

Independent Auditor's Report to the members of Marut Shakti Energy India Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Marut Shakti Energy India Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.



Independent Auditor's Report to the members of Marut Shakti Energy India Limited on the Financial Statements for the year ended 31st March 2015 (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31st March, 2015 and its profit and cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the said Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) 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.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



Independent Auditor's Report to the members of Marut Shakti Energy India Limited on the Financial Statements for the year ended 31st March 2015 (continued)

- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

S S Agrawal
Partner
Membership No. 049051

Place: Noida
Date: 14th May, 2015



Annexure to Independent Auditor's Report to the members of Marut Shakti Energy India Limited on the financial statements for the year ended 31st March 2015 – referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

In term of the Companies (Auditors Report) Order, 2015 ("the Order"), on the basis of information and explanation given to us and the books and records examined by us in the normal course of audit and such checks as we considered appropriate, to the best of our knowledge and belief, we state as under:

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such verification.
2. In view of nature of the inventories viz. project development, the provisions of clause 3(ii) of the Order are considered as not applicable to the Company.
3. The Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In our opinion, there are generally adequate internal control procedures commensurate with the size of the Company and nature of its business for purchase of fixed assets and for the sale of services. During the course of our audit, no major weakness has been noticed in the internal control systems in respect of these areas. During the year, the Company did not have transactions in respect of purchase of inventory and sale of goods.
5. The Company has not accepted any deposits within the meaning of section 73 to 76 of the Companies Act, 2013 and the Rules framed thereunder and hence the provisions of clause 3(v) of the Order are not applicable to the Company.
6. The Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 for the activities of the Company.
7. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income-tax, service tax and other material statutory dues applicable to it. No payments were due in respect of provident fund, employee's state insurance, sales tax, wealth tax, duty of customs, duty of excise, value added tax and cess. There are no undisputed amounts payable in respect of such statutory dues which were in arrears as at 31st March 2015 for a period of more than six months from the date they become payable.

There are no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess, which have not been deposited on account of disputes.


There are no dues in respect of Investor Education & Protection Fund.

8. The accumulated losses of the Company at the end of the financial year are not more than fifty per cent of its net worth. The Company has not incurred cash losses during the current year and the Company had incurred cash losses in the immediately preceding financial year.



9. The Company does not have any borrowings from financial institutions or bank or by way of debentures and hence the provisions of clause 3(ix) of the Order are not applicable to the Company.
10. The Company has not given any guarantee for loans taken by others from banks and financial institutions.
11. The Company has not availed any term loans during the year.
12. No fraud on or by the Company has been noticed or reported during the course of our audit.

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


S S Agrawal
Partner
Membership No. 049051



Place: Noida
Date: 14th May, 2015


MARUT SHAKTI ENERGY INDIA LIMITED
Balance Sheet as at 31st March 2015

		(Rs. in Lakh)	
	Note No.	As at 31-Mar-2015	As at 31-Mar-2014
I. Equity & Liabilities			
1. Shareholders' Funds			
(a) Share capital	4	61.11	61.11
(b) Reserves and surplus	5	(5.57)	(35.63)
		<u>55.54</u>	<u>25.48</u>
2. Non-current Liabilities			
(a) Deferred tax liabilities	6	0.55	-
3. Current Liabilities			
(a) Short-term borrowings	7	855.00	668.00
(b) Trade payables	8	79.50	0.56
(c) Other current liabilities	9	47.81	197.44
		<u>982.31</u>	<u>866.00</u>
Total		<u>1,038.40</u>	<u>891.48</u>
II. Assets			
1. Non-Current Assets			
(a) Fixed assets			
Tangible assets	10	107.53	43.42
(b) Long term loans and advances	11	19.59	25.12
(c) Other non-current assets	12	100.22	84.90
		<u>227.34</u>	<u>153.44</u>
2. Current Assets			
(a) Inventories	13	714.06	717.51
(b) Trade receivables	14	54.00	-
(c) Cash and bank balances	15	33.58	12.69
(d) Short-term loans and advances	16	9.42	7.84
		<u>811.06</u>	<u>738.04</u>
Total		<u>1,038.40</u>	<u>891.48</u>

The accompanying notes are an integral part of the financial statements

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

For Marut Shakti Energy India Ltd.


(S S Agrawal)
Partner


Director


Director

Place: Noida
Date: 14th May, 2015



Place: Noida
Date: 14th May, 2015

MARUT SHAKTI ENERGY INDIA LIMITED
Statement of Profit and Loss for the year ended 31st March 2015

		(Rs. in Lakh)	
	Note	Year ended	Year ended
	No.	31-Mar-2015	31-Mar-2014
A. CONTINUING OPERATIONS			
Revenue			
Revenue from operations	17	392.23	-
Other income	18	7.82	7.35
Total revenue		400.05	7.35
Expenses			
Project development expenses	19	277.54	692.60
Changes in work-in-progress	20	3.45	(717.51)
Employee benefits expense	21	-	0.54
Finance costs	22	67.18	33.68
Depreciation expense	10 / 25	0.86	0.12
Other expenses	23	6.61	3.64
Total expenses		355.64	13.07
Profit/ (Loss) before prior-period items and tax		44.41	(5.72)
Add: Prior period item	26	-	32.30
Profit/ (Loss) before tax		44.41	(38.02)
Tax Expense			
- Current tax		13.80	-
- Deferred tax charge		0.55	-
		14.35	-
Profit/ (Loss) for the year from continuing operations		30.06	(38.02)
B. DISCONTINUING OPERATIONS			
Profit before tax from ordinary activities	24	-	1.19
Loss on disposal of fixed assets		-	(21.07)
Loss before tax from discontinuing operations		-	(19.88)
Tax Expense			
- Tax on disposal of fixed assets - current tax		-	17.59
- Taxation pertaining to earlier year - MAT credit entitlement recognized		-	(14.47)
		-	3.12
Loss for the year from discontinuing operations		-	(23.00)
C. TOTAL OPERATIONS			
Profit/(Loss) for the year		30.06	(61.02)
Basic and diluted earnings/(loss) per equity share of Rs. 10 each (Rs.)			
- from continuing operations	31	4.92	(6.22)
- from total operations		4.92	(9.99)

The accompanying notes are an integral part of the financial statements

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


(S S Agrawal)
Partner

Place: Noida
Date: 14th May, 2015



For Marut Shakti Energy India Ltd.


Director


Director

Place: Noida
Date: 14th May, 2015

MARUT SHAKTI ENERGY INDIA LIMITED
Cash Flow Statement for the year ended 31st March 2015

	(Rs. in Lakh)	
	Year ended 31-Mar-2015	Year ended 31-Mar-2014
A Cash flow from operating activities		
Net profit/ (loss) before tax from continuing operations	44.41	(38.02)
Net loss before tax from discontinuing operations	-	(19.89)
	<u>44.41</u>	<u>(57.91)</u>
Adjustments for :		
Depreciation - continuing operations	0.86	0.12
Depreciation - discontinuing operations	-	1.93
Interest income	(7.71)	(7.34)
Loss on sale of fixed assets	-	21.07
Finance cost	67.18	33.67
	<u>104.74</u>	<u>(8.46)</u>
Operating profit/(loss) before working capital changes		
Adjustments for :		
Trade payables	78.94	(2.81)
Other current liabilities	(121.72)	164.39
Long term loans and advances	(0.50)	(1.13)
Inventories	3.45	(705.56)
Trade receivables	(54.00)	34.60
Short term loans and advances	(1.58)	(5.18)
	<u>9.33</u>	<u>(524.15)</u>
Cash generated from / (used in) operations		
Income-tax paid	(8.37)	(28.43)
	<u>0.96</u>	<u>(552.58)</u>
Net cash generated from / (used in) operating activities		
B Cash flow from investing activities		
Purchase of fixed assets	(64.97)	(12.83)
Sale of fixed assets	-	68.70
Changes in margin money deposits with bank	(15.32)	(84.90)
Interest received	7.71	7.34
	<u>(72.58)</u>	<u>(21.69)</u>
Net cash used in investing activities		
C Cash flow from financing activities		
Inter-corporate Deposit received	617.90	668.00
Inter-corporate Deposit and loan from directors repaid	(430.90)	(102.75)
Finance cost	(94.49)	(11.73)
	<u>92.51</u>	<u>553.52</u>
Net cash generated from financing activities		
Net increase/(decrease) in cash and cash equivalents	20.89	(20.75)
Cash and cash equivalents at the beginning of the year	12.69	33.44
Cash and cash equivalents at the end of the year	<u>33.58</u>	<u>12.69</u>

Components of cash and cash equivalents are as per note no. 15.

The accompanying notes are an integral part of the financial statements

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

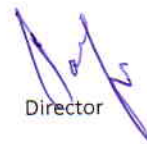
For Marut Shakti Energy India Ltd.



(S S Agrawal)
Partner



Director



Director

Place: Noida
Date: 14th May 2015



Place: Noida
Date: 14th May 2015

MARUT SHAKTI ENERGY INDIA LIMITED

Notes to the financial statements for the year ended 31st March 2015

1. Corporate Information

Marut Shakti Energy India Limited (the "Company") is a closely held public company engaged in the business of development of Wind Farm sites (also refer to Note no. 24 regarding discontinuation of operations). The Company is a wholly owned subsidiary of Inox Wind Infrastructure Services Limited w.e.f. 13th September 2013. The area of operations of the Company is within India.

2. Basis of Preparation:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, under the historical cost convention and on accrual basis. These financial statements comply in all material respects with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Figures of previous year have been regrouped/reclassified wherever necessary, to confirm with the classification of the current year.

3. Significant Accounting Policies

a) Revenue Recognition:

In respect of project development

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

Sale of power

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

Other Income

Interest income is recognized on time proportion basis.

b) Fixed Assets:

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



MARUT SHAKTI ENERGY INDIA LIMITED

Notes to the financial statements for the year ended 31st March 2015

3. Significant Accounting Policies - continued

c) Depreciation:

Consequent to Schedule II of the Companies Act, 2013 becoming effective from 1st April 2014, the depreciation is provided as under:

Depreciation on fixed assets, excluding freehold land, is provided on straight line method at the rates determined as per the useful lives prescribed in Schedule II to the Companies Act, 2013.

Upto 31st March 2014, depreciation was provided as under:

Depreciation on fixed assets, excluding freehold land, was provided on straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. Fixed assets costing upto Rs. 5,000 each were fully depreciated in the year of acquisition.

d) Impairment of assets:

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

e) Inventories:

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

f) Borrowing Cost:

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



MARUT SHAKTI ENERGY INDIA LIMITED

Notes to the financial statements for the year ended 31st March 2015

3. Significant Accounting Policies - continued

g) Taxes on income:

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

h) Provisions & Contingent Liabilities:

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

i) Use of estimates:

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



MARUT SHAKTI ENERGY INDIA LIMITED

Notes to financial statements for the year ended 31st March 2015

(Rs. in Lakh)

4: Share capital

Authorized share capital

1,00,00,000 equity shares of Rs. 10/- each

	As at 31-Mar-2015	As at 31-Mar-2014
	1,000.00	1,000.00
Issued, subscribed and fully paid up capital		
6,11,070 equity shares of Rs. 10/- each	61.11	61.11
	61.11	61.11

a) Terms/rights attached to equity shares

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

b) Shares held by holding company

	As at 31-Mar-2015		As at 31-Mar-2014	
	No. of shares	Amount	No. of shares	Amount
Inox Wind Infrastructure Services Limited	611,070	61.11	611,070	61.11

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

	As at 31-Mar-2015		As at 31-Mar-2014	
	No. of shares	holding %	No. of shares	holding %
Inox Wind Infrastructure Services Limited	611,070	100%	611,070	100%



MARUT SHAKTI ENERGY INDIA LIMITED

Notes to financial statements for the year ended 31st March 2015

	(Rs. in Lakh)	
	As at 31-Mar-2015	As at 31-Mar-2014
5: Reserves and surplus		
General Reserve		
As per last balance sheet	4.65	4.65
Deficit in the Statement of Profit and Loss		
(Deficit)/Surplus as per last balance sheet	(40.28)	20.74
Profit/(Loss) for the year	30.06	(61.02)
Deficit as at the end of the year	<u>(10.22)</u>	<u>(40.28)</u>
	<u>(5.57)</u>	<u>(35.63)</u>
6: Deferred tax liabilities		
On account of timing difference for depreciation	0.55	-
	<u>0.55</u>	<u>-</u>
7: Short-term borrowings		
Loans and advances from related party - unsecured (see note no. 29)		
Inter-corporate deposit from holding company	855.00	668.00
	<u>855.00</u>	<u>668.00</u>
Inter-corporate deposit is repayable on demand and carries interest @ 10% p.a.		
8: Trade payables		
Dues to Micro, Small and Medium Enterprises	-	-
Others	79.50	0.56
	<u>79.50</u>	<u>0.56</u>
Note : There is no amount due to "Micro or Small Enterprises" under Micro, Small and Medium Enterprises Act, 2006. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of the information available with the Company. Further no interest is paid / payable in terms of section 16 of the said Act.		
9: Other current liabilities		
Interest accrued and due on borrowings	-	27.91
Dues to related parties (see note no. 29)	-	-
· amount refundable on cancellation of orders	-	83.87
· other dues	3.95	84.08
Statutory dues & taxes payable	43.86	1.58
	<u>47.81</u>	<u>197.44</u>



MARUT SHAKTI ENERGY INDIA LIMITED
Notes to financial statements for the year ended 31st March 2015

10 : Fixed Assets

Particulars	Gross block				Depreciation			Net block	
	As at 1-Apr-2014	Additions	Deduction(*)	As at 31-Mar-2015	As at 1-Apr-2014	For the year	Deduction(*)	As at 31-Mar-2015	As at 31-Mar-2014
Tangible assets									
Freehold Land	30.71	64.97	-	95.68	-	-	-	95.68	30.71
Plant and equipments	12.83	-	-	12.83	0.12	0.86	-	11.85	12.71
Total	43.54	64.97	-	108.51	0.12	0.86	-	107.53	43.42
Previous Year	143.41	12.83	112.70	43.54	20.99	2.05	22.93		0.12

(*) Deductions during the year ended 31st March 2014 are in respect of sale of fixed assets on discontinuation of operations (see note no. 24)



MARUT SHAKTI ENERGY INDIA LIMITED

Notes to financial statements for the year ended 31st March 2015

	(Rs. in Lakh)	
	As at 31-Mar-2015	As at 31-Mar-2014
11: Long term loans and advances (unsecured, considered good)		
Income tax (net of provision)	17.96	23.99
Prepaid expenses	1.63	1.13
	<u>19.59</u>	<u>25.12</u>
12: Other non-current assets		
Non-current bank balances (from note no 15)	100.15	84.90
Interest accrued	0.07	-
	<u>100.22</u>	<u>84.90</u>
13: Inventories (for basis of valuation please refer note no. 3(e))		
Project development work-in-progress	714.06	717.51
	<u>714.06</u>	<u>717.51</u>
14: Trade receivables (unsecured, considered good)		
Outstanding for a period exceeding 6 months from the date they are due for payment	-	-
Others	54.00	-
	<u>54.00</u>	<u>-</u>
15: Cash and bank balances		
Cash and Cash Equivalents		
- Balances with bank in current account	33.57	12.68
- Cash in hand	0.01	0.01
Total cash and cash equivalents	<u>33.58</u>	<u>12.69</u>
Other Bank Balances		
- Deposit account with original maturity for more than 12 months	100.15	84.90
Total cash and bank balances	<u>133.73</u>	<u>97.59</u>
Less: Amount disclosed under Note 12 - 'Other non current assets'	<u>100.15</u>	<u>84.90</u>
	<u>33.58</u>	<u>12.69</u>
Other bank balances include margin money deposits kept as security against bank guarantee as under:		
Deposit account with original maturity for more than 12 months	100.15	84.90



MARUT SHAKTI ENERGY INDIA LIMITED**Notes to financial statements for the year ended 31st March 2015**

	(Rs. in Lakh)	
	As at	As at
	<u>31-Mar-2015</u>	<u>31-Mar-2014</u>
16: Short-term loans and advances (unsecured, considered good)		
Loans & Advances to related party (see note no. 29)		
- other dues	8.68	-
Service tax paid in advance	-	6.30
Advance for expenses	-	0.80
Prepaid expenses	0.74	0.74
	<u>9.42</u>	<u>7.84</u>



MARUT SHAKTI ENERGY INDIA LIMITED**Notes to financial statements for the year ended 31st March 2015**

	(Rs. in Lakh)	
	Year ended 31-Mar-2015	Year ended 31-Mar-2014
17: Revenue from Operations		
Sale of services		
- Project development charges	392.23	-
	<u>392.23</u>	<u>-</u>
18: Other income		
Interest on bank fixed deposits	7.70	7.34
Miscellaneous Income	0.12	0.01
	<u>7.82</u>	<u>7.35</u>
19: Project development expenses		
Expenditure on survey, site identification, regulatory & other professional fees	95.32	680.65
Cost of Land	182.22	-
Amount transferred from opening capital work-in-progress (see note no. 30)	-	11.95
	<u>277.54</u>	<u>692.60</u>
20: Changes in Work-in-Progress - Project development		
Work-in-progress at the beginning of the year	717.51	-
Work-in-progress at the end of the year	714.06	717.51
(Increase)/Decrease in Work-in-progress	<u>3.45</u>	<u>(717.51)</u>
21: Employee benefits expense		
Managing Director's Remuneration	-	0.54
	<u>-</u>	<u>0.54</u>



MARUT SHAKTI ENERGY INDIA LIMITED**Notes to financial statements for the year ended 31st March 2015**

	(Rs. in Lakh)	
	Year ended 31-Mar-2015	Year ended 31-Mar-2014
22: Finance costs		
Interest on		
- Deposits from Directors	-	2.79
- Inter-corporate deposit from holding company	66.57	30.68
Interest on income-tax	0.60	0.12
Other Interest costs	0.01	0.09
	67.18	33.68
Note: Out of total finance cost, interest amount transferred to work in progress	42.33	24.90
23: Other expenses		
Rates & Taxes	-	0.03
Legal & Professional fees and expenses	3.19	0.93
Directors' Sitting Fees	2.20	0.09
Miscellaneous expenses	1.22	2.59
	6.61	3.64



MARUT SHAKTI ENERGY INDIA LIMITED

Notes to the financial statements for the year ended 31st March 2015

24. Discontinuance of operations:

The Company was operating one Wind Turbine Generator (WTG) for generation and sale of power. This WTG constituted the power generation business of the Company which is a separate segment as per AS 17, Segment Reporting. During the previous year, the WTG was sold on 25th July, 2013 and hence the same was reported as discontinued operations by the Company.

Revenue, expenses, pre-tax profit/(loss) and income tax expenses attributable to the Discontinued Operations was as under:

	(Rs. in Lakh)	
Particulars	2014-15	2013-14
Revenue		
Revenue from operations – sale of power	-	6.14
Total Revenue	-	6.14
Expenses		
Depreciation expenses	-	1.93
Other expenses	-	3.02
Total Expenses	-	4.95
Profit before tax from ordinary activities of discontinued operations	-	1.19
Less: Tax on ordinary activities of discontinued operations	-	-
Profit before tax from ordinary activities of discontinued operations (a)	-	1.19
Loss on disposal of fixed assets, before tax	-	(21.07)
Less: Tax Expense on disposal of fixed asset		
- Current tax	-	17.59
- Taxation pertaining to earlier year - MAT Credit entitlement recognized	-	(14.47)
Total tax expenses	-	3.12
Loss on disposal of fixed assets, after tax (b)	-	(24.19)
Total (Loss)/Profit for the year from discontinuing operations (a) + (b)	-	(23.00)

Cash flow attributable to discontinued operations-

Net cash flow attributable to discontinued business-	2014-15	2013-14
Cash flow from operating activities	-	14.39
Cash flow from investing activities	-	68.70
Cash flow from financing activities	-	-



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Notes to the financial statements for the year ended 31st March 2015

The Company was entitled to credit for Minimum Alternate Tax (MAT) paid on book profits in earlier years. However, in view of absence of convincing evidence that the Company will pay normal tax within the period specified for utilization of such credit, the same was not recognized till 2012-2013. During the previous year, the entire available credit of Rs. 14.47 Lakh was utilized by the Company and hence the same was recognized during the previous year.

25. Change in the estimate of useful life of fixed assets

Company has adopted the useful lives of various fixed assets as specified in Schedule II of the Companies Act, 2013, with effect from April 1, 2014, as against the useful lives adopted earlier as per Schedule XIV to the Companies Act, 1956. Further, the carrying amount of fixed assets as at 1st April 2014 is being depreciated over the revised remaining useful life of the assets. Consequently, depreciation charge for the year is higher by Rs. 0.25 Lakh.

26. Prior Period Item

During the year ended 31st March 2013, the Company had received an advance of Rs. 32.30 Lakh towards agreement to provide services. This amount was recognized as income during the year ended 31st March 2013. Since the amount was received as an advance and Company had not performed/delivered the services, the same was reversed during the year 2013-14 and was shown as prior period item.

27. Particulars of payment to Auditors :

Particulars	(Rs. in Lakh)	
	2014-15	2013-14
Statutory Audit	0.60	0.50
Audit under Income-tax Act	0.50	-
Taxation matters	0.40	-
Other services	0.10	-
Total	1.60	0.50

Note: the above amounts are exclusive of service tax.

28. The Company operates in a single business segment viz. development of Wind Farm sites. Further, all the activities of the company are in India and hence there is a single geographical segment. The Company was also engaged in the power generation business which is reported as discontinued operations consequent to sale of the WTG (refer to note no. 24)

29. Related Party Disclosure:

(i) Where Control Exists :

Inox Wind Infrastructure Services Limited – the holding company (w.e.f. 13/09/2013)
Inox Wind Limited – holding company of Inox Wind Infrastructure Services Limited
Gujarat Fluorochemicals Limited – holding company of Inox Wind Limited
Inox Leasing & Finance Limited – the ultimate holding company



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Notes to the financial statements for the year ended 31st March 2015

29. Related Party Disclosure – continued

(ii) Other related parties with whom there are transactions during the year

Key Management Personnel (KMP): Mr. Rajan Deb - Managing Director (upto 12th September 2013)

Relative of KMP: Mr. M K Deb - Father of Mr. Rajan Deb (upto 12th September 2013)

Enterprise over which KMP has significant influence: Consolidated Energy Consultants Limited (upto 12th September 2013)

Fellow subsidiary: Inox Renewables Limited (w.e.f. 13th September 2013)

(iii) Particulars of transactions

(Rs.in Lakh)

A) Transactions during the year	2014-15	2013-14
a) Sale of services		
Inox Wind Infrastructure Services Limited	16.02	--
b) Remuneration paid		
Mr. Rajan Deb	--	0.54
c) Interest paid		
Inox Wind Infrastructure Services Limited	66.57	30.68
Mr. Rajan Deb	--	1.32
Mr. M K Deb	--	1.46
Total	66.57	33.46
d) Sale of fixed assets		
Consolidated Energy Consultants Limited	--	70.00
e) Fees paid for site identification, survey etc.		
Consolidated Energy Consultants Limited	--	568.00
f) Inter-corporate deposits taken		
Inox Wind Infrastructure Services Limited	617.90	668.00
g) Inter-corporate deposits refunded		
Inox Wind Infrastructure Services Limited	430.90	--
h) Reimbursement of expenses received / payments made on behalf by the Company		



MARUT SHAKTI ENERGY INDIA LIMITED

Notes to the financial statements for the year ended 31st March 2015

Inox Wind Infrastructure Services Limited	42.36	36.57
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29. Related Party Disclosure – continued

(Rs. in Lakh)

A) Transactions during the year continued	2014-15	2013-14
i) Reimbursement of expenses paid / payments made on behalf of Company		
Inox Wind Limited	10.65	64.78
Inox Wind Infrastructure Services Limited	16.11	18.51
Inox Renewables Limited	--	0.78
Total	26.76	84.07

Note: The above amounts are exclusive of taxes, wherever applicable.

(Rs. in Lakh)

B) Outstanding balance as at the end of the year	31 st Mar 2015	31 st Mar 2014
Amounts payable		
Inter Corporate Deposit		
- Inox Wind Infrastructure Services Limited	855.00	668.00
Interest payable		
- Inox Wind Infrastructure Services Limited	--	27.91
Payable on account of cancellation of order		
- Inox Wind Infrastructure Services Limited	--	83.87
Other dues payables		
- Inox Wind Infrastructure Services Limited	--	18.51
- Inox Wind Limited	3.95	64.79
- Inox Renewables Limited	--	0.78
Total	3.95	84.08
Amounts receivable		
Trade receivable		
- Inox Wind Infrastructure Services Limited	18.00	--
Other dues		
- Inox Wind Infrastructure Services Limited	8.68	--

30. The Company has transferred an amount of Rs. 11.95 Lakh during the year 2013-14 from Capital work-in-progress to inventories, since these expenses were towards project development and common infrastructure at project site, which will be sold to the



MARUT SHAKTI ENERGY INDIA LIMITED

Notes to the financial statements for the year ended 31st March 2015

prospective customers.

31. Calculation of Earnings Per Share (EPS):

Particulars	(Rs. in Lakh)	
	2014-15	2013-14
Continuing operations		
Profit/(Loss) after tax as per Statement of Profit and Loss—numerator for calculating basic EPS (Rs)	30.06	(38.02)
Equity shares outstanding at the beginning and at the end of the year (nos.)	611,070	611,070
Basic/Diluted earnings/(loss) per share – nominal value Rs. 10/- per share (Rs.)	4.92	(6.22)
Total operations		
Profit/(Loss) after tax as per Statement of Profit and Loss—numerator for calculating basic EPS (Rs)	30.06	(61.02)
Equity shares outstanding at the beginning and at the end of the year (nos.)	611,070	611,070
Basic/Diluted earnings/(loss) per share – nominal value Rs. 10/- per share (Rs.)	4.92	(9.99)

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

For Marut Shakti Energy India Limited



S S Agrawal
Partner



Director



Director

Place: Noida
Date: 14th May 2015



Place: Noida
Date: 14th May 2015