Infrastructure and Power Limited ("IIPL") which had the effect of making IIPL the Ultimate Holding company of the Company.

In terms of the Court approved Scheme of Arrangement (Scheme-III) which came into effect on June 2, 2012 (Effective Date), Indiabulls Infrastructure Development Limited ("IIDL") was merged with Indiabulls Power Limited. (the Holding Company) as a going concern with effect from April 1, 2012, the Appointed Date under the Scheme, upon which the entire undertaking and the entire assets and liabilities of IIDL stand transferred to and vested in Indiabulls Power Limited. at their book values. Pursuant to the Scheme as aforesaid, an aggregate of 41,54,07,007 Equity shares of face value Rs. 10 each in IPL were issued and allotted in favour of the IIDL shareholders as on the Effective Date, thereby increasing the paid up capital of IPL to Rs. 26,427,299,530 divided into 264,27,29,953 Equity shares of face value Rs. 10 each. Consequent to issuance and allotment of equity shares to IIDL, Indiabulls Infrastructure and Power Limited ("IIPL") ceases to be ultimate holding company of the Company w.e.f. June 20, 2012.

The main objects of the Company include inter alia carrying on the business of power generation, distribution, trading and transmission directly of all forms of power and all ancillary and incidental activities.

2. Significant Accounting Policies

2.1 Basis of Accounting

The financial statements are prepared under the historical cost convention on an accrual basis, in accordance with the generally accepted accounting principles in India and in compliance with the applicable accounting standards as notified under the Companies (Accounting Standards) Rules, 2006, as amended and as per Revised Schedule VI to the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of commencement notification of Companies Act, 2013, dated 12 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act and 2013 Act, to the extent applicable.

2.2 Presentation and disclosure of financial statements

These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211 (3C) [Companies (Accounting Standards) Rules 2006, as amended] and all other relevant provisions of the Companies Act, 1956.



Notes (Cont...)

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Revised Schedule – VI to the Companies Act 1956, based on the nature of product/ services and the time between the acquisition of the assets for processing and their realization in cash and cash equivalents. The company has ascertained its operating cycle as 12 months for the purpose of classification of assets & liabilities as current or non-current.

2.3 Use of Estimates

The presentation of financial statements is in conformity with GAAP and requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the amount of revenues and expenses during the reporting year. Differences between the actual results and estimates are recognized in the reporting year in which the results are known/ materialized.

2.4 Revenue Recognition

Interest income from deposits, advances and others is recognized on accrual basis. Dividend income is recognized when the right to receive the dividend is unconditionally established. Profit/ Loss on sale of investments is recognized on the date of the transaction of sale and is computed with reference to the carrying amount of the investment sold.

2.5 Fixed Assets

Tangible fixed assets are stated at cost, net of tax/ duty credits availed, less accumulated depreciation and impairment losses, if any. Cost includes original cost of acquisition and installation, including incidental expenses related to such acquisition & installation. Subsequent expenditures related to an item of fixed asset are added to its book value, only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Intangible assets are stated at cost, net of tax/ duty credits availed less accumulated amortization and impairment losses, if any. Cost includes original cost of acquisition, development and installation, including incidental expenses related to such acquisition, development and installation.

Profit or Loss on sale of fixed assets is arrived at after deducting the sale value of the asset, net of taxes, if any, from the stated cost of the asset.

2.6 Depreciation/ Amortization

Depreciation on fixed assets is provided on the straight-line method at the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956.

Depreciation on additions/ deletions to fixed assets is provided on pro-rata basis from/ upto the date the asset is put to use/ discarded. Individual assets costing upto Rs. 5,000 are fully depreciated in the year of purchase. The acquisition value of Leasehold Land is amortized over the period of Lease.

Intangible assets consisting of Software are amortized on a straight line basis over a period of four years from the date when the assets are available for use.

2.7 Expenditure During Construction Pending Capitalization

Any expenditure directly/ indirectly related and attributable to the construction of power projects and incidental to setting up power project facilities, incurred prior to the date of commencement of commercial operation of the power project, are accumulated under "Expenditure During Construction Pending Capitalization", to be capitalized on completion of construction of the respective power projects and commencement of commercial operations.

2.8 Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset (tangible/ intangible) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is higher of, an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and



Notes (Cont...)

Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

2.9 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of such asset. Any income earned on the temporary investment of those borrowings is deducted from the borrowing costs incurred. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

2.10 Investments

Investments that are readily realizable and are intended to be held for not more than one year from the date of investment are classified as current investment. All other investments are classified as Long Term investment. Long Term investments are stated at cost less provision, if any, other than temporary diminution in value of such investment. Such reduction is being determined and made for each investment individually. Current investments are stated at lower of cost and fair value.

2.11 Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of occurrence of the transaction. Monetary items denominated in foreign currency at the year end are translated at year end rates. In respect of monetary items which are covered by forward exchange contracts, premium/ discount arising on the contract from inception is amortized over the life of the contract. Any exchange differences arising on settlement/ translation are dealt with in the Statement of Profit and Loss.

Exchange differences arising on a monetary item that in substance forms part of the company's net investment in a non-integral foreign operation is accumulated in the Foreign Currency Translation Reserve until disposal of the net investment, when it is recognized as an income or expense in Statement of Profit and Loss.

Non-Monetary items carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction.

2.12 Employee Benefits

The Company's contribution to Provident Fund is charged to the Statement of Profit and Loss or booked as Expenditure During Construction Pending Capitalization. The Company has unfunded defined benefit plans namely leave encashment (compensated absences) and gratuity for its employees, the liability for which is determined on the basis of actuarial valuation, conducted, by an independent actuary at the end of the year using the Projected Unit Credit Method in accordance with Accounting Standard 15 (Revised 2005) – Employee Benefits, notified under the Companies (Accounting Standards) Rules, 2006, as amended. Actuarial gains and losses comprise experience adjustments and the effects of change in actuarial assumptions and are recognized in Statement of Profit and Loss as income or expense or booked as Expenditure During Construction Pending Capitalization, as applicable.

2.13 Current and Deferred Taxes

Tax expenses for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is determined as the tax payable in respect of taxable income for the reporting year and is computed in accordance with prevailing relevant tax regulations.

Deferred tax resulting from timing differences between book and tax profits is accounted for at the current rate of tax/ substantively enacted tax rates as on the Balance Sheet date, to the extent that the timing differences are expected to crystallize.

Deferred Tax Assets are recognized where realization is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognized only if there is a virtual certainty of realization supported by convincing evidence of the same. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.



Notes (Cont...)

2.14 Earnings Per Share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of equity and dilutive potential equity shares outstanding during the year.

2.15 Leases

In case of assets taken on operating lease, the lease rentals are charged to the Statement of Profit and Loss/ Expenditure During Construction Pending Capitalization, as applicable, in accordance with Accounting Standard 19 - Leases, as notified by the Companies (Accounting Standards) Rules, 2006, as amended.

2.16 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. In accordance with AS 29 Contingent Assets are not recognized in the financial statements since it may result in the recognition of income that may never be realized.

2.17 Deferred Employee Stock Compensation Costs

Deferred Employee Stock Compensation Costs are recognized in accordance with the Guidance Note on "Accounting for Employee Share Based Payments" issued by the Institute of Chartered Accountants of India, which establishes financial accounting and reporting principles for employee share based payment plans. The Company has elected to apply the intrinsic value method of accounting. Accordingly, employee stock compensation costs are measured by the difference between the estimated intrinsic value of the company's shares on stock options on the grant date and the exercise price to be paid by the option holders. The compensation expense is amortized over the vesting period of the options. The fair value of options is measured on the basis of an independent valuation performed in respect of stock options granted.



Amravati Power Transmission Company Limited
(Formerly Known as Poona Power Transmission Limited)
Notes forming part of the Balance Sheet As at March 31, 2014

	As at March 31, 2014	Amount in Rupees As at March 31, 2013
Note 3		
Share capital		
Authorised		
800,000 (Previous Year 50,000) Equity Shares of Rs.10 each	8,000,000	500,000
	<u>8,000,000</u>	<u>500,000</u>
Issued, Subscribed and Paid up		
Equity Share Capital		
740,375 (Previous Year 50,000) Equity Shares of Rs.10 each		
Fully paid up	7,403,750	500,000
[The entire paid-up Equity Share Capital is held by the holding company- Indiabulls Power Limited. and its nominees]		
Total - Share Capital	<u>7,403,750</u>	<u>500,000</u>

a) Reconciliation of the number of shares outstanding

	March 31, 2014		March 31, 2013	
Equity Shares	No. of Shares	Amount	No. of Shares	Amount
As at the beginning of the year	50,000	500,000	50,000	500,000
Issued during the year for payment received in cash	690,375	6,903,750	-	-
Issued during the period - Bonus Issue	-	-	-	-
As at the end of the reporting year	<u>740,375</u>	<u>7,403,750</u>	<u>50,000</u>	<u>500,000</u>

b) Terms/ Rights attached to Equity Shares

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend, if any, proposed by Board of Directors is subject to the 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, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shareholders holding more than 5% shares in the company

	March 31, 2014		March 31, 2013	
Equity Shares of Rs 10 each fully paid	No of Shares	% holding	No of Shares	% holding
One Shareholder is holding more than 5% of the Share Capital	740,375	100%	50,000	100%

Note 4

Reserves and Surplus

Securities Premium Account

Balance as per last Balance Sheet

Add : Additions during the year

Balance as at the end of the year

-	-	-	-
<u>683,471,250</u>	<u>683,471,250</u>	<u>-</u>	<u>-</u>

Surplus / (deficit) in the statement of Profit and Loss

Balance as per last financial statements

Profit for the year

Balance as at the end of the year

1,138,195	666,512
<u>2,538,420</u>	<u>471,683</u>

3,676,615	1,138,195
<u>687,147,865</u>	<u>1,138,195</u>

Total - Reserve & Surplus

Note 5

Long-term Borrowings

Secured Loan

From Financial Institution

Total - Long-Term Borrowings

1,700,000,000	-
<u>1,700,000,000</u>	<u>-</u>

(i) Once the loans would be fully drawn down from Financial Institutions, repayment of term loan in 48 equal quarterly installment of Rs. 28,766,667/- each in case of Power Finance Corporation Limited and 48 equal quarterly installment of Rs. 28,766,667/- each in case of Rural Electrification Corporation Limited;

(ii) The above mentioned loans from Financial Institutions carry floating rates of interest ranging from 12.50% p.a. to 12.75% p.a.

(iii) There were no defaults in payment of interest as at the year ended March 31, 2014

Note 6

Deferred Tax Liabilities (Net)

Deferred tax liability

Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting

Deferred tax liability (A)

3,643,998	60,137
<u>3,643,998</u>	<u>60,137</u>

Deferred tax assets

Unabsorbed Business Losses

Deferred tax assets (B)

Total - Deferred tax Liabilities (A-B)

2,840,771	-
<u>2,840,771</u>	<u>-</u>
<u>803,227</u>	<u>60,137</u>

Pursuant to Accounting Standard 22 (AS 22) – Accounting for Taxes on Income, as notified under the Companies (Accounting Standards) Rules, 2006, as amended, the Company has debited an amount of Rs. 743,089 (Previous Year : Rs. 29,052) as deferred tax charge (Net) to the Statement of Profit and Loss for the year ended March 31, 2014.



Amravati Power Transmission Company Limited
(Formerly Known as Poena Power Transmission Limited)
Notes forming part of the Balance Sheet As at March 31, 2014

	As at March 31, 2014	Amount in Rupees As at March 31, 2013
Note 7		
Long-term Provisions		
Provision for employee benefits		
Provision for Gratuity (unfunded)	343,696	589,213
Provision for Compensated Absences (unfunded)	282,111	324,435
Total - Long-term Provisions	625,807	913,648
Note 8		
Other current liabilities		
Advances from Holding Company	-	1,690,344,879
Duties & Taxes payable		
- TDS Payable	34,527,442	605,492
- VAT/WCT/Sales Tax Payable	96,016	79,016
- Service Tax Payable	5,926	-
- Professional Tax Payable	1,000	1,800
	34,630,384	686,308
Retention Money Payable	105,030,106	138,052,087
Expenses Payable		
- Power Group Companies	-	-
- Others	20,006,517	24,779,414
	20,006,517	24,779,414
Due to Employees	78,286	8,668
Earnest Money deposit	-	-
Other Liabilities		
- Vendor - Fixed Assets	50,200	236,496
- Audit Fee Payable	101,124	100,000
- Others	49,519,404	85,534,226
	49,670,728	85,870,722
Total - Other current liabilities	209,416,021	1,939,742,078
Note 9		
Short-term Provision		
Provision for employee benefits		
Provision for Gratuity (unfunded)	7,415	24,079
Provision for Compensated Absences (unfunded)	8,904	20,857
	16,319	44,936
Others provision		
Provision for Taxation		
[Net of Advance Income Tax/Tax Deducted At Source Rs. 611,395 (Previous year Rs. 67,088)]	428,101	52,212
	428,101	52,212
Total - Short-term Provision	444,420	97,148
Note 11		
Long-term loans and advances		
Capital Advances		
(Secured, considered good)	24,035,413	60,588,494
Security Deposits		
Security Deposits - Premises	40,000	40,000
Mat Credit Entitlement		
Mat Credit Entitlement	30,572	30,572
Total - Long-term loans and advances	24,105,985	60,659,066
Note 13		
Cash and Bank Balances		
Cash and cash equivalents		
Balances with Banks		
- In Current Accounts	69,455,163	1,845,162
Cash In Hand	6,340	8,152
Other bank balances		
- Deposits with Original maturity for more than 12 months	1,630,000	-
Total - Cash and Bank Balances	71,091,503	1,853,314
Note 14		
Short-term loans and advances		
Others		
Advances recoverable in cash or in kind or for value to be received	89,138,748	350
Prepaid Expenses	2,005,906	-
Loans to Employees	-	48,000
VAT/ WCT	10,390,526	18,390,634
	101,535,180	18,438,984
Total - Short-term loans and advances	101,535,180	18,438,984
Note 15		
Other Current Assets		
Accrued Interest On		
- Fixed Deposits	27,190	-
- Accrued Income-Sales	17,823,280	-
Total - Other Current Assets	17,850,470	-



Amravati Power Transmission Company Limited
(Formerly Known as Poena Power Transmission Limited)
Note forming part of the Balance Sheet As at March 31, 2014

Note 12

Incidental Expenditure pending for capitalisation/Allocation

Head of Account	As at 31 March 2013	Additions during the year	Transfers during the year*	As at 31 March 2014
Advertisement Expenses	324,736	-	18,567	306,169
Bank charges	457,165	5,716	26,139	436,741
Books & Periodical	900	-	51	849
Business Promotion Expenses	67,551	77,800	4,702	140,649
Communication Expenses	320,615	109,084	19,749	409,950
Depreciation	261,244	78,735	15,712	324,268
Financing Expenses	1,239,293	17,088,219	70,859	18,256,654
Interest During Construction Period*	819,581	346,972,018	46,861	347,744,738
Lease Rent	309,371	399,382	22,974	685,780
Legal & Professional	633,267	348,326	36,915	944,678
Miscellaneous Expenses	100	424	6	518
Power Transmission Charges	2,724,818	-	155,796	2,569,022
Printing & Stationery	26,901	13,037	1,550	38,388
Rates & Taxes	128,365	1,579,588	7,374	1,700,580
Recruitment & Training Expenses	108,533	-	6,206	102,327
Repairs and maintenance - Others	18,806	-	1,075	17,731
Salary Expenses	35,845,959	12,424,482	2,210,203	46,060,238
Staff Welfare	11,274	-	645	10,629
Travelling & Conveyance	2,231,997	2,034,725	136,745	4,129,977
Project Insurance	-	132,000	-	132,000
Guest House	518	-	30	488
Postage And Telegram	200	331	11	520
Commission And Brokerage	13,000	-	743	12,257
Vehicle Repair And Maintenance	738,707	164,338	52,102	850,943
Total	46,282,901	381,428,206	2,835,014	424,876,093

*During the year, the Company has capitalised Rs. 105,660,992 in Plant & Machinery against asset 'Line-in-Line-Out (LILO) Line'. LILO line is to be used for transmission of power. Amounts to the tune of Rs. 10,282,978 and Rs. 2,835,014 have been transferred from 'Capital Work in Progress' and 'Expenditure During Construction Pending Capitalisation' respectively, for this capitalization

*Borrowing cost of Rs 346,972,018 has been transferred to Expenditure During Construction Pending Capitalization during the year (Previous Year: Rs. 819,581).



Amravati Power Transmission Company Limited
(Formerly Known as Poena Power Transmission Limited)
Note forming part of the Balance Sheet As at March 31, 2014

Note 10
FIXED ASSETS

Particulars	Gross Block At Cost			Accumulated Depreciation / Amortisation			Net Block	
	As at April 1, 2013	Additions during the Year	Adjustments(i)/ Sales during the Year	As at April 1, 2013	Provided during the Year (ii)	Adjustments during the Year	As at March 31, 2014	As at March 31, 2013
Tangible Assets								
Plant & Equipment	677,719	105,660,992	-	64,273	4,648,159	-	101,626,279	613,446
Office Equipment	90,090	-	-	15,053	3,852	-	71,185	75,037
Computers	256,590	-	-	74,438	40,864	-	141,288	182,152
Furniture and Fixtures	166,446	-	-	107,479	4,158	-	54,809	58,967
TOTAL (A)	1,190,845	105,660,992	-	261,243	4,697,033	-	101,893,561	929,602
Previous Year	1,190,845	-	-	180,179	81,064	-	929,602	1,010,666
Capital Work In Progress	1,814,287,339	153,026,937	102,825,978	-	-	-	1,864,488,298	1,814,287,339
TOTAL (B)	1,814,287,339	153,026,937	102,825,978	-	-	-	1,864,488,298	1,814,287,339
Previous Year	881,849,725	932,437,614	-	-	-	-	1,814,287,339	

- a) During the year, the Company has capitalised Rs. 105,660,992 in Plant & Machinery against asset 'Line-in-Line-Out (LILLO) Line' LILLO line is to be used for transmission of power. Amounts to the tune of Rs. 10,2825,978 and Rs. 2,835,014 have been transferred from 'Capital Work in Progress' and 'Expenditure During Construction Pending Capitalisation' respectively, for this capitalization
- b) Depreciation aggregating Rs. 78,735 (Previous Year Rs. 81,064) on assets directly related to the Project has been transferred to Expenditure during construction pending capitalisation and depreciation aggregating to Rs. 4,618,298 (Previous year Rs. Nil) being depreciation on other fixed assets has been debited to the Statement of Profit and Loss for the year ended March 31, 2014.



Amravati Power Transmission Company Limited
(Formerly Known as Poena Power Transmission Limited)
Notes forming part of the Statement of Profit and Loss for the Year Ended March 31, 2014

	For the Year ended March 31, 2014	Amount in Rupees For the Year ended March 31, 2013
Note 16		
Revenue from Operations		
Income from Transmission of Power	17,823,280	-
Total - Revenue from Operations	17,823,280	-
Note 17		
Other Income		
Dividends on Units of Mutual Fund	1,537,270	-
Interest on Fixed Deposits	30,211	670,876
Miscellaneous Income	-	15
Total - Other Income	1,567,481	670,891
Note 18		
Employees Benefits Expenses		
Salaries and Wages	606,215	-
Contribution to Provident Fund and Other Funds	46	-
Gratuity/ Compensated Absence	4,599	-
Total - Employees Benefits Expenses	610,860	-
Note 19		
Finance Cost		
Loan Processing Fees	835,067	-
Interest Expenses:		
- Interest Expenses on Taxation	3,596	2,998
- Interest on Term Loan	8,961,373	-
Total - Finance Cost	9,800,036	2,998
Note 20		
Administrative and Other Expenses		
Rates and Taxes	254,384	1,024
Rent Expenses	19,078	-
Legal and Professional Charges	48,356	23,360
Communication Expenses	4,890	-
Insurance Expenses	103,642	-
Printing and Stationery	759	-
Postage and Telegram	19	-
Traveling and Conveyance Expenses	110,148	-
Running and Maintenance Expenses		
- Vehicle	11,188	-
Bank Charges	338	56
Business Promotion Expenses	3,423	-
Auditor's Remuneration		
- as auditor	112,360	112,360
- for other Services	-	11,236
Miscellaneous Expenses	21	5
Total - Administrative and Other Expenses	668,606	148,041



21. Employees Stock Options Schemes:

21.1 Stock Option Schemes of Indiabulls Power Limited. ("IPL"):

SPCL– IPSL ESOP - 2008

On January 10, 2008 the erstwhile IPSL, had established the IPSL ESOS Plan, under which, IPSL was authorised to issue upto 20,000,000 equity settled options at an exercise price of Rs. 10 per option to eligible employees. Employees covered by the plan were granted an option to purchase equity shares of IPSL subject to the requirements of vesting. A Compensation Committee constituted by the Board of Directors of IPSL administered the plan. All these options were outstanding as at April 01, 2008.

Pursuant to a Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956, duly approved by the Hon'ble High Court of Delhi at New Delhi vide its order dated September 1, 2008; IPSL was amalgamated with Sophia Power Company Limited ("SPCL"). With effect from the Appointed Date the IPSL ESOS Plan was terminated and in lieu, in terms of Clause 14 (c) of the Scheme of Amalgamation, SPCL – IPSL Employees Stock Option Plan - 2008 ("SPCL – IPSL ESOP - 2008") was established in SPCL for the outstanding, unvested options for the benefit of the erstwhile IPSL option holders, on terms and conditions not less favourable than those provided in the erstwhile IPSL ESOS Plan and taking into account the share exchange ratio i.e. one equity share of SPCL of face value Rs. 10 each for every one equity share of IPSL of face value Rs. 10 each. All the option holders under the IPSL ESOS Plan on the Effective Date were granted options under the SPCL – IPSL ESOP - 2008 in lieu of their cancelled options under the IPSL ESOS Plan. The SPCL – IPSL ESOP - 2008 was treated as a continuation of the IPSL ESOS Plan and all such options were treated outstanding from their respective date of grant under the IPSL ESOS Plan. Accordingly, no compensation expense was recognised. No adjustment is required in respect of the number and exercise price of options as the share exchange ratio is one equity share of face value Rs. 10 each of SPCL for every one equity share of face value Rs. 10 each of IPSL. These options vest uniformly over a period of 10 years commencing one year after the date of grant. The Company follows the Intrinsic Value method of accounting as prescribed in the Guidance Note on Accounting for Employees Share Based Payments ("Guidance Note"), issued by the Institute of Chartered Accountants of India.

On September 01, 2012, 2,000,000 options were granted at an exercise price of Rs 10 per option and during the year ended March 31, 2014, 5,94,000 (Previous Year 36,00,000) ESOPs were surrendered by the eligible employees under the SPCL – IPSL ESOP - 2008 Scheme.

IPL ESOS 2009

During the financial year ended March 31, 2010, IPL had established the Indiabulls Power Limited. Employees' Stock Option Scheme 2009 ("IPL ESOS 2009"). IPL had issued 20,000,000 equity settled options at an exercise price of Rs. 14 per option under the IPL ESOS 2009 to eligible employees which gave them the right to subscribe to stock options representing an equal number of equity shares of face value Rs. 10 each of IPL. These options vest uniformly over a period of 10 years commencing one year after the date of grant. The Company follows the Intrinsic Value method of accounting as prescribed by the Guidance Note on Accounting for Employees Share Based Payments ("Guidance Note"), issued by the Institute of Chartered Accountants of India.

During the year ended March 31, 2014, 6, 60,000 (Previous Year 6, 27,000) ESOPs were surrendered under the IPL ESOS 2009 Scheme.

IPL ESOS 2011

During the Financial Year ended March 31, 2012, IPL has established the "Indiabulls Power Limited. Employee Stock Option Scheme -2011 ("IPL ESOS -2011"): IPL had issued 50,000,000 equity settled options at an exercise price equivalent to the fair market value of the equity shares of the company on the date of grant of option under the IPL ESOS -2011 to the eligible employees of the Company which gave them the right to subscribe an equal number of equity shares of face value of Rs 10 each of IPL. These options vest uniformly over a period of 10 years commencing one year after the date of grant The Company follows the Intrinsic Value method of accounting as prescribed by the Guidance Note on Accounting for Employees Share Based Payments ("Guidance Note"), issued by the Institute of Chartered Accountants of India.



Notes (Cont...)

During the year ended March 31, 2014, 6, 16,000 (Previous Year 1, 02,000) ESOPs were surrendered under the IPL ESOS 2011 Scheme.

21.2 Indiabulls Employees' Welfare Trust:

Since the ESOP schemes of the Company are aligned with SEBI (Employee Stock Option and Stock Purchase Scheme) Guidelines 1999 (SEBI ESOP Guideline), and since in terms of a clarification to initial circular no. CIR/CFD/DIL/3/2013 dated January 17, 2013 (SEBI Circular), SEBI vide Circular no. CIR/CFD/DIL/7/2013 dated May 13, 2013 and Circular no. CIR/CFD/POLICYCELL/14/2013 dated November 29, 2013, it has been clarified that in respect of those companies whose ESOP Schemes are aligned with SEBI ESOP Guidelines, the shares acquired by an employee welfare trust, set up to manage and administer such ESOP schemes, prior to January 17, 2013, need not be disposed off. Such shares may be used for transfer to the employees, against the exercise of stock options by them from time to time. Accordingly the shareholding of the Indiabulls Employee Welfare Trust in the Company being, 3,76,17,037 shares, are not required to be disposed off and shall be utilized for transfer to the option grantees against stock options to be exercised by them, from time to time.

22. Disclosures in respect of Accounting Standard – 18, Related Party Disclosures, as notified under the Companies (Accounting Standards) Rules, 2006, as amended:

Nature of relationship

- I. **Ultimate Holding Company**
- II. **Holding Company**
- III. **Fellow Subsidiary Company**
- IV. **Key Management Personnel**

Related parties

Indiabulls Infrastructure and Power Limited
Upto June 20, 2012
Indiabulls Power Limited.
Poena Power Development Limited

Name	Designation
Sameer Gehlaut	Director and Chairman of Holding Company
Rajiv Rattan	Whole time director and Vice Chairman of Holding Company
Saurabh Kumar Mittal	Director and Vice Chairman of the Holding Company
Ajit Kumar Panda	Manager of the Holding Company
Vishna Chandra Vishwakarma	Whole Time Director of Holding company (w.e.f. 14.02.2014)
Ranjit Gupta	Chief Executive Officer of Holding Company (upto October 19, 2012)
Reena Kori	Whole time director of the Company
Rajesh Kumar	Whole Time Director of the company (w.e.f. 05.11.2013)

V. Summary of Significant Transactions with Related Parties for the year ended March 31, 2014 and March 31, 2013 :

Nature of Transactions	Year	Holding Company	Fellow Subsidiary Company*	Amount in Rupees
				Total
Finance				
Loan Taken/ Inter Corporate Deposit Received*	31-Mar-14	203,950,000	-	203,950,000
	31-Mar-13	-	-	-
Liabilities				
Advance Received for Transmission Line	31-Mar-14	-	-	-
	31-Mar-13	748,577,000	-	748,577,000
Expenses				
Interest Paid on Advances	31-Mar-14	339,964,712	-	339,964,712
	31-Mar-13	-	-	-
Reimbursement of General expenses made	31-Mar-14	651,387	-	651,387
	31-Mar-13	1,928,421	134,288.00	2,062,709

*With whom transactions are made during the current/ previous year.



Notes (Cont...)

In accordance with AS 18, disclosures in respect of transactions with identified related parties are given only for such year during which the relationship existed. Related party relationships as given above are as identified by the Company and relied upon by the auditors.

VI. Outstanding balance as at March 31, 2014 and March 31, 2014:

Amount in Rupees			
Nature of Transactions	Year	Holding Company	Total
Advance Received for Transmission Line	March 31, 2014	-	-
	March 31, 2013	1,686,507,000	1,686,507,000
Reimbursement of General expenses Payable	March 31, 2014	-	-
	March 31, 2013	3,837,879	3,837,879

23. Contingent Liabilities and Commitments

23.1 Contingent Liabilities:

There is neither any contingent liability to be reported as at March 31, 2014 (Previous Year Rs. Nil).

23.2 Commitments:

Commitment amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 1,165,501,543 (Previous Year: Rs 813,687,141).

24. Employee Benefits :

Contributions are made to Government Provident Fund and Family Pension Fund which cover all regular employees eligible under applicable Acts. Both, the eligible employees and the company make pre-determined contributions to the Provident Fund. The contributions are normally based upon a proportion of the employee's salary.

Provision for unfunded Gratuity and Compensated absences payable to eligible employees on retirement/separation is based upon an actuarial valuation as at the period ended March 31, 2013. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. After the issuance of the Accounting Standard (AS) 15 (Revised) on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit Method'. Gains and Losses on changes in actuarial assumptions are accounted for in the Profit and Loss Account/ Expenditure During Construction Pending Capitalisation.

Disclosures as per Accounting Standard (AS) 15- Employee Benefits, as notified under the Companies (Accounting Standards) Rules, 2006, as amended in respect of Gratuity, Compensated Absences and Superannuation Benefits for the period ended March 31, 2014:

(Amount in Rupees)				
Particulars	Gratuity		Compensated Absences	
	(Unfunded)		(Unfunded)	
	As at 31-Mar-14	As at 31-Mar-13	As at 31-Mar-14	As at 31-Mar-13
Reconciliation of liability recognised in the Balance Sheet:				
Present Value of commitments (as per Actuarial valuation)	351,111	613,292	291,015	345,292
Fair value of plan assets	N.A.	N.A.	N.A.	N.A.
Net liability in the Balance Sheet (as per Actuarial valuation)	351,111	613,292	291,015	345,292
Movement in net liability recognised in the Balance Sheet:				
Net liability as at the beginning of the year	613,292	380,590	345,292	247,248



Notes (Cont...)

Particulars	Gratuity		Compensated Absences	
	(Unfunded)		(Unfunded)	
	As at 31-Mar-14	As at 31-Mar-13	As at 31-Mar-14	As at 31-Mar-13
Net amount recognised as expenses in the Statement of profit and loss / in Expenditure During Construction Pending Capitalisation	55,332	232,702	(35,091)	98,044
Benefits Paid	(317,513)		(19,186)	0
Contribution during the year				
Amount Transferred to Subsidiary Company	-	-		
Contribution during the year	N.A.	N.A.	N.A.	N.A.
Net liability as at the end of the year	351,111	613,292	291,015	345,292
Expenses recognised in the Statement of profit and loss / in Expenditure During Construction Pending Capitalisation				
Current service cost	105,051	236,205	83,827	171,172
Past Service Cost				
Interest Cost	49,063	36,356	27,623	26,264
Expected return on plan asset	-	-	-	-
Actuarial (gains) / losses	(98,782)	(39,859)	(146,541)	(99,392)
Expenses charged / (reversal) to the Statement of profit and loss / to Expenditure During Construction Pending Capitalisation	55,332	232,702	(35,091)	98,044
Return on Plan assets:				
Expected return on Plan assets	N.A.	N.A.	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.
Actual return on plan assets	N.A.	N.A.	N.A.	N.A.
Reconciliation of defined-benefit commitments:				
Commitments as at the beginning of the year	613,292	380,590	345,292	247,248
Current service cost	105,051	236,205	83,827	171,172
Past Service Cost				
Interest cost	49,063	36,356	27,623	26,264
Paid benefits	(317,513)	0	(19,186)	0
Actuarial (gains) / losses	(98,782)	(39,859)	(146,541)	(99,392)
Amount Transferred to Subsidiary Company				
Commitments as at the end of the year	351,111	613,292	291,015	345,292
Reconciliation of Plan assets:				
Plan assets as at the beginning of the year	N.A.	N.A.	N.A.	N.A.
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.



Notes (Cont...)

Particulars	Gratuity		Compensated Absences	
	(Unfunded)		(Unfunded)	
	As at 31-Mar-14	As at 31-Mar-13	As at 31-Mar-14	As at 31-Mar-13
Contributions during the year	N.A.	N.A.	N.A.	N.A.
Paid benefits	N.A.	N.A.	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.
Plan assets as at the end of the year	N.A.	N.A.	N.A.	N.A.
Experience adjustment:				
On plan liabilities	73,622	41,121	125,257	100,376
On plan assets	-	-	-	-
Present value of benefit obligation	351,111	613,292	291,015	345,292
Fair value of plan assets	-	-	-	-
Excess of (obligation over plan assets) / plan assets over obligation	(351,111)	(613,292)	(291,015)	(345,292)

The actuarial valuation in respect of commitments and expenses relating to unfunded Gratuity, Compensated absences and Superannuation benefits (Pension and Medical Coverage upto March 31, 2014) are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses.

a) Economic Assumptions

	2013-14	2012-13
Discount rate	8.50%	8.00%
Expected return on plan assets	--	--
Expected rate of salary increase	5.00%	5.00%

b) Demographic Assumptions

	2013-14	2012-13
Retirement Age	60 Years	60 Years
Mortality Table	LIC (2006-08)	LIC (1994-96)
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
- Upto 30 Years	3.00	3.00
- From 31 to 44 Years	2.00	2.00
- Above 44 Years	1.00	1.00

The employer's best estimate of contributions expected to be paid during the annual period beginning after the balance sheet date, towards Gratuity and Compensated Absences is Rs. 172,037 and Rs. 82,963 respectively

25. Earnings per Share:

Basic earnings per share are computed by dividing the net profit/ (loss) attributable to equity shareholders for the period/ year, by the weighted average number of equity shares outstanding during the period/ year. Diluted earnings per share is computed using the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.



Notes (Cont...)

Dilutive potential equity shares are considered as converted to equity shares at the beginning of the period/year, unless they have been issued during the year. The number of equity shares and potential diluted equity shares are adjusted for stock split, bonus shares, share warrants and the potential dilutive effect of Employee Stock Options Plan as appropriate.

Particulars	Amount in Rupees except number of Shares	
	For the year ended March 31, 2014	For the year ended March 31, 2013
Profit After Tax	2,538,420	471,683
Weighted average number of Shares used in computing Basic earnings per share	326,150	50,000
Weighted average number of Shares used in computing Diluted earnings per share	326,150	50,000
Nominal Value per Equity Share	10	10
Basic earnings per Share	7.78	9.43
Diluted earnings per Share	7.78	9.43

26. Value of Imports of Capital Goods calculated on CIF Basis for the year ended March 31, 2014 is Nil (Previous Year Rs 50,447,565)
27. As per the best estimate of the management, no provision is required to be made as per Accounting Standard – 29, Provisions, Contingent Liabilities and Contingent Assets, as notified under the Companies (Accounting Standards) Rules, 2006, as amended, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.
28. In respect of amounts as mentioned under Section 205C of the Companies Act, 1956, there were no dues required to be credited to the Investor Education and Protection Fund as at March 31, 2014.
29. In the opinion of the Board of Directors, all current assets, loans and advances appearing in the Balance Sheet as at March 31, 2014 have a value on realization in the ordinary course of the Company's business at least equal to the amount at which they are stated in the Balance Sheet.
30. Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 :
- There is no payment due to suppliers as at the end of the accounting year on account of Principal and Interest.
 - No interest was paid during the year in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and no amount was paid to the supplier beyond the appointed date.
 - No interest is payable at the end of the year other than interest under Micro, Small and Medium Enterprises Development Act, 2006.
 - No amount of interest was accrued and unpaid at the end of the accounting year.

The above information and that given in Note 15 - "Other Current Liabilities" regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

31. Considering the nature of Company's business and operations and based on the information available with the management, there is/ are no reportable segments (business and/ or geographical) in accordance with the requirements of Accounting Standard 17 – 'Segment Reporting'. Hence, no further disclosures are required in respect of reportable segments, under Accounting Standard 17, other than those already provided in the financial statements.
32. The Company has not entered into any derivative instruments during the year. The company does not have any foreign currency exposure that has not been hedged as at March 31, 2014: (Previous Year: Rs. Nil).



Notes (Cont...)

33. Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

As per our report of even date

For Sharma Goel & Co. LLP
Chartered Accountants
FRN: 000643N

For and on behalf of the Board


Rajesh Mittal
Partner
Membership No. 095681



Rajesh Kumar
Whole Time Director



Reena Kori
Whole Time Director

Place: New Delhi
Date: April 23, 2014

Place: New Delhi
Date: April 23, 2014